

Barrick Approves Funding for 3,500m Drill Program in 2018, Arakaka Project, Guyana

HIGHLIGHTS:

- ◆ Barrick elects to continue 100% funding of exploration expenditure towards a US\$10m funding requirement to Earn-in to a 65% interest in the Arakaka Gold Project.
- ◆ Alicanto continues as the operator on the Arakaka gold project.
- ◆ Budget approval for 3,500m of drilling commencing early 2018

Alicanto Minerals Ltd (ASX: AQI) ("Alicanto" or "the Company") is pleased to announce that Barrick Gold Corporation ("Barrick") has elected to continue funding the Arakaka Gold Project going into the third contract year of an Earn-in Agreement announced by the Company on 1 March 2016. Barrick may earn up to a 65% interest in the Arakaka Project by meeting US\$10 million in funding requirements, including US\$8 million in exploration expenditures within four years, and US\$2 million paid to Alicanto upon completion of the exploration earn-in expenditures. (Refer to Quarterly Activity report released to ASX 27 October 2017 for summary of terms)

The approved 2018 exploration budget includes 3,500m of diamond core drilling on the Project's Xenopsaris target area, to follow-up on 2017 exploration success from reconnaissance drilling and trenching programs that identified primary gold mineralisation within an extensive alteration zone including:

- **6m @ 8.33g/t gold** from trenching
- **22m @ 2.02g/t gold** from trenching, including **rock chips up to 162.23g/t gold**
- **33.68g/t gold** peak rock chips within **17m @ 0.7g/t gold** from trenching

Xenopsaris is the southern extension of the 15km long zone of gold anomalism (Refer to Figure 3) located within the Gomes-Ianna corridor and is host to the Gomes Hill Prospect where significant historical drilled mineralisation includes better intercepts of:

- **19.19m @ 3.4g/t gold from 65m, incl. 6m @ 6.25g/t gold,**
- **17m @ 2.11g/t gold from 46m, incl. 4.25m @ 6.12g/t gold**
- **11.0m @ 3.43g/t gold** from 62m

(Refer to ASX release dated 9 February 2015)

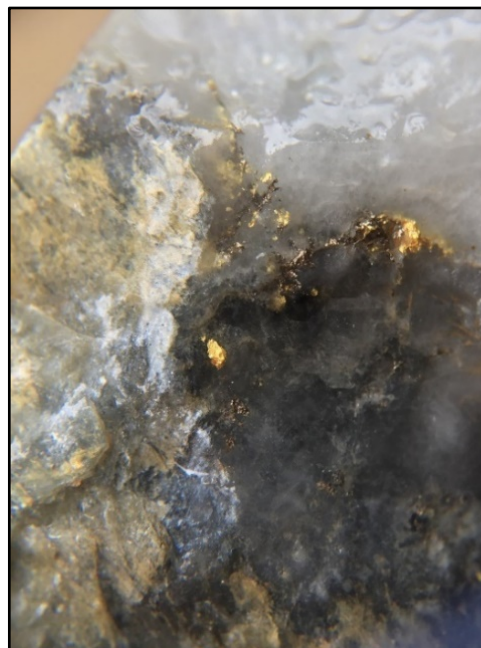


Figure 1: Example of gold mineralisation observed in XDD006 (NQ Core), photo taken at 10x magnification of core at 126.0m depth within **2.25m @ 3.73g/t Au** from 124m reported interval.

CAPITAL STRUCTURE

Shares on Issue	112m
Share Price	A\$ 0.14
Market Cap	\$15.7m
ASX Code	AQI
Listed Options	13.4m
ASX Code	AQIO

BOARD & MANAGEMENT

Didier Murcia Non-Exec Chairman
Travis Schwertfeger Managing Director
Hamish Halliday Non-Exec Director
Marcus Harden Chief Geologist
Jamie Byrde CFO & Co. Secretary

TWO GOLD PROJECTS IN GUYANA

- ◆ Highly prospective Northwest Guiana Shield Greenstone Belt
- ◆ Mining friendly jurisdiction

ARAKAKA GOLD PROJECT

- ◆ +1 million ounce Au historical production in near surface
- ◆ Footprint of artisanal workings analogous to Las Cristinas / Las Brisas and Gros Rosebel Mines

