12 October 2017

42.61% ZINC IN NEW CHANNEL SAMPLES AT CERRO RAYAS

HIGHLIGHTS

- Channel samples from Torrepata and Wari mine workings at Cerro Rayas return exceptionally strong zinc (**Zn**), lead (**Pb**) and silver (**Ag**) grades
- Channel sample results from Torrepata and Wari include:
  - **42.61% Zn** **9.77% Pb** **181g/t Ag** Sample IM-001084 (channel length 1.0m)
  - **41.82% Zn** 0.52% Pb 5.2g/t Ag Sample IM-001083 (channel length 0.8m)
  - **39.67% Zn** 0.70% Pb 4.3g/t Ag Sample IM-001048 (channel length 1.0m)
  - **38.31% Zn** **5.89% Pb** **79.4g/t Ag** Sample IM-001081 (channel length 0.3m)
  - **33.76% Zn** **17.33% Pb** **169g/t Ag** Sample IM-001078 (channel length 0.6m)
  - **31.34% Zn** **21.00% Pb** **184g/t Ag** Sample IM-001077 (channel length 0.5m)
  - **29.43% Zn** **24.06% Pb** **225g/t Ag** Sample IM-001079 (channel length 0.7m)
  - **24.26% Zn** 0.59% Pb 4.0g/t Ag Sample IM-001086 (channel length 0.5m)
  - **23.12% Zn** **30.76% Pb** **229g/t Ag** Sample IM-001082 (channel length 0.8m)
- Top-5 combined Zn + Pb values include:
  - **53.88%** (23.12% Zn + 30.76% Pb) Sample IM-001082
  - **53.49%** (29.43% Zn + 24.06% Pb) Sample IM-001079
  - **52.38%** (42.61% Zn + 9.77% Pb) Sample IM-001084
  - **52.34%** (31.34% Zn + 21.00% Pb) Sample IM-001077
  - **51.09%** (33.76% Zn + 17.33% Pb) Sample IM-001078
- Top-5 Zn, Pb, Ag channel sample assay results include (refer to Table 2):
  - **42.61%, 41.82%, 39.67%, 38.37%, 33.76% Zn**
  - **46.08% Pb, 34.46%, 30.76%, 24.06%, 22.95% Pb**
  - **229g/t, 225g/t, 184g/t, 181g/t, 169g/t Ag**
- Channel sampling to test extensions of mine workings set to commence at Cerro Rayas

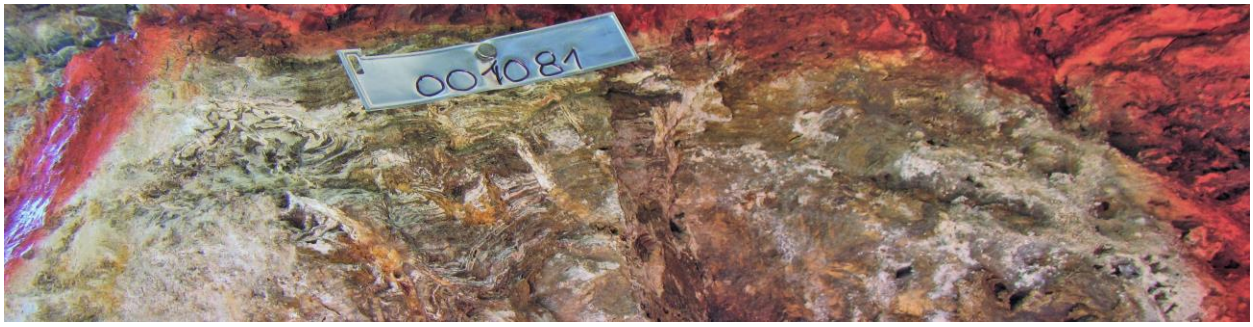


Figure 1: **ABOVE** Sample IM-001081 with visible smithsonite (Zn carbonate) with **38.31% Zn, 5.89% Pb and 79.4g/t Ag**.

