



18 November 2020

INCA AND GLOBAL MINER APPLY FOR SAME GROUND SOUTH OF RIQUEZA IN THIS ANNOUNCEMENT

- *Description of recent mining concession applications made by Inca south of Riqueza*
- *Description of competing applications made by Inca and Anglo American south of Riqueza*
- *Reiteration of recent drill permitting progress at Riqueza*

HIGHLIGHTS

- Inca applies for six new mining concessions immediately south of Riqueza to cover known and probable extensions of the mineralised system in the southeast direction
- Anglo American – Peru (**Anglo American**) applies for four new mining concessions that overlap four of Inca's applications
- Two of the six Inca applications, lodged in September, Ccarhua I and Gutierrez II, are not affected by the competing Anglo American applications
- Overlapping applications to be settled by a tender process
- Ccarhua I and Gutierrez II to proceed through normal granting process

Inca Minerals Limited's (**Inca** or the **Company**) has lodged six mining concession applications immediately south of Riqueza (Figure 1). The area is considered highly prospective for large-scale gold-copper epithermal and gold-copper porphyry mineralisation, representing either the southern extension of the mineralised system at Riqueza; the northern extension of the Huancullo epithermal-porphyry system 5km southeast of Riqueza; or a third mineralised system located between Riqueza and Huancullo (Figure 2). A 10km northwest-southeast strike length of ground highly prospective for tier-1 deposits within the central Peruvian Miocene epithermal-porphyry belt is now tightly held by Inca, and/or Anglo and BHP.

Inca's and Anglo American's Applications

Six applications have been lodged by Inca (using its subsidiary Brillandino Minerals SAC) covering 5,700 hectares immediately south of Riqueza (Figure 1). For comparison Riqueza has an area of 6,497.5 hectares.

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|-----------------|------------------------------------|----------------------|
| • Ccarhua I | Application Code Number: 010123020 | Area: 1,000 hectares |
| • Ccarhua II | Application Code Number: 010215320 | Area: 1,000 hectares |
| • Gutiérrez I | Application Code Number: 010215420 | Area: 1,000 hectares |
| • Gutiérrez II | Application Code Number: 010123120 | Area: 1,000 hectares |
| • Occorcocha I | Application Code Number: 010215520 | Area: 800 hectares |
| • Occorcocha II | Application Code Number: 010215620 | Area: 900 hectares |

Should Inca be awarded these concessions they will become part of the Riqueza Project. Four competing applications were lodged by Anglo American covering 3,900 hectares on the same day as Inca (Figure 1).

- Huacullo 03 (1,000ha) Overlapping Occorcocha I
- Huacullo 04 (1,000ha) Overlapping Occorcocha II, Gutiérrez I, Gutiérrez II
- Huacullo 05 (1,000ha) Overlapping Occorcocha II, Gutiérrez I
- Huacullo 6 (900ha) Overlapping Gutiérrez I, Ccarhua II

