8 November 2016

New Mineralised Veins at Riqueza

PROGRAM HIGHLIGHTS

- Fourth and final "first-pass" mapping and sampling program at Riqueza's Humaspunco Prospect completed
- Multiple new mineralised EW veins identified across central ridge at Humaspunco East
- Manto and vein mineralisation identified in old workings at Humaspunco East

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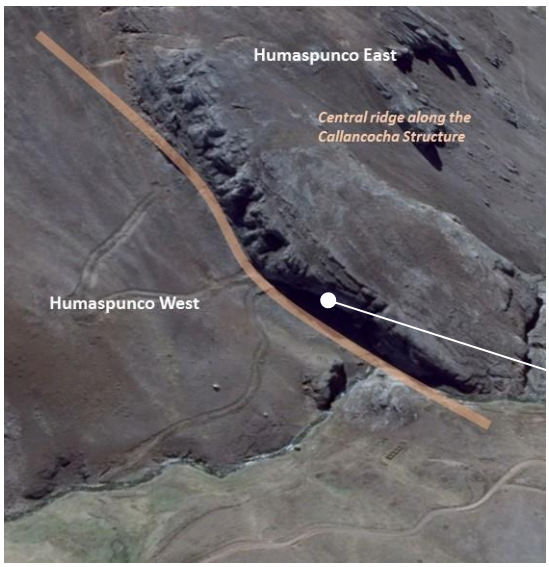
Inca Minerals Limited (**Inca** or the **Company**) (ASX code: ICG) has recently completed its fourth and final mapping and sampling program (**Program 4**) at the Humaspunco Prospect (Riqueza Project). Initial findings of Program 4 are highly encouraging with the discovery of multiple sulphide-bearing veins located in the East Humaspunco area, south of vein HV23 (Figures 1 & 2). The veins, too numerous to record individually, effectively form an EW trending vein-swarm approximately 30m wide appearing to rise from the Callancocha Structure (Figures 1 & 2). Individual veins range in thickness from 20cm to 75cm and are characterised by visible galena (lead sulphide) and sphalerite (zinc sulphide). Barite and Fe-oxides are common as gangue material.

Figure 1: **BELOW RIGHT** Satellite image of Humaspunco East showing known upper manto occurrences (yellow lines) and projections (opaque yellow lines), as well as known lower manto occurrences (pink lines) and projections (opaque pink lines). The plan also shows the extent of the two vein types, NS veins (blue lines), EW veins (green lines). The projected upper manto sequence wraps around the Humaspunco Hill ridge top and down along the central ridge. It occurs on the southern side of Humaspunco Hill and is open-ended in this direction. The lower manto horizon occurs at a lower stratigraphic position than the upper manto and therefore occurs below the upper manto in the valley. **BELOW** Oblique satellite image facing north-east showing the central Humaspunco ridge associated with the Callancocha Structure. The upper and lower manto horizons are exposed along this ridge.



