



## **Minera IRL Announces March Quarter 2010 Financial Results**

London, 30 June 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, today announced its unaudited interim results for the March 2010 quarter.

Highlights for the quarter ended 31 March 2010 included:

- Gold production above budget at 7,071 ounces
- Sales revenue of US\$8.4 million; average sales price US\$1,110 per ounce
- Corihuarmi cash operating cost of US\$432 per ounce
- EBITDA of US\$2.3 million (Q1 2009 US\$2.4 million)
- Profit before tax of US\$566,000 (Q1 2009 US\$633,000)
- Profit after tax of US\$242,000 (Q1 2009 US\$293,000)
- Cash balance healthy at US\$10.9 million at 31 March 2010
- In-fill drilling for Ollachea Project Pre-Feasibility Study commenced; new discovery at Concurayoc
- Don Nicolas Feasibility Study begun and Patagonia regional exploration has identified a large gold bearing breccia zone at Escondido
- Acquisition of new exploration project, Quilavira, in Southern Peru
- Listed on the TSX, Main Board

Courtney Chamberlain, Minera IRL Limited Executive Chairman stated *“The Company’s financial performance for the three months to 31 March 2010 was in line with management’s expectations, with our Corihuarmi Gold Mine continuing to perform well. Our diverse range of technical programs are progressing very well with the commencement of the Pre-feasibility Study at the Minapampa Zone, Ollachea Project in Peru and a full Feasibility Study on the recently acquired Don Nicolas Project in Argentina. On the exploration front, we have announced an exciting new discovery at Concurayoc, Ollachea, as well as the identification of large gold bearing breccia zone at Escondido in Patagonia.”*

The new Concurayoc discovery at Ollachea, located close towards the West of the 1.3 million ounce Minapampa Zone gold resource currently in prefeasibility study, has identified potentially economic grade gold mineralization over a strike length of some 500 meters.

In Patagonia, a large breccia body named Escondido has been identified immediately adjacent to the Dos Calandrias discovery announced by Mariana Resources Ltd (AIM:MARL). Surface sampling on Escondido has returned anomalous gold values over a strike length of some 700 meters. Infill drilling with two rigs is well advanced at the Don Nicolas Gold Project where a feasibility study is due for completion in 2011.

Minera IRL listed on the main board of the TSX on 29 April 2010 and has taken advantage since the period end of a US\$20 million debt finance facility with Macquarie Bank in order to continue the aggressive development and exploration push at its rapidly evolving Ollachea and Don Nicolas Projects.

This announcement may be viewed at the Company's web site, [www.minera-irl.com](http://www.minera-irl.com).

**For more information please contact:**

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*Minera IRL Limited is the AIM, 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 Don Nicolas Project in Argentina.*

*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.*

*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.*

## CHAIRMAN'S STATEMENT

Activities within the Minera IRL Group advanced on many fronts during the first quarter of 2010: the Pre-Feasibility Study at our Ollachea Project was started; our Corihuarmi Gold Mine continued its good performance; Hidefield Gold Plc was successfully integrated and lastly a promising new exploration project Quilavira was acquired in Southern Peru.

Profit after tax for the three months to 31 March 2010 was in line with management's expectations and consistent with the first quarter of 2009. Gold sales were a solid US\$8.4 million on the back of a continued strong commodity pricing, with spot sales averaging US\$1,110 per ounce. Gross profit was US\$2.6 million and EBITDA US\$2.3 million. Profit before tax was US\$566,000 giving a profit after tax of US\$242,000. The cash balance at the end of the quarter was US\$10.9 million.

Our Corihuarmi Gold Mine continues to perform well with gold production of 7,071 ounces, above budget. Mining activities were largely concentrated on the Susan outcrop. Cash costs averaged US\$432 per ounce for the quarter.

