

5 June 2013

Herencia Resources plc
("Herencia" or "the Company")

Herencia links up with one of Australia's leading copper producing companies

Herencia Resources plc (AIM:HER) is pleased to announce that it has signed a binding Term Sheet, with OZ Exploration Chile Limitada ("OZE"), a wholly owned subsidiary of OZ Minerals Limited ("OZL"), in relation to the potential acquisition by OZE for a controlling interest in the Guamanga IOCG Project in Chile.

Herencia, Resources plc ("Herencia" or "the Company"), the Chile-focussed mineral exploration and development company, has signed a binding Term Sheet with OZ Exploration Chile Limited ("OZE"), a subsidiary of OZ Minerals Limited a company listed on ASX ("OZL") to progress the Guamanga Copper-Gold Project located in northern Chile. The Term Sheet is subject to final due diligence by OZE on the Guamanga mining concessions, to be conducted over the next 30 days.

The key components of the Term Sheet that the parties will in good faith negotiate, to form a joint venture agreement, are as follows:

- Phase 1 - OZE to sole fund an initial US\$3 million over 20 months to earn a 51% stake in the Guamanga Project.
- Phase 2 - OZE to sole fund an additional US\$5 million over 24 months to increase their stake to 80%.

At the completion of Phase 2, it is proposed Herencia will have the option to either remain at 20% (by co-contributing 20% of funds spent) or may opt for OZE to fund a further US\$5M to increase the OZ equity to 90% (Phase 3).

At the completion of Phase 3, it is also proposed Herencia may elect to fund its share of project development costs, or OZE, at their election, may consider the provision of providing debt funding to Herencia with the funding to be repaid to OZE from Herencia's share of profits.

OZE can elect to terminate the Term Sheet at any time, by giving Herencia one month's written notice.

To facilitate the process outlined above, Herencia has purchased 100% of the Guamanga Project from Inversiones Santa Patricia Limitada ("Santa Patricia"), by paying an initial US\$100,000 with a further US\$175,100 to be paid in 6 month time and within 30 days following the signing of the Herencia-Santa Patricia Agreement, the issuance to Santa Patricia of US\$950,000 of Herencia shares at a 20 day volume weighted average price from the date of signing the Agreement. A further announcement will be made when the consideration shares are issued.

Graeme Sloan, Managing Director of Herencia commented:

"OZ Minerals Limited is recognised as one of Australia's leading copper producing companies with a team of very experienced personnel and I am extremely pleased to partner with OZL on one of our most exciting assets.

This Agreement highlights that our asset base and technical team in Chile continue to attract the attention and interest of leading global resource companies.

We see Herencia as becoming the 'partner of choice' for those entering into and advancing mining projects in Chile.

This Agreement demonstrates that Herencia will continue to advance our Projects in what we believe to be the best value-add structure for shareholders at any given time.

A key objective for Herencia is not only to advance our Project, but to look objectively for the best structure that achieves that outcome. In this case that means working closely with OZ Minerals, a leading Australian copper mining company, to progress the Guamanga Project.

About OZ Minerals Limited

OZ Minerals is an Australian based mining company with a primary focus on copper. The Company owns and operates the high quality Prominent Hill copper-gold mine in South Australia. Prominent Hill produces some of the world's highest grade copper concentrates. In 2013, production guidance for the year is between 82,000 tonnes to 88,000 tonnes of copper and between 130,000 ounces and 150,000 ounces of gold contained in concentrates.

OZ Minerals also owns the Carrapateena copper-gold project in South Australia which is a similar style of deposit to Prominent Hill. Carrapateena is one of Australia's largest undeveloped copper deposits, currently at an advanced exploration stage.

At the end of the December 2012 Quarter, OZL had approximately A\$660 million cash on hand and on 4 June 2013 its market capitalisation on the ASX was approximately A\$1,280million.

About Herencia Resources plc

Herencia Resources plc, an AIM quoted exploration and development company operating in Chile. In addition to the Guamanga Project, the Company has recently completed a Feasibility Study in relation to its 70% owned Paguanta Project, a high grade silver-zinc-lead project located in northern Chile. The Company is looking to complete project permitting for Paguanta, whilst investigating a number of potential funding alternatives (including silver stream financing, negotiating an off-take agreement with a major partner, mezzanine finance, conventional debt or equity) over the next 12 months in parallel with the permitting process before a development decision is made, potentially in the second half of 2014.

About the Guamanga Project

The Guamanga Project is located approximately 850 kilometres north of Santiago in Region III in Chile. Access to the Project site is excellent with the Pan-American Highway located only 30 kilometres to the west and a major airport a 60 minute drive to the south. The Project mineralisation style appears to correspond to a potential Iron Oxide Copper Gold (IOCG) system, an example of which is Anglo American's large Mantoverde Mine, located only 15 kilometres to the north of the Guamanga Project.

For further information, please contact:

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

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