



11 May 2017

FIRST HOLE AT HUMASPUNCO CONTINUES TO IMPRESS

HIGHLIGHTS

- Three sulphide zones already intersected in first hole (RDDH-001) at Humaspunco
- 1st sulphide zone (ASX announcement 9 May 2017) likely to be associated with Zn-Ag-Pb vein HV-10
- 2nd & 3rd sulphide zones likely to be associated with Zn-Ag-Pb veins HV-09 and HV-06 respectively
- Drilling of RDDH-001 continues – further vein and manto intersections anticipated

Inca Minerals Limited (**Inca** or the **Company**) (ASX code: ICG) has received more information from its Riqueza Project overnight. They include photos of the latest drill core from drill hole RDDH-001 at the Humaspunco Prospect and photos of the drill rig operating in what are now optimal weather conditions.

Humaspunco Drill Hole RDDH-001

The depth of RDDH-001 is approximately 115 metres. Based on projected intersections of surface vein mineralisation, it is believed RDDH-001 has intersected vein HV-10 (report in ASX announcement 9 May 2017) and veins HV-09 and HV-06 (the subject of this announcement). Peak values from previous systematic sampling of these veins include **14.59% Zn, 451g/t Ag** and **26.88% Pb** for HV-06; **10.00% Zn, 480g/t Ag** and **18.56% Pb** for HV-09; **15.86% Zn, 327g/t Ag** and **15.98% Pb** for HV-10. Geotechnical analysis of the core is still required to confirm this initial interpretation.

“We are exceedingly pleased that the highly mineralised veins that occur at the surface are now being identified in drilling” says Inca’s Managing Director Mr Brown, “As the hole gets deeper we anticipate intersecting more mineralised zones, not just veins but mantos as well.”



Figure 1: **ABOVE** Core photos of RDDH-001 (Humaspunco) showing mineralised zones most likely associated with Zn-Ag-Pb veins HV-09 and HV-06. **LEFT THREE** Smithsonite (a rich Zn-bearing carbonate) and galena (lead sulphide) in HV-09 **FAR RIGHT** Semi-gossanous (oxidised sulphides) and streaks of fresh galena in HV-06. Refer also to Figure 4.



Grades in previous systematic sampling for veins HV-06, HV-09 and HV-10 include:

HV-06:	Average Zn: 3.01%, Peak Zn: 14.59% Average Ag: 95.8.8g/t, Peak Ag: 451g/t Average Pb: 5.94%, Peak Pb: 26.88%
HV-09:	Average Zn: 7.59%, Peak Zn: 10.00% Average Ag: 114.8g/t, Peak Ag: 480g/t Average Pb: 7.32%, Peak Pb: 18.56%
HV-10:	Average Zn: 8.58%, Peak Zn: 15.86% Average Ag: 76.2g/t, Peak Ag: 327g/t Average Pb: 4.98%, Peak Pb: 15.98%



“The drill rig is located on platform number one and currently drilling hole RDDH-001” says Mr Brown. “From this platform we plan to drill four angled holes across known zinc, silver, lead-bearing veins and mantos. These will be drill holes RDDH-001 to RDDH-004. The second drill rig, which managed to commence drilling earlier, has already drilled RDDH-005¹ at Humaspunco South and drill holes RDDH-006 to RDDH-009 at Uchpanga. Drill holes RDDH-002 to RDDH-004 have not been drilled.”

In addition to the very strong results to date from Humaspunco, an important result in the brief first-pass drilling at Uchpanga is the prevalence of pyrite in several mineralised structures (refer to ASX announcements 28 April 2017 and 9 May 2017). Inca’s previous surface sampling has returned significant levels of gold in association with pyrite-bearing material from Uchpanga. Consequently, the repeated pyrite zones in drilling at Uchpanga is of intense interest.



The Company is also pleased that the weather at Riqueza is improving with the return of dry and clear conditions.

“We can confirm that, due to better operating conditions, core logging is now rapidly making up lost time and that core sampling has now begun” says Mr Brown. “We will soon be in a position to submit our first samples of the drill program for analysis. Thereafter, we look forward to, what I call, a conveyor-belt of assay results being made available to the market.”

Figure 2: **LEFT** Taking core orientation measurements at RDDH-001.

¹ Each rig was pre-assigned drill hole numbers to optimise drill core management.



Hole Parameters				Platform	Drill Depth (m's)
Azimuth	Dip	Coordinates			
35°	60°	455904	8594395	SRP-18	200.00
17°	65°	454617	8592910	SRP-20	50.00
0°	90°	454617	8592910	SRP-20	80.00
17°	65°	454529	8592933	SRP-19	50.00
0°	90°	454529	8592933	SRP-19	174.45
215	45°	456091	8595226	SRP-01	115*

Table 1: **LEFT** Holes drilled to date. RDDH-005 was drilled at Humaspunco South, RDDH-006 to RDDH-009 were drilled at Uchpanga and RDDH-001 is currently being drilled at Humaspunco. Refer also to Figure 3.

