

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

Picachos drill program completed

All results received with continuation of high grades

Maiden Resource for 40M Shaft due shortly

Highlights

The 2014 Drill program, which focused predominately on the 40M Shaft area, has been completed with all assays received from the laboratory.

40M Shaft Drill Highlights

- *Latest results show a continuation of high grades and the addition of wide zones of lower grade mineralisation that may be bulk-mined with the higher grade zones.*
- *The mineralisation remains open in all directions with high grade drill intersections approximately 300 metres along strike to the north, highlighting the potential for mineralisation to extend well over one kilometre.*
- *The geological model for the 40M Shaft area has revealed significant potential to expand the near surface mineralisation.*
- *A maiden Resource to be delivered to the Company shortly.*
- *Feasibility study remains on schedule and within budget.*
- *Results from final holes include (note "Cu" denotes copper and "Ag" denotes silver):*

Hole PP14039	12m at 1.58% Cu (and 13.9g/t Ag) from 136m
Hole PP14048	9m at 2.22% Cu (and 21.9g/t Ag) from 163m
Hole PP14036	27m at 1.15% Cu (and 8.7g/t Ag) from 105m
Hole PP14044	8m at 1.37% Cu (and 11.0g/t Ag) from 104m
	5m at 1.85% Cu (and 16.7g/t Ag) from 121m
Hole PP14040	78m at 0.69% Cu (and 5.3g/t Ag) from 119m
Hole PP14042	141m at 0.54% Cu (and 4.9g/t Ag) from 21m
Hole PP14041	53m at 0.68% Cu (and 5.0g/t Ag) from 154m
Hole PP14046	4m at 1.87% Cu (and 11.2g/t Ag) from 32m
	7m at 1.46% Cu (and 16.2g/t Ag) from 60m
Hole PP14037	7m at 1.54% Cu (and 13.7g/t Ag) from 74m
	8m at 1.39% Cu (and 14.3g/t Ag) from 116m

A summary of significant intersections achieved following completion of the 2014 Stage 2 drilling include (these are in addition to the above):

Hole DD14001	28m at 2.04% Cu (and 18.7g/t Ag) from 142m
Hole DD14002	64m at 1.01% Cu (and 8.8g/t Ag) from 84m
Hole DD14003	117m at 1.14% Cu (and 10.2g/t Ag) from 182m
Hole PP14004	10m at 1.41% Cu (and 9.4g/t Ag) from 65m
Hole PP14011	25m at 1.24% Cu (and 12.1g/t Ag) from 111m
Hole PP14019	91m at 1.42% Cu (and 13.5g/t Ag) from 19m including: 60m at 1.94% Cu (and 16.6g/t Ag) from 39m
Hole PP14020	18m at 1.33% Cu (and 6.1g/t Ag) from 60m
Hole PP14021	18m at 1.00% Cu (and 7.8g/t Ag) from 76m
Hole PP14022	45m at 1.76% Cu (and 13.6g/t Ag) from 95m
Hole PP14027	11m at 1.18% Cu (and 5.9g/t Ag) from 72m
Hole PP14028	20m at 0.89% Cu (and 8.3g/t Ag) from 62m
Hole PP14031	22m at 1.50% Cu (and 14.5g/t Ag) from 74m 18m at 1.59% Cu (and 13.3g/t Ag) from 110m
Hole PP14032	22m at 1.23% Cu (and 9.5g/t Ag) from 138m
Hole PP14033	58m at 1.06% Cu (and 8.0g/t Ag) from 109m
Hole PP14034	40m at 1.18% Cu (and 9.1g/t Ag) from 130m
Hole PP14049	33m at 1.22% Cu (and 11.2g/t Ag) from 69m

Herencia Resources plc (AIM:HER), the Chile-focussed mineral exploration and development Company, is pleased to advise that all laboratory assay results have been received from its Stage 2 drilling program at its advanced Picachos Copper Project (“Picachos” or the “Project”) in Chile.

These drill results will form the basis for an updated geological model and maiden Resource for the 40M Shaft area from which a mine plan will be developed to take the Company through to Phase 1 mine production. With current market conditions and commodity prices under pressure, the Company’s approach to minimising expenditure whilst moving as quick as possible into production, appears to be paying off. Although only a small area around the 40M Shaft area has been drilled to date, the number of high grade results from the drilling is impressive as evident by the most recent and previously announced drill intersections.

