

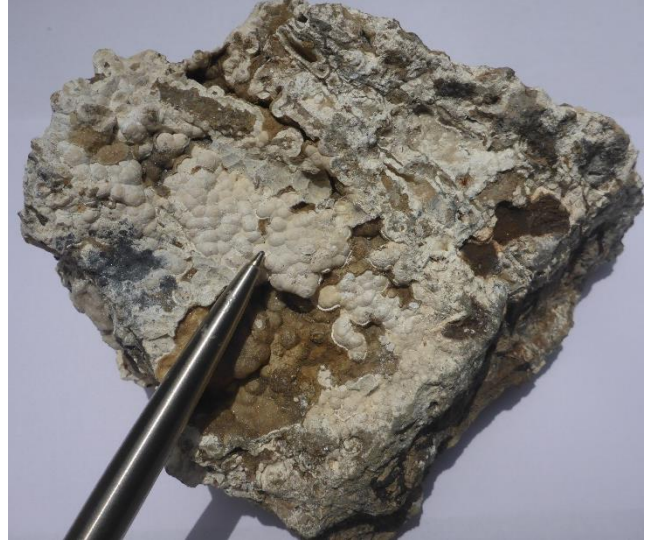


## HIGHLIGHTS THIS QUARTER

Inca Minerals Limited (Inca or the Company) generates steady strong results during the September 2017 quarter from two zinc-focussed projects. Results lead to a significant rerate of the Greater Riqueza Project with an intrusive-related Zn-Ag-Pb-Au-Cu-Mn system now believed to occur there; and to a rapid rise in prospectivity of the Cerro Rayas Project with exceptionally strong grades returned in first pass channel sampling, including several >50% combined Zn+Pb.



**Riqueza Zn-Ag-Pb mineralisation**  
Large 5km x 5km intrusive-related system



**Cerro Rayas Zn-Pb-Ag mineralisation**  
MVT 1.5km corridor

## HIGHLIGHTS – GREATER RIQUEZA PROJECT

The Company conducted three exploration programs at the Greater Riqueza Project (**Riqueza**) this quarter:

i) underground detailed mapping and channel sampling at Humaspunco, ii) reconnaissance mapping and sampling at Colina Roja and Alteration Ridge Prospects and iii) phase 1 drilling at Humaspunco and Uchpanga Prospects. All programs produce very strong results and combined to lay a solid foundation for project expansion and rerate as evidence mounts for a large intrusive-related mineralised system.

- Underground channel samples from the largest mine working at Humaspunco return very high zinc (Zn), silver (Ag) and lead (Pb) grades and uncovers a new strongly mineralised vein
- Grades for vein HV-02 exposed in various galleries and stopes in the underground mine include:
  - 6.12% Zn, 34.6g/t Ag, 2.59% Pb over 1.75m (true width), with peaks 21.71% Zn, 163.0g/t Ag, 12.40% Pb
  - 6.26% Zn, 99.0g/t Ag, 4.30% Pb over 0.4m (true width)
  - 5.23% Zn, 192.6g/t Ag, 14.77% Pb over 0.85m (true width), with peaks 5.31% Zn, 236.0g/t Ag, 17.21% Pb
- Grades for the new vein include:
  - 3.09% Zn, 54.3g/t Ag, 3.55% Pb over 1.40m (true width)
  - 2.55% Zn, 80.3g/t Ag, 7.79% Pb over 3.80m (true width)
  - 2.75% Zn, 105.4g/t Ag, 8.81% Pb over 3.50m (true width)



- Reconnaissance mapping and sampling at the new prospect Colina Roja (Palcacandha Project) discovers several high grade Zn-Ag-Pb and Au-Ag veins:
  - **6.52g/t gold (Au) and 194g/t Ag** in 2m wide gossanous vein (true thickness)
  - **3.75% Zn, 136g/t Ag, 3.13% Pb** in new vein
  - Several Au-Ag-Cu bearing veins and stockwork zones
- Phase 1 drilling at Humaspunco and Uchpanga is completed<sup>1</sup> with 12 holes and 1,662.1 metres drilled this quarter – Refer to Table 1
- Strongly mineralised manto sequence is identified this quarter in several holes:
  - **3.04% Zn, 208.0g/t Ag, 1.84% Pb** over 0.55m<sup>2</sup> from 11.45m in RDDH-004
  - **3.26% Zn, 99.6g/t Ag, 3.05% Pb** over 1.20m from 14.80m in RDDH-004
  - **5.66% Zn, 35.7g/t Ag, 1.84% Pb** over 2.50m from 23.00m in RDDH-004
  - **3.83% Zn** over 2.6m from 21.40m, with **peak Zn 10.37%** over 0.6m from 22.40m in RDDH-012
  - **68.7g/t (2.21oz/t) Ag** over 3.35m from 21.40m, with **peak Ag 132g/t** over 1m from 21.40m in RDDH-012
  - **3.69% Pb** over 3.35m from 21.40m, with **peak Pb 7.81%** over 1m from 21.40m in RDDH-012
  - **4.97% Zn** over 1.3m from 10.3m, with **Zn 5.96%** over 0.30m from 11.30m and **Zn at 4.67%** over 1.00m from 10.30m in RDDH-013
  - **119.6g/t (3.85oz/t) Ag** over 1.30m from 10.30m, with **peak Ag 145g/t** over 1.00m from 10.30m in RDDH-013
  - **3.85% Zn** over 2.30m from 7.40m, with **peak Zn 7.4%** over 0.80m from 8.90m in RDDH-014
  - **76.7g/t (2.47oz/t) Ag** over 2.3m from 7.4m, with **peak Ag 109g/t** over 1m from 7.9m in RDDH-014
- Strongly mineralised veins intersected this quarter:
  - **13.12% Zn, 16.2g/t Ag, 0.68% Pb** over 1.00m from 212.00m within **4.42% Zn** over 3.75m in RDDH-004
  - **5.59% Zn, 110.0g/t Ag, 4.98% Pb** over 0.90m from 33.45m in RDDH010
  - **1.59% Zn, 26.0g/t Ag, 1.31% Pb** over 1.10m from 33.40m in RDDH011
  - **1.96% Zn, 70.0g/t A, 0.59% Pb** over 0.50m from 47.90m in RDDH011
  - **3.27% Zn, 38.4g/t Ag, 3.24% Pb** over 0.60m from 97.00m in RDDH011
  - **1.08% Zn, 24.4g/t Ag, 1.31% Pb** over 14.05m from 21.4m in RDDH-012
  - **4.67% Zn** over 0.35m from 12.4m in RDDH-015
  - **2.88% Zn, 15.5g/t Ag, 1.77% Pb** over 0.4m from 76.3m in RDDH-015
- Three new concessions are granted to the Company this quarter, bringing the total number of concessions comprising the Greater Riqueza Project to nine.

## HIGHLIGHTS – CERRO RAYAS PROJECT

Inca conducts two first-pass mapping and channel sampling programs at Cerro Rayas this quarter: the first at Vilcapuquio and Torrepatá, and the second at Torrepatá and Wari. Exceptionally strong Mississippi Valley Type (MVT) mineralisation has been recorded.

<sup>1</sup> Core logging and sampling activities for drill holes RDDH-019 to RDDH-023 holes are incomplete at the time of writing.

<sup>2</sup> All intersections are down hole measurements unless otherwise stated.

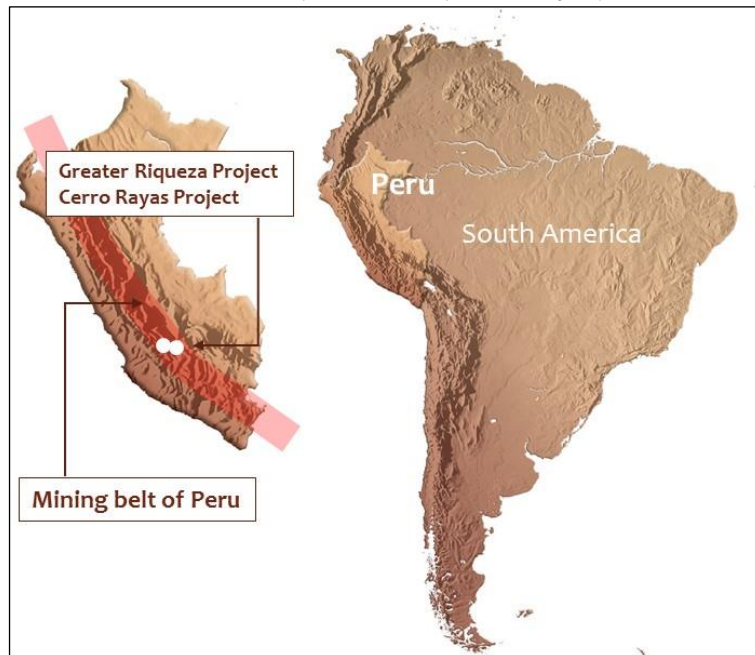




- Underground channel sample results from Vilcapuquio and Torrepatata (Batch #1) include:
  - 40.92% Zn, 2.33% Pb (Sample IM-001004); 34.63% Zn, 7.85% Pb (Sample IM-001006); 33.60% Zn, 7.78% Pb (Sample IM-001012); 32.26% Zn, 10.45% Pb (Sample IM-001013); 29.19% Zn, 19.7g/t Ag, 27.15% Pb (Sample IM-001001); 27.65% Zn, 14.06% Pb (Sample IM-001005); 23.55% Zn, 10.3g/t Ag, 12.38% Pb (Sample IM-001002); 20.31% Zn, 4.61% Pb (Sample IM-001007).
- Underground channel sample results from Torrepatata and Wari (Batch #2) include:
  - 42.61% Zn, 9.77% Pb, 181g/t Ag (Sample IM-001084); 41.82% Zn (sample IM-001083); 39.67% Zn (sample IM-001048); 38.31% Zn, 5.89% Pb, 79.4g/t Ag (Sample IM-001081); 33.76% Zn, 17.33% Pb, 169g/t Ag (Sample IM-001078); 31.34% Zn, 21.00% Pb, 184g/t Ag (Sample IM-001077); 29.43% Zn, 24.06% Pb, 225g/t Ag (Sample IM-001079); 24.26% Zn (Sample IM-001086); 23.12% Zn, 30.76% Pb, 229g/t Ag (Sample IM-001082).

