

NEWS

IRELAND INC. UPDATES TECHNICAL PROGRAM COMPANY VERY ENCOURAGED BY NEW GRAVITY CONCENTRATOR TEST RESULTS

HENDERSON, Nevada – January 12, 2012 – [Ireland Inc. \(OTCBB: IRLD\)](#) today reported new results from gravity concentration tests completed on sand material from the North Sand Zone, which is located in the northwest sector of its Columbus Project in Esmeralda County, Nevada.

“Although we are still completing laboratory tests with the new gravity concentrator, we are very encouraged by these early results,” said [Douglas D.G. Birnie](#), Chief Executive Officer of Ireland. “In these tests, this gravity concentrator not only reduced the amount of material needed to be leached in the gold extraction process, therefore potentially reducing total extraction costs, but also produced a very clean concentrate that leached very efficiently.”

Precious Metals Extraction Process Optimization

The Company has completed two tests using a new gravity concentration process on bulk samples taken from the North Sand Zone. Both tests were completed on representative splits of the same head material, which was assayed using caustic fusion prior to concentrating. The head grade of the sample material was 0.077 ounces per ton (opt) gold (Au) and 1.755 opt silver (Ag), or approximately 0.121 opt gold equivalent (AuE).

The first test (3902C) of 88.33kg (194lb) was processed through the new gravity concentration circuit and produced concentrates weighing a total of 2.56kg. The concentration ratio was 34.5:1, with the concentrates having a gravity recovered head grade of approximately 0.110 opt AuE (0.102 opt Au, 0.335 opt Ag) as determined by caustic fusion assay. Representative splits of the gravity concentrates were then leached with cyanide and thiosulphate, and the gold and silver extracted. The average metal recovery approximated 94.6% Au and 98.8% Ag from the concentrates. This equates to a metal extracted head grade of 0.105 opt AuE (0.097 opt Au, 0.331 opt Ag).

The second test (3931C) of 100.00kg (220lb), which was processed through the same gravity concentration circuit as the first test, but using a modification of operating parameters, produced concentrates weighing a total of 7.12kg. The total concentration ratio in this second test was 14.0:1, with the concentrates having a gravity recovered head grade of 0.145 opt AuE (0.130 opt Au, 0.5967 opt Ag) as determined by caustic fusion assay. Representative splits of the gravity concentrates were then leached with thiosulphate and the gold and silver extracted. The average metal recovery approximated 95.7% Au and 88.7% Ag from the concentrates. This equates to a metal extracted head grade of 0.138 opt AuE (0.124 opt Au, 0.530 opt Ag).

These two gravity concentration tests indicate that more gold was extracted by leaching concentrates derived from large head samples (88,330g; 100,000g) than was predicted by caustic fusion assay on small head samples (5g). “These results are consistent with the nugget effect common in alluvial deposits such as those found at the Columbus Project and point to the need to process large samples and extract the gold in order to best determine the head grade,” continued Birnie.

Readers should note that these two recent gravity concentration tests were completed on representative splits from the same bulk sample with a head grade (0.121 opt AuE) that is significantly greater than the overall average head grade of the North Sand Zone as determined by caustic fusion assays of hundreds of drill samples to a depth of 200 feet below the surface of the Columbus Basin. These recent test results do not change the Company's opinion that the overall grade of the North Sand Zone averages 0.038 opt AuE as previously disclosed. The area from which this sample was taken may represent an anomaly within the North Sand Zone and may not be representative of the entire zone. Additional gravity concentration tests on bulk samples from different locations within the North Sand Zone are planned..

To date, 10 bulk samples, ranging from 45.5kg (100lbs) to 227.3kg (500lbs) each, have been gravity concentrated and leached from sites encompassing an area of some 100 acres in the North Sand Zone. Leach extraction rates using either cyanide or thiosulphate have averaged +/- 90% for both Au and Ag from head material as well as concentrates.

"The net gold and silver extracted from the head sample is a direct result of the effectiveness of the gravity concentration circuit utilized," stated Birnie. "The Company has tested several different gravity concentrators under various operating parameters. The table below shows the concentration ratios and the net gold extracted from leaching the concentrates produced by two different gravity concentrators tested. To date the most effective results on the North Sand Zone material have involved the gravity concentrator used on tests 3902C and 3931C. More tests are planned with this gravity concentrator to optimize operating parameters and net extraction rates."