* This hole is continuing.

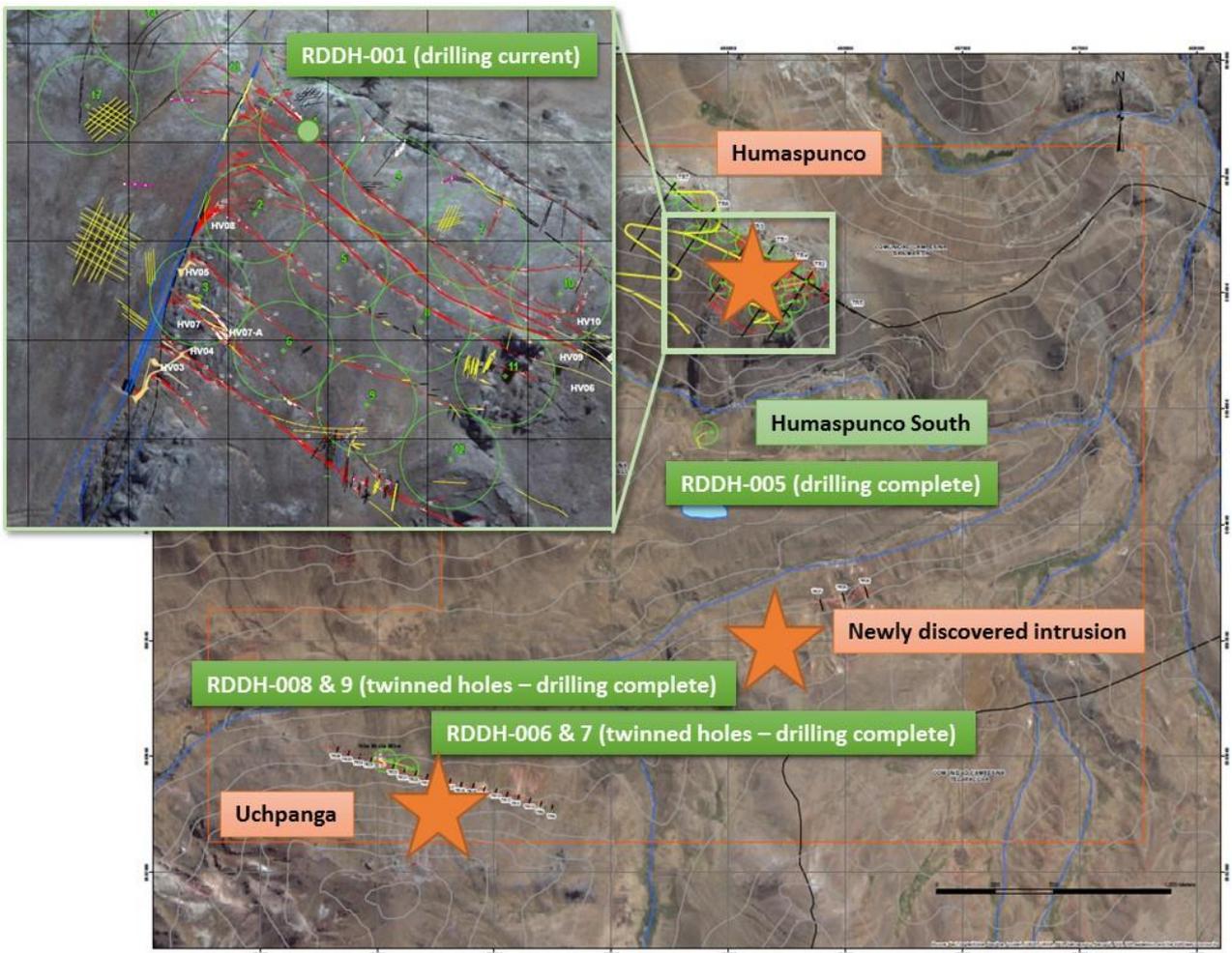


Figure 3: **ABOVE** Drill hole location plan showing relative position of drill holes RDDH-001 at Humaspunco (current), RDDH-005 at Humaspunco South (complete), RDDH-006 to RDDH-009 at Uchpanga (complete).



Figure 4: **ABOVE** Additional core photos of the mineralised zone associated with HV-06. Coarse blebby galena is highlighted.

