



INCA MINERALS LTD

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

Quarterly Report

ASX Announcement | 16 October 2024 | ASX: ICG

SEPTEMBER 2024 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Management and Board strengthened with the appointment of Mr. Andrew Haythorpe to the Board, Mr. Trevor Benson as CEO and Mr. Brett Dickson as CFO
- Field work undertaken at the historical Central mining area at the MaCauley Creek project to review access for possible future drilling.
- Data processing of geophysical anomalies across several of the Company's tenements continued with targets being identified and refined.
- Northern Land Council (NLC) advised that the company can move forward to negotiate with local Traditional Owners on its Collia South tenement application in the Daly River region in the NT.
- Strong expressions of interest received for a capital raising of \$800,000, subject to shareholder approval.

Inca's CEO, Mr Trevor Benson, commented:

"This Quarter has focussed on an in-depth review and assessment of the targets generated from the Company's extensive geophysical database. Some limited field work was undertaken at MaCauley Creek to determine whether access for a drill rig could be readily secured to allow for drilling at several interesting targets at the historical Central mining centre. In addition, the Company continues to assess potential new exploration opportunities."

"Towards the end of the quarter a Capital Raising of \$800,000, subject to shareholder approval, was announced. If approved, this will strengthen the Company's financial position, allow exploration work to continue, and assist in the search for new value adding projects."

OVERVIEW OF EXPLORATION ACTIVITIES IN AUSTRALIA

The September Quarter was a period for Inca to consolidate and reassess the forward exploration program, consistent with the Company's financial capacity. Whilst the Company has multiple projects, each with several targets already identified, the focus of the quarter was to refine and prioritise drill targets. Some limited field work was also undertaken at Macauley Creek.

Jean Elson (Inca 90%)

Inca has been successful in securing co-funding, of up to \$176,729, from the NT GDC Program for drilling at its Kestrel target at Jean Elson. Kelstrel is near the known outcropping mineralised vein systems at Ningaloo and Sunset Boulevarde (Camel Creek). The target of this drilling is a 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).

Inca has identified several additional strong drill targets at the Kestrel Prospect, which is in proximity to the recently drilled Camel Creek (Ningaloo-Sunset Boulevard) 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.

There is a strong relationship between resistivity, conductivity and chargeability anomalies identified from GAIP survey data. 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.

FEWENA PROJECTS (Inca 90%)

During the quarter, considerable work was directed at reviewing the existing geophysical data sets for the Frewena projects and in identifying new targets. Several new targets were identified in the southwest part of the Frewena Far East tenement. These new targets have been named Jane Margaret and are shown in figure 1 below.

