



Minera IRL Ltd Confirms Ollachea Resource Estimate

London and Toronto, 18 July 2012: Minera IRL Limited (Minera IRL or the "Company") (TSX:IRL) (AIM:MIRL) (BVL:MIRL), the Latin American gold mining company, is pleased to announce that infill drilling has confirmed the resource estimate within the Minapampa Zone at the Ollachea Gold Project, Peru.

The objective of this drilling program was to increase the confidence level in the Indicated Resource estimate by confirming continuity of gold bearing horizons and gold content through carefully targeted in-fill drill holes within the established Minapampa zone. This process was considered important to ensure sign-off by future third party due diligence associated with project financing.

Highlights:

- **A total of 31 holes for 12,840 meters of infill drilling, carried out since August 2011, has confirmed excellent continuity of the gold bearing horizons, as well as gold tenor, at Minapampa providing high confidence in this resource estimate**
- **This resource update is a key component of the bankable feasibility study which is due for completion in Q4, 2012**
- **Indicated Resource in the Minapampa zone has been confirmed at 10.6 million tonnes grading 4.0g/t gold containing 1.4 million ounces, effectively unchanged from the June 2011 estimate. An additional inventory of 3.3 million tonnes at a grade of 3.3g/t gold containing 0.3 million ounces remains in the Inferred category**
- **Better intersections includes drill hole DDH11-188 with 8 meters at 10.7g/t gold plus 13 meters at 9.7g/t gold, DDH11-190 with 20 meters grading 10.2g/t gold including 11 meters grading 15.3g/t gold and DDH12-197 with 18 meters grading 3.9g/t gold plus 16 meters at 11.4g/t gold**

“The in-fill drilling program at Minapampa has achieved the goal of confirming both continuity and tenor of the gold bearing horizons thus providing high confidence in the integrity of the resource estimate.” said Courtney Chamberlain, Executive Chairman of Minera IRL. “Whilst the Minapampa zone covers approximately 900 meters of strike, potentially economic gold mineralization has been established over approximately 2 kilometres of strike and remains open ended both towards the east and the west as well as down dip. Exploration drilling of the eastern strike extension will commence from underground when the exploration drive, now in progress, reaches a suitable location later in the year.”

This resource update supersedes the Minapampa resource announcement of June 2011 (note: Minapampa and Minapampa East are now reported as a single resource known as Minapampa). The Inferred resource at the Concurayoc zone, some 400 meters to the west of Minapampa, announced in September 2011, remains unchanged.

Indicated Mineral Resource applying a 2.0g/t gold cut-off

Zone	Metric tonnes (Millions)	Grade g/t gold	Contained ounces (Millions)
Minapampa	10.6	4.0	1.4

Inferred Mineral Resource applying a 2.0g/t gold cut-off

Zone	Metric tonnes (Millions)	Grade g/t gold	Contained ounces (Millions)
Minapampa	3.3	3.3	0.3
Concurayoc	10.4	2.8	0.9
Total Inferred	13.7	2.9	1.2

Included within the above resource envelope, the higher grade core Indicated Resource, using a 3.5g/t gold cut-off, has increased slightly to 5.1 million tonnes grading 5.3g/t gold containing 0.9 million ounces.

This Canadian National Instrument NI43-101 compliant resource estimate was carried out by consultancy Coffey Mining Pty Ltd over the Minapampa zone. The new estimate was based upon 151 diamond drill holes for 59,509 meters. The resource estimates apply a 2g/t gold bottom cut and top cutting as appropriate for each of the seven discrete gold-mineralized horizons that have been defined to date. The dry in-situ bulk density within mineralised zones remains unchanged at 2.83 tonnes per cubic meter. An enhanced assay database has been provided by the re-assaying over one meter intervals or less of all mineralized early stage two meter assay intervals.

Better intersections obtained from the infill drilling program include drill hole DDH11-188 with 8 meters at 10.7g/t gold plus 13 meters at 9.7g/t gold, DDH11-190 which intersected 20 meters grading 10.2g/t gold including 11 meters grading 15.3g/t gold and DDH12-197 with 18 meters grading 3.9g/t gold plus 16 meters at 11.4g/t gold.

The effective true widths of mineralized intersections listed above are expected to range between 97% to 99% of the widths reported. The true width is dependent



upon the variation of the angle of incidence between the trace of the Minapampa resource drill-hole(s) and the dip of the targeted mineralized horizon(s).

Resource Estimate Authorship and Methodology

The mineral resource estimate was prepared by Doug Corley, Member of the Australian Institute of Geoscientists and a Registered Professional Geoscientist who is a Principal Resource Geologist in Resource Modelling with Coffey Mining Pty Ltd and is recognized as a Qualified Person for the purposes of National Instrument 43-101.

On the basis of the confidence levels of the key criteria that were considered during the resource estimation, the mineral resource estimates provided in this press release have been classified and reported in accordance with CIM guidelines and National Instrument NI43-101.

Resource estimation methodology included completion using Ordinary Kriging for gold. The estimation was constrained within mineralized interpretations that were created with the assistance of Minera IRL geological and senior resource staff, providing a “guide” interpretation of the main mineralized components of the Ollachea orogenic gold deposit. The seven potentially economic gold mineralized domains were interpreted using forty-eight 20 meter-spaced north-south oriented, vertical transversal sections based on a combination of detailed geological observation and gold grade information.

Prior to this, Mr Corley conducted a field visit to the project site where he had the opportunity to interact with project geologists and related staff and to study the geology and associated mineralization in order to become familiar with the geological demeanour as well as continuity of grade distribution inherent to the Ollachea deposit.

Competent Persons Statement

The preparation of the technical information contained herein was supervised by Donald McIver, VP Exploration of the Company, MSc Exploration and Economic Geology, a Fellow of the Australian Institute of Mining and Metallurgy (AUSIMM), who is recognized as a Qualified Person for the purposes of National Instrument 43-101, and who has reviewed and approved the technical information in this press release.

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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.

Quality Assurance and Quality Control Procedures Disclosure

The Company has implemented and maintains a Minera IRL quality assurance/quality control (QA/QC) protocol on the Ollachea Project to ensure best industry practice in sampling and analysis of exploration and resource drill core 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.