IANNA GOLD PROJECT

- ◆ >7km of mineralisation on 2 corridors with drill ready targets
- ◆ Historical production dating back more than 100 years

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Alicanto's Managing Director commented, "We are very pleased to see Barrick's increasing confidence in both the Guiana Shield, and the discovery potential in Guyana's Northwest Mining District, as the focus on the extensive Arakaka Project area continues to narrow down to several key areas of focus in planned work. The target priorities and their potential have evolved over the past year as a direct benefit from Barrick support, advancing a highly prospective district towards a stage of discovery potential that could not have been achieved by a junior explorer in recent years."

Mr Schwertfeger continued "The Alicanto team is looking forward to a successful 2018 season in the Arakaka region with the project now well positioned to migrate into an advanced stage of exploration with rapidly increasing chances for discovery."

Arakaka Project: Xenopsaris Target Area, Exploration Update:

Current Work:

A trenching program is ongoing at the Xenopsaris area, with 3,000m of surface channel sampling anticipated to be completed in the next month. The current program is planned to assess multiple targets along the axial trace of a regional scale antiformal fold, recently confirmed in Reconnaissance drilling (Refer to ASX releases dated 7 March 2017 and 4 August 2017). The current work is anticipated to prioritise targets on the extensive >7km long structural corridor of near continuous >100ppb Au gold anomalism extending south from known gold mineralisation at the Gomes Hill prospect.

Arakaka Project: Main Trend Target Area, Exploration Update:

The 2017 drilling program on the Arakaka Main trend was completed in late November. An additional 4037.25m of target testing phase drilling was completed over the Main Trend target areas during the Sept/Dec quarters (refer to Target Testing Phase Drilling Commences at Arakaka release to the ASX dated 4 August 2017). All holes have been logged at site, and cutting and sampling work prior to shipment for sample analyses is nearing completion.

Each drill hole is being sampled in its entirety and dispatched to the Bureau Veritas laboratories in Georgetown, Guyana, and Vancouver, Canada for sample prep, and compositing in Georgetown and gold analyses in Vancouver. With steadily increasing northern hemisphere exploration activity in the last 6 months well above the activity levels sustained during the global down-turn in exploration in the past few years, the turnaround time for sample analysis from Vancouver is currently between four and six weeks. Final assay results for the Arakaka Main Trend drilling programs are expected in late January 2018.

Work on the Main Trend targets in 2018 will involve a detailed study and re-interpretation of the geology of the area in the context of 2017 assay results ahead of future drilling proposals

Arakaka Project – Xenopsaris Target Area:

