



**Minera IRL Limited**  
("Minera IRL" or "the Company")

**Results for the quarter to 30 September 2009**

London, 13 November, 2009 Minera IRL Ltd (AIM: MIRL), the South American mining company, is pleased to announce its unaudited interim results for the September 2009 quarter as well as the unaudited results for the first nine months of 2009 ("YTD").

Highlights for the September 2009 quarter:

- Gold production 7,850 ounces (YTD 22,753 ounces)
- Sales revenue US\$7.8 million (YTD US\$21.2 million)
- Corihuarmi cash operating cost was US\$361 per ounce (YTD US\$379)
- EBITDA was US\$3.3 million (YTD US\$7.5 million)
- Profit before tax US\$1.5 million (YTD US\$2.7 million)
- Profit after tax US\$1.0 million (YTD US\$1.5 million)
- Cash balance of US\$18.4 million at 30 September 2009
- Scoping Study for Ollachea Project to be released within one week
- Definitive Agreement signed for La Falda Project, Chile; drilling about to commence
- Agreements signed on new projects Bethania and Veca, Peru; drilling about to commence at Bethania
- All share offer made to acquire Hidefield Gold, Plc, with a significant gold project in Argentina

Executive Chairman Courtney Chamberlain commented: "The September quarter represents our best quarter this year and I am very pleased with the financial results. Gold sales have increased to \$7.8 million on the back of an increasing gold price, bringing total revenue to \$21.2 million for the year to date. Gross profit for the quarter was US\$3.2 million and EBITDA US\$3.3 million. Profit before tax increased to US\$1.5 million giving a profit after tax of US\$1.0 million. We have a strong cash position, following the successful fund raising at mid-year, with over \$18 million in cash which allows us to advance all current programmes.

Our Corihuarmi Gold Mine continues to perform well with the September quarter recording its highest quarterly gold production this year and cash operating costs dropping to \$361 per ounce. We are well placed to achieve our target of over 30,000 ounces for 2009.

A great amount of work is being done at our Ollachea Project and we will be releasing the Scoping Study within one week. We are also gearing up on our new exploration projects with drilling about to start on large porphyry targets at La Falda in Chile and Bethania in Peru. Exploration is well under way at the Veca project in northern Peru.

Last, but by no means least, I am most enthusiastic about the pending merger with Hidefield Gold plc. This will give us an advanced project with a significant resource base in the emerging Deseado Massif gold district in mining friendly Santa Cruz, Patagonia. With the closure of this transaction, expected toward the end of December, we plan to advance this project rapidly toward feasibility.”

For more information contact:

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*Minera IRL Limited (“MIRL”) is the AIM, London and BVL, Lima, Peru listed holding company of precious metals mining and exploration companies focused in Latin America. MIRL 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.*

[www.minera-irl.com](http://www.minera-irl.com)

## **CHAIRMAN'S STATEMENT**

The Minera IRL Group has advanced on many fronts during the first nine months of 2009 with significant progress at our Ollachea Project, continuing good performance at our Corihuarmi Gold Mine, commencement of work on three new exploration projects, La Falda, Bethania and Veca, and the pending merger with Hidefield Gold Plc, all underpinned by the successful \$14.2 million fundraising at mid-year.

The three months to 30 September has been our strongest quarter of the year on all fronts. Gold sales have increased to \$7.8 million on the back of an increasing gold price, bringing total revenue for the year to \$21.2 million. Gross profit was US\$3.2 million and EBITDA US\$3.3 million. Profit before tax increased to US\$1.5 million giving a profit after tax of US\$1.0 million. We have a strong cash position, following the successful fundraising at mid-year, with over \$18 million in cash which allows us to pursue all current programmes.

Our Corihuarmi Gold Mine continues to perform well. The waste stripping has been completed on the Susan outcrop with mining and treatment activities achieving all goals. Gold production of 7,850 in the third quarter brought this year's production to 22,753 ounces and we are well on track to achieve our budget of over 30,000 ounces for 2009. Cash costs fell to US\$361 per ounce in the third quarter, the lowest this year. Our policy of selling gold on the spot market continues to give benefits with recent sales above US\$1,000 per ounce, well above our budget of US\$800 per ounce.

