



INCA MINERALS LTD

25 September 2020

Dear Shareholders,

Inca Minerals Limited - Notice to Ineligible Shareholders

1. On 17 September 2020, Inca Minerals Limited (ACN 128 512 907) (**ICG** or the **Company**) announced that it has launched a Renounceable Rights Issue to raise up to approximately \$7.5 million (**the Rights Issue or Entitlement Offer**).
2. Eligible shareholders can subscribe for 2 New Shares for every 3 existing Shares held at 5.00pm (AWST) on 22 September 2020 (**Record Date**) at the price of \$0.055 per New Share (**Entitlements**). For every 3 New Shares issued, Shareholders will receive 2 new listed options (**New Options**): one with 9.0 cents exercise price each and an expiry date of 30 July 2021 and the second with an exercise price of 20.0 cents each and an expiry date of 31 October 2023.
3. The Company will offer the New Shares and New Options under a prospectus lodged with ASIC on 17 September 2020 and released to ASX which is available to view on ASX's website (www.asx.com.au).
4. Fractional Entitlements will be rounded down to the nearest whole number of New Shares, and holdings on different registers or sub-registers will not be aggregated to calculate Entitlements.
5. The Company expects that the Entitlement Offer will be conducted as follows:

Ex date - Shares trade ex Entitlement (Ex Date)	21 September 2020
Rights trading starts on a deferred settlement basis	
Record date to determine Entitlement (Record Date)	5pm WST, 22 September 2020
Prospectus with Entitlement and Acceptance Form dispatched	No later than 25 September 2020
Offer opens for receipt of Applications	
Rights trading ends	7 October 2020
Closing date for acceptances	14 October 2020
Notify ASX of under-subscriptions	15 October 2020
Issue of New Shares and New Options	20 October 2020
Normal trading of New Shares expected to commence	21 October 2020

This timetable is indicative only and subject to change, subject to the Listing Rules.


6. The capital structure of the Company following completion of the Rights Issue is expected to be as follows (ignoring the effect of rounding Entitlements):

	Minimum Subscription	Full Subscription
Shares currently on issue	203,911,388	203,911,388
Total Options currently on issue (ASX: ICGO)	35,802,744	35,802,744
New Shares offered under the Prospectus	18,181,818	135,940,925
New Options offered under the Prospectus	12,121,212	90,627,283
Amount raised under the Prospectus (before costs)	\$1,000,000	\$7,476,750

7. The Company has determined pursuant to ASX Listing Rule 7.7.1(a) and section 9A(3) of the Corporations Act that it would be unreasonable to make the Entitlement Offer to shareholders with a registered address outside Australia or New Zealand. Accordingly and as you have a registered address outside Australia or New Zealand on the Records Date, this letter is to inform you that the Entitlement Offer is not made to you and you are not eligible to apply for the New Shares. You are not required to do anything in response to this letter.
8. As the Rights Issue is renounceable, for the purposes of Listing Rule 7.7.1(c), the Company has appointed Mahe Capital Limited (**Nominee**) as nominee to sell Ineligible Shareholders' Entitlements should they be eligible. The Nominee will have the absolute and sole discretion to determine the timing and price at which the Entitlements may be sold and the manner of any such sale. Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to Ineligible Shareholders.
9. The net proceeds of the sale of these Entitlements will then be forwarded by the Company as soon as practicable to the Ineligible Shareholders, in proportion to their share of such Entitlements (after deducting brokerage commission and other expenses). If any such net proceeds of sale are less than the reasonable costs that would be incurred by the Company for distributing those proceeds, such proceeds may be retained by the Company. There is no guarantee that the Nominee will be able to sell Entitlements of Ineligible Shareholders on ASX and Ineligible Shareholders may receive no value for the Entitlements. Both the Company and the Nominee take no responsibility for the outcome of the sale of such Entitlements or the failure to sell such Entitlements.
10. If you have any queries, please contact Mal Smartt, company secretary, on +61 419 997 171 or mal.smartt@hotmail.com between 9:00am and 5:00pm (AWST) Monday to Friday, alternatively, consult your stockbroker, solicitor, accountant or other professional financial adviser.

On behalf of the directors, I thank you for your continued support of the Company.

Yours faithfully



Mr Mal Smartt
Company Secretary
Inca Minerals Limited
Important notices

This letter does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States, or in any other jurisdiction in which such an offer would be illegal. The securities referred to in this letter have not been and will not be registered under the United States Securities Act of 1933 (the 'US Securities Act'), or under the securities laws of any state or other jurisdiction of the United States and may not be offered or sold, directly or indirectly, within the United States, unless the securities have been registered under the US Securities Act or an exemption from the registration requirements of the US Securities Act is available.