18 December 2014

Herencia Resources plc

("Herencia" or "the Company")

Picachos Delivers More High Grade Copper with 117m at 1.14% Cu

Highlights

- *Assay results from Stage II drilling continue to provide impressive results at the Picachos Copper Project in Chile*
- *Diamond hole DD14003 encounters **117m at 1.14% copper** – an extraordinary result*
- *A diamond drill extension (or "tail") to RC hole PP14036 encounters two additional zones of high grade copper at depth*
- *Both DD14003 and DD-PP14036 highlight the potential for further down dip extensions of the Picachos mineralisation*
- *Results include:*

Hole DD14003 (Diamond) - 117m at 1.14% copper (and 10.2g/t silver) from 182m including:

- **18m at 1.53% copper** (and 12.6g/t silver) from 184m including:
  - **9m at 2.02% copper** (and 19.7g/t silver) from193m
- **16m at 1.50% copper** (and 13.8g/t silver) from 213m
- **10m at 1.95% copper** (and 21.8g/t silver) from 254m
- **10m at 2.00% copper** (and 17.8g/t silver) from 268m
- **11m at 2.21% copper** (and 20.4g/t silver) from 288m

Hole DD-PP14036 (Diamond tail on RC hole PP14036):

- **8m at 1.05% copper** (and 6.8g/t silver) from 169m
- **6m at 2.13% copper** (and 21.3g/t silver) from 182m

Herencia Resources plc (AIM:HER), the Chile-focussed mineral exploration and development Company, is pleased to advise that following on from recent excellent laboratory assay results from drilling at its advanced Picachos Copper Project ("Picachos" or the "Project"), an exceptional intersection of 117m of plus 1.1% copper has been achieved.

Managing Director, Graeme Sloan, commented on these new results:

"This is truly an extraordinary result from diamond drill hole no. 3. It is the best result to date at Picachos and one of the better I have experienced in my career.

What is most promising, these results appear to be linked to earlier DD14001 results which returned multiple wide high grade intercepts including, 31m at 1.87% Cu (incl.23m at 2.32% Cu) and 19m at 1.04% Cu (incl.6m at 1.84% Cu). In addition we intersected two new zones of high grade mineralisation, including a zone of plus 2% copper, in a diamond hole (tail) drilled to extend RC hole PP14036, a great result all round. .

The drilling at Picachos is exceeding all our expectations.

The opportunity to develop an open pit mining operation to exploit these large areas of copper mineralisation is now very clear, and our team in Chile have one goal in mind – to be mining copper ore within 12 months - and all for a very low capital outlay."

A table of significant assay results reported by the laboratory is shown in Appendix 1.

About the Picachos Project

The Picachos Project is located approximately 50km south east 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 and drilling programs have confirmed multiple zones of copper 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 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 also has the Guamanga Copper Project and the 70% owned Paguanta Project, a high grade silver-zinc-lead project located in northern Chile. The Company's corporate office is located in Perth and the main technical and management office is located in Santiago, Chile where it has been operating for over eight years.

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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

****ENDS****

Appendix 1 – Laboratory Assay Results (received to date) with latest results shaded:
(All widths stated are down-hole intersection)

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Copper Grade (%)	Silver Grade (g/t)	Zone
PP14031	292 668	6 648 605	-60/60	74	96	**22**	**1.50**	14.5	40M Shaft
Incl.				76	87	**11**	**2.34**	**22.8**	
				110	136	**26**	**1.32**	11.3	
Incl.				110	128	**18**	**1.59**	13.3	
Incl.				110	122	**12**	**2.07**	17.3	
Incl.				133	136	3	1.79	15.5	
PP14032	292 690	6 648 618	-60/60	7	11	4	1.04	12.6	40M Shaft
				31	35	4	1.24	11.6	
				42	56	14	0.94	10.7	
Incl.				42	46	4	1.45	14.0	
Incl.				49	53	3	1.33	14.1	
				89	91	2	1.21	13.3	
				116	120	4	1.13	9.5	
				128	132	4	0.94	9.5	
				138	160	**22**	**1.23**	9.5	
Incl.				144	153	**9**	**2.22**	20.0	
				175	178	3	0.98	5.4	
PP14033	292 715	6 648 633	-60/75	16	37	**21**	**1.01**	10.5	40M Shaft
Incl.				16	24	8	1.04	12.0	
Incl.				30	37	**7**	**1.42**	14.6	
				46	47	1	1.08	6.0	
				109	167	**58**	**1.06**	8.0	
Incl.				111	126	**15**	**1.16**	10.1	
Incl.				122	126	**4**	**2.14**	21.5	
Incl.				130	142	**12**	**1.51**	9.4	
Incl.				150	154	**4**	**1.81**	17.2	
				161	167	**6**	**1.79**	13.9	
Incl.				164	167	**3**	**2.60**	22.8	
PP14034	292 715	6 648 575	-55/60	27	30	3	0.89	7.8	40M Shaft
				33	34	1	1.29	13.0	
				38	41	3	**1.44**	12.7	
				44	46	2	1.36	14.5	
				54	55	1	1.05	10.0	
				60	68	8	0.82	11.6	
Incl.				63	65	2	**1.40**	24.0	
				74	80	6	1.03	7.4	
Incl.				78	80	2	**1.70**	12.8	
				87	92	5	1.05	9.0	
				122	126	**4**	**1.91**	18.8	
				130	170	**40**	**1.18**	9.1	
Incl.				134	148	**14**	**2.11**	18.0	
Incl.				135	145	**10**	**2.50**	22.9	
Incl.				152	155	**3**	**1.35**	9.0	
Incl.				160	164	**4**	**1.38**	6.8	
Incl.				168	170	2	**1.29**	7.9	

