



20 January 2021

**FOLLOW-UP FTA ANNOUNCEMENT & RECAP ON UPCOMING DRILLING****IN THIS ANNOUNCEMENT**

- *Brief recap of the recent FTA drill permit grant for the NE Area of Riqueza*
- *Description of the remaining drill permit processes and projected timelines*
- *Brief reminder of the NE Area drilling program (and greater Riqueza)*
- *Competent Person Statement, Key words and ASX JORC 2012 compliance statements (Appendix 1)*

**HIGHLIGHTS**

- FTA Drill Permit recently granted (ASX announcement 15 January 2021)
- Water Permit and Exploration Permit documents prepared for imminent lodgement
- NE Drill Area (**NE Area**) drill program comprises 6,070m planned metres in 14 holes
- NE Area hosts eight specific targets across two skarn-porphyry mega-targets
- Drilling anticipated to commence next month

Inca Minerals Limited (**Inca** or the **Company**) recently announced the grant of its Ficha Técnica Ambiental (**FTA**) drill permit by Peru's Ministry of Energy and Mines (**MINEM**) (ASX announcement 15 January 2021). In that announcement, the Company mentioned that a follow-up announcement will be provided with a detailed account of the remaining drill permit processes and projected timelines to drill mobilisation. This current announcement also provides a recap on the NE Area drill program (hole parameters and objectives).

**Completed Drill Permitting and the Remaining Steps before Drill Mobilisation**

Among several drill permit requirements already satisfied, the Archaeological Clearance Certificate (**CIRA**) is granted and, very recently, the FTA permit is granted. The drillers have been engaged (drill contract executed and a deposit paid). The drill rig that we shall use is being made ready.

The Company will lodge applications imminently for the two remaining permits that are required before drilling can commence. A Water Permit is needed to specify the water usage for the drill program, and a Certificate to Commence Work is needed to enable ground disturbing exploration to take place. The two applications will run parallel with a projected maximum timeline of 30 and 20 business days respectively.

A convenient checklist is provided below as a reference:

- |                                      |   |
|--------------------------------------|---|
| • Environmental Based Line Study     | COMPLETED   |
| • Noise/Air/Water Base Line Study    | COMPLETED   |
| • Noise/Air/Water Monitoring Program | COMMENCED (this is ongoing for the duration of the program) |
| • Drillers engaged                   | COMPLETED   |
| • CIRA                               | COMPLETED   |
| • FTA                                | COMPLETED   |
| • Water Permit                       | PREPARED FOR LODGEMENT (max 30 business days for grant)     |
| • Certificate to Commence Work       | PREPARED FOR LODGEMENT (max 20 business days for grant)     |

After the granting of the Certificate to Commence Work, the Company will advise the drill contractors to begin mobilisation to Riqueza. Notwithstanding the fact that in 2021 COVID-19 continues to affect the permitting process, best estimates put the drill rig onsite in late February 2021.



### The Proposed Drilling in the NE Area

A total of fourteen holes for 6,070m of drilling are planned for the NE Area (Table 1). At an average hole depth of 433.5m metres, the fourteen holes will test eight specific targets within two mega-targets. This program, described in the September 2020 Activities Report represents a modification of an earlier program (described in ASX announcement of 17 August 2020) of eleven holes for 5,520m with seven targets. The increased number of holes and increased metres was to accommodate additional targets and to improve intersections of targets.

All individual targets possess specific multiple geochemical and geophysical signatures warranting drill testing for mineralisation at that location. The mega-targets are defined as very broad-scale features that reflect mineralised systems. The NE Area hosts “targets within targets” as Figure 1 illustrates.

The two mega-targets, each more than a kilometre across, that are highly prospective for copper-zinc skarn mineralisation, gold-silver-copper porphyry mineralisation and silver-lead-zinc carbonate replacement mineralisation (Figure 1). The individual targets are specific “parts” of these systems, a specific skarn target or a specific porphyry target for example.

