



Minera IRL Reports Third Quarter 2014 Results

Lima, 12 November 2014: Minera IRL Limited (“Minera IRL” or the “Company”), (TSX:IRL) (AIM:MIRL) (BVL:MIRL), the Latin America gold mining company, is announcing that it has reported financial and operating results for the quarter ended 30 September 2014.

The Company is also providing notice that senior management will host an analyst and investor conference call on Thursday, 13 November 2014, at 10 am PET (Lima), 10 am EST (Toronto) and 3 pm GMT (London). All amounts are in United States dollars (“\$”), unless stated otherwise.

HIGHLIGHTS

Financial

- Gold sales of 5,715 ounces at an average realized gold price of \$1,272 per ounce.
- Gross profit of \$1.5 million.
- Loss before tax from continuing operations of \$3.1 million, which excludes the impact of the investment in the Don Nicolás joint venture.
- Loss from continuing operations of \$3.7 million.
- After tax loss including discontinued operation of \$4.0 million.
- Cash balance of \$5.4 million at the end of the quarter.

Operational Performance

- Corihuarmi, Peru
 - Gold production from the Corihuarmi Gold Mine of 5,510 ounces.
 - Site cash operating costs of \$704 per ounce produced.
 - Total cash operating costs were \$924 per ounce sold.
 - Increased full-year production guidance to 22,000 ounces (from 21,000 ounces).
 - Full-year guidance for site cash operating costs reduced from \$820 per ounce of gold produced to \$775 per ounce produced and total cash cost was reduced from \$975 per ounce of gold sold to \$950 per ounce sold.
- Ollachea, Peru
 - The Company is well advanced on discussions relating to financing the development of the Ollachea Gold Project.
- Don Nicolás, Argentina
 - The Company sold its remaining interest in the Don Nicolás joint venture for proceeds of \$11.5 million, of which \$9.8 million has been received thus far.

A summary of the key operating and financial measures for the three and nine-month periods ended 30 September 2014 and 2013 is provided in Table 1 near the end of this press release.



Commenting on the quarterly results, Courtney Chamberlain, Minera IRL Limited's Executive Chairman, stated:

"Steady progress was made on a number of fronts during the third quarter of 2014. At our flagship Ollachea Gold Project in Peru, we expect to advise the market shortly on the results of the negotiations for the financing for the development of the mine. I remain confident that the balance of the financing for Ollachea will be finalized soon. Once the financing is in place, we intend to commence development shortly thereafter.

Our Corihuarmi Gold Mine continues to exceed expectations. Positive results from recent diamond drilling program have extended the mine life into the second half of 2016. Additional results are still pending, which have the potential to extend the mine's life further.

We thank our employees for their hard work, and our investors for their faith and patience. I continue to believe that 2014 will prove to be a key turning point for Mineral IRL and that 2015 will get us back onto an upward trajectory. With the development of Ollachea and further extensions to the life of the Corihuarmi Mine expected, we will continue with our strategy to become a significant Latin American mid-tier gold producer."

This press release should be read in conjunction with the Company's full [Report & Accounts](#), including [Management's Discussion and Analysis](#) ("MD&A") for the quarter ended 30 September 2014, which are available from the Company's website (www.minera-irl.com) and SEDAR (www.sedar.com).

Outlook

Production of 17,207 ounces in the first nine months of 2014 is ahead of forecast and is attributable to higher than budgeted tonnage and metallurgical recovery at the Corihuarmi Gold Mine. As a result, the Company has increased its full year production guidance to 22,000 ounces for 2014 (up from 21,000 ounces). For 2015, the Company is maintaining its forecast of 20,000 ounces.

As a result of realizing lower than budgeted operating costs at the Corihuarmi Gold Mine, the Company has reduced its site operating cash costs guidance to \$775 per ounce of gold produced (down from \$820 per ounce of gold produced). Based on a budgeted gold price of \$1,300 per ounce, the Company is forecasting total cash costs of \$950 per ounce sold in 2014 (down from \$975 per ounce of gold sold).

At Corihuarmi, an exploration drilling program conducted in the second and third quarters of 2014 has defined additional material at the Laura and Cayhua zones. Based upon the results received, the life of the mine has been extended from late 2015 into the second half of 2016. Additional assay results are pending, which may further extend the life of the mine. Furthermore, additional targets have been identified for drill testing in 2015.

The 2014 Corihuarmi capital expenditure budget is \$1.9 million, including \$1.5 million for a heap leach pad expansion that commenced in the third quarter of 2014. This expansion is to



accommodate all of the material that is scheduled to be mined and stacked until late-2015.

