20 August 2015

68 Metres of 1.98% Copper Plus Gold and Silver in First Drill Hole

HIGHLIGHTS

- Clint Breccia intersected in first hole of sdEIA drilling campaign (CH-DDH013)
- Mineralised interval in CH-DDH013 includes:
  - **68m down-hole interval @ 1.98% Cu, 0.84g/t Au and 42.90g/t Ag from 234m**
    - Including 26m @ 2.24% Cu, 0.91g/t Au and 41.79g/t Ag from 234m
      - Including 15m @ 2.69% Cu, 0.66g/t Au and 45.71g/t Ag from 245m
    - And 7m @ 2.78% Cu, 1.47g/t Au and 70.59g/t Ag from 294m
- Clint Breccia forms contiguous mineralisation with Breccia Pipe 8 over 200 vertical metres from surface

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Inca Minerals Limited ("Inca" or "Company") has received assay results for the first four holes of its drilling campaign under the sdEIA at Chanape (CH-DDH013, 014, 015 & 016). CH-DDH013 was drilled to improve the Company's understanding of the width of mineralisation within the Clint Breccia target (first identified in CH-DDH012). CH-DDH013 intersected significant copper (Cu), gold (Au) and silver (Ag) mineralisation. Holes CH-DDH014 and 015, the Company's first drilling in the Mt. Chanape summit area, intersected gold and lead (Pb) mineralisation associated with surface vein systems.

Figure 1: Core photo at 247.5m in CH-DDH013 showing disseminated chalcopyrite and pyrite. The metre sample of this section of core returned 4.2% copper, 1.5g/t gold and 71.6g/t silver.

Results of CH-DDH013

Drill hole CH-DDH013, the first hole in the current drilling campaign, intersected the Clint Breccia between the down-hole depths of 238.5m and 300.2m. The down-hole width of the Clint Breccia is 61.7m. The Clint Breccia in CH-DDH013 contains between 1% and 25% combined chalcopyrite, pyrite and arsenopyrite. The well-developed extent of tourmaline indicates Clint is a hydrothermal type breccia and as such is the same as the adjacent Breccia Pipe 8. CH-DDH013 produced a down-hole intersection of ***68m at 1.98% Cu, 0.84g/t Au and 42.90g/t Ag from 234m***. This intersection compares very favourably to that of CH-DDH012 of ***55m at 2.29% Cu, 0.60g/t Au and 42.90g/t Ag*** and confirms the highly mineralised nature of the Clint Breccia.

Inca's Managing Director, Mr Ross Brown, is currently in Peru and says "At around 2%, the copper content is remarkably consistent in the Clint Breccia in CH-DDH013 (refer to Table 2). Interestingly, the Cu, Au and Ag values increase towards the outer margins of the breccia and, to a degree, extend beyond the breccia contacts into the surrounding volcanics. What is also both pleasing and interesting is the fact that the average gold values of Clint in this hole are higher than in CH-DDH012 and the silver values are identical."

CH-DDH013 was drilled at a shallow angle (58°) towards the Clint Breccia target from the NE to obtain a better understanding of the true width of mineralisation. The assay results included in this announcement (refer to Table 2) cover the mineralised section of CH-DDH013 only.

Significance of Results

Mr Brown says "It is exciting to now put some dimension to the Clint Breccia, hitherto only known in one drill hole. With CH-DDH013, not only has Clint grown considerably in size two dimensionally, but it is

