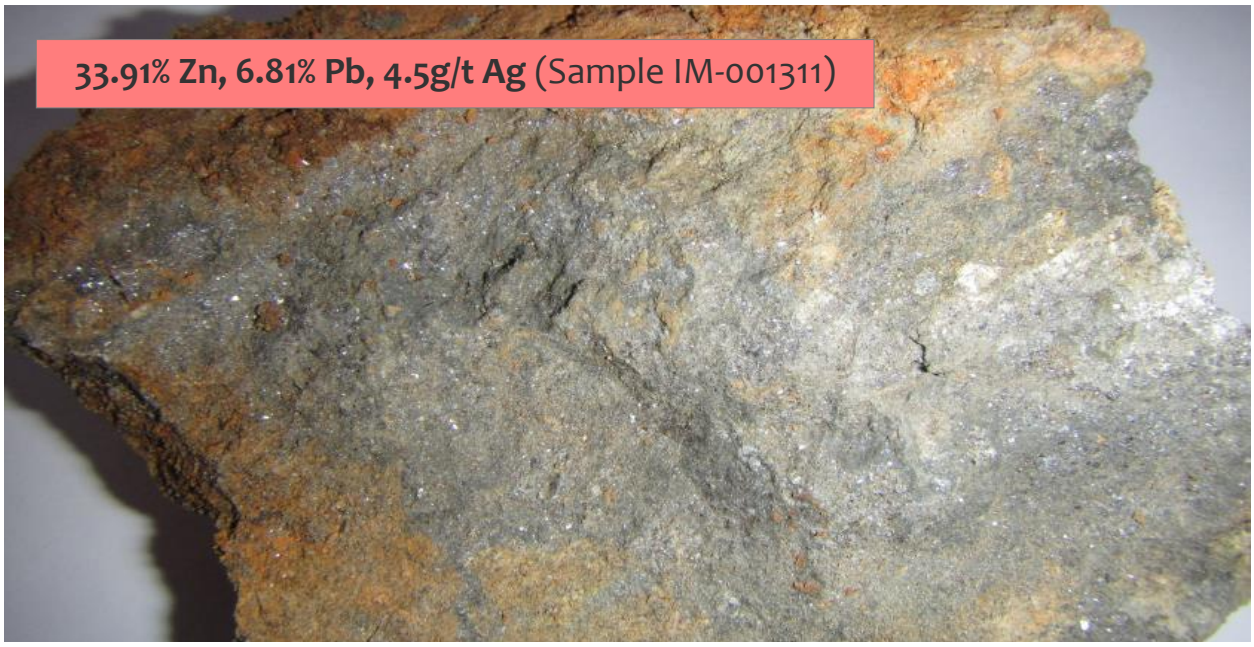
12 February 2018

33.91% ZINC & NEW CONCESSIONS RE-RATE CERRO RAYAS

HIGHLIGHTS

- Exceptional zinc (Zn), lead (Pb) and silver (Ag) results in reconnaissance channel sampling at Cerro Rayas includes:
  - **33.91% Zn, 6.81%Pb, 4.5g/t Ag** channel sample[1] (0.25m) IM-001311
  - **32.86% Zn, 0.45% Pb, 98.6g/t Ag** channel sample (0.30m) IM-001319
  - **26.25% Zn, 4.76% Pb, 33.8g/t Ag** channel sample (0.40m) IM-001295
  - **19.88% Zn, 4.35% Pb, 1.8g/t Ag** channel sample (0.50m) IM-001307
  - **17.48% Zn, 4.20% Pb, 1.9g/t Ag** channel sample (0.50m) IM-001305
  - **16.81% Zn, 24.92% Pb, 123g/t Ag** channel sample (0.60m) IM-001294
  - **33.10% Pb, 107.0g/t Ag, 1.98% Zn** channel sample (0.60m) IM-001297
  - **30.16% Pb, 98.1g/t Ag, 1.86% Zn** channel sample (0.60m) IM-001298
- Company applies for five new concessions at Cerro Rayas totalling 2,200ha
- Cerro Rayas re-rated as project quadruples in size with numerous more mine workings, mineralised outcrops and 18 kilometres of mineralised corridor now captured



This is an extremely exciting development" says Inca Minerals Limited's Managing Director, Mr Ross Brown. "It elevates Cerro Rayas to equal billing with Inca's flagship Greater Riqueza Project and significantly enhances the Company's project portfolio."

[1] All channel samples were taken as discrete (individual) samples with the exception of IM-001309 to IM-001312 which formed a continuous channel length of 1m (Figure 3).

Inca Minerals Limited (**Inca** or the **Company**) has received assay results for a reconnaissance mapping and channel sampling program recently completed in an area surrounding the Company's Cerro Rayas Project. Several zones of mineralisation were discovered at unrecorded small mine workings and in new outcrop. Five concessions were applied for covering the many new discoveries and the inferred mineralised trends (Figures 1, 7 and 8). As no existing concessions or competing applications cover this exciting new ground the granting of Inca's new concessions is now in progress.