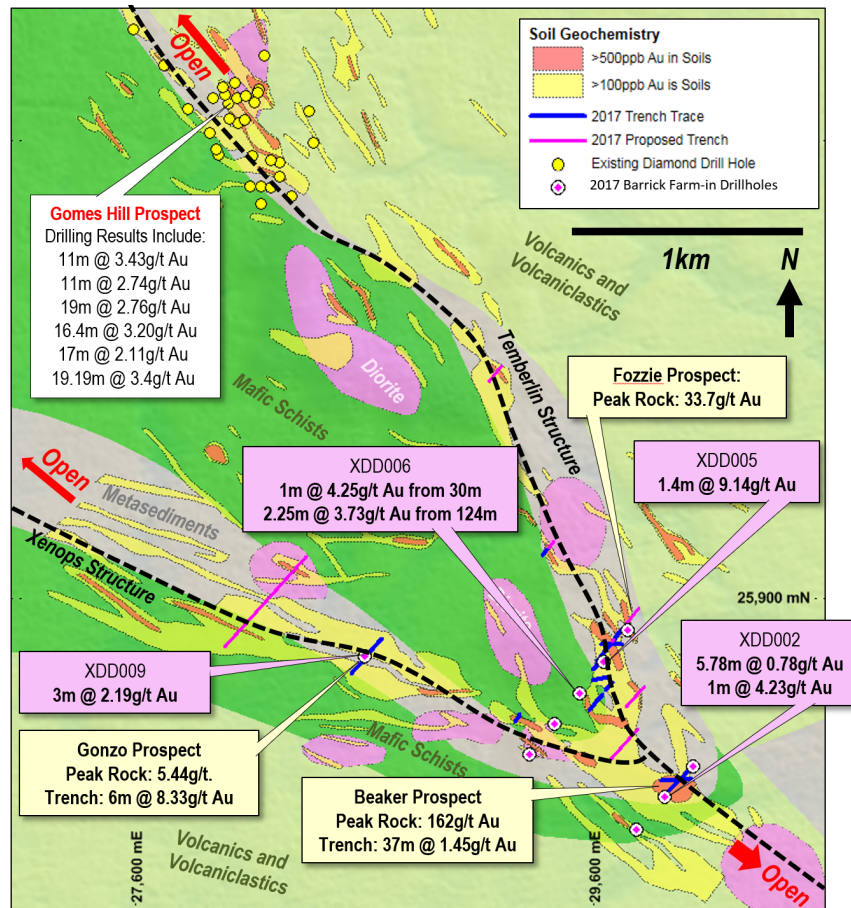


Figure 2 | Xenopsaris Area with recent and proposed trench locations, 2017 Maiden drill hole locations and summary of exploration activity over previously reported gold surface anomalies and Alicanto interpreted geology

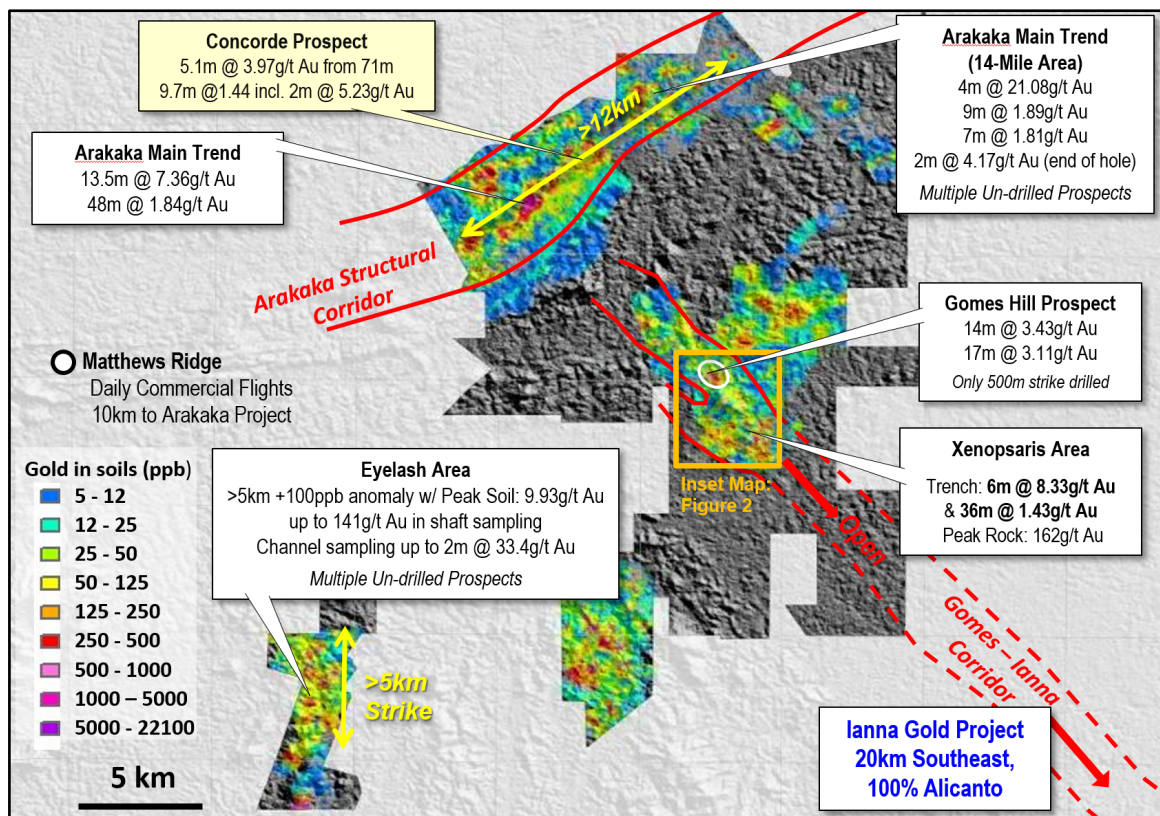


Figure 3 | Location of anomalous gold target areas and select Prospects within the >300km² Arakaka gold Project land position.

