20 November 2017

SIGNIFICANT Zn-Ag-Pb DISCOVERY AT GREATER RIQUEZA

HIGHLIGHTS

- Excavations expose new zone of mineralisation at Humaspunco Prospect, Riqueza
- Continuous channel samples return very high zinc (**Zn**), silver (**Ag**) and lead (**Pb**) grades:
  - **8.48% Zn, 86.3g/t Ag, 3.48% Pb** channel sample (1.0m) IM-000334
  - **6.55% Zn, 125.0g/t Ag, 5.98% Pb** channel sample (1.0m) IM-000331
  - **4.52% Zn, 30.1g/t Ag, 1.54% Pb** channel sample (1.0m) IM-000324
  - **4.21% Zn, 66.3g/t Ag, 5.05% Pb** channel sample (1.0m) IM-000323
  - **3.51% Zn, 53.2g/t Ag, 5.60% Pb** channel sample (1.0m) IM-000329
  - **290g/t Ag, 4.36% Pb** channel sample (0.3m) IM-000341
  - **196g/t Ag, 13.92% Pb** channel sample (1.0m) IM-000326
- Mineralisation associated with open-ended stockwork in major NE-SW Callancocha Structure
- Results from drill holes RDDH-019, RDDH-020 and RDDH-021 expected within 7-10 days

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Inca Minerals Limited (**Inca** or the **Company**) (ASX code: ICG) has received assay results of a channel sampling program recently completed at Humaspunco, Greater Riqueza Project. The channel samples were taken from two trenches recently excavated as part of an ongoing drill target identification program. A broad, open-ended zone of mineralised stockwork has been identified in both trenches comprising veins and veinlets with visible smithsonite (zinc carbonate) and galena (lead sulphide).

"In terms of mineralisation at Humaspunco, the discovery is debatably the most significant to date" says Inca's Managing Director, Mr Ross Brown. "We have strong open-ended grades over significant true widths hosted in a very large target."

The majority of the 17 channel samples report strong mineralisation. The top-5 Zn results include **8.48%** (Figure 1), **6.55%, 4.52%, 4.21%** and **3.51% Zn.** The top-5 Ag results include **290g/t, 196g/t, 125g/t, 106g/t** and **86.30g/t Ag**. The top-5 Pb results include **13.92%, 7.39%, 5.98%, 5.78%** and **5.60%** Pb. Five channel samples, IM-000323 to IM-000327, were taken from Trench 1 (Figure 2). The average grade for **Trench 1 is 2.73% Zn, 95.13g/t Ag** and **6.30% Pb** over a true width of 4.7m. Twelve channel samples, IM-000328 to IM-000341, were taken from Trench 2 (Figure 2). The average grade for **Trench 2 is 3.57% Zn, 70.01g/t Ag and 4.04% Pb** over a true width of 10.1m. Mineralisation in both trenches is open-ended.

Figure 1: **RIGHT** Rock specimen of channel sample IM-000334 with **8.48% Zn, 86.3g/t Ag** and **3.48% Pb**. Although the sample is highly weathered (to boxwork gossan) the grades are very strong.

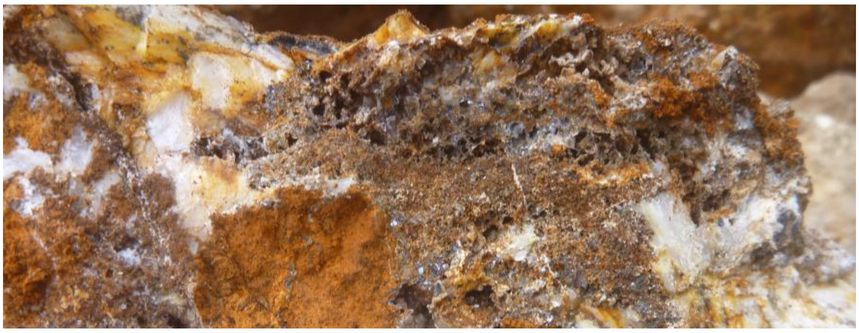



Figure 2: **ABOVE** The two trenches from which the 17 continuous channel samples were taken. **LEFT** Trench 1. The red paint shows where the channel samples were taken. An adit to an underground mine working is seen in the bottom right hand corner of the picture. It is believed that the mineralisation that was subject of past mining in the old mine extends to the south and at surface or under scree material in this area; **RIGHT** Trench 2. The stockwork continues open-ended under a thin (<1.5m thick) cover of scree (loose brown gravel).

Description of the Mineralised Stockwork

The newly discovered mineralised stockwork consists of veins and veinlets within a sequence of fractured and argillic-altered country rock. Visible ore-forming minerals include massive to botryoidal smithsonite and galena (Figure 2). The stockwork zone is highly weathered with Fe-oxides and boxwork gossans well developed. The latter is related to oxidised sulphides. The gangue minerals are calcite and barite.



Figure 3: **ABOVE LEFT** Smithsonite /galena veinlet (IM-000325: 2.98% Zn, 80.5g/t Ag, 3.95% Pb); **ABOVE MIDDLE** Fe-oxide rich mineralisation (IM-000324: 4.52% Zn, 30.1g/t Ag, 1.54% Pb); **ABOVE RIGHT** Highly ferruginous boxwork gossan mineralisation (IM-000327: 106g/t Ag, 7.39% Pb); **RIGHT** A combination of veinlets with galena and boxwork gossan styles of mineralisation (IM-000337: 2.39% Zn, 58.5g/t Ag, 3.67% Pb).