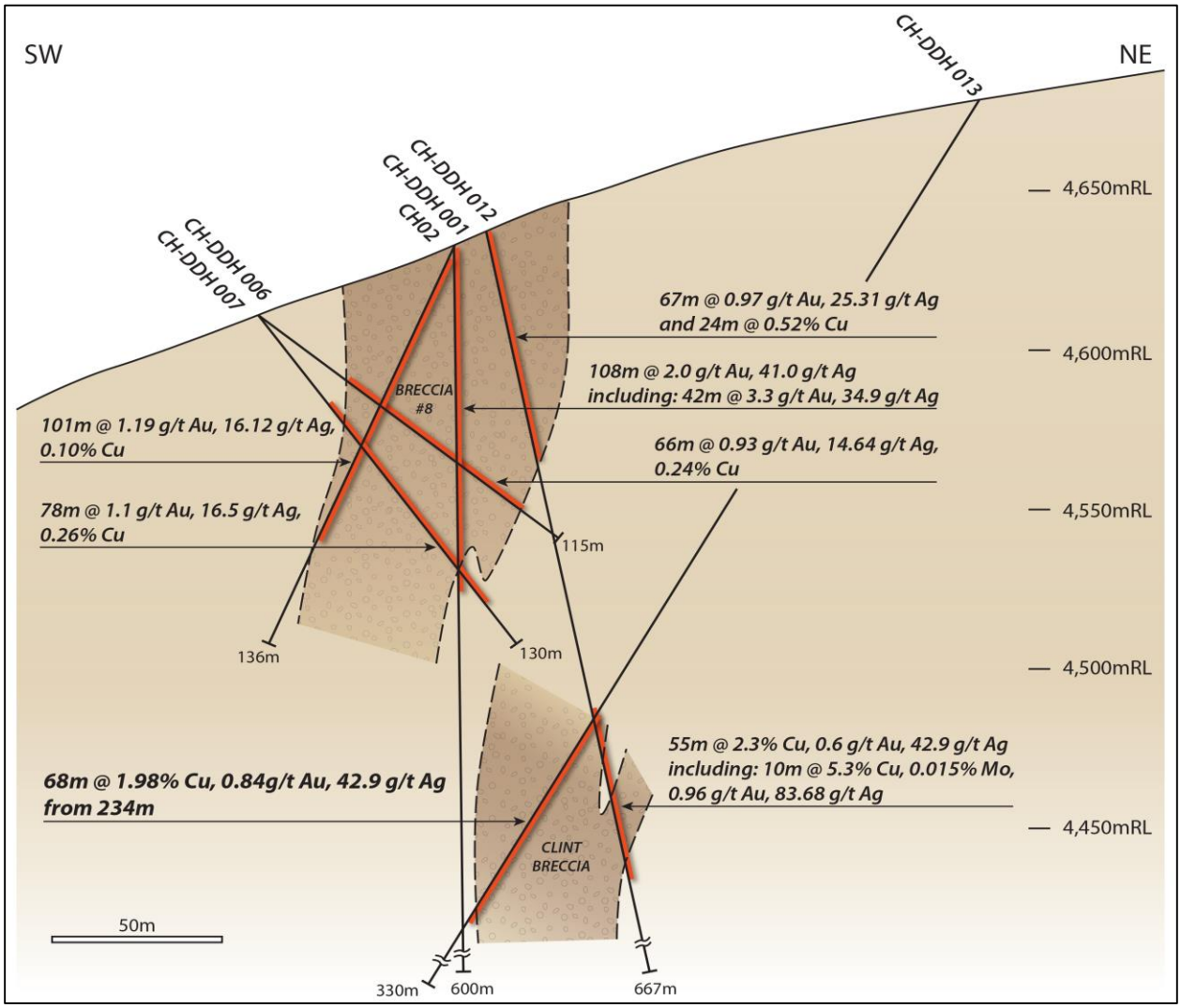

Figure 2: Schematic section showing the relative position of the Clint Breccia and Breccia Pipe 8. Drill-hole intervals with significant mineralisation are indicated.

now clearly associated with the Breccia Pipe 8 that occurs above Clint and at the surface (Figure 2). The link between mineralisation and spatial continuity of strong grades adds considerable weight to the possibility of a potential resource at this location."