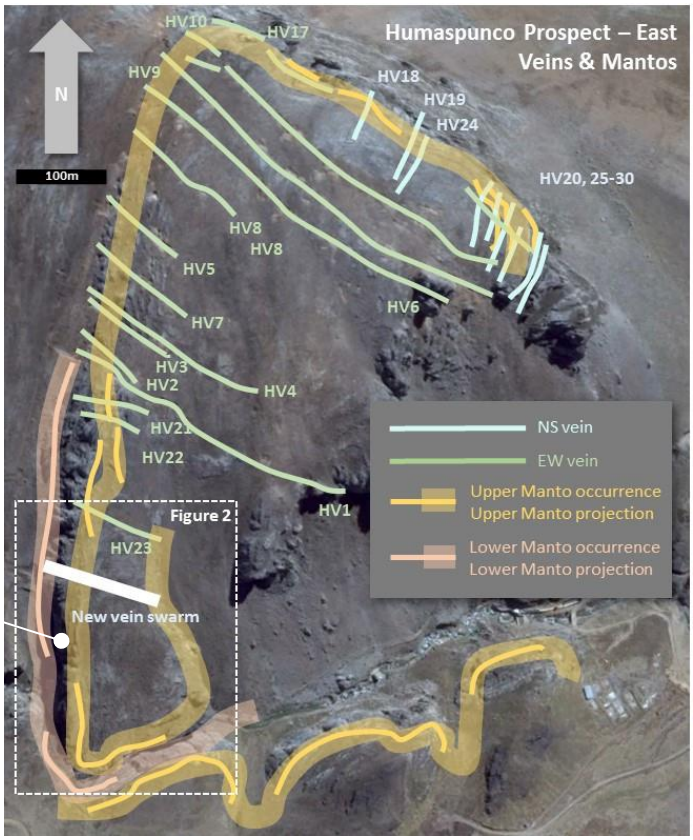
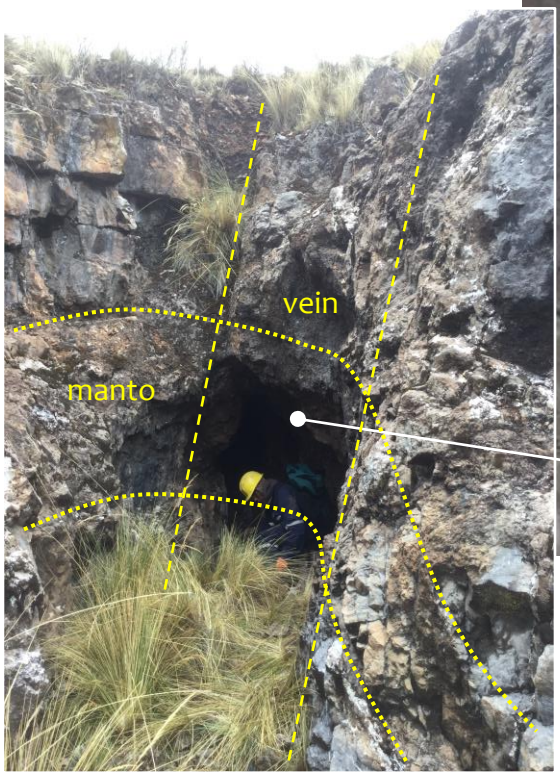


Figure 2: **RIGHT** Satellite image of the central Humaspunco ridge area (refer to Figure 1 for the relative position of Figure 2), showing the position of the recently discovered EW vein swarm in relation to the Callancocha Structure and to other veins and mantos in the vicinity. Individual veins within the vein swarm are between 20cm and 75cm thick. Importantly, it is believed that vein swarms are likely to be recognised elsewhere at Humaspunco; indeed, that small-scale veins are under-represented in P1-P4 mapping and sampling records. Current 1:1,000 scale mapping is addressing this potential.



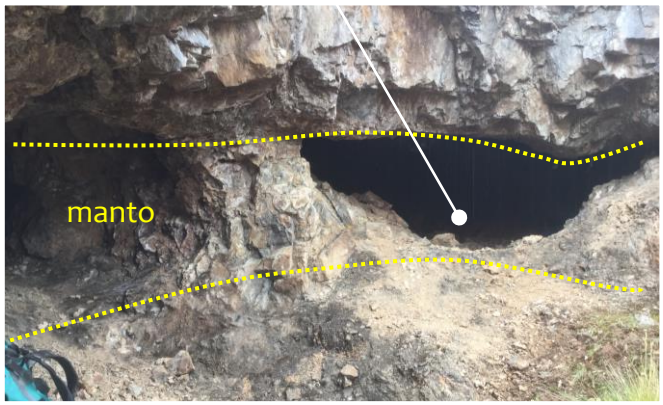


Figure 3: **ABOVE** A small mine working sampled during Program 4. The working is located at an intersection between a flat lying manto horizon (dotted yellow lines) and a sub-vertical vein (dashed yellow lines). **RIGHT** An old mine working exposing a flat lying 75cm to 100cm thick manto horizon sampled during Program 4.

Also during Program 4 three small mine workings at the southern tip of the central Humaspunco ridge (Figures 2 & 3) were inspected. Two of three workings appear to be located at intersections between manto mineralisation and vein mineralisation. As described in previous announcements, the interaction between mantos and veins appears to result in a "swelling" of mineralisation (possibly through metal remobilisation). As such, manto and vein intersections are important focal points of mineralisation at Humaspunco.

To complete Program 4, the far western flank of Humaspunco West was investigated. Additional manto occurrences were mapped and sampled. These are believed extensions of the upper manto sequence (Figure 4).

