



Minera IRL Announces the Withdrawal of its Proposed Equity Offering and a New US\$20million Finance Facility with Macquarie Bank

London, 21 June 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 that it has decided not to proceed with the proposed offering of its ordinary shares, as announced on 14 May 2010, due to unfavorable market conditions caused by the recent volatility in the equity markets.

The Board of the Company also announces today that it has agreed to enter into a US\$20 million finance facility (the “Facility”) with Macquarie Bank Limited (“Macquarie”) to fund principally the ongoing development at its Ollachea and Don Nicolas Projects.

“We appreciate Macquarie’s continued support of the Company which highlights Macquarie’s positive view on the potential of the Company’s development projects, Ollachea and Don Nicolas.” said Courtney Chamberlain, Minera IRL Limited Executive Chairman. *“The Facility, along with the cash flow from the Company’s Corihuarmi Gold Mine, will be used to support the strategy of developing our near-term projects, including the current drilling programs.”*

The Facility comprises two tranches of US\$10 million. The first tranche is committed by Macquarie, with the second tranche being subject to further due diligence and approvals prior to any drawdown of the second tranche. Each tranche has two drawdowns, thereby allowing the Company to access the funds in smaller amounts if and when required. The Company’s existing US\$5 million Feasibility Finance Facility with Macquarie, of which US\$2.5 million is currently drawn down, is being refinanced as part of this Facility. In consideration of providing the Facility, Macquarie will be granted options whose aggregate exercise price into ordinary shares in the Company will be equivalent to the amount of the Facility drawn down. The price of the options will be set prior to each drawdown based on a set pricing mechanism. The options expire on 28 June 2013. The issuance of the options is subject to regulatory approval, including the approval of the Toronto Stock Exchange.

A summary of the key terms of the Facility are as follows:

Total Facility Amount:	US\$20m
Tranche 1	US\$10m – Drawdown 1: US\$7.5m ; Drawdown 2: US\$2.5m
Tranche 2	US\$10m – Drawdown 3: US\$5.0m ; Drawdown 4: US\$5.0m
Repayment Date:	31 December 2012
Interest rate:	LIBOR plus 3.50% pa
Undrawn line fee:	1% pa on undrawn and available funds
Facility fee:	
Tranche 1	0.5% (excluding refinancing existing Feasibility Finance Facility amount)

Tranche 2

0.5% payable before first drawdown of Tranche 2

Options:

In respect of each drawdown, options will be granted to Macquarie over such number of ordinary shares in the Company as is equivalent to the sum drawn down divided by the exercise price. The exercise price to be, in respect of Drawdown 1, at a price to be agreed (converted to USD), and in respect of each subsequent drawdown a 20% premium to the 10-day average AIM closing price prior to the time of draw down converted to USD. All options to expire on 28 June 2013.

Note:

1. The existing 4,861,048 options held by Macquarie in relation to the existing Feasibility Finance Facility are to be cancelled as part of the Facility.
2. Security to be granted under the Facility will include similar arrangements to the existing Feasibility Finance Facility, which involves security over all of the shares and related rights held by Minera IRL Limited in two of its subsidiaries, Minera IRL SA and Minera IRL Argentina SA, plus some additional security standard to a facility of this size.

Documentation of the Facility has commenced and is expected to be completed and signed by the end of June 2010.

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