

Herencia Resources plc
(“Herencia” or the “Company”)

Herencia Successfully Completes Placing

Highlights:

- **£2.36 million raised**
- **Guamanga Copper-Gold Project funded for deep drill program**
- **Nyrstar maintains position as largest shareholder**
- **Chilean investment fund increases stake**

The Company announces that it has successfully completed a placing (conditional only on admission), through WH Ireland Limited, to raise £2.36 million from the issue of 118,057,874 new ordinary shares of 0.1p each (“Ordinary Shares”) at a price of 2.00p per share (the “Placing”). Application has been made for the new Ordinary Shares to be admitted to trading on AIM and dealings are expected to commence on 17 November 2011.

The funds raised will be applied to:

- Undertake a geophysical survey over the potential porphyry targets at the Guamanga Project;
- Undertake a deep drill hole program on those targets at Guamanga;
- Commence the preparation of EIA documentation to allow the project permitting application for the Paguanta Project to be submitted in 3Q2012;
- Commence a formal Community Relations program with stakeholders in the region of the Paguanta Project;
- Advance regional work in relation to water supply requirements for the Paguanta Project; and
- Working capital purposes.

The Company confirms that Nyrstar have subscribed for 11,982,874 ordinary shares in the Placing and now hold an interest in 152,612,755 shares which represents 10.15% of the total number of issued shares in the Company. Nyrstar thus maintains its position as Herencia’s largest shareholder.

In addition, Megeve Investments, a leading Chilean family investment fund, subscribed for a further 7,800,000 shares in the Placing increasing their holding to 35,577,778 ordinary shares representing 2.37% of the Company.

Herencia confirms that Charmaine Lobo subscribed for 1,000,000 Ordinary Shares in the Placing. Charmaine Lobo is the wife of Michael Bohm, Managing Director of the Company. Following the above mentioned acquisition, Michael Bohm has an interest in 30,126,249 ordinary shares in the Company which represents 2.00% of the total number of issued ordinary shares of the Company.

Following the Placing, the number of Ordinary Shares in issue will increase to 1,504,114,250 ordinary shares. As there are no shares held in treasury, the total number of voting rights in the Company is 1,504,114,250. This figure may be used by shareholders in the Company as the denominator for calculations by which they will determine if they are required to notify their interest in, or a change to their interest under the Disclosure and Transparency Rules.

In relation to project status, with regard to the Guamanga Project, drilling of the shallow high grade copper-gold target is scheduled to commence this month, with assay results anticipated by end January or early February 2012. The deep drill program on the potential porphyry targets is planned to commence in January 2012 with first assays likely in late March 2012, subject to confirmation of rig availability.

With regard to the Paguanta Project, the drilling program continues with 14,602m having been drilled to date in 2011. A deep hole into La Rosa is also planned as part of the program. In relation to the Feasibility Study, work continues to be advanced in a number of areas and metallurgical test work continues in Canada.

Commenting on the raising, Managing Director Michael Bohm stated *"We are excited about the opportunities that our projects present to Herencia shareholders. Having both a Copper-Gold Project and a Zinc-Silver-Lead Project gives exposure across a broad commodity range.*

2011 has been a significant year for Herencia. Progress at our flagship Paguanta Project has been made with continued high grade drill results returned and continuous news-flow achieved throughout the year. Advancing Patricia towards development remains our priority.

The Guamanga Project has come a long way since we signed the earn-in agreement earlier in the year and we now have more than the original high grade copper-gold drill target to pursue. The combination of both the shallow drilling targeting the near surface copper-gold target and the deeper drilling targeting the potential porphyry targets will, when completed, achieve our 'first year' earn-in requirements under the terms of the Guamanga joint venture.

The placing was again very well supported and I believe it puts the Company in a strong position to advance the projects during 2012."

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

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