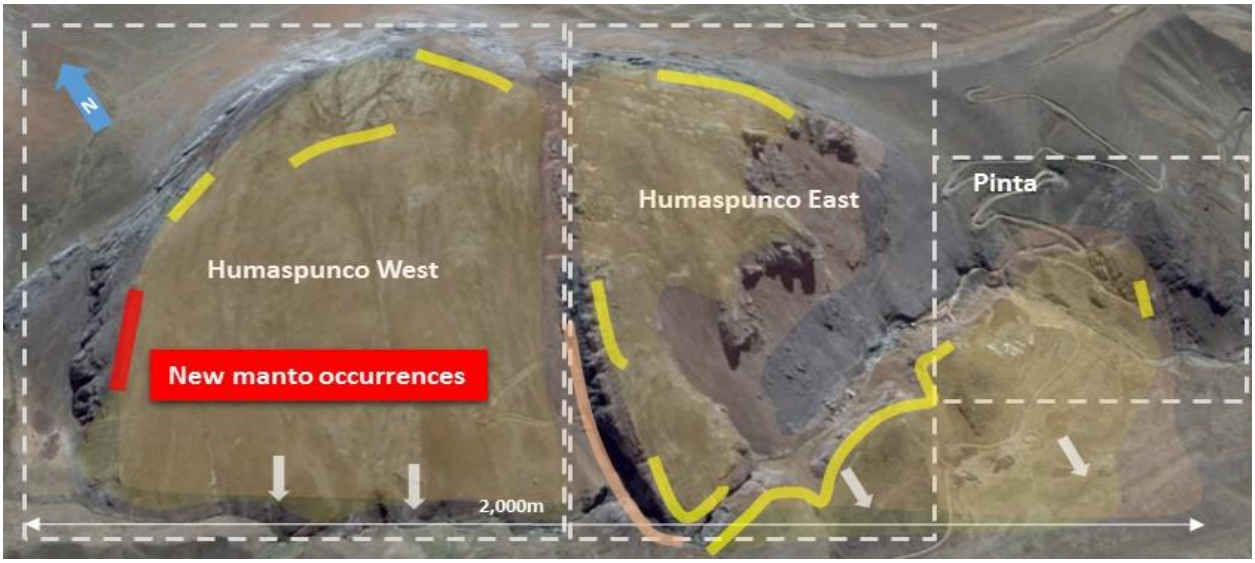


Figure 4: **ABOVE** Manto occurrences of Humaspunco-Pinta. Previously known mantos are shown with yellow and orange lines. The approximate location of the new upper manto horizon occurrence is shown in red. Mapping now shows that manto mineralisation occurs around much of the perimeter of Humaspunco Hill. It also occurs as an outlier at Pinta and as inliers along the central Humaspunco ridge. The known manto sequence is now relatively well defined by the limits of Humaspunco Hill. As previously described, the manto sequence dips into the ground to the south, where it is open (at depth). Repeat mantos (in the same horizontal plane) are possible at depth.

Summary of Results

The completion of Program 4 marks the end of the "first-pass phase" of mapping and sampling programs at Humaspunco, the purpose of which was to identify all surface forms of mineralisation occurring there. From 6 previously known veins and a single manto, the Company has identified more than 40 individual forms of mineralisation occurring at Humaspunco. Based on results from Program 1 through to Program 4, the Company now concludes that Humaspunco hosts a very large network of interconnecting (intersecting) mantos, veins and breccias. There are 3 sets of veins (EW, NS and irregular) that occur across Humaspunco. Results from Program 4 indicate that veins belonging to the EW vein set are particularly numerous, occurring at multiple scales, from large scale >2m thick veins to small scale <0.2m thick veins too numerous to individually record. There are a minimum of 4 known manto horizons within a 15m thick manto sequence now believed to cover an area roughly 2,000m x 800m (Figure 4).

Rock chip sample assay averages are **circa 10% Zn, 200g/t Ag and 11% Pb**. This level of mineralisation in mantos and veins is highly encouraging. The next phase of systematic sampling (via channel sampling at regular intervals across veins) has commenced at Humaspunco. It is focussing initially on veins HV01 to HV10 (Figure 1).

Humaspunco-Pinta hosts widespread replacement style Zn-Ag-Pb mineralisation. Sphalerite and galena are the only sulphides regularly identified in the veins and mantos. These sulphides form coarse-grained aggregates unevenly distributed ("nuggety"[1]) within a barite gangue (Figure 5). Fe-oxides (gossanous in places) form as a product of weathered sulphides. Non-sulphide-bearing calcite veins/stockwork often accompanies mineralised veins but are barren. The mantos and veins are commonly brecciated. Dolomite alteration is common along mineralised margins.

