INCA MINERALS LTD

Targeting a new generation of Tier-1 mineral discoveries in Peru and Australia

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INCA AWARDED CO-FUNDING GRANTS FOR AMAGRAD SURVEYS TO UNLOCK ITS FREWENA AND JEAN ELSON PROJECTS, NT

Upcoming surveys designed to refine drill sites for IOCG, SEDEX and Orogenic Gold targets in the NT

Highlights

- Inca has been awarded a co-funding grant for a 58,171 line-kilometre airborne magnetic and radiometric (**AMAGRAD**) survey covering its Frewena East, Frewena Far East and Frewena Frontier Projects in the East Tennant region
- Inca has also been awarded a co-funding grant for a 30,026 line-kilometre AMAGRAD survey covering the Jean Elson Project
- The Frewena AMAGRAD survey will cover the existing RP-FE-01 and RP-FE-02 Iron Oxide, Copper, Gold (**IOCG**) and Sedimentary Exhalative (**SEDEX**) targets, further refining these Tier-1 drill focus areas
- The Frewena AMAGRAD survey will also cover all parts of the Frewena Group Project which have not been covered by AMAGRAD to date, further unlocking the IOCG/SEDEX potential of this regional-scale project
- The Jean Elson AMAGRAD survey will cover most of the project area including the Mount Cornish South and Camel Creek Prospects, where high-grade gold and copper values in rock-chip samples were recently reported

Inca Minerals Limited (**Inca** or the **Company**) is pleased to announce that is has been awarded two co-funding grants from the Northern Territory Department of Industry, Tourism and Trade (**DITT**) under its Geophysics and Drilling Collaborations (**GDC**) Program. These grants are part of the current GDC Round 14.

The Company appreciates the co-funding initiative and thanks the DITT for the ongoing support for its exploration activities in the emerging East Tennant and East Arunta provinces.

The first successful grant of $100,000, which is the maximum grant provided under the GDC Program, is for the Company's 58,171 line-kilometre AMAGRAD survey to be conducted at Frewena East and Frewena Frontier, as well as a small part of the Frewena Far East Project not covered by the previous AMAGRAD survey in late 2020.

The second successful grant of a further $100,000 is for the Company's 30,026 line-kilometre AMAGRAD survey to be conducted at Jean Elson.

The purpose of both surveys is to identify geophysical signatures indicative of possible Tier-1 scale zones of mineralisation.

In the case of the Frewena survey, the target forms of mineralisation are IOCG and SEDEX deposits. In the case of Jean Elson the target forms of mineralisation are IOCG and Orogenic Gold deposits.

Both surveys are planned for July-September this year.

*Frewena East, Frewena Far East and Frewena Frontier AMAGRAD (**Frewena AMAGRAD**) Survey*

The Frewena AMAGRAD survey will cover the entire project area (Figure 1). For the primary survey, flight lines will be spaced 100m apart with 1,000m spaced tie-lines. For three in-fill areas, covering known targets, the flight lines will be spaced 50m apart with 500m spaced tie-lines. The sensor height in all cases will be 30m-40m above the ground.

The in-fill parts of the survey will cover the existing RP-FE-01 and RP-FE-02 targets. The purpose of these surveys is to improve target definition to facilitate improved design of future drilling programs.

The independently generated **RP-FE-01** IOCG-SEDEX target (ASX announcement 21 May 2021) coincides with Inca's **IOCG-T1 Roadhouse Target** (ASX announcement 22 March 2021). This target sits on a mineralised hydrothermal-related regional scale gravity-magnetic ridge. Mineralisation is known to occur at Middle Island Resources' Crosswind Copper Prospect (ASX announcement 5 January 2021) and in Government drill-hole NDIBK04 (ASX announcements 8 March 2021 and 29 March 2021).

The 2021 Frewena AMAGRAD survey builds on the 25,888 line-kilometre survey undertaken by Inca in 2020 over the Frewena Fable and Frewena Far East Project (Figure 1), which also received GDC funding support.

