

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

## **Herencia's new Picachos Project delivers more high grades and large mineralised zones in Chile**

### **Highlights:**

- Numerous high-grade copper results from several zones across the Picachos mine area
- A large manto-style mineralised zone identified to the north-east of the 'Frenchman's' mine
- A significant extension to the high-grade 'Leoncito' mine identified, extending the mineralised structure 400m further to the north-west
- The high-grade 'Rancho 4' mineralised structure confirmed and extended to the north
- Results include:
  - Spot XRF grades of up to 7.6% copper along a mineralised structure located 700m east of the 'Leoncito' mine believed to be an extension of the Frenchman's mineralisation
  - XRF grades of up to 20.6% copper also located along a mineralised structure approximately 700m east of the 'Leoncito' mine and currently interpreted as either parallel to, or a split from, the Frenchman's lode
  - XFR grades up to 2.3% copper in a 400m mineralised extension to the 'Leoncito' mine
  - XFR grades up to 4.1% copper achieved in a northern mineralised extension to the 'Rancho 4' mine, located 200m east of the 'Frenchman's' mine
  - XRF grades up to 6.9% copper identified in a large Mantos area located immediately north-east of 'Frenchman's' mine
  - Laboratory assays of up to 1.97% copper and 20g/t silver from the 'Frenchman's' mine

Herencia Resources plc (AIM:HER), the Chile-focussed mineral exploration and development Company, is pleased to announce more high-grade copper results and extensions to the manto-styles mineralisation have been reported at its advanced Picachos Copper Project ("Picachos" or the "Project") in central Chile.

The Company has continued field work at its recently acquired Picachos Project in central Chile. Of significance, a new zone of manto-style mineralisation has been identified by Herencia's geologists, located immediately north-east of the 'Frenchman's' mine area.

Whilst early days, the area appears to be approximately 50m in width (east-west) and a minimum of 100m in strike (north-south), is *open* in all directions and is either an extension to the 'Frenchman' manto, or a new zone of manto-style mineralisation. This zone provides a large, outcropping, bulk-tonnage mineralised target. XRF grades of this new zone are up to 6.8% copper.

In addition, a zone of mineralisation located approximately 700m east of the 'Leoncito' mine has returned several very high spot XRF grades of up to 20.6% copper. The results are currently interpreted as both an extension to the Frenchman's lode and a separate split-off/parallel structure to that lode.

Further north of the 'Leoncito' mine, the high-grade extension to the 'Rancho 4' mine returned XRF grades of up 2.3% and 4.1% copper respectively. These areas continue to provide substantial extensions and additions to the existing high-grade mining zones located at Picachos.

The results confirm that the extensive nature of the mineralised 'structures' and the bulk tonnage 'manto-style' copper mineralisation appear widespread across the Project area.

Significant results from the recent sampling program are attached in Tables 1 and 2. A plan showing the mining areas and mineralised structures at the Picachos Project is shown on page 5.

Managing Director, Graeme Sloan, commented:

*“Yet more great results and coming in such a short time frame since we started surface work, just goes to show the potential of Picachos. We are seeing consistent results in the range of 2-3% copper which supports the current mining grades being achieved by the miners who are reporting grades of up to 2.7% copper.*

*Every time we identify new areas of high-grade, be they extensions to known areas of mineralisation or new high-grade structures, just adds to the overall picture and allows us to build our knowledge around the potential at Picachos. This has now been further enhanced by the large manto-style mineralisation, recently mapped and sampled right next door to the existing Frenchman’s mine.*

*All of these results continue to support the potential to develop a large, medium to high grade open-pit copper mining operation at Picachos.”*

### **About the Picachos Project**

The Picachos Project is located approximately 50km south of the coastal city of La Serena, 8km west of both the existing Andacollo copper-gold project operated by Teck Resources and the mining town of Andacollo (population approximately 10,000 people), and 10km south of the privately owned Tambillos copper mine. The Project is very well positioned for infrastructure with existing high voltage power located approximately 3km east of the Project area and serviced by two all-weather access roads.

Small scale mining of approximately 4,000 to 10,000 tonnes per month is currently being undertaken by private miners via small open pit and underground mining operations. Ore is being trucked to a Chilean government owned processing plant (ENAMI plant) where it is processed. This mining will continue up until such time as the Option to fully acquire Picachos is exercised (at Herencia’s discretion) and is seen by the Company as an excellent mechanism to achieve geological and grade data across many zones of mineralisation.

A review of available data and recent site visits have identified up to five separate zones of mineralisation with a combined strike length of over 8km contained within the Project area. In some areas the close relationship of these zones coupled with multiple occurrences of out-cropping wide zones of mineralisation, highlights the excellent potential for large scale open pit mining to take place. Historic mining has focused mainly around the high grade vein, however in some areas the mantos has been mined up to 50m wide. Mineralisation generally commences from one to five metres below the surface and appears open at depth.

