



## HIGHLIGHTS

- Certificate to commence operations granted and drilling resumes at Chanape
- Intersection of mineralised breccia in first hole (CH-DDH013)
- \$3M capital raised (before associated costs) in underwritten rights issue and placement

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## PROJECT ACTIVITIES

### Chanape Project

#### *Certificate to Commence Operations granted (ASX announcements 29 June 2015)*

On 26 June 2015 the Ministerio de Energia y Minas of Peru granted Inca Minerals Limited's (**Inca** or **Company**) Certificate to Commence Operations (**Certificate**). The granted Certificate activated the semi detailed Environmental Impact Assessment Permit (**sdEIA** or **Drill Permit**), which was granted on 20 April 2015 (ASX announcement 20 April 2015), enabling commencement of the Company's 2015 drilling program.

The Drill Permit has an allowance of 22,500 metres of diamond core drilling over a period of two years. Whereas the Company's previously expired drilling permit (a Declaration de Impacto Ambiental or **DIA**) covered a small percentage of the Chanape project area, the recently awarded Drill Permit covers all drill targets in a greatly expanded footprint.

#### *Related Post-Quarter Activities*

Drilling resumed at Chanape on 7 July 2015 (ASX announcement 7 July 2015). The priority drill targets determined in the lead up to the resumption of drilling are the Clint Breccia, which was discovered in CH-DDH012 (the final hole drilled under the previous DIA permit) and the gold-bearing breccias in the summit area of Mount Chanape. In previous drilling, the Clint Breccia returned a down-hole interval of 55m at 2.3% Cu, 0.6g/t Au, 42.9g/t Ag from 155m (ASX announcement 27 May 2014). The summit breccias returned rock chip sampling peak gold values of, *inter alia*, 19.35g/t Au and 12.65g/t Au (ASX announcement 22 October 2014).

In the Company's first hole under the new Drill Permit, CH-DDH013, a sulphide-bearing tourmaline breccia was intersected between 238.8m to 300.23m. With a down-hole interval of 61.43m, it is likely that the breccia is part of the Clint Breccia, which was intersected in the previous hole CH-DDH012 (ASX announcement 27 May 2014). Based on preliminary investigations, the projected position of the Clint Breccia, as intersected in CH-DDH013, is approximately 175m vertical distance from the surface and is adjacent to Breccia Pipe Eight (which contains 108m at 2.0g/t Au and 41.0g/t Ag from surface – peak drill result). The current deepest mineralised sections of the Clint Breccia and the Breccia Pipe Eight are more than 100m above the floor of adjacent valley. Follow-up drill holes will be designed to develop a potential resource associated with these breccias.

At the time of writing the anticipated return of assay results for CH-DDH013 is within a two week time frame. The diamond core rig has now been moved to the summit area of Mount Chanape to drill test several gold-bearing breccia targets located there.



Figure 1: Complete core tray photo of CH-DDH013 from 284m to 291.4m. The tourmaline-sulphide rich nature of this breccia is similar to the Clint Breccia, which contains copper, gold, silver and molybdenum (see ASX announcement 27 May 2014, ASX announcement 23 July 2015).