Based on new information about Clint from CH-DDH013, the two breccias form a contiguous zone of mineralisation from surface to a vertical distance of 200m (open ended at depth). An initial estimate of the true width of mineralisation of Clint, of approximately 50m, is based on breccia geometry (Figure 2). Clint may either be a second breccia in a series of mineralised *en echelon* breccias occurring in this area, or an off-set continuation of Breccia Pipe 8 at depth.

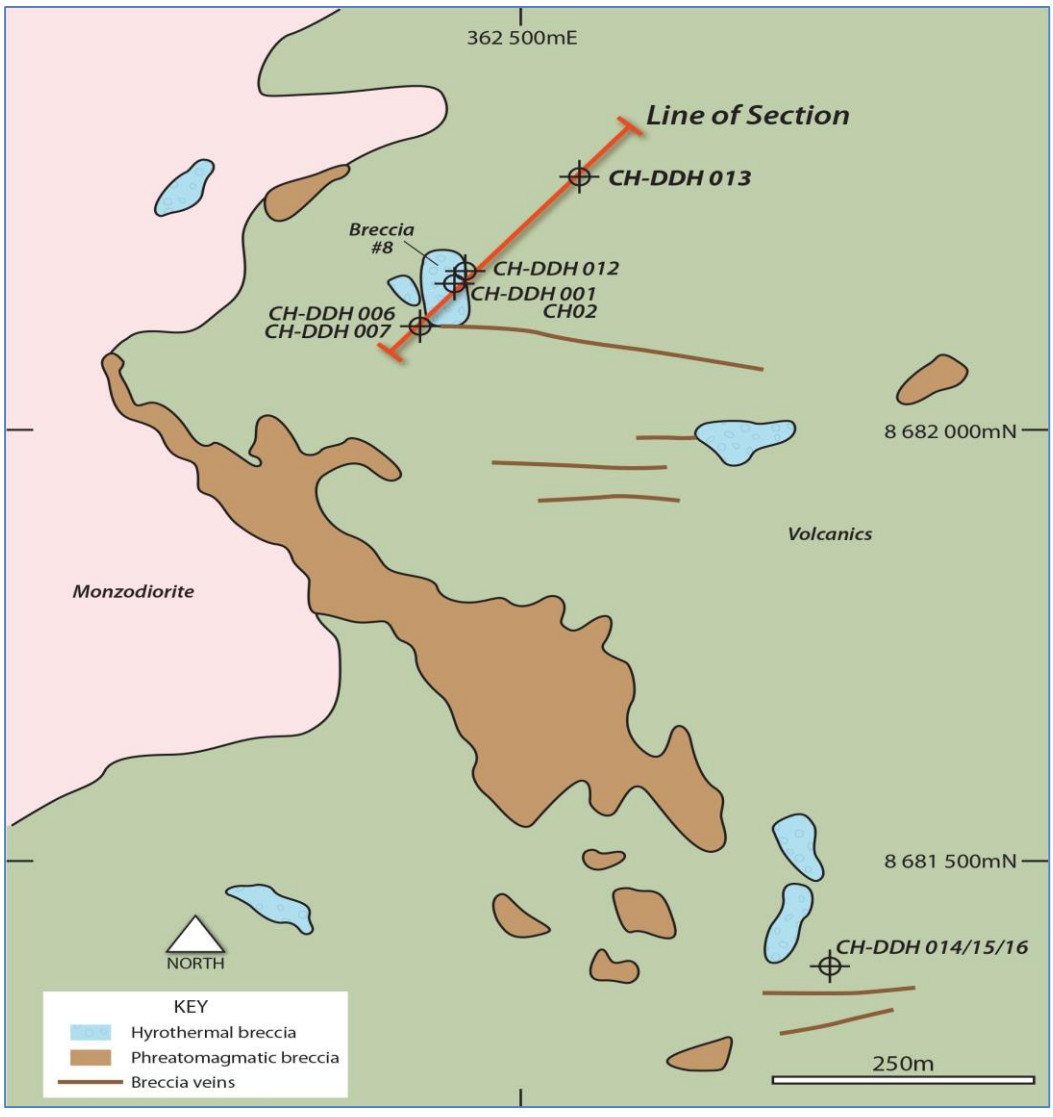

Figure 3: Drill hole location plan with simplified geology and cross section orientation. The project area mostly comprises volcanics (green) and monzodiorite and similar intrusive rocks (pink). In broad terms two breccia types are depicted. The hydrothermal breccias (like that of Breccia Pipe 8 [which occurs at the surface] and Clint) are targeted in the current drilling campaign.