Sample Number	Channel Length (m)	Zn %	Sample Number	Channel Length (m)	Pb %	Sample Number	Channel Length (m)	Zn + Pb %
IM-001084	1.00	42.61	IM-001055	0.80	46.08	IM-001001	0.5	56.34
IM-001083	0.80	41.82	IM-001061	0.50	34.46	IM-001082	0.8	53.88
IM-001004	0.50	40.92	IM-001028	0.60	32.52	IM-001079	0.7	53.49
IM-001048	0.50	39.67	IM-001082	0.80	30.76	IM-001084	1.0	52.38
IM-001081	0.30	38.31	IM-001001	0.50	27.15	IM-001077	0.5	52.34
IM-001006	0.50	34.63	IM-001079	0.70	24.06	IM-001078	0.6	51.09
IM-001078	0.60	33.76	IM-001072	0.80	22.95	IM-001055	0.8	46.11
IM-001012	0.80	33.60	IM-001003	0.30	21.08	IM-001081	0.3	44.20
IM-001013	0.60	32.26	IM-001077	0.50	21.00	IM-001004	0.5	43.25
IM-001077	0.50	31.34	IM-001043	0.90	20.66	IM-001013	0.6	42.71

Location Plan of Inca's zinc-focussed projects



**HIGHLIGHTS – CORPORATE**

- The Company raises \$250,000 (net of all raising costs) at strong premium to market price.



## PROJECT ACTIVITIES

### Greater Riqueza Zn-Ag-Pb-Au-Cu Project

#### Channel Sampling Underground Mine Working Program

The Company completed a detailed mapping and channel sampling program at the largest underground mine working occurring at Humaspunco. Mine exposures of EW-trending veins HV-02, HV-03 and HV-04 were recorded, as well as a previously unknown NS-trending vein with particularly strong visible mineralisation. Very strong grades were returned including: Vein EW HV-02: Channel 8 (1.75m true width (tw)) averaging: **6.12% Zn, 34.6g/t Ag, 2.59% Pb**, including peaks **21.71% Zn, 163.0g/t Ag, 12.40% Pb**; Channel 9 (0.4m tw): **6.26% Zn, 99.0g/t Ag, 4.30% Pb**; and Channel 7 (0.85m tw) averaging: **5.23% Zn, 192.6g/t Ag, 14.77% Pb**, including peaks **5.31% Zn, 236.0g/t Ag, 17.21% Pb**. Channels 9, 8 and 7 are from exposures of the vein HV-02; NS vein: Channel 1 (1.40m tw) averaging: **3.09% Zn, 54.3g/t Ag, 3.55% Pb**; Channel 2 (3.80m tw) averaging: **2.55% Zn, 80.3g/t Ag, 7.79% Pb**; Channel 3 (3.50m tw) averaging: **2.75% Zn, 105.4g/t Ag, 8.81% Pb** (Figure 1).

Importantly, the Company has increased confidence about the *in situ* grades of Zn-Ag-Pb mineralisation at Humaspunco because of this work. The direct channel sampling method combined with accurate true width measurements of mineralisation, provides information about *in situ* grade that is superior to that achieved in sampling diamond core drilling.

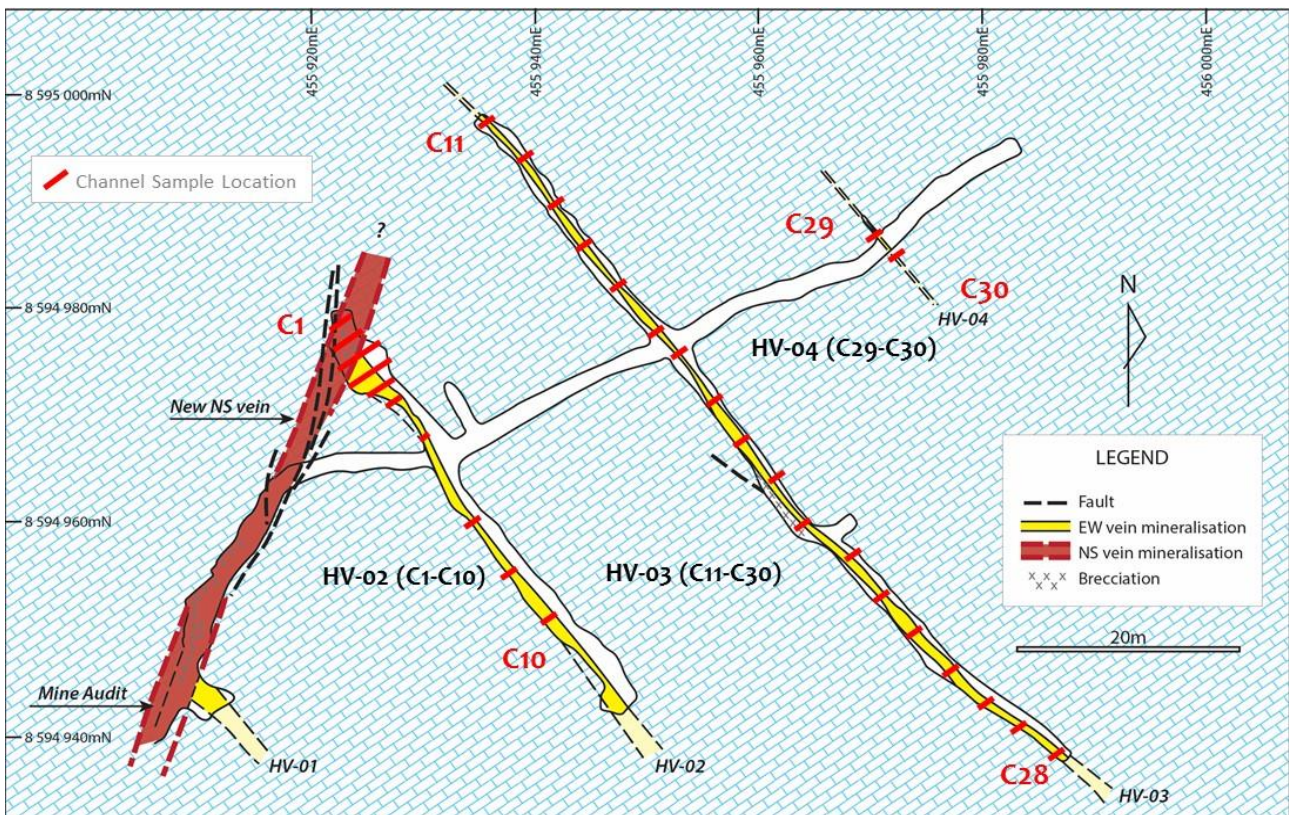


Figure 1: **ABOVE** Underground plan of the mine working at Humaspunco showing the location of the channel samples. Channel sample locations one to ten (C1-C10) cover the new NS vein and HV-02 from NW to SE; C11-C28 cover HV-03 and C29-C30 cover HV-04. The assay results are presented in Table 1.





