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

ASX Announcement | 11 June 2024 | ASX: ICG

INCA AWARDED CO-FUNDING GRANT TO DRILL THE KESTREL TARGET AT ITS JEAN ELSON PROJECT, NT

Highlights

- Inca has been awarded a co-funding grant of up to $176,729 for drilling at its priority Kestrel target at the Jean Elson Project;
- Kestrel target assumes higher ranking following further analysis of geophysical data

Inca Minerals Limited (**ASX: ICG; Inca or the Company**) is pleased to announce that it has been awarded a co-funding grant from the Northern Territory Department of Industry, Tourism and Trade (DITT) under its Geophysics and Drilling Collaborations (GDC) Program. This grant is part of the current GDC Round 17.

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

The GDC grant of $176,729 is for drilling the Company's Kestrel target which is near the known outcropping mineralised vein systems at Camel Creek (refer to ASX announcement of 6 May 2024). The purpose of this drilling is to investigate strong gravity and magnetic anomalies coincident chargeability/conductivity geophysical signatures interpreted from Gradient Array IP data that were collected in 2022 (ASX announcement of 9 November 2022). These geophysical signatures are thought to be indicative of possible Tier-1 scale zones of mineralisation, specifically IOCG's.

Inca has identified several additional strong drill targets, particularly at the Kestrel Prospect, which is in proximity to the recently drilled Camel Creek (Ningaloo-Sunset Boulevarde) Prospect. The Camel Creek and Kestrel prospects are located along a regional gravity high ridge with numerous tightly folded and sheared units located within and along the gravity feature. A strong magnetic anomaly peak at Kestrel surrounds a demagnetised area and may indicate hydrothermal alteration of magnetite to haematite, indicative of a potential IOCG system. Local geology at the Camel Creek and Kestrel areas includes mineralised outcropping vein swarms and extensive iron-quartz veining of altered granites.

An additional compelling geological feature of the area is the fact that the Aerlion fault, considered to be a potential mantle tapping system, is immediately adjacent to a number of these targets. Critically, and as shown in **Figure 1** the juxta-positioning of the outcropping mineralised vein system at Camel Creek, the major NW-SE structural corridor within which the geophysical targets sit and the alignment of all these features is considered very strong evidence of a potential fertile mineralising environment.