Following the positive Scoping Study released in November 2009, the Ollachea Project has moved into the Pre-feasibility Study phase, which is scheduled for completion during the first half of 2011. At the beginning of the year in-fill drilling commenced with the objective of raising the resource confidence level to the Measured and Indicated categories in the core Minapampa Zone before the end of 2010. Good progress was also made on other aspects of the Pre-Feasibility Study including planning for an exploration tunnel into the deposit, metallurgical test work and geotechnical evaluations. A new discovery to the west of Minapampa has also been announced at Concurayoc, where mineralization has been identified over a strike length of some 500 meters.

Following the successful acquisition of AIM listed Hidefield Gold plc in late 2009, we have worked to integrate the fine group of Hidefield professionals into the Company's exploration team and step up activities in Patagonia, Argentina. A full Feasibility Study, due for completion in 2011, has commenced at the Don Nicolas Project and in-fill and extension drilling is well under way with two diamond rigs active. Exploration is also ongoing on a number of exciting projects within the very large tenement package. Of particular interest is the identification of a large breccia body at Escondido immediately adjacent to the Dos Calandrias discovery announced by Mariana Resources. Surface sampling has returned anomalous gold values over a strike length of some 700 meters and the pace of exploration activities on this project is rapidly increasing.

Drilling programs were in progress during the quarter on the Bethania and La Falda gold porphyry projects. In addition, a new exploration project was acquired at Quilavira in southern Peru where a large alteration zone with anomalous surface gold values offers a near term drilling target.

Minera IRL successfully listed on the TSX, Main Board on 29 April 2010. The intent was to follow this with an equity fund raising, but deteriorating market conditions resulted in the withdrawal of this in favour of a US\$20 million debt facility provided by Macquarie Bank. These funds will be used to continue to rapidly advance the projects at Ollachea and in Patagonia toward development.

In closing, I would like to extend my appreciation to our outstanding team and to our loyal shareholders. Together we continue to build toward a bright and prosperous future.

Courtney Chamberlain  
Executive Chairman  
Minera IRL Limited

29 June 2010

# Minera IRL Limited

## Consolidated Statement of Comprehensive Income

	3 months ended 31 March 2010 (unaudited) US\$'000	3 months ended 31 March 2009 (unaudited) US\$'000	Year ended 31 December 2009 (audited) US\$'000
Revenue	8,356	6,708	31,856
Cost of sales	(5,756)	(4,348)	(18,804)
<b>Gross profit</b>	<b>2,600</b>	<b>2,360</b>	<b>13,052</b>
Administration expenses	(1,853)	(1,251)	(6,637)
Exploration costs	(153)	(162)	(1,739)
Excess of fair value of assets acquired over consideration	-	-	1,134
<b>Operating profit</b>	<b>594</b>	<b>947</b>	<b>5,810</b>
Finance income	37	16	36
Finance expenses	(65)	(330)	(402)
<b>Net finance expense</b>	<b>(28)</b>	<b>(314)</b>	<b>(366)</b>
<b>Profit before tax</b>	<b>566</b>	<b>633</b>	<b>5,444</b>
Income tax	(324)	(340)	(2,473)
<b>Profit for the period attributable to the equity shareholders of the parent</b>	<b>242</b>	<b>293</b>	<b>2,971</b>
<b>Earnings per ordinary share (US cents)</b>			
Basic	0.3	0.5	4.3
Diluted	0.3	0.5	4.3