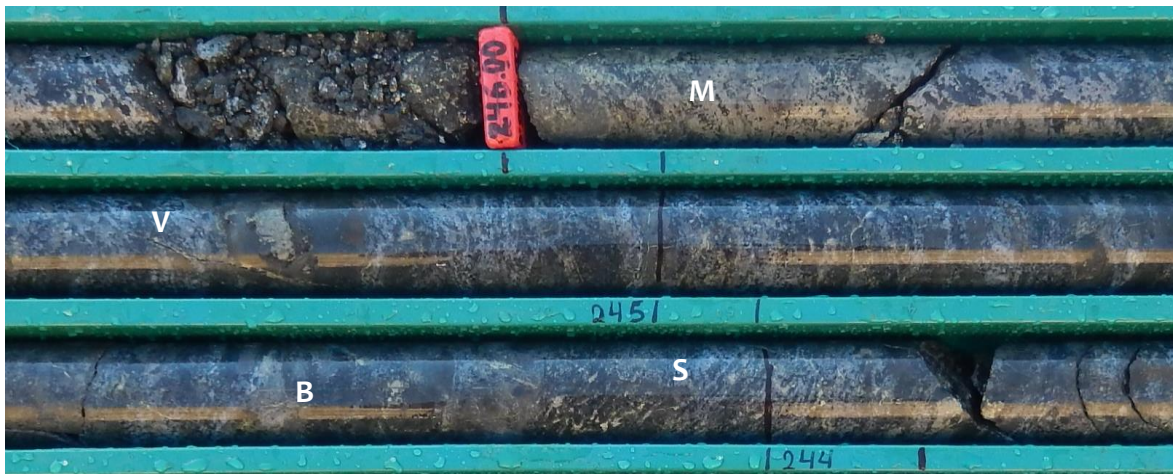


Figure 2: Partial core tray photo of CH-DDH013 between 243.7m to 246.3m. The sulphides occur in a variety of forms, including massive zones of replacement (M), blebs (B), veins (V) and stockwork zones (S). Tourmaline alteration is very well developed as is the physical extent of fragmentation (brecciation) (ASX announcement 23 July 2015).



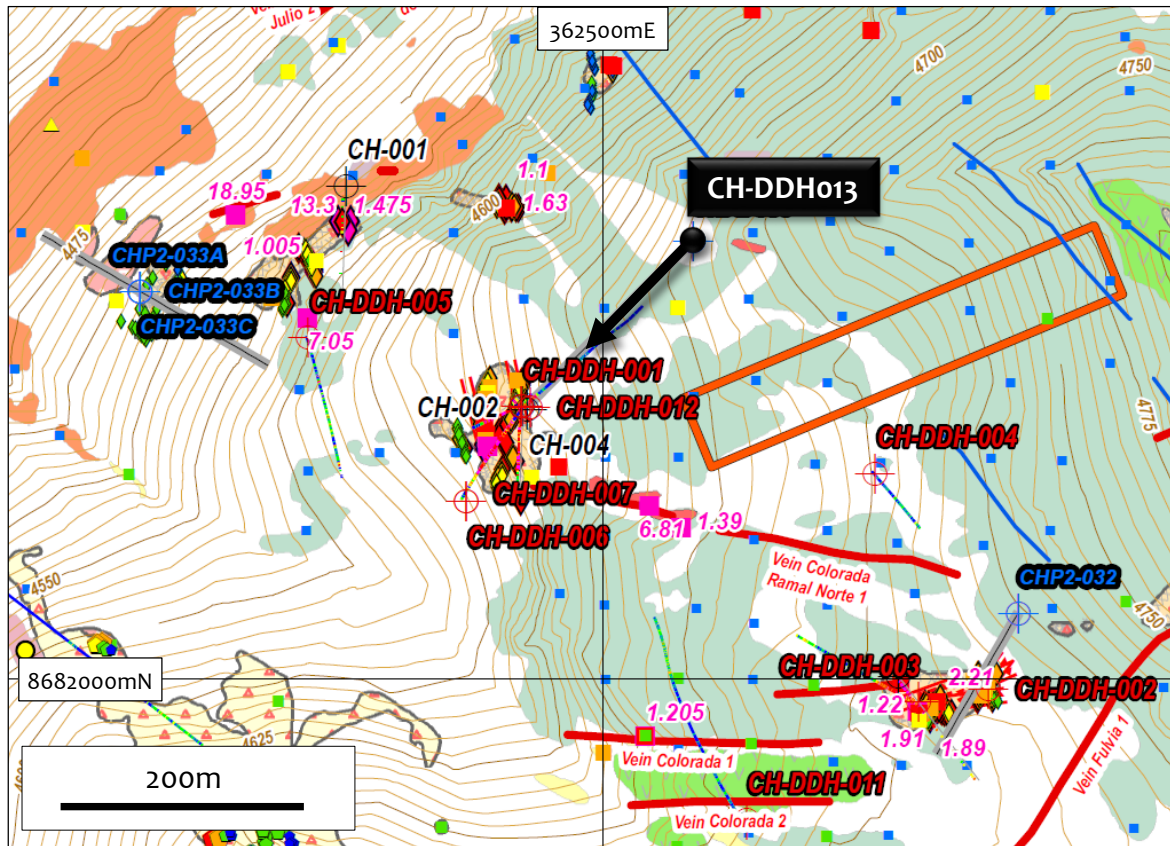


Figure 3: Plan showing the location of CH-DDH013 relative to CH-DDH012 (mentioned in text). Pink numbers indicate gold values in surface sampling (eg. 18.95 = 18.95g/t Au) (ASX announcement 23 July 2015).