The broad parameters of the NE Area drill program are as follows:

- NE Area FTA program metres proposed: **6,070m** (previous total 5,520m)
- NE Area FTA program holes proposed: **14**
- NE Area average hole depth: **433m**
- NE Area FTA program targets covered: **8**
- NE Area FTA program targeted mineralisation: **Gold-silver-copper porphyry  
Copper-zinc skarn  
Silver-lead-zinc carbonate replacement**
- NE Area FTA program forecast commencement: **February 2021<sup>1</sup>**
- NE Area FTA program forecast duration: **Estimated 4-5 months<sup>2</sup>**

Platform	Hole_ID	EAST	NORTH	Elevation	Dip	Azimuth	Depth (m)
RP01	RP01	459292.4	8595914.7	4432.5	-60	315	750
RP02	RP02	459658.0	8595827.1	4346.1	-60	0	380
RP03	RP03	459731.7	8595671.3	4312.9	-60	0	450
RP04	RP04	459955.6	8595831.3	4259.5	-60	0	380
RP05	RP05	460174.4	8596278.6	4177.9	-60	90	220
RP06	RP06	460788.6	8596244.9	4376.0	-60	90	600
RP07	RP07	460763.2	8596058.0	4363.0	-60	90	700
RP08	RP08	460900.8	8595328.0	4231.9	-60	0	560
RP09	RP09	461444.9	8595791.5	4353.4	-60	90	450
RP31	RP31	460513.8	8596474.1	4186.0	-90	0	450
RP41	RP41	461280.0	8596601.0	4502.2	-50	270	250
RP42	RP42	460984.8	8595895.4	4394.0	-55	150	250
RP43	RP43	461370.5	8595895.4	4349.3	-60	270	400
RP44	RP44	460440.7	8596278.2	4189.4	270	-60	230
							6,070

Table 1 LEFT: Drill hole parameters of the NE Area drill program.

<sup>1</sup> This is a forward-looking statement. Estimated time frames are provided with the knowledge at the time of writing. Estimated time frames may change as a result of unforeseen events and circumstances.

<sup>2</sup> This is based on a predicted drill rate of 1,500m per month.