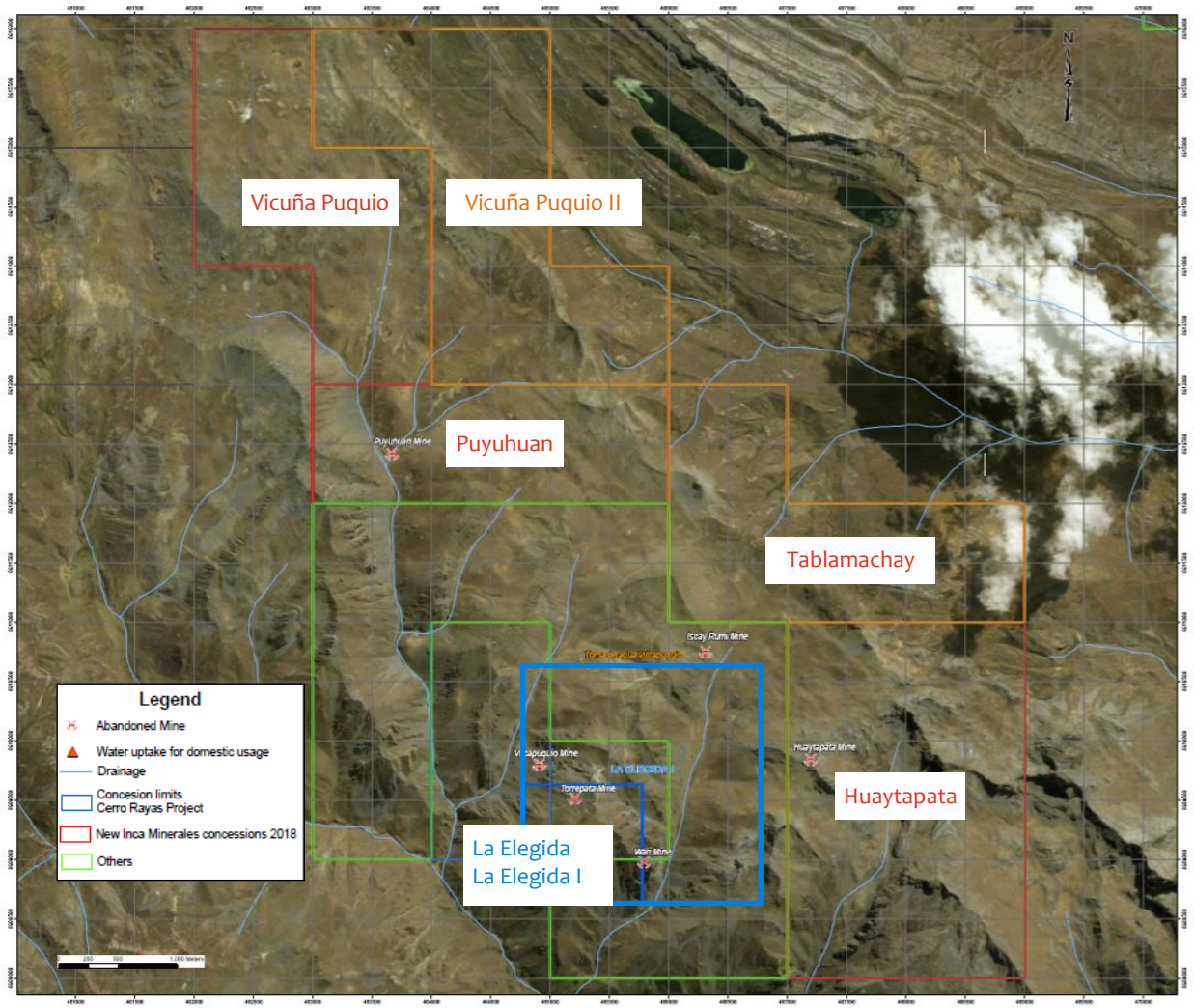


Figure 1 **ABOVE**: Location plan showing Cerro Rayas concessions. Cerro Rayas now comprises seven concessions: the two original concessions La Elegida and La Elegida 1 (blue outline) and the five new concessions (brown outlines) Vicuña Puquio, Vicuña Puquio II, Puyuhuan, Tablamachay and Huaytapata.

Vicuña Puquio + Vicuña Puquio II Concessions

The Vicuña Puquio and Vicuña Puquio II concessions (forming the **Vicuña** area) cover 900 hectares. They are located approximately three kilometres northwest of the original Cerro Rayas concessions (Figure 1). First-pass reconnaissance at Vicuña has identified three areas hosting visible mineralisation resulting in the collection of eleven samples: IM-001305 to IM-001312 and IM-001317 to IM-001321. Very strong assay results from Vicuña Puquio includes: **33.91% Zn** (sample IM-001311), **32.86% Zn** (sample IM-001319), **19.55% Zn** (sample IM-001307), **6.81% Pb** (sample IM-001307) and **98.6g/t Ag** (sample IM-001319) (Table 1).

Table 1 **BELOW:** Assay results for Vicuña.

Sample Number	Sample Location Coordinates			Sample Location (Mine/ outcrop)	Channel		Zinc			Lead			Silver	
	Easting (m's)	Northing (m's)	Elevation (m'a ALS)		Width (m's)	Length (m's)	ICP40B	AAS41B	CON21B	ICP40B	AAS41B	CON29G	ICP40B	AAS41B
							ppm	%	%	ppm	%	%	g/t	g/t
IM-001305	463,507	8,614,997	4,614	Outcrop	0.20	0.50	>10000	17.48	--	>10000	4.2	--	--	1.9
IM-001306	463,509	8,614,998	4,615	Outcrop	0.25	0.40	>10000	5.71	--	2258	--	--	--	0.4
IM-001307	463,514	8,614,996	4,615	Outcrop	0.30	0.50	>10000	19.88	--	>10000	4.35	--	--	1.8
IM-001308	463,516	8,614,996	4,611	Outcrop	0.10	0.40	>10000	6.42	--	211	--	--	--	0.2
IM-001309	463,507	8,614,999	4,610	Outcrop	0.25	0.50	>10000	5.11	--	>10000	1.84	--	--	0.8
IM-001311	463,507	8,615,000	4,612	Outcrop	0.20	0.25	>10000	>20	33.91	>10000	6.81	--	--	4.5
IM-001312	463,507	8,615,001	4,612	Outcrop	0.25	0.25	3611	--	--	375	--	--	--	0.2
IM-001317	463,266	8,615,591	4,648	Outcrop	0.25	0.50	7614.9	--	--	365	--	--	--	<0.2
IM-001318	463,266	8,615,594	4,648	Outcrop	0.20	0.40	>10000	2.17	--	345	--	--	--	0.4
IM-001319	464,810	8,613,974	4,668	Outcrop	0.30	0.30	>10000	>20	32.86	4551	--	--	--	98.6
IM-001321	464,795	8,613,966	4,666	Outcrop	0.30	0.25	2340.2	--	--	648	--	--	--	2.4

Visible mineralisation at Vicuña is associated with outcropping brecciated limestone. The ore-forming minerals are sphalerite (Zn sulphide), smithsonite (Zn carbonate) and galena (Pb sulphide) (Figures 2, 3 and 4). The mineralised unit is often Fe-oxide rich and gossanous.

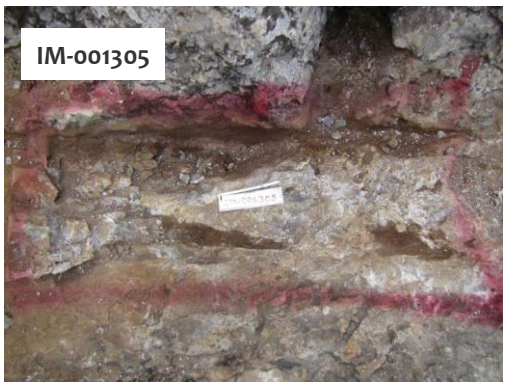
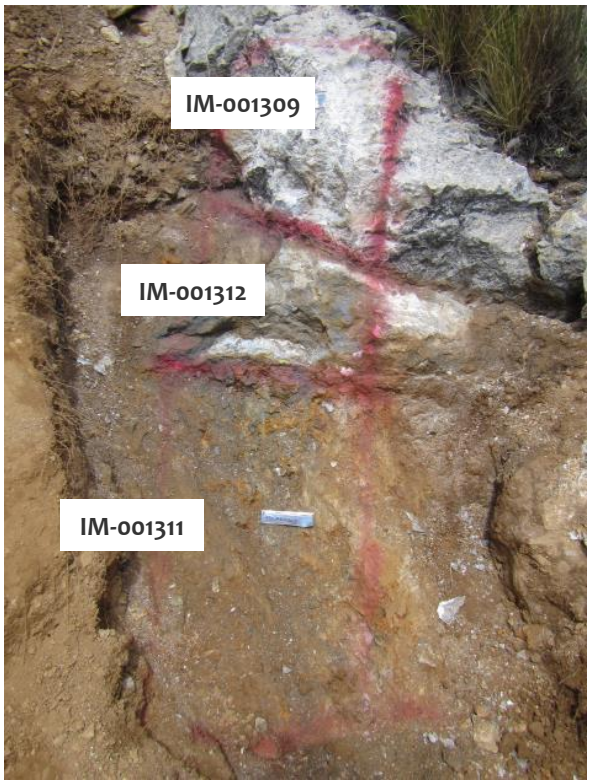