The Clint Breccia/Breccia Pipe 8 mineralised zone is now intersected in several closely spaced holes and drill intersections include:

- **68m @ 1.98% Cu, 0.84g/t Au, 42.90g/t Ag (New result in CH-DDH013) – Clint Breccia.**
- 55mm at 2.29% Cu, 0.60g/t Au, 42.90g/t Ag (CH-DDH012) – Clint Breccia.
- 108m @ 2.0g/t Au, 41.0g/t Ag from surface including 42m @ 3.3 g/t Au, 34.9g/t Ag from surface (CH-DDH001) – Breccia Pipe 8.
- 67m @ 0.97g/t Au, 25.31g/t Ag from surface with overlapping 24m @ 0.52% Cu from 50m (CH-DDH012) – Breccia Pipe 8.
- 66m @ 0.93g/t Au, 14.64g/t Ag and 0.24% Cu from 33m in (CH-DDH006) – Breccia Pipe 8.
- 78m @ 1.1g/t Au, 16.5g/t Ag and 0.26% Cu from 35m (CH-DDH007) – Breccia Pipe 8.
- 101m @ 1.19g/t Au, 16.12g/t Ag and 0.10% Cu from surface (CH2 – High Ridge hole) – Breccia Pipe 8.

Ross Brown said: "The juxtaposed Clint and Pipe 8 mineralised breccia bodies contain an impressive endowment of metal. Significant grades of copper, gold and silver, as well as occasional molybdenum and tungsten, occur from surface to an open-ended depth of two hundred metres. This mineralised zone is the most advanced in terms of Inca's exploration but is only one of many breccia-hosted forms of mineralisation that occur throughout Chanape. Approximately one hundred breccia bodies occur throughout Chanape with a concentration of them occuring at the Mt. Chanape summit area. These are being targeted in the current drill campaign."

Figure 4: Core photo at 286.8m in CH-DDH013. Pyrite and arsenopyrite occurring in a breccia clast encased in a tourmaline rich matrix containing pyrite and chalcopyrite, as replacements and veins. The metre sample of this section of core returned 1.71% copper, 0.66g/t gold and 72.9g/t silver.

Drilling at the Summit Area of Mount Chanape

Drill holes CH-DDH014 and 15 intersected Au-bearing vein-effected volcanics that were first identified in the summit area of Mount Chanape during surface exploration (peak gold value in sampling: 19.35g/t). CH-DDH014 intersected a highly weathered, phyllic (sericite) altered volcanic between down-hole depths 26m and 32m which is believed to be a below-ground extension of a vein system occurring at surface. Mineralisation in CH-DDH014 includes 6m at 0.94g/t Au, 45.42g/t Ag and 1.11% lead (Pb) from 26m (Table 3). CH-DDH015 was drilled from the same position and direction as CH-DDH014 but at a steeper angle (it is therefore a vertically twinned hole). CH-DDH015 intersected a broad zone of phyllic altered volcanics with minor vein structures between down-hole depths 34.2m and 40.9m. Mineralisation in CH-DDH015 includes 7m at 0.80g/t Au, 28.39g/t Ag and 0.79% lead (Pb) from 34m (Table 3). This intersection is considered to be a continuation at depth of similar mineralisation identified in CH-DDH014. No significant mineralisation

was identified in CH-DDH016 though what is believed to be the same structure was intersected between 26.4m and 33.1m.