Whilst the Resource estimate will be released shortly, it is evident from the geological model that with minor amounts of additional drilling it is highly likely the upcoming Resource could be expanded significantly. Cash flow from the initial mine production will be used to extend and expand the Resources and mine production.

The mine development methodology of a staged approach to mine development and utilising surrounding infrastructure including existing treatment facilities to toll treat Picachos ore, is a key plank in the Company’s low capex, rapid production strategy.

Work to date on the Picachos Feasibility Study is progressing to schedule with a Mineral Resource estimate scheduled for completion in a matter of weeks. Technical input from third party consultants on permitting, environment and other key technical components is underway along with detailed costings from a number of open pit mining contractors.

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

“The 2014 Stage 2 drilling at Picachos has been an outstanding success and has delivered exceptional results for shareholders.

We are now progressing full steam ahead with a number of programs including a maiden Resource for the 40M Shaft area, mine planning, geotechnical evaluation, hydrogeological studies, process metallurgy and project permitting work, all of which will form the basis of the Picachos Phase 1 Feasibility Study.

One of the more significant outcomes of the drill program apart from the drill results themselves, is the very real possibility the 40M Shaft mineralisation could extend for several hundred more metres along strike and still remains open at depth and in all other directions. It also appears that with a limited amount of additional drill metres we could add significantly to the 40M Shaft mineralisation, a real boost for the longer-term.

The 40M Shaft drill program was specifically designed to only cover the first few years of ore mining with the aim of minimising upfront costs to shareholders. The aim being that future drill programs would be funded from cash flow. With this in mind, Stage 2 drilling only covered a small area of our tenement position, yet was able to deliver great results and identify a number of near surface zones that minor amounts of drilling could see a quick addition to our Resource inventory.

The next step for the company, the delivery of a maiden Resource Estimate for the 40M Shaft, development of a mine plan, finalise the metallurgical test work, complete the next steps in the permitting and approval process and look to deliver the preliminary results of the Feasibility Study by the end of 1Q15”.

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.

For further information, please contact:

Graeme Sloan, Herencia Resources plc +61 8 9481 4204

Katy Mitchell, WH Ireland Limited +44 161 832 2174

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 (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	292 670.50	6 648 605.70	-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	292 694.09	6 648 621.77	-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	292 717.95	6 648 631.90	-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	

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Copper Grade (%)	Silver Grade (g/t)	Zone
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	292 721.33	6 648 578.46	-60/60	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	
PP14035	292 727.39	6 648 702.90	-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	292 747.30	6 648 592.32	-60/60	27	29	2	0.68	7.45	40M Shaft
				34	36	2	0.79	9.4	
				44	47	3	0.58	5.1	
				105	132	27	1.15	8.7	
Incl.				116	132	16	1.77	13.4	
Incl.				117	124	7	2.22	19.1	
				137	160	23	0.70	5.1	
Incl.				137	141	4	1.00	6.7	
Incl.				155	159	4	1.45	11.7	
				169	177	8	1.05	6.8	
				182	188	6	2.13	21.3	
PP14037	292 690.35	6 648 497.84	-60/60	54	57	3	1.43	8.7	40M Shaft
Incl.				55	56	1	2.28	13.1	
				74	81	7	1.54	13.7	
Incl.				76	80	4	2.12	19.6	
Incl.				76	78	2	3.18	31.1	
				116	124	8	1.39	14.3	
Incl.				117	121	4	1.80	19.3	
				137	143	6	0.68	6.0	
Incl.				142	143	1	1.38	12.0	