Much progress has been made at our Ollachea Project which has emerged as a significant new gold discovery with over 26,000 metres of drilling completed since the drill programme started just over a year ago. The major focus has been to drill the Minapampa Zone, where the strike length has been extended to 680 meters, in order to establish an Inferred Resource which will form the basis for a Scoping Study to be released mid-November.

The Definitive Agreement has been signed for the La Falda Project in the Maricunga District of Chile. Two diamond rigs will begin probing the large gold porphyry target toward the end of November and an initial 6,000 metre programme is contemplated. Likewise, an agreement was signed for the Bethania Project, located only 10 km from our Corihuarmi Gold Mine. A recently completed geophysical IP survey has identified a large chargeability anomaly characteristic of porphyry hosted disseminated sulphide mineralization, and drill testing of this will commence in November. An agreement was also signed on the Veca Project and exploration has commenced on this project in the Huamachuco gold district of north central Peru.

During October, Minera IRL announced an all scrip bid for AIM listed Hidefield Gold plc. This transaction is via a Scheme of Arrangement process and is expected to be completed toward the end of December 2009. Hidefield holds some 250,000 hectares of exploration leases in the precious metals rich Deseado Massif in the southern state of Santa Cruz, Argentina. Of particular relevance to Minera IRL is the Don Nicolas Gold Project which already has approximately 360,000 ounces in resources. We are confident that further work will rapidly lead to a feasibility study and the basis for a new gold mining project.

The new projects in Chile and Argentina provide geographical diversification into other mining friendly districts. However, Peru remains the core country for Minera IRL and is an excellent country for mining. The Peruvian economy remains strong with a continuing positive growth rate and an inflation rate that has dropped to below 2% according to the Reserve Bank of Peru.

In closing, I would like to extend my appreciation to our outstanding team and to our loyal shareholders. Together we continue to build toward a bright and prosperous future.

Courtney Chamberlain  
Executive Chairman  
Minera IRL Limited

11 November 2009

# Minera IRL Limited

## Consolidated Income Statement and Statement of Comprehensive Income

	3 months ended 30 September 2009 (unaudited) US\$'000	9 months ended 30 September 2009 (unaudited) US\$'000	Year ended 31 December 2008 (audited) US\$'000
Revenue	7,844	21,162	43,568
Cost of sales	(4,641)	(13,711)	(17,344)
<b>Gross profit</b>	<b>3,203</b>	<b>7,451</b>	<b>26,224</b>
Administration expenses	(1,564)	(3,811)	(8,447)
Exploration costs written off	(57)	(472)	(2,185)
<b>Operating profit</b>	<b>1,582</b>	<b>3,168</b>	<b>15,592</b>
Financial income	7	26	151
Financial expenses	(95)	(510)	(657)
<b>Net financial income/(expense)</b>	<b>(88)</b>	<b>(484)</b>	<b>(506)</b>
<b>Profit before tax</b>	<b>1,494</b>	<b>2,684</b>	<b>15,086</b>
Income tax	(487)	(1,150)	(2,563)
<b>Profit for the period and total comprehensive income</b>	<b>1,007</b>	<b>1,534</b>	<b>12,523</b>
<b>Earnings per ordinary share (US cents)</b>			
Basic	1.3	2.3	20.2
Diluted	1.2	2.1	18.0