At the Company's flagship Ollachea Gold Project in Peru, the Company announced on 30 June 2014 that it had received its Construction Permit, the final significant permit required to commence construction of the mine. With the Construction Permit granted, only project financing remains outstanding prior to the commencement of construction.

The Company also announced on 30 June 2014, following extensive technical due diligence, that it had received a Committed Letter of Offer from Macquarie Bank for a senior Project Loan Facility for \$100 million. Following the consolidation of the existing \$30 million Macquarie Finance Facility, this would provide \$70 million of new funds towards the construction of the Ollachea Gold Mine.

A condition precedent of drawing on the Project Loan Facility is that all the costs associated with the development of the Ollachea Gold Project be fully funded and the Company continues to advance discussions with various parties to obtain the balance of the funding required. Sources of additional financing may include, but are not limited to, the sale of a production royalty, the sale of a royalty stream, subordinated debt instruments, the sale of an interest in the project or equity financing.

As a result, until such time as there is more certainty with respect to the sources of the remaining funding required, the Company did not feel it was in a position to execute the Committed Letter of Offer. Accordingly, the Company has extended its debt financing mandate with Macquarie Bank and the Company is now targeting the completion of financing negotiations by the end of 2014.

Under the assumption that project financing is obtained before the end of 2014, gold production at Ollachea is expected to commence in the second half of 2016 (from the second quarter of 2016).

With the extension of the Macquarie Finance Facility, the proceeds from the recently completed sale of the its remaining interest in the Don Nicolás joint venture, the Company estimates that it has sufficient cash on hand and expected cash flow from operations to meet its requirements until the end of the first quarter of 2015. In the event that the requisite financing for the Ollachea Project is not secured within that timeframe, the Company will require additional financing.

In the first nine months of 2014, the Company spent \$6.4 million towards permitting, exploration, community and government relations, administration, and maintaining the Ollachea Tunnel, most of which were capitalized. In the last quarter of 2014, the Company expects to spend an additional \$1.9 million at Ollachea, most of which will be capitalized, and \$0.5 million to complete the heap leach pad expansion at Corihuarmi.

The Company continues to undertake initiatives to reduce expenditures to conserve cash. The priority use of funds continues to be arranging project financing to develop the Ollachea Gold Mine as well as maintaining community programs and other commitments at Ollachea and Corihuarmi.



Analyst and Investor Conference Call

Minera IRL's senior management will host a conference call with investors at 10 am PET (Lima), 10 am EST (Toronto) and 3 pm BST (London) on Thursday, 13 November 2014.

To participate in the conference call, please dial:

Toll Free North America: +1 (877) 223-4471
Toll Free United Kingdom: +44 0 (800) 051-7107
Toll Free Peru: +51 0 (800) 53-840
Toll Free Chile: +56 (123) 0020-9709
Other International Locations: +1 (647) 788-4922

A live webcast may be accessed at <http://www.gowebcasting.com/6128>

The webcast will be archived on the Mineral IRL website (www.minera-irl.com) and a playback of the conference call may be accessed until 28 November 2014 by dialing:

Toll Free North America: +1 (800) 585-8367
Other International Locations: +1 (416) 621-4642

The passcode to access the playback of the conference call is 32986037#.

For more information please contact:

Minera IRL +1 (647) 692-5460
Jeremy Link, Business Development

Canaccord Genuity Limited (Nominated Adviser & Broker, London) + 44 (0)20 7523 8000
Neil Elliot
Emma Gabriel

finnCap (Co-broker, London) + 44 (0)20 7600 1658
Geoff Nash (Corporate Finance)
Matthew Robinson (Corporate Finance)
Elizabeth Johnson (Corporate Broking)

Buchanan (Financial PR, London) +44 (0)20 7466 5000
Bobby Morse
Gordon Poole
Louise Mason



Minera IRL Limited is an AIM, TSX and BVL listed precious metals mining and exploration company with operations in Latin America. Minera IRL is led by a management team with extensive operating experience in South America. In Peru, the Company operates the Corihuarmi Gold Mine and is advancing its flagship Ollachea Gold Project towards production. For more information, please visit www.minera-irl.com.

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, changes in the price of precious metals and commodities, changes in the relative exchange rates of the US dollar against the Peruvian nuevo sol and the Argentinean peso, 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.



Qualified Person

Pursuant to National Instrument 43-101, Courtney Chamberlain, Executive Chairman of the Company, BSc and MSc Metallurgical Engineering, a Fellow of the Australian Institute of Mining and Metallurgy (AUSIMM) is responsible for the technical disclosure in this news release.

