



Minera IRL Limited – Press Release

Production Results, Corihuarmi Gold Mine

Minera IRL announces outstanding second quarter results from the Corihuarmi Gold Mine in Peru. The Corihuarmi Mine achieved full production in the second quarter following commissioning in the first quarter. Gold production of 16,290 ounces exceeded forecast by 34% at a cash cost of \$132/ounce. Cash reserves increased to \$6.2 million.

Highlights:

- *Gold production for the quarter 34% above budget at 16,290 ounces*
- *Cash costs 56% below budget at \$132/oz*
- *Cash increased to \$6.2m*
- *Mined tonnage 14% ahead of budget*
- *Gold production grades 77% higher than anticipated in feasibility study*
- *Positive initial results from near mine exploration at Corihuarmi*

London: 14 July 2008. Minera IRL Limited (“MIRL” or “the Company”) is pleased to announce production results from its Corihuarmi Gold Mine. Production commenced on schedule with the first gold pour on 15 March following 9 months of construction.

Corihuarmi production results are summarized in the table below:

	Quarter 1	Quarter 2	6 Months
Ore mined and stacked on heap – tonnes	114,365	286,463	400,829
Ore grade, mined and stacked – g/t Au	2.49	2.79	2.71
Production – Gold, ounces	4,697	16,290	20,987
Shipments – Gold, fine ounces	3,340	15,206	18,546
Sale price received – Gold, US\$/ounce	955.42	886.99	898.86
Cash operating cost – US\$/ounce	244.26	131.83	158.82

Minera IRL Limited Executive Chairman, Courtney Chamberlain comments “We are very pleased that our team at Corihuarmi has been able to exceed all budget objectives in the first full operating quarter. The grade achieved from the upper zone of the Diana pit, which we always believed would produce the highest grades at Corihuarmi, has exceeded all expectations. This coupled with the excellent metallurgical response has resulted in very encouraging gold production, placing us in a strong position to exceed our 35,000 ounce target for 2008. The gold production is fully unhedged providing an excellent margin. By the end of the second quarter we have already built our cash reserves back to \$6.2 million.”

Quarter 1 was effectively a commissioning period and Quarter 2 represents the first quarter at full production. It should also be noted that gold extraction from the heap leach process requires 90 days or more so there is considerable gold that has not yet been extracted remaining on the heap at the end of any particular period. As a result,

gold recovery can only be estimated over much longer periods of time. However, there is every indication that metallurgical results are meeting the expectations forecast in the feasibility study.

Mine tonnage production for the second quarter exceeded budget by 14%. The grade of the ore mined from the Diana pit, the better grade zone in the deposit, exceeded that estimated in the ore reserves by 77%. This appears to be a combination of tighter grade control drilling which is picking up high grade stringers, top cutting in our original reserve estimation and the presence of fine gold which was washed out during the original core drilling. Gold production, at 16,290 ounces, exceeded budget by 34%. In addition, 3,018 ounces of by-product silver was produced. Cash operating costs were below budget by 47%. This was a result of the higher gold production and lower mining cost because of lower over burden stripping than expected.

Some minor construction is still being completed and the final construction costs are not yet available. However, the latest forecast capital cost is close to \$20 million, approximately 20% above the capital budget, largely the result of the well publicized cost pressure in the sector. Nevertheless, the Company expects a return of capital in well under 12 months.

Exploration drilling at Corihuarmi is expected to commence shortly as soon as the environmental permit has been approved. Previous exploration and recent trenching results have been encouraging and we anticipate that we will be able to extend the resource base and enhance the mine life of Corihuarmi.

The Company is also poised to commence drilling at its major Ollachea exploration project. This project was acquired from Rio Tinto and exploration, which commenced in January, is advancing well in preparation for drilling.

Production statistics from Corihuarmi have been internally generated by Minera IRL and are unaudited.

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Minera IRL Limited (“MIRL”) is the holding company of precious metals mining and exploration companies focused on the Andean Cordillera of South America. MIRL 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 in Peru and has a portfolio of projects in various stages of advancement .