



**Minera IRL Limited sets out eight-point plan and responds to media speculation.**

**Lima, 18th November 2015:** Minera IRL Limited ("Minera IRL" or the "Company") (TSX:IRL)(AIM:MIRL)(BVLAC:MIRL) sets out an eight-point plan it proposes to implement if the resolutions are rejected at the forthcoming Extraordinary General Meeting of Minera IRL Limited (the "EGM").

**1. Take back control of Minera IRL S.A. through the Extraordinary General Meeting requested on October 27, 2015 (the "S.A. EGM").**

As reported in Minera IRL Limited's (the "Company") press release on November 13, 2015, if Mr. Benavides and Mr. Lema, the directors of Minera IRL S.A., do not call the S.A. EGM as they are required to do under Peruvian law, the Company will apply to the courts to enforce the request for an S.A. EGM to regain control over the operating subsidiaries.

**2. Complete and issue June 30, 2015 interim financial statements and restore all three stock exchange listings.**

The principal matters delaying the completion of the financial statements are summarized in a press release issued on November 13, 2015. As soon as the Company is able to complete these financial statements after regaining control of the subsidiaries, and meet other listing requirements, application will be made to AIM, TSX and BVL to relist the Company's ordinary shares so shareholders can trade the Company's shares.

**3. Make a realistic assessment of the future of the Corihuarmi mine and not make unrealistic promises about future mine life to shareholders.**

As the Corihuarmi mine nears the end of its life the grades have deteriorated which, together with lower gold prices, have rendered the profitability of the mine marginal. An extension of mine life may require capital expenditure that would exceed the net cash flows that would be derived from this expenditure. In addition, environmental remediation and closure costs are likely to rise if mine life is extended. Together with its consultants the Company will carefully consider alternative scenarios in a responsible manner and make a decision on the future of the mine which best serves shareholders' interests.

**4. Appoint a CEO and CFO qualified to lead the company through its transition to a low cost 100,000oz per annum producer.**

The Board intends to recruit a CEO and CFO with the experience to take on the challenge of managing an equity raising and project finance for the Ollachea development, carefully controlling the costs of developing the project in conjunction with the COO Eric Olson, and at the same time reducing the Company's current operating costs. The process of recruiting individuals for these and other key positions, which was underway, has been suspended until the Company regains control of the operating subsidiaries.

**5. Expand the Board to four or five directors**

The Board believes the ideal number of directors is four or five and intends to appoint one or more additional directors with skills complementary to those of the present directors, potentially including directors proposed by the requisitioning shareholders who qualify as independent. The Board believes six directors, as proposed by the requisitioning shareholders, is excessive for a company of this size.

**6. Work with the Ollachea community leadership to build a strong partnership for development of the project.**

It is a top priority of both the Board and the Ollachea community leadership to build an enduring partnership which ensures that the Ollachea project maximizes economic opportunity for the greater good of the community both during the mine life and thereafter. Together with its community and social relations consultants the Board has already begun this effort.

**7. Review funding requirements for the Company and for the development of the Ollachea project.**

The balance sheet of a company of this size cannot sustain debt from COFIDE of \$240 million, in a low and volatile gold price environment, as proposed by Minera IRL S.A. in an unauthorized press release dated November 11, 2015. The Board intends to manage the risk to shareholders by financing the project through a combination of additional equity and debt financing. In addition, the Board is also reviewing the near term funding requirements of the Company.

**8. Implement international corporate governance standards consistent with the Equator Principles.**

The Board is strongly committed to full implementation of the corporate governance standards of the stock exchanges on which it is listed, the Equator Principles for managing environmental and social risk that are demanded by many international financial institutions, as well as a robust code of ethics for its employees.

*The Board recommends that shareholders support the Board's plans and vote NO to all nine resolutions on the EGM proxy form. Shareholders who have already voted can change their votes up to 10.00 Toronto (Eastern Standard) time on November 24, 2015.*

*Shareholders who require assistance with voting or changing their votes should please send an email to:*

*minera-irl@buchanan.uk.com*

### **Expenditures for EGM**

To date, the Minera IRL Limited (the "Company") has spent approximately \$100,000 in essential preparations for the EGM called by the requisitioning shareholders, which has placed severe strain on the Company's limited cash resources. To conserve cash the Company has not retained a proxy solicitation firm. This expenditure has not been reimbursed by Minera IRL S.A. from the proceeds of recent gold sales.

The Company is aware that some of the directors proposed by the requisitioning shareholders have been travelling internationally in preparation for the meeting, that the requisitioning shareholders have retained a public relations firm, a proxy solicitation firm, and legal advisors in Jersey and the United Kingdom, and has distributed solicitation materials to shareholders. The Board is unaware whether these significant costs have been borne by its subsidiary Minera IRL S.A. or the requisitioning shareholders, but notes that a number of unauthorised press releases have recently been issued under the name of Minera IRL S.A.