[1] "Nuggety" or "*lumpy*" mineralisation is typical of nugget gold in alluvial deposits.

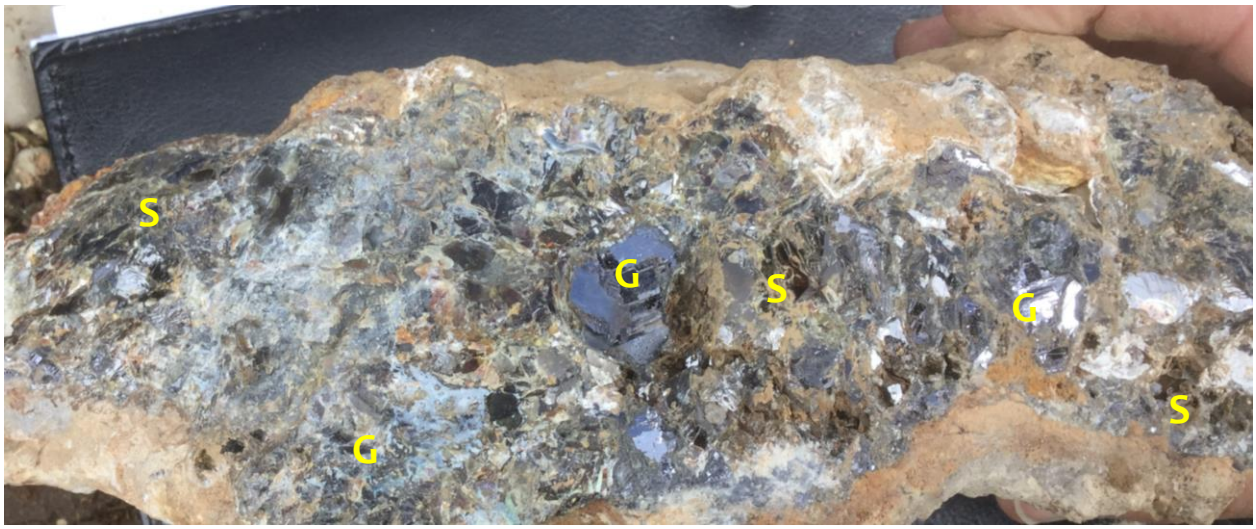


Figure 5: **ABOVE** A large rock specimen (not assayed) of typical manto mineralisation showing the coarse-grained nature of the galena (lead sulphide), *examples marked* **G** *in the photo* and sphalerite (zinc sulphide), *examples marked* **S** *in the photo*.

"We have effectively completed first-pass exploration at Humaspunco-Pinta. Whilst channel sampling, 1:1,000-scale vein mapping and 1:2,000-scale geological mapping programs will continue to refine targets, the heavy lifting is done – we are essentially ready to drill" says Inca Minerals Managing Director Mr Ross Brown. "Once the requisite permitting is in place, we will commence building drill access and drill platforms."

Competent Person Statements

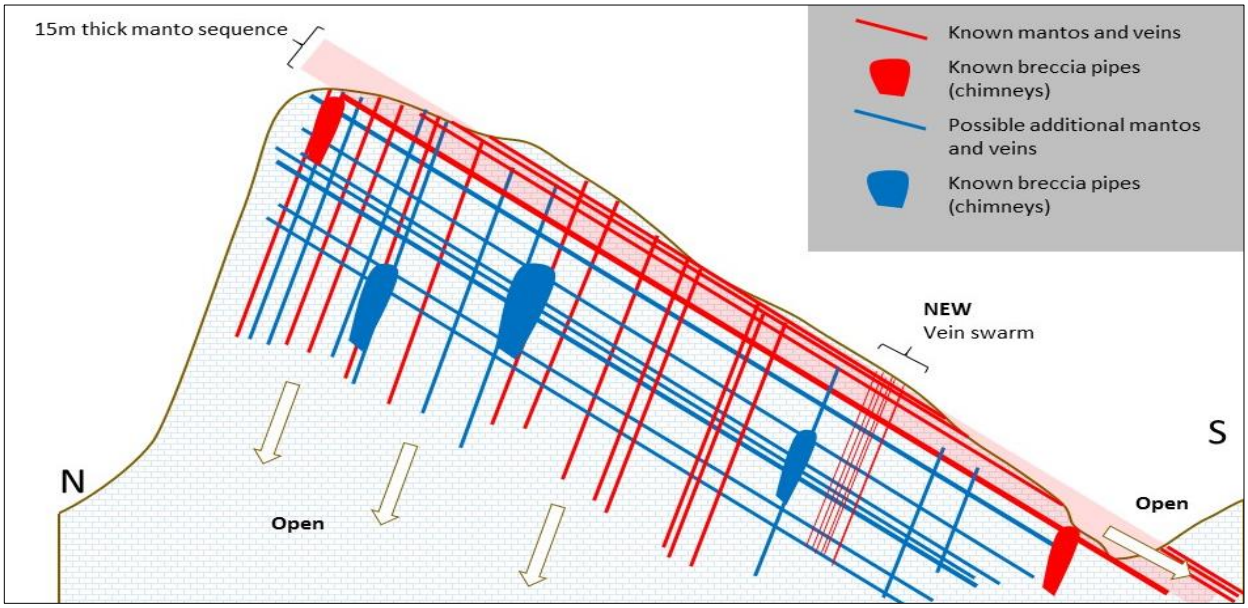
The information in this report that relates to mineralisation for the Riqueza Project, located in Peru, is based on information compiled by Mr Ross Brown BSc (Hons), MAusIMM, SEG, MAICD Managing Director, Inca Minerals Limited, who is a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience, which is relevant to 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 full time employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