Inca Minerals Limited (**Inca** or the **Company**) (ASX code: ICG) has received assay results for the second round of its detailed mapping and channel sampling program at the Company's Zn-focussed Cerro Rayas Project (**Batch #2**). Batch #2 results of channel sampling at the Torrepata and Wari mine workings are exceptionally strong (Tables 1 & 2) with multiple plus-50% combined Zn + Pb assays values being recorded (Table 1).

Top 5 Zn (%)	Top 5 Pb (%)	Top 5 Ag (g/t)	Top 5 Zn+Pb (%)
42.61	46.08	229	53.88
41.82	34.46	225	53.49
39.67	30.76	184	52.38
38.31	24.06	181	52.34
33.76	22.95	169	51.09

Table 1: **LEFT** Top-5 assay results for Zn, Pb, Ag and Zn+Pb (for Batch #2).

Torrepata

Torrepata is the largest of the three mine workings occurring at Cerro Rayas (Figure 7). It comprises a number of small open excavations (Figure 2) and an underground gallery with short stopes. Mapping indicates that mineralisation is associated with a series of breccias and breccia veins within a broader zone of brecciated and dolomitised limestone (Figure 6). Batch #2 channel samples collected from these open excavations at Torrepata are reported in Table 2. Similar very strong results in Batch # 1 channel samples collected from underground at Torrepata were reported in ASX announcement 6 October 2017.

Figure 2: **LEFT** One of the main excavations at Torrepata with galleries and stopes leading from it.

Wari

Wari is the SE most of the three mine workings occurring at Cerro Rayas (Figure 7). It comprises a single adit and short gallery into a steeply dipping sequence of limestone. Like Vilcapuquio and Torrepata, the host of the mineralisation at Wari is a system of breccias and associated breccia veins. Batch #2 channel samples from Wari are reported in Table 2. They include exceptionally strong grades including **42.61% Zn, 9.77% Pb, 181g/t Ag** (sample IM-001084 over 1m), **41.82% Zn,** 0.52% Pb, 5.2g/t Ag (sample IM-001083 over 0.8m), **29.43% Zn, 24.06% Pb, 225g/t Ag** (sample IM-001079 over 0.7m) and **23.12% Zn 30.76% Pb, 229g/t Ag** (sample IM-001082 over 0.8m).

The breccias at Wari contain exceptionally high grades of Zn and Ag. Every channel sample from Wari returned >20% Zn. The average Zn grade is 32.83% Zn. The average Ag grade is 153g/t Ag. Although the Pb is more variable the peak Pb grade is also a very high 30.76%.

Figure 3: **LEFT** Preparing channel sample IM-001077 at Wari. The photo shows a 0.5m wide mineralised vein that is highly ferruginous which makes it red-brown in appearance (similar to the Vilcapuquio breccia veins). IM-001077 contains visible galena and smithsonite and has returned grades of **31.34% Zn, 184g/t Ag and 21.00% Pb.**

Figure 4: **LEFT** Location of channel sample IM-001078 at Wari. The photo shows a 0.3m wide mineralised vein that is highly ferruginous (as for IM-001077). IM-001078 contains visible galena and smithsonite and has returned grades of **33.76% Zn, 169g/t Ag and 17.33% Pb.**

Importance of Results

The exceptionally strong Zn, Pb and Ag grades for channel samples collected from the open excavations at Torrepata and the gallery at Wari have confirmed Cerro Rayas as a highly prospective project. **More than 60% of the 42 channel samples taken in Batch #2 contain >10% combined Zn and Pb; the top-5 Zn values are all >30%, the top-5 Pb values are all >20% and the top-5 Ag values are all >160g/t (or 5oz/t).** Because these samples were taken perpendicularly across the mineralised breccias and breccia veins, assays are a very good indication of actual *in situ* grades.