Table 1: BELOW Underground channel sample assay results for Zn, Ag and Pb

Sample Number	Vein	Channel Number (length m's) Sample Sequence	Channel Number (Figure 1)	Channel Length	Zn		Av Zn Ch %	Ag g/t	Av Ag Ch g/t	Pb		Av Pb Ch %
					ppm	%				ppm	%	
IM-000251	HV-02	1SE(1.75m)	Channel 8	0.35	>10000	21.71	6.12	2.4	34.6	3760	0.38	2.59
IM-000252				0.45	>10000	11.50		163.0		>10000	12.40	
IM-000253				0.50	>10000	2.00		15.9		9531	0.95	
IM-000254				0.45	>10000	2.71		5.6		3721	0.37	
IM-000255		2SE (0.4m)	Channel 9	0.40	>10000	6.26	6.26	99.0	99.0	>10000	4.30	4.30
IM-000256		3SE (1.15m)	Channel 10	0.30	>10000	7.51	1.05	36.4	10.8	>10000	1.64	0.54
IM-000257				0.55	>10000	1.63		33.0		>10000	2.07	
IM-000258				0.30	3647.5	0.36		14.7		1243	0.12	
IM-000259				0.30	>10000	5.31		113.0		>10000	10.31	
IM-000261		1NW (0.85m)	Channel 7	0.55	>10000	5.19	5.23	236.0	192.6	>10000	17.21	14.77
IM-000262		2NW (0.77m)	Channel 6	0.45	>10000	1.02	0.86	94.1	61.7	>10000	8.88	5.55
IM-000263				0.32	6299.1	0.63		16.1		8624	0.86	
IM-000264		3NW (2.00m)	Channel 5	0.20	3078.7	0.31	0.57	29.0	71.4	>10000	2.01	5.57
IM-000265				0.80	>10000	1.07		130.0		>10000	10.41	
IM-000266				0.50	1750.7	0.17		61.8		>10000	4.67	
IM-000267				0.50	2799.7	0.28		4.1		1369	0.14	
IM-000268		4NW (5.70m)	Channel 4	0.50	>10000	5.74	1.72	66.2	74.4	>10000	5.24	6.02
IM-000269				1.00	>10000	3.65		130.0		>10000	11.75	
IM-000271				0.60	8827.1	0.88		22.5		>10000	2.86	
IM-000272				1.00	>10000	1.31		63.7		>10000	5.16	
IM-000273				0.60	4103.4	0.41		21.8		>10000	1.21	
IM-000274				1.00	>10000	1.06		162.0		>10000	11.75	
IM-000275				1.00	1429	0.14		8.8		5843	0.58	
IM-000276		5NW (3.50m)	Channel 3	1.00	>10000	5.13	2.75	155.0	105.4	>10000	13.01	8.81
IM-000277				1.00	>10000	2.36		67.6		>10000	6.47	
IM-000278				1.00	9592.5	0.96		105.0		>10000	8.25	
IM-000279				0.50	>10000	2.36		82.4		>10000	6.18	
IM-000281	6NW (3.80m)	Channel 2	1.00	>10000	4.37	2.55	94.8	80.3	>10000	8.26	7.79	
IM-000282			1.00	>10000	3.22		78.0		>10000	8.97		
IM-000283			1.00	7533.5	0.75		40.5		>10000	4.60		
IM-000284	7NW (1.40m)	Channel 1	0.80	>10000	1.68	3.09	115.0	54.3	>10000	9.72	3.55	
IM-000285			1.00	>10000	1.50		37.1		>10000	2.29		
IM-000286			0.40	>10000	7.05		97.2		>10000	6.71		
IM-000287	HV-03	1NW (0.45m)	Channel 16	0.45	>10000	3.01	3.01	90.0	90.0	>10000	8.81	8.81
IM-000288		2NW (0.70m)	Channel 15	0.70	8565.5	0.86	0.86	10.9	10.9	>10000	1.38	1.38
IM-000289		3NW (0.60m)	Channel 14	0.60	7851.4	0.79	0.79	14.8	14.8	>10000	1.58	1.58
IM-000291		4NW (0.30m)	Channel 13	0.30	>10000	8.12	8.12	16.2	16.2	>10000	1.08	1.08
IM-000292		5NW (0.80m)	Channel 12	0.50	4402.3	0.44	0.43	15.7	10.5	>10000	1.49	0.98
IM-000293				0.30	4097.5	0.41		1.8		1399	0.14	
IM-000294		6NW (0.35m)	Channel 11	0.35	>10000	2.84	2.84	62.1	62.1	>10000	10.46	10.46
IM-000295		1SE (0.75m)	Channel 17	0.40	8380.7	0.84	0.84	3.5	3.5	3874	0.39	0.39
IM-000296				0.35	5470.2	0.55	0.55	31.6	>10000	3.20	3.20	
IM-000297		2SE (0.90m)	Channel 18	0.90	550.5	0.55	0.55	1.0	1.0	726	0.07	0.07
IM-000298		3SE (1.10m)	Channel 19	0.60	2307.5	0.23	0.30	5.3	4.3	3538	0.36	0.34
IM-000299				0.50	3796.6	0.38		3.2		3152	0.32	
IM-000301		4SE (1.50m)	Channel 20	0.50	>10000	3.59	2.64	26.5	21.1	>10000	1.70	1.90
IM-000302				1.00	>10000	2.17		18.4		>10000	2.00	
IM-000303				0.80	>10000	1.70		4.2		1740	0.17	
IM-000304		5SE (1.70m)	Channel 21	0.90	>10000	1.63	1.66	13.9	9.3	>10000	1.10	0.66
IM-000305		6SE (1.25m)	Channel 22	0.90	>10000	2.12	1.62	19.6	18.1	>10000	1.81	1.80
IM-000306				0.35	3323.9	0.33		14.2		>10000	1.77	
IM-000307		7SE (0.90m)	Channel 23	0.90	5773.9	0.58	0.58	12.9	12.9	>10000	1.53	1.53
IM-000308		8SE (1.60m)	Channel 24	0.60	1108.7	0.11	0.21	3.2	3.4	2946	0.29	0.27
IM-000309				0.40	907.3	0.09		2.2		1949	0.19	
IM-000311				0.60	3762.7	0.38		4.5		3041	0.30	
IM-000312		9SE (1.70m)	Channel 25	0.70	1868.6	0.19	0.13	13.8	6.8	>10000	1.85	0.86
IM-000313				0.40	737.7	0.07		2.1		862	0.09	
IM-000314				0.60	885	0.09		1.9		980	0.10	
IM-000315		10SE (1.00m)	Channel 26	0.40	118.7	0.01	0.25	0.4	c	418	0.04	0.26
IM-000316				0.60	4091.8	0.41		10.5		4080	0.41	
IM-000317	11SE (1.30m)	Channel 27	1.00	8799.3	0.88	0.86	23.8	47.2	>10000	2.60	5.59	
IM-000318			0.30	7969.9	0.80		125		>10000	15.54		
IM-000319	12SE (1.00m)	Channel 28	1.00	8239.4	0.82	0.82	16.6	16.6	>10000	1.80	1.80	
IM-000321	HV-04	1NW (0.30m)	Channel 29	0.30	1495.2	0.15	0.00	2.2	2.2	1905	0.19	0.19
IM-000322		1SE (0.45m)	Channel 30	0.45	336.7	0.03	0.00	0.5	0.5	425	0.04	0.04
				Total length of channel sampling (m's)	39.97	Av Zn	2.24	Av Ag	45.8	Av Pb	3.88	



### Reconnaissance Mapping and Sampling at Greater Riqueza

The Company commenced a reconnaissance rock chip sampling program in the southern part of Riqueza this quarter. Two specific areas were targeted by this program; an area hosting several recently identified mine workings and outcropping vein structures at the Colina Roja Prospect (Palcacandha Project) and the area hosting the monzodiorite and meta-gabbro intrusive stocks at the Pampa Corral Prospect. The results are very positive with several significant discoveries being made: i) a new high grade Au-Ag-bearing vein with **6.52g/t Au and 194g/t Ag** (Figure 2), ii) a new high grade Zn-Ag-Pb vein with **3.75% Zn, 136g/t Ag and 3.13% Pb**, iii) several Au-bearing stockwork zones, and iv) elevated Cu associated with a margin of the intrusive stocks.

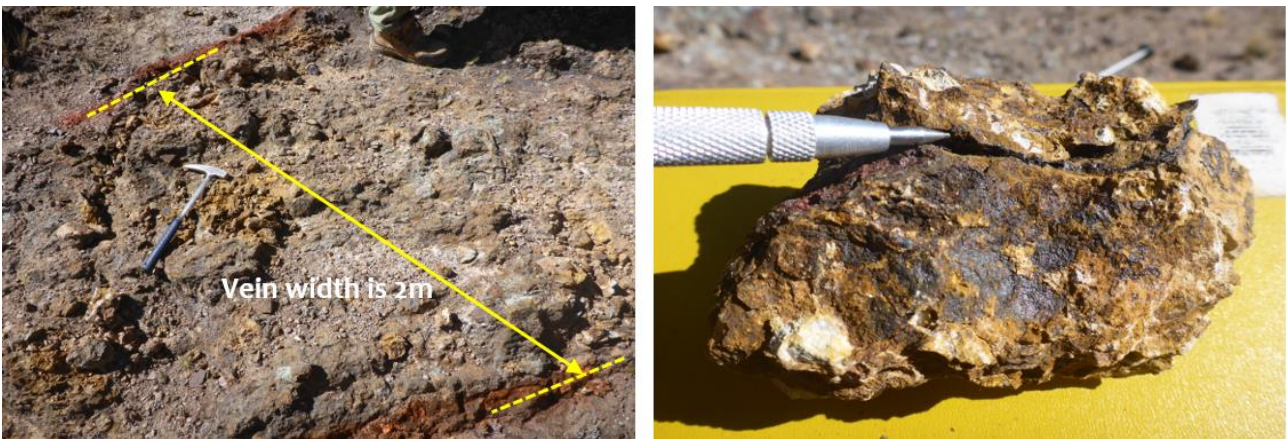


Figure 2: **ABOVE LEFT** Outcrop photo of the Au-Ag vein at Colina Roja. **ABOVE RIGHT** Sample containing **6.52g/t Au and 194g/t Ag**.

