

# Herencia Resources plc

("Herencia" or the "Company")

## Geophysical program confirms drill targets at Guamanga

### Highlights:

- **Geophysical program at Guamanga Project confirms existence of deeper drill targets**
- **Shallow diamond drill program successfully completed at Guamanga**
- **Assay results from Guamanga anticipated in February**

Herencia Resources plc, the multi-commodity Project Development company, is pleased to provide an update on its activities at the Guamanga Project (copper-gold project, Herencia earning 51%) and Paguanta Project (zinc-silver project, Herencia 70%) in northern Chile:

- Geophysical survey work over the potential porphyry targets at Guamanga has been completed and a report submitted. The results of the geophysical survey support the previous recommendation that drilling be carried out on these geological targets. Planning for the deep diamond drilling program, scheduled for this first quarter 2012, is currently well underway.
- Drilling of the shallow high grade copper-gold target at the Guamanga Project was successfully completed in December 2011. Eleven (11) diamond drill holes, ranging from 60m to 122m in depth, were drilled for a total of 1,048m. The diamond core has been logged and photographed and has now been dispatched to ALS Laboratories in La Serena for assaying. Assay results are anticipated in February 2012.
- Work on the Paguanta Project Feasibility Study continues. The process plant design and layout has been completed and is currently being reviewed by management. The detailed mine planning phase of the Feasibility Study is scheduled to commence this month.
- Follow-up Dense Media Separation (DMS) testwork will be carried out this quarter on samples of Patricia drill core, looking at the impact of varying the crush size on DMS feed. Whilst DMS is not currently being considered for inclusion in the base case processing option, management continues to look at various opportunities to further optimise operating costs, tonnage, grade and plant throughput.
- Drilling of the deep diamond hole at the La Rosa prospect was suspended at 292m down-hole depth due to adverse ground conditions in the drill hole. Management will look to re-drill this hole during calendar 2012.

*Herencia's Managing Director Michael Bohm commented "Progress on both our Paguanta zinc-silver Project and Guamanga copper-gold Project in Chile has been excellent. The Feasibility Study at Paguanta is progressing well.*

*We are particularly excited with the results of the recent geophysical work at Guamanga, which has provided clear targets for deeper drill testing, and with the prospect of receiving the assay results during February from the recently completed shallow drilling program at Guamanga.*

*Our Management team in Chile are to be commended for completing a significant work program in 2011. We are looking forward to building on that in 2012 as we continue to move both our projects forward."*

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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. Mr Bohm and Mr Valverde have consented to the inclusion of the material in the form and context in which it appears.

*Further background details on the Company can be found at [www.herenciaresources.com](http://www.herenciaresources.com)*

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