Table 1: **BELOW** Assay results of channel sampling from Trench One and Trench Two.

Sample Number	Sample Description		Zn		Ag	Pb		Cu	
	Channel Sample Length (m)	Channel Sample Orientation	ppm	%	ppm	ppm	%	ppm	%
Trench One (4.70m in length)									
IM-000323	1.00	NNW-SSE	>10000	**4.21**	66.3	>10000	**5.05**	682.9	0.07
IM-000324	1.00	NNW-SSE	>10000	**4.52**	30.1	>10000	**1.54**	586	0.06
IM-000325	1.00	NNW-SSE	>10000	**2.98**	80.5	>10000	**3.95**	1280.6	0.13
IM-000326	1.00	NNW-SSE	6721	0.67	196	**>10000**	**13.92**	802.8	0.08
IM-000327	0.70	NNW-SSE	6516.2	0.65	106	>10000	**7.39**	934.7	0.09
Weighted averages for Zn, Ag, Pb				**2.73**	**95.13**		**6.30**		
Trench Two (10.10m in length)									
IM-000328	1.00	NW-SE	>10000	**2.46**	48.5	>10000	**5.44**	333.5	0.03
IM-000329	1.00	NW-SE	>10000	**3.51**	53.2	>10000	**5.60**	333.1	0.03
IM-000331	1.00	NW-SE	>10000	**6.55**	125	>10000	**5.98**	1463.6	0.15
IM-000332	1.00	NW-SE	>10000	**3.31**	53.8	>10000	**4.75**	316	0.03
IM-000333	1.00	NW-SE	>10000	**3.34**	67.3	>10000	**5.78**	511	0.05
IM-000334	1.00	NW-SE	**>10000**	**8.48**	86.3	>10000	**3.48**	1002.2	0.10
IM-000335	1.00	NW-SE	>10000	**2.21**	42.8	>10000	**2.72**	325.9	0.03
IM-000336	1.00	NW-SE	>10000	**2.43**	44.8	>10000	**2.59**	984.6	0.10
IM-000337	0.40	NW-SE	>10000	**2.39**	58.5	>10000	**3.67**	2568	0.26
IM-000338	0.40	NW-SE	2874.5	**0.29**	17.2	4987	0.50	315.9	0.03
IM-000339	1.00	NW-SE	>10000	**2.45**	68.1	>10000	**1.49**	2064.6	0.21
IM-000341	0.30	NW-SE	8449.2	0.84	**290**	>10000	**4.36**	2419.7	0.24
Weighted averages for Zn, Ag, Pb				**3.57**	**70.01**		**4.04**		

Importantly, mineralisation identified in the two trenches is open-ended in all directions. The first and last samples from each trench are mineralised. As discussed further below, follow up work involving additional trenches and channel samples, will test extensions of this new and important zone of mineralisation.

Importance of Results

The Company has discovered a zone of strong Zn-Ag-Pb stockwork mineralisation with a minimum true-width of 10m. The zone is open-ended in all directions and occurs within the Callancocha Structure which is 800m long and 75m wide at Humaspunco. "Broad stockwork mineralisation such as this, associated with a very large structure makes it a very significant discovery" says Mr Brown.

The fan-like pattern of the mineralised veins and veinlets, and of the rock fractures and local faults (Figures 4 & 5) is believed to be caused by wrenching movement of the Callancocha Structure at the time of mineralisation. Further evidence of wrenching at this locality is the dislocation and deformation of a sub volcanic dyke (Figure 4). Strong mineralisation associated with a large-scale structure such as the Callancocha Structure has far reaching positive implications regarding the prospectivity of Riqueza, discussed immediately below.

"We have proven that the Callancocha Structure hosts strong zinc, silver and lead mineralisation" says Mr Brown. "It is now strongly indicated that it has caused mineralisation and is the conduit of mineralisation at Humaspunco. By this, the Callancocha Structure is cemented as a very high priority, and very large, drill target."

Figure 4: **BELOW** Channel sample location plan of the two trenches subject of this announcement. This plan shows the stockwork zone: red lines representing smithsonite-galena veins/veinlets, yellow-black lines representing gangue minerals – calcite/barite veins/veinlets, in relation to faults (blue lines) and fractures (black lines) which are all structural elements of the Callancocha Structure. The "sweeping" appearance of the stockwork reflects the wrenching action of the Callancocha Structure. A fault-offset sub volcanic (green lines) is further evidence of wrenching.