Further Exploration

At the time of writing, the drill rig was positioned on CH-DDH19 which is intended to test the below-ground extent of the gold bearing Valley View Breccia. Core sampling is currently focussed on the completion of CH-DDH017. Mr Brown said "The results so far are *very* encouraging and drilling will continue following a review of the data collected to date."

Several mineralised tourmaline breccias, including the Breccia Pipes 10/11 complex and the Water Tank Breccia located near the Clint Breccia/Breccia Pipe 8 complex, and others at the summit, are yet to be tested. The Breccia Pipes 10/11 complex hosts significant mineralisation (down-hole **100m @ 1.18g/t Au and 7.27g/t Ag** from 6m, including 46m @ 1.82g/t Au and 11.75g/t Ag from 15m). There are several mineralised vein systems also to be tested, including a breccia vein system with peak values of 31.6g/t Au and 13.75g/t Au in the north of the project and similar vein systems in the south of the project with peak values of 12.9g/t and 9.11g/t.

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Competent Person Statements

The information in this report that relates to 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 epithermal and porphyry style mineralisation for the Chanape Project, located in Peru, and subsequently prepared 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, and 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: Drill Hole Parameters

Hole Number	Coordinates			Height above sea level	Azimuth	Dip	Total Depth
	Easting	Northing	Datum				
CH-DDH013	362560mE	8682295mN	PSAD56	4,682m	255°	58°	330m
CH-DDH014	362802mE	8681378mN	As above	4,920m	170°	45°	109.1m
CH-DDH015	As above	As above	As above	As above	170°	60°	96.7m
CH-DDH016	As above	As above	As above	As above	192°	45°	60m

Table 2: Assay Results of CH-DDH013 (234m –302m)

Sample Number	*Hole*	*Down Hole Depth*		*Interval (m)*	*Au (g/t)*	*Ag (g/t)*	*Cu (ppm)*	*Cu (%)*
		From	*To*					
Lower zone of mineralisation in CH-DDH13 associated with tourmaline breccia (the Clint Breccia)								
DD-000157	CH-DDH013	234.00	235.00	1	0.473	25.5	10400	1.04
DD-000158	CH-DDH013	235.00	236.00	1	1.346	83.0	33200	3.32
DD-000159	CH-DDH013	236.00	237.00	1	0.683	38.1	16300	1.63
DD-000161	CH-DDH013	237.00	238.00	1	0.359	8.5	4522	0.45
DD-000162	CH-DDH013	238.00	239.00	1	0.986	42.0	16900	1.69
DD-000163	CH-DDH013	239.00	240.00	1	1.192	32.5	14200	1.42
DD-000164	CH-DDH013	240.00	241.00	1	1.893	25.5	11400	1.14
DD-000165	CH-DDH013	241.00	242.00	1	1.782	34.9	15300	1.53
DD-000166	CH-DDH013	242.00	243.00	1	1.854	38.1	18400	1.84
DD-000167	CH-DDH013	243.00	244.00	1	2.160	43.6	22600	2.26
DD-000168	CH-DDH013	244.00	245.00	1	0.881	29.1	16100	1.61
DD-000169	CH-DDH013	245.00	246.00	1	0.908	53.2	31500	3.15
DD-000171	CH-DDH013	246.00	247.00	1	1.497	71.6	42400	4.24
DD-000172	CH-DDH013	247.00	248.00	1	2.467	31.5	19100	1.91
DD-000173	CH-DDH013	248.00	249.00	1	0.429	32.2	19900	1.99
DD-000174	CH-DDH013	249.00	250.00	1	0.202	42.8	23800	2.38
DD-000175	CH-DDH013	250.00	251.00	1	0.479	45.8	22700	2.27
DD-000176	CH-DDH013	251.00	252.00	1	0.492	28.8	14500	1.45
DD-000177	CH-DDH013	252.00	253.00	1	0.283	50.4	26800	2.68
DD-000178	CH-DDH013	253.00	254.00	1	1.234	52.6	26500	2.65
DD-000179	CH-DDH013	254.00	255.00	1	0.285	49.1	23400	2.34
DD-000181	CH-DDH013	255.00	256.00	1	0.338	59.8	36200	3.62
DD-000182	CH-DDH013	256.00	257.00	1	0.304	50.6	34200	3.42
DD-000183	CH-DDH013	257.00	258.00	1	0.422	60.7	36500	3.65
DD-000184	CH-DDH013	258.00	259.00	1	0.210	17.8	17300	1.73
DD-000185	CH-DDH013	259.00	260.00	1	0.366	38.8	28000	2.80
DD-000186	CH-DDH013	260.00	261.00	1	0.699	20.7	18600	1.86
DD-000187	CH-DDH013	261.00	262.00	1	0.622	13.2	13700	1.37
DD-000188	CH-DDH013	262.00	263.00	1	0.633	23.9	17100	1.71
DD-000189	CH-DDH013	263.00	264.00	1	0.617	17.6	18900	1.89
DD-000191	CH-DDH013	264.00	265.00	1	0.772	21.3	13000	1.30
DD-000192	CH-DDH013	265.00	266.00	1	0.390	31.5	14100	1.41
DD-000193	CH-DDH013	266.00	267.00	1	0.662	16.9	10900	1.09
DD-000194	CH-DDH013	267.00	268.00	1	0.543	8.3	11500	1.15