### **About Herencia**

Herencia Resources plc, is an AIM quoted exploration and development company operating in Chile. In addition to the above, 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 in parallel with the permitting process before a development decision is made, potentially in the second half of 2014. In addition, the Company is also advancing the Guamanga Project after entering into a JV Agreement with a wholly owned subsidiary of one of Australia’s largest copper miners, OZ Minerals.

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References in this announcement to exploration results and potential have been approved for release by Mr Graeme Sloan (BAppSc Mining Engineering WASM) and Mr Antonio Valverde (Bsc Geology Universidad Complutense de Madrid), who have more than 20 years relevant experience in the field of activity concerned. Mr Sloan is a Member of the Australasian Institute of Mining and Metallurgy. Mr Sloan 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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Table 1: Samples Analysed with Niton XL2 XRF Instrument

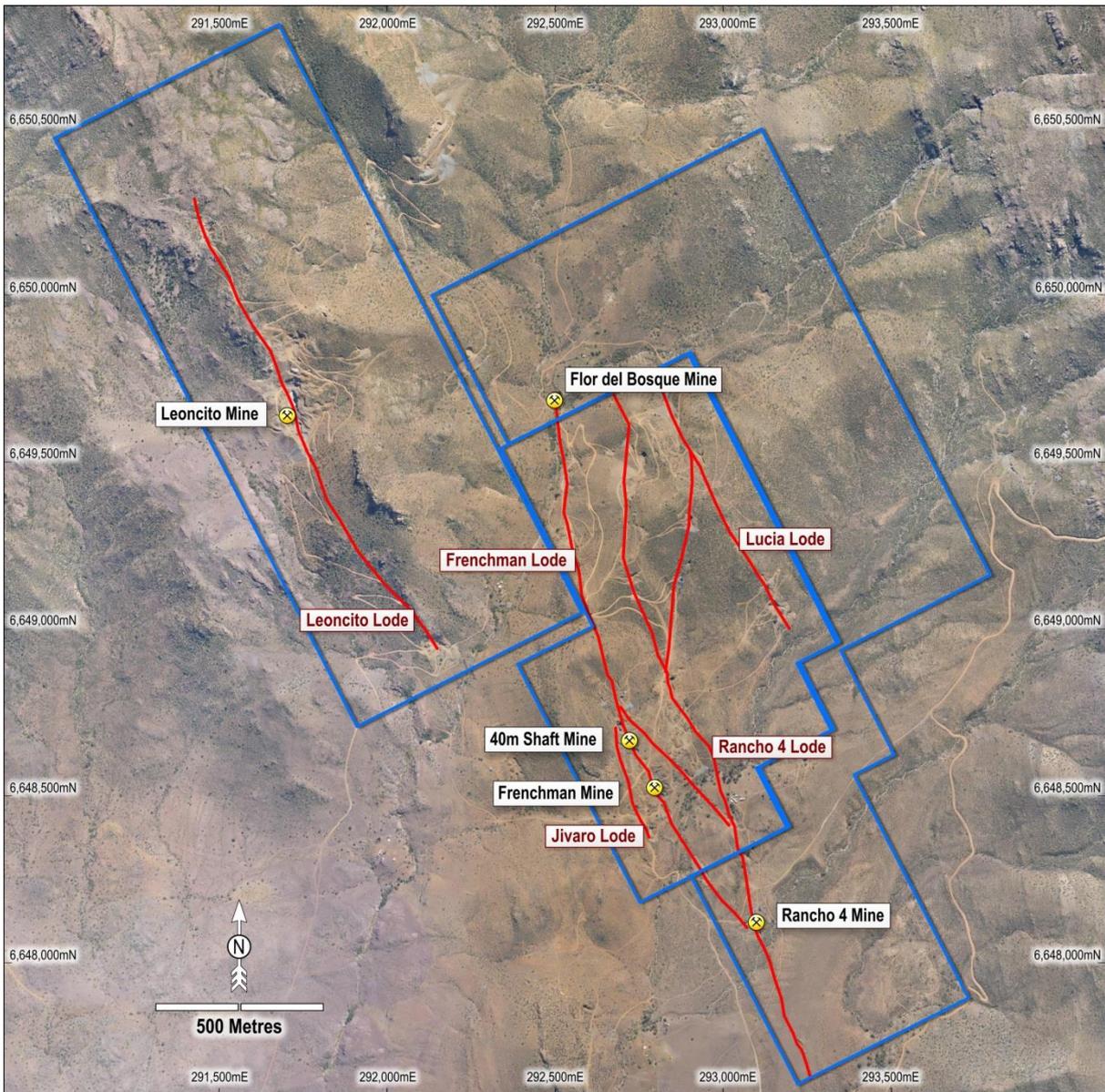
Sample	Easting	Northing	Copper (%)	Comments
XR-024	292725.00	6648666.00	0.70	South of 40m shaft – rock chip sample
XR-026	292842.00	6648624.00	1.67	NE of Frenchman’s mine – rock chip sample
XR-027	292855.00	6648613.00	6.88	NE of Frenchman’s mine – rock chip sample
XR-028	292859.00	6648676.00	0.93	NE of Frenchman’s mine – rock chip sample
XR-029	292847.00	6648651.00	1.77	NE of Frenchman’s mine – rock chip sample
XR-034	292906.00	6648586.00	1.47	East of Frenchman’s mine – rock chip sample
XR-035	292876.00	6648570.00	1.86	East of Frenchman’s mine – rock chip sample
XR-038	292985.00	6648601.00	4.09	East of Frenchman’s mine – rock chip sample
XR-045	292930.00	6648456.00	1.06	East of Frenchman’s mine – rock chip sample
XR-057	292186.00	6648307.00	0.58	East of Frenchman’s mine – rock chip sample
XR-067	292492.00	6649363.00	7.44	700m East of Leoncito Mine – rock chip sample
XR-071	292582.00	6649460.00	5.36	700m East of Leoncito Mine – rock chip sample
XR-072	292559.00	6649492.00	20.67	700m East of Leoncito Mine – rock chip sample
XR-074	291456.00	6650194.00	0.52	NW Leoncito – rock chip
XR-075	291456.00	6650194.00	2.26	NW Leoncito – rock chip
XR-081	291743.00	6649580.00	0.92	Leoncito mine – stockpile sample
XR-082	292734.00	664861.00	4.48	Small o/pit west of Frenchman’s mine – rock chip
XR-083	292740.00	6648455.00	2.97	Small o/pit west of Frenchman’s mine – rock chip
XR-084	292740.00	6648452.00	3.64	Small o/pit west of Frenchman’s mine – rock chip
XR-088	293110.00	6649154.00	6.22	700m north-east of Frenchman’s mine – rock chip
XR-089	293132.00	6649064.00	5.39	700m north-east of Frenchman’s mine – rock chip