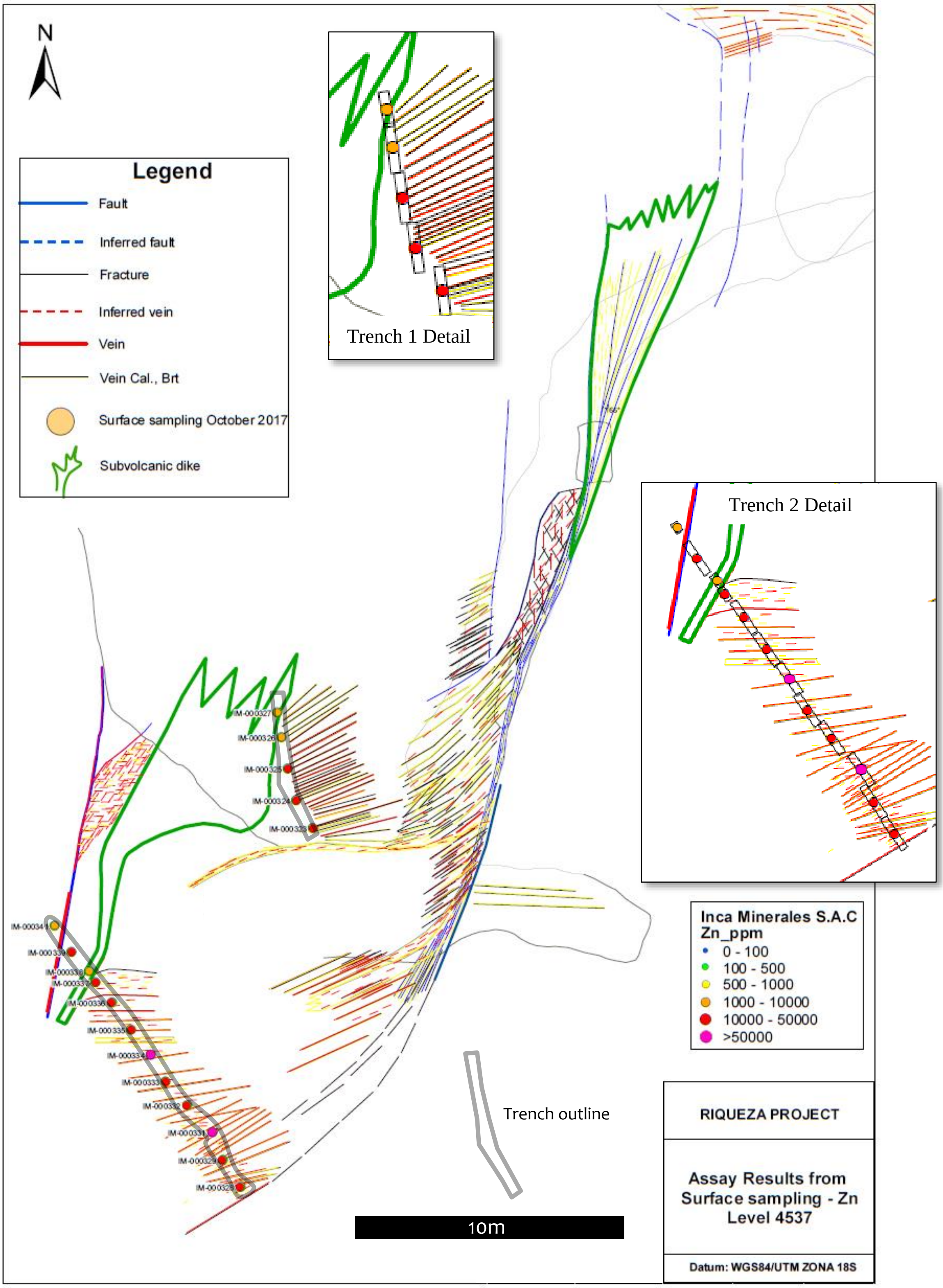
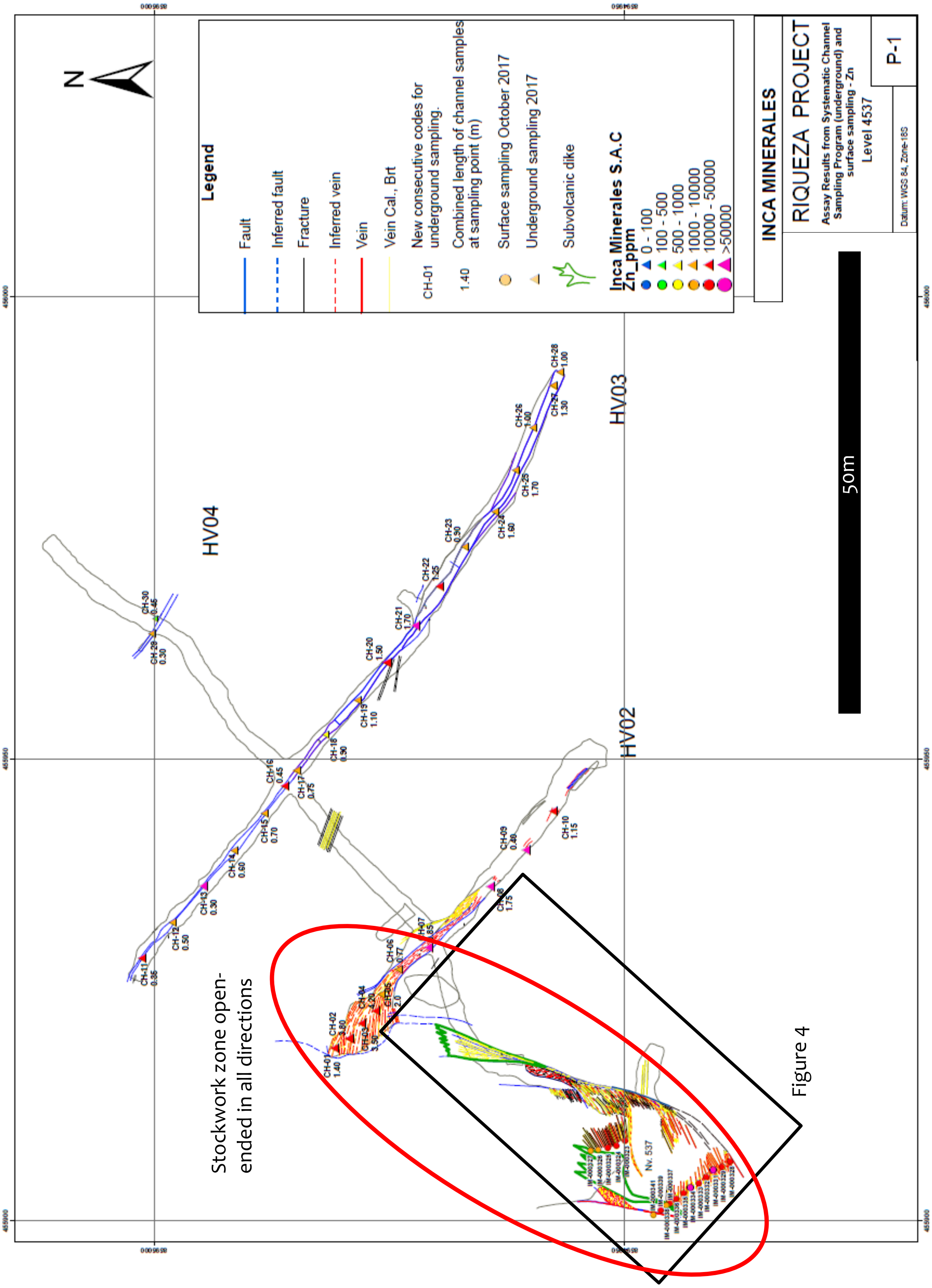


