7 January 2015

Herencia Resources plc

("Herencia" or "the Company")

New wide zone of shallow high-grade copper mineralisation at Picachos

Supports potential for multiple open-pits

Feasibility Study update

Highlights

- *Drill hole PP14049 confirms broad high-grade zone of copper mineralisation at shallow depth at a New Zone approximately 300 metres north of the 40M Shaft area.*
- *The New Zone is located between the 40M Shaft and the Flor del Bosque area which has high grade mineralisation outcropping on the surface.*
- *This result confirms the potential for multiple open pits in the 40M Shaft and Flor del Bosque area, with the near surface high grade copper mineralisation.*
- *The new zone of mineralisation intersected in RC drill hole PP14049 included :*
    - **33m at 1.22% copper** (and 11.2g/t silver) from 69m including:
    - **19m at 1.83% copper** (and 17.9g/t silver) from 77m

Herencia Resources plc (AIM:HER), the Chile-focussed mineral exploration and development Company, is pleased to advise that laboratory assay results from drilling at its advanced Picachos Copper Project ("Picachos" or the "Project") have returned high grade results from a hole drilled south of the Flor del Bosque zone, and located approximately 300m to the north of the previously reported high grade copper hits reported from the 40M Shaft zone.

The Flor del Bosque area is one of at least six zones targeted for potential open pit mine development at Picachos, along with 40m Shaft, Leoncito, Ranchos 4, Santa Rosa and La Dura, in addition to mineralised strike extensions to all of those zones.

Drilling at Picachos has now concluded and a summary of all laboratory assay results will be released in January 2015. A summary of this hole (PP14049) is appended to this release.

The Picachos Feasibility Study is underway with the Geological Model being finalised prior to a Mineral Resource Estimate, which we expect to be published shortly. Contract Mining rates have also been submitted by several experienced open pit mining contractors, site visits by the mining contractors are currently underway, and the costs will be used in the Open Pit Optimisation and Mine Planning phase of the Feasibility Study.

Managing Director, Graeme Sloan, commented on the high grade result achieved:

"The high-grades achieved at the 40M Shaft zone were our initial target, though we have always held the strong belief that the Picachos tenement area contains other equivalent targets, yet to be fully tested.

In the latest drill program we included two exploration holes that were drilled along strike of the 40M Shaft and intersected a new shallow, wide, high grade mineralised zone in an area between the 40M Shaft and Flor del Bosque. We feel the results speak volumes for the potential of the Picachos tenement area and, given the shallow nature of the mineralisation, the potential for multiple open pits in the 40M Shaft area alone.

It is also important to note that these zones are not narrow 'stringer' zones, but broad widths of high-grade copper that can be accessed very quickly by conventional open pit mining techniques.

Having multiple open pits provides significant opportunity to increase production rates and lower costs by providing both the flexibility in mining and the optimisation of personnel and equipment.

I am pleased to say that we remain on track with our Study and for production in the later part of this year."

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.

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

****ENDS****

Appendix – Laboratory Assay Results:
(All widths stated are down-hole intersections)

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Copper Grade (%)	Silver Grade (g/t)	Zone
PP14049	292 530	6 648 987	-60/80	69	101	**33**	**1.22**	**11.2**	FdB/40M
Incl.				77	96	**19**	**1.83**	**17.9**	

- *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.