



Minera IRL Announces First Quarter 2012 Financial Results

London and Toronto, 10 May 2012: Minera IRL Limited (“Minera IRL” or the “Company”), (TSX:IRL) (AIM:MIRL) (BVL:MIRL) the Latin America gold mining company, is pleased to announce its unaudited first quarter results for the 3 month period ended 31 March 2012 (“Q1 2012”).

Q1 2012 Highlights (all \$ denominates US dollars unless otherwise stated):

Financial

- Revenue up 1.3% to \$11.1 million (Q1 2011: \$10.9 million)
- EBITDA down 8.5% to \$4.4 million (Q1 2011: \$4.7 million)
- Profit after tax \$1.7 million, up 35% million from \$1.3 million in Q1 2011
- Gold sales down 17% to 6,515 ounces (Q1 2011: 7,883 ounces). Average realised gold price up 22% to \$1,699 per ounce (Q1: \$1,389 per ounce)
- Strong cash balance of \$30.3 million at end of quarter (Q1 2011: \$30.7 million)

Operational

- Gold production from the Corihuarmi Gold Mine ahead of management expectations at 6,747 ounces compared with 7,952 ounces in the same period in 2011 (“Q1 2011”). Corihuarmi site cash operating costs US\$502 per ounce, (Q1 2011: \$401 per ounce)
- Completion of a positive feasibility study on the Don Nicolas Project in Patagonia. Based on a gold price of US\$1,250/oz, the study indicates a NPV (7% real) of US\$40 million (pre-tax) and US\$22 million (post tax); an IRR (real) of 34.6% (pretax) and 22.8% (post tax) and a payback period of 2.0 years (post tax). Permitting for the project is about to commence
- Excavation of the exploration tunnel at the Ollachea Project commenced following the establishment of access to the portal site. Feasibility study on track for second half 2012 completion

Other

- Completed a successful equity raising for gross proceeds of approximately CAD33.1 million by issuing 29,260,000 ordinary shares at CAD1.13 per share (equivalent to GBP72p based on exchange rate at pricing)

Summary table:

	Quarter to 31 March 2012	Quarter to 31 March 2011
Gold production	6,747 oz	7,952 oz
Gold sold	6,515 oz	7,883 oz
Sales revenue	\$11.1M	\$10.9M
Average sales price	\$1,699 per oz	\$1,389 per oz
Corihuami site cash operating costs	\$501 per oz	\$ 401 per oz
Gross Profit	\$5.4M	\$4.5M
EBITDA	\$4.4M	\$4.7M
Profit before tax	\$3.1M	\$2.5M
Profit after tax	\$1.7M	\$1.3M
Total Income/(Loss)	\$1.7M	\$1.1M

Commenting on the Q1 results, Courtney Chamberlain, Minera IRL Limited Executive Chairman, said: *“The financial results for the March 2012 quarter exceeded management’s expectations on the back of a solid performance from our Corihuarmi Gold Mine in Peru. As previously highlighted, the grade at Corihuarmi will continue to decline as the mine nears the end of its life of mine around 2015/2016, and we will see further reductions in production accordingly. However, due to a focus on controlling site operating costs and maximizing throughput, the mine continues to perform well and is generating strong cash flows.*

“The Company also achieved an important milestone with the completion of a positive Feasibility Study at the Don Nicolas Project in Patagonia during the quarter. The subsequent equity raising places the Company in a strong position to advance the feasibility study of its Ollachea Project and permit the Don Nicolas Project. Minera IRL is committed to bringing Don Nicolas into production by late 2013, as well as advancing the exploration campaign in Patagonia, yet we will continue to carefully monitor the investment environment in Argentina in the best interests of all of its stakeholders.”

The full [Report & Accounts](#), including the [Management Discussion and Analysis](#) for the quarter ended 31 March, 2012 are available from the Company’s website www.minera-irl.com and from SEDAR.



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Minera IRL Limited is the AIM traded, TSX and BVL 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 operating in South America. The Group operates the Corihuarmi Gold Mine and the advanced gold projects Ollachea in Peru and Don Nicolas in Argentina. For more information, please visit www.minera-irl.com.

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 or regulation, Minera IRL Limited does not intend to update any forward-looking statements to conform these statements to actual results.

Competent Persons Statement



The preparation of the technical information contained herein was supervised and reviewed by Courtney Chamberlain, Executive Chairman of the Company, BSc and MSc Metallurgical Engineering, a Fellow of the Australian Institute of Mining and Metallurgy (AUSIMM) and Donald McIver, VP Exploration of the Company, MSc Exploration and Economic Geology, a Fellow of the Australian Institute of Mining and Metallurgy (AUSIMM), who are recognized as Qualified Persons for the purposes of National Instrument 43-101, and who have reviewed and approved the technical information in this press release.

Quality Assurance and Quality Control Procedures Disclosure

The Company has implemented and maintains a Minera IRL quality assurance/quality control (QA/QC) protocol on its projects to ensure best industry practice in sampling and analysis of exploration and resource definition samples. The insertion of field duplicates, certified standards and blank samples into the sample stream form part of the MIRC procedure (these act as an independent check on contamination, precision and accuracy in the analytical laboratory).

Assay results are reported once rigorous QAQC procedures have been approved.

Independent Audit Programs

Towards maintaining compliancy with international standards as they pertain to the minerals industry resource evaluation and estimation procedure, MIRC regularly contracts the services of industry experts to conduct detailed audits of established QAQC procedures.