Figure 2 **FAR LEFT:** Photo of sample IM-001307. This sample contains **19.88% Zn, 4.35% Pb and 1.8g/t Ag. LEFT:** Photo of sample IM-001305. This sample contains **17.48% Zn, 4.20% Pb and 1.9g/t Ag.**



The reconnaissance mapping and sampling conducted at Vicuña is highly encouraging. Similarities are noticed between sample IM001309/11 and the Wari mine working on the original La Elegida I concession. Both comprise massive to semi-massive gossanous sulphides (Figure 3 and Insert). Such similarities between locations >3km apart is indicative of broad and/or repeating mineralising processes with very positive implications for the project's prospectivity.

Figure 3 **LEFT:** Photo of samples IM-001309-11-12. Sample IM-001311 contains **33.91% Zn, 6.81% Pb and 4.5g/t Ag. INSERT BELOW:** Photo of the mineralised vein at the Wari mine working at La Elegida 1. Sample IM-001078 contains **33.76% Zn, 169g/t Ag and 17.33% Pb.**

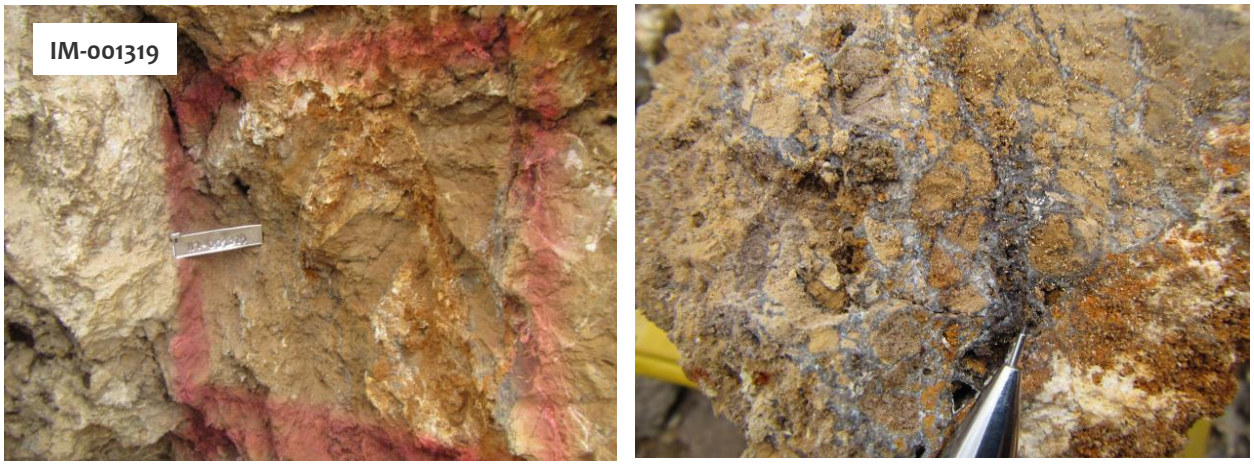


Figure 4 **ABOVE LEFT:** Photo of sample IM-001319. Sample IM-001319 contains **32.86% Zn, 0.45% Pb and 98.6g/t Ag. ABOVE RIGHT:** Close-up of the breccia structure subject of sampling. Dolomitised limestone clasts (orange brown rock fragments) can be seen with a gossanous and galena-bearing matrix.

It is the intention of the Company to continue reconnaissance mapping and sampling at Vicuña, focussing on, *inter alia*, the major NW-SE regional structures that traverse the area (Figure 8).

Puyuhuan and Tablamachay Concessions

The Puyuhuan and Tablamachay concessions (forming the **Puyu** area) cover 700 hectares and are located northwest to northeast of the original Cerro Rayas concessions (Figure 1). Reconnaissance mapping has identified visible mineralisation at the Puyuhamani mine working and in new outcrop (Figure 5). Three samples were collected from the Puyu area including: IM-001287 and IM-001302 to IM-001303. Good assay results include **4.72% Zn** (IM-001287) (Table 2). The features that were sampled at the new outcrop are highly ferruginous to gossanous and friable, indicative of a high degree of weathering. Remnant breccia structures and pseudomorphs after pyrite or galena are evident in outcrop.

Sample Number	Sample Location Coordinates			Sample Location (Mine/ outcrop)	Channel		Zinc			Lead			Silver	
	Easting (m's)	Northing (m's)	Elevation (m'a ALS)		Width (m's)	Length (m's)	ICP40B	AAS41B	CON21B	ICP40B	AAS41B	CON29G	ICP40B	AAS41B
							ppm	%	%	ppm	%	%	g/t	g/t
IM-001287	463,667	8,612,416	4,392	Puyuhamani	0.30	0.50	47200	4.72	--	641	--	--	0.1	
IM-001302	464,446	8,612,433	4,588	Outcrop	0.25	0.60	299.7	--	--	253	--	--	--	0.2
IM-001303	464,479	8,612,351	4,612	Outcrop	0.10	0.70	1929.2	--	--	89	--	--	--	0.2

Table 2 **ABOVE:** Assay results for Puyu.

The same large-scale NW-SE structures that traverse Vicuña also traverse Puyu (Figure 8). These structures will be mapped and sampled in the near future.

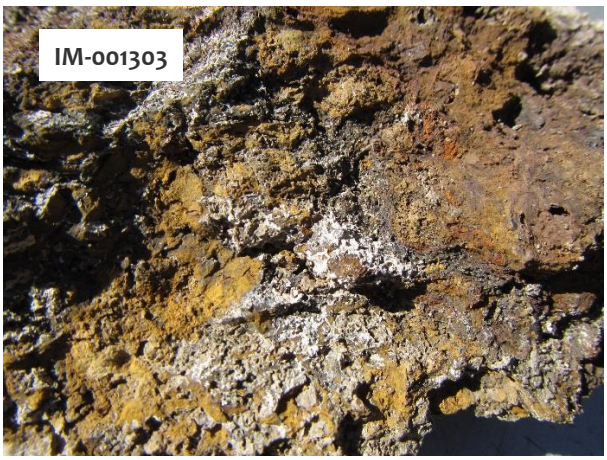


Figure 5 **RIGHT:** Outcrop photo showing detail of Sample IM-001303. The highly weathered and leeched nature of the sample is evident. It is highly gossanous which is an indication of original high sulphide content. It contains 16% iron (Fe).