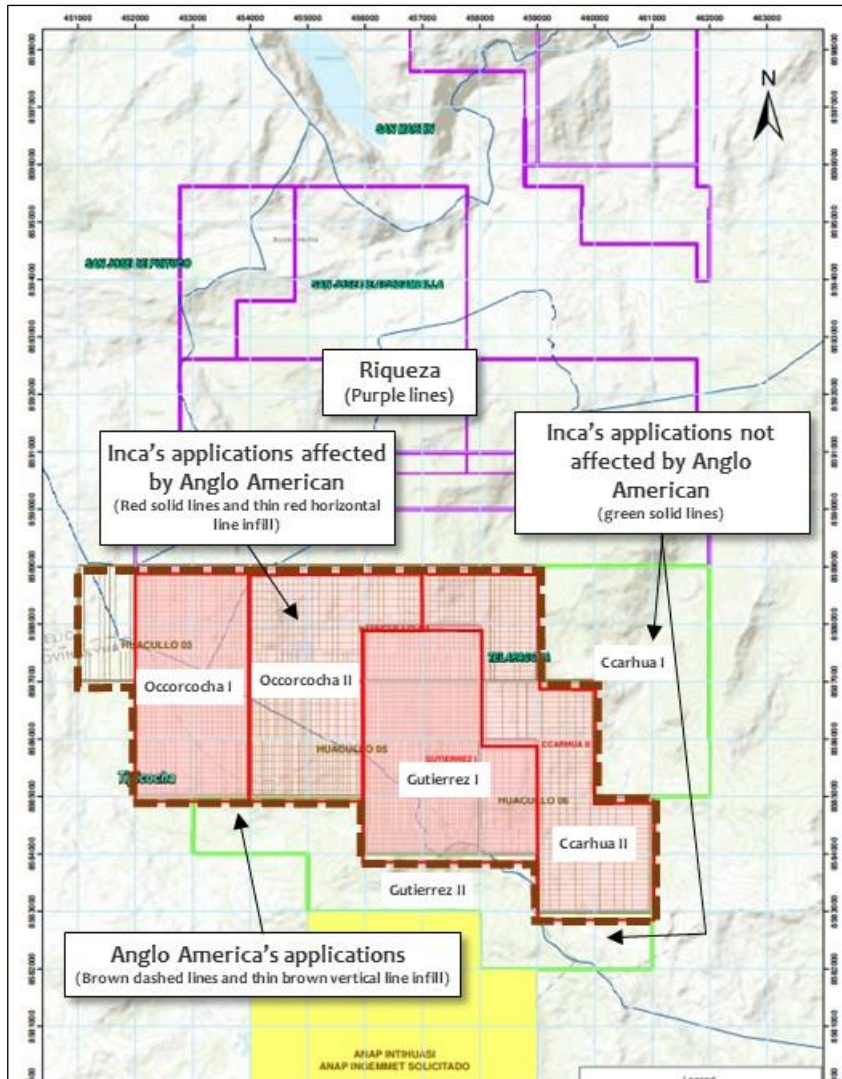
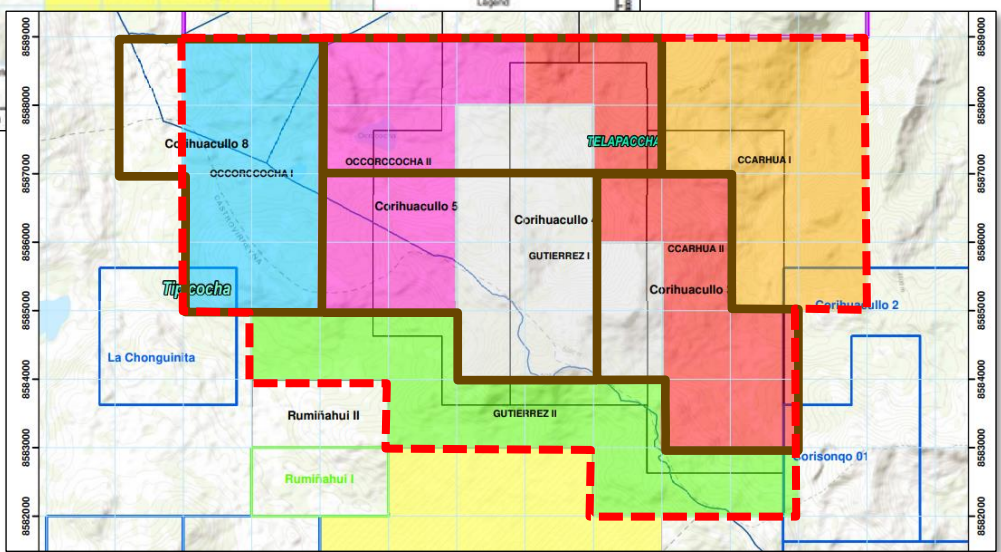


Figure 1 LEFT: Mining concession plan showing the location of Riqueza (purple lines), Inca's application with no overlap with Anglo American (green lines), Inca's application with overlap with Anglo American (red lines), and Anglo American's outer boundary of their applications (brown lines). INSET: A mining concession plan showing the Inca concession application areas using a different colour scheme with the outer boundary (red dashed line) and with the Anglo American's concession applications (brown solid lines). Refer also to Appendix 1.