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 fulltime 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

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of drilling results (core photos) 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	<i>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.</i>	This announcement does not refer to any new sample assay results but does include previously announced channel sample averages and peaks for three mineralised veins. Various metal minerals are referred to in the context of visible mineralisation in drill core photos. No quantitative assessment of these sulphides has been put forward.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	This announcement refers to previously announced summary sample assay results.
	<i>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.</i>	This announcement refers to previously announced summary sample assay results.
Drilling techniques	<i>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.).</i>	This announcement includes core photos from one diamond core hole. The announcement does not refer to any metal grade associated with this hole. The drilling technique used is diamond core from surface to end-of-hole. The core diameter used is HQ (63.5mm).
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	Core barrel and core length measurements were made. No significant core loss was experienced.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	No significant core loss was experienced.
	<i>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.</i>	N/A – refer above. With no sample loss, no bias based on sample loss would occur.
Logging	<i>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.</i>	On-site geologist(s) log structure, lithology, alteration, mineralisation on a shift basis. Core recoveries are noted.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	Core logging is both qualitative and quantitative. Core photos were taken for every core-tray.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	<i>The total length and percentage of the relevant intersections logged.</i>	100% of the core hosting zones of mineralisation were logged.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	No core sample assay results were mentioned in this announcement. Notwithstanding this, in the broader context of the drill program (described above) core will be sawn in half. One half will be bagged and labelled, the remaining half will be returned to the core tray
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	N/A – future sampling of the current drill program (described above) will be core.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Core sampling will follow industry best practice.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise “representivity” of samples.</i>	No sub-sampling procedures will be undertaken.
	<i>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.</i>	The core sawing orientation will be such that apparent mineralisation will be equally represented in both halves of the core. Sample intervals will be determined by either down-hole vein and manto intervals or by whole-metre intervals, and be collected as either one or part metre samples. In the case of vein and manto sampling, sampling will be subject to visible signs of mineralisation. In all cases, measures to ensure representative sampling will take place.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes will be adequate in terms of the nature and distribution of mineralisation visible in the core. Where vein and manto intervals are sub-one metre, sampling will be sub-one metre.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	N/A – No assay results are referred to in this announcement.
	<i>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.</i>	N/A – No assay results are referred to in this announcement.
	<i>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.</i>	N/A – No assay results are referred to in this announcement.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	N/A – No assay results are referred to in this announcement.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying cont...	<i>The use of twinned holes.</i>	N/A – No assay results are referred to in this announcement.
	<i>Documentation of primary data, data entry procedures, date verification, data storage (physical and electronic) protocols.</i>	N/A – No assay results are referred to in this announcement.
	<i>Discuss any adjustment to assay data.</i>	N/A – No assay results are referred to in this announcement.
Location of data points	<i>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.</i>	The drill hole location was determined using hand held GPS.
	<i>Specification of the grid system used.</i>	WGS846-18L.
	<i>Quality and adequacy of topographic control.</i>	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	<i>Data spacing for reporting of Exploration Results.</i>	Exploration results mentioned in this announcement include drill core photos only.
	<i>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.</i>	Please refer immediately above.
	<i>Whether sample compositing has been applied.</i>	N/A – No assay results are referred to in this announcement.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	N/A – No assay results are referred to in this announcement.
	<i>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.</i>	Several mineralised intervals recorded in a drill hole were mentioned in this announcement (HV-09 and HV-10 – projected from the surface). Although the angle of the mineralisation at surface is known, the orientation of the mineralisation in the hole is not currently accurately known at this time.
Sample security	<i>The measures taken to ensure sample security.</i>	N/A – No assay results are referred to in this announcement.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	N/A – No assay results are referred to in this announcement.



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 does not refer to exploration conducted by previous parties.
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-parallel] 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: <ul style="list-style-type: none"> • 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. 	Drill hole parameters: Refer to Table 1 (in-text).
	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 – drill parameters are provided in Table 1 (in-text).
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.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>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').</i></p>	<p>The orientation of the zones of mineralisation encountered in the drill holes referred to in this announcement are unknown. The drill core is however orientated and, once geotechnical logging has been completed, true thicknesses can be calculated.</p>
Diagrams	<p><i>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.</i></p>	<p>A plan is provided showing the position of the drill holes subject of this announcement.</p>
Balanced reporting	<p><i>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.</i></p>	<p>The Company believes the ASX announcement provides a balanced report of its exploration results referred to in this announcement.</p>
Other substantive exploration data	<p><i>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.</i></p>	<p>This announcement makes reference to two previous ASX announcements dated 28 April 2017 and 9 May 2017.</p>
Further work	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p>	<p>By nature of early phase exploration, further work is necessary to better understand the mineralisation appearing in the drill hole subject of this announcement.</p>
	<p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	<p>N/A: Refer above.</p>
