



**Herencia Resources PLC** - HER Formal Documentation for Sale of Paguanta  
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Herencia Resources PLC  
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## **Herencia Resources plc**

**("Herencia" or "the Company")**

### **Herencia Executes Formal Documentation For Sale of Paguanta**

#### **Summary**

Herencia Resources plc (AIM: HER) is pleased to announced that it has executed formal documentation for the sale of the Company's 70% equity in the Paguanta Project on the terms set out in the announcement dated 10 May 2016.

On that date, the Company announced they had entered into a transaction ("Proposed Transaction") with Golden Rim Resources (ASX:GMR) under which the Company will sell all of the issued shares in Paguanta Resources (Chile) SA ("PRC"), a wholly owned subsidiary of Herencia. PRC holds 70% of the shares in Compania Minera Paguanta S.A. (CMP) which holds mineral concessions at the Paguanta silver-lead-zinc-copper project in northern Chile.

Following execution of this formal documentation GMR has provided Herencia with the second tranche of the deposit, totalling US\$100,000. The Directors anticipate these funds will ensure the Company has sufficient working capital to last to at least end of July 2016. There can be no guarantee that the Company will be able to continue trading after this time.

However, Golden Rim is well advanced in its final due diligence investigations. Completion of the Proposed Transaction is subject to all conditions, including commercial, operating, technical, taxation, legal and other due diligence, being satisfied or waived by no later than 4 July 2016. At this stage, there can be no guarantee that the Proposed Transaction will complete.

Further updates will be provided by the Company as the due diligence is finalised.

Managing Director, Graeme Sloan, commented:

*"This is an important step in the overall transaction process and signals a large part of the GMR due diligence process now complete. Both companies continue working together to reach the final stage of the transaction as quickly as possible with final Completion expected by 4 July 2016".*

### **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.

### **About Paguanta**

Paguanta is located in the north of Chile approximately 190 kilometres north-east of the coastal city of Iquique and 30 kilometres west of the Chile-Bolivia border. It is on the north end of the Oligocene Porphyry Copper Belt of Chile that includes the world class deposits of Escondida, Chuquicamata, Collahuasi and Cerro Colorado. Cerro Colorado is a large operating copper mine, operated by BHP Billiton, and is located approximately 35 kilometres south of Paguanta.

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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](http://www.herenciaresources.com)***

**\*\*ENDS\*\***

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