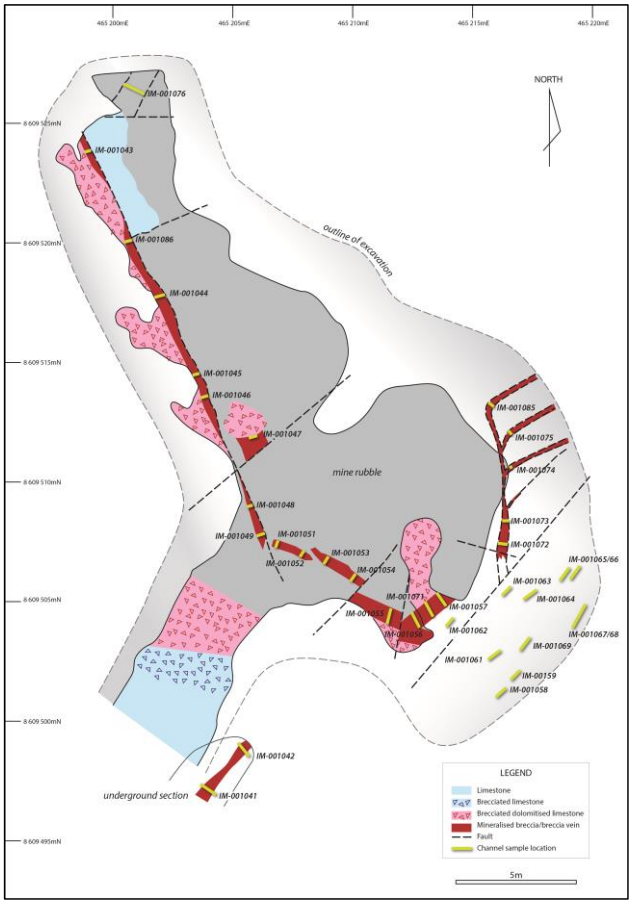
Mineralisation at Torrepata and Wari is associated with breccias and breccia veins that generally trend NW-SE within a steeply dipping and tightly folded sequence of Jurassic aged limestone. Detailed mapping of Torrepata and Wari indicates there are several mineralised breccias and breccia vein systems and these are commonly affected by local faults (Figure 6). Smithsonite (Zn carbonate), galena (Pb sulphide) are the principal Zn-Pb ore forming minerals at Cerro Rayas. Gangue material appears to be exclusively calcite. The rock alteration process of dolomitisation[1] appears to be associated with brecciation and mineralisation.

The 1.2km long NW-SE trend of the three mine workings (Vilcapuquio, Torrepata and Wari) defines a corridor of mineralisation at Cerro Rayas which is believed to be associated with a regional fault with the same orientation (Figure 7). Also occurring within this corridor are a number of parallel structures that are also brecciated. In light of the fact that breccias and breccia veins are associated with strong mineralisation at Cerro Rayas, these brecciated structures, up to 110m long and 20m wide will be closely examined in the near future.

[1] Dolomitisation occurs when calcium of the limestone is exchanged by magnesium, often in presence of mineralisation fluids. Such a change in rock chemistry typically results in a reduction of the volume (or size) of rock, leading to rock fracturing and creation of cavities which are preferred sites of metal [Zn, Pb, Ag] accumulation.

"A detailed mapping and sampling report is currently being compiled" says Inca's Managing Director Mr Ross Brown. "It will provide an overview of the characteristics of the mineralisation occurring at Cerro Rayas, that until now has been reported in relation to the individual mine workings. Needless to say, the whole project is very quickly maturing into a stand-out drill prospect for the Company."

Figure 5: **LEFT** Photos of various rock specimens showing the characteristic styles of visible mineralisation being found in the mine workings at Cerro Rayas. **TOP LEFT** Rock specimen that is rich in smithsonite (Wari) **MIDDLE LEFT** Rock specimen that is rich in galena (Wari), **BOTTOM LEFT** Rock specimen that is rich in smithsonite (Vilcapuquio).



