



13 September 2017

HIGH GRADE GOLD AND SILVER AT GREATER RIQUEZA PROJECT

HIGHLIGHTS

- 6.52g/t gold (Au) and 194g/t (or 6.84oz/t) silver (Ag) in 2m wide gossanous vein (true thickness) at new Colina Roja Prospect, Palcacandha Project
- Circa 4% copper (Cu) and >150g/t Ag (or 5.29oz/t) in highly altered volcanics at Alteration Ridge Prospect, Palcacandha Project
- Lower-grade Au in channel samples across new gossan and semi-gossanous structures at Colina Roja
- Lower-grade Cu in new outcrop at Colina Roja

Inca Minerals Limited (**Inca** or the **Company**) (ASX code: ICG) has received assay results for a reconnaissance rock chip sampling program conducted at the Colina Roja and Alteration Ridge prospects located in the new Palcacandha Project. Significant gold and silver mineralisation was identified at Colina Roja and significant copper and silver mineralisation was identified at Alteration Ridge.

Colina Roja

In a previous ASX announcement (24 July 2017) the Company announced the discovery of a new mineralised vein (3.75% Zn, 136g/t Ag and 3.13% Pb) and several veins/stockwork zones at Colina Roja. Assay results from a follow-up mapping and sampling program confirms strong gold in a second gossanous vein which is 2m wide (true thickness) with a grade of **6.52g/t Au and 194g/t Ag** (Figure 1).

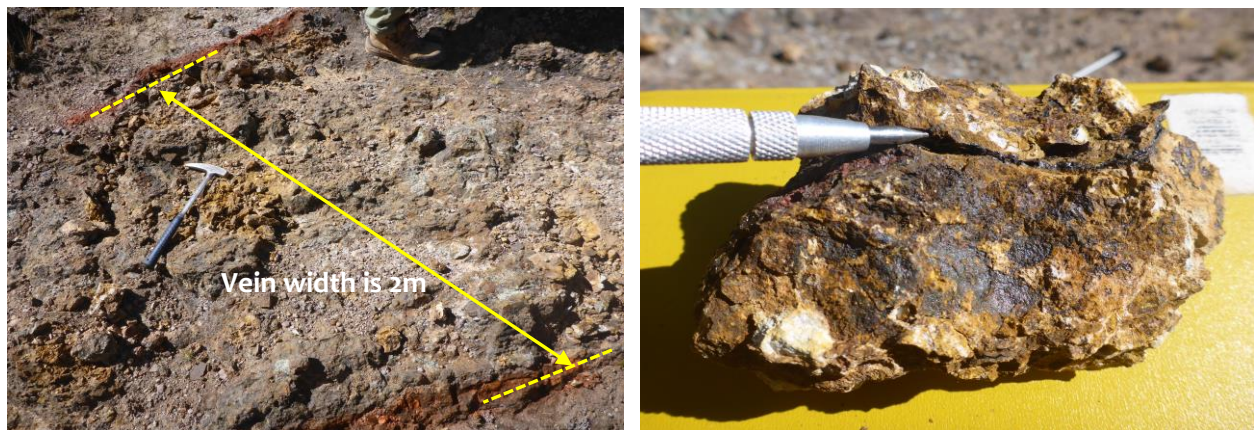


Figure 1: **ABOVE LEFT** Outcrop photo of the Au-Ag vein at Colina Roja. **ABOVE RIGHT** Sample contains 6.52g/t Au and 194g/t Ag.

Three NE-SW trending mineralised corridors have now been recognised at Colina Roja (Figure 2). The first comprises the new 6.5g/t Au-Ag-bearing vein, subject of this announcement. The second comprises the previously discovered high grade Zn-Ag-Pb vein and the 8m wide vein and stockwork zone (described in ASX announcement 30 August 2017 and pictured in Figure 3) hosting >0.1g/t Au. The third mineralised corridor comprises veins and stockwork zones hosting >0.6g/t Au-Ag-Cu and is believed part of the Callancocha Structure (Figure 2).

A fourth mineralised corridor, trending NW-SE at Colina Roja hosts >0.2g/t Au-Ag-Cu. Interestingly, this feature is parallel to the Uchpanga gossan and mine workings trend (Figure 2).