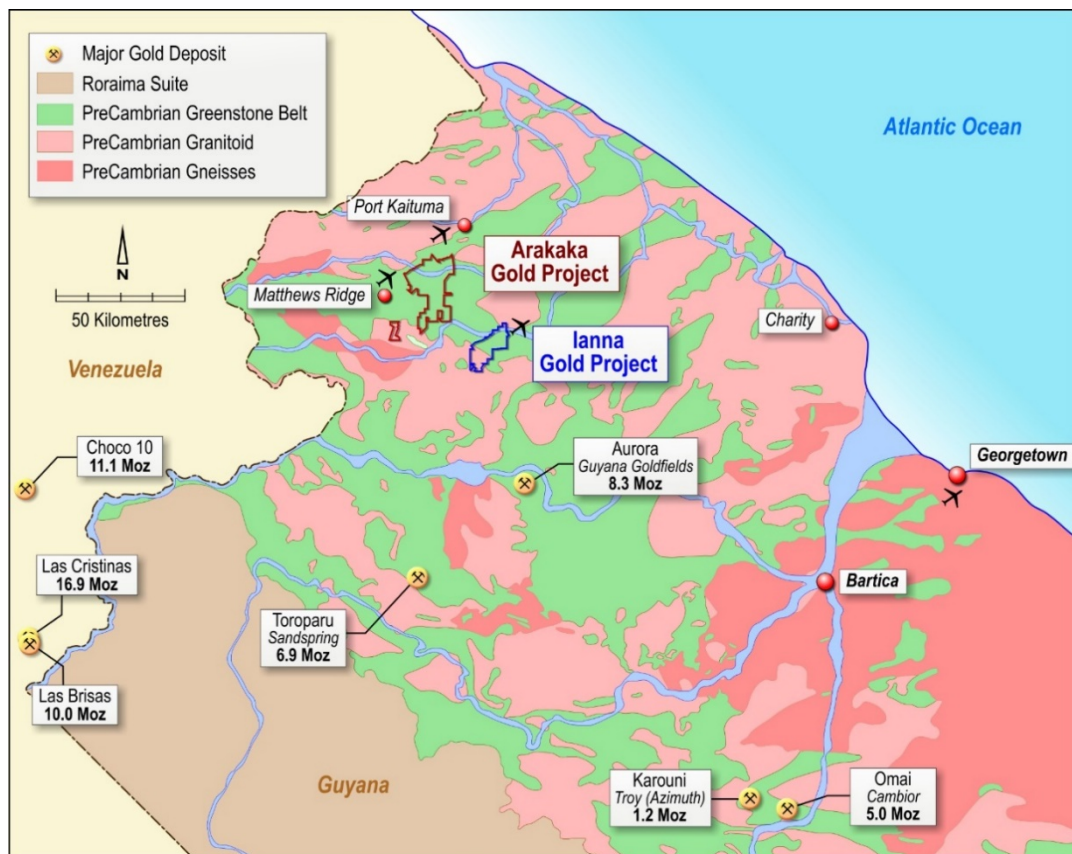


Figure 4 | Location of Arakaka and Ianna gold projects located in the Northwest Mining District of Guyana on modified geology from the Guyana Geology and Mines Commission's Geological Map of Guyana, 1987

Ends

For detailed information on all aspects of the company and its project please visit:

www.alicantominerals.com.au or contact:

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About Alicanto Minerals

Alicanto Minerals Limited (ASX: AQI) is an emerging mineral exploration company focused on the exploration and development of the Arakaka and Ianna gold projects in the prospective geological province of Guyana's Northwest Mining District.

In addition to the exploration of its current Guyanese projects, the Company is continually evaluating additional projects in Guyana and elsewhere for potential joint venture or acquisition.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Marcus Harden, who is a Member of The Australian Institute of Geoscientists. Mr Harden is the Chief Geologist for the Company. Mr Harden has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harden consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.