Table 2 (Ctd): Assay Results of CH-DDH013 (234m –302m)

Sample Number	Hole	Down Hole Depth		Interval (m)	Au (g/t)	Ag (g/t)	Cu (ppm)	Cu (%)
		From	To					
Lower zone of mineralisation in CH-DDH13 associated with tourmaline breccia (the Clint Breccia)								
DD-000195	CH-DDH013	268.00	269.00	1	0.640	11.8	11200	1.12
DD-000196	CH-DDH013	269.00	270.00	1	0.648	16.6	12300	1.23
DD-000197	CH-DDH013	270.00	271.00	1	0.499	11.6	12900	1.29
DD-000198	CH-DDH013	271.00	272.00	1	0.724	10.2	7362	0.76
DD-000199	CH-DDH013	272.00	273.00	1	0.469	34.3	9696	0.97
DD-000201	CH-DDH013	273.00	274.00	1	0.458	21.1	9074	0.91
DD-000202	CH-DDH013	274.00	275.00	1	0.830	16.4	6666	0.67
DD-000203	CH-DDH013	275.00	276.00	1	1.025	36.5	19600	1.96
DD-000204	CH-DDH013	276.00	277.00	1	0.883	81.2	24400	2.44
DD-000205	CH-DDH013	277.00	278.00	1	0.175	23.9	13200	1.32
DD-000206	CH-DDH013	278.00	279.00	1	1.225	51.1	18000	1.80
DD-000207	CH-DDH013	279.00	280.00	1	0.389	44.5	18700	1.87
DD-000208	CH-DDH013	280.00	281.00	1	0.310	43.3	14500	1.45
DD-000209	CH-DDH013	281.00	282.00	1	0.156	40.9	17500	1.75
DD-000211	CH-DDH013	282.00	283.00	1	0.806	55.1	22600	2.26
DD-000212	CH-DDH013	283.00	284.00	1	1.203	69.5	28000	2.80
DD-000213	CH-DDH013	284.00	285.00	1	0.447	38.4	18400	1.84
DD-000214	CH-DDH013	285.00	286.00	1	0.753	81.4	18000	1.80
DD-000215	CH-DDH013	286.00	287.00	1	0.659	72.9	17100	1.71
DD-000216	CH-DDH013	287.00	288.00	1	0.197	47.7	14800	1.48
DD-000217	CH-DDH013	288.00	289.00	1	0.340	45.3	18700	1.87
DD-000218	CH-DDH013	289.00	290.00	1	0.448	78.3	27600	2.76
DD-000219	CH-DDH013	290.00	291.00	1	0.225	28.5	17000	1.70
DD-000221	CH-DDH013	291.00	292.00	1	0.397	60.4	16200	1.62
DD-000222	CH-DDH013	292.00	293.00	1	1.649	61.4	22100	2.21
DD-000223	CH-DDH013	293.00	294.00	1	1.614	77.8	29000	2.90
DD-000224	CH-DDH013	294.00	295.00	1	0.642	75.1	37900	3.79
DD-000225	CH-DDH013	295.00	296.00	1	0.496	71.5	28600	2.86
DD-000226	CH-DDH013	296.00	297.00	1	0.736	106.5	39400	3.94
DD-000227	CH-DDH013	297.00	298.00	1	1.017	85.7	31900	3.19
DD-000228	CH-DDH013	298.00	299.00	1	2.272	57.9	22400	2.24
DD-000229	CH-DDH013	299.00	300.00	1	2.012	45.4	14800	1.48
DD-000230	CH-DDH013	300.00	301.00	1	3.135	52.0	19600	1.96
DD-000232	CH-DDH013	301.00	302.00	1	1.030	26.0	9258	0.93
Un-weighted averages (over 68 metres)					**0.839**	**42.9**	**19829**	**1.98**