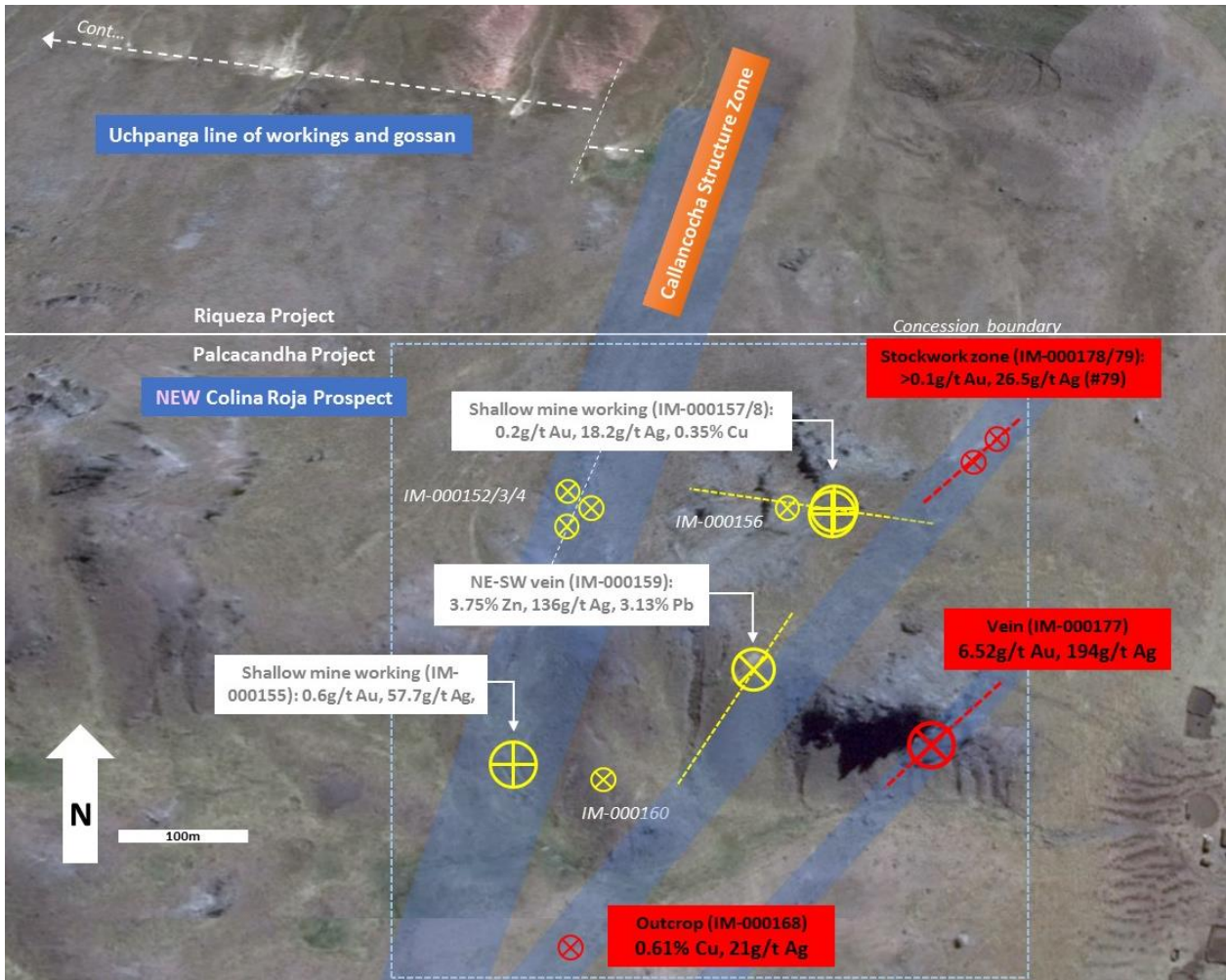


Figure 2: **ABOVE** Satellite image showing sample locations of the past (white boxes) and current (red boxes) Palcacandha sampling programs. A number of mineral trends appear to cross the Colina Roja area including the Callantocha Structure Zone and two sub-parallel structures containing very significant mineralisation.



Figure 3: **ABOVE LEFT** Gossanous volcanic containing 3.75% Zn, 136g/t Ag and 3.13% Pb. **ABOVE RIGHT** Cu-encrusted volcanic containing 0.61% Cu. The samples were taken from outcrop aligned NE-SW at Colina Roja (Figure 2).



