



20 April 2011

UPDATE ON LOMERO-POYATOS, SPAIN

Cambridge Mineral Resources plc ("CMR"), the mining exploration and development company, holds its mineral interests in Spain via by its subsidiaries Iberian Gold plc and Recursos Metalicos SL. Its principal project is the poly-metallic Lomero-Poyatos mine in southern Spain, which hosts the highest reported gold grades in the Iberian Pyrite Belt.

Following several years of investigation and independent studies, including a 43-101 report by Wardell Armstrong International and a recent Competent Persons Report also by Wardell, Lomero-Poyatos is now at an advanced stage. Recursos Metalicos, in association with Golder Associates in Madrid, has prepared and submitted a mining plan to the mining authorities and is currently preparing an Environmental Impact Assessment and other associated reports also required by the authorities.

As a result of these activities, Lomero-Poyatos has attracted attention and interest from various parties.

However, it has come to CMR's attention that on 6 April 2011 Petaquilla Minerals Limited announced that it has entered into a binding letter of intent to acquire the shares of Iberian Resources Corp, which it stated owns 100% of the Lomero-Poyatos mine through its wholly-owned Spanish affiliate Corporacion de Recursos Iberia S.L. The announcement also referred to future works that Petaquilla Minerals will be undertaking at Lomero-Poyatos.

For the avoidance of doubt, CMR wishes to make it categorically clear that neither Corporacion de Recursos Iberia S.L., Iberian Resources Corp., Petaquilla Minerals or any other company other than Recursos Metalicos has any rights to investigate, develop or exploit the mineral reserves and resources of Lomero-Poyatos.

The Lomero-Poyatos project area consists of a block of 13 Exploitation Permits covering approximately 250 hectares that represent the highest level of mineral concession under Spanish Law. The mining permits are valid for a period of 60 years from 1973 and in 2033 can be renewed for a further 30 years.

Under the terms of a contract dated 1 December 1999, Recursos Metalicos has a lease agreement for 100% of the mining rights for the period of the validity of the Exploitation Permits. Therefore, it is CMR's subsidiary Recursos Metalicos that holds a 100% interest in the mining rights to Lomero-Poyatos.

CMR is also pleased to note that Recursos Metalicos has recently received from the Spanish authorities a certificate confirming title to its mining permits.

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