



Herencia Resources PLC - HER Update - sale of Paguanta
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Herencia Resources PLC
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Herencia Resources plc ("Herencia" or "the Company")

Update Sale of Paguanta

Herencia Resources plc (AIM: HER) refers to its previous announcement with respect to its intention to dispose of the Company's 70% equity in the Paguanta Project. On 10 May 2016, 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.

Completion under the Proposed Transaction was due to take place no later than 4 July 2016, however due to delays with the flow of information; the parties have agreed to extend the date of completion to no later than 29 July 2016.

On 15th June 2016, the Company made a further announcement with the execution of formal documentation following which GMR provided Herencia with the second tranche of the deposit, totalling US\$100,000 being 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.

Golden Rim has notified the Company they are well advanced in their due diligence investigations, with Technical due diligence complete and only a few financial and legal due diligence matters remain outstanding, including receipt of the audited accounts of CMP and PRC.

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.

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

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