



Minera IRL Ollachea Pre-feasibility Study Update

London, 12 July 2010: Minera IRL Limited (“Minera IRL” or the “Company”), (TSX:IRL) (AIM:MIRL) (BVL:MIRL) the Latin American focused gold mining, development and exploration company, is pleased to announce progress on its Ollachea Gold Project, Peru.

Highlights:

- **Excellent progress on the Pre-Feasibility Study which remains on track for completion during the first quarter of 2011**
- **Completion to date of 32 of 39 infill diamond drill holes with results consistent with the geological understanding of the mineralized lenses. Recent intersections include 13m of 6.81g/t Au and 22m of 3.90g/t Au**
- **Metallurgical test work confirms application of conventional processing**
- **Progress on 1.3 kilometre exploration tunnel Study**
- **Major consultants AMEC (Perú) S.A., Coffey Mining Pty Ltd and Geoservice Ingenieria S.A.C have been retained**

Courtney Chamberlain, Executive Chairman of Minera IRL, stated “We are making excellent progress on the Pre-feasibility Study data gathering. The detailed Study of the exploration tunnel, which we anticipate commencing early in 2011, is advancing rapidly. To manage the Study and provide specialist input, we have engaged the assistance of several international consultancies with the objective of completion in early 2011.”

Infill drilling with two diamond rigs is focused on the Minapampa Zone, with a strike length of 680m (excluding the more recently recognized eastern extension which extends the zone to approximately 900m). Of the planned 39 drill holes required to infill a grid averaging 35m by 35m, comprising some 14,000 meters, 32 holes have now been finished. This brings the number of completed drill holes in the Minapampa Zone to 80 for a total drilled of 28,846 meters.

Results of the infill drilling appear to be in line with expectations based upon the earlier Inferred Resource modelling. Recent intersections include hole DDH10-100 which recorded four gold rich intervals including: 15m at 5.69g/t Au, 13m at 6.81g/t Au, 4m at 3.02g/t Au and 7m at 2.16g/t; hole DDH10-101 which recorded three gold rich intervals including: 15m at 2.98g/t Au, 15m at 4.16g/t and 4m at 3.07g/t; and hole DDH10-106, with 22m grading 3.90g/t Au (including 6m at 6.27g/t Au).

Advanced metallurgical testing at the AMMTEC laboratories in Perth, Western Australia is confirming and refining the positive metallurgical projections, estimated at 91% recovery in the Scoping Study. Oriented core logging continues to build the geotechnical data base. Environmental baseline information gathering is well advanced.

International engineering and construction firm AMEC (Perú) S.A. has been retained to manage the consolidation of the pre-feasibility study. Coffey Mining continues to hold responsibility for the resource estimation. Geoservice Ingenieria S.A.C is managing the study to install the 1.3 kilometre exploration tunnel into the mineralized zone. This report is scheduled for submission to the regulatory authorities in September 2010 with the objective of obtaining all approvals and permits to be in a position to commence the tunnel in the first quarter of 2011.

Depending on the variation of the angle of incidence between drill holes and the mineralized horizons, the effective true width of mineralized intersections as reported range between 60 to 94% of the width indicated.

Drill intersections through DDH10-106 can be found on the Minera IRL website, www.minera-irl.com

This press release was reviewed by Donald McIver, VP Exploration of the Company, MSc Exploration and Economic Geology, a Fellow of the Australian Institute of Mining and Metallurgy (AUSIMM), who is the designated Qualified Person for the purposes of National Instrument 43-101 and has approved the technical information in this press release.

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Minera IRL Limited is the AIM traded, TSX and BVL listed holding company of precious metals mining and exploration companies focused in Latin America. Minera IRL is led by an experienced senior management team with extensive industry experience, particularly in operating in South America. The Group operates the Corihuarmi Gold Mine and the emerging Ollachea Gold Project in Peru as well as the Don Nicolas Project in Argentina.

The Toronto Stock Exchange neither approves nor disapproves the information contained in this News Release.

Some of the statements contained in this release are forward-looking statements, such as estimates and statements that describe the Company's future plans, objectives or goals, including words to the effect that the Company or management expects a stated condition or result to occur. Since forward-looking statements address future events and conditions, by their very nature, they involve inherent risks and uncertainties.

While these forward-looking statements, and any assumptions upon which they are based, are made in good faith and reflect our current judgment regarding the direction of our business, actual results will almost always vary, sometimes materially, from any estimates, predictions, projections, assumptions or other future performance suggestions herein. Except as required by applicable law, Minera IRL Limited does not intend to update any forward-looking statements to conform these statements to actual results.