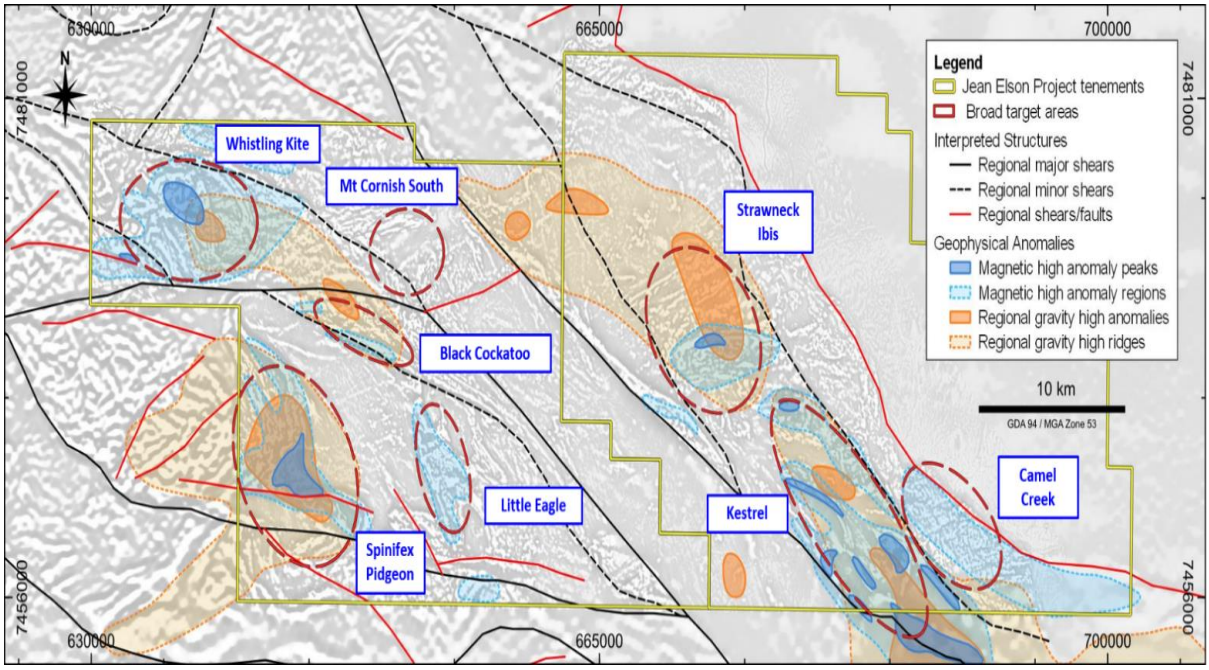

Figure 1: Inca's Jean Elson tenements, showing the Kestrel prospect and the many others identified from a combination of structural interpretation, geological mapping and geophysical surveys including VTEM, gravity and magnetics.

Recent reprocessing and analysis of the geophysical targets at Kestrel have identified a number of coincident gravity, magnetics and chargeability/conductivity features which are considered highly prospective. Whilst not all of these targets will be drilled with this GDC co-funding, the numerous targets that have been identified particularly from Gradient Array IP data indicate that the prospectivity of this area is considered very high. Like Camel Creek, many of the targets at the Kestrel Prospect are shallow.

The number of proposed drill targets at the Kestrel Prospect, and their relationship to the initial drill targets at Ningaloo-Sunset Boulevarde, are shown in **Figure 2**.

