

23 September 2013

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

## **OZ Minerals confirms go-ahead with Herencia to advance the Guamanga Project**

### **Highlights:**

- **Leading Australian copper miner OZ Minerals advises its intention to commence work at Herencia's Guamanga Project following the completion of their due diligence work**
- **JV area to be expanded by OZ Minerals, with Herencia to be included in the larger area on similar JV terms**
- **OZ Minerals advises that it will seek to commence the Phase 1 site work program in late September**

Herencia Resources plc (AIM:HER) is pleased to announce that a wholly owned subsidiary of Australia's OZ Minerals Ltd, OZ Exploration Chile Limitada, has advised that it wishes to commence Phase 1 work at Herencia's 100% owned Guamanga Project in Chile.

It is anticipated that detailed geophysical work will commence in the coming weeks.

OZ Minerals also advised Herencia that they believe a significantly larger project opportunity may exist at Guamanga and have commenced to acquire additional exploration leases to expand the overall Project footprint. OZ Minerals have advised Herencia that the general terms of the Agreement with Herencia, already in place, will apply to this expanded Project area.

The terms of the Agreement, as outlined in the RNS of 5 June 2013, are as follows:

- Phase 1 - OZ Minerals will sole fund an initial US\$3 million over 20 months to earn a 51% stake in the Guamanga Project
- Phase 2 - OZ Minerals will sole fund an additional US\$5 million over 24 months to increase their stake to 80%
- Phase 3 - at the completion of Phase 2, Herencia can either remain at 20% (by co-contributing 20% of funds spent) or may opt for OZ Minerals to fund a further US\$5M to increase the OZ Minerals equity to 90%
- At the completion of Phase 3, Herencia can then elect to fund its share of project development costs or OZ Minerals, at their election, may consider the provision of providing debt funding to Herencia with the funding to be repaid to OZ Minerals from Herencia's share of profits

Herencia's Managing Director, Graeme Sloan, stated:

*"I am particularly pleased to be partnering with a company of OZ Minerals' calibre and to work with them to advance the Guamanga Project in Chile.*

*This Agreement confirms that our asset base and local technical team in Chile continue to attract the attention and interest of global resource companies looking to invest in areas of enormous resource potential with low sovereign risk.*

*We are also greatly encouraged that OZ Minerals, one of Australia's leading copper producing companies, sees the potential to expand the footprint of our Guamanga Project and to expand the Agreement with Herencia to incorporate the extended Project area.*

*This really is an exciting time for Herencia shareholders especially when you consider the Company now has a JV with a major Australian company at Guamanga; a completed Feasibility Study at Paguanta with plenty of upside; and our recently completed option agreement on Picachos, an advanced copper project that could host a significant copper resource and that could potentially be fast-tracked into full scale production”.*

### **About OZ Minerals**

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 120,000 ounces and 130,000 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.

OZ Minerals had A\$432.9 million cash on hand as at 30 June 2013.

### **About Herencia**

Herencia Resources plc is an AIM quoted exploration and development Company operating in Chile. In addition to the Guamanga Project the Company has the following Projects:

- **Pagaunta Project** – the Company 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 Debt, Off-take Agreements, Stream Financing, Equity and Joint Venture options) over the next 12 months in parallel with the permitting process before a development decision is made, potentially in the second half of 2014.
- **Picachos Project** – the Company has entered into an option agreement to acquire the high-grade Picachos Copper Mine in central Chile and is looking at a number of options to progress the project to minimise the need for shareholder funds. The Company is currently advancing discussions with a number of groups regarding the Picachos Project.
- **La Serena Project** – Herencia has a number of exciting exploration tenements in one of the most active exploration areas in Chile. The region hosts both copper and gold mineralisation and Herencia tenements are well located.

In addition to the above the Company has also recently acquired additional tenements adjacent to the Paguanta Project which may host porphyry style mineralisation.

### **About the Guamanga Project**

The Guamanga Project is located approximately 750 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.

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

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