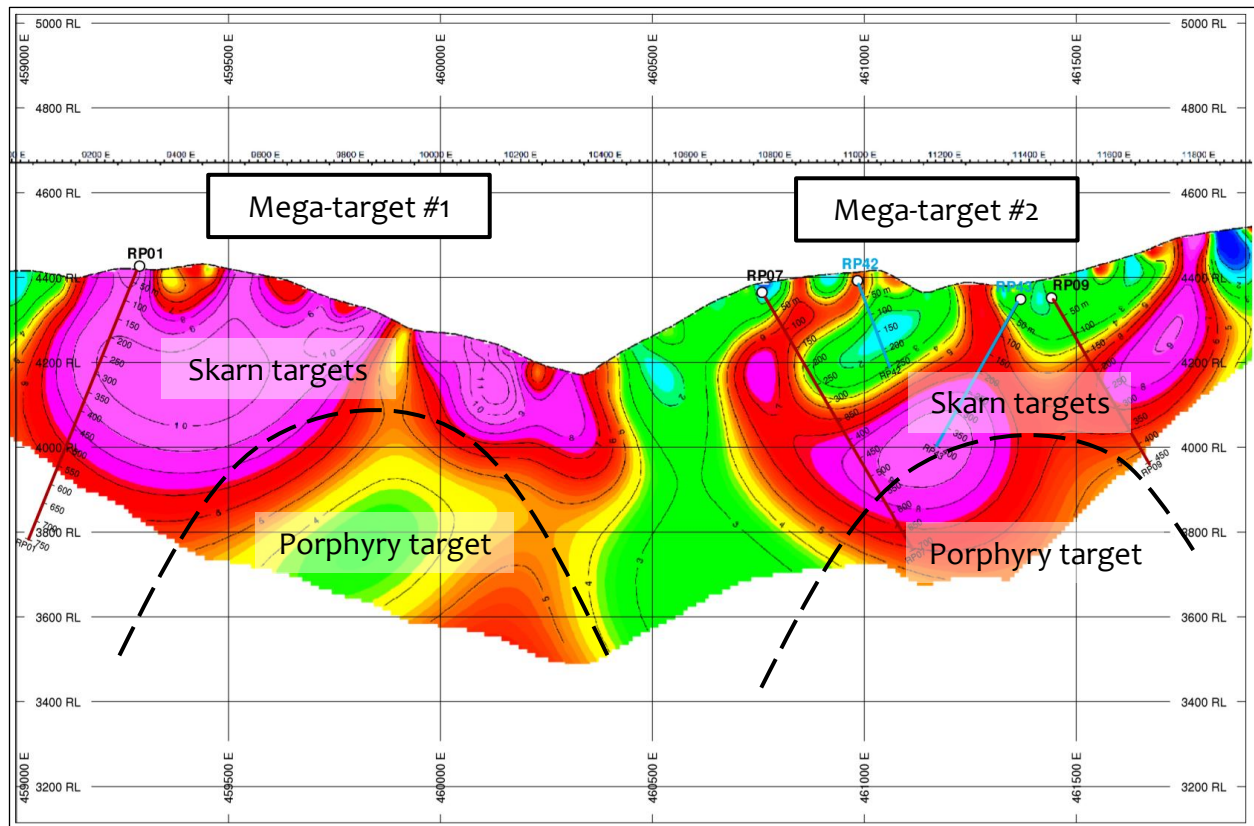


Figure 1 **ABOVE:** IP-drill profile L8595950mN with IP chargeability responses shown (red/pink = high, blue = low). The red/pink areas may relate to metal sulphide accumulations associated with two possible interpreted porphyries and related skarn mineralisation. The two interpreted skarn-porphyries constitute two mega-targets. Individual targets are those testing specific parts of these system due to a specific geochemical and geophysical signature. For example, proposed drill hole RP07 will test for porphyry mineralisation. RP01 will test for skarn mineralisation. NOTE: Only those drill holes that are located on this northing are included in this profile. NOTE ALSO: Several drill holes appear to start below the surface. This is a graphic artefact resulting from projecting the holes onto this 2D plane from different topographic heights. *This Figure first appeared in the September 2020 Activities Report.*

Whilst the Company intends prioritising the holes, prioritisation should not be seen as a short-cut to positive drilling outcomes, but rather a logistical necessity. **It is reiterated that each drill target within the NE Area mega-targets is a stand-alone opportunity for the potential discovery of significant mineralisation.**

### **The Full Riqueza Drill Program**

The NE Area (FTA) drilling program should be put in the context of the total Riqueza drill program of 46 holes (for 19,010m) testing 31 stand-alone targets across a 56km<sup>2</sup> mineralisation intrusive system (Figure 2).

The broad parameters of the proposed EIA<sub>sd</sub> drill program are as follows:

- Greater Riqueza drilling program metres proposed: **19,560m**
- Greater Riqueza drilling program holes proposed: **46** (increase from 43)
- Greater Riqueza average hole depth: **425m**
- Greater Riqueza drilling program targets covered: **31** (increase from 29)

It is worth emphasising that the Company would continue drilling in the NE Area under the planned (and following) EIA<sub>sd</sub> drill permit should results warrant. Under these circumstances, the greater Riqueza program would increase accordingly.

