



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

**Positive Ollachea Scoping Study based upon 1.3 million ounces of gold**

London, 16 November, 2009: Minera IRL Ltd (AIM: MIRL), the South American mining company, is delighted to announce positive results from the Scoping Study on the Ollachea Gold Project, located in southern Peru, prepared by independent consultants Coffey Mining.

Highlights of the Ollachea Scoping Study are as follows:

- The Scoping Study relates only to the Minapampa Zone
- Inferred Resource, NI43-101 compliant, occurs within seven steeply dipping lenses totalling 8.9 million tonnes, grading 4.5g/t gold and containing 1.3 million ounces
- Mining inventory of 8.2 million tonnes grading 4.0g/t gold containing 1.1 million ounces
- Mining will be by underground methods with access by a 1.3km horizontal tunnel
- Amenable to conventional metallurgical treatment methods to recover 91% of the gold
- Mining and treatment at a rate of 1 million tonnes per annum to produce an average of 117,000 ounces per year for a mine life of 9 years
- Direct employment of approximately 380 people once in production
- Capital cost estimate US\$157 million (including a 20% contingency)
- Cash operating cost below US\$400 per ounce
- Using gold price of US\$850 per ounce, IRR of 22.4% (pre tax) and 17.4% (post tax)
- Mineralization open along strike and down dip giving excellent potential to expand the resource base

The Scoping Study for Minera IRL's Ollachea Project is being released only one year after the discovery was made. The study has been carried out by international consultants Coffey Mining.

Minera IRL has an option from Rio Tinto to acquire 100% of Ollachea, subject to staged payments and two additional formula based payments in certain circumstances. Drilling commenced in October 2008 and more than 26,000 meters of diamond drilling has been completed. Most of this has been testing the Minapampa zone where the results from 49 drill holes totalling 15,400 meters have been included in the resource estimation.

Coffey Mining, together with Minera IRL geologists, has thus far identified seven discrete, steeply dipping ore shoots within the Minapampa Zone. An Inferred Resource, Ontario Securities Commission NI43-101 compliant, of 8.9 million tonnes, grading 4.5g/t gold and containing 1.3 million ounces has been estimated using a cut-off grade of 2.5g/t gold. Allowing for dilution and mining loss, a mining inventory of 8.2 million tonnes with a grade of 4.0g/t gold containing 1.1 million ounces has been established.

An underground mining method described as "sub level stoping with fill" is considered applicable for the efficient mining of the mineralization. The mineralization can be conveniently

accessed by a 1.3km near horizontal drive from the opposite side of the mountain.

Metallurgical test work carried out by Kappes Cassiday & Associates on 5 representative composite samples has established that an estimated 91% gold recovery can be achieved by conventional gravity and leaching methods. Approximately one half of the tailings will be re-deposited underground as mine fill.

A mining and treatment rate of 1 million tonnes per annum has been selected. Gold production will have a steady state annual average of 117,000 ounces of gold over a 9 year mine life. The operating mine will provide direct employment for approximately 380 people.

Capital cost is estimated at US\$156 million, including a 20% contingency, and cash operating costs are projected at below US\$400 per ounce. Using a gold price of US\$850 per ounce, a pre-tax Internal Rate of Return (IRR) of 22.4% is estimated with a post tax IRR of 17.4%.

Executive Chairman Courtney Chamberlain commented: “We are delighted with the results of the Scoping Study and the project economics are compelling. This gives us every confidence to progress immediately to the infill drilling required to raise the resource confidence to the Measured and Indicated categories and, simultaneously, commence the Pre-feasibility Study. All indications are that Ollachea will make a very successful mine. The geometry of the gold zones is particularly well suited to easy access and mechanized underground mining. This has the added benefit of having minimal environmental impact. The local Ollachea community will become partners in a future operation and hold a 5% interest. We see this partnership as a major positive for the project, particularly considering the experience and skill base of local underground miners and other established supporting services and resources.

“Another particularly encouraging aspect is the upside potential. The gold mineralization has not been closed off either along strike nor down dip. We continue to obtain good gold intersections beyond the confines of the Minapampa zone. For example, drill hole DDH09-67, approximately 160 meters beyond the eastern boundary of the currently estimated resource, intersected 45 meters grading 2.81g/t including 6 meters of 10.1g/t gold. Hole DDH09-64 returned 16 meters grading 2.92g/t including 5 meters of 5.83 g/t gold.”

Minera IRL has recently released the financial results of the September 2009 quarter which show gold sales of US\$7.8 million and gross profit of US\$3.2 million. The Company had over US\$18 million in cash at the end of the third quarter. The Corihuarmi Gold Mine continues to perform well, with a September gold production of 7,850 ounces at a cash cost of US\$361 per ounce.

Drilling will commence shortly at the new La Falda Gold Project in Chile and the Bethania Gold Project in central Peru. Both are large gold porphyry targets. Exploration is in full swing at the precious metals Veca Project in central northern Peru. Minera IRL has also announced an all script bid for Hidefield Gold plc which has an advanced gold project in Patagonia. It is expected that this transaction will close in late December.

The Executive Summary of the Ollachea Scoping Study can be found on the Minera IRL website.

Donald McIver, Vice President Exploration of Minera IRL Limited and a qualified person as defined in the Guidance Note for Mining, Oil and Gas Companies, March 2006, of the London Stock Exchange, has reviewed and approved the technical information contained in this announcement.

For more information contact:

**Minera IRL**

Courtney Chamberlain, Executive Chairman  
Trish Kent, Vice President, Corporate Relations

+511 4181230

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

John Prior  
Edward Burbidge

+ 44 (0)20 7012 2000

**Fox-Davies Capital**

David Poraj-Wilczynski  
Jason Bahnsen

+ 44 (0)20 7936 5200

**Bankside Consultants (Financial PR, London)**

Simon Rothschild  
Louise Mason

+ 44 (0)20 7367 8888

**Synergy Asociados (Public Relations, Lima)**

Magaly Villena

+ 511 628 6300

+ 511 99855 2232

*Minera IRL Limited ("MIRL") is the AIM 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)