

3 December 2009

## **Herencia Resources plc**

(“Herencia” or the “Company”)

### **Project Update - Paguanta Project (Chile)**

Herencia Resources Plc (AIM: HER), the development and exploration company with a primary focus on developing its Paguanta zinc-silver-lead-gold Project in northern Chile, is please to provide an update on Project status:

- As foreshadowed in our Project Update released to the market on 6 October 2009, the resources consulting firm Runge Limited (“Runge”) have completed the design of the next drilling program proposed for Paguanta. The program will consist of up to 15 diamond drill holes ranging in depth from 150m to 425m, for a total drill meterage of approximately 3,500m. The holes will target potential extensions to the mineralisation immediately along strike (east and west) and down dip of the holes that returned high grade assay results in 2008.
- With the successful raising of GBP£1.37 million as announced on 19 October 2009, the Company has proceeded to issue requests for formal (costed) proposals from a number of reputable drilling contractors, currently operating in Chile. Two of the drilling contractors approached have successfully completed drilling programs at Paguanta on previous occasions. It is anticipated that the Company will receive these proposals by mid-December.
- The Company is well advanced with the recruitment of the site team that will oversee the proposed drilling program. The core field team, that have supported all previous drill programs to date at Paguanta, is still in place. The Company is advancing the appointment of two experienced Geologists to oversee the program.
- Subject to availability, it is intended to mobilise a diamond drill rig to site in late January 2010, to allow drilling to commence in early February. Subject to this timetable being met, first sample assay results could be available in late-March/early-April 2010.

Commenting on the update, Managing Director Michael Bohm stated:

*“We were fortunate to be able to keep the Paguanta project site on 'care and maintenance' during 2009 and hence re-establishment of the site for the drill program will be relatively efficient. Our field team have previously completed three successful drill programs at Paguanta.*

*Our goal is to have the actual drilling component completed in May 2010, with all assay results back and the Mineral Resource Estimate updated by mid-year.*

*Subject to the drilling results extending the previously identified high grade zones, we would be looking to potentially commence a Feasibility Study phase during the second half of 2010.”*

#### **ENQUIRIES:**

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