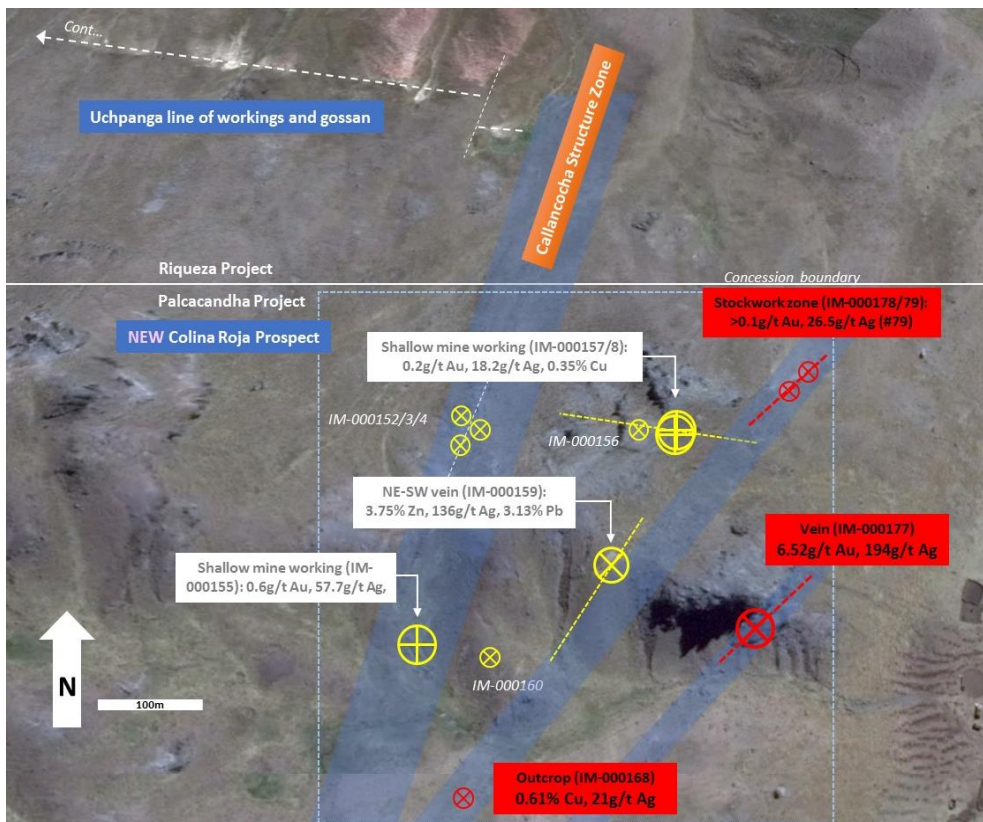


Figure 3: **LEFT** Satellite image showing sample locations of the past (white boxes) and current (red boxes) Palcacandha sampling programs. A number of mineral trends appear to cross the Colina Roja area including the Callancocha Structure Zone and two sub-parallel structures containing very significant mineralisation.





The significance of this work is far-reaching as it provides evidence of epithermal Au-Ag-mineralisation and skarn Cu mineralisation at Riqueza. Together with vein and manto hosted replacement style Zn-Ag-Pb mineralisation, epithermal and skarn mineralisation are characteristic of intrusive-related mineralised systems. Following review of these results and a review of the mineral deposits that occur near Riqueza (Figure 4), the Company now believes that a large 5km x 5km intrusive-related mineralised system occurs at Riqueza.

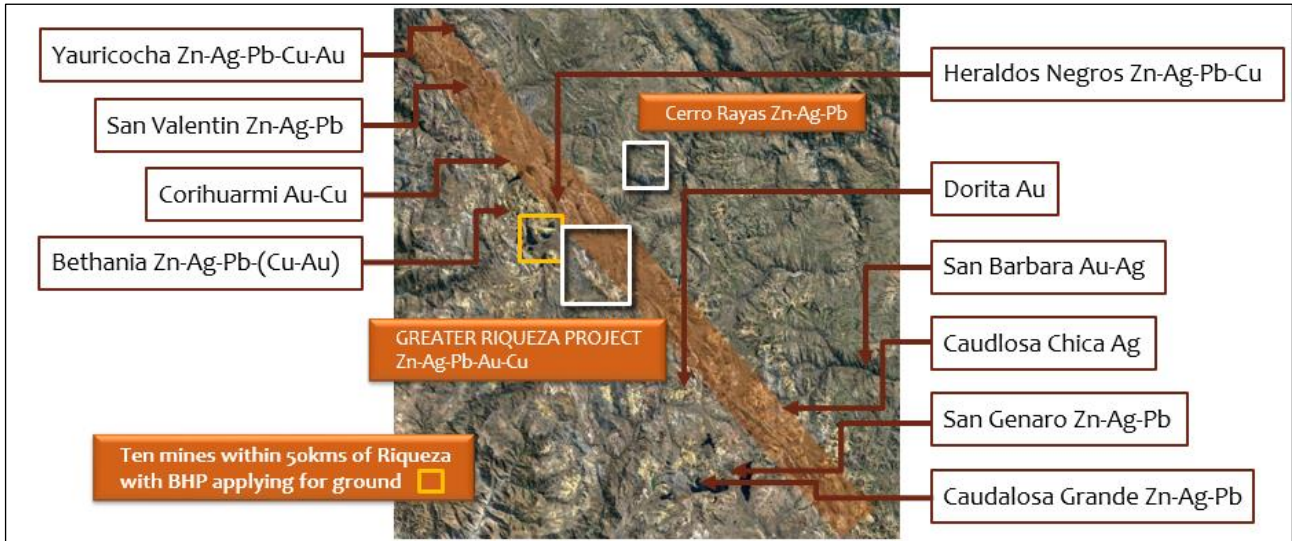


Figure 4: **ABOVE** Satellite image showing the ten mines that occur within 50km of Riqueza. All of these comprise mineral deposits that are intrusive-related: replacement, epithermal and/r skarn types.

**Phase 1 Riqueza Drilling is Completed** (assays of last 5 drill holes not available at time of writing)

In this quarter the Company has completed the drilling of 12 holes (RDDH-012 to RDDH-023) and by this, completes the Phase 1 drilling program at Riqueza (Figure 5). At the time of writing, detailed logging and core sampling activities are being carried out for holes RDDH-019 to RDDH-023 (Table 2).

Table 2: **BELOW** Drilling parameters of holes completed during the September 2017 Quarter.

Hole	Prospect (sub-prosect area)	Hole Parameters					Platform	Hole Depth (m's)	Assays Received
		Azimuth	Dip	Coordinates		Elevation (m's above sea level)			
				Easting	Northing				
RDDH-012	Humaspunco (Callancocha Structure)	254°	45°	456081	8595212	4572	SRP-02	107.20	YES
RDDH-013	Humaspunco (East)	215°	45°	456012	8595030	4529	SRP-03	260.90	YES
RDDH-014	Humaspunco (East)	35°	45°	456012	8595030	4529	SRP-03	58.50	YES
RDDH-015	Humaspunco (Callancocha Structure)	305°	45°	456012	8595030	4529	SRP-03	150.90	YES
RDDH-016	Humaspunco (East)	125°	45°	456336	8595088	4532	SRP-10	200.00	YES
RDDH-017	Humaspunco (East)	142°	45°	456336	8595088	4532	SRP-10	72.00	YES
RDDH-018	Humaspunco (East)	215°	45°	456336	8595088	4532	SRP-10	162.00	YES
RDDH-019	Humaspunco (East)	215°	45°	456139	8594935	4503	SRP-09	175.00	NO
RDDH-020	Humaspunco (East)	215°	45°	456248	8595102	4556	SRP-07	111.00	NO
RDDH-021	Humaspunco (West)	35°	45°	455822	8595378	4627	SRP-15	156.00	NO
RDDH-022	Humaspunco (South)	0°	45°	455954	8594397	4295	SRP-18	126.00	NO
RDDH-023	Uchpanga (Rita Maria)	197°	45°	454518	8593015	4296	SRP-19	82.60	NO