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Copper Grade (%)	Silver Grade (g/t)	Zone
				156	158	2	0.89	8.2	
PP14038	292 733.85	6 648 516.48	-60/75	0	2	2	1.35	5.0	40M Shaft
				9	14	5	1.07	11.8	
Incl.				9	11	2	1.37	14.4	
Incl.				13	14	1	2.19	27.4	
				36	40	4	1.01	14.7	
Incl.				36	38	2	1.44	17.5	
				42	46	4	0.64	7.6	
				71	75	4	0.76	7.4	
Incl.				72	73	1	1.28	13.3	
				78	82	4	0.88	9.8	
Incl.				79	81	2	1.37	14.6	
				125	128	3	0.73	4.1	
Incl.				126	127	1	1.30	5.6	
				138	140	2	0.94	9.4	
				148	157	9	1.12	6.15	
Incl.				150	152	2	1.76	12.6	
				164	174	10	1.18	8.7	
Incl.				169	173	4	1.56	12.1	
				188	197	9	1.53	13.3	
Incl.				193	197	4	2.74	25.7	
				203	204	1	1.10	19.4	
PP14039	292 675.36	6 648 676.36	-58/90	6	9	3	0.72	5	40M Shaft
				18	20	2	1.15	9.6	
				30	44	14	1.01	14.2	
Incl.				32	34	2	2.16	43.6	
Incl.				32	36	4	1.59	24.4	
Incl.				38	39	1	1.6	14.4	
Incl.				42	44	2	1.51	19.9	
				66	68	2	0.57	7.0	
				86	91	5	0.72	7.9	
Incl.				90	91	1	1.22	11.1	
				93	94	1	2.04	13.5	
				99	101	2	1.15	8.9	
				106	108	2	1.00	7.3	
				110	117	7	1.10	8.3	
Incl.				112	115	3	1.73	12.8	
				136	148	12	1.58	13.9	
Incl.				144	147	3	2.63	26.1	
PP14040	292 752.29	6 648 576.55	-60/60	23	25	2	1.78	17.1	40M Shaft
				34	36	2	0.42	5.0	
				42	43	1	1.12	15.4	
				69	72	3	0.68	3.7	
				119	197	78	0.69	5.3	
Incl.				119	141	22	0.86	6.6	
Incl.				119	122	2	1.13	6.1	
Incl.				130	137	7	1.37	12.7	

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Copper Grade (%)	Silver Grade (g/t)	Zone
Incl.				144	146	2	0.88	4.4	
Incl.				148	166	18	1.05	7.9	
Incl.				150	154	4	1.64	16.4	
Incl.				163	166	3	1.40	12.9	
Incl.				175	181	6	0.75	4.85	
Incl.				178	180	2	1.18	9.7	
Incl.				189	197	8	0.81	7.2	
Incl.				194	196	2	1.91	21.6	
PP14041	292 752.29	6 648 576.55	-58/90	0	2	2	0.31	0.6	40M Shaft
				12	14	2	0.32	0.9	
				27	29	2	0.73	6.8	
				154	207	53	0.68	5.0	
Incl.				155	160	5	1.12	11.1	
Incl.				156	158	2	2.0	22.0	
Incl.				166	182	16	1.14	7.3	
Incl.				177	180	3	1.67	11.5	
Incl.				189	192	3	0.72	4.1	
Incl.				198	207	9	0.86	5.7	
Incl.				202	205	3	1.25	10.3	
				219	222	3	1.66	20.9	
Incl.				219	221	2	2.30	30.3	
PP14042	292 646.49	6 648 734.23	-60/60	21	23	2	0.64	4.6	40M Shaft
				21	162	141	0.54	4.7	
Incl.				30	44	14	1.00	8.2	
Incl.				31	34	3	1.57	8.8	
Incl.				37	39	2	1.55	9.1	
Incl.				41	44	3	1.68	17.6	
Incl.				64	68	4	0.72	8.9	
Incl.				71	73	2	0.93	10.5	
Incl.				79	81	3	1.02	8.8	
Incl.				85	90	5	0.87	8.34	
Incl.				88	99	1	2.16	22.5	
Incl.				94	101	7	1.07	10.1	
Incl.				97	100	3	1.77	16.2	
Incl.				112	115	3	2.17	19.4	
Incl.				122	128	6	1.04	7.81	
Incl.				124	126	2	1.74	15.5	
Incl.				131	134	3	0.51	3.76	
Incl.				138	162	24	0.90	6.6	
Incl.				139	140	1	1.63	17.3	
Incl.				145	146	1	1.76	20.9	
Incl.				152	162	10	1.35	9.0	
Incl.				160	162	2	2.18	23.9	
				173	176	3	1.19	7.9	
Incl.				174	175	1	2.57	19.4	
PP14043	292 679.56	6 648 773.86	-65/60	61	64	3	1.84	15.5	40M Shaft
Incl.				63	64	1	3.1	26.7	