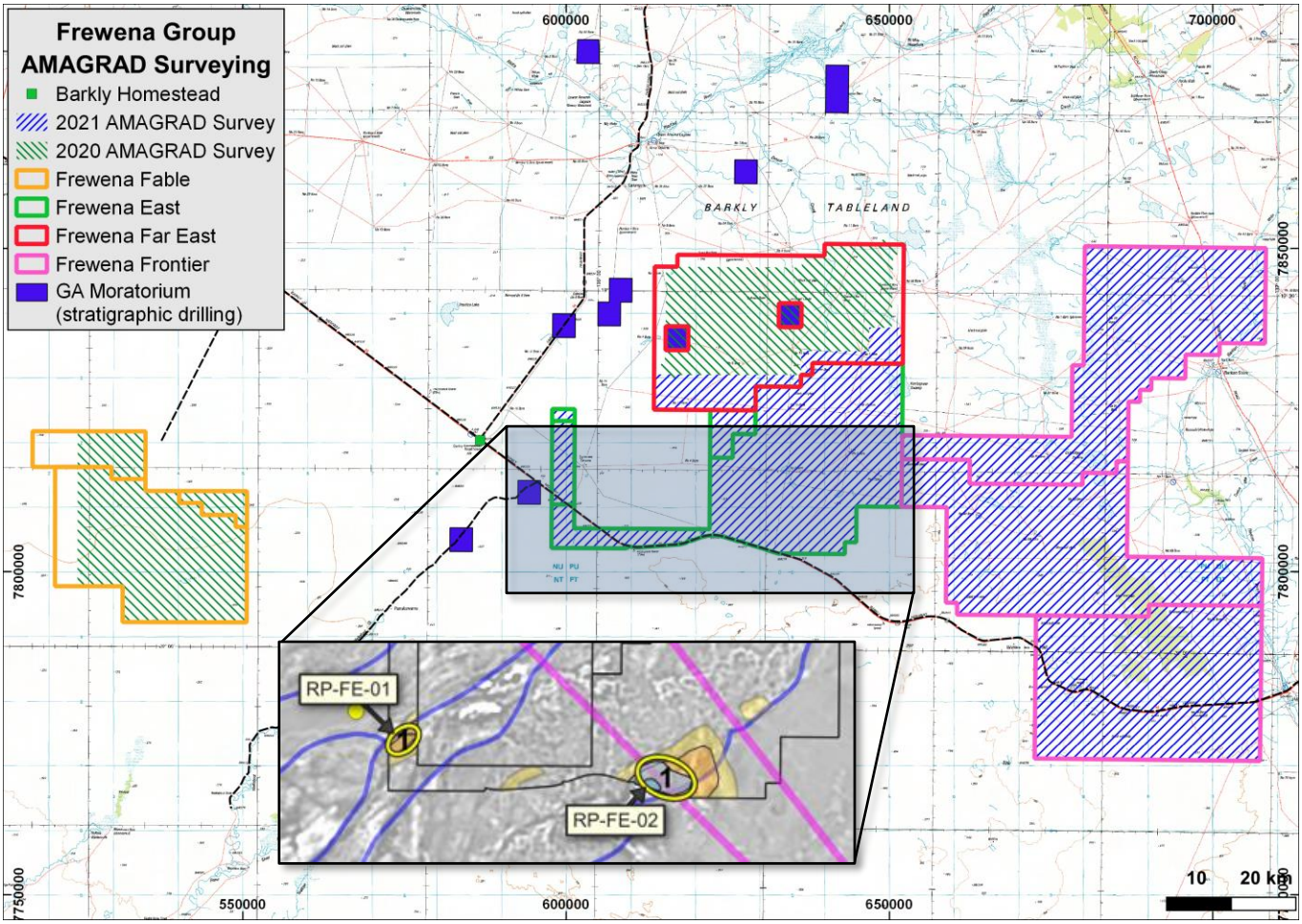

Figure 1: *AMAGRAD survey coverage of the Frewena Group Project, showing the planned survey the subject of the current co-funding grant (blue cross-hatched area) and the past survey, the subject of the previous co-funding grant (green cross-hatched area). INSERT shows the position of the RP-FE-01 and RP-FE-02 IOCG-SEDEX targets.*

Jean Elson AMAGRAD Survey

The Jean Elson AMAGRAD survey will cover most of the project area (Figure 2). The flight lines will be spaced 50m apart with 500m spaced tie-lines. The sensor height in all cases will be 30m-40m above the ground.

