



Minera IRL Announces Update on Ollachea Pre-feasibility Study

London, 5 May 2010: 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 update on the pre-feasibility study at its Ollachea Gold Project, Peru. Minera Kuri Kullu SA (MKK), the Company's 99.97% owned subsidiary, is in the process of earning 100% ownership in this project from Rio Tinto.

Highlights:

- **Following the release of a positive Scoping Study in November 2009 based upon an Inferred Resource of 1.3 million ounces in the Minapampa Zone, the pre-feasibility study is on track for completion during the first quarter of 2011**
- **Completion to date of 18 of the 38 in-fill diamond holes with results in line with expectations including intersections of 24m grading 11.23g/t Au and 10m of 7.04g/t Au**
- **Decision taken to extend the in-fill drilling another 200m toward the east of Minapampa where 10 exploration holes have demonstrated continuity of mineralization with intersections including 45m grading 2.81g/t Au and 16m of 4.27g/t Au**

"We are making solid progress at Ollachea and are on target to complete the pre-feasibility study on schedule, in early 2011," said Courtney Chamberlain, Executive Chairman of Minera IRL. "Our close spaced drilling program continues to better define the gold distribution within the Minapampa Zone and exploration drilling to the east has now extended the strike length of Minapampa by over 20% to almost 900m."

The pre-feasibility study on the Minapampa Zone, with a strike length of 680m, is advancing on schedule. This zone was the subject of a scoping study completed in November 2009 based upon an Inferred Resource of 1.3 million ounces. Two diamond drill rigs are conducting in-fill drilling and will provide confidence in the gold resource to a NI43-101 compliant Measured and Indicated category. Of the approximately 38 drill-holes comprising some 13,500 meters required to in-fill a grid averaging 35m by 35m, 18 holes have now been completed. This brings the number of completed drill-holes in the Minapampa Zone to 67 for a total meterage of over 24,000 meters.

Results of the in-fill drilling appear to be in line with expectations. Better intersections include hole DDH10-87 which recorded three gold horizons, 24m at 11.23g/t, 6m at 5.32g/t and 4m at 3.58g/t and hole DDH10-89, also with three intersections of 10m grading 7.04g/t, 6m at 2.78g/t and 6m at 2.69g/t.

Exploration drilling has indicated continuity of the Minapampa Zone for at least another 200m to the east where all 10 holes drilled thus far recorded intersections of potentially

ore grades. These include DDH09-62 which intersected 16m averaging 4.27g/t, including 3.5m at 13.08g/t, hole DDH09-64, with 13m grading 3.31g/t, including 5m at 5.84g/t, and hole DDH09-67 which intersected 45m at 2.81g/t, including 6m grading 10.14g/t. The latter intersection is within the fence of holes on the most easterly drilled section and the extremely steep topography precludes further step-out drilling eastwards from surface. The open ended eastern extension of the deposit will be explored by underground drilling from the planned exploration tunnel.

As a result of the encouraging exploration results reported above, a decision has been taken to extend eastwards the in-fill drilling program at Minapampa bringing the total strike length of the pre-feasibility study area to almost 900m. At this stage the gold mineralization is open ended along strike in both directions as well as down-dip.

A study for installing a production sized, 1.3km long exploration tunnel into the mineralized zone is advancing well and the second stage of metallurgical testing is underway at the AMMTEC laboratories in Perth, Western Australia. Data gathering for the environmental baseline study is advancing on schedule.

Depending on the variation of the angle of incidence between drill holes and the mineralized horizons, the effective true width of mineralized intersections as reported range between 60 to 94% of the width indicated.

Drill intersections through DDH10-96 can be found on the Minera IRL website.

This press release was reviewed 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 the designated Qualified Person for the purposes of National Instrument 43-101 and has approved the technical information in this press release.

