

Minera IRL Announces 2010 Year-End Results

Toronto, 31 March 2011 and London: Minera IRL Limited (“Minera IRL” or the “Company”), (TSX:IRL) (AIM:MIRL) (BVL:MIRL) Latin America focused gold mining, development and exploration company, today announced its audited results for the year ended 31 December, 2010 and outlined Company developments during the same year.

2010 Highlights: (all \$ denominates US\$ unless otherwise stated)

Financial

- **Gold sales of 33,240 ounces with a realised gold price of \$1,232 per ounce, up 24.7% from \$988 per ounce in 2009**
- **Sales revenue of \$41.1 million in 2010, up 29.0% from \$31.9 million in 2009**
- **EBITDA of \$13.8 million in 2010, which included the write-off of the exploration expenditure for the La Falda and Killincho exploration projects of approximately \$2.7 million, up 22.0% from \$11.3 million in 2009**
- **Profit before tax of \$6.5 million, up 20.4% from \$5.4 million in 2009**
- **Total income after tax of \$2.8 million in 2010, in line with 2009**
- **Cash held of \$34.6 million as at 31 December 2010**

Operations and Development

- **Corihuarmi 2010 gold production of 32,533 ounces, 15.2% above budget and in line with 2009 production**
- **Corihuarmi site cash operating cost of \$383 per ounce**
- **The Company’s NI43-101 compliant gold resource increased to 1.5 million ounces in the Indicated category plus an additional 0.7 million ounces in the Inferred category**
- **The Pre-feasibility Study at Ollachea progressed toward a mid-2011 completion including a new resource estimate containing 1.2 million ounces in the Indicated category and 0.5 million ounces in the Inferred category**
- **In May 2010, a new discovery was announced at Concurayoc, located west of the Ollachea Minapampa Zone, where ongoing drilling has the immediate objective of defining an Inferred Resource**
- **The Feasibility Study on the Don Nicolas Project in Patagonia progressed with in-fill drilling being substantially completed during the 2010 year**
- **Also in Patagonia, scout drilling at Escondido has identified a new discovery with gold mineralization immediately adjacent to the Las Calandrias discovery announced by Mariana Resources Ltd**

Other

- **In April 2010, the Company enhanced its shareholder liquidity and global market exposure by obtaining a listing on the TSX Exchange in Toronto under the trading symbol “IRL”**
- **In July 2010, the Company completed a new \$20 million finance facility with Macquarie Bank Limited, of which \$10 million was drawn as at 31 December 2010**
- **In November 2010, the Company completed a successful equity raising for gross proceeds of approximately C\$37.5 million, or net proceeds of approximately C\$35 million, by issuing 32,641,600 ordinary shares at C\$1.15 per share**

“Minera IRL made good progress on all fronts during 2010 which is reflected in improvements in the annual financial results,” said Courtney Chamberlain, Executive Chairman of Minera IRL. “We are now well positioned going into 2011 with a strong cash balance managed by an excellent team to advance the Ollachea pre-feasibility study and Don Nicolas feasibility study and unlock further value through focused gold exploration”

Financial Results

Production from the Corihuarmi Gold Mine remained steady compared to 2009 and yielded sales revenue of \$41.1 million (2009: \$31.9 million). The increase in revenue compared to 2009 was due the gold price from spot sales increasing from \$988 per ounce to \$1,232 per ounce. Mining and treatment of 20% more ore in 2010 contributed to an increase in the cost of sale to \$23.3 million (2009: \$18.8 million). The combined effect was an increased gross profit of \$17.8 million (2009: \$13.1 million). Administration expenses of \$7.8 million were higher than the prior year (2009: \$6.6 million), with the inclusion of the administration costs relating to the Hidefield Gold Plc acquisition. Exploration expense increased to \$3.3 million (2009: \$1.7 million), largely arising from the write-offs of the La Falda Project in Chile and the Killincho Project in Peru totalling \$2.7 million. The overall result was an increased operating profit of \$7.2 million (2009: \$5.8 million). The income tax expense, which arises solely in Peru, increased to \$4.3 million (2009: \$2.5 million) with the increase in profit before tax in Peru. The Company’s total income after tax decreased to \$2.8 million (2009: \$3.0 million).

The group spent a total of \$22.9 million on exploration and development during the year (2009: \$16.4 million) of which \$22.3 million of the exploration and development expenditure was capitalised to the intangible assets of the group (\$14.5 million for the Ollachea project) and \$0.6 million was recognised as a cost in the income statement.

At the end of 2010 the group had a cash balance of \$34.6 million, leaving the company in a strong position to continue with the program to develop the company.

Projects

Corihuarmi Gold Mine

The Corihuarmi Gold Mine continued to perform well throughout the year generating strong cash flow for the Group. A total of 32,533 ounces was produced, which was above expectations and in line with 2009 production, at a cash cost of \$383 per ounce. Gold sales, in line with Company policy of not hedging, averaged \$1,232 per ounce for 2010, which was \$244 per ounce higher than the previous year. At the end of 2010 the three year open pit mining contract expired. The Company then took over mining operations which will optimize operating cost going forward. Mine life expectations now extend to 2015.