- Semi-quantitative analysis with portable instrument - XRF Niton XL2
- Screening depths range up to ~0.375 inches
- The accuracy of the Niton XL2 XRF Analyser is claimed to be as accurate as any other analytical method, subject to sample homogeneity, consistency of sample/sample preparation
- Copper values correspond to average of several measurements of the same sample
- All sampling conducted by qualified Herencia geologists

Table 2: Samples analysed by ALS laboratory

Sample	Easting	Northing	Silver g/t	Copper %	Comments
900015	292813.00	6648462.00	9.00	0.92	Frenchman mine – rock chip sample
900017	292811.00	6648465.00	16.00	1.22	Frenchman mine – rock chip sample
900038	292801.00	6648475.00	6.00	0.65	Frenchman mine – rock chip sample
900039	292801.00	6648477.00	10.00	0.92	Frenchman mine – rock chip sample
900042	292800.00	6648479.00	8.00	1.05	Frenchman mine – rock chip sample
900046	292801.00	6648486.00	8.00	0.92	Frenchman mine - rock chip sample
900053	292800.00	6648503.00	9.00	0.90	Frenchman mine - rock chip sample
900062	292795.00	6648520.00	20.00	1.97	Frenchman mine – rock chip sample
900063	292794.00	6648523.00	12.00	1.54	Frenchman mine – rock chip sample
900064	292793.00	6648526.00	2.00	0.89	Frenchman mine – rock chip sample
900067	292795.00	6648534.00	7.00	0.41	Frenchman mine - rock chip sample
900068	292795.00	6648536.00	18.00	1.19	Frenchman mine - rock chip sample
900069	292795.00	6648538.00	28.00	1.55	Frenchman mine - rock chip sample
900070	292795.00	6648540.00	14.00	1.49	Frenchman mine - rock chip sample
900082	292794.00	6648561.00	13.00	1.22	Frenchman mine – rock chip sample
900086	292797.00	6648568.00	3.00	0.59	Frenchman mine – rock chip sample

- All samples assayed by ALS Laboratory Group
- Crushing all sample 70% < 2mm; split off 1 Kg and pulverized split to better than 85% passing 75 microns
- ICP ME -MS41 method or OG46 ore grade for Pb 0.01-30%, Zn 0.01 -30% Ag 1-1500ppm Cu 0.001-40%
- Au ICP22: 50g nominal sample weight 0.001ppm limit detection, Fire assay and ICP-AES
- Copper % represents Total Copper
- CuOx = Oxide Copper



Herencia Resources plc - Picachos Project

Plan showing mine areas and extensive copper mineralised structures