Implications

Whilst Inca is disappointed that there are competing applications for ground which it thinks has considerable potential, the fact that Anglo American, a global mining company, has applied for the same ground as Inca is testimony to the potential of that area. Anglo American has two existing granted concessions in the area (Huancullo 1 and Huancullo 2) that partially cover a gold-copper porphyry to the southeast of Riqueza (Figure 2 and Appendix 1). Their applications quadruple their footprint in the area. By this, and by BHP’s two projects in the same mineral belt (Figure 2), Inca’s Riqueza Project is strongly validated.

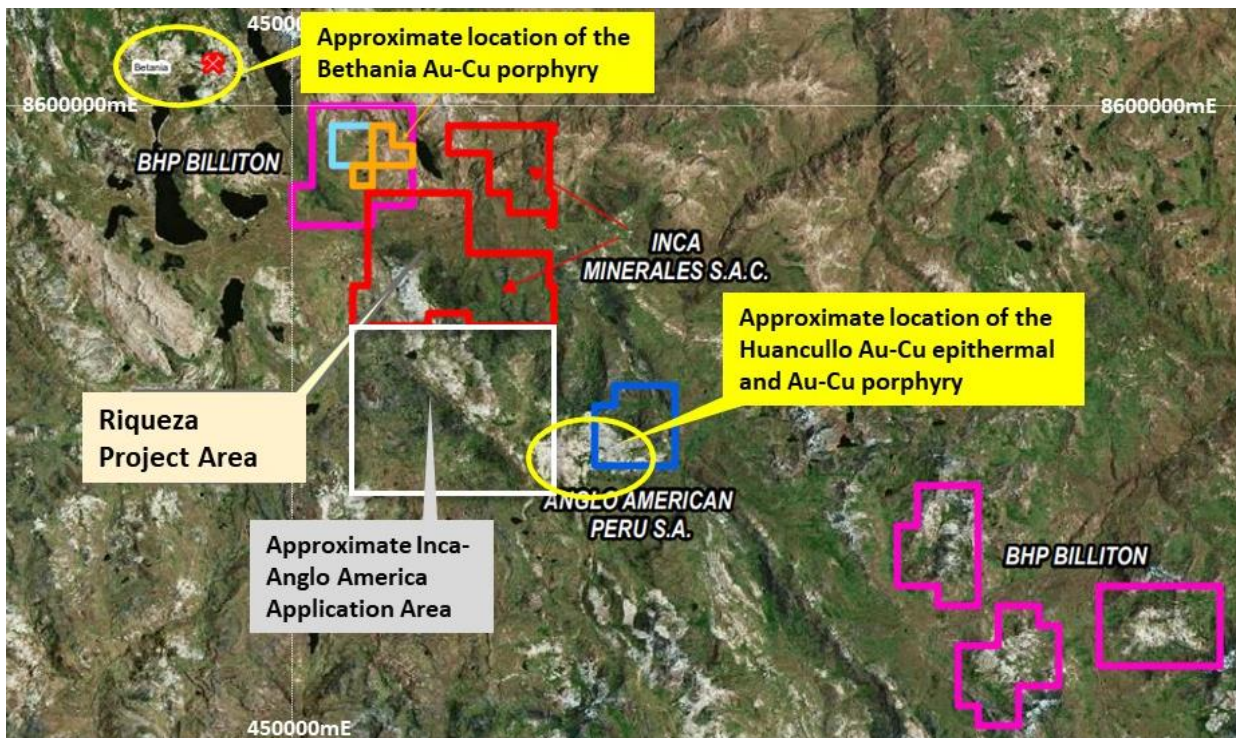


Figure 2 **ABOVE:** Mining concessions on online satellite image showing the Riqueza project (red lines), existing BHP concessions (pink lines), existing Anglo American concessions (blue lines), the location of the Huancullo gold-copper epithermal and gold-copper porphyry (circled yellow), Bethania gold-copper porphyry and the general area subject to Inca-Anglo American applications (solid white line frame).