Ollachea

Following completion of a positive Scoping Study predicated upon an Inferred Resource containing 1.3 million ounces in late 2009, a Pre-feasibility Study was commenced and continued throughout the year. A major component of this was an in-fill diamond drilling program on the central Minapampa Zone bringing the total number of holes to 88 giving a drill spacing grid of approximately 30 meters in the mineralized zone. Drilling was also extended another 200 meters to the east (Minapampa East) at which point further drilling advance from surface was precluded by the very steep mountain slope. This information allowed our consultants to upgrade the resource to 9.3 million tonnes grading 3.9g/t containing 1.2 million ounces in the Indicated category plus an additional 4.8 million tonnes grading 3.2g/t containing 0.5 million ounces in the Inferred category.

International engineering company AMEC was appointed to carry out the Pre-feasibility Study. The detailed design of the underground mine was commenced by Coffey Mining Pty Ltd and underpinned by a comprehensive geotechnical program. The proposal for a 1.3 kilometre production size exploration tunnel to access the mineralized zone was submitted to the authorities for permitting. Metallurgical testing was transferred to AMMTEC in Perth, Western Australia, where further detailed work continues to demonstrate that over 90% gold extraction can be expected using conventional processing methods. Data gathering for the environmental baseline study continued throughout the year. The Pre-feasibility Study is expected to be completed mid-2011.

A new discovery was announced at Concurayoc where a new mineralized zone to the west of Minapampa has identified mineralization over a 600 meter strike length. Drilling at Concurayoc continues with the objective of estimating a maiden Inferred resource during mid-2011. Mineralization at Ollachea remains open ended and untested along strike both to the east and west as well as down dip.

Community relations at Ollachea remained excellent throughout the year with extensive programs in health and welfare, nutrition, education and sustainable development. The Company is also providing considerable employment to members of the community which, in turn, is making a significant contribution to the local economy.

Patagonia

Minera IRL Patagonia SA has put a great deal of effort into the new business unit in the mining friendly province of Santa Cruz, Argentina following the take-over of Hidefield Gold Plc at the end of 2009. This acquisition included the Don Nicolas Project with a resource base of 201,000 ounces in the Indicated category plus 158,400 ounces in the Inferred category. A very large exploration concession totalling some 2,700 square kilometers was also acquired. Early in the year the management team was bolstered and reorganized into two groups, one dedicated to the advancement of a Feasibility Study at Don Nicolas and the other focused on regional exploration.

The Don Nicolas Feasibility Study comprises two principal epithermal vein deposits, Sulphuro and Martinetas. During the year some 17,000 meters of in-fill drilling was carried out to improve the confidence level of the resource base. A final round of infill drilling at Martinetas was about to commence at the time of writing which is expected to provide all the information required to complete a resource re-estimation in mid-2011. Ingenieria PENTA Sur SA, an Argentina based engineering company, was appointed to produce the feasibility report. Work included additional metallurgical testing and environmental studies. The Feasibility Study is expected to be completed in late 2011. Assuming a successful outcome, permitting will be completed and construction started in 2012 with the objective of bringing a new mine on line by early 2013.

The Deseado Massif, the 77,000 square kilometre volcanic complex in which our leases are located, is proving an outstanding, yet under explored, precious metals district. In addition to some very good mines, a number of important discoveries have recently been made. Minera IRL Patagonia's lease holding is amongst the largest in the Deseado Massif and hosts many high quality exploration prospects. During the early part of the year, the extensive database was reviewed and this was supplemented with highly sophisticated modern geophysical technology including a 4,400 line kilometre, high intensity, heliborne magnetic and radiometric survey. The result was an outstanding image of the underlying rock characteristics which provide indications of many additional targets.

Exploration drilling commenced in August with an immediate discovery at Escondido immediately south of Mariana Resources Ltd's Las Calandrias discovery. Follow-up exploration on this bulk tonnage deposit is continuing. In addition, the first round of drilling at Pan de Azucar within the Chispas vein field proved encouraging but some 8 kilometres of known outcropping veins containing elevated gold values remain to be drill tested. Other high grade epithermal vein prospects to be explored in 2011 include Microndas, Paula Andrea and Michelle, along strike from Anglo American's Cerro Vanguardia Mine, the largest gold mine in southern Argentina.

Other Projects

First round of drilling at the Bethania gold-copper porphyry, located only 10 kilometers from the Corihuarmi Gold Mine, was encouraging with long intersections of low grade gold-copper-molybdenum mineralization. Bethania is a very large system with the alteration zone extending some 3.5 kilometres by 1.5 kilometres underlain by encouraging magnetic and chargeability geophysical anomalies. The second round of drilling is

scheduled to commence during the second quarter of 2011.

The Quilavira gold prospect in Southern Peru was purchased from Newcrest and surface rights agreements are being negotiated with the local communities. The Huaquirca Joint Venture was successfully renegotiated on favourable terms with JV partner Minera Alturas Corporation. The Frontera Project in Chile continues to be managed by Teck Cominco.

Drilling at the La Falda gold porphyry system in Chile failed to meet expectations and was written off. Likewise, the Company terminated the Killincho exploration project in southern Peru.

The full Report & Accounts, including the notes, and Management Discussion and Analysis for the year ended December 31, 2010 will be posted to shareholders no later than the week commencing 4 April 2011 and 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 and 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 in operating in South America. The Group operates the Corihuarmi Gold Mine and the emerging Ollachea Gold Project in Peru as well as the advanced Don Nicolas Project 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 a Qualified Person for the purposes of National Instrument 43-101, and who has 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.