



**Cambridge**  
Mineral Resources plc

9 Greenleaf House  
128 Darkes Lane  
Potters Bar  
Hertfordshire  
EN6 1AE  
United Kingdom

**WITHOUT PREJUDICE**

By mail, email and fax

T: +44 (0) 1707 657762  
F: +44 (0) 1707 658323  
E: office@Cambmin.co.uk  
W: www.Cambmin.co.uk

29 October 2012

Our ref: LP93.2/B28/cj

Messrs Richard Fifer & Joao Manuel  
Petaquilla Minerals Limited  
Suite 1230, 777 Hornby Street  
Vancouver, BC  
Canada V6Z 1S4

Your ref:

Fax no: +1 604-694-0063

Dear Sirs

Cambridge Mineral Resources plc ("CMR") has been advised by its lawyers that it has a strong case for a broad spectrum of damages against Petaquilla Minerals Limited, Corporación Recursos Iberia SL and Iberian Resources Corporation and (together "Petaquilla") in relation to Lomero-Poyatos and other matters.

CMR is discussions with both the Junta de Andalucía and the central government in Madrid and these discussions are clearly moving in favor of CMR.

CMR is prepared to discuss terms of a settlement of the issues surrounding Lomero-Poyatos and other matters in Spain and stop its pending lawsuits for damages and other matters against the above mentioned companies at this critical juncture for Petaquilla.

We suggest that you act prudently and contact us within one week of today's date to initiate a settlement of these matters.

Yours faithfully

Michael Burton  
Managing Director  
Cambridge Mineral Resources plc