## CORPORATE ACTIVITIES

### Rights Issue and Placement

During the June 2015 quarter the Company announced its intention to raise up to \$3 million (before associated costs) through a *pro rata* 1 : 3 renounceable entitlements issue (**Rights Issue**), at an issue price of \$0.01 per share, in conjunction with a possible placement of up to 85 million shares at an issue price of \$0.01 per share (**Placement**) (ASX announcement 23 June 2015). The Rights Issue was fully underwritten by Patersons Securities Limited (**Patersons**).

### Related Post-Quarter Activities

Subsequent to the June 2015 quarter the Company successfully completed its Rights Issue receiving applications from eligible Inca shareholders to the value of \$1.874M (ASX announcement 20 July 2015) and representing an 87% take-up of rights by eligible Inca shareholders. The underwriter's (Patersons) clients took up the remaining 13% of the Rights Issue. In addition, the Company also raised \$850,000 in the Placement by issuing 85,000,000 fully paid ordinary shares in the Company at an issue price of \$0.01 per share. (ASX announcements 27 July 2015 and 29 July 2015). The Placement was made under the Company's 15% placement capacity to sophisticated and professional investor clients of Patersons.



## UPCOMING ACTIVITIES

### Chanape Project

The Company expects to receive assay results for drill hole CH-DDH013 in a two week time frame (as of the date of this quarterly report).

The Company will continue to drill test its many attractive targets at Chanape over the next quarter as well as follow-up on ongoing positive results in the process to developing a potential maiden resource in relation to the recent results associated with the mineralised Clint Breccia and Breccia Number Eight.

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**Ross Brown**  
Managing Director

### Competent Person's Statements

The information in this report that relates to gold, copper, silver, zinc epithermal and porphyry style mineralisation for the Chanape 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 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 full time employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

Some of the information in this report may relate to previously released reports/data regarding gold, copper, silver, zinc epithermal and porphyry style mineralisation for the Chanape Project, located in Peru, and first disclosed under the JORC Code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Company is not aware of any new information or data that materially affects the information in this report and such information is based on the information compiled by Mr Ross Brown BSc (Hons), MAusIMM, SEG, MAICD Managing Director, Inca Minerals Limited, who is a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience, which is relevant to the 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 2004 Edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Brown is a full time employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.



**Table 1: June 2015 Quarter ASX Announcements  
(Including post-quarter announcements mentioned in text)**

| ASX Announcements   | Price Sensitive | Date Announced | Competent Person |
|---|-----------------|----------------|------------------|
| Chanape s dEIA Permit Receives Ministerial Sign-off               | NO              | 20 April 2015  | N/A              |
| Appendix 5B   | YES             | 1 May 2015     | N/A              |
| Suspension from Official Quotation                                | YES             | 1 May 2015     | N/A              |
| March 2015 Quarterly Activities Report                            | YES             | 1 May 2015     | Ross Brown       |
| Reinstatement to Official Quotation                               | YES             | 1 May 2015     | N/A              |
| Mobilisation Ahead of Resumption of Drilling at Chanape           | YES             | 20 May 2015    | N/A              |
| Trading Halt  | YES             | 17 June 2015   | N/A              |
| Change of Address   | NO              | 22 June 2015   | N/A              |
| Suspension from Official Quotation                                | YES             | 22 June 2015   | N/A              |
| Inca to Undertake \$2.15m Renounceable Rights Issue               | YES             | 23 June 2015   | N/A              |
| Reinstatement to Official Quotation                               | YES             | 23 June 2015   | N/A              |
| Investor Presentation   | NO              | 23 June 2015   | Ross Brown       |
| Appendix 3B   | NO              | 23 June 2015   | N/A              |
| Prospectus  | YES             | 25 June 2015   | Ross Brown       |
| Trading Halt  | YES             | 26 June 2015   | N/A              |
| Trading Halt Request  | NO              | 26 June 2015   | N/A              |
| Drilling to Resume at Chanape                                     | YES             | 29 June 2015   | Ross Brown       |
| Appendix 3B   | NO              | 29 June 2015   | N/A              |
| Joint Company Secretary Appointment                               | NO              | 30 June 2015   | N/A              |
| Post Quarterly Announcements mentioned as post quarter activities |                 |                |                  |
| Drilling Recommences at Chanape                                   | YES             | 7 July 2015    | Ross Brown       |
| Inca Rights Issue Successfully Completed                          | NO              | 20 July 2015   | N/A              |
| Chanape Drilling and Company Update                               | YES             | 23 July 2015   | Ross Brown       |
| Inca Capital Raising Update & Appendix 3Bs                        | NO              | 27 July 2015   | N/A              |

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