# Minera IRL Limited

## Consolidated Balance Sheet

	As at 31 March 2010 (unaudited) US\$'000	As at 31 March 2009 (unaudited) US\$'000	As at 31 December 2009 (audited) US\$'000
<b>Assets</b>			
Property, plant and equipment	24,437	25,595	25,390
Intangible assets	38,386	12,773	34,197
Available for sale investments	1,171	-	1,567
Deferred tax asset	426	-	426
Other receivables	1,454	-	2,808
<b>Total non-current assets</b>	<b>65,874</b>	<b>38,368</b>	<b>64,388</b>
Inventory	1,075	608	1,526
Other receivables and prepayments	3,405	2,443	1,714
Cash and cash equivalents	10,911	8,284	14,218
	15,391	11,335	17,458
Non-current assets held for sale	-	-	600
<b>Total current assets</b>	<b>15,391</b>	<b>11,335</b>	<b>18,058</b>
<b>Total assets</b>	<b>81,265</b>	<b>49,703</b>	<b>82,446</b>
<b>Equity</b>			
Share capital	65,856	41,459	65,784
Foreign currency reserve	129	129	129
Share option reserve	1,476	1,216	1,363
Accumulated losses	(3,158)	(6,078)	(3,400)
<b>Total equity attributable to the equity shareholders of the parent</b>	<b>64,303</b>	<b>36,726</b>	<b>63,876</b>
<b>Liabilities</b>			
Provisions	1,520	1,292	1,463
Other long term liabilities	1,882	3,156	1,843
<b>Total non-current liabilities</b>	<b>3,402</b>	<b>4,448</b>	<b>3,306</b>
Interest bearing loans	3,500	3,500	3,511
Current tax	464	340	951
Trade and other payables	9,596	4,689	10,802
<b>Total current liabilities</b>	<b>13,560</b>	<b>8,529</b>	<b>15,264</b>
<b>Total liabilities</b>	<b>16,962</b>	<b>12,977</b>	<b>18,570</b>
<b>Total equity and liabilities</b>	<b>81,265</b>	<b>49,703</b>	<b>82,446</b>

## Minera IRL Limited

### Consolidated Statement of Changes in Equity

	Share capital US\$'000	Foreign currency reserve US\$'000	Share Option reserve US\$'000	Profit and loss account US\$'000	Total US\$'000
<b>Balance 1 January 2009</b>	<b>41,459</b>	<b>129</b>	<b>1,173</b>	<b>(6,371)</b>	<b>36,390</b>
Profit for the period to 31 March 2009	-	-	-	293	293
New share capital subscribed	-	-	-	-	-
Cost of raising share capital	-	-	-	-	-
Reserve for share option costs	-	-	43	-	43
<b>Balance 31 March 2009</b>	<b>41,459</b>	<b>129</b>	<b>1,216</b>	<b>(6,078)</b>	<b>36,726</b>
<b>Balance 1 April 2009</b>	<b>41,459</b>	<b>129</b>	<b>1,216</b>	<b>(6,078)</b>	<b>36,726</b>
Profit for the period to 31 December 2009	-	-	-	2,678	2,678
New share capital subscribed	25,166	-	-	-	25,166
Cost of raising share capital	(841)	-	-	-	(841)
Reserve for share option costs	-	-	147	-	147
<b>Balance 31 December 2009</b>	<b>65,784</b>	<b>129</b>	<b>1,363</b>	<b>(3,400)</b>	<b>63,876</b>
<b>Balance 1 January 2010</b>	<b>65,784</b>	<b>129</b>	<b>1,363</b>	<b>(3,400)</b>	<b>63,876</b>
Profit for the period to 31 March 2010	-	-	-	242	242
Issue of share capital	72	-	-	-	72
Reserve for share option costs	-	-	113	-	113
<b>Balance 31 March 2010</b>	<b>65,856</b>	<b>129</b>	<b>1,476</b>	<b>(3,158)</b>	<b>64,303</b>

