

Herencia Expands Picachos

Four zones of mineralisation with a combined strike over four kilometres in length

Highlights

- *Recent geological mapping combined with the results of a comprehensive surface XRF sampling program (see RNS dated 26 August 2015), has now identified four separate zones of mineralisation with a combined strike extent of approximately four kilometres.*
- *The four zones of mineralisation can be separated into:*
 - *40M Shaft Zone - now extending over 1.2km including the 40m Shaft, 40M Shaft East & Flor del Bosque*
 - *Central Zone - extending over 1.2km*
 - *Santa Rosa Zone - now extending over 1.4km and includes Santa Rosa and Rancho 4*
 - *Eastern Zone – A new zone that currently extends to over 0.5km*
- *All four zones have high grade mineralisation at the surface and in many cases shallow historical mining to support deeper potential*
- *The four areas are located in the central-southern area of the Picachos tenements and do not take into account areas to the north including the high grade Leoncito area or La Dura*
- *The four parallel zones opens the door to a multiple open pit mining scenario*

Herencia Resources plc (AIM:HER), the Chile-focussed mineral exploration and development Company, is pleased to advise that following the release of earlier hand held XRF sampling at the Picachos Copper Project ("Picachos" or the "Project") in central Chile (see RNS dated 26 August 2015), further geological interpretation has now identified four separate zones of mineralisation over a combined strike extent of approximately 4.3 kilometres (see Figure 1 showing the four zones of mineralisation).

The four parallel zones of mineralisation include:

1. 40M Shaft Zone - extending over **1.2 kilometres** including the 40m Shaft, 40M Shaft East and Flor del Bosque.
2. Central Zone - extending over **1.2 kilometres**
3. Santa Rosa Zone - now extending over **1.4 kilometres** and includes, Santa Rosa and Rancho 4
4. Eastern Zone – A new zone that currently extends to over **0.5 kilometres**

The four zones include many examples of shallow historic mining activities, supported by an extensive surface sampling program which shows multiple high grade hand held XRF samples over much of the surface expressions.

Updated geological-structural mapping, re-interpretation of the stratigraphic setting and the distribution of copper mineralisation have confirmed the significant potential of these four mineralised copper belts, at both shallow levels and their deeper extensions, following the east-dipping limestones into which we interpret that a prospective copper-silver strata-bound mineralisation has been deposited. We have confirmed this in the 40m Shaft zone by our drilling programs.

Strong deformation and subsequent parallel shearing appears to have played an important role in the bornite-chalcopyrite (copper) enrichment. Figure 1 shows the four mineralised copper belts mentioned herein and identified in the rock sequence at the Picachos Project.

Managing Director, Graeme Sloan, commented:

“Although we have known about the individual areas like 40M Shaft, Flor del Bosque and Santa Rosa for some time, this is the first time we have been able to confidently predict four separate parallel zones of potential contiguous mineralisation. The zones extend over a combined 4.0 kilometre strike and have been identified by a combination of surface sampling, geological mapping and historic mining activities.

This is really a significant step in the overall development of the Picachos project as it not only confirms the longer term potential of the area but also the potential for multiple open pits which could be mined individually or concurrently to optimise production rates and grade control.

Given the four zones are all located in the central-southern part of the Picachos tenements, this leaves the door wide open for additional zones in the north including Leoncito and La Dura, both of which have very high grades on the surface. To date limited work has been undertaken to test these zones.

The close proximity and extensive nature of these four mineralised zones should provide support for the Company in its negotiation for treatment options for Picachos ore, whether it be under the umbrella of the proposed Tambillos joint venture or under a toll treatment arrangement.

This is another important step in the development of the Picachos Project and its move into production”.

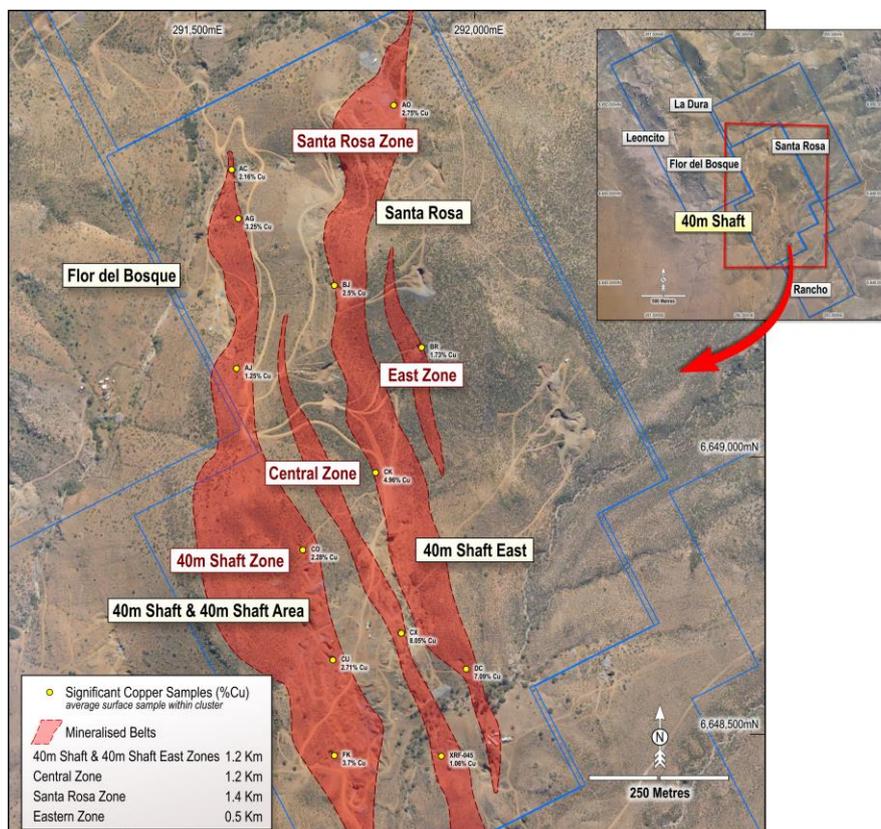


Figure 1 showing the four mineralised copper belts

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 recent site visits have identified up to six separate zones of mineralisation (including 40M Shaft, Santa Rosa, Flor del Bosque, Leoncito, Rancho IV and La Dura). 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 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 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) who has 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 has 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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