Figure 5: **BELOW** Channel sample location plan of the two trenches and underground mine working. In this plan the spatial relationship between the stockwork in the two trenches and the stockwork in the underground mine is apparent. The CH-numbers in the underground section refer to channel sample numbers listed in Table 2.



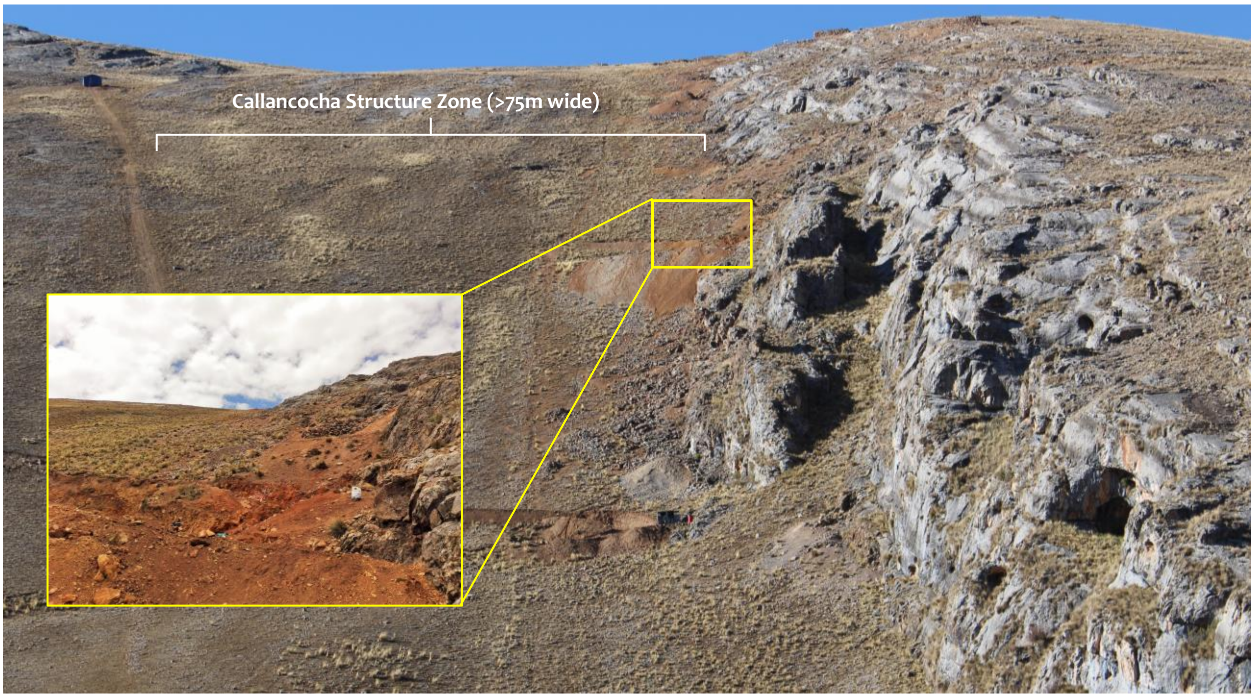


Figure 6: **ABOVE** Landscape photo showing the location of the two trenches (INSERT PHOTO) in relation to the Callancocha Structure. The Callancocha Structure forms a large fault zone that is believed to be a major control on mineralisation. At Humaspunco it was more than 75m wide and has led to the limestone being moved downwards relative to the east side – hence the development of a west-facing lines of cliff.