# Minera IRL Limited

## Consolidated Cash Flow Statement

	3 months ended 31 March 2010 (unaudited) US\$'000	3 months ended 31 March 2009 (unaudited) US\$'000	Year ended 31 December 2009 (audited) US\$'000
<b>Cash flows from operating activities</b>			
Operating profit	594	947	5,810
Depreciation	1,686	1,423	5,509
Impairment of exploration assets	-	43	-
Share option costs	113	43	190
Provision for mine closure costs	57	57	228
Loss on disposal of assets	288	-	28
Excess of fair value of assets acquired over consideration	-	-	(1,134)
Foreign exchange losses relating to non-operating items	305	-	250
Decrease/(increase) in inventory	451	165	(753)
(Increase)/decrease in other receivables and prepayments	(337)	5,727	5,097
(Decrease)/increase in trade and other payables	(1,167)	(833)	709
Corporation tax paid	(811)	(2,385)	(4,473)
<b>Net cash flow from operations</b>	<b>1,179</b>	<b>5,187</b>	<b>11,461</b>
Interest received	37	16	36
Interest paid	(65)	(330)	(140)
<b>Net cash flow from operating activities</b>	<b>1,151</b>	<b>4,873</b>	<b>11,357</b>
<b>Cash flows from investing activities</b>			
Acquisition of subsidiaries net of cash received	-	-	(1,843)
Sale of investments	708	-	-
Acquisition of property, plant and equipment	(733)	(769)	(3,581)
Acquisition of intangible assets (exploration expenditure)	(4,189)	(2,312)	(12,416)
<b>Net cash outflow from investing activities</b>	<b>(4,214)</b>	<b>(3,081)</b>	<b>(17,840)</b>
<b>Cash flows from financing activities</b>			
Proceeds from the issue of ordinary share capital	72	-	15,300
Cost of raising share capital	-	-	(841)
Repayment of loans	(11)	(2,500)	(2,500)
<b>Net cash inflow from financing activities</b>	<b>61</b>	<b>(2,500)</b>	<b>11,959</b>
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(3,002)</b>	<b>(708)</b>	<b>5,476</b>
Cash and cash equivalents at beginning of the period	14,218	8,992	8,992
Exchange rate movements	(305)	-	(250)
<b>Cash and cash equivalents at end of the period</b>	<b>10,911</b>	<b>8,284</b>	<b>14,218</b>

# **Minera IRL Limited**

## **Notes to the Quarterly Report**

The financial information contained in this Quarterly Report does not constitute statutory accounts as defined by the Companies (Jersey) Law 1991. No statutory accounts for the period have been delivered to the Jersey Registrar of Companies. The financial information contained in this Quarterly Report has neither been audited nor reviewed by the auditors.

The statutory accounts for the year ended 31 December 2009 will be filed with the Jersey Registrar of Companies. The auditors' report on these accounts was unqualified. The consolidated financial information contained in this Quarterly Report has been presented and prepared in a form consistent with the annual accounts and in accordance with accounting policies and standards applicable to those annual accounts.

This Quarterly Report has been approved for issue by the Board of Directors on 29 June 2010

### **Profit per share**

The profit per share has been calculated using the profit attributable to ordinary shareholders of US\$242,000 (first quarter 2009: US\$293,000) and the weighted average number of ordinary shares in issue during the three months to 31 March 2010 of 85,632,949 (first quarter 2009: 61,883,422).

### **Issue of shares**

On 8 February 2010 the Company issued 100,000 ordinary shares at a price of GBP0.45 per share as a result of the exercise of share options issued to a director of the Company on 12 April 2007.

### **Transactions of an unusual nature**

There were no transactions of an unusual nature during the three months to 31 March 2010.

### **Seasonal Influences**

The business of the Company is not generally subject to seasonal influences.

### **Related parties**

During the period the Company has received registrar services from Computershare Investor Services (Jersey) Limited, a company related through a common director. The contract for these services provides for a minimum annual charge of GBP3,000 to be paid by the Company.

In addition the Company has received consultancy services from Hamilton Capital Partners Limited for whom a Director acts as a consultant adviser. The contract for these services provides for an annual charge of GBP24,000. The contract will end on 30 September 2010.

### **Subsequent events**

On 27 April 2010 Minera IRL Limited was accepted onto the Main Board of the TSX and began trading on 29 April 2010.

The Directors of Minera IRL are listed in the Group's Annual report for the year ended 31 December 2009.

By order of the board

C Chamberlain  
Executive Chairman