### **Response to certain statements contained in a press release issued in the name of Minera IRL S.A. on November 11, 2015 by a proxy service representing the requisitioning shareholders**

- This press release states that the former Executive Chairman Daryl Hodges "potentially" received \$1,035,000 during the seven months he was in office. As stated in a press release Minera IRL Limited (the "Company") had issued five days earlier on November 6, 2015, Mr. Hodges was paid only \$105,000 during this period. Furthermore, the same press release makes it clear that Mr. Hodges did not receive a "golden parachute" of \$500,000 and will receive a significantly smaller amount in installments over the next eighteen months. Mr. Hodges has had no involvement in the Company's affairs since the Annual General Meeting on August 27, 2015.
- Contrary to what is stated in the November 11, 2015 Minera IRL S.A. press release, the Board was unable to complete its June 30, 2015 interim financial statements for the reasons set out in the Company press release issued on November 13, 2015. The inability of the Company to complete and issue these financial statements is a direct result of the actions of Mr. Benavides and Mr. Lema, the directors of Minera IRL S.A., in compromising the Board's control over the subsidiaries, as explained in the Introduction section of the press release on October 23, 2015.

- As the actions of Mr. Benavides and Mr. Lema in compromising the Board's control over the subsidiaries directly led to the suspension of trading of the Company's shares on the three stock exchanges on which it is listed, it is the view of the Board that the slate of directors recommended by the requisitioning shareholders, which includes Mr. Benavides and Mr. Lema, may face challenges in applying for the suspensions on AIM and BVP to be lifted, and for the listing on TSX to be reinstated, potentially leaving shareholders unable to trade their shares.
- The Company's Peruvian legal advisers are of the opinion that election of Mr. Jorge Ramos to the Board, as proposed by the requisitioning shareholders, would contravene Law no. 27588 as this appointment would give him access to privileged information which would be incompatible with his role as an executive at COFIDE, a state owned company, which is the largest creditor of the Company's 99.99% subsidiary Minera IRL S.A.
- Mr. Francis O'Kelly has a consulting contract with the Company under which he is paid £4,000 (approximately \$6,000) per month. This contract has continued for a number of years. The Board therefore does not agree that Mr. O'Kelly would meet the requirements to be an independent director.

**Response to certain statements relating to the Ollachea community contained in a press release issued in the name of Minera IRL S.A. on November 16, 2015**

The Company and the Company's external community relations consultants received a request from Comuneros (members with voting privileges) from within the Ollachea Campesino Community (OCC), to provide a letter from the Company's chairman, Mr. Jaime Pinto, directed to the OCC, confirming the Board's support for the community and the development of the Ollachea project. The letter was to be distributed to the general OCC public. Mr. Pinto provided the requested letter. The Company emphasises that this letter was provided at the request of OCC Comuneros.

With respect to the unauthorised Minera IRL S.A. press release issued on November 16, 2015, and specifically to the so-called "declaration" referred to therein, Comunero representatives have advised the Company that they are unaware of any community approval having been provided for the wording thereof.

The Company continues to consult with its external community relations consultants and will update shareholders as information regarding OCC's position becomes available.



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*No stock exchange, securities commission or other regulatory authority has approved or disapproved the information contained in this news release.*

***Cautionary Statement on Forward-Looking Information***

Certain information in this news release, including information about the Company's financial or operating performance and other statements expressing management's expectations or estimates of future events, performance and exploration and development programs or plans constitute "forward-looking statements". Forward-looking statements often, but not always, are identified by words such as "seek", "believe", "expect", "do not expect", "will", "will not", "intend", "estimate", "anticipate", "plan", "schedule" and similar expressions of a conditional or future oriented nature identify forward-looking statements. Forward-looking statements are, necessarily, based upon a number of estimates and assumptions. While considered by management to be reasonable in the context in which they are made, forward-looking statements are inherently subject to political, legal, regulatory, business and economic risks and competitive uncertainties and contingencies.

The Company cautions readers that forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause Minera IRL's actual financial results, future performance and results of exploration and development programs and plans to be materially different than those expected or estimated future results, performance or achievements and that forward-looking statements are not guarantees of future performance, results or achievements.

Forward-looking statements are made as of the date of this news release and Minera IRL assumes no obligation, except as may be required by law, to update or revise them to reflect new events or circumstances. Risks, uncertainties and contingencies and other factors that might cause actual performance to differ from forward-looking statements include, but are not limited to, any failure to obtain or complete project financing for the Ollachea Gold Project (including the Senior Debt Facility), changes in the price of precious metals and commodities, changes in the relative exchange rates of the US dollar against the Peruvian nuevo sol, interest rates, legislative, political, social or economic developments both within the countries in which the Company operates and in general,



contests over title to property, the speculative nature of mineral exploration and development, operating or technical difficulties in connection with the Company's development or exploration programs, increasing costs as a result of inflation or scarcity of human resources and input materials or equipment. Known and unknown risks inherent in the mining business include potential uncertainties related to the title of mineral claims, the accuracy of mineral reserve and resource estimates, metallurgical recoveries, capital and operating costs and the future demand for minerals. For additional information, please consult the Company's most recently filed MD&A and Annual Information Form.