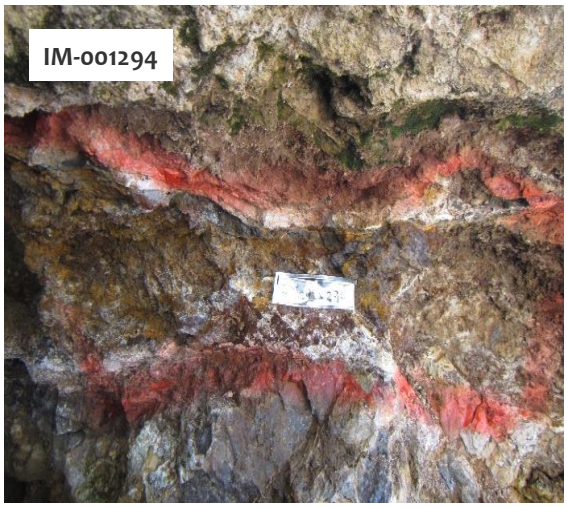
Huaytapata Concession

The Huaytapata concession (forming the **Huayta** area) covers 600 hectares and is located 200m east of the original Cerro Rayas concessions (Figure 1). Reconnaissance mapping has identified visible mineralisation at the Huaytapata mine working (Figure 6) and at the Callhuamachay mine working. Six samples were collected from Huayta including: IM-001293 to IM-001298. Very strong assay results include: **26.25% Zn** (sample IM-001295), **>20%<30% Zn** (sample IM-001296), **16.81% Zn** (sample IM-001294) (Figure 6), **31.10% Pb** (sample IM-001297), **30.16% Pb** (sample IM-001298), **24.92% Pb** (sample IM-001294) and **123g/t Ag** (sample IM-001294), **107g/t Ag** (sample IM-001297) (Table 3).

Sample Number	Sample Location Coordinates			Sample Location (Mine/ outcrop)	Channel		Zinc			Lead			Silver	
	Easting (m's)	Northing (m's)	Elevation (m'a ALS)		Width (m's)	Length (m's)	ICP40B	AAS41B	CON21B	ICP40B	AAS41B	CON29G	ICP40B	AAS41B
							ppm	%	%	ppm	%	%	g/t	g/t
IM-001293	467,197	8,609,838	4,672	Huaytapata	0.35	0.55	>10000	9.79	--	>10000	4.49	--	7.7	--
IM-001294	467,197	8,609,841	4,673	Huaytapata	0.15	0.60	>10000	16.81	--	>10000	>20	24.92	--	123
IM-001295	467,200	8,609,839	4,678	Huaytapata	0.15	0.40	>10000	>20	26.25	>10000	4.76	--	33.8	--
IM-001296	467,348	8,608,406	4,279	Callhuamachay	0.25	0.30	>10000	>20	<30	>10000	6.49	--	--	73.2
IM-001297	467,352	8,608,416	4,282	Callhuamachay	0.20	0.60	>10000	1.98	--	>10000	>20	33.1	107	>100
IM-001298	467,353	8,608,415	4,290	Callhuamachay	0.20	0.60	>10000	1.86	--	>10000	>20	30.16	--	98.1

Table 3 **ABOVE**: Assay results for Huayta. *Note: IM-001296 requires re-assaying to fully determine its % of Zn.*

The Huaytapata mine working hosts visible mineralisation in the form of a dolomitised breccia structure. Principal ore-forming minerals include smithsonite and galena (Figure 6).



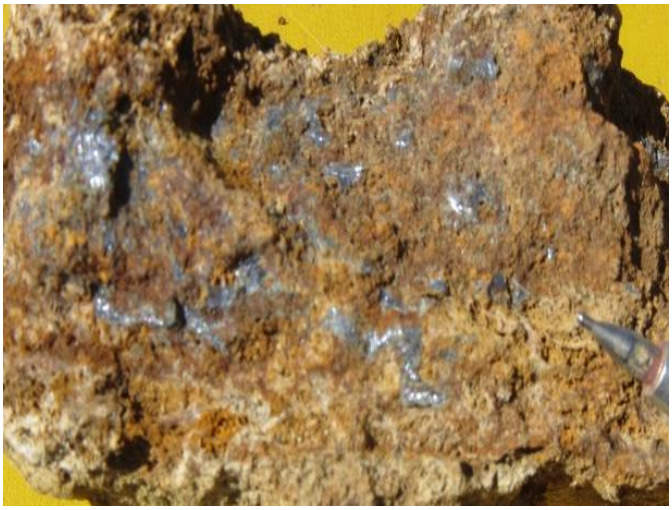


Figure 6 **ABOVE LEFT:** Photo at the Huaytapata mine working showing detail of Sample IM-001294. Sample IM-001294 contains **16.81% Zn, 24.92% Pb and 123g/t Ag. ABOVE RIGHT:** Close-up of Sample IM-001294 showing galena (silver-grey colouring) and gossan (red-brown colouring). Smithsonite was also identified in the sample. **LEFT:** Detail of sample IM-001295. Sample IM-001295 contains **26.25% Zn, 4.76% Pb and 33.8g/t Ag.** The sample is highly leeched and "clayey" with remnant galena and well developed smithsonite.

Both of the new Zn-Pb-Ag occurrences at Huayta occur on NW-SE mineralised corridors. The Huaytapata mine working occurs on a middle corridor and the Callhuamachay mine working occurs on a southern corridor which traverses the Vilcapuquio-Torrepata-Wari mine workings on the original Cerro Rayas concessions (Figure 8).