Table 3: Assay Results of CH-DDH014 (26m-32m) and CH-DDH015 (34m-41m)

Sample Number	Hole	Down Hole Depth		Interval (m)	Au (g/t)	Ag (g/t)	Pb (ppm)
		From	To				
Upper zone of mineralisation associated with phyllic-altered fault zone in volcanics							
DD-000268	CH-DDH014	26.00	28.00	2	0.570	24.80	6301
DD-000270	CH-DDH014	28.00	29.00	1	0.382	24.10	14420
DD-000271	CH-DDH014	29.00	30.00	1	2.769	175.00	36320
DD-000272	CH-DDH014	30.00	32.00	2	0.376	11.90	1550
Un-weighted averages (over 6 metres)					**0.940**	**45.42**	**1.11%**
Sample Number	**Hole**	**Down Hole Depth**		**Interval (m)**	**Au (g/t)**	**Ag (g/t)**	**Pb (ppm)**
		From	**To**				
Lower zone of mineralisation associated with tourmaline breccia (the Clint Breccia)							
DD-000349	CH-DDH015	34.00	35.00	1	0.567	53.50	3458
DD-000351	CH-DDH015	35.00	36.00	1	0.396	18.20	1756
DD-000352	CH-DDH015	36.00	37.00	1	0.548	15.20	2218
DD-000353	CH-DDH015	37.00	38.00	1	0.148	6.00	3840
DD-000354	CH-DDH015	38.00	39.00	1	0.288	9.40	18520
DD-000355	CH-DDH015	39.00	40.00	1	0.713	21.50	16710
DD-000356	CH-DDH015	40.00	41.00	1	2.934	74.90	9073
Un-weighted averages (over 7 metres)					***0.799***	***28.39***	***0.79%***

