



## **Minera IRL**

### **Discovery of Bonanza Mineralization at Escondido**

London and Toronto, 11 July 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, announces an exploration update at the Escondido Project in Patagonia, Argentina. Assay results have now been received from the final holes in Phase 2 drilling (December 2010) and the initial 20 holes in the Phase 3 exploration/infill drilling carried out in April and May 2011.

#### **Highlights:**

- **Discovery of high grade intersections including E-D10-026 with 0.70 meters grading 136 g/t gold and 157 g/t silver and E-D11-037 with 4.20 meters grading 1.6 g/t gold and 663 g/t silver, including 0.55 meters with 4.2 g/t gold and 1,250 g/t silver.**
- **New, potentially bulk tonnage intersected at E-D11-052, with 16.20 meters grading 2.05 g/t gold and 7.4 g/t silver (including 1.95 meters grading 10.0 g/t gold and 14.4 g/t silver) and at E-D11-053 with 19.65 meters grading 2.43 g/t gold and 10.4 g/t silver (including 2.55 meters with 9.55 g/t gold and 51.6 g/t silver).**
- **Zone of exploration interest now extends over a strike of 1.7 km with dominant gold in the northwest and dominant silver in the southeast.**

"The discovery of high grade gold and silver mineralization at Escondido gives a new perspective to this project," said Courtney Chamberlain, Executive Chairman of Minera IRL. "Whilst we have a lot more work to do to establish the significance of these new high grade structures, it does demonstrate the potential for bonanza precious metal grades. We have also received ongoing encouragement in the lower grade, potentially bulk minable areas of previously reported mineralization."

Minera IRL Limited announced a new discovery in September 2010 at the Escondido Project, Santa Cruz Province, Argentina, contiguous to Mariana Resources Las Calandrias Project. A total of 4,133.20 meters from 33 widely spaced diamond drill scout holes were drilled in 2010. Phase 3 drilling has followed up the 2010 program with another 7,410.40 meters in 59 holes. Assay results from 20 of these holes have been received. Holes into the northern breccias zone, where bulk tonnage potential has already been established, continue to show encouragement. In addition, previously unidentified high grade gold intersections provide a new exploration model.

Phase 3 drilling has also extended coverage to the southeast to probe a recently extended resistivity geophysical anomalous zone, which now has an overall strike of 1.7

kilometres. The southeast zone exhibits high silver characteristics compared to the northwest zone which is gold dominant.

Selected intercepts to date from the previously un-reported Phase 2 and the first 20 holes of Phase 3 Escondido drilling are tabulated below.

Zone	Type	Hole Number	Intercept			Assay - g/t		Gold Equivalent g/t*
			From	To	Meters	Au	Ag	
NW	Vein	E-D10-026	89.30	90.00	0.70	136	157	139
NW	Bulk	E-D11-052 including	24.80	41.00	16.20	2.05	7.4	2.20
			38.35	40.30	1.95	10.0	14.4	10.3
NW	Bulk	E-D11-053 including	38.95	58.60	19.65	2.43	10.4	2.64
			38.95	41.50	2.55	9.55	51.6	10.6
NW	Bulk	E-D11-055 Including	42.80	67.00	24.20	1.16	6.1	1.28
			48.80	54.10	5.30	2.48	8.1	2.64
NW	Bulk	E-D11-057	28.40	72.00	43.60	0.84	6.8	0.98
SE	Vein	E-D11-036	68.70	78.90	10.20	0.17	76.1	1.69
SE	Vein	E-D11-037 Including	54.00	58.20	4.20	1.63	663	14.9
			56.00	56.55	0.55	4.16	1,250	29.2
SE	Vein	E-D11-039 Including	37.60	41.00	3.40	0.71	193	4.57
			40.00	41.00	1.00	1.19	509	11.4
SE	Bulk	E-D11-058	130.00	146.00	16.00	0.28	63.7	1.55

\*Gold equivalent grade is calculated by dividing the silver value by 50 and adding this to the gold value.

Additional information on Escondido, including plans and drill sections as well as the extended geophysical images, can be found on the Minera IRL website.

In addition, Minera IRL continues to advance the Don Nicolas feasibility study and is actively exploring a number of highly promising grass roots precious metal prospects that are also located within the company's 2,700 square kilometre lease holding in Patagonia.

### 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 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](http://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 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 MRL 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, MRL regularly contracts the services of industry experts to conduct detailed audits of established QAQC procedures.*