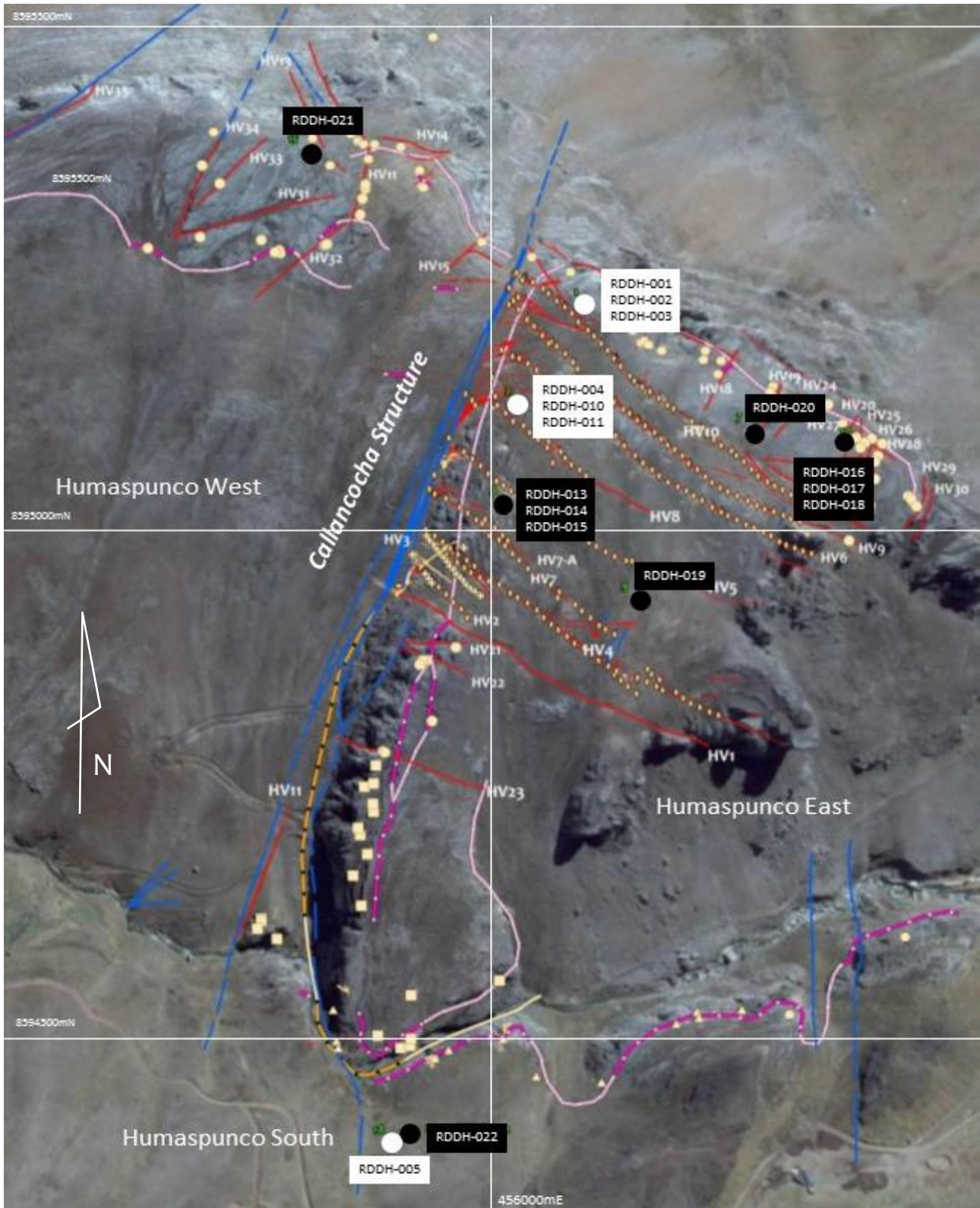


Figure 5: **ABOVE** Drill hole location plan also showing surface sample locations (various pale yellow shapes), mineralised vein traces (red lines), mineralised manto traces (purple and pink lines) and structures/faults (blue lines). The distance between the grid lines is 500m. Results from RDDH-016/17/18 were reported post-quarter. Drill holes RDDH-019/20/21/22/23 were reported as drilled with logging and sampling pending.





As well as continuing to test the major EW-trending HV-series of veins, drilling this quarter also focussed on manto mineralisation exposed in outcrop and several mine workings near the Callancocha Structure. The Callancocha Structure was also tested this quarter. RDDH-004, RDDH-013 and RDDH-014 are three drill holes that successfully intersected the manto sequence at Humaspunco (Figures 6 & 7). These holes have confirmed substantial thicknesses of strong manto mineralisation. Significant manto intersections include:

- RDDH-004: **3.04% Zn, 208.0g/t Ag, 1.84% Pb** over 0.55m from 11.45m; **3.26% Zn, 99.6g/t Ag, 3.05% Pb** over 1.20m from 14.8m; **5.66% Zn, 35.7g/t Ag, 1.84% Pb** over 2.50m from 23.00m.
- RDDH-013: **4.97% Zn** over 1.3m from 10.3m, including **Zn at 5.96%** over 0.3m from 11.3m and **Zn at 4.67%** over 1.0m from 10.3m; **119.6g/t (3.85oz/t) Ag** over 1.3m from 10.3m, with **peak Ag at 145g/t (4.67oz/t)** over 1m from 10.3m; **3.06% Pb** over 1.3m from 10.3m, with **peak Pb at 3.43%** over 1m from 10.3m.
- RDDH-014: **3.85% Zn** over 2.3m from 7.4m, including **peak Zn at 7.4%** over 0.8m from 8.9m; **76.7g/t (2.47oz/t) Ag** over 2.3m from 7.4m, with **peak Ag at 109g/t (3.517oz/t)** over 1m from 7.9m; **4.03% Pb** over 3.0m from 6.7m, with **peak Pb at 6.77%** over 1m from 7.9m.

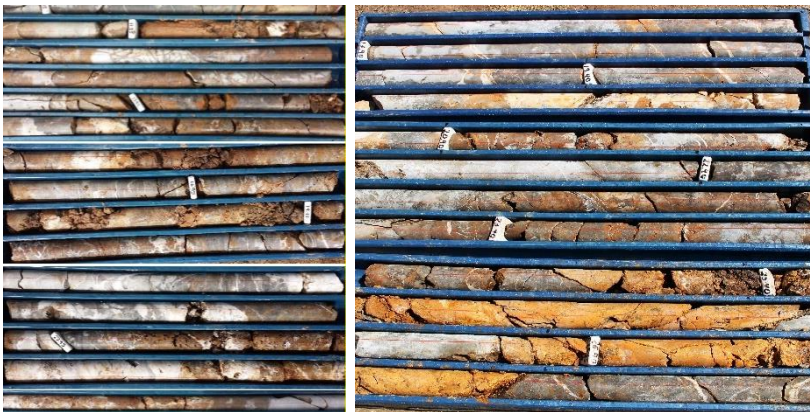


Figure 6: **FAR LEFT** The manto sequence in RDDH-004. **LEFT** The manto sequence in RDDH-013. The manto comprises three high grades zones within a broadly mineralised envelope characterised by calcite/barite veining (pale coloured core) and repeated gossans (red-brown coloured core).

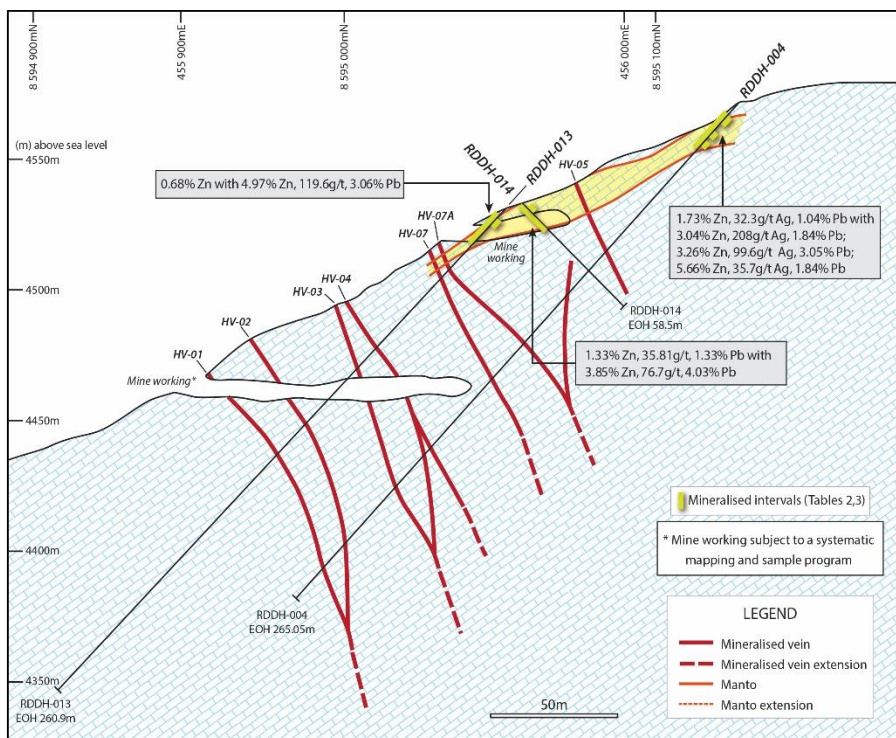


Figure 7: **LEFT** A SW-NE schematic cross section showing the coverage of RDDH-013, RDDH-014 and RDDH-004. The mineralised manto (yellow shading) extends just below the surface at shallow depths. The section also shows the EW-trending HV-series of veins.