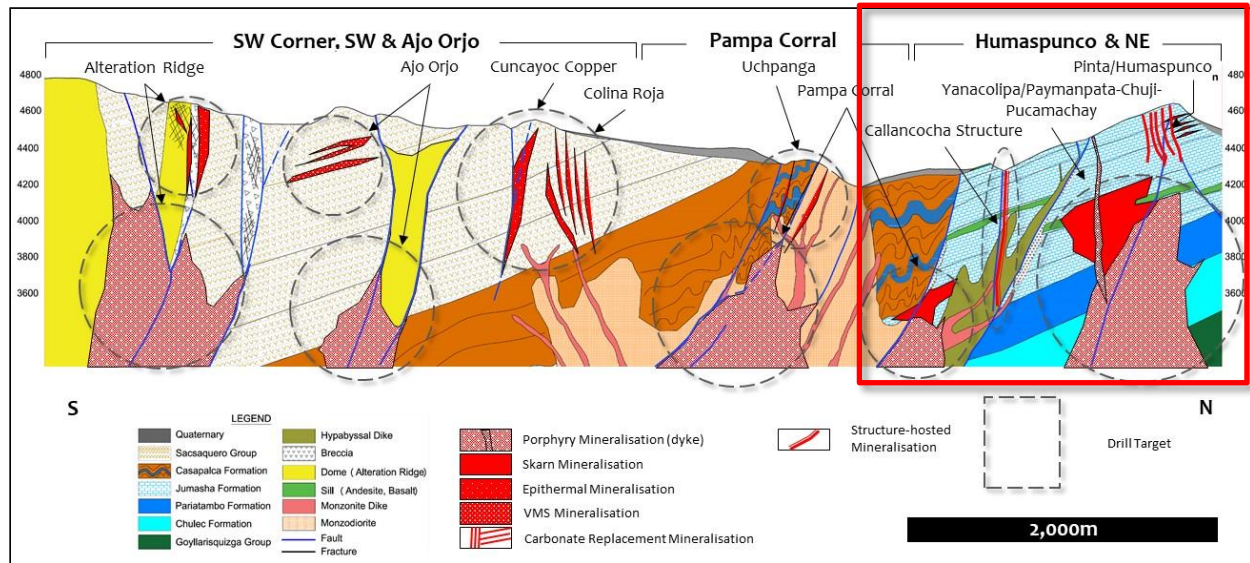


Figure 2 **ABOVE:** A schematic south (left) to north (right) cross section showing the broad geological setting of Riqueza and the various known and indicated components of the Riqueza mineralised system. The main drill target types are indicated to show their spatial relationship with each other. The target types include epithermal, porphyry, skarn, carbonate replacement, structure-hosted and VMS mineralisation. *It is clearly stated that the below-surface mineralisation indicated as targets in this diagram are the subject of drill testing.* The red box serves to highlight the NE Area in the context of the entire system. In the light of the Riqueza South results, this cross section can now be extended left (to the south) by an additional 2 kilometres to include additional porphyry and epithermal occurrences.

It is also worth mentioning that the recent developments south of Riqueza add considerable extra potential to the project. In four previous ASX announcements (20 October 2020, 28 October 2020, 18 November 2020 and 19 November 2020) the Company describes the discovery of strong copper mineralisation (peak values 4.55% Cu, 3.73% Cu, 3.08% Cu in rockchip sampling) and the recognition of two new targets, Cerro Vicuña and Cerro Ccarhua. The targets occur on mining concession applications which are not subject to a tender process with Anglo American. The Company has not reported results from the four mining concession applications which are subject to a tender process with Anglo American.

The reason why the Riqueza South results are mentioned here is that the targets that are currently known (Cerro Vicuña and Cerro Ccarhua), and those that may yet be discovered, will be added to the “greater Riqueza” drill plans.

The original strategy was to lodge a category-3 EIA/d drill permit over the entire Riqueza project area (including the NE Area). Category-3 permits have an allowance of up to 600 drill platforms. A revised strategy might be to modify the program to include the new areas to the south (in the very least the Cerro Vicuña and Cerro Ccarhua targets). The Company will further assess this strategy mindful of extending timelines and mining concession applications outcomes.

\*\*\*\*\*

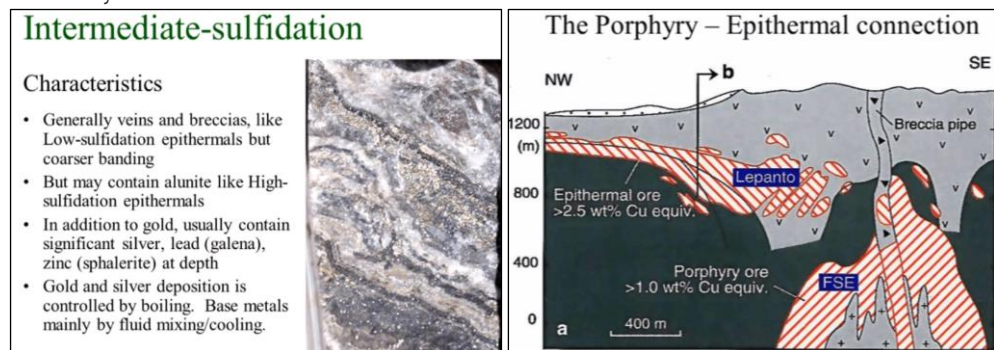
### Competent Person Statement

The information in this report that relates to exploration results and mineralisation for Riqueza located in Peru, is based on information reviewed and 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 results, the 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.