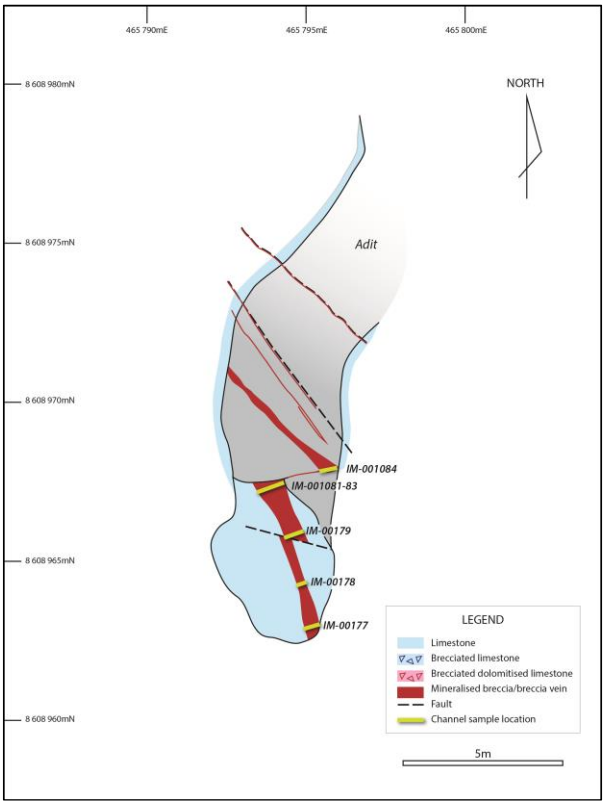


Figure 6: **ABOVE LEFT** Channel sample location plan (Torrepata – open excavations). **ABOVE RIGHT** Channel sample location plan (Wari – underground gallery).

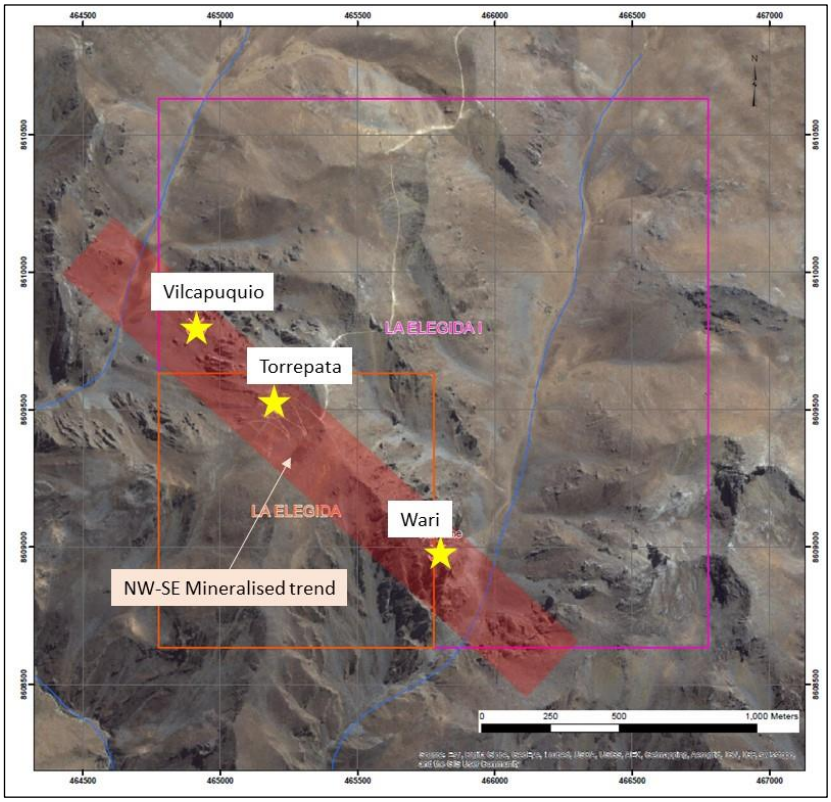


Figure 7: **LEFT** Satellite image showing the location of the three mine workings (Vilcapuquio, Torrepata and Wari) at Cerro Rayas. The two concessions are marked (orange and pink outlines).