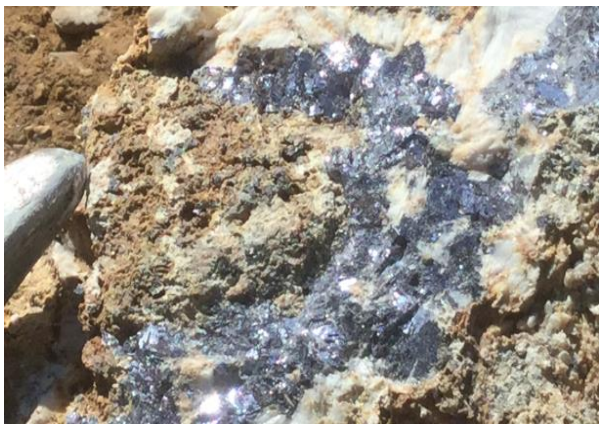
Some of the information in this report may relate to previously released information concerning mineralisation for the Riqueza Project, located in Peru, and subsequently prepared and first disclosed under the JORC Code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, and is based on the 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 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 2004 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: Schematic Humaspunco Cross Section and Photo Collage

A typical vein working at Humaspunco

Old mine working at vein & manto intersection





Typical mineralisation = sphalerite + galena

Manto discovery during Program 3

Appendix 2

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of rock chip sampling by the Company on one concession known as Nueva Santa Rita (located in Peru).