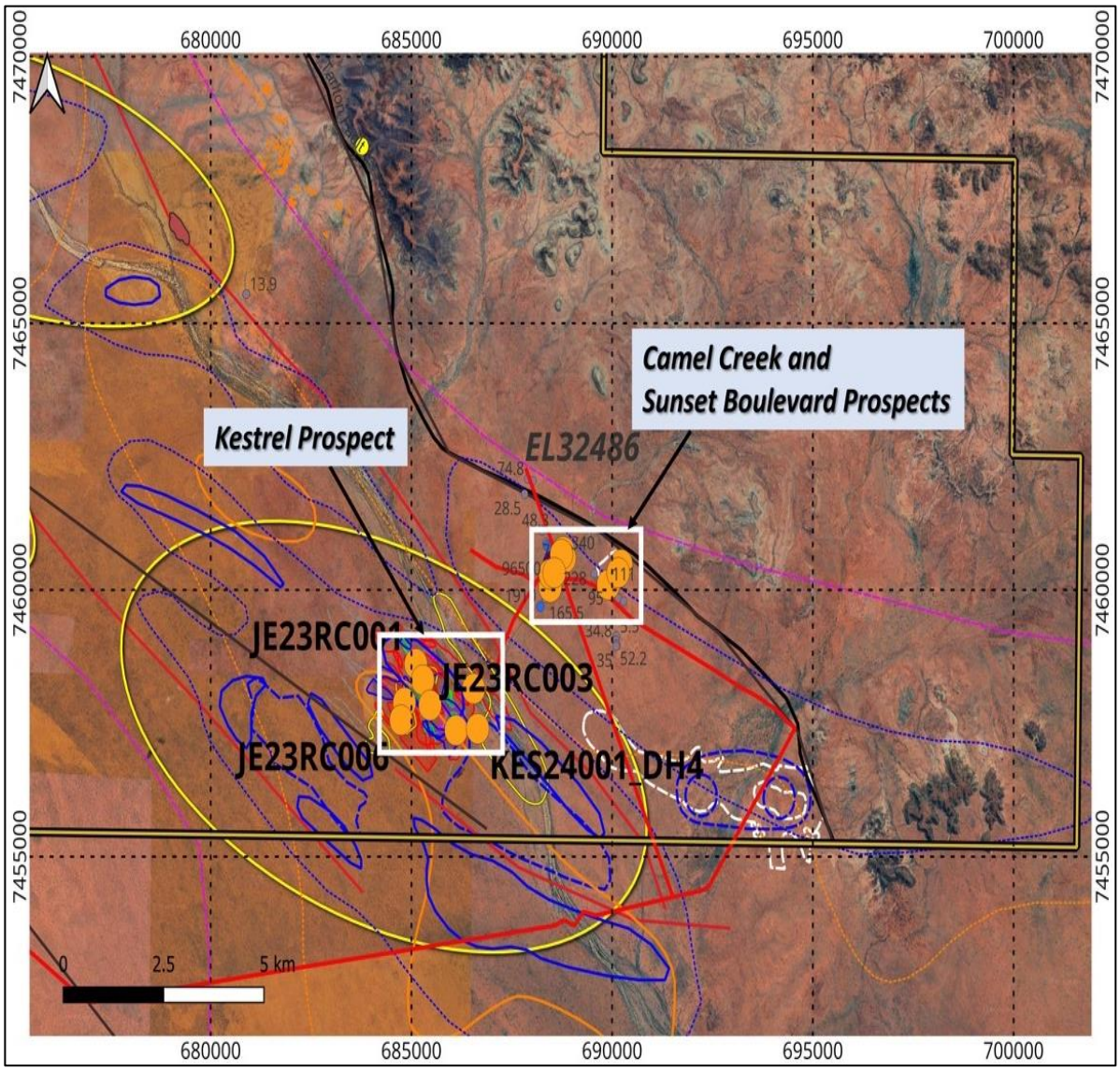

Figure 2: *New drill targets identified at the Kestrel geophysical target. Note proximity to Camel Creek and Sunset Boulevard targets.*

As shown in **Figure 3**, there is a strong relationship between resistivity, conductivity and chargeability anomalies identified by GAIP survey. These anomalies are broadly aligned with the northwest-southeast geo-structural architecture of the regional area, demonstrating the significant role that geological structures play on the prospectivity of the area. In a number of places, there is strong overlap of chargeability and conductivity, which could be related to disseminated sulphides in host rocks. The Kestrel Prospect presents an important geophysical signature, where gravity and magnetics are coincident with chargeability and conductivity highs that warrant drill-testing.