Table 2: Assay Table (Zn, Pb, Ag)

Sample Number	Element	Sample Location	Channel Parameters		Zn					Ag		Pb				
	Unit				ppm	%	%	%		g/t	g/t	ppm	%	%	%	
	Method		Orientation	Length (m)	ICP40B	AAS41B	CON21G	CON21B	%	ICP40B	AAS41B	ICP40B	AAS41B	CON29C	CON29G	%
	Limit				10000	20	30	75		100	4000	10000	20	30	65	
IM-001041		Torrepata (underground)	SW-NE	0.5	>10000	1.91	--	--	1.91	1.6	--	7407	--	--	--	0.74
IM-001042		Torrepata (underground)	SW-NE	0.9	290	--	--	--		0.7	--	5452	--	--	--	0.55
IM-001043		Torrepata (open excavations)	WSW-ENE	0.9	>10000	15.24	--	--	15.24	10.3	--	**>10000**	**>20**	**20.66**	--	**20.66**
IM-001044		Torrepata (open excavations)	WSW-ENE	0.6	>10000	5.16	--	--	5.16	4.3	--	>10000	6.55	--	--	6.55
IM-001045		Torrepata (open excavations)	WSW-ENE	0.7	699	--	--	--	0.07	9.8	--	>10000	15.95	--	--	15.95
IM-001046		Torrepata (open excavations)	WSW-ENE	0.7	1726.6	--	--	--	0.17	5.9	--	>10000	10.29	--	--	10.29
IM-001047		Torrepata (open excavations)	WSW-ENE	1.3	617.6	--	--	--	0.06	10.4	--	>10000	16.6	--	--	16.6
IM-001048		Torrepata (open excavations)	WSW-ENE	0.5	**>10000**	**>20**	--	**39.67**	**39.67**	4.3	--	6954	--	--	--	0.70
IM-001049		Torrepata (open excavations)	WSW-ENE	0.3	1028.3	--	--	--	0.10	6.1	--	>10000	6.5	--	--	6.5
IM-001051		Torrepata (open excavations)	SSW-NNE	0.5	**>10000**	**13.27**	--	--	**13.27**	1.4	--	4612	--	--	--	0.46
IM-001052		Torrepata (open excavations)	SW-NE	0.8	426.5	--	--	--	0.04	10	--	>10000	15.75	--	--	15.75
IM-001053		Torrepata (open excavations)	SW-NE	0.8	1143	--	--	--	0.11	7.3	--	>10000	11.48	--	--	11.48
IM-001054		Torrepata (open excavations)	SW-NE	0.5	1766.7	--	--	--	0.18	4.9	--	>10000	6.49	--	--	6.49
IM-001055		Torrepata (open excavations)	SSW-NNE	0.8	314.8	--	--	--	0.03	**26.8**	--	**>10000**	**>20**	--	**46.08**	**46.08**
IM-001056		Torrepata (open excavations)	NW-SE	0.7	148.5	--	--	--	0.01	4.3	--	>10000	8.43	--	--	8.430
IM-001057		Torrepata (open excavations)	NW-SE	0.7	191.4	--	--	--	0.02	7.3	--	>10000	11.71	--	--	11.710
IM-001058		Torrepata (open excavations)	SW-NE	1.3	70.6	--	--	--	0.01	3.1	--	>10000	4.53	--	--	4.530
IM-001059		Torrepata (open excavations)	SW-NE	0.9	129.7	--	--	--	0.01	1.2	--	>10000	1.69	--	--	1.690
IM-001061		Torrepata (open excavations)	SW-NE	0.5	81.7	--	--	--	0.01	**18.3**	--	**>10000**	**>20**	--	**34.46**	**34.46**
IM-001062		Torrepata (open excavations)	SW-NE	0.6	108.8	--	--	--	0.01	6.5	--	>10000	11.59	--	--	11.59