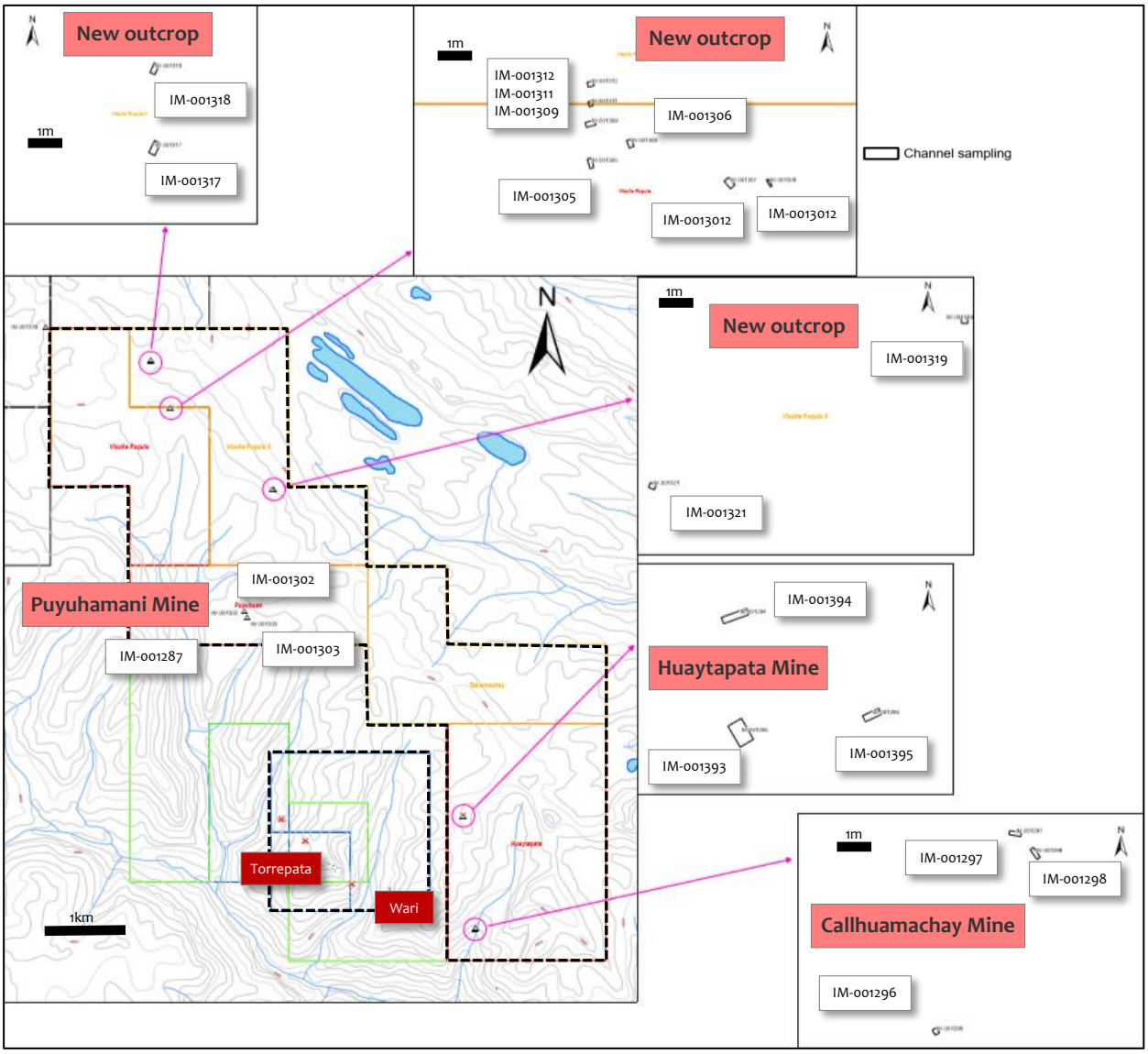


Figure 7 **ABOVE:** Sample location plan. The sample locations are shown on the concession plan to provide a broad view of their distribution. Enlarged areas are provided to show detail of the individual samples (channel orientations and relative position). Inca's land holding (granted and pending) is indicated by a dashed black line (showing the outer limit of all Inca concessions). The original Cerro Rayas concessions (La Elegida and La Elegida I) are shown with the three mine workings Vilcapuquio, Torrepata and Wari. Also refer to Figures 1 and 8 and to Appendix 1.

Discussion of Results and Next Steps

Reconnaissance mapping and sampling conducted by the Company on open ground near Cerro Rayas has returned very high Zn, Pb and Ag results. This mineralisation, located at mine workings and in outcrop, displays features very similar to mineralisation at Cerro Rayas. This indicates that a common mineralising process, believed to be Mississippi Valley Type, is repeating on the broad scale.

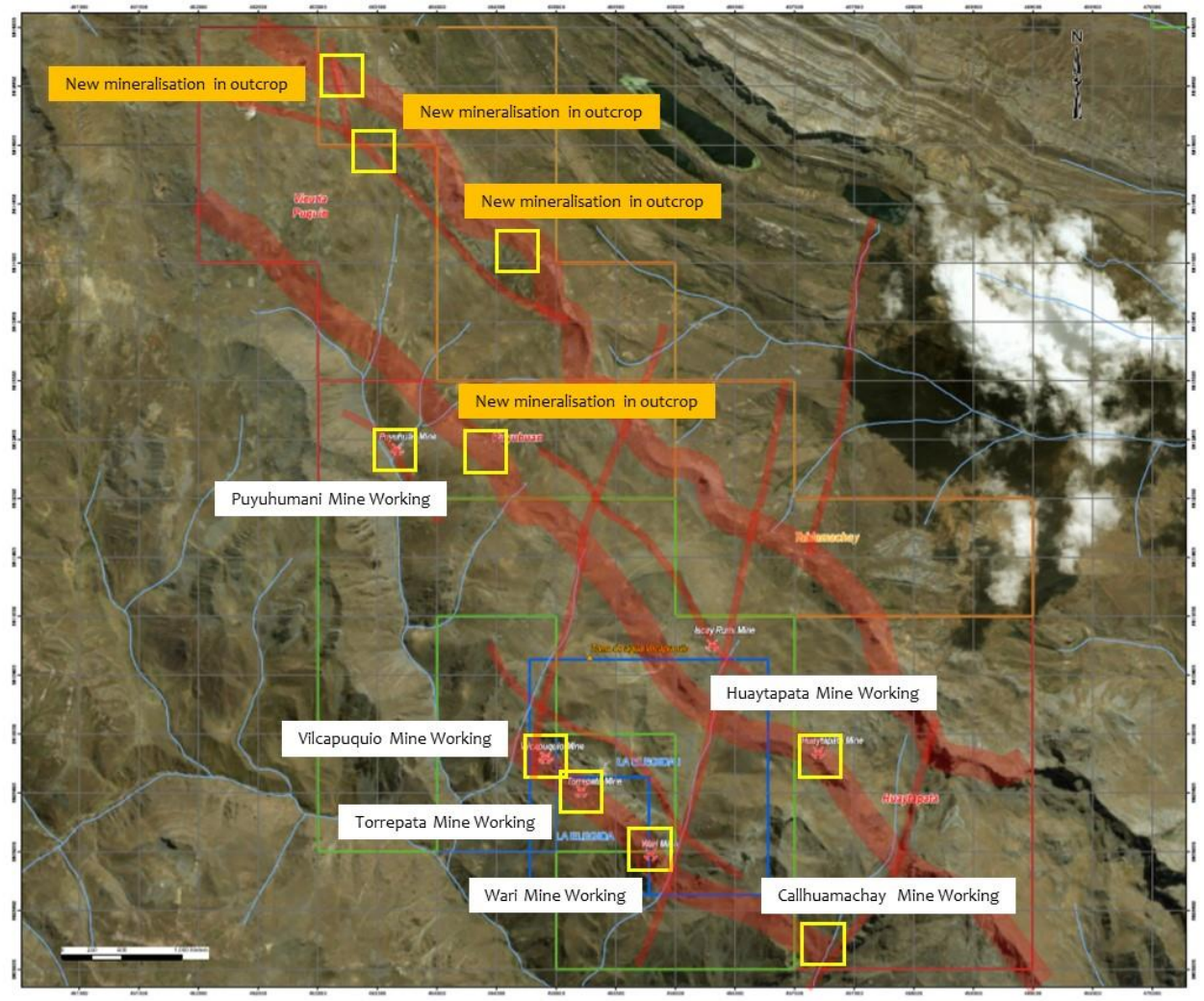


Figure 8 **ABOVE**: A satellite plan showing expanded Cerro Rayas Project area and the sample location areas (yellow boxes). Known mineralisation is distributed along three prominent NW-SE mineralised corridors (translucent red-brown lines) and associated splay structures.