### Selected Key Words Used in this Announcement

<u>Porphyry (Deposit)</u>	A type of <u>deposit</u> containing <u>ore-forming minerals</u> occurring as disseminations and veinlets in a large volume of rock. The rock is typically porphyritic (a texture of large crystals in a fine groundmass). <u>Porphyry deposits</u> are economically very significant.
<u>Skarn (Deposit)</u>	A type of deposit that forms as a result of alteration which occurs when hydrothermal fluids interact either igneous or sedimentary rocks. In many cases, skarns are associated with the intrusion of granitic rocks, especially <u>Porphyry</u> intrusions, in and around faults that intrude into a limestone.
<u>Carbonate Replacement (Deposit)</u>	A process in which carbonate minerals are “replaced” by another mineral or minerals. A Manto is a form of <u>Carbonate Replacement</u> inasmuch as the carbonate minerals of a limestone layer are “replaced” by ore-forming minerals like <u>sphalerite</u> and <u>galena</u> .
<u>Epithermal</u>	Said of <u>hydrothermal</u> processes occurring at temperatures ranging from 50°C to 200°C, and within 1,000m of the Earth’s surface.
<u>Intermediate Sulphidation</u>	Please refer to inserts immediately below (from Andrew Jackson, Sprott International). Commonly abbreviated IS.



<u>Hydrothermal Deposit</u>	Of, or pertaining to “hot water” usually used in the context of <u>ore-forming</u> processes. A <u>deposit</u> is a naturally occurring accumulation or concentration of metals or minerals of sufficient size and concentration that might, under favourable circumstances, have economic value (Geoscience Australia). It is not a defined term in the JORC Code 2012 for Australasian Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012).
<u>Mineralisation</u>	A general term describing the process or processes by which a mineral or minerals are introduced into a rock (or geological feature such as a <u>vein</u> , fault, etc...). In the strictest sense, <u>mineralisation</u> does not necessarily involve a process or processes involving <u>ore-forming minerals</u> . Nevertheless, <u>mineralisation</u> is very commonly used to describe a process or processes in which <u>ore-forming minerals</u> are introduced into a rock at concentrations that are economically valuable or potentially valuable. The potential <u>mineralisation</u> occurring at Riqueza is <u>epithermal</u> , <u>porphyry</u> and porphyry-related.
<u>Ore-forming Minerals</u>	Minerals which are economically desirable.
<u>Chalcopyrite</u>	Copper iron sulphide with the chemical formula $\text{CuFeS}_2$ with 34.63% Cu by mol. weight.
<u>Sphalerite</u>	Zinc sulphide mineral with the chemical formula $\text{ZnS}$ with 67.09% Zn by mol. weight.
<u>Galena</u>	Lead sulphide mineral with the chemical formula $\text{PbS}$ with 86.60% Pb by mol. weight.
<u>Geochemistry(-ical)</u>	The study of the distribution and amounts of the chemical elements in minerals, ores, rocks, soils, water and the atmosphere
<u>Geophysics(-ical)</u>	An exploration method using instruments to collect and analyse properties as magnetics, radioactivity, gravity, electronic conductivity, etc. Instruments can be located on surface (ground survey) or above the ground ( <u>airborne</u> survey).

\*\*\*\*\*



## Appendix 1

The following information is provided to comply with the JORC Code (2012) exploration reporting requirements.

### SECTION 1 SAMPLING TECHNIQUES AND DATA

---

#### Criteria: Sampling techniques

##### JORC CODE Explanation

*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or hand-held XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*

##### Company Commentary

This announcement does not refer to sampling results. It refers to drill permitting outcomes and to drill proposals for the NE Area of the Company's Riqueza Project. Reference is made in this announcement to previously announced integrated interpretations and reviews of AMAGRAD, 3D inversion modelling, interim IP, soil geochemical and mapping-sampling programs.

##### JORC CODE Explanation

*Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.*

##### Company Commentary

This announcement does not refer to new sampling results.

##### JORC CODE Explanation

*Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1m samples from which 3 kg was pulverised to produce a 30g charge for fire assay'). In other cases, more explanation may be required, such as where there is a coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.*

##### Company Commentary

This announcement does not refer to new sampling results.

#### Criteria: Drilling techniques

##### JORC CODE Explanation

*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*

##### Company Commentary

No drilling or drilling results are referred to in this announcement. It refers to drill permitting outcomes and to drill proposals for the NE Area of the Company's Riqueza Project.

#### Criteria: Drill sample recovery

##### JORC CODE Explanation

*Method of recording and assessing core and chip sample recoveries and results assessed.*

##### Company Commentary

No drilling results are referred to in this announcement.

##### JORC CODE Explanation

*Measures taken to maximise sample recovery and ensure representative nature of the samples.*

##### Company Commentary

No drilling results are referred to in this announcement.



**JORC CODE Explanation**

*Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*

**Company Commentary**

No drilling results are referred to in this announcement.