IM-001063		Torrepata (open excavations)	SW-NE	0.6	193.2	--	--	--	0.02	0.6	--	4862	--	--	--	0.49
IM-001064		Torrepata (open excavations)	SW-NE	0.5	128	--	--	--	0.01	1.3	--	>10000	2.2	--	--	2.2
IM-001065		Torrepata (open excavations)	SW-NE	0.8	126.3	--	--	--	0.01	4.3	--	>10000	8.01	--	--	8.01
IM-001066		Torrepata (open excavations)	SW-NE	0.3	123.1	--	--	--	0.01	0.3	--	1020	--	--	--	0.10
IM-001067		Torrepata (open excavations)	SW-NE	0.6	64.9	--	--	--	0.01	0.3	--	617	--	--	--	0.06
IM-001068		Torrepata (open excavations)	SW-NE	1.2	495.5	--	--	--	0.05	7	--	>10000	12.54	--	--	12.54
IM-001069		Torrepata (open excavations)	SW-NE	0.7	129.6	--	--	--	0.01	0.8	--	2460	--	--	--	0.25
IM-001071		Torrepata (open excavations)	NW-SE	0.9	261	--	--	--	0.03	8.3	--	>10000	16.65	--	--	16.65
IM-001072		Torrepata (open excavations)	W-E	0.8	7923.9	--	--	--	0.79	14	--	**>10000**	**>20**	**22.95**	--	**22.95**
IM-001073		Torrepata (open excavations)	W-E	0.3	2831.9	--	--	--	0.28	1.3	--	5019	--	--	--	0.50
IM-001074		Torrepata (open excavations)	NW-SE	0.4	702.5	--	--	--	0.07	2.9	--	>10000	3.21	--	--	3.21
IM-001075		Torrepata (open excavations)	NW-SE	0.5	6803.8	--	--	--	0.68	10.3	--	>10000	16.43	--	--	16.43
IM-001076		Torrepata (open excavations)	NW-SE	1.0	**>10000**	**>20**	**22.26**	--	**22.26**	3.5	--	3807	--	--	--	0.38
IM-001077		Wari (underground)	WSW-ENE	0.5	**>10000**	**>20**	--	**31.34**	**31.34**	**>100**	184	**>10000**	**>20**	**21.00**	--	**21**
IM-001078		Wari (underground)	WSW-ENE	0.6	**>10000**	**>20**	--	**33.76**	**33.76**	**>100**	169	>10000	17.33	--	--	17.33
IM-001079		Wari (underground)	WSW-ENE	0.7	**>10000**	**>20**	**29.43**	--	**29.43**	**>100**	225	**>10000**	**>20**	**24.06**	--	**24.06**
IM-001081		Wari (underground)	WSW-ENE	0.3	**>10000**	**>20**	--	**38.31**	**38.31**	**79.4**	--	>10000	5.89	--	--	5.89
IM-001082		Wari (underground)	WSW-ENE	0.8	**>10000**	**>20**	**23.12**	--	**23.12**	**>100**	229	**>10000**	**>20**	--	**30.76**	**30.76**
IM-001083		Wari (underground)	WSW-ENE	0.8	**>10000**	**>20**	--	**41.82**	**41.82**	5.2	--	5206	--	--	--	0.52
IM-001084		Wari (underground)	WSW-ENE	1.0	**>10000**	**>20**	--	**42.61**	**42.61**	**>100**	181	>10000	9.77	--	--	9.77
IM-001085		Torrepata (open excavations)	NW-SE	0.5	**>10000**	**2.01**	--	--	**2.01**	3.8	--	>10000	2.2	--	--	2.2
IM-001086		Torrepata (open excavations)	NW-SE	0.5	**>10000**	**>20**	**24.26**	--	**24.26**	4	--	5897	--	--	--	0.59