It is clearly evident that mineralisation at Cerro Rayas is distributed along prominent northwest-southeast (**NW-SE**) trending regional-scale structures (Figure 8). The NW-SE pattern already evident at Vilcapuquio, Torrepata and Wari (Figure 7), is mimicked on a much larger scale across the entire new project area. There are now three prominent NW-SE mineralised corridors at Cerro Rayas hosting numerous similar-styled Zn-Pb-Ag occurrences. The total strike length of the three mineralised corridors is 18-line kilometres. These linear features constitute a high priority target (refer also to the Q & A section below).

"Reconnaissance exploration at Cerro Rayas has been tremendously successful with multiple discoveries of old mine workings and new mineralised outcrop" says Mr Brown. "We now have three mineralised corridors with a total strike length of 18km. I'm especially interested in intersections and flexures along these features as prime locations for mineralisation."

In addition to the reconnaissance program, the Company has been conducting a trench sample program at the Torrepata mine working which is nearing completion. Seven shallow trenches were excavated perpendicular to the Vilcapuquio-Torrepata-Wari NW-SE mineral trend.

"The purpose of the trenching program is to expose country rock in non-outcropping areas northwest and southeast of Torrepata—the largest mine working at Cerro Rayas" says Mr Brown. "Once the country rock is exposed it is mapped and sampled. The objective is to identify possible extensions of mineralisation."

Results of the detailed mapping and assays will be available in March 2018.

A sampling program of the 27 known breccia structures at Cerro Rayas is also being considered. Zn-Pb-Ag mineralisation at Cerro Rayas appears to be closely associated with breccias and brecciated structures. "It follows that all the known breccias are closely examined and sampled" says Mr Brown.

The NW-SE trending mineralised corridors extending across the new concession areas will be thoroughly investigated after they are granted. The granting process takes approximately 4 to 6 months. Reconnaissance will continue in these areas.

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Competent Person Statements

The information in this report that relates to exploration results and mineralisation for 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 exploration results and to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Brown is a fulltime employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

Question and Answers

Q: What is the importance of the NW-SE structures?

A: The many mine workings and mineralised outcrops that have been discovered to date appear to be arranged along these large NW-SE structures. The structures must therefore have some form of influence on the development and distribution of Zn-Pb-Ag mineralisation at Cerro Rayas. It is possible that the structures form zones of weakness, (through fault activity) and act as preferred sites of Zn-Pb-Ag mineralisation. **The NW-SE structures are therefore considered important high priority targets.**

Q: Why is the Company excited by them?

A: It's a combination of three factors: scale, targeting and knowledge-gain **SCALE:** Prior to the reconnaissance work the Company had identified a mineralised corridor (between Vilcapuquio and Wari) approximately 1.5km long. The total strike length of the mineralised corridors is now 18km, an 800% increase. **TARGETING:** Inca now has a very large target that will be the subject of further exploration ahead of drill testing. **KNOWLEDGE-GAIN**: The Company firmly believes that all the Zn-Pb-Ag occurrences at Cerro Rayas are Mississippi Valley Type (**MVT**). Knowing that the style of mineralisation in MVT helps interpreting the exploration results and assists in the design of future exploration.

Q: What are MVT deposits? Size potential and grade?

A: MVT deposits are a wide category of carbonate replacement deposits, typically hosted in dolomitic limestones. They commonly occur in large clusters covering many tens to hundreds of square kilometres. They provide a large proportion of the world's supply of Zn and Pb and are therefore of great economic importance. Sphalerite (which weathers to smithsonite) is the main ore-forming mineral (galena can also be common). Sphalerite occurs as in-fillings of open-spaces related to breccia cavities. **MVT's range in size considerably from 2.0Mt to >400Mt, with Zn grades ranging from 1.5% to 15%, Pb grades ranging from 0.5% to 3.5%, Ag grades ranging from 0.5g/t to 40g/t** *(from Cox 1986: Mineral Deposit Models: USGS Bull 1693).*