Mapping shows that the veins and veinlets that comprise the stockwork zone exposed in the two trenches trend towards the western end of the underground workings where veins and veinlets have also been mapped (ASX announcement 7 September 2017 and 2 October 2017) (Figure 5). It is believed therefore that the stockwork mineralisation in the trenches is a continuation of the mineralisation exposed in the underground mine. It is further concluded that this new Zn-Ag-Pb stockwork zone is associated with the Callancocha Structure and that therefore other parts of the Callancocha Structure are equally prospective for stockwork mineralisation.

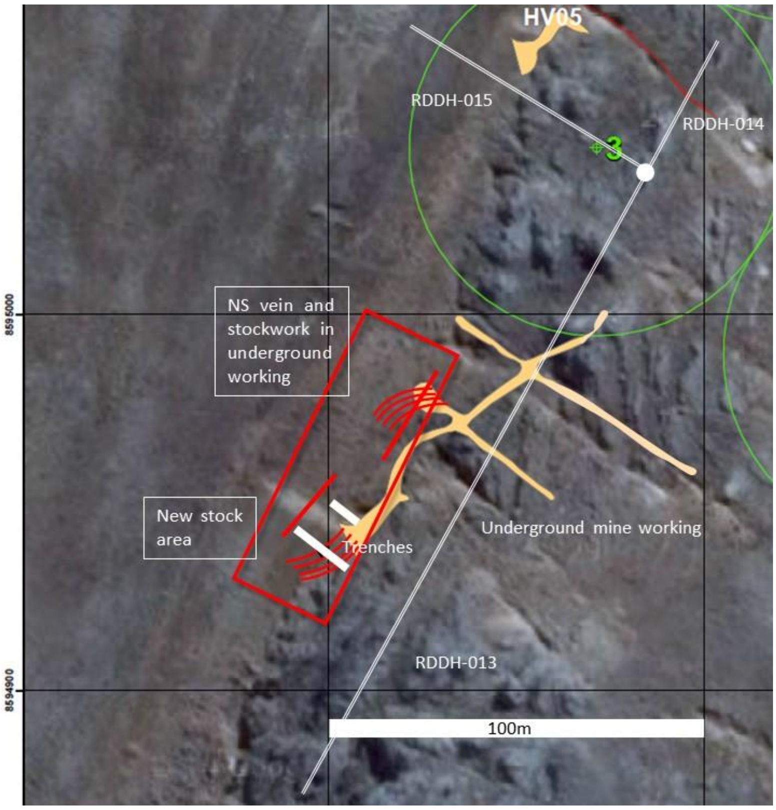


Figure 7: **RIGHT** Satelite image of Humaspunco showing the location of the trenches in relation to the underground mine (projected to the surface) and the nearest drilling.

The Callancocha Structure is believed to have played a major role in mineralisation at Humaspunco. In simple terms, it is believed that fault movement(s) and wrenching associated with the Callancocha Structure led to the widespread development of rock cavities (brecciation, veining and stockworking) within the structure itself and extensions from it. These cavities were subsequently infilled with metal-bearing fluids leading to the development of Zn-Ag-Pb mineralisation. The mineralised breccias, veins and stockworks are susceptible to weathering so smithsonite develops, as well as Fe-oxides and gossans.

The Callanocha Structure is a large feature that persists over 4kms across the Greater Riqueza Project. At Humaspunco, it is 800m long and approximately 75m wide. To the south, it is believed to be a major control of mineralisation at Uchpanga, Colina Roja and Alteration Ridge. At Colina Roja, recent discoveries include a vein containing >3% Zn, >100g/t Ag, >3% Pb, a vein containing >6g/t Au and several Au-bearing stockworks.

Future Exploration

The dual exploration campaigns conducted in 2017, phase 1 drilling and project-wide surface exploration, has led to a significant increase in drill-worthy targets within the vastly expanded Greater Riqueza Project area. The assay results from drill holes RDDH-019, RDDH-020 and RDDH-021 are expected within 7-10 days. Subject to these result (and those from drill holes RDDH-022 and RDDH-023), specific targets now include, but are not limited to, the following:

- Zn, Ag, Pb breccia, vein, stockwork structure-related mineralisation – Callancocha Structure;
- Zn, Ag, Pb vein, manto and breccia carbonate replacement mineralisation – Humaspunco-Pinta;
- Zn, Ag, Pb, Au, (Cu, Mn) vein epithermal mineralisation – Uchpanga;
- Zn, Ag, Pb, Au, Cu epithermal mineralisation – Colina Roja.

More broadly defined targets now include, but are not limited to, the following:

- Extensions of the Callancocha Structure – across the project;
- Cu skarn mineralisation – Pampa Corral;
- Epithermal mineralisation – Alteration Ridge;
- Southern extensions of the manto sequence – Humaspunco South;
- Intrusive-hosted mineralisation – Uchpanga, Colina Roja, Pampa Corral, Alteration Ridge.

The number and variety of targets now known at Riqueza is vastly superior than that when drilling first commenced in early 2017. It is reflective of the fact that multiple large parts of an even larger intrusive-related mineralised system are known across the project area. The total target area is approximately 7.5km x 5km in size.

"I think our shareholders would be pleased to know that plans for future exploration at Riqueza not only include testing all our known targets but also to generate even more exciting targets" says Mr Brown. "When important discoveries are still being made, for example the recent discovery of the strong stockwork mineralisation in the two trenches, a multi-disciplined exploration program is the right approach to take. Drilling, mapping, surface sampling and geophysics are all planned for 2018."

