



Minera IRL Commences Permitting on Don Nicolas Project

London and Toronto, 16 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 commencement of the permitting process for the Don Nicolas Project located in the mining friendly Santa Cruz Province, Argentina.

Highlights:

- **Environmental Impact Assessment (EIA) completed by consultants Ausenco Vector**
- **EIA presented to the Secretary of Mining, Santa Cruz Province, Argentina, commencing the permitting process**
- **Permitting expected to take approximately 6 months**
- **Reiterate confidence in the feasibility study (announced in February 2012) stating an objective of bringing Don Nicolas into production in late 2013**

“The completion of the EIA and commencement of permitting marks another significant milestone in the development of the Don Nicolas Project in Patagonia.” said Courtney Chamberlain, Executive Chairman of Minera IRL. “We continue to receive outstanding support from the authorities in Santa Cruz and are confident that the permitting process will proceed expeditiously. The future Don Nicolas Mine promises to be an attractive investment with considerable upside potential in a number of areas. We remain confident that we will have our first gold pour from Don Nicolas in late 2013.”

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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 QA/QC 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, MIRL regularly contracts the services of industry experts to conduct detailed audits of established QAQC procedures.