The Jean Elson AMAGRAD survey will cover the Mount Cornish South and Camel Creek (Ningaloo and Sunset Boulevarde) Prospect areas. The Company has recently announced the discovery of significant gold at Ningaloo, in addition to strong copper and iron, and elevated silver and bismuth (ASX Announcement 3 June 2021).

The purpose of the AMAGRAD survey at Jean Elson is to further unlock the IOCG-orogenic gold potential of this rapidly developing project.

The survey has been designed to identify possible geophysical signatures indicative of possible Tier-1 scale zones of IOCG-orogenic gold mineralisation, especially along the northwest-southeast structural corridor between Mount Cornish South and Camel Creek.

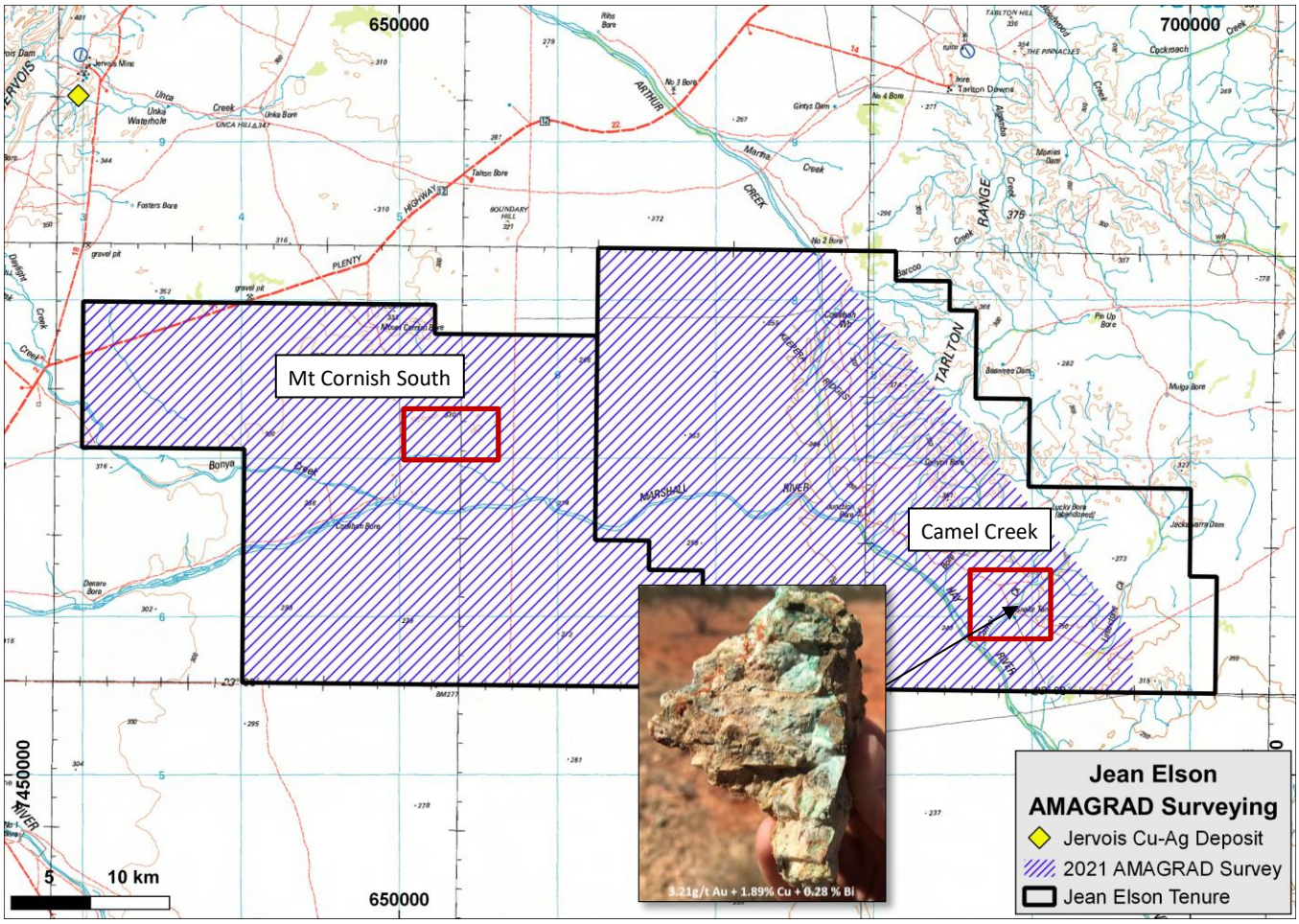

Figure 2: *AMAGRAD survey coverage of the Jean Elson Project, showing the planned survey the subject of the current co-funding grant (blue cross-hatched area). The location of two prospect areas, Mt Corish South and Camel Creek are shown. Gold was discovered at Camel Creek and reported to the market on 3 June 2021.*

Planned Ground Gravity Surveys at Frewena

Five ground gravity surveys are currently planned for Frewena Fable, Frewena East and Frewena Far East (Figure 3). These areas were selected because of their high levels of IOCG-SEDEX prospectivity determined from integrated 2020 AMAGRAD survey, government geophysical and drill data.

The number and configuration of the ground gravity survey areas may be altered and/or fine-tuned following further integrated data assessment.