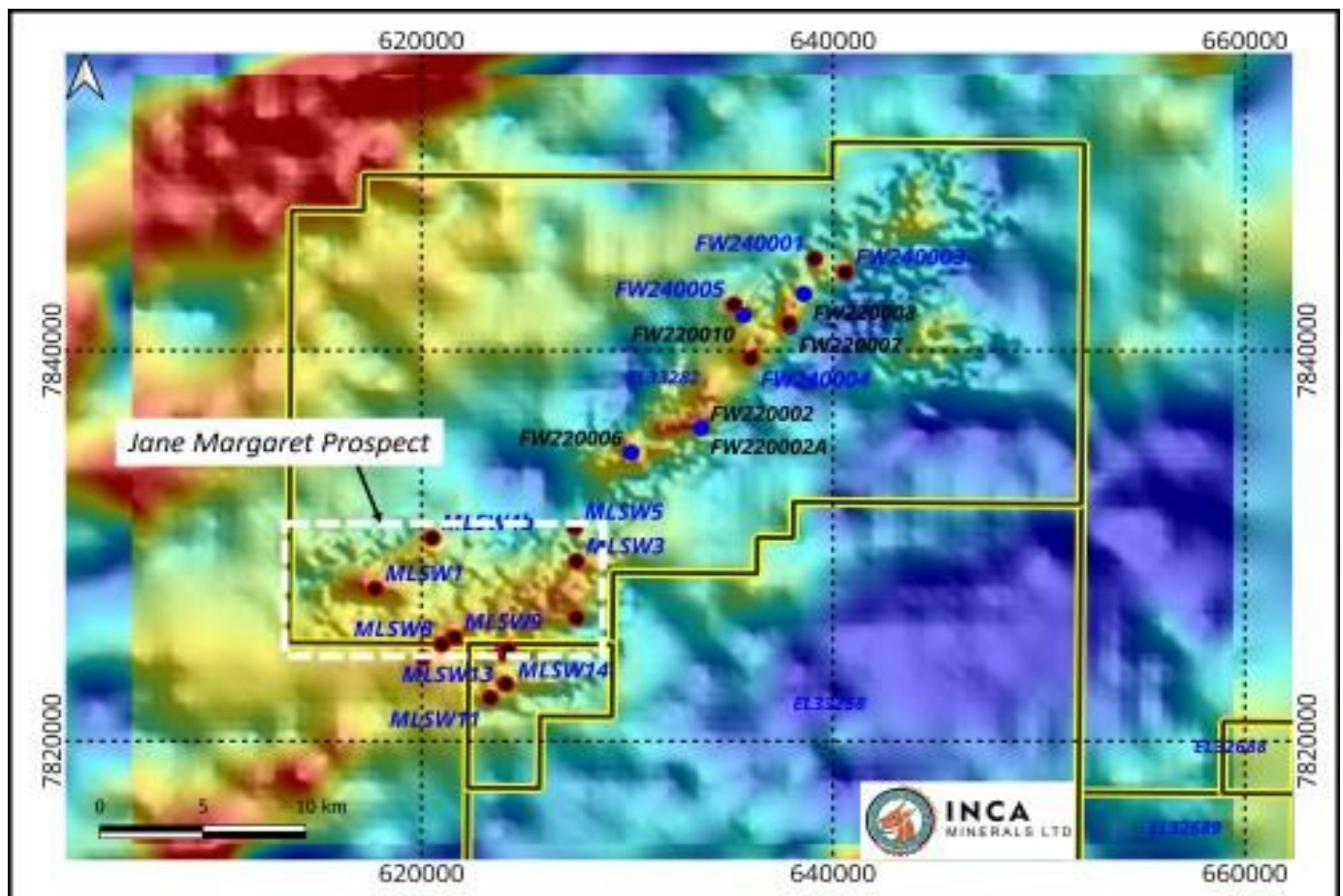


Figure 1: Location of the newly identified targets/drill holes at Frewena Far East

The review of the company's geophysical datasets also shows that further close spaced follow up geophysical surveys is warranted in a number of areas.

PHOSPHATE POTENTIAL INVESTIGATIONS

As previously reported, Inca has identified significant phosphate potential on a number of its tenements in the East Tennant mineral province and a large exploration target has been developed for Frewena East. During the quarter, a modified MMP was prepared to allow for drilling of the phosphate exploration target areas. An additional MMP application was also made to allow for the drilling of a potential phosphate bearing basin at Frewena Frontier. Both MMP's have been formally submitted to the relevant NT department and the company awaits advice on when these MMP's will be approved. While the Company awaits that advice, it will review the prospectivity and economics of a phosphate project in that region of Australia and whether drilling continues to be warranted.

LITHIUM OPPORTUNITIES (Inca 100%)

A number of tenements in both WA and the NT have been applied for that are considered to have potential for lithium. The details and general geology of these projects (Brammall Hills, West Brammall, Tent Hill and Collia South) were reported in the December 2023 Quarterly. Until Cultural Heritage Agreements have been negotiated and signed with the relevant Traditional Owner groups, no exploration can be progressed.

During the quarter, the company received advice from the Northern Land Council (NLC) that its Collia South tenement application is compliant with the requirements outlined under section 41(6) of the *Land Rights Act* and the company can now commence consultations with the relevant Traditional Owners.

MACAULEY CREEK PROJECT (Inca 90%)

The company undertook a recent field trip to the MaCauley Creek project to assess the ability to get a drill rig into the historic workings in the Central area where drill targets have been identified.

PERU

As reported in the June quarterly, the company's' Peru projects were sold. The completion of the sale, including Inca being re-imbursed for the previous payment of fees, to ensure that the Riqueza and Cerro Rayas tenements remained in good standing. Inca no longer has any liabilities or ongoing financial commitments in Peru while retaining exposure to any potential discovery at the Riqueza and Cerro Rayas projects through the 2% NSR Agreement.

CORPORATE ACTIVITIES

Management and Director Changes

During the quarter Inca took positive steps to strengthen management and the Board

Mr. Trevor Benson, a highly experienced resources executive was appointed as Chief Executive Officer (CEO). Mr Benson has extensive experience within the mining and finance sectors. Having worked for resource companies, investment banks and finance houses; he has completed many mergers and acquisitions, and capital market transactions across a range of natural resources and related industries.

Mr Brett Dickson has been appointed Chief Financial Officer and Company Secretary. Mr Dickson is an experienced corporate executive in the minerals and petroleum sectors. He runs his own consultancy business providing specialist accounting, financial, company secretarial and governance advice to public companies listed on the Australian Stock Exchange. Until its recent takeover, Mr Dickson was Company Secretary and Chief Financial Officer at Azure Minerals Limited.

Mr Andrew Haythorpe has been appointed a Non-Executive Director of the Company. Mr Haythorpe has over 30 years of experience in the resources and investment industries. His previous experience includes being a geologist with CRA, a Mining Analyst with Suncorp, County Natwest and Hartleys; and a fund Manager / Analyst with Bankers Trust, which grew to manage over \$40 billion, was rated a top 12 Gold Analyst and considered a global leader in mineral sands analysis.

At the end of the quarter Dr Jonathan West retired as director of the Company and has agreed to assist the company in the short term in managing a range of operational matters which he had assumed responsibility for over the past 18 months.