Phase 2 drilling will commence as soon as possible. Where targets do not require a revised drill platform location, no adjustment to the existing permit is required. In the case of new targets, for example, the stockwork zone subject of this announcement, or targets that are best tested with a revised platform location, an ITS will be required from the Ministry of Emengy ands Mining (**MEM**) before drilling can begin. An ITS takes 45 business days to be granted. Note however, that under pending MEM regulations, Riqueza would be considered a "Low Environmental Impact Project", in which case permission to drill could be given in 10 business days. In both scenarios, the Company has adequate time to fully investigate the recent discovery at Humaspunco so that it can be made part of the opening round of drilling in Phase 2 drilling at Riqueza.

Table 2: **RIGHT** Channel sample assay results for Zn, Ag and Pb. This table first appears in ASX announcement dated 2 October 2017.

Sample Number	Vein	Channel Number (length m's) Sample Sequence	Channel Number (Figure 1)	Channel Length	Zn		Av Zn	Ag	Av Ag	Pb		Av Pb
					ppm	%	Ch %	g/t	Ch g/t	ppm	%	Ch %
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		1NW (0.85m)	Channel 7	0.30	>10000	5.31	5.23	113.0	192.6	>10000	10.31	14.77
IM-000261				0.55	>10000	5.19		236.0		>10000	17.21	
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	New NS vein	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				0.80	>10000	1.68		115.0		>10000	9.72	
IM-000285		7NW (1.40m)	Channel 1	1.00	>10000	1.50	3.09	37.1	54.3	>10000	2.29	3.55
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	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		5SE (1.70m)	Channel 21	0.80	>10000	1.70	1.66	4.2	9.3	1740	0.17	0.66
IM-000304				0.90	>10000	1.63		13.9		>10000	1.10	
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	

A Note from the Managing Director: An Explanation of Exploration Conducted by the Company

Inca is a junior resource company with exploration projects in Peru. The focus is zinc exploration and it is our intention to discover an economic deposit(s) and to develop it (them) into production. As can be imagined, there are many steps along the way. In light of recent results from our dual-focused exploration program at Riqueza and walk-up results from Cerro Rayas, I thought that I might provide an outline of the exploration process being applied to both projects, to place into context the results in a broader framework of best-practice exploration.

Exploration can be broken down into different stages, early-stage, middle-stage and late-stage. After late-stage exploration the term "development" is often used to describe activities. Development can be broken down into different stages which are mostly based on progress through resource definition. Milestones are typically reported in progressively detailed assessments (scoping study, pre-feasibility, feasibility and bankable feasibility). In any case, **exploration comes before development** and, by definition, deals entirely with pre-resource activities.

Exploration leads to discovery; development leads to definition.

In broad terms, the purpose of early-stage exploration is to determine the general prospectivity of the project. Exploration techniques used in early-stage exploration may include: previous work analysis; satellite imagery analysis; reconnaissance mapping; grab sampling; and project-wide geophysics. Typically, early-stage exploration might result in the identification of "areas of interest", or **prospects** within a project area. Within the prospects, drill targets might start to be defined in early-stage exploration.

Middle-stage exploration should only be considered if early-stage exploration is successful. In broad terms, the purpose of middle-stage exploration is to determine the potential of the prospects within the project. Exploration techniques used in middle-stage exploration may include: detailed mapping; channel sampling; grid soil sampling; ground geophysics; and reconnaissance drilling. Middle-stage exploration might result in the identification of a zone(s) of mineralisation with some potential of being an economic deposit and therefore warranting further drilling.

Exploration is also a dynamic process, applied flexibly in the evolution of a project. A point in case is the use of geophysics at Riqueza. The Company was cautious about suitability of geophysics at Humaspunco, but now that mineralisation is linked to the Callancocha Structure and that the gold-related epithermal prospects are being discovered, the use of geophysics could be a very effective way to generate large targets.

Inca's Riqueza and Cerro Rayas projects are early-stage to middle-stage exploration projects. At Riqueza, exploration is focussed in prospect areas and has included above stated exploration techniques including reconnaissance drilling. At Cerro Rayas exploration is focussed on previous work and project-wide discovery.

Late-stage exploration should only be considered if middle-stage exploration is successful. In broad terms, the purpose of late-stage exploration is to begin detailed drilling where previous exploration has identified a zone(s) of mineralisation that has some potential of being an economic deposit. Exploration techniques used in late-stage exploration may include: in-fill and extension drilling, down-hole geophysical surveys and early metallurgical tests. At the completion of a *successful* late-stage drilling campaign the company might have sufficient information about a zone of mineralisation to be able to define it as an **Exploration Target**. An Exploration Target, as defined by the Australasian Code for Reporting Exploration Results, Minerals Resources and Ore Reserves (usually referred to as the **JORC Code 2012** or **JORC 2012** or **JORC**), is:

> *"…. a statement or estimate of the exploration potential of a mineral deposit in a defined geological setting where the statement or estimate, quoted as a range of tonnes and a range of grades (or quality), relates to mineralisation for which there has been insufficient exploration to estimate a Minerals Resource."*