Ground Becoming Available and Tender Process for Completing Mining Concession Applications

In a recent ASX announcement, the Company reported the acquisition of a part of our existing Uchpanga III mining concession that had previously not been awarded to the Company. This “enclave” was excluded due to the presence of an antecedent mining concession. This antecedent mining concession and a number of other mining concessions south of Riqueza were allowed to lapse by the owner, a small Peruvian mining company. As a consequence, Inca automatically obtained the Uchpanga III enclave, and, after a moratorium, the other released area became available (as of 1 November 2020). On the first business day after the moratorium lifted, both Inca and Anglo America lodged multiple applications. Applications lodged over the same area on the same business day (only) are subject to the tender process. No other applications were registered for this ground.

The tender process is conducted by the Ministry of Energy and Mines (**MINEM**) and essentially involves the competing companies submitting sealed purchasing proposals individually for each contested mining concession. The tender is scheduled for the first quarter of 2021.

***Likely Timing of Decision on success of Tenure Applications and Next Steps***

As previously noted, Inca and Anglo American have lodged competing applications on the same day for ground south of Riqueza. The MINEM has scheduled a closed-tender early next year. The granting of the contested mining concessions is expected to take approximately six months from the date of the tender. The granting of the un-contested mining concessions is expected in March 2021 (being six months from lodgement - September 2020).

The Company has conducted a very brief mapping and sampling program south of Riqueza for the purposes of ascertaining the exploration potential. The majority of work was conducted on the uncontested Ccarhua I concession application area. Very few samples were collected from the contested concession areas. Mapping and sample assay results for Ccarhua I will be released as soon as they are available.

Future low cost mapping and sampling will be conducted in the un-contested concession areas for the purposes of identifying potential drill targets that may be added to the scheduled DIA/EIAsd-permit drilling program (Refer below) of the central and southern parts of Riqueza. Should Inca be successful in obtaining any/all of the contested concessions, the areas will be added to the mapping and sampling program.

Drill Permit Update

Progress continues with the evaluation by the MINEM of our FTA drill permit application. Other than progress itself, no material developments have occurred since our latest detailed update of 10 November 2020 in respect to the FTA. To the extent possible, the Water and Exploration Permits are being prepared in readiness for lodgement upon the granting of the FTA.

The Company is considering altering its permitting strategy of using two DIA's in the central and southern parts of Riqueza to a category 3 EIAsd drill permit. EIAsd permits have an allocation of up to 700 drill platforms. A DIA permit has a maximum of 40 platforms but the number of prior platforms (from the same or adjacent areas of previous permits) must be deducted from 40 allocation. In Inca's case, we have used 10 platforms from a previous DIA and will use circa 14 platforms with the upcoming FTA permit. This change of strategy is to better accommodate the number of platforms we are likely to use for the entire drill program.

Forward Looking Statement

The information in this report contains forward looking statements which involve a number of risks and uncertainties. These forward-looking statements are expressed in good faith and are believed to have a reasonable basis at the time of inclusion in this report. These statements reflect current expectations, intention and/or strategies regarding the future and assumptions based on currently available information. Should one or more of the risks or uncertainties materialise, or should underlying assumptions prove incorrect, actual results may vary from the expectations, intentions and/or strategies described in this report. No obligation is assumed to update forward looking statements if these beliefs, opinions and estimates should change or to reflect other future developments.

Competent Person's Statements

The information in this report that relates to permit application activities south of the Riqueza Project, located in Peru, is based on information compiled by Mr Ross Brown BSc (Hons), MAusIMM, SEG, MAICD Managing Director, Inca Minerals Limited, who is a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience, which is relevant to exploration activities, style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Brown is a fulltime employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.



Appendix 1: Concession Plan similar to Figure 1 but showing Anglo America's existing concessions