New Place Names

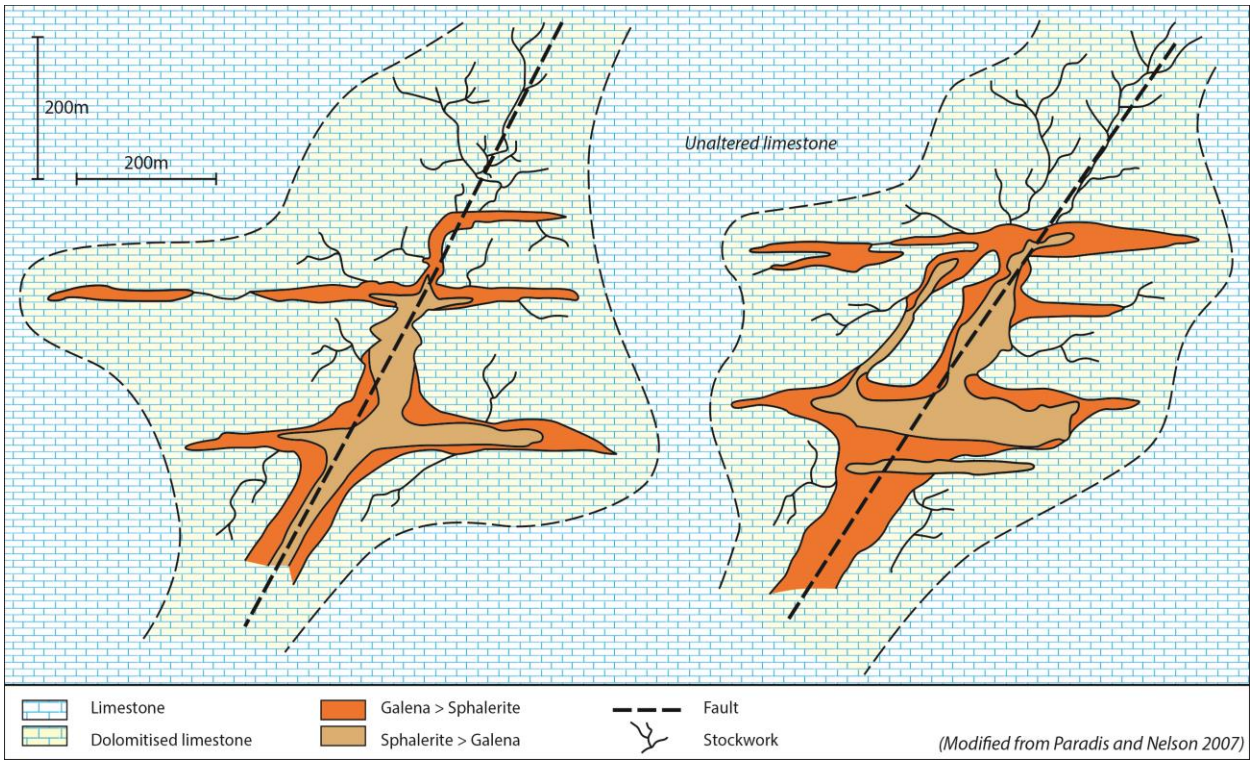
Project: Cerro Rayas

Area Name	Concessions	Mine Workings
Vicuña (vik-u-ya)	Vicuña Puquio	
	Vicuña Puquio II	
Puyu (pie-u)	Puyuhuan	Puyuhamani
	Tablamachay	
Huayta (hway-tah)	Huaytapata	Huaytapata
		Callhuamachay
Elegida (elle-he-dah)	La Elegida	Torrepata
	La Elegida I	Vilcapuquio
		Wari

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

Reconnaissance Mapping	Refers to very early-stage, in some cases, first-pass geological mapping, recording rock types, structure, alteration and mineralisation.
Reconnaissance Sampling	Refers to very early-stage, in some cases, first-pass sampling. Sampling methods may vary from grab sampling (selective pieces of rock from a specific interesting small area typically <1m^2) to *Channel Sampling*.
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. 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*.
Mine Working(s)	A small mine(s) typically artisanal in nature. These small mines varying in size considerably - but generally comprise one to <10 adits (mine openings) and one to <20 drives and slopes (mining tunnels) with a total mine length of <1,000m. They tend to be either excavated by hand or simple mechanical means.
Mineralised Outcrop	An expanse of rock open to the natural surface of the land which hosts visible signs of *Mineralisation*.
Mineralisation	A broad term that refers to a mineral deposit or mineral concentration or the process that leads to the formation of a mineral deposit or mineral concentration.
Upside Potential	An expression used to describe the scope of a project, prospect, to increase in size and/or economic significance.
Mineralised Trend	A linear alignment of known zones mineralisation.
Limestone	A calcium carbonate sedimentary rock typically formed by ancient coral reefs.
Ore-forming Minerals	Minerals which are economically desirable, as contrasted to *Gangue Minerals*. In mineralisation at Cerro Rayas they include *Sphalerite*, *Smithsonite* and *Galena* and are indicative of *Mississippi Valley Type Mineralisation*.
Gangue Minerals	Valueless minerals in an ore-body.
Sphalerite	Zinc sulphide mineral with the chemical formula ZnS with 64.06% Zn by mol. weight.
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.
Mississippi Valley	A type of zinc, lead, silver deposit formed by low-temperature carbonate replacement processes in ancient basin margin settings. *Ore-forming Minerals* typically include *Sphalerite* and *Galena* which occur in *Limestone* with *Dolomite Alteration*.
Carbonate Replacement	A process in which carbonate minerals are "replaced" by another mineral or minerals. Carbonate replacement takes place in *Mississippi Valley Type* deposits.
ferruginous	Said of a rock or mineralisation that contains high levels of iron (Fe).
gossanous	Said of a rock or mineralisation that comprises weathered sulphide minerals.
Structure	A very broad and widely used geological term used at Cerro Rayas to mean localised linear features often in association with *Breccias*.
Dolomite Alteration	A process that involves the alteration of (change to) a rock, mineral or mineralisation resulting in the formation of dolomite – a calcium magnesium carbonate.

Brecciation/Breccia	At Cerro Rayas, taken to mean broken or fragmented rock. The rock fragments are called *Clasts* and the space around the clasts is called the *Matrix*. Often the matrix in the breccia veins at Humaspunco contains the *Ore-forming Minerals*.
Clasts	The coarse component of a *Breccia*, at Cerro Rayas generally meaning angular fragments of *Country Rock* (*Limestone*).
Matrix	The fine component of a *Breccia*, occurring between the *Clasts*.
friable	Said of a rock or mineral that crumbles naturally or is easily broken.
Pseudomorph(s)	A mineral that has the shape of another mineral, typically through alteration and/or weathering; or a cavity in a rock or mineralisation that has the shape of the mineral that is weathered away. *Pseudomorphs* are common in *Gossans*.
Pyrite	An iron sulphide mineral with the chemical formula FeS.
Leaching	A process involving the removal of soluble components of a rock or *Mineralisation*.
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 Cerro Rayas is Jurassic-aged *Limestone* of the Pucará Group.



A schematic representation of MVT mineralisation occurring at Cerro Rayas. Faults are the focal point of the injection of Zn-Pb-Ag-bearing fluids. The combined actions of fault movement and dolomitization leads to the creation of rock cavities, breccias and stockwork and the precipitation of sphalerite, galena and Ag-bearing minerals. Subsequent changes include the deposition of smithsonite and development of gossan (ex-sulphide).