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Copper Grade (%)	Silver Grade (g/t)	Zone
				113	123	10	0.94	7.9	
Incl.				118	123	5	1.41	12.2	
				131	133	2	0.49	3.6	
				135	138	3	1.75	12.6	
Incl.				136	137	1	2.83	24.7	
				146	148	2	1.10	10.8	
Incl.				146	147	1	1.63	17.9	
PP14044	292 613.85	6 648 749.46	-65/60	34	35	1	1.24	8.9	40M Shaft
				50	52	2	0.58	5.3	
				55	63	8	1.24	10.0	
Incl.				57	61	4	1.58	14.9	
				67	76	9	1.05	10.5	
				104	112	8	1.37	11.0	
Incl.				106	107	1	2.50	27.8	
Incl.				109	111	2	2.17	20.7	
				119	129	10	1.10	10.1	
Incl.				121	126	5	1.85	16.7	
				136	138	2	0.58	3.4	
				141	143	2	0.79	6.4	
PP14045	292 633.20	6 648 817.10	-65/60	9	11	2	1.34	15.8	40M Shaft
				16	18	2	0.43	5.4	
				20	22	2	2.26	17.3	
				87	95	8	1.43	12.0	
Incl.				91	93	2	2.91	31.7	
PP14046	292 602.93	6 648 801.88	-80/60	26	27	1	1.44	10.6	40M Shaft
				32	36	4	1.86	11.2	
Incl.				33	35	2	2.26	17.1	
				44	50	6	1.11	9.6	
Incl.				45	47	2	1.76	22.7	
				52	53	1	1.31	13.1	
				60	67	7	1.46	16.2	
Incl.				62	65	3	2.25	31.8	
				85	87	2	0.45	4.0	
PP14047	292 604.02	6 648 802.40	-60/60	41	46	5	1.01	8.82	40M Shaft
Incl.				45	46	1	1.87	10.3	
PP14048	292 551.80	6 648 879.06	-58/60	86	90	4	1.05	5.6	FdB/40M
Incl.				87	88	1	1.53	5.5	
				122	127	5	0.59	6.0	
				140	142	2	0.51	5.6	
				144	146	2	1.17	10.1	
				163	172	9	2.22	21.9	
Incl.				169	171	2	3.49	38.1	
PP14049	292 535.66	6 648 985.53	-58/80	26	31	5	0.76	2.3	FdB/40M
Incl.				28	30	2	1.27	3.6	
				69	102	33	1.22	11.2	
Incl.				77	96	19	1.83	17.9	
Incl.				78	83	5	2.07	23.0	

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Copper Grade (%)	Silver Grade (g/t)	Zone
Incl.				88	94	6	2.23	21.5	
				111	113	2	0.46	5.8	
				123	125	2	0.94	5.0	
DDH14001	292 691.88	6 648 558.68	-55/60	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	292 629.24	6 648 640.09	-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	292 702.38	6 648 453.59	-45/60	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	
DD14005	292 611.53	6 648 743.16	-45/60	47	49	2	0.49	4.1	40M Shaft
				57	58	1	0.74	4.2	
				65	75	10	0.63	5.7	
Incl.				68	71	3	1.14	8.9	
				79	81	2	1.04	8.8	

Hole ID	Easting	Northing	Dip/Az. (degrees)	From (m)	To (m)	Width Down-hole (m)	Copper Grade (%)	Silver Grade (g/t)	Zone
				100	131	31	0.71	6.4	
Incl.				101	104	3	2.36	21.3	
Incl.				110	112	2	1.28	6.1	
Incl.				127	131	4	2.10	18.0	
				149	152	3	0.78	4.7	
				174	176	2	0.67	4.2	
				178	181	3	1.38	9	
				189	190	1	1.35	9.5	
				192	204	12	0.84	6.3	
Incl.				193	195	2	2.66	21.6	
				221	224	3	0.57	4.1	
				251	256	5	1.02	8.7	
Incl.				253	256	3	1.22	8.9	
				258	260	2	0.32	4.7	
				283	288	5	0.64	6.9	
				317	321	4	0.66	5.3	

- 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.