



Herencia Resources PLC - HER Placing
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Herencia Resources PLC
27 April 2017

Herencia Resources plc

("Herencia" or the "Company")

Herencia Concludes Successful Raising of Approximately £1.0m (US\$1.2m)

Herencia Resources plc (AIM: HER) is pleased to announce the successful placement of approximately US\$1.2m from the issue of 2,111,700,473 new ordinary shares at 0.045 pence ("Placing Shares").

Herencia, is a copper explorer and developer in central Chile and has a number of high quality copper assets in well-endowed copper producing region. The assets are characterised extensive copper mineralisation which has been accessed via adits, surface pits and extensive localised drilling. Whilst the company has been through a difficult period corporately the Directors believe these copper assets present an exceptional opportunity for resource enhancement and expansion on these known mineral occurrences. Additionally, the regional copper and metals endowment and the associated production facilities provide the opportunity to expand Herencia's operating base over time.

The new Directors are committed to rebuilding Herencia as a viable and stable exploration and development entity and will seek to maximise value from this important mineral region.

It is envisaged the funds raised will be used for the following initiatives:

- Advancing the Picachos and Pastizal projects;
- Reducing the creditors in Chile, and
- Other working capital purposes.

Following the capital raising there will be 6,758,972,388 Ordinary Shares.

This announcement includes inside information as defined in Article 7 of the Market

Strong Shareholder Interest

Following the appointment of new Directors, Mr Peter Reeve and Mr Jeff Williams discussions with existing and new shareholders have been held to source additional funds. The strong support from new shareholders in the placement demonstrates the investment communities view of the potential in the Herencia's copper assets in Chile.

Admission and Dealings

Application has been made for the Placing Shares to be admitted to trading on AIM, and dealings in the Placing Shares are expected to commence on 8 May 2017.

The Company's pivotal land position

Following a more rigorous geological interpretation in the next 3 months Herencia will prepare a comprehensive drill plan which should be announced prior to the Annual General Meeting in late June 2017. The plan will engage wide spaced drilling on both Picachos and Pastizal leases to enhance the existing mineral copper resources.

Surrounded by excellent infrastructure

1. La Serena and airport 50 kms from site
2. Good road access and power and water nearby
3. Office and accommodation at Andacollo 5kms from site
4. Three toll treatment options for future Picachos ore
 - One government treatment plant
 - Two private treatment plants

Work to date

- Geological and structural mapping of all tenements
- Comprehensive surface and underground XRF and laboratory sampling program
- Over 1.0km of mine tunnels sampled (6 areas)
- Phase One Drill Program completed in 2014: (1) and (2) results of a 32-hole program including;
 - *PP14011 25m at 1.24% Cu, 12.1g/t Ag*
 - *PP14019 91m at 1.42% Cu, 13.5g/t Ag incl.
20m at 3.10% Cu, 25.4g/t Ag*
 - *PP14020 18m at 1.33% Cu, 6.1g/t Ag incl.
10m at 2.04% Cu, 8.5g/t Ag*
 - *PP14022 45m at 1.76% Cu, 13.6g/t Ag incl.
34m at 2.09% Cu, 16.6g/t Ag*

Total Voting Rights

Following the issue of the Placing Shares, the total number of shares in issue is 6,758,972,388 . There are no shares held in treasury. Therefore, the total number of voting rights in the Company is 6,758,972,388. This figure may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest under the Disclosure and Transparency Rules

Working Capital Position

The Directors believe these funds will be sufficient to satisfy the Company's working capital requirements for the foreseeable future and these funds will be used to repay creditors, to advance the Company's remaining assets (as set out above) and for working capital purposes. Further updates will be provided in due course.

Important notices

This notice may not be released or distributed to the United States. This notice does not constitute an offer to sell, or to buy, securities in the United States. The New Ordinary Shares offered and sold in this Placing will not be registered under the Securities Act of 1933 or any securities laws of any State or any jurisdiction of the United States. The Company has not been, and will not be, registered under the US Investment Company Act of 1940, as amended, and investors will not be entitled to the benefits of that Act. Neither this announcement nor any copy of it may be taken or transmitted into the United States of America or its territories or possessions (the "United States"), or distributed, directly or indirectly, in the United States, or to any U.S Person as defined in Regulation S under the Securities Act 1933 as amended, including U.S resident corporations or other entities organised under the laws of the United States or any state thereof or non-U.S branches or agencies of such corporations or entities or into Canada, Australia, Japan, South Africa or the Republic of Ireland. Neither this announcement nor any copy of it may be taken or transmitted into or distributed in Canada, Australia, Japan, South Africa or the Republic of Ireland, or any other jurisdiction which prohibits the same except in compliance with applicable securities laws. Any failure to comply with this restriction may constitute a violation of United States or other national securities law.

This announcement may include 'forward-looking statements'. All statements other than statements of historical facts included herein, including, without limitation, those regarding the Company's financial position, business strategy, plans and objectives of management for future operations (including development plans and objectives relating to the Company's business) are forward-looking statements. Such forward-looking statements are based on a number of assumptions regarding the Company's present and future business strategies and the environment in which the Company expects to operate in future. Actual results may vary materially from the results anticipated by these forward-looking statements as a result of a variety of factors. These forward-looking statements speak only as to the date of this announcement and cannot be relied upon as a guide to future performance. The Company expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this announcement to reflect any changes in its expectations with regard thereto or any change in events, conditions or circumstances on which any statement is based.

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Further background details on the Company can be found at
www.herenciaresources.com

This information is provided by RNS
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