Competent Person Statements

The information in this report that relates to exploration results at the Cerro Rayas 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 exploration results, 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.

Appendix 1

The following information is provided to comply with the JORC Code (2012) requirements for reporting by the Company of channel sampling results on two concessions known as La Elegida and La Elegida I (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 new assay results from 42 channel samples. The channel samples were taken from the Torrepata and Wari mine workings.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The locations of the channel samples are believed to be representative of the exposed sections of the mineralised features at the above-mentioned mine workings. Channel sample intervals were determined by GPS and, where collected underground, GPS and tape measurements by Company geologists.
	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.	Channels perpendicular to exposed mineralisation were used to obtain continuous samples approximately 2kg in weight and between 0.3m and 1.3m long.
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.).*	NA – No drilling is referred to in this announcement.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	NA – No drilling is referred to in this announcement.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	NA – No drilling is 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.	NA – No drilling is 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.*	NA – No drilling is referred to in this announcement.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	NA – No drilling is referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Logging cont.…	*The total length and percentage of the relevant intersections logged.*	NA – No drilling is referred to in this announcement.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	NA – No drilling is referred to in this announcement.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	NA – No drilling is referred to in this announcement.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Channel sampling follows industry best practice.
	Quality control procedures adopted for all sub-sampling stages to maximise "representivity" of samples.	No sub-sampling procedures were undertaken.
	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.	The channel orientation was aligned perpendicular to the known visible zone of mineralisation. Company QAQC samples includes field duplicates.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes and channel lengths are adequate in terms of the nature and distribution of mineralisation visible in the underground and excavation wall face. Where considered appropriate, individual channel lengths are either sub-one metre (≥0.3m), one metre or plus-one metre (≤1.3m).
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 used in the elemental testing of channel samples for non-Au was 4-acid digestion and HCl leach, which is considered a complete digestion for most material types (SGS: AAS41B). Elemental analysis was via ICP and atomic emission spectrometry (SGS: ICP40B). Over 20% detection analysis includes additional titration analysis (SGS: CON21G & CON21B). The analytical assay techniques 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 was used in the generation of channel 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 were used as standard laboratory procedures. The Company also entered blanks, duplicates and standards as an additional QAQC measure.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The sample assay results are independently generated by SGS Del Peru (**SGS**) who conduct QAQC procedures, which follow industry best practice.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying cont…	*The use of twinned holes.*	NA – No drilling is referred to in this announcement.
	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/desktops/iPads which are backed up from time to time. Following critical assessment (eg price sensitivity, *inter alia*), the data is entered into a database by 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.*	NA – No drilling is referred to in this announcement.
	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. In the case of underground sample locations, tape measures and compass bearings were taken from a fixed location with coordinates established by GPS.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The channel samples were spaced regularly along vein mineralisation exposed in the mine working at Torrepata and Wari, with individual samples taken in sub-one (≥. 0.3m), one metre and plus-one metre (≤ 1.3m) lengths along each channel.
	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.	No representations of extensions, extrapolations or reference to grade continuity were made in this announcement.
	Whether sample compositing has been applied.	No sample compositing had been applied to generate assay results subject of this announcement.
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.*	Channel sample orientations are perpendicular to the trend of the mineralised breccias and breccia veins exposed in the underground and open excavations. The results are considered unbiased.
	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.	Refer immediately above.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sample security	*The measures taken to ensure sample security.*	Sample security was managed by the Company in line with industry best practice.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Where considered appropriate, assay data is independently audited. No audit was required in relation to assay data subject of this announcement. Notwithstanding this, to a certain degree, over-detection re-analysis serves as verification of primary data.

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 Names: La Elegida and La Elegida 1. Ownership (La Elegida I): The Company has a 2½-year concession transfer option and assignment agreement (**Agreement**) whereby the Company may earn 100% outright ownership of the concession. Ownership (La Elegida): The Company has a 2-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 Agreements and concessions 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 folded sequence of Jurassic limestones of the Pucará Group; subsequently affected by a series of near vertical Zn-Ag-Pb structures (faults).
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: a) Easting and northing of the drill hole collar; b) Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar, c) Dip and azimuth of the hole; d) Down hole length and interception depth; e) Hole length.*	NA – No drilling is 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.	A/a.

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 of this nature were applied and no 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 of this nature 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 drilling is referred to in this announcement. In the case of the channel samples, the orientation of the zones of mineralisation are relatively well known. The channel sample orientations are perpendicular to the mineralised trend and may be considered true, approximate widths.
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 are provided showing the position of the channel samples of 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 exploration results 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 reference to one previous ASX announcement dated 6 October 2017.
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 appearing in the various mine workings subject of channel sampling subject of this announcement.
	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.