Alteration Ridge Prospect, Palcacandha

A shallow mine working was identified in the recent reconnaissance mapping and sampling at the southern end of the new Alteration Ridge Prospect. Dump material with visible copper mineralisation was sampled in lieu of a lack of in situ mineralisation. The sampled material is a highly silicified “flinty” volcanic tuff with visible secondary copper mineralisation (malachite and chrysocolla). Assay results returned strong copper and silver, with peak copper: **4.94% Cu** and **peak silver (same sample) 294g/t Ag**.



Figure 4: **ABOVE LEFT** Sample from a shallow mine working with visible copper discovered during a reconnaissance mapping and sampling program at Alteration Ridge. This material peaks at 4.94% Cu and 294g/t Ag. **ABOVE RIGHT** The exploration crew at the shallow working. The silicic nature of the dump material is evident in this picture.

Importance of Results

The new Au and Ag bearing vein at Colina Roja (subject of this announcement) contains the highest levels of gold so far identified at the Greater Riqueza Project. It compares to the Au-Ag-Zn-Pb bearing vein (or dyke) that occurs at the Rita Maria mine working at the Uchpanga Prospect, which contains up to 3g/t Au and >1,000g/t Ag (Figure 2). “These high-grade precious-metal structures are exciting new exploration targets certain to be drill tested in the coming months” says Inca’s Managing Director, Mr Ross Brown. “The combined precious-metal footprint of Colina Roja and Uchpanga of high grade and lower grade precious-metal occurrences, the latter in the form of stratiform mineralisation (recorded in Uchpanga drilling) and stockwork zones (recorded in reconnaissance sampling) indicates a pervasive epithermal mineralised system in this area.”

Reconnaissance mapping and sampling will continue at Colina Roja, Alteration Ridge, Pampa Corral and Uchpanga until such time as 100% coverage is achieved. It is the intention of the Company to generate a list of Au-Ag epithermal and Cu skarn-related drill targets to complement and add to the existing (and still growing) list of Zn-Ag-Pb replacement targets at Humaspunco-Pinta.

Further drill results are expected within seven days. Results of the systematic sampling of the mine workings at both Cerro Rayas and at Humaspunco will be announced as soon as possible.



Competent Person Statements

The information in this report that relates to mineralisation for the greater Riqueza project area, 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 greater Riqueza project area, 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.

Table 1: **BELOW** Colina Roja and Alteration Ridge Samples Au, Au-Ag-Cu-Pb-Zn Assay tables

Sample Number	Au		Ag		Cu		Pb		Zn	
	ppb	g/t	ppm	g/t	ppm	%	ppm	%	ppm	%
IM-000167	6523	6.52	>100	194	724.3	--	1263	0.13	759	--
IM-000168	10	0.01	21.4	21.4	6016.1	0.61	241	--	793	--
IM-000169	33	0.03	0.7	0.7	60.4	--	224	--	539	--
IM-000170	5	0.01	<0.2	<0.2	38.9	--	199	--	282	--
IM-000171	5	0.01	0.5	0.5	56.1	--	112	--	195	--
IM-000172	5	0.01	0.4	0.4	17.7	--	128	--	70	--
IM-000173	5	0.01	0.5	0.5	58.8	--	50	--	22	--
IM-000174	8	0.01	>100	147	>10000	4.06	233	--	274	--
IM-000175	7	0.01	>100	294	>10000	4.94	267	--	174	--
IM-000176	7	0.01	>100	147	>10000	3.23	88	--	268	--
IM-000177	91	0.09	2.5	2.5	125.2	--	162	--	113	--
IM-000178	170	0.17	2.4	2.4	57.4	--	75	--	92	--
IM-000179	196	0.20	26.5	26.5	249.5	--	2063	0.21	191	--
IM-000180	78	0.08	2	2	238.7	--	47	--	65	--
IM-000181	20	0.02	0.2	0.2	15.9	--	25	--	77	--
IM-000182	37	0.04	0.2	0.2	125	--	40	--	84	--
IM-000183	127	0.13	0.8	0.8	53.6	--	88	--	2429	0.24
IM-000184	13	0.01	0.2	0.2	107.6	--	74	--	2558	0.26
IM-000185	35	0.04	1	1	79.4	--	83	--	934	--
IM-000186	8	0.01	0.2	0.2	61.3	--	50	--	738	--
IM-000187	75	0.08	32.1	32.1	489.9	--	>10000	1.57	1665	0.17
IM-000188	251	0.25	11.4	11.4	129.5	--	8804	0.88	398	--
IM-000189	71	0.07	39.5	39.5	121.7	--	>10000	1.36	729	--
IM-000190	104	0.10	6	6	293.8	--	3855	0.39	954	--
IM-000191	91	0.09	14.6	14.6	327.4	--	2479	0.25	2464	0.25
IM-000192	11	0.01	2.5	2.5	343.7	--	307	--	2112	0.21
IM-000193	44	0.04	1.4	1.4	126.7	--	90	--	760	--
IM-000194	180	0.18	12.3	12.3	340.8	--	727	--	322	--

