

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

Picachos Copper Project All Set for Drilling

Highlights

- Drill program being finalised with budget to be submitted for Board approval.
- Tenders currently being obtained from leading Chilean drilling contractors.
- Low cost RC drilling techniques to be utilised.
- Fully funded by the recent GBP£2.48 million raising completed in January 2014.
- Drill program scheduled to commence in the upcoming quarter.
- Targeting potential large volumes of shallow, open-pit amenable, copper mineralisation outcropping at surface, including both high-grade structural targets and manto-style mineralisation.
- Additional shallow mineralisation, recently identified immediately to the north-west of the existing Flor del Bosque Mine Area, will also be investigated.
- Discovery of rhyolite mineralisation in several parts of the northern area of the Picachos leases provides additional high-grade target areas for follow up.

Herencia Resources plc (AIM:HER), the Chile-focussed mineral exploration and development Company, is pleased to advise that drilling at its advanced Picachos Copper Project ("Picachos" or the "Project") in central Chile, is scheduled to commence in the coming quarter.

Following the completion of a comprehensive surface and underground sampling program at Picachos, a drill program has been designed to target both the high-grade structural areas (currently being mined at a rate of approximately 4,000 tonnes per month) and the extensive zones of shallow manto-style mineralisation that would underpin a larger-scale and potentially long life open pit copper mining project at Picachos.

Tender submissions from Chilean drilling contractors have been sought to allow budgets to be finalised for the program. Due to the shallow nature of the mineralisation, cheaper reverse-circulation (RC) drilling methods can be used at Picachos.

As part of the upcoming drill program Herencia will test not only the high-grade mineralisation and manto-style targets mentioned above, but will also look to test a new zone of shallow mineralisation recently uncovered by the private miners in the area immediately north-west of the existing Flor del Bosque Mine Area (refer to a plan on the Company website which illustrates this new zone of mineralisation). In addition a new zone of highly prospective rhyolite mineralisation in the north of the tenement will be reviewed and potentially drill tested.

Managing Director, Graeme Sloan, commented:

“This is a very exciting time for Herencia. In Picachos we have a project that is currently being mined for high-grade copper on a small scale by private miners, adjacent to more extensive areas of copper mineralisation as confirmed by our own sampling, and yet which is almost untouched by modern drilling.

We have already stated that Picachos is a target rich environment, with several zones of copper mineralisation already identified, indeed actively being mined, across broad areas of the tenement holdings.

The shallow depths and broad mineralised zones at Picachos lend themselves to quick and cost effective RC drilling and we see this upcoming drill program as the first step in evaluating the potential for Picachos to move into full-scale copper production and thus elevate Herencia toward producer status.

Our newest and largest shareholder is fully supportive and shares our vision for the development of Picachos. Together with our very experienced Chilean operating team we remain fully committed to transitioning Herencia to producer status in the shortest time possible.

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 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 Herencia’s own geological programs has confirmed multiple zones of mineralisation with a combined strike length of well 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 at Picachos. Historic mining has focused mainly around the high grade structures, however in some areas the mantos have 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 Picachos Copper 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 in parallel with the permitting process before a development decision is made. The Company is also advancing the Guamanga Project after entering into a JV with a wholly owned subsidiary of one of Australia’s largest copper miners, OZ Minerals.

For further information, please contact:

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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

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