

## **Minera IRL Announces Significant Resource Upgrade, Ollachea Project, Peru**

London and Toronto, 14 June 2011: Minera IRL Limited ("Minera IRL" or the "Company"), (TSX:IRL) (AIM:MIRL) (BVL:MIRL) the Latin American focused gold mining, development and exploration company, is pleased to announce a significant resource upgrade at the contiguous Minapampa and Minapampa East Zones, Ollachea Project, Southern Peru.

### **Highlights:**

- **Total Indicated Resource in the contiguous Minapampa and Minapampa East zones has been increased to 10.7 million tonnes grading 4.0g/t gold containing 1.4 million ounces, an increase of almost 20% in this category. An additional inventory of 3.3 million tonnes at a grade of 3.0g/t gold containing 0.3 million ounces remains in the Inferred category**
- **Included within the above resource envelope, the higher grade core Indicated Resource has increased to 4.8 million tonnes grading 5.5g/t gold containing 0.8 million ounces**
- **This upgrade largely reflects the positive in-fill drilling at Minapampa East where 0.2 million ounces at a grade of 3.9g/t gold was elevated to the Indicated category**
- **The updated Indicated Resource will be used to establish Minable Reserves in the Pre-feasibility Study scheduled for completion in July**
- **Drilling is continuing at the Concurayoc zone, approximately 300 meters to the west of Minapampa, where a maiden resource estimate is scheduled for release in the third quarter**

"The in-fill drilling at Minapampa East has been most encouraging demonstrating strong continuity of the lenses at significantly higher grades than expected." said Courtney Chamberlain, Executive Chairman of Minera IRL. "We now have a robust resource over a strike of 900 meters in the Indicated Category containing 1.4 million ounces which is the basis for the Pre-feasibility study which is nearing completion. Taking into account the Concurayoc zone, where drilling is continuing, we are confident that our global resource inventory will exceed 2 million ounces in the near future. Beyond this, exploration upside is excellent with gold mineralization open-ended along strike in both directions as well as down-dip. Much of this will be explored by drilling from the planned underground exploration drive."

This update supersedes the Ollachea resource announcement of November 2010. Subsequent in-fill drilling at Minapampa East has resulted in the contained ounces in the Indicated category increasing by nearly 20% to 1.4 million ounces. In the

process both tonnage and grade has increased. This increase was also assisted by an increase in the dry in-situ bulk density from 2.80 tonnes per cubic meter to 2.83 tonnes per cubic meter.

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

Zone	Metric tonnes (Millions)	Grade - g/t gold	Contained ounces (Millions)
Minapampa	9.3	4.0	1.2
Minapampa East	1.4	3.9	0.2
Total	10.7	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	2.4	3.0	0.2
Minapampa East	0.9	3.0	0.1
Total	3.3	3.0	0.3

Included within the above resource envelope, the higher grade core Indicated Resource, using a 3.5g/t gold cut-off, has increased to 4.8 million tonnes grading 5.5g/t gold containing 0.8 million ounces.

This Canadian National Instrument NI43-101 compliant resource estimate was carried out by consultancy Coffey Mining over the Minapampa Zone and a contiguous strike extension known as Minapampa East. The estimate was based upon 88 diamond drill holes for 31,980 meters at Minapampa and 32 diamond drill holes for 14,424 meters at Minapampa East, for a combined 120 drill holes totalling 46,404 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, or “lenses” that have been defined to date.

Several of the most easterly holes drilled at Minapampa East, beyond which steep terrain precludes further drilling from surface, returned strong gold intersections including DDH11-148 with 7 meters grading 20.7g/t gold and DDH11-152 with 3 meters grading 27.2g/t gold. This augers well for future exploration of the eastern extension of the deposit from the planned underground exploration drive.

**Resource Estimate Authorship and Methodology**

The mineral resource estimate was prepared by Mr Doug Corley, Member of the Australian Institute of Geoscientists, Associate Resource Geologist in Resource Modelling with Coffey Mining Pty Ltd.

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 NI.43-101.

The upgraded Ollachea resource estimate was based on 120 Minera Kuri Kullu S.A. (a subsidiary of Minera IRL) diamond drill holes totalling some 46,404 meters.

Minera Kuri Kullu senior exploration geologists and Minera IRL senior resource staff worked together in expediting representative 3-D geological-grade wireframe models defining the principal mineralized lenses at a lower cut of 1 g/t gold. The resulting in-situ geological-grade model, depicting the seven principal mineralized horizons discovered at Ollachea to date, was subsequently provided to Coffey Mining as a “guide” interpretation of the main mineralized components of the Ollachea orogenic gold deposit.

Prior to this, Mr Doug 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.

Resource estimation methodology included completion using Ordinary Kriging for gold. The estimation was constrained within mineralized interpretations that were created with the assistance of the Minera Kuri Kullu and Minera IRL geological staff. The seven potentially economic gold mineralized domains were interpreted using closely spaced north-south oriented, vertical transversal sections based on a combination of detailed geological observations and gold grade information.

### **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 TSX, AIM and BVL, Lima 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 Don Nicolas Project in Argentina.*

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