CEO, Mr Trevor Benson commented, *"I thank Dr Jonathon West for his enormous contribution to the Company. He has worked tirelessly, managing all aspects of the Company including directing the exploration focus particularly over the last 18 months. I wish him all the very best."*

Capital Raising

On 30 September 2024 the Company announced it had received strong expressions of interest from sophisticated investors to raise \$800,000. The capital raising will be undertaken by way of a share placement through the issue of 200,000,000 shares at an issue price of \$0.004 ("Placement Shares"); One free option will be awarded for every two shares subscribed. The options will have an expiry date of 30 April 2026 and an exercise price of \$0.008 ("Placement Options").

The issue of the Placement Shares and the Placement Options will require shareholder approval, and a General Meeting has been called for 31 October 2024 to seek such approval.

Cash Management

As at 30 September 2024, Inca maintains cash of \$0.58 million.

During the September quarter, the Company expensed \$176,000 on exploration activities described herein.

Payments to related parties of the entity and their associates totalled \$79,000 and consisted of director fees and associated superannuation. Directors that have the ability to salary sacrifice up to 50% of their fees have continued to do so.

Competent Person's Statement

Information in this report that relates to previously reported Exploration Results has been cross-referenced in this report to the date that it was reported to ASX. Inca Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.

Inca Minerals Limited Tenement Schedule as at end-June Quarter 2024

State	Project Name	Tenement Name	Tenement Status	Tenement Number	Ownership
QLD	MaCauley Creek	MaCauley Creek South	Granted	EPM27124	90% ¹
QLD		MaCauley Creek North	Granted	EPM27163	90% ¹
QLD	Hay River	Hay River East	Granted	EPM27747	90% ⁵
NT		Hay River West	Application	EL32579	Application ⁵
NT	Collia South	Collia South	Application	EL33604	Application
NT	Frewena Fable	Frewena Fable	Granted	EL31974	90% ²
NT		Frewena Fable North	Granted	EL32287	90% ²
NT	Frewena East	Frewena East South East	Granted	EL33258	90% ²
NT		Frewena East (Near Frontier)	Granted	EL32857	90% ²
NT		Frewena East South East	Granted	EL32795	90% ²
NT	Frewena Far East	Frewena Far East	Granted	EL33282	90% ²
NT	Frewena Frontier	Frewena Frontier North	Granted	EL32688	90% ²
NT		Frewena Frontier South Central	Granted	EL32689	90% ²
NT		Frewena Frontier South	Granted	EL32690	90% ²
NT	Lorna May	Lorna May	Application	EL32107	Application ³
NT		Lorna May (non-consent area)	Application	EL33151	Application ⁴
NT	Jean Elson	Jean Elson West	Granted	EL32485	90% ⁴
NT		Jean Elson East	Granted	EL32486	90% ⁴
NT		Jean Elson Northwest	Granted	EL33214	90% ⁴
WA	Brammall Hills	Brammall Hills	Application	E80/5904	Application
WA		West Brammall Hills	Application	E80/5968	Application
WA		Tent Hill	Application	E80/5967	Application

Note 1: JV Agreement and Royalty Deed between Inca (90% and MRG Resources (10%) free-carried to feasibility and with residual 1.5% NSR

Note 2: JV Agreement and Royalty Deed between Inca (90%), MRG Resources (5%) and Dr. J. West free-carried to feasibility and with residual 1.5% NSR

Note 3: JV Agreement and Royalty Deed between Inca (95%) and MRG Resources (5%) free-carried to feasibility and with residual 1.5% NSR

Note 4: JV Agreement and Royalty Deed between Inca (90%) and MRG Resources (10%) free-carried to feasibility and with residual 1.5% NSR

Note 5: JV Agreement and Royalty Deed between Inca (90%) and MRG Resources (10%) West free-carried to feasibility and with residual 1.5% NSR

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

Investor inquiries – Trevor Benson, CEO - Inca Minerals – (08) 6263 4738

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Inca Minerals Limited

ABN

36 128 512 907

Quarter ended ("current quarter")

30 September 2024

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
1.	Cash flows from operating activities		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	-	-
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(93)	(93)
	(e) administration and corporate costs	(51)	(51)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	2	2
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Government grants and tax incentives	-	-
1.8	Other (provide details if material)	-	-
1.9	Net cash from / (used in) operating activities	(142)	(142)
2.	Cash flows from investing activities		
2.1	Payments to acquire or for:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) exploration & evaluation	(176)	(176)
	(e) investments	-	-
	(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(176)	(176)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	-	-
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	-

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	898	898
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(142)	(142)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(176)	(176)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (3 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	580	580

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	520	840
5.2	Call deposits	60	60
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	580	900

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(79)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(142)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(176)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(318)
8.4	Cash and cash equivalents at quarter end (item 4.6)	580
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	580
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	1.8
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Yes	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: On 30 September 2024 the Company announced that it had received strong expressions of interest from sophisticated investors to raise \$800,000 and a General Meeting of Shareholders has been called for 31 October 2024 to provide the Company with capacity to undertake that raising.	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Yes, as set out in 8.8.2 above and in the last quarter the Company made new appointments to the positions of CEO and CFO. Those appointments being substantial operating experience to the Company.	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 16 October 2024

Authorised by: Brett Dickson
Company Secretary

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.