Section 1 Sampling Techniques and Data

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	*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.*	This announcement refers to a rock chip sampling program completed by the Company in October 2016. No assay results are mentioned in relation to samples taken during this program.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The sample locations were determined by hand-held GPS. Sampling protocols and QAQC are as per industry best practice procedures.
	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.	Rock chip sampling is a very widely used sampling technique in early exploration, typically combined with geological mapping to determine the presence of mineralisation at a specific location of geological interest. By virtue of its purpose, rock chip sampling is selective. Each sample was bagged separately and labelled. Samples were sent to a laboratory for multi-element analysis.
Drilling techniques	*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.).*	N/A – no drilling or drill results were referred to in this announcement.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	N/A – no drilling or drill results were referred to in this announcement.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	N/A – no drilling or drill results were referred to in this announcement.
	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.	N/A – no drilling or drill results were referred to in this announcement.
Logging	*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.*	N/A – no drilling or drill results were referred to in this announcement.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	N/A – no drilling or drill results were referred to in this announcement.
	The total length and percentage of the relevant intersections logged.	N/A – no drilling or drill results were referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	N/A – no drilling or drill results were referred to in this announcement.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	N/A – no drilling or drill results were referred to in this announcement.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation technique was appropriate. Each sample was bagged separately and labelled. Samples were sent to a laboratory for multi-element analysis.
	Quality control procedures adopted for all sub-sampling stages to maximise "representivity" of samples.	N/A – sub-sampling procedures were not undertaken by the Company.
	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.	Rock chip sampling is a technique (described above) that directly *samples in situ* rock. In the case of sampling subject of this announcement, the *in situ* rock comprises mineralised mantos out cropping within and proximal to adits of previous mining operations.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered adequate in terms of the nature and distribution of *in situ* rock and geological target at each sample location.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	The analytical assay technique to be used in the elemental testing of the samples for non-Au is four-acid digestion and HCl leach, which is considered a "complete" digest for most material types. Elemental analysis is via ICP and atomic emission spectrometry. Over 20% detection analysis includes additional titration analysis. Au techniques include Fire Assay with AA finish. The analytical assay technique to be used in the elemental testing is considered industry best practice.
	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.	N/A - No geophysical tool or electronic device is to be used in the generation of sample results other than those used by the laboratory in line with industry best practice.
	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.	Blanks, duplicates and standards will be used as standard laboratory QAQC procedures.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The sample assay results will be independently generated by SGS Del Peru (SGS) who conduct QAQC procedures, which follow industry best practice.
	The use of twinned holes.	N/A – no drilling or drill results were referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying cont…	*Documentation of primary data, data entry procedures, date verification, data storage (physical and electronic) protocols.*	Primary data (regarding assay results) is supplied to the Company from SGS in two forms: EXCEL and PDF form (the latter serving as a certificate of authenticity). Both formats are captured on Company laptops which are backed up from time to time. Following critical assessment (including price sensitivity) when time otherwise permits, the data is entered into a database by a Company GIS personnel.
	Discuss any adjustment to assay data.	No adjustments were made.
Location of data points	*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.*	The rock chip sample locations were determined using a hand-held GPS.
	Specification of the grid system used.	WGS846-18L.
	Quality and adequacy of topographic control.	Topographic control is achieved via the use of government topographic maps, in association with GPS and Digital Terrain Maps (DTM's), the latter generated during antecedent detailed geophysical surveys.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The distribution of the rock chip samples follows industry best practice and to a large degree was subject to the location of visible direct (sulphides) and indirect (alteration) signs of mineralisation.
	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.	Please refer immediately above. Note that no Mineral Resource and Ore Reserve estimation has been provided in this announcement. It is further acknowledged that the sample population of that released in this announcement is insufficient to obtain an Exploration Target and that additional sampling, to achieve this, would be required.
	Whether sample compositing has been applied.	Sample compositing was applied, in so far as, at any one rock chip location, rock was collected from an array of outcrop within a 0.5m to 2m radius.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The distribution of rock chip samples follows industry best practice.
	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.	N/A – no drilling or drill results were referred to in this announcement.
Sample security	*The measures taken to ensure sample security.*	Sample security was managed by Inca in line with industry best practice.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	The rock chip sampling regime was appropriate for outcrop conditions prevalent at this project location.

Section 2 Reporting of Exploration Results

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	*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.*	Tenement Type: Peruvian mining concession. Concession Name: 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.
	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.	The Agreement and concession are in good standing at the time of writing.
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	This announcement refers to mineralisation at Riqueza identified by previous parties. Pictorial reference includes inclusion of veins and mantos in various diagrams. The Company has previously cited these references and in this announcement attribute no grade to them other than those generated by the Company.
Geology	*Deposit type, geological setting and style of mineralisation.*	The geological setting of the area is that of a gently SW dipping sequence of Cretaceous limestones and Tertiary "red-beds", on a western limb of a NW-SE trending anticline; subsequently affected by a series of near vertical Zn-Ag-Pb bearing veins/breccia and Zn-Ag-Pb [strata-bound] mantos.
Drill hole information	*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.*	N/A – no drilling or drill results were referred to in this announcement.
	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.	N/A – no drilling or drill results were referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Data aggregation methods	*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.*	N/A – no weighting averages nor maximum/minimum truncations were applied.
	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.	N/A – no weighting averages nor maximum/minimum truncations were applied.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	N/A – no equivalents were used in this announcement.
Relationship between mineralisation widths and intercept lengths	*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').*	No representations of mineralisation width have been made in this announcement.
Diagrams	*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.*	Plans showing the coverage of the mapping and location of geological features subject of rock chip sampling is provided in this announcement.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The Company believes the ASX announcement provides a balanced report of its sampling program and relation of it to previously reported exploration referred to in this announcement.
Other substantive exploration data	*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.*	This announcement makes no reference to other new exploration data. Average rock chip sample values for zinc, silver and lead are included in this announcement which have appeared in several previously announcements.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).*	By nature of early phase exploration, further work is necessary to better understand the mineralisation that appear characteristic of this area.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	N/A: Refer above.

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