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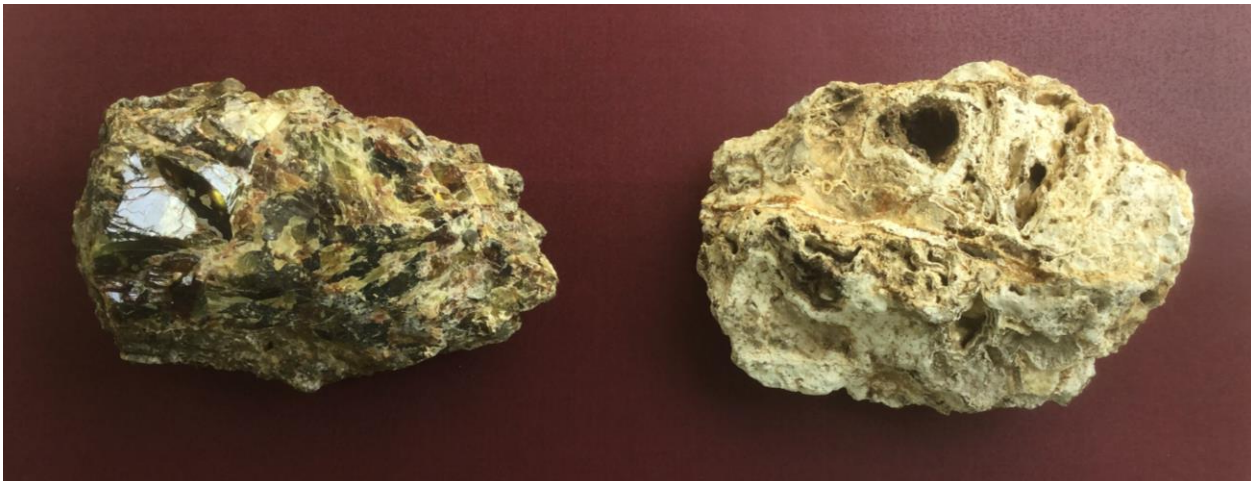
With respect to Riqueza, at the current time, no part of any mineralisation can be defined as an Exploration Target. This is due to the fact that no part of Riqueza has received sufficient exploration to determine both a range of tonnes or a range of grades of mineralisation. In other words, no part of Riqueza has reached late-stage exploration. This is a direct consequence of the exploration effort being spread over an ever-increasing number of prospects and drill-worthy targets.

Future work at Riqueza is planned to significantly progress the exploration status of the project and prospects within it. It is preferable to have all parts of the project at the same exploration status. This is difficult when new ground is acquired, such is the case at Riqueza (eight new concessions were added to the one defining the new Greater Riqueza Project). Under such circumstances it is not unusual for a company to undertake early-stage exploration in lesser explored (new) areas.

The Company is planning to do the following: Where a part of the project is early-stage, it is the intention of the Company to advance it to middle-stage and then on to late-stage should results be positive. Where a part of the project is middle-stage, it is the intention of the Company to advance it to late-stage and then on to development should the results be positive. By way of example: Colina Roja and Alteration Ridge will be advanced to middle-stage, whilst Humaspunco will be advanced to development, if results are positive.

With respect to Cerro Rayas, at the current time, the project is considered early-stage. We are squarely in the discovery phase. Work undertaken to date at the mine workings serves as an orientation tool, testing the known occurrences of mineralisation so that its characteristics are understood. Already we have established the fact that the Zn-Ag-Pb deposits at each of the mine workings are Mississippi Valley Type (**MVT**). Consequently, we already know that Cerro Rayas is quite different to Riqueza, equally exciting, but different. This knowledge helps us formulate the most efficient exploration programs moving forward.



Sphalerite (zinc sulphide) from Riqueza **Smithsonite (zinc carbonate) from Cerro Rayas**