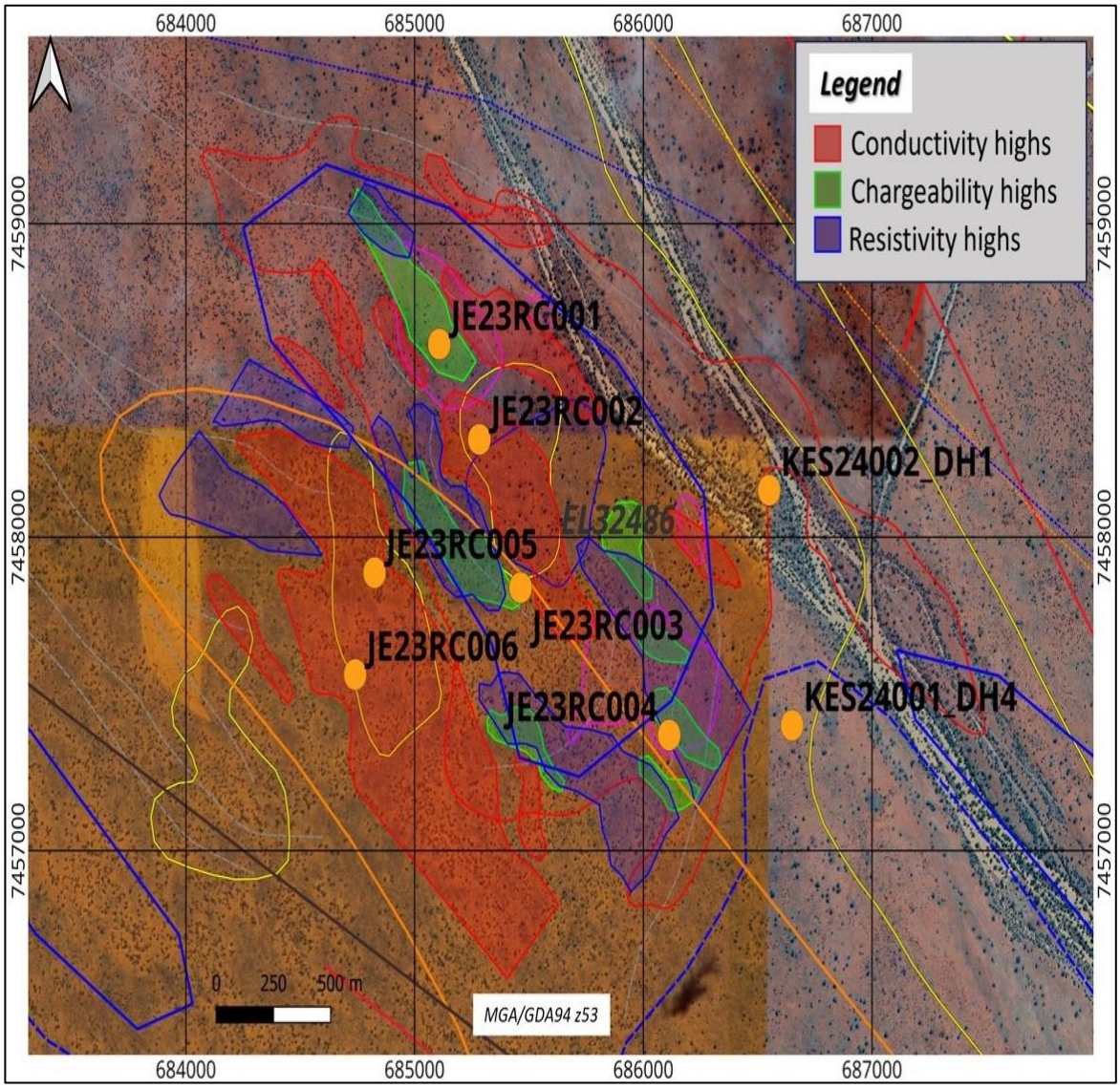

Figure 3: *Plan of Kestrel Prospect showing relationship of GAIP results with regional structures and proposed drillholes.*

The proposed GDC co-funded drill program would initially involve one 800m drillhole, targeting one of the strongest but deeper geophysical targets identified from GDC co-funded geophysical surveys completed in 2022 (refer to ASX announcement of 9 November 2022). Depending on the results of this initial and exploratory drillhole, the Company will then plan a larger drill program to target the numerous other strong geophysical targets that have been generated. It is expected that a number of different targets will be drilled in this program.

As shown in **Figure 4**, the proposed drillhole is centred on a discrete magnetic anomaly coincident with gravity, which has never been tested previously by past explorers. The drillhole is set within an area that has previously been RAB-drilled with variable drillhole depths between 4 and 18m. All the holes ended within the sand cover that blankets the area with none of the holes hitting basement lithologies. The area has thus remained essentially untested.