Samples IM-000169 to IM-000176 are from Alteration Ridge. The remainder are from Colina Roja.



Appendix 2

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of mapping and rock chip sampling activities by the Company on three concessions known as Uchpanga, Uchpanga II and Uchpanga III (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 refers to assay results of 27 rock chip and channel samples. By their nature, grab samples are selective. Channel samples are less selective. Both sampling types were taken using best practice procedures. Prospective Fe-oxide-rich, gossan and/or sulphide-bearing outcrops were targeted for such sampling.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	The sample locations were determined by hand-held GPS. Sampling protocols and QAQC are as per industry best practice procedures.
	<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>	Rock chip (grab and channel) 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	<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>	N/A – no drilling or drill results were referred to in this announcement.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<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 – no drilling or drill results were referred to in this announcement.
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>	N/A – no drilling or drill results were referred to in this announcement.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<i>The total length and percentage of the relevant intersections logged.</i>	N/A – no drilling or drill results were referred to in this announcement.



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



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying cont...		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.
	<i>Discuss any adjustment to assay data.</i>	No adjustments were made.
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 rock chip sample locations were determined using a 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>	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 (gossan) signs of mineralisation.
	<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. Note that no Mineral Resource and Ore Reserve estimation has been provided in this announcement. The sample population of that released in this announcement is insufficient to obtain an Exploration Target and additional sampling, to achieve this, would be required.
	<i>Whether sample compositing has been applied.</i>	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. In the case of channel samples linear composites over 0.6m to 1.1m occurred.
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>	The distribution of rock chip samples follows industry best practice.
	<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>	N/A – no drilling or drill results were referred to in this announcement.
Sample security	<i>The measures taken to ensure sample security.</i>	Sample security was managed by Inca in line with industry best practice.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	The rock chip sampling regime was appropriate for outcrop conditions prevalent at this project location.



Section 2 Reporting of Exploration Result

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	<i>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.</i>	Tenement Type: Peruvian mining concessions. Concession Names: Uchpanga, Uchpanga II and Uchpanga III. Ownership: 100% by the Company
	<i>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.</i>	The concessions are in good standing at the time of writing.
Exploration done by other parties	<i>Acknowledgement and appraisal of exploration by other parties.</i>	This announcement does not refer to exploration conducted by previous parties.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The geological setting of the area is that of a gently SW dipping sequence of Cretaceous limestones, Tertiary red-beds and volcanics on a western limb of a NW-SE trending anticline; subsequently affected by a series of mineralised structures striking in various directions.
Drill hole information	<i>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:</i> <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. 	N/A – no drilling or drill results were referred to in this announcement.
	<i>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.</i>	N/A – no drilling or drill results were referred to in this announcement.
Data aggregation methods	<i>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.</i>	N/A – no weighting averages nor maximum/minimum truncations were applied.
	<i>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.</i>	N/A – no weighting averages nor maximum/minimum truncations were applied.
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	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>	Mineralised widths were made in this announcement only in the context of channel sampling. Where the mineralised entity was carefully mapped and shown to be a vertical or near vertical feature – reference to such intervals being true widths are justified.
Diagrams	<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>	Plans showing the location of the samples with recorded assay results and location of geological features subject of rock chip sampling are provided in this announcement.
Balanced reporting	<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>	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	<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>	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	<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>	By nature of early phase exploration, further work is necessary to better understand the mineralisation that appear characteristic of this area
	<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>	N/A: Refer above.