For more information please contact:

Minera IRL

Trish Kent, Vice President, Corporate Relations

+511 4181230

**Arbuthnot Securities (Nominated Adviser & Broker,
London)**

John Prior

+ 44 (0)20 7012 2000

Bankside Consultants (Financial PR, London)

Simon Rothschild

Louise Mason

+ 44 (0)20 7367 8888

The Equicom Group Inc. (Investor Relations, Canada)

James Kitchen, Account Executive

+ 1 416 815 0700 (ext
267)

Minera IRL Limited is the AIM, TSX and Lima, Peru 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.

Regulatory Footnotes

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, 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

Minera IRL S.A. (MIRL) has implemented QA/QC procedures at Ollachea to ensure best industry practice in sampling and analysis of the drill core samples. The HQ/NQ drill core is logged, photographed and then split with one-half sent for analysis whilst the other half is stored inside freezer containers to inhibit oxidation of the mineralized core. Field duplicates, certified standards and blank samples are inserted into the sample stream. The samples are delivered directly to the CIMM Peru S.A. (CIMM) laboratory's mechanical preparation facilities in Juliaca city, 4 hours drive from Ollachea project, for preparation and subsequent transport of the resulting 150g pulp samples to Lima city for analysis in the CIMM Analytical Laboratory.

Ollachea samples are analyzed by conventional 50 g Fire Assay for gold (gravimetric follow-up analyses of grades over 10g/t); and an ICP multi-element analysis (36 elements).

The primary analytical laboratory used by Minera IRL S.A. on the Ollachea Project is CIMM Peru S.A. (CIMM). CIMM is an ISO 9001:2008 certified analytical laboratory. Actlabs-Skyline Peru S.A.C. (Actlabs), the chosen secondary "referee" laboratory, has been certified with the ISO 9001:2000 certification since 2004, and is part of an analytical group that works in Australia, Canada, Chile, Greenland, Mexico, Mongolia, Peru and Venezuela.

CIMM employs an established QAQC program that includes the monitoring of accuracy by the use of internal standards and certified reference materials, contamination by the use of blanks, and takes a pulp duplicate over 5% of the samples. Actlabs employs similar internal QAQC check procedures. Processed results are reported by Minera IRL after the application of approved, rigorous QAQC procedures.

None of the laboratories contracted by MIRL for sample analyses has any relationship or interest in MIRL or any of their projects.

Independent Audit Programs

As a means of maintaining compliancy with international standards pertaining to the minerals industry resource evaluation procedure, MIRL regularly contracts the services of industry experts to conduct audits of established QAQC procedures.

During January 2009, Ph.D. Barry Smee conducted an audit on the Minera IRL Ollachea Project quality control procedures and data compilation. At that time certain issues relating to assay precision and sample handling were identified. These issues were immediately solved by application of relevant recommendations.

During January 2010, Dr. Smee conducted another audit on the Ollachea Project QAQC Data. Dr. Smee is of the opinion that "The Ollachea quality control data is current and is being processed correctly and in a timely manner".

Dr. Barry Smee is a geologist and geochemist, member in good standing of the Association of Professional Engineers and Geoscientists of British Columbia and a full member of the Association of Exploration Geochemists. He has been practicing his profession for 40 years in Canada and abroad. He is a Qualified Person as defined under NI 43-101.

Mining Consultants, Coffey International Ltd., (Coffey) completed a scoping study on the Ollachea Project during 2009, including an NI43-101 compliant resource estimate. The resulting report includes an analysis of confidence levels of key criteria, providing a "high" confidence rating with respect to database integrity.

Coffey has 50 years of specialist experience in supplying services to the international mining industry. Coffey is recognized by all major international financial institutions, resource funds and securities exchanges.

Based on recommendations from external consultants, MIRL regularly conducts internal data verification checks and to date has executed the following sampling verification programs:

- i) 5% of mineralized samples selected from within the Minapampa Zone are re-analyzed (ongoing);*
- ii) Selected portions of the mineralized bodies are re-sampled applying sample limits conducive to projected block modeling parameters; and*
- iii) Screen Fire assay procedures are being applied on samples from mineralized intersections (ongoing).*