



news release

5 December 2007

Second Payment to Rio Tinto for Ollachea Project

London: Minera IRL Limited ('MIRL' or 'the Company') is pleased to announce that on 4 December 2007, the second payment of US\$500,000 was made to Rio Tinto for the Ollachea project.

The project was initially explored by Peruvian Gold Limited, who drilled 5 diamond holes over a 400m strike length during 1998 and 1999. That company reported significant gold intersections in each hole of potentially economic grade. As reported in the Company's Admission Document, better intersections included 73.5m at 1.04g/t au (including 24m at 3.02 g/t au), 43.75m at 0.90 g/t au and 129.05m at 0.74 g/t au (including 18m at 2.08 g/t au).

Rio Tinto acquired the leases over 8,999 hectares in 2003. As part of its exploration programme Rio Tinto collected 39 samples, averaging 6.36 g/t au, from an area of 1km by 1.2kms. The mineralized area was reported by consultants RSG Global as having a strike length of at least 1.5kms and a minimum aggregate width in the order of 400m. The mineralized zone is hosted in a broad shear zone associated with a slate and shale regional setting. The area has been worked by artisanal miners since the 18th century focused on high grade veins. However the company is seeking to confirm a bulk tonnage deposit as indicated by the recent limited exploration.

Minera IRL has the right to earn 100% equity by paying Rio Tinto US\$6,250,000 in staged payments over 4 years.

The Ollachea Project in Southern Peru represents a cornerstone gold project for Minera IRL Limited. The leases were transferred by Rio Tinto to Minera Kuri Kullu S.A., a fully owned subsidiary of Minera IRL Limited, on 23 February 2007. This recent payment to Rio Tinto became due 10 days after the signing of a surface rights agreement with the local Ollachea community, as was announced on 26 November 2007. This agreement, which was reached after 15 months of negotiations with the community, fulfills the other prerequisite to commence exploration on the property. The exploration programme is scheduled to commence early in 2008.

Minera IRL Limited also reports good progress on the construction of the Corihuarmi gold project. Plastic lining of pads and ponds is well advanced, the crusher has been delivered to site and tankage in the plant area is being installed. The mining contractor is currently mobilizing to site in anticipation of commencement of mining. Gold production remains on schedule for the first quarter of 2008.

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