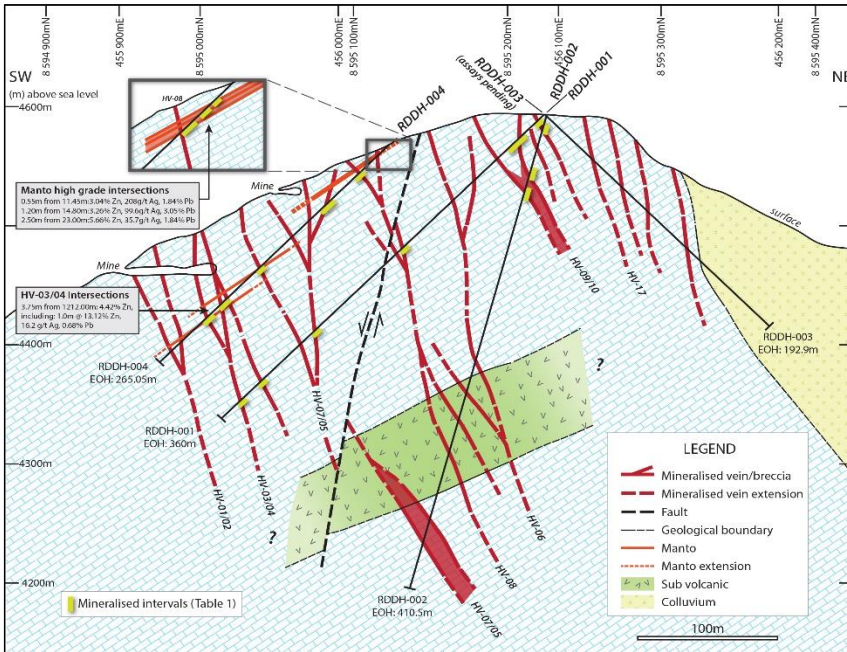


Figure 8: LEFT A SW-NE schematic geological cross section showing the coverage of holes RDDH-001 to RDDH-004 in relation to simplified geology, including the host rock (Jumasha Limestone), the sub volcanic (a meta-gabbro sill), the mineralised veins, breccias and mantos that make up a network of Zn-Ag-Pb mineralisation. The mineralised intervals are approximated by yellow lines.

RDDH-010 and RDDH-011 were the first holes to drill test the Callancocha Structure at Humaspunco. Structure-hosted disseminated-style mineralisation was recognised in these holes, characterised by disseminations of sphalerite, galena and smithsonite with broad zones of Fe-oxide/box-work gossans, argillic and silicic alteration, brecciation/jointing/faulting and barite-calcite veining. A 67.10m wide structure zone hosts broad mineralisation at 0.35% Zn, including a 30.8m zone from 7.9m at 0.67% Zn, 12.5g/t Ag and 0.49% Pb was identified in RDDH-10 (Figure 9).

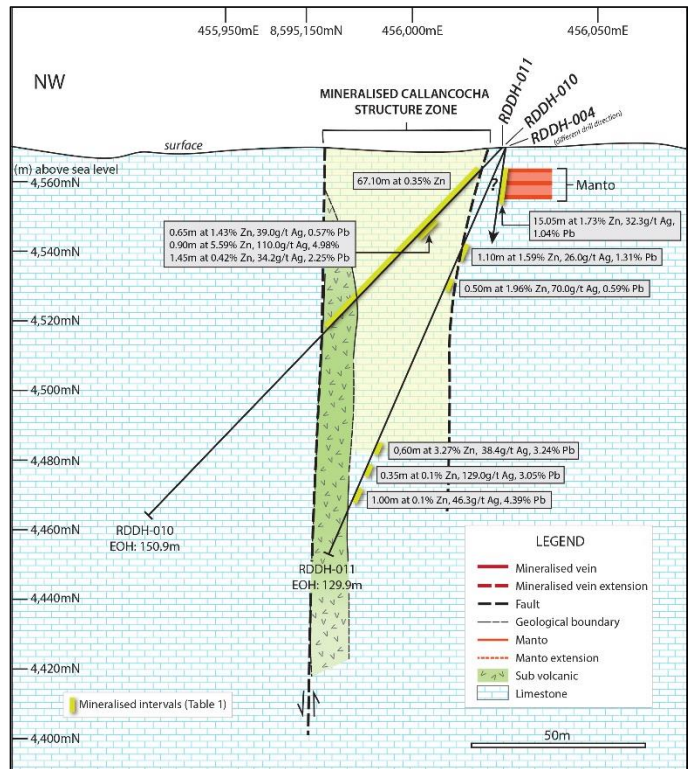


Figure 9: RIGHT A schematic EW-section showing RDDH-010 and RDDH-011. The NS-trending Callancocha Structure hosts broad low grade mineralisation that is believed related to the structure itself. Much higher grade NS vein occur within the structure, for example the new NS-trending vein that was identified in the mine working (refer above).

Post September 2017 quarter drilling includes holes RDDH-016, RDDH-017 and RDDH-018. Several NS-trending veins and a new mineralised breccia were identified in RDDH-016/17. The frequency and orientation of veins recorded in drill holes RDDH-016/17 and at surface indicate the presence of a large NS-trending structure, similar to the Callancocha Structure. In RDDH-018 all the targeted EW-trending veins were identified. This result now demonstrates that veins HV-10, HV-09, HV-06 and HV-08 have a strike length of at least 350m, both at surface (mapping) and underground (RDDH-018). In previous drilling, these veins are known to extend to depths of 400m. A very significant array of mineralised veins is indicated at Humaspunco East.





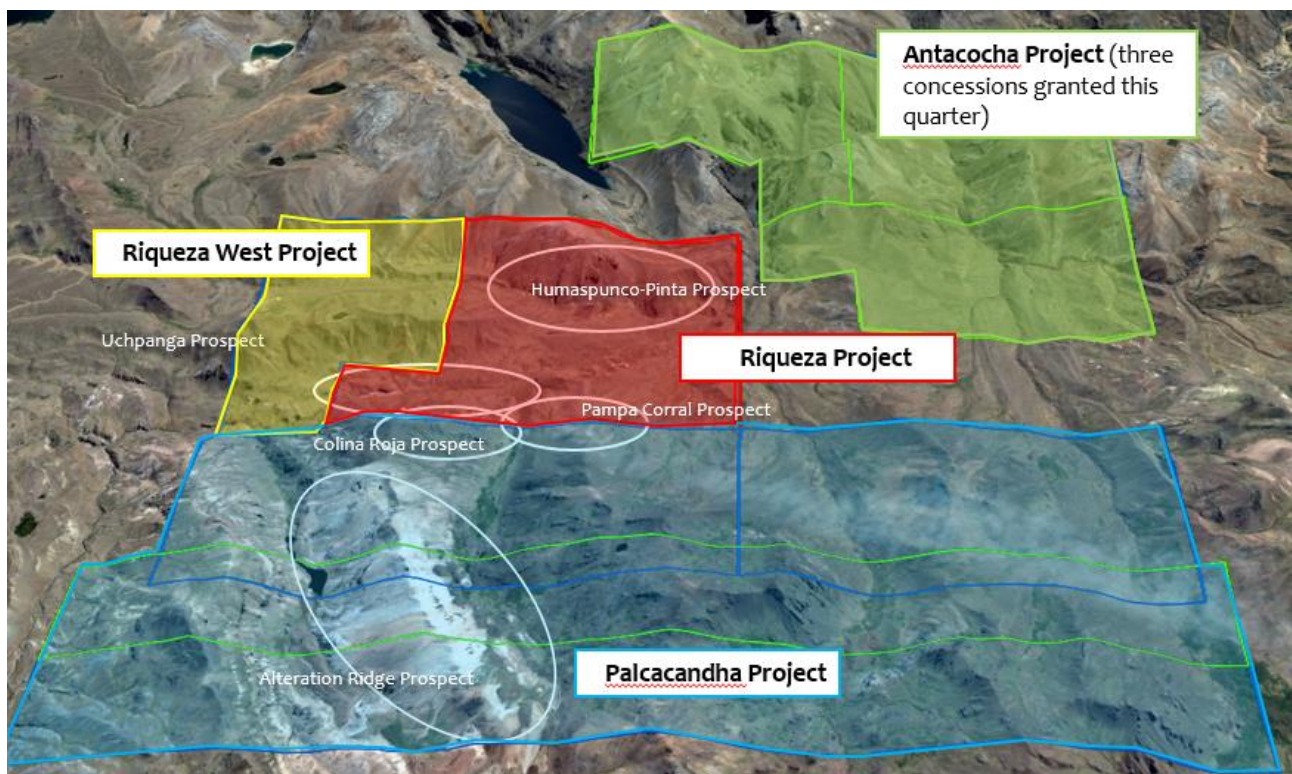
**Continued Expansion of the Greater Riqueza Project**

The three remaining concessions of the eight concessions applied for by the Company were granted this quarter (Table 3, Figure 10). Comprising the Antacocha Project, the three new concessions host thick sequences of the Jumasha Formation, a limestone that is a host of replacement mineralisation at Humaspunco-Pinta. The Riqueza Project now covers an area of 6,371.1 hectares.