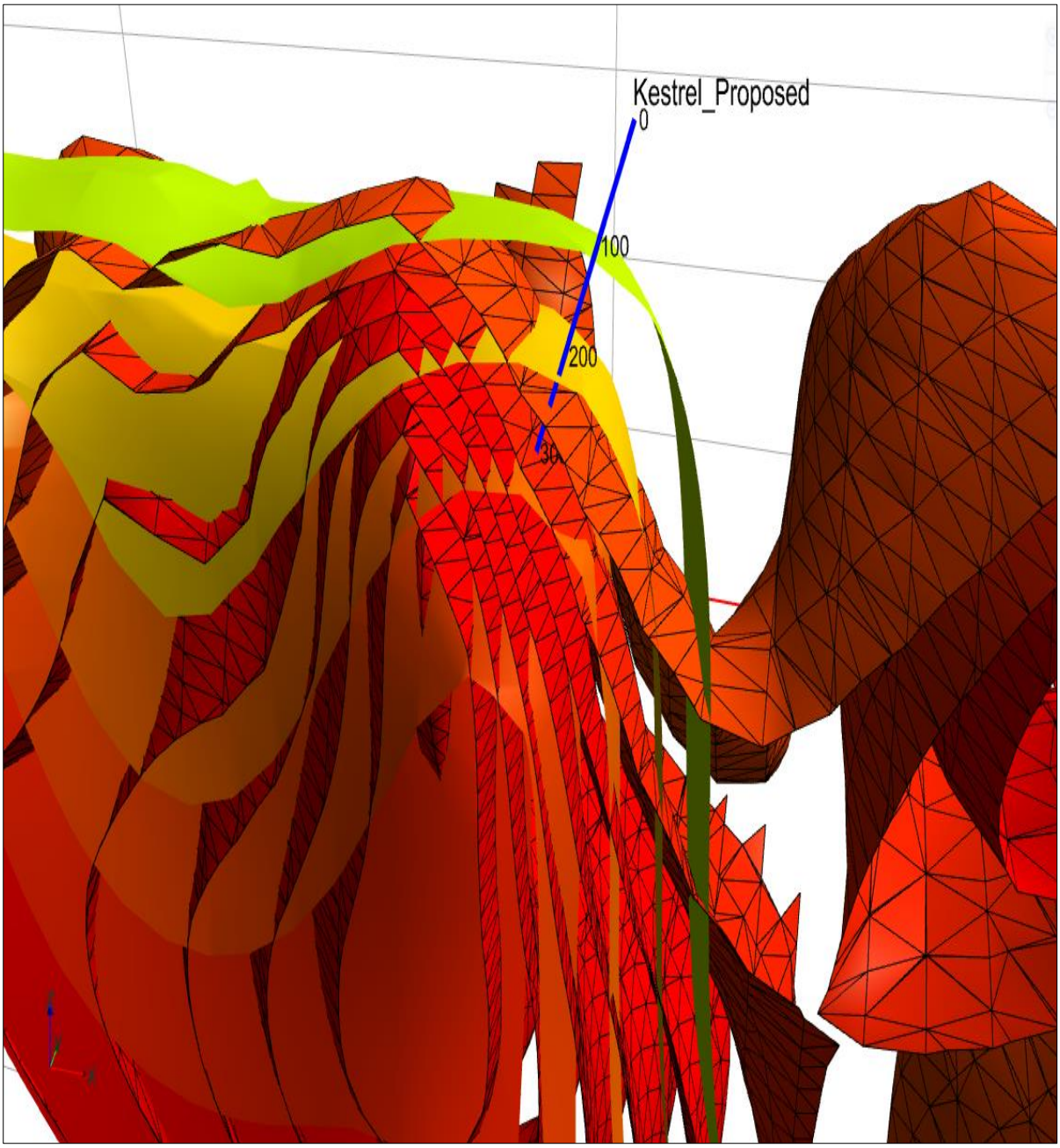

Figure 4: Proposed drilling on a zone of coincident gravity and magnetic anomalies at the Kestrel prospect. The plain isosurfaces are gravity with a maximum value of 0.06g/cc and the wireframed isosurfaces are magnetics with a maximum value of 0.08SI. Whilst the target depth is 800m, it is noted that initial penetration of the gravity and magnetic features is expected as shallow as 100-200m.

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This announcement has been authorised for release by the Board of Inca Minerals Limited.

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Competent Person's Statement

The information in this ASX announcement that relates to exploration activities for the Jean Elson Project in the NT, is based on information compiled by Dr Emmanuel Wembenyui BSc (Hons), MSc Applied Geology and PhD Geochemistry who is a Member of The Australasian Institute of Mining and Metallurgy (MAusIMM) and The Australian Institute of Geoscientists (MAIG). He has 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". Dr Wembenyui is a fulltime employee of Inca Minerals Limited and consents to the announcement being issued in the form and context in which it appears.