



Herencia Resources PLC - HER Company Update
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Herencia Resources PLC
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Herencia Resources plc

("the Company")

Company Update

As announced 30th November 2016, the Company has been in discussions with its major shareholders ("Shareholders") and other sources to provide ongoing working capital and development funds for the Picachos project. These negotiations are continuing and the Directors are confident of a successful outcome.

In the meantime the Company has entered into a short term work contract with a third party to outsource some of its Chilean personnel as a way of further minimising operational costs and providing a modest revenue stream. Funds derived from this work along with the Company's current cash balance and an extensive cost reduction programme are expected to provide sufficient working capital until the end of the year. Further payments for additional work are also expected over the coming weeks.

Although the directors are confident that the negotiations with the Shareholders and other funding sources will be successfully completed, there can be no guarantee of their success or that additional funds will be available to the Company. If further funds are not identified by early January then there is no guarantee that the Company will be able to continue trading after that date.

Further updates will be provided in due course.

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) 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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