Areas that have been selected for this work include those that host the highest priority IOCG-SEDEX targets.

Targets that will be covered by ground gravity include, at Frewena Fable – **RP-FF-01**; at Frewena East – **RP-FE-01** and **RP-FE-02**; and at Frewena Far East – **RP-FFE-01**, **RP-FFE-02**, **RP-FFE-03**, **RP-FFE-04** and **RP-FFE-05**.

The RP-FFE-01 (Roadhouse), RP-FFE-02 & RP-FFE-03 (Mount Lamb), RP-FFE-04 (Desert Creek), and RP-FFE-05 (Plains) targets correspond to the 50km[1] long hydrothermal-related regional scale gravity-magnetic ridge and will be covered in three gravity surveys (Figure 3). Note that the north-eastern-most gravity survey (covering Mount Lamb-Desert Creek-Plains) will not include the NDIBK04 block (EL32363) unless by circumstance the EL is granted to the Company ahead of the survey commencing.

The purpose of the ground gravity survey is to improve the definition of the IOCG-SEDEX-like targets to better design and de-risk drill testing. IOCG-style mineralisation characteristically generates a gravity high signature due to the proliferation of "heavy" iron oxide minerals.

It is expected that these gravity surveys will be conducted from mid to late July onwards and results processed thereafter. Following receipt of the gravity survey results, the Company expects to be able to plan for future drilling of targets.

[1] Newcrest Mining has a 15km section of this 50km gravity-magnetic ridge – refer to Figure 3.