# Minera IRL Limited

## Consolidated Balance Sheet

	As at 30 September 2009 (unaudited) US\$'000	As at 31 December 2008 (audited) US\$'000
<b>Assets</b>		
Property, plant and equipment	24,506	26,249
Intangible assets	19,260	10,504
<b>Total non-current assets</b>	<u>43,766</u>	<u>36,753</u>
Other receivables and prepayments	4,374	8,170
Inventory	937	773
Cash and cash equivalents	18,435	8,992
<b>Total current assets</b>	<u>23,746</u>	<u>17,935</u>
<b>Total assets</b>	<u>67,512</u>	<u>54,688</u>
<b>Equity</b>		
Share capital	55,918	41,459
Foreign currency reserve	129	129
Share option reserve	1,313	1,173
Profit and loss account	(4,837)	(6,371)
<b>Total equity</b>	<u>52,523</u>	<u>36,390</u>
<b>Liabilities</b>		
Provisions	1,406	1,235
Other long term liabilities	3,278	3,081
<b>Total non-current liabilities</b>	<u>4,684</u>	<u>4,316</u>
Interest bearing loans	3,500	6,000
Trade and other payables	6,805	7,982
<b>Total current liabilities</b>	<u>10,305</u>	<u>13,982</u>
<b>Total liabilities</b>	<u>14,989</u>	<u>18,298</u>
<b>Total equity and liabilities</b>	<u>67,512</u>	<u>54,688</u>

## Minera IRL Limited

### Consolidated Statement of Changes in Equity

	Share capital US\$'000	Foreign currency reserve US\$'000	Share Option reserve US\$'000	Profit and loss account US\$'000	Total US\$'000
<b>Balance 1 January 2008</b>	<b>41,423</b>	<b>129</b>	<b>543</b>	<b>(18,894)</b>	<b>23,201</b>
Issue of share capital	36	-	-	-	36
Profit for the period to 31 December 2008	-	-	-	12,523	12,523
Reserve for share option costs	-	-	630	-	630
<b>Balance 31 December 2008</b>	<b>41,459</b>	<b>129</b>	<b>1,173</b>	<b>(6,371)</b>	<b>36,390</b>
<b>Balance 1 January 2009</b>	<b>41,459</b>	<b>129</b>	<b>1,173</b>	<b>(6,371)</b>	<b>36,390</b>
Profit for the period to 30 September 2009	-	-	-	1,534	1,534
Issue of share capital	15,300	-	-	-	15,300
Cost of raising share capital	(841)	-	-	-	(841)
Reserve for share option costs	-	-	140	-	140
<b>Balance 30 September 2009</b>	<b>55,918</b>	<b>129</b>	<b>1,313</b>	<b>(4,837)</b>	<b>52,523</b>

# Minera IRL Limited

## Consolidated Cash Flow Statement

	3 months ended 30 September 2009 (unaudited) US\$'000	9 months ended 30 September 2009 (unaudited) US\$'000	Year ended 31 December 2008 (audited) US\$'000
<b>Cash flows from operating activities</b>			
Operating profit	1,582	3,168	15,592
Depreciation	1,671	4,175	5,394
Impairment of exploration assets	28	140	51
Provision for share option costs	54	140	630
Provision for mine closure costs	57	171	233
Loss on disposal of assets	-	-	64
Increase in inventory	(1)	(164)	(745)
Decrease/(increase) in other receivables and prepayments	591	3,796	(4,620)
Increase in trade and other payables	1,289	252	1,289
Corporation tax paid	(379)	(2,579)	(887)
<b>Net cash flow from operations</b>	<b>4,892</b>	<b>9,099</b>	<b>17,001</b>
Interest received	7	26	151
Interest paid	(29)	(313)	(337)
<b>Net cash flow from operating activities</b>	<b>4,870</b>	<b>8,812</b>	<b>16,815</b>
<b>Cash flows from investing activities</b>			
Acquisition of property, plant and equipment	(1,457)	(2,432)	(11,588)
Acquisition of intangible assets (exploration expenditure)	(4,578)	(8,896)	(4,512)
<b>Net cash outflow from investing activities</b>	<b>(6,035)</b>	<b>(11,328)</b>	<b>(16,100)</b>
<b>Cash flows from financing activities</b>			
Proceeds from the issue of ordinary share capital	14,459	14,459	36
Receipt/(repayment) of loans	-	(2,500)	3,000
<b>Net cash inflow from financing activities</b>	<b>14,459</b>	<b>11,959</b>	<b>3,036</b>
<b>Net increase in cash and cash equivalents</b>	<b>13,294</b>	<b>9,443</b>	<b>3,751</b>
Cash and cash equivalents at beginning of the period	5,141	8,992	5,241
<b>Cash and cash equivalents at end of the period</b>	<b>18,435</b>	<b>18,435</b>	<b>8,992</b>

