

4 July 2011

Herencia Resources plc

("Herencia" or the "Company")

Update on Project Activity

Herencia is pleased to provide an update in relation to its Paguanta Project (Herencia 70% owner) and the Guamanga Project (Herencia earning 51%), located in northern Chile.

- Patricia (Paguanta):
 - As of 28 June 2011, 7,737m of drilling had been successfully completed at Paguanta.
 - In light of the significant assay results recently reported from PTDD073 in the area of the 'New' vein (announced on 14 June 2011), project management is reviewing both the area around PTDD073 and also the eastern end of Patricia where previous drilling (in 2007) had intersected high-grade silver mineralisation (PTRC021: 4m at 5.7% zinc, 3.1% lead and 670g/t silver from 50m depth and PTRC022: 7m at 104g/t silver from 12m depth including 1m at 437g/t silver).
 - Exploration holes PTDD059 and PTDD060 designed to test 'Bill's' vein returned the following results:
 - PTDD059 - 1.98 metres at 0.6% zinc, 0.2% lead and 23g/t silver from 113 metres
 - PTDD060 - 1.00 metre at 0.8% zinc, 0.9% lead and 107g/t silver from 98.5 metresBoth holes have confirmed the north-south trending vein contains zinc, lead and silver mineralisation.
 - Four of seven large PQ diameter metallurgical drill holes have been completed.
 - Two of six geotechnical holes targeting the underground mining areas have now been drilled.
 - Tailing Storage Facility - a preliminary study has been completed and will be incorporated into the process plant circuit design.
 - Baseline environmental studies are ongoing. Two air monitoring stations have been purchased and are scheduled for installation during July. The first campaign to measure baseline water quality has been completed.
- La Rosa (Paguanta):
 - Assay results from five holes drilled at the La Rosa porphyry target have been received. Two of the five holes returned anomalous copper and gold mineralisation:
 - LRDD006 - 1.25 metres at 0.36% copper and 21g/t silver from 109.75 metres
 - LRDD006 - 1.00 metre at 0.64% copper from 125 metres
 - LRDD004 - 2.00 metres at 0.16g/t gold from 129 metresThese results are seen as positive indicators from an exploration perspective and indicate the need for further work at La Rosa.
 - Interpretation of the core is ongoing and additional geological mapping has commenced to target a deeper hole at La Rosa, scheduled for fourth quarter 2011.
- Guamanga Project:
 - Field work on the Guamanga Project is scheduled to commence on site in July 2011.
 - An eight week surface mapping and sampling program will be the precursor to undertaking a geophysical survey, likely during the third quarter 2011, with the aim of commencing a diamond drill program at Guamanga in the fourth quarter 2011.

- General:
 - A new Geologist and a Mining Engineer joined the team during the month of June and commenced duties on site and in Santiago respectively.

Herencia's Managing Director Michael Bohm commented "We continue to maintain momentum on a number of fronts on our Projects in Chile. We are particularly encouraged by the opportunity that the 'New' vein presents for Patricia given the excellent width of mineralisation and high grade assay results achieved in PTDD073 (as announced earlier this month).

On the exploration front the recent results are seen as encouraging. The secrets of La Rosa and Doris will not be unlocked overnight and we will continue our geological investigations there during the second half of 2011.

With respect to our new Guamanga Project, we are excited about the commencement of fieldwork and particularly the prospect of drilling this shallow, high grade copper-gold target during the fourth quarter of this year."

For further information, please contact:

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References in this announcement to exploration results and potential have been approved for release by Mr Michael Bohm (BAppSc Mining Engineering WASM) and Mr Antonio Valverde (Bsc Geology Universidad Complutense de Madrid), both with more than 15 years' relevant experience in the field of activity concerned. Mr Bohm is a Member of the Australasian Institute of Mining and Metallurgy. Both Mr Bohm and Mr Valverde have consented to the inclusion of the material in the form and context in which it appears.

Appendix 1 – Assay Results:

(All widths stated above are down-hole intersections)

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Zinc Grade (%)	Pb Grade (%)	Silver Grade (g/t)	Gold Grade (g/t)	Copper Grade (%)	
PTDD073	494550	7809600	-54/180	241.00	261.00	20.00	3.00	1.40	80			
				<i>inc. 6.00m @ 5.9% Zn, 2.6% Pb, 144g/t Ag and 0.12g/t Au from 253m</i>								
LRDD002	494148	7812485	-50/140	<i>no results >0.1%Cu</i>								
LRDD003	494562	7812664	-60/270	<i>no results >0.1%Cu</i>								
LRDD004	494530	7812487	-50/205	129.00	131.00	2.00				0.16		
LRDD005	494097	7812190	-60/270	<i>no results >0.1%Cu</i>								
LRDD006	494148	7812485	-60/310	109.75	111.00	1.25			21		0.36	
				125.00	126.00	1.00					0.64	
PTDD059	494942	7809421	-50/095	113.07	115.05	1.98	0.60	0.20	23			
PTDD060	494942	7809421	-65/085	98.50	99.50	1.00	0.80	0.90	107			
				129.50	131.00	1.50	0.62	0.28	27			
PTDD061	494310	7809812	-45/176	35.50	37.50	2.00	2.24	0.41	36			
				45.00	49.95	4.95	1.83	1.22	114	0.11		

- All samples assayed by ALS Laboratory Group, Chile
- Crushing all sample 70% < 2mm; quiriting to 1 Kg; and powdered 85% < 75 µm
- Zn-Pb-Ag-ME ICP41 method ore AA46 or grade for Pb 0.01-30%, Zn 0.01 -30% Ag 1-1500ppm
- Cu-AA62, 4 acid near total digestion and ICP finish, 0.01-40% CuT
- Au-AA23 ore grade finish Au 0.005 - 10ppm Au fire assay
- Hole ID co-ordinate grid is PSAD56 UTM Zone 19S

Further background details on the Company can be found at www.herenciaresources.com

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