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Copper Grade (%)	Silver Grade (g/t)	Zone
PP14035	292 727	6 648 702	-65/90	11	13	2	0.82	7.2	40M Shaft
				79	97	**18**	**0.91**	7.9	
Incl.				79	84	**5**	**1.21**	11.7	
Incl.				93	97	**4**	**1.76**	13.9	
				134	143	**9**	**1.23**	9.4	
Incl.				137	142	**5**	**1.63**	14.0	
DD-PP14036				169	177	**8**	**1.05**	**6.8**	40M Shaft
				182	188	**6**	**2.13**	**21.3**	
DDH14001	292 690	6 648 559	-50/60	55	59	4	1.21	11.1	40M Shaft
				86	98	12	1.04	8.9	
Incl.				92	98	6	1.45	13.3	
				102	119	17	1.12	8.5	
				113	119	**6**	**1.84**	14.6	
				142	170	**28**	**2.04**	19.7	
Incl.				147	170	**23**	**2.32**	22.7	
DDH14002	292 627	6 648 639	-50/50	57	63	6	0.67	6.7	40M Shaft
				73	75	2	0.68	6.8	
				80	81	**1**	**1.32**	10.0	
				84	148	**64**	**1.01**	8.8	
Incl.				84	101	**17**	**1.30**	10.1	
Incl.				90	101	**11**	**1.53**	12.8	
Incl.				110	114	4	0.97	4.7	
Incl.				121	125	**4**	**1.35**	15.9	
Incl.				130	148	**18**	**1.54**	13.7	
Incl.				130	133	**3**	**2.45**	22.1	
Incl.				139	148	**9**	**2.00**	18.1	
				160	163	**3**	**1.48**	9.3	
				170	173	3	0.73	6.9	
DD14003				45	47	2	0.761	6.3	40M Shaft
				63	66	**3**	**1.49**	**12.4**	
				78	85	**7**	**1.25**	**12.7**	
Incl.				79	81	**2**	**1.97**	**29.4**	
				91	93	2	0.88	9.75	
				111	113	2	1.5	**16.35**	
				134	136	2	0.60	6.9	
				163	165	2	1.02	10.95	
				182	299	**117**	**1.14**	**10.16**	
Incl.				184	202	**18**	**1.53**	**12.6**	
Incl.				193	202	**9**	**2.02**	**19.7**	
Incl.				213	229	**16**	**1.50**	**13.8**	
Incl.				254	264	**10**	**1.95**	**21.8**	
Incl.				268	278	**10**	**2.00**	**17.8**	
Incl.				288	299	**11**	**2.21**	**20.4**	
				312	320	**8**	**1.25**	**9.0**	
				323	325	2	0.47	4.3	
				333	341	8	0.56	2.5	
Incl.				334	336	2	1.23	3.9	

- *All samples assayed by ALS Laboratory Group, Chile/Peru*
- *Crushing all sample 70% < 2mm;split to 1 Kg; and powdered 85% < 75 µm*
- *ME ICP41 method or Cu-OG62 ore grade for Cu 0.001-50%*
- *All widths are downhole widths*
- *Hole ID co-ordinate grid is WGS84 UTM Zone 19S*

The QA/QC process used to record the drilling results includes collecting and recording 10kg and 20kg one metre and two metre samples respectively, over the entire length of the drill hole with the one metre samples confined to the mineralised zones and the use of standards, blanks and duplicates. The samples are visually logged by the onsite Company geologists for geology and mineralisation and hand-held XRF ("XRF") samples taken over the mineralised zones. The individual samples are then transported and submitted to an accredited analytical laboratory (ALS) for assaying.