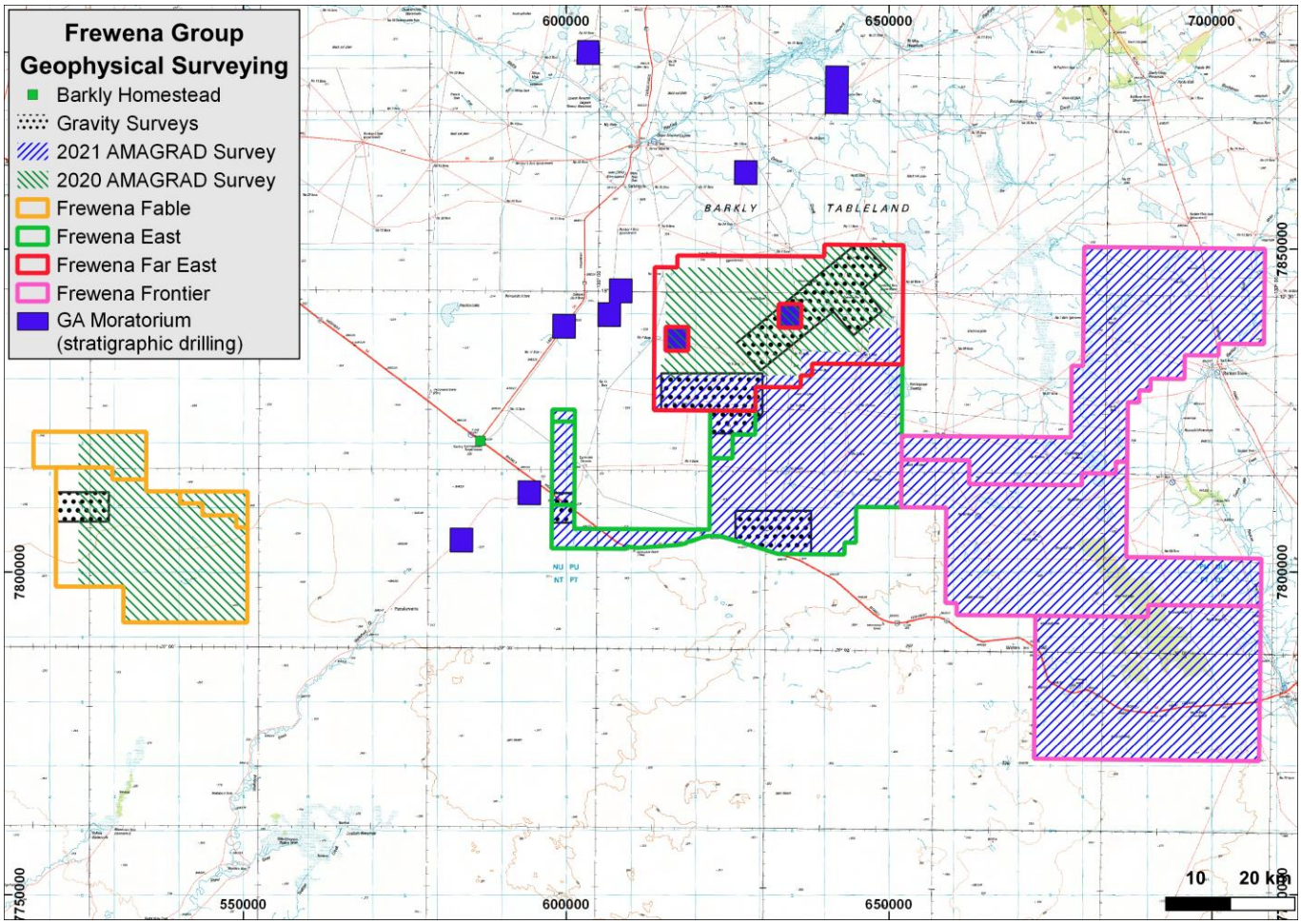

Figure 3: *A copy of figure 1 with added polygons (black dotted areas) showing the location of planned ground gravity surveys.*

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Competent Person's Statements

The information in this report that relates to exploration activities for the Frewena Group and Jean Elson located in the Northern Territory, is based on information compiled by Mr Ross Brown BSc (Hons), MAusIMM, SEG, Managing Director, Inca Minerals Limited, who is a Member of the Australasian Institute of Mining and Metallurgy; and by Mr Robert Heaslop BSc (Hons), MAusIMM, SEG, Consultant Geologist for Inca Minerals Limited, who is a Member of the Australasian Institute of Mining and Metallurgy. Both Mr Brown and Mr Heaslop have sufficient experience, which is relevant to the 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, who is a fulltime employee of Inca Minerals Limited, and Mr Heaslop both consent to the report being issued in the form and context in which it appears.

Appendix 1: About the Geophysics and Drilling Collaborations Program

The GDC program, now in its 14th iteration, is part of the Northern Territory Government's "Resourcing the Territory" initiative and is aimed at increasing exploration in Greenfield areas of the NT. It provides for co-funding of approved drilling and geophysical acquisition projects where the outcomes are expected to improve geological knowledge and mineralisation targeting within a region, particularly at depth.

The GDC program is administered by the DITT.

Co-funding is available for up to half of the eligible direct program costs capped at $125,000 per diamond drilling project; and $100,000 per reverse-circulation drilling or geophysical acquisition projects. Assessment of the application focusses on the technical merits of the project and its capacity to broaden geological knowledge and promote innovative exploration techniques, particularly in greenfield areas of the NT. With respect to geophysical acquisition projects, such as that of the proposed by the Company, among other criteria, the survey must cover a minimum area of approximately 500 km^2 and improve the resolution / quality of existing regional scale data in the area.