Competent Person Statement

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

Key Words Used in this Announcement *(order of appearance)*

Channel Sampling	A sampling technique whereby a continuous length of rock is collected for assay testing, usually in a perpendicular orientation to mineralisation. A single channel sample is typically one metre long in length or shorter. A series of channel samples may extend for tens of metres. This technique is often used in trenches or across large expanses of rock outcrop.
Stockwork	A mineral deposit in the form of a network of veinlets diffused in the Country Rock.
Scree	Loose broken material accumulating on slopes of a mountain or hillside.
Structure	A very broad and widely used geological term, but used at Riqueza to mean a large linear feature either a geological fault or a lineament.
Smithsonite	Zinc carbonate mineral with the chemical formula $ZnCO_3$ with 52.15% Zn by mol. weight.
Galena	Lead sulphide mineral with the chemical formula PbS with 86.60% Pb by mol. weight.
Veinlets	A small and narrow mineral filling of a fracture in country rock that is tabular or sheet-like in shape. *Veinlets* are narrow versions of veins.
Adit	An entrance to an underground mine.
Argillic Alteration	A process whereby minerals of a rock are changed (altered) into clays as a result of the interaction with hot fluids.
Ore-forming Minerals	Minerals which are economically desirable, as contrasted to *Gangue Minerals*. In mineralisation at Humaspunco they include *Sphalerite*, *Smithsonite* and *Galena*.
Country Rock	Rock that encloses or is cut by mineralisation. And more broadly, rock that makes up the geology of an area. The Country Rock at Humaspunco is limestone and to a lesser extent sub volcanic. The Country Rock at Uchpanga is a volcanic.
botryoidal	Having the form of a bunch of grapes, or is rounded in shape. Botryoidal *Smithsonite* is rounded in appearance.
Fe-oxides	A group of oxidised minerals containing iron, including but not limited to haematite, limonite and goethite.
Boxwork	A network of Fe-oxides minerals that form a box-like pattern as the result of the removal of the original crystalline (typically cubic) metal sulphides.
Gossan	A *Fe-oxide* rich deposit overlying a sulphide deposit formed by the oxidation of the sulphides. Gossans typically contain Fe-oxides in the form of *Boxwork*.
Gangue Minerals	Valueless minerals. In mineralisation at Humaspunco they are *Calcite* and *Barite*.
Calcite	A common carbonate mineral with the chemical formula $CaCO_3$.
Barite	A barium sulphate mineral with the chemical formula $BaSO_4$.
Sub Volcanic	An igneous rock that was emplaced close to the surface. A volcanic rock like basalt is emplaced at the surface as a point of contrast.
Vein	A tabular or sheet-like form of mineralisation, often resulting from in-filling a vertical or near-vertical fracture. They often cut across *Country Rock*.
Manto	A tabular or sheet-like form of mineralisation, often resulting from replacement along layers of limestone. They often lay parallel to *Country Rock*.
Sphalerite	Zinc sulphide mineral with the chemical formula ZnS with 64.06% Zn by mol. weight.
Carbonate Replacement	A process in which carbonate minerals are "replaced" by another mineral or minerals. A *Manto* is a form of *Carbonate Replacement* inasmuch as the carbonate minerals of a limestone layer are "replaced" by *Ore-forming Minerals* like *Sphalerite* and *Galena*.
epithermal	Said of mineralising processes involving hot fluids between 50°and 200° C.
intrusive	A description of an igneous rock that "intrudes" or breaks into *Country Rock*.
Skarn	A term used to describe mineralisation that develops along the margin between *intrusive* rocks and *Country Rocks*.

Appendix 1

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

Section 1 Sampling Techniques and Data

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or hand-held XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.*	This announcement refers to new assay results from 17 channel samples. Five channel samples were taken from Trench 1 in an end-on (continuous manner). Twelve channel samples were taken from Trench 2 in an end-on (continuous manner).
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	Channel sample intervals are determined through tape measurement made relative to a GPS-located marker.
	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 the exposed mineralisation within trenches were used to obtain continuous samples approximately 2kg in weight and between 0.3m and 1.0m 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.).*	N/A; No drilling or drilling results are referred to in this announcement.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	N/A; No drilling or drilling results are referred to in this announcement.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	N/A; No drilling or drilling results are referred to in this announcement.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	N/A; No drilling or drilling results are referred to in this announcement.
Logging	*Whether core and chip samples have been geologically and geo-technically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	N/A; No drilling or drilling results are referred to in this announcement.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	N/A; No drilling or drilling results are referred to in this announcement.
	The total length and percentage of the relevant intersections logged.	N/A; No drilling or drilling results are referred to in this announcement.
	If core, whether cut or sawn and whether quarter, half or all core taken.	N/A; No drilling or drilling results are referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	*If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*	N/A; No drilling or drilling results are 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 orientation of the channels were aligned perpendicular to the visible zone of mineralisation.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are adequate in terms of the nature and distribution of mineralisation visible in the trenches and subsequent channels.
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 the channel samples for non-Au was 4-acid digestion and HCl leach, which is considered a complete digestion for most material types. Elemental analysis was via ICP and atomic emission spectrometry. Au techniques included fire assay with AA finish. The analytical assay technique 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 the 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.
	The use of twinned holes.	N/A; No drilling or drilling results are 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*), when time otherwise permits, the data is

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying (ctd)		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.*	The trench locations were determined using hand held GPS.
	Specification of the grid system used.	WGS846-18L.
	Quality and adequacy of topographic control.	Topographic control is achieved via the use of government topographic maps, in association with GPS and Digital Terrain Maps (DTM's), the latter generated during antecedent detailed geophysical surveys.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Regarding channel sampling, the channels were spaced so as to form a continuous line of sampling within each trench perpendicularly across the known mineralisation with individual samples taken 1m to <1m 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.	Extensions of host veins and veinlets, defining a stockwork deposit are included in this report and based on strike directions.
	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.*	Assay results subject of this announcement are believed associated with stockwork mineralisation. The stockwork exposed in the new trenches were accurately mapped.
	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.
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. None were required in relation to assay data subject of this announcement.

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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 large scale structures, 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:* • *Easting and northing of the drill hole collar* • *Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar.* • *Dip and azimuth of the hole.* • *Down hole length and interception depth.* • *Hole length.*	N/A; No drilling or drilling results are 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.
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.*	Weighted averages were applied where an average grade is calculated over intervals comprising different individual channel lengths. No maximum/minimum truncations were applied.

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CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Data aggregation methods (ctd)	*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.*	The aggregate intercept (or grade of each trench) in the case of this announcement was achieved by 1) multiplying the channel sample grade by channel length, 2) totalling the result for each channel sample, then 3) dividing the total weighed grade by the total channel length of the channel samples.
	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').*	The orientation of the zones of mineralisation encountered in the trenches are relatively well known (as discussed above), therefore the widths are considered true 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 trenches and channel samples subject 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 two previous ASX announcements dated: 7 September 2017 and 2 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 trenches 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.

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