Table 3: **BELOW** List of projects, prospects and concessions making up the Greater Riqueza Project

Project and Prospect Nomenclature for the Greater Riqueza Project				
Project Name	Concession Name	Ownership Status	Prospects	Prospectivity
Riqueza	Nueva Santa Rita	Granted, subject of 100% earn-in agreement	Humaspunco	Replacement Zn-Ag-Pb mantos, veins, breccias
			Pinta	Replacement Zn-Ag-Pb mantos, veins, breccias
			Uchpanga	Epithermal Au-Ag-Cu-Zn-Pb-Mn veins/dyke/stockwork; stratiform Au-Ag-Zn-Pb, surface gossan
			Pampa Corral	Skarn Cu±Au
Palcacandha	Picuy	Granted 100%		Epithermal Au-Ag-Cu anomaly
	Uchpanga	Granted 100%	Colina Roja	Epithermal Au-Ag-Cu-Zn-Pb-Mn veins/stockwork, skarn Cu±Au
			Alteration Ridge	Epithermal Au-Ag-Cu anomaly
	Uchpanga II	Granted 100%	Alteration Ridge	Epithermal Au-Ag-Cu anomaly
Uchpanga III	Granted 100%	Alteration Ridge	Epithermal Au-Ag-Cu anomaly	
Riqueza West	Rita Maria	Granted 100%		Replacement Zn-Ag-Pb potential
Antacocha	Antacocha I	Granted 100%		Replacement Zn-Ag-Pb potential
	Antacocha II	Granted 100%		Replacement Zn-Ag-Pb potential
	Maihuasi	Granted 100%		Replacement Zn-Ag-Pb potential

Figure 10: **BELOW** General location plan of the Greater Riqueza Project





### Cerro Rayas Zn-Pb-Ag Project

The Company completed a first-pass mapping and channel sampling program at three mine workings located at Cerro Rayas (Vilcapuquio, Torrepatá and Wari) this quarter. The results of the 78 samples are exceptionally strong (Table 4) with multiple plus-50% combined Zn+Pb assay values being recorded. **The top-10 Zn results are all >30% and average 36.89%. The top-10 Pb results are all >20% and average 28.07%.**

Sample Number	Channel Length (m)	Zn %	Sample Number	Channel Length (m)	Pb %	Sample Number	Channel Length (m)	Zn + Pb %
IM-001084	1.00	42.61	IM-001055	0.80	46.08	IM-001001	0.5	56.34
IM-001083	0.80	41.82	IM-001061	0.50	34.46	IM-001082	0.8	53.88
IM-001004	0.50	40.92	IM-001028	0.60	32.52	IM-001079	0.7	53.49
IM-001048	0.50	39.67	IM-001082	0.80	30.76	IM-001084	1.0	52.38
IM-001081	0.30	38.31	IM-001001	0.50	27.15	IM-001077	0.5	52.34
IM-001006	0.50	34.63	IM-001079	0.70	24.06	IM-001078	0.6	51.09
IM-001078	0.60	33.76	IM-001072	0.80	22.95	IM-001055	0.8	46.11
IM-001012	0.80	33.60	IM-001003	0.30	21.08	IM-001081	0.3	44.20
IM-001013	0.60	32.26	IM-001077	0.50	21.00	IM-001004	0.5	43.25
IM-001077	0.50	31.34	IM-001043	0.90	20.66	IM-001013	0.6	42.71

Table 4: ABOVE Top-10 assay results from 78 channel samples taken at Cerro Rayas, including Zn, Pb and Zn+Pb.

Vilcapuquio, Torrepatá and Wari define a mineralised NW-SE corridor which extends for 1.5km (Figure 11). At each mine working, mineralisation is associated with breccias or breccia veins (Figure 12) that appear to cross-cut steeply dipping and tightly folded sequence of Jurassic aged limestone. In terms of exploration potential, there are 27 breccias and breccia veins currently known at Cerro Rayas. Like the mine workings, these breccias occur along faults (Figure 11) which are believed to be related to larger scale regional structures.

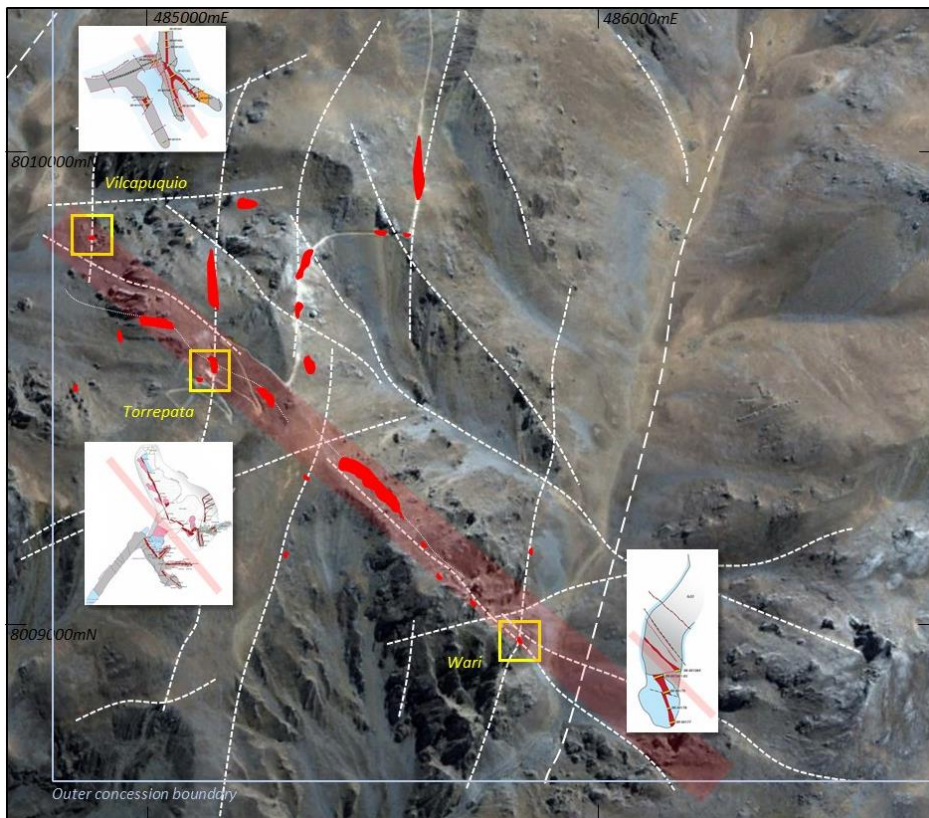


Figure 11: LEFT Structural interpretation on a satellite image showing breccias and lineaments occurring at Cerro Rayas (red shaded areas and white dashed lines respectively). There are 27 known breccias occurring at Cerro Rayas. They are typically located on or close to lineaments. The mineral trend, defined by the three workings and the larger breccia structures is shown (a broad transparent red line) on the main image and on the inserts which show the details of mine working mineralisation (from Figure 12). The mine site trend in mineralisation mimics the project-scale trend.