Test Number	Concentration Ratio Wt Head : Wt Cons	Au Metal Extracted by Leach of Concentrates: % of Head Assay
3747C	56.1	87.1 %
3749C	61.7	69.7%
1	61.7	77.9%
2	91.7	57.0 %
3	126.6	8.1 %
7	188.7	8.2%
8	137.0	10.2 %
9	156.3	26.4 %
3902C	34.5	125.2 %
3931C	14.0	161.2 %

Electron microscope analyses have indicated that the gold occurs as very small particles in the concentrates, less than 50 microns in size. Caustic fusion on small samples (5g) and metal extraction from cyanide or thiosulphate leach of concentrates derived from large samples (100lb to 500lb) have proven to be the most reliable methods of assay discovered to date. However, the two most recent gravity concentration tests have extracted gold that averages about 1.4 times the predicted head grade. "While we are very encouraged by the results of these recent gravity concentration tests, they emphasize the need to process large bulk samples taken from several sites within the North Sand Zone in order to prove the net extractable grades in this deposit and the commercial viability of the Columbus Project. This work is ongoing," added Birnie.

The Company continues to optimize the precious metals extraction circuit at its Columbus Project. If these tests are successful, the Company plans to install a larger gravity concentration system at its pilot plant.

Columbus Project Resources

Previous work has identified that the North Sand Zone contains over 145 million tons of sand material with a drill-hole average grade of 0.038 opt AuE to a depth of 200 feet, with an additional 29 million tons of sand material to a depth of 100 feet in the South Sand Zone of similar grade (0.037 opt AuE). The Company will continue to focus on these sands by conducting additional bulk sampling, pilot testing and drilling.

Next Steps:

- Complete process optimization of gravity concentration circuit at independent lab.
- Install optimum gravity concentration circuit at Columbus Project onsite laboratory for continued bulk testing.
- Install and operate larger-scale optimum gravity concentration and extraction circuit at Columbus Project pilot plant.
- Increase Columbus Project's resources and improve resource definition.

About Ireland Inc.

Based in Henderson, Nevada, Ireland Inc. (www.irelandminerals.com) is a minerals exploration and development company that targets properties containing large-scale deposits of precious metals in the southwestern United States. The Company is currently involved with two mining projects, both of which are prospective for gold and silver. In early 2008, Ireland completed the acquisition of the Columbus Project located in Esmeralda County, NV, near Tonopah, where it also has an option to acquire additional adjacent mineral claims. Ireland also owns rights to acquire up to 100% of the Red Mountain Project in San Bernardino County, California.

Forward-Looking Statements

This document may include statements that constitute "forward-looking" statements, usually containing the words "believe," "estimate," "project," "expect," or similar expressions. Forward-looking statements inherently involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, Ireland's limited operating history, future trends in mineral prices, the availability of capital, geological or mechanical difficulties affecting Ireland's planned geological work programs, and uncertainties surrounding estimates of mineralized material. Extraction rates and mineralization grades from test results on individual samples may not be representative of extraction rates or grades that can be obtained from other samples or from commercial scale extraction efforts. Additional exploration work will be required to fully define the extent of the Columbus Project's mineralized areas and before proved or probable mineral reserves can be established. There is no assurance that the results of Ireland's exploration of pre-feasibility programs will result in a decision to enter into commercial production. Ireland undertakes no obligation to update the forward looking statements in this document.

This release may also refer to resource estimates. The US Securities and Exchange Commission (the "SEC") does not normally permit issuers to disclose resource estimates in their filings with the SEC. SEC guidelines normally permit only the disclosure of "reserve" estimates, which are those parts of a mineral deposit that could be economically and legally extracted or produced at the time the estimate is made. Inferred resource estimates generally may not be used as the basis for pre-feasibility or feasibility studies. There are no assurances that any resource estimates can be economically or legally extracted or produced or that any of these resource estimates will ever be converted to reserves. There are also no



assurances that any inferred resource estimates will be converted into indicated or measured resources. The mineralization estimates provided in this release are based on internal calculations and have not been independently confirmed.

Investors are advised to carefully review the reports and documents that we file from time to time with the SEC, particularly our Annual and Quarterly Reports.

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