**Criteria: Logging**

**JORC CODE Explanation**

*Whether core and chip samples have been geologically and geo-technically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*

**Company Commentary**

No drilling results are referred to in this announcement.

**JORC CODE Explanation**

*Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography*

**Company Commentary**

No drilling results are referred to in this announcement.

**JORC CODE Explanation**

*The total length and percentage of the relevant intersections logged.*

**Company Commentary**

No drilling results are referred to in this announcement.

**Criteria: Sub-sampling techniques and sample preparation**

**JORC CODE Explanation**

*If core, whether cut or sawn and whether quarter, half or all core taken.*

**Company Commentary**

No drilling results are referred to in this announcement.

**JORC CODE Explanation**

*If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*

**Company Commentary**

No drilling results are referred to in this announcement.

**JORC CODE Explanation**

*For all sample types, the nature, quality, and appropriateness of the sample preparation technique.*

**Company Commentary**

This announcement does not refer to new sampling results.

**JORC CODE Explanation**

*Quality control procedures adopted for all sub-sampling stages to maximise “representivity” of samples.*

**Company Commentary**

This announcement does not refer to new sampling results.

**JORC CODE Explanation**

*Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.*



**Company Commentary**

This announcement does not refer to new sampling results.

**JORC CODE Explanation**

*Whether sample sizes are appropriate to the grain size of the material being sampled.*

**Company Commentary**

This announcement does not refer to new sampling results.

**Criteria: Quality of assay data and laboratory tests**

**JORC CODE Explanation**

*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*

**Company Commentary**

This announcement does not refer to new sampling results.

**JORC CODE Explanation**

*For geophysical tools, spectrometers, hand-held XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.*

**Company Commentary**

This announcement does not refer to new sampling results.

**JORC CODE Explanation**

*Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*

**Company Commentary**

This announcement does not refer to new sampling results.

**Criteria: Verification of sampling and assaying**

**JORC CODE Explanation**

*The verification of significant intersections by either independent or alternative company personnel.*

**Company Commentary**

This announcement does not refer to new sampling results.

**JORC CODE Explanation**

*The use of twinned holes.*

**Company Commentary**

No drilling or drilling results are referred to in this announcement.

**JORC CODE Explanation**

*Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.*

**Company Commentary**

This announcement does not refer to any new sampling results.

**JORC CODE Explanation**

*Discuss any adjustment to assay data.*

**Company Commentary**

This announcement does not refer to new sampling results.



**Criteria: Location of data points**

**JORC CODE Explanation**

*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*

**Company Commentary**

This announcement does not refer to exploration related to a mineral resource estimation.

**JORC CODE Explanation**

*Specification of the grid system used.*

**Company Commentary**

WGS846-18L.

**JORC CODE Explanation**

*Quality and adequacy of topographic control.*

**Company Commentary**

This announcement refers to drill permitting outcomes and to drill proposals for the NE Area of the Company's Riqueza Project. Reference is made in this announcement to previously announced integrated interpretations and reviews of AMAGRAD, 3D inversion modelling, interim IP, soil geochemical and mapping-sampling programs. All such exploration (including the proposed drill holes) were/are located using geo-referenced software.

**Criteria: Data spacing and distribution**

**JORC CODE Explanation**

*Data spacing for reporting of Exploration Results.*

**Company Commentary**

This announcement does not refer to new data results.

**JORC CODE Explanation**

*Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.*

**Company Commentary**

No grade continuity, Mineral Resource or Ore Reserve estimations are referred to in this announcement.

**JORC CODE Explanation**

*Whether sample compositing has been applied.*

**Company Commentary**

This announcement does not refer to new sample compositing results.

**Criteria: Orientation of data in relation to geological structure**

**JORC CODE Explanation**

*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*

**Company Commentary**

This announcement does not refer to new sampling results.

**JORC CODE Explanation**

*If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*

**Company Commentary**

This announcement refers to drill permitting outcomes and to drill proposals for the NE Area of the Company's Riqueza Project. Reference is made in this announcement to previously announced integrated interpretations and reviews of AMAGRAD, 3D inversion modelling, interim IP, soil geochemical and mapping-sampling programs. The proposed drill holes were designed using geo-referenced software to provide the most representative intersection of mineralisation possible whilst using the least amount of drill metres required to do so.

**Criteria: Sample security****JORC CODE Explanation**

*The measures taken to ensure sample security.*

**Company Commentary**

This announcement does not refer to any new sampling results.