Non-GAAP and Non-IFRS Measures

“Site operating cash costs” and “total cash costs” are non-GAAP or non-IFRS measures that do not have a standardized meaning prescribed by GAAP or IFRS and may not be comparable to other similarly titled measures of other gold mining companies.

“Site operating cash costs” include costs such as mining, processing and administration, but are exclusive of royalties, workers’ profit participation cost, depreciation, amortization, reclamation, capital, development, exploration and other non-site costs (transport and refining of metals, and community and environmental). These costs are then divided by ounces produced to arrive at “site cash operating cost per ounce”. This measure is reconciled to the Company’s full Accounts & Reports in Table 2 below.

“Total cash costs” includes “site operating cash costs” and reflects the cash operating costs allocated from in-process and doré inventory associated with ounce of gold in the period, plus applicable royalties, workers’ profit participation cost, and other non-site costs (transport and refining of metals, and community and environmental). These costs are then divided by the ounces sold to arrive at “total cash costs per ounce sold”. This measure is reconciled to the Company’s full Accounts & Reports in Table 2 below.

Both of these measures may vary from one period to another due to operating efficiencies, waste-to-ore ratios, grade of ore processed and gold recovery rates in the period. “Total cash costs” is also influenced by the realized gold price in the period.

Management believes this information is useful to investors because this measure is considered to be a key indicator of a company’s ability to generate operating earnings and cash flow from its mining operations. This data is furnished to provide additional information and is a non-GAAP and non-IFRS measure that does not have any standardized meaning prescribed by GAAP or IFRS. It should not be considered in isolation as a substitute for measures of performance prepared in accordance with IFRS, and is not necessarily indicative of operating costs presented under IFRS.

Table 1: Summary of Key Operational and Financial Measures

Data	Three Month Period Ended 30 September		Nine Month Period Ended 30 September	
	2014	2013	2014	2013
Corihuarmi				
Waste (tonnes)	36,946	65,382	214,381	210,553
Ore mined & stacked on heaps (tonnes)	666,747	575,822	2,003,652	1,742,135
Ore grade, mined and stacked (g/t)	0.32	0.52	0.31	0.47
Gold produced (ounces)	5,510	6,296	17,207	18,777
Gold sold (ounces)	5,715	6,427	17,488	19,036
Realized gold price (\$ per ounce)	1,272	1,323	1,283	1,460
Site operating cash costs (\$ per ounce produced) ¹	704	650	729	675
Total cash costs (\$ per ounce sold) ¹	924	848	890	889
Financial				
Revenue (\$'000)	7,294	8,530	22,476	27,844
Gross profit (\$'000)	1,474	1,670	5,077	6,790
Loss from continuing operations (\$'000)	(3,689)	(1,076)	(5,486)	(2,056)
Loss after-tax (\$'000)	(3,993)	(13,888)	(38,519)	(15,244)
Comprehensive loss (\$'000)	(3,993)	(14,119)	(38,519)	(15,495)
Loss per share–Basic and diluted (cents)				
Continuing operations	(1.6)	(0.6)	(14.7)	(1.2)
Discontinued operation	(0.1)	(7.4)	(2.4)	(7.7)

1 - Refer to the Cautionary Non-GAAP and Non-IFRS Statements at the end of this release

Table 2: Reconciliation of Non-IFRS Measures

	Three Month Period Ended 30 September		Nine Month Period Ended 30 September	
	2014	2013	2014	2013
Cost of sales	\$5,820	\$6,860	\$17,399	\$21,054
Less:				
Depreciation	537	1,407	1,842	4,127
Total cash costs	\$5,283	\$5,453	\$15,557	\$16,927
<i>Ounces of gold sold</i>	<i>5,715</i>	<i>6,427</i>	<i>17,488</i>	<i>19,036</i>
Total cash costs per ounce sold	\$924/oz.	\$848/oz.	\$890/oz.	\$889/oz.
Total cash costs	\$5,283	\$5,453	\$15,557	\$16,927
Less:				
Workers' profit participation	1	3	42	345
Royalties and Special Mining Tax	290	339	898	1,260
Community and environmental costs	734	939	1,894	2,234
Other costs - Provisions, transport & refinery, inventory adjustment	380	80	180	414
Adjusted site cash operating costs	\$3,878	\$4,092	\$12,543	\$12,674
<i>Ounces of gold produced</i>	<i>5,510</i>	<i>6,296</i>	<i>17,207</i>	<i>18,777</i>
Site cash operating costs per ounce	\$704/oz.	\$650/oz.	\$729/oz.	\$675/oz.