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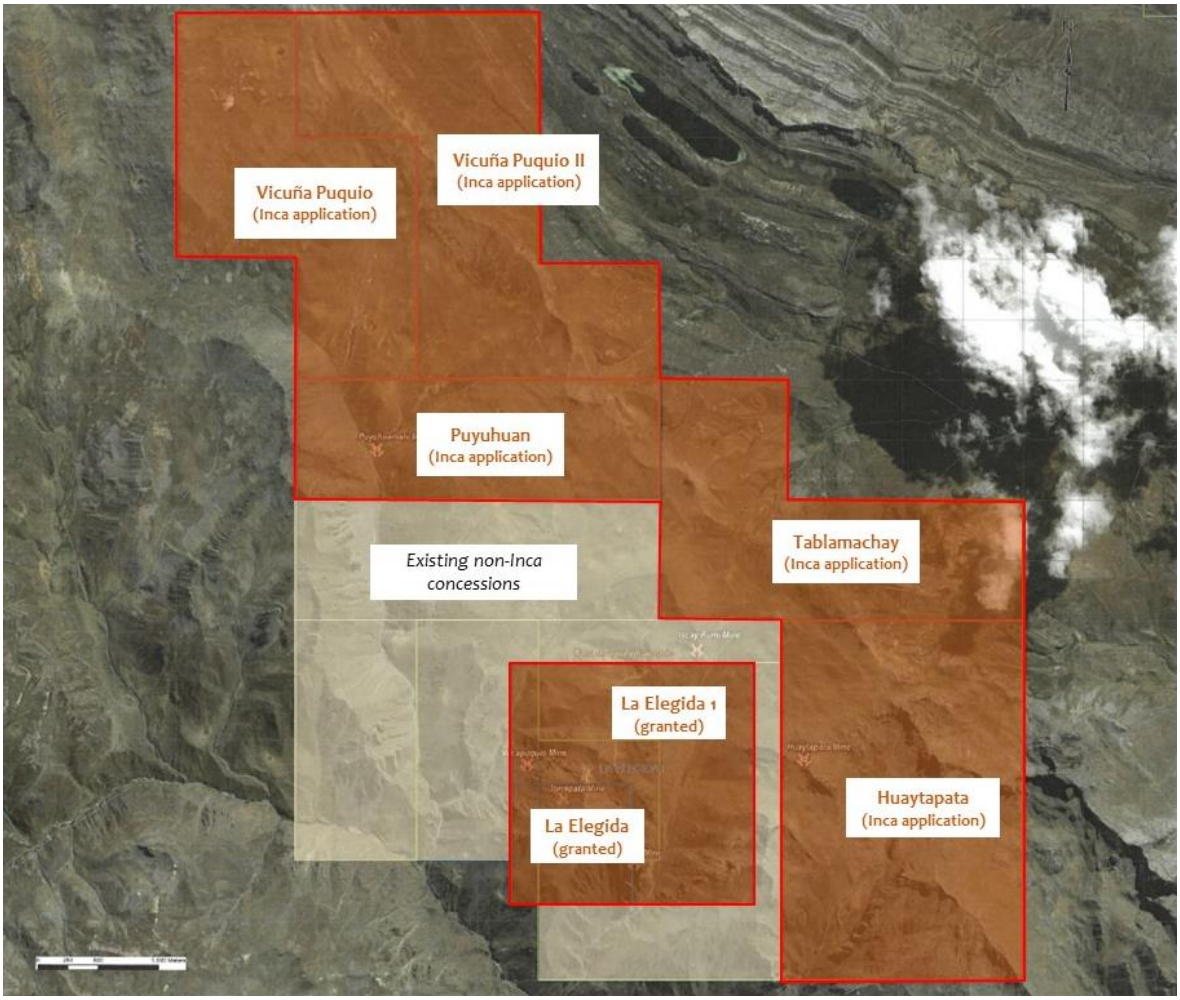
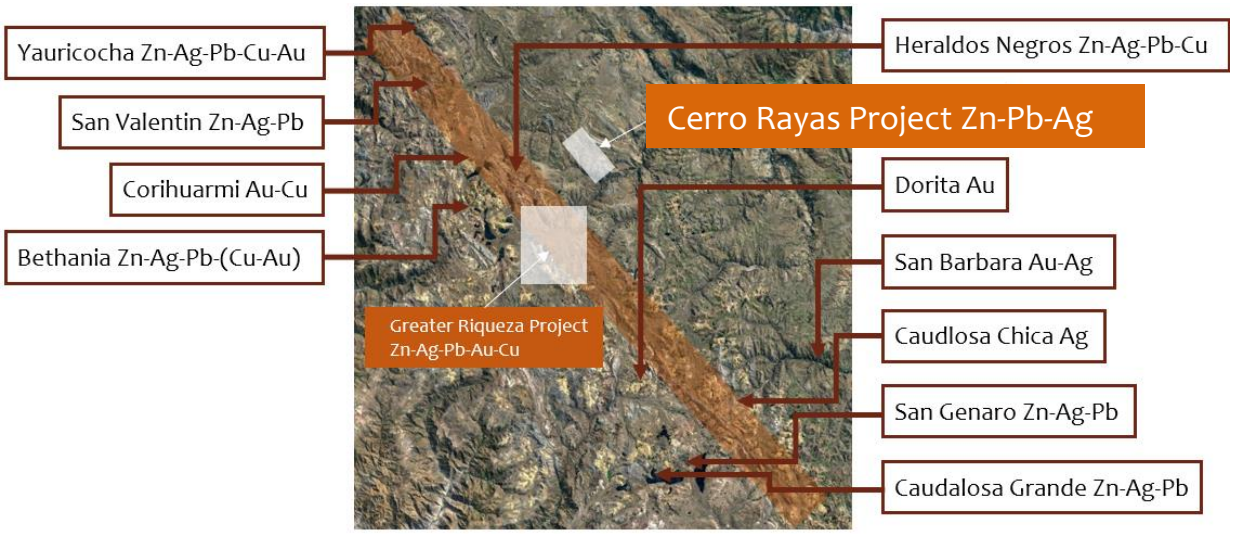
Appendix 1: Concession plan and regional location plan

Summary of Inca's landholding (pale brown) and other company concessions (pale yellow)



Cerro Rayas and Greater Riqueza project location plan showing the location of 10 mines within 50km.



Appendix 2

The following information is provided to comply with the JORC Code (2012) requirements for reporting by the Company of channel sampling results on three concession (applications) known as Vicuña Puquio, Puyuhuan and Huaytapata (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 20 channel samples. The channel samples were taken from mine workings and outcrop. Except for three channel samples (identified in text), all samples are individual.
	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 mine workings and outcrop. Channel sample locations 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.	By virtue of the preliminary nature of the sampling, insufficient information is available to determine the perpendicularity of the long-axis of the channel to the visible mineralisation trend. In all cases approximately 2kg in weight and between 0.25m 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.).*	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.	As discussed above, insufficient information is available to determine the perpendicularity of the long-axis of the channel to the visible mineralisation trend.
	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 mine working wall face and outcrop. Where considered appropriate, individual channel lengths are either sub-one metre (≥0.25m) or one metre.
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.
	The use of twinned holes.	NA – No drilling is referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying cont…	*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. 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.*	All channel samples were taken from individual occurrences of mineralisation. Spacing therefore was determined by the location of the mineralisation.
	Whether 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.*	As discussed above, insufficient information is available to determine the perpendicularity of the long-axis of the channel sample to the mineralisation trend. No true widths are indicated and 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.
Sample security	*The measures taken to ensure sample security.*	Sample security managed by Company in line with industry best practice.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Where appropriate, assay data is independently audited. No audit was required in relation to assay data subject of this announcement. Nevertheless, 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: Vicuña Puquio, Vicuña Puquio II, Puyuhuan, Tablamachay and Huaytapata All are concessions under application and 100% owned by the Company.
	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.	At the time of writing the applications are valid and granting is in progress.
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 and the Ceracapuquio Formation. Multiple breccia structures occur in the project area which are believed fault-related. Multiple Zn-Pb-Ag occurrences are associated with major structural trends which cross the project area. This mineralisation is hosted in dolomitic limestone breccias and is believed to be Mississippi Valley Type in style.
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.
Data aggregation method	*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.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	N/A – no equivalents were used in this announcement.

Section 2 Reporting of Exploration Results Ctd

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
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, three continuous channel samples (identified in text) were taken perpendicularly across mineralisation at one location. At all other sample locations, the long axis of the channel sample is either perpendicular or longitudinal to mineralisation. Under these sampling circumstances long axis does not necessary equate to true widths of mineralisation. No such representations are therefore made.
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 avoiding 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 no reference previous ASX announcements.
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 and outcrops subject of channel sampling of this announcement.
Balanced reporting	*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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