**Criteria: Audits and reviews****JORC CODE Explanation**

*The results of any audits or reviews of sampling techniques and data.*

**Company Commentary**

This announcement does not refer to new sampling results. Nevertheless, this announcement does refer to independent and Company drill proposals for the NE Area of the Company's Riqueza Project. The Company has reviewed the proposals and concludes that processes deployed and criteria used for selecting the hole locations were at best practise standard.

**SECTION 2 REPORTING OF EXPLORATION RESULTS**

---

**Criteria: Mineral tenement and land tenure status****JORC CODE Explanation**

*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*

**Company Commentary**

Tenement Type: The Riqueza Project area comprises nine Peruvian mining concessions: Nueva Santa Rita, Antacocha I, Antacocha II, Rita Maria, Maihuasi, Uchpanga, Uchpanga II, Uchpanga III and Picuy.

Nueva Santa Rita ownership: The Company has a 5-year concession transfer option and assignment agreement ("Agreement") whereby the Company may earn 100% outright ownership of the concession.

All other above-named concessions: The Company has direct 100% ownership.

**JORC CODE Explanation**

*The security of the land tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*

**Company Commentary**

The Agreement and all concessions are in good standing at the time of writing.

**Criteria: Exploration done by other parties****JORC CODE Explanation**

*Acknowledgement and appraisal of exploration by other parties.*

**Company Commentary**

This announcement does not refer to exploration conducted by previous parties.

**Criteria: Geology****JORC CODE Explanation**

*Deposit type, geological setting, and style of mineralisation.*

**Company Commentary**

The geological setting of the area is that of a gently SW dipping sequence of Cretaceous limestones, Tertiary “red-beds” and volcanics on a western limb of a NW-SE trending anticline; subsequently affected by an intrusive rhyolite volcanic dome believed responsible for a series of near vertical large-scale structures and multiple and pervasive zones of epithermal/porphyry/skarn related Cu- Au-Ag-Pb-Zn-Mo mineralisation.

**Criteria: Drill hole information****JORC CODE Explanation**

*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:*

- Easting and northing of the drill hole collar
- Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar.
- Dip and azimuth of the hole.
- Down hole length and interception depth.
- Hole length.

**Company Commentary**

No drilling or drilling results are referred to in this announcement. A table is nevertheless provided that shows the above listed parameters for proposed holes only.

**JORC CODE Explanation**

*If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*

**Company Commentary**

No drilling or drilling results are referred to in this announcement.

**Criteria: Data aggregation methods****JORC CODE Explanation**

*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations shown in detail*

**Company Commentary**

No drilling results are referred to in this announcement.

**JORC CODE Explanation**

*The assumptions used for any reporting of metal equivalent values should be clearly stated.*

**Company Commentary**

No drilling results are referred to in this announcement, and therefore, no metal equivalents are referred to in this announcement.

**Criteria: Relationship between mineralisation widths and intercept lengths****JORC CODE Explanation**

*These relationships are particularly important in the reporting of Exploration Results.*

*If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.*

*If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. ‘down hole length, true width not known.’)*

**Company Commentary**

No drilling results are referred to in this announcement.



**Criteria: Diagrams**

**JORC CODE Explanation**

*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not limited to a plan view of drill hole collar locations and appropriate sectional views*

**Company Commentary**

Plans are provided showing the position of the proposed drill holes.

**Criteria: Balanced reporting**

**JORC CODE Explanation**

*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.*

**Company Commentary**

The Company believes the ASX announcement provides a balanced report of the drilling proposal and past exploration results referred to in this announcement.

**Criteria: Other substantive exploration data**

**JORC CODE Explanation**

*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*

**Company Commentary**

This announcement refers to six previous ASX announcements dated: 17 August 2020, 20 October 2020, 28 October 2020, 18 November 2020, 19 November 2020, and 15 January 2021.

**Criteria: Further work**

**JORC CODE Explanation**

*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*

**Company Commentary**

By nature of early phase exploration, further work is necessary to better understand the mineralisation occurring in the NE Area of the Riqueza Project. Further work is also necessary to better understand the relationship between the mineralisation associated with these samples and the AMAGRAD, IP, 3D magnetic inversion models and soil anomalies. This is the reason why drilling has been proposed.

**JORC CODE Explanation**

*Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*

**Company Commentary**

Refer above.

\*\*\*\*\*