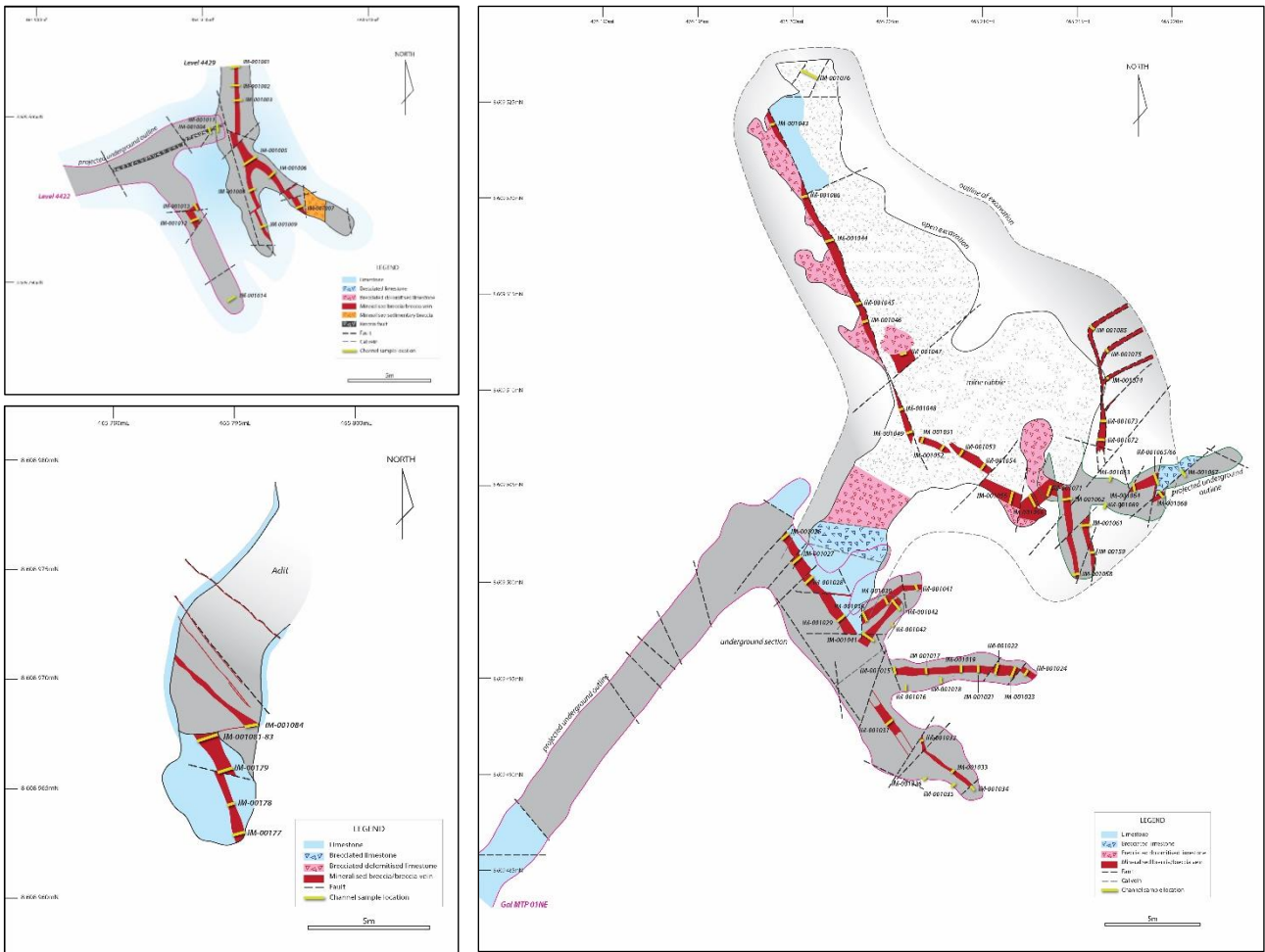


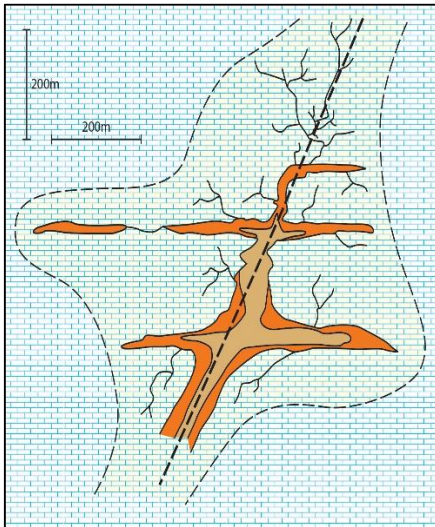
Figure 12: Detailed geological plans of **TOP LEFT** Vilcapuquio, **ABOVE** Torrepata and **BOTTOM LEFT** Wari showing the location of the channel samples. The mineralised features are shaded in solid red.

Smithsonite (Zn carbonate) (Figure 13) and galena (Pb sulphide) are the principal ore forming minerals within the mineralised breccias at the mine workings. This is particularly the case at Vilcapuquio and Wari. Where mineralisation is weathered, the ore material is often strongly gossanous. It appears that fresher mineralisation contains less gossan and commensurately more galena and sphalerite (Zn sulphide). The gangue minerals are calcite and dolomite. Dolomitisation is the dominant alteration type. Stockwork typically comprises calcite veins and veinlets.



Figure 13: **ABOVE RIGHT** Rock specimen rich in smithsonite, a Zn-bearing mineral common in MVT deposits.

The characteristics of the mineralisation occurring at Cerro Rayas (host type, alteration style and mineral assemblage) are strongly indicative of MVT mineralisation. MVT Zn-Pb deposits are a varied category of ore deposit that predominantly occur in dolomites and limestones. Zn and Pb are the major commodities. They range in size from 2Mt to 1,600Mt with an average size of 7Mt. Zn grades average 4% (ranging from 1.4% to >12%) (Cox, et al USGS Spec Bull 1693, 1986). The San Vicente MVT mine in Peru, containing 30Mt of ore at 12%-14% Zn, is 250km north of Cerro Rayas.



By way of simple explanation, MVT deposits occur when metals (typically Zn and Pb) drop out of low temperature fluids migrating along conduits into trap sites (typically rock cavities) within favourable host rocks (typically limestones). Common features of MVT deposits therefore include limestone, a controlling structure, low temperature alteration (dolomite), brecciation and Zn/Pb minerals (Figure 14), all of which occur at Cerro Rayas. *NOTE: The limestone-hosted Zn-Ag-Pb deposit at Humaspunco (Riqueza) differs from Cerro Rayas in that its mineralising fluids are believed to be associated with intrusive rocks and were therefore hotter than the mineralising fluids at Cerro Rayas.*

Figure 14: **LEFT** Schematic section showing the major elements of an MVT deposit. The solid coloured parts represent the ore body spread along and issuing from a structure. A dolomite alteration halo affects the host limestone.

## Next Quarter (September-December 2017)

Positively impacting on both of the Company's projects moving forward, Peru's Ministry of Energy and Mines (**MEM**) intends changing regulations concerning, *inter alia*, drill permits. Among the changes is a creation of a "Low Environmental Impact Project" applicable where drilling programs have less than 20 drill platforms. The Company's drilling programs at both Riqueza and Cerro Rayas fall into this new category. In this case, the MEM would provide permission to drill within ten business days of the application. The Company understands that these provisions are likely to be enacted in the December 2017 or March 2018 quarters.

### Greater Riqueza Project

Detailed core logging and sampling of the remaining holes (RDD-019 to RDDH-023) will be completed in the December 2017 quarter. Core sampling has been completed up to RDDH-019 and detailed core logging has been completed up to RDDH-021.

The Company intends following up on the very positive reconnaissance results. Planned exploration includes:

- Mapping and sampling at Colina Roja – following up in the new Au-Ag and Zn-Ag-Pb veins and Au-bearing stockwork zones.
- Mapping and sampling at Colina Roja and Alteration Ridge Roja – following up in the new Cu mineralisation.
- Mapping and sampling at Pampa Corral – following up in the early signs of skarn Cu associated with two intrusive stocks.

Phase 2 drilling at Riqueza is planned to commence in late 2017-early 2018.

### Cerro Rayas Project

Cerro Rayas is rapidly maturing with Vilcapuquio, Torrepatá and Wari being drill-ready targets. A sampling program to test the 27 known breccias occurring within the project area has already begun, with the largest breccia (circa 120m x 20m) located along strike from Torrepatá the subject of current exploration. Project-wide reconnaissance exploration will focus on identifying "areas of interest" including, but not limited to, sites with visible mineralisation, dolomitization and brecciation. Following completion of the above, the Company intends to commence drilling at Cerro Rayas as soon as practicable in late 2017-early 2018.





## CORPORATE ACTIVITIES

The Company completed a placement of 18,212,110 fully paid ordinary shares at an average issue price of 1.487 cents per share during the quarter. Inca's shares were trading at 1.0 cent per share immediately prior to the announcement of the placement. The placement raised \$250,000 (net of all raising costs) which will assist in funding the ongoing DIA drilling program and surface exploration activities at the Greater Riqueza project area and at Cerro Rayas.

**Ross Brown**  
Managing Director

### Competent Person's Statements

The information in this report that relates to exploration activities for the Riqueza and Cerro Rayas projects, 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 activities, 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.

**Table 5: List of ASX Announcements During and Post September 2017 Quarter**

ASX Announcements	Price Sensitive	Date Announced	Competent Person
September 2017 Quarter Announcements			
Share Placement	YES	5/07/2017	
Cleansing Notice and Appendix 3B	NO	6/07/2017	
Listing Rule 3.10.5A Requirements - Inca Share Placement	NO	7/07/2017	
Riqueza and Cerro Rayas - A Bright Future in Zinc	YES	10/07/2017	Ross Brown
High Grade Zn-Ag-Pb at New Palcacandha Project	YES	24/07/2017	Ross Brown
Inca Activities Report - June 2017 Quarter	YES	26/08/2017	
Inca Appendix 5B - June 2017 Quarter	YES	26/08/2017	
Strong Mineralisation in Manto & Callanchocha Structure	YES	1/08/2017	Ross Brown
Riqueza Update - All Activities Producing Strong Results	YES	30/08/2017	Ross Brown
Relodgement of Inca Announcement Dated 30 August 2017	NO	1/09/2017	Ross Brown
Underground Sampling Commences at Cerro Rayas	YES	4/09/2017	Ross Brown
10.37% Zinc, Two-Ounce Silver and 7.81% Lead in Drilling	YES	6/09/2017	Ross Brown
Underground Sampling Commences at Humaspunco	YES	7/09/2017	Ross Brown
High Grade Gold and Silver at Greater Riqueza Project	YES	13/09/2017	Ross Brown
Strong Manto Mineralisation Continues at Riqueza	YES	18/09/2017	Ross Brown
Six grams Per Tonne Gold Reconfirmed at Riqueza	YES	20/09/2017	Ross Brown
Company Update	YES	22/09/2017	Ross Brown
2017 Annual Financial Report	NO	29/09/2017	
Post-September 2017 Quarter Announcements			
Very Strong Grades in Riqueza Underground Sampling	YES	2/10/2017	Ross Brown
Trading Halt	YES	3/10/2017	
Voluntary Suspension	YES	5/10/2017	
40.92% Zinc in Underground Sampling at Cerro Rayas	YES	6/10/2017	Ross Brown
Reinstatement to Official Quotation	YES	6/10/2017	
Mineralised Samples From Cerro Rayas - Assays Pending	YES	9/10/2017	Ross Brown
42.61% Zinc in New Channel Samples at Cerro Rayas	YES	12/10/2017	Ross Brown

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