



Minera IRL announces Don Nicolas Project and Patagonia Exploration Update

London, 10 May 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, announces an update on the Don Nicolas Project and Patagonia exploration initiative in Argentina.

Highlights:

- **Don Nicolas Feasibility Study well under way**
- **Two rigs conducting Measured and Indicated in-fill and step-out drilling in areas of defined resources**
- **Significant breccia zone identified at Escondido with 11 of 22 outcrop rock samples assaying above 0.1g/t gold with the highest assaying 2.4g/t gold and 84g/t silver**
- **Permitting for more advanced exploration underway at Escondido and Pan de Azucar**

The amalgamation of Hidefield Argentina into Minera IRL Patagonia SA is now substantially complete and the 2010 program is in full swing. There are two aspects of the Patagonia initiative, namely the feasibility study on the Don Nicolas Project, where an Indicated Resource of 1,078,000 tonnes at 5.8 g/t for 200,700 ounces of gold and Inferred Resource of 1,075,000 tonnes at 4.6 g/t for 158,400 ounces of gold has already been identified, and regional exploration over the more than 2,600 square kilometre tenement package.

"I am extremely pleased with our work program in Patagonia and am more convinced than ever that the Hidefield take-over was an excellent transaction." said Courtney Chamberlain, Executive Chairman of Minera IRL. *"We have a high quality, enthusiastic team which has integrated very well and increasing potential is already emerging on our tenements."*

Priority on the Don Nicolas Project is the advancement of the Feasibility Study. Two rigs are now engaged in extension and in-fill drilling on the Sulfuro Vein at La Paloma and when completed, expected by the end of June, will move on to a similar exercise on the gold mineralization at Martinetas. This will allow the resource to be substantially categorized as Measured and Indicated Resource.

Good progress is being made on other aspects of the feasibility program such as the environmental EIA study, metallurgical testing, mining studies and a hydrology program aimed at securing adequate water resources.

The exploration focus is to make new discoveries near defined resources whilst progressively assessing several other existing exploration targets. To assist in prioritizing exploration targets, a contract has been awarded for a 3,761 line kilometre heliborne magnetic and radiometric geophysical survey. This survey will be conducted in conjunction with a specialist contractual structural geology evaluation.

Inaugural exploration field work success has already mapped a new, significantly wide breccia zone at Escondido, with a strike length of over 500 meters and up to 100 meters wide, located immediately south of Mariana Resources's Dos Calandrias Project. Of the 22 outcropping rock samples taken, 11 returned values above 0.1g/t gold of which 7 were above 0.2g/t gold. Twelve samples analysed also assayed above 4g/t silver. The highest grade sample assayed 2.4g/t gold and 84g/t silver. Field work is also gearing up at Pan de Azucar where earlier Hidefield surface sampling obtained gold assays as high as 54g/t from the outcropping low-sulphidation quartz vein that has been mapped on surface over a strike length of 1 kilometer. Environmental and archaeological clearance is in progress on both of these projects in preparation to the follow-up phase of exploration.

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 recognized as a Qualified Person for the purposes of National Instrument 43-101 and has approved the technical information in this press release.

For more information please contact:

Minera IRL

Trish Kent, Vice President, Corporate Relations

+511 4181230

**Arbuthnot Securities (Nominated Adviser & Broker,
London)**

Nick Tulloch

+ 44 (0)20 7012 2000

Bankside Consultants (Financial PR, London)

Simon Rothschild

Louise Mason

+ 44 (0)20 7367 8888

The Equicom Group Inc. (Investor Relations, Canada)

James Kitchen, Account Executive

+1 416 815 0700 (ext
267)

Minera IRL Limited is the AIM, TSX and BVL, Lima 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.

Quality Assurance and Quality Control Procedures Disclosure

The Company has implemented MIRL QA/QC protocol on the recently merged Hidefield Patagonia properties to ensure best industry practice in sampling and analysis of exploration soil, rock-chip and channel samples, as well as infill RC chips and D/d core samples. The insertion of field duplicates, certified standards and blank samples into the sample stream form part of the MIRL procedures.

All RC pre-collar drilling is restricted to the hanging wall of the mineralized structures, interpreted to be composed of barren material. Check-sampling of the RC chips is done at the drill site utilizing a rotating cone splitter. Selected samples, after being geologically evaluated at the site, are submitted for check-analysis. Chip samples representative of all RC drilling are kept on site for any possible future reference.

The target mineralized structures are drilled by diamond drilling. The HQ drill core is logged, photographed and then split with one-half sent for analysis whilst the other half is stored at the project core shed facility.

Onsite, MIRL field personnel collect and track samples which are then security sealed and dispatched via specially contracted commercial transport to ALS (ALS) Patagonia S.A. laboratories, Mendoza, Argentina for analysis. The ALS internal quality control system complies with the requirements for International Standards ISO 9001:2000 and ISO 17025: 1999.

IRL samples are analyzed by conventional 50g Fire Assay for gold (Au.AA24). Analytical gold responses above 10g/t are re-assayed applying the gravimetric process (Au-GRA22). Silver, as well as 35 additional elements, are analyzed by the ME-ICP41 process. Analytical accuracy and precision in the laboratory are monitored by the analysis of reagent blanks, reference material and replicate samples. ALS has no relationship or interest in MIRL or any of their projects.

Assay results are reported once rigorous QAQC procedures have been approved.

Independent Audit Programs

As a means of upholding compliancy with international standards pertaining to the minerals industry resource evaluation procedure, MIRL regularly contracts the services of industry experts to conduct audits of established QAQC procedures.

During January 2009, Ph.D. Barry Smee conducted an audit on the Minera IRL quality control, core and

blast-hole sampling protocol.

During January 2010, Dr. Smee followed up with a review of quality control data; the mine laboratory and reverse circulation wet sampling protocol.

Dr. Barry Smee is a geologist and geochemist, member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia and a full member of the Association of Exploration Geochemists. He has been practicing his profession for 40 years in Canada and abroad. He is a Qualified Person as defined under NI 43-101.