

29 August 2013

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

**Issue of Equity
Conversion of Loan Note
Notification of Change of Interest**

The Company confirms that pursuant to the Equity Drawdown Agreement (the "Agreement") with The Australian Special Opportunity Fund, a New York-based institutional investor managed by The Lind Partners announced on 11 March 2013, the Company has drawn down a further USD\$150,000. The repayment of this amount has today been satisfied by the issue of 25,321,499 ordinary shares in the Company, at a price of 0.38p (calculated as 91.5% of the average of three consecutive daily VWAPs during a specified period being 31 July 2013 to 2 August 2013) (the "Tranche Shares")

The total amount currently drawn down under the Agreement is US\$1,387,931.

In addition, as also announced on 11 March 2013, Herencia and Lind entered into a convertible loan note agreement with a face value of US\$750,000. Herencia has today received a Conversion Notice from Lind, to convert US\$150,000 of that loan into 24,055,424 ordinary shares, at a price of 0.4p (calculated as the average of three consecutive daily VWAPs during a specified period being 31 July 2013 to 2 August 2013), which have also been issued today (the "Loan Shares").

Application has been made to admit the Tranche Shares and the Loan Shares (a total of 49,376,923 ordinary shares) to trading on AIM, and it is anticipated that dealings in these shares will commence on 4 September 2013.

Following the issue of the Tranche Shares and Loan Shares, the total number of shares in issue is 1,983,968,180. There are no shares held in treasury. Therefore, the total number of voting rights in the Company is 1,983,968,180. This figure may be used by shareholders in the Company as the denominator for the 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

Notification of Interest

Following the issue of equity, above, Herencia has received notice that The Australian Special Opportunity Fund, a New York-based institutional investor managed by The Lind Partners ("Lind") now directly holds 126,784,107 ordinary shares in the Company representing 6.39% of the total issued share capital and voting rights of the Company.

In addition to this direct interest, and as announced on 11 March 2013, Lind holds 25,000,000 options to subscribe for new ordinary shares in the Company and, through the remaining convertible loan note of US\$600,000, and based on a VWAP of 1.0p, a further indirect interest in 38,928,000 ordinary shares; which combined represents an indirect interest in 3.22% of the current issued share capital of the Company.

Lind's total direct and indirect interest in Herencia is therefore in 190,712,107 ordinary shares representing 9.61% of the current issued share capital of the Company.

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