# **Minera IRL Limited**

## **Notes to the Quarterly Report**

The financial information contained in this Quarterly Report does not constitute statutory accounts as defined by the Companies (Jersey) Law 1991. No statutory accounts for the period have been delivered to the Jersey Registrar of Companies. The financial information contained in this Quarterly Report has neither been audited nor reviewed by the auditors.

The statutory accounts for the year ended 31 December 2008 have been filed with the Jersey Registrar of Companies. The auditors' report on these accounts was unqualified. The consolidated financial information contained in this Quarterly Report has been presented and prepared in a form consistent with the annual accounts and in accordance with accounting policies and standards applicable to those annual accounts.

This Quarterly Report has been approved for issue by the Board of Directors on 11 November 2009

### **Profit per share**

The profit per share has been calculated using the profit attributable to ordinary shareholders of US\$1,007,000 (nine months: US\$1,534,000) and the weighted average number of ordinary shares in issue during the three months to 30 September 2009 of 75,004,108 (nine months: 66,305,040).

### **Issue of shares**

On 6 July 2009 the Company issued 13,615,556 ordinary shares at a price of GBP0.67 per share. The authority for the issue of these shares was given at a General Meeting of the Company held on 4 July 2009.

On 20 July 2009 the Company issued 308,904 ordinary shares at a price of GBP0.45 per share as a result of the exercise of share options issued to the Company's brokers on 5 April 2007 as part of the placing and admission to AIM which took place on 12 April 2007.

### **Transactions of an unusual nature**

There were no transactions of an unusual nature during the nine months to 30 September 2009.

### **Seasonal Influences**

The business of the Company is not generally subject to seasonal influences.

### **Related parties**

During the period the Company has received registrar services from Computershare Investor Services (Jersey) Limited, a company related through a common director. The contract for these services provides for a minimum annual charge of GBP3,000 to be paid by the Company.

### **Subsequent events**

On 20 October 2009 the Company announced that it had executed an Implementation Agreement with Hidefield Gold plc for a recommended all share offer by Minera IRL Limited for the entire issued share capital of Hidefield Gold plc at an exchange ratio of 1 Minera share for every 42 Hidefield shares. This agreement will be realized by means of a scheme of arrangement and is conditional upon the approval of a majority of at least 75 percent in value of the votes exercisable by the Scheme Shareholders at a meeting convened by an order of the Court. If completed this transaction will result in the issue of 9,767,512 new Minera IRL shares.

## **Minera IRL Limited**

### **Responsibility statement**

Other than as disclosed below the interim statement has been prepared in accordance with IAS 34 “Interim Financial Reporting” as adopted by the EU.

Other than as disclosed below the interim statement includes a fair view of the information required by:

- (a) DTR 4.2.7R of the Disclosure and Transparency Rules, being an indication of important events that have occurred in the first nine months of the financial year and their impact on the interim statement. It does not include a description of the principal risks and uncertainties for the remaining three months of the year; and
- (b) DTR 4.2.8R of the Disclosure and Transparency Rules, being related party transactions that have taken place in the first nine months of the financial year and that have materially affected the financial performance of the entity during that period; and any changes in the related party transactions described in the last annual report that could do so.

The Directors of Minera IRL are listed on page 5 of the Group’s Annual report for the year ended 31 December 2008.

By order of the board

C Chamberlain  
Executive Chairman

The departures from IAS 34 are as follows:

- a) The interim statement does not include comparative financial information for the three months or nine months ended 30 September 2008;
- b) The interim statement does not include any segmental information;