Appendix

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of the above diamond drilling results on the mining concessions known as San Antonio 2 de Chanape, San Antonio 4 and Chanape (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.*	The announcement refers to assay results from three drill holes (CH-DDH013, 14 & 15) drilled to depths of 330m, 109m and 97m respectively. A total of 79m of separate drill core assays from the three holes were referred to in this announcement. Results of key elements are presented in Tables 2 & 3. No significant mineralisation was identified in the fourth drill hole (CH-DDH016) referred in this announcement.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The drill hole locations were determined by hand-held GPS. Drill core was logged noting lithology, alteration, mineralisation, structure. Sampling protocols and QAQC are as per industry best-practice.
	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.	Each metre of drill core (of above) was cut (longitudinally) and bagged separately. Samples were sent to BV Inspectorate ("BVI") for multi-element analysis: Gold via FA-A finish (with detection limit 0.005ppm), multi-elements: Four Acid Digest ICP-AES (various detection limits).
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.).*	The drilling technique used in the generation of reported geology was diamond core. Core diameter was HQ (63.5mm dia). The angled holes were orientated as per industry best-practise procedures.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	Core barrel v's core length measurements were made. No significant core loss was experienced.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	No significant core loss was experienced.
	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.	Not applicable – refer above.
Logging	*Whether core and chip samples have been geologically and geo-technically logged to a level of detail to support appropriate Mineral Resource estimation,*	On-site geologist(s) log lithology, alteration, mineralisation on a shift basis.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
	mining studies and metallurgical studies.	Core recoveries are noted.
Logging cont…	*Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.*	Core logging is both qualitative and quantitative. Core photos were taken.
	The total length and percentage of the relevant intersections logged.	100% of the core was logged.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core was sawn in half. One half was bagged and labelled, the remaining half was returned to the core tray.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	Not applicable – all samples subject of this announcement were core.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Core sampling followed industry best practice.
	Quality control procedures adopted for all sub-sampling stages to maximise "representivity" of samples.	No sub-sampling procedures were undertaken by the Company.
	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 core sawing orientation was such that [apparent] mineralisation was equally represented in both values of the core. Sample intervals are FIXED to metre interval (in this case a 1m interval and occasionally a 2m interval) and NOT subject to visible signs of mineralisation. Refer to Tables 2 & 3.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered adequate in terms of the nature and distribution of [apparent] mineralisation visible in the core.
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 core for Au was four-acid digest. The four acid digest technique involves hydrofluoric, nitric, perchloric and hydrochloric acids and is considered a "complete" digest for most material types. Non-Au techniques included ICP/OES.
	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.	No geophysical tool or electronic device was used in the generation of sample results other than those used by BVI 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 introduced into the sample stream (without notification of BVI). This is an addition to BVI QAQC procedures, which follow industry best practice.
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 BVI who conduct QAQC procedures, which follow industry best practices.
	The use of twinned holes.	This announcement refers to four drill

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying cont…		holes, in addition to those mentioned in the context of assay results, CH-DDH016. Three were drilled from the sample platform, two along the same azimuth (at differing dips – refer to Table 1).
	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 BVI in two forms: EXCEL and PDF form (the latter serving as a certificate of authenticity). Both formats are captured on Company laptops which are backed up from time to time. Following critical assessment (price sensitivity) when time otherwise permits the data is entered into a database by a 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 drill-hole locations were determined using a hand-held GPS.
	Specification of the grid system used.	PSAD56.
	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.*	The four holes subject of geological reporting and sampling were logged and sampled every one, and in some cases (where stated), two metres. Spacing (distance) between data sets with respect to geology and sampling is in line with industry best practices.
	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.	No representations of extensions, extrapolations or otherwise continuity of grade are made in this announcement.
	Whether sample compositing has been applied.	Sample compositing was not applied.
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.*	A single zone of mineralisation is referred to with regard to CH-DDH013. A separate second zone of mineralisation is referred to with respect to CH-DDH014 & 15. In both cases the orientation of sampling, imposed by the orientation of drilling, to mineralisation is at an angle less than perpendicular. As such the down-hole interval is not to true width and should be seen as a probable maximum width.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this	Prior to the drilling of the four holes subject of this announcement no or little information was available as to the

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Orientation of data in relation to geological structure **cont…**	*should be assessed and reported if material.*	orientation of the host lithology. The cumulative understanding of these holes lithological and mineralisation orientations are now better understood. It is probable that true widths of mineralisation are less than the down-hole intervals. This is overtly mentioned in this ASX announcement.
Sample security	*The measures taken to ensure sample security.*	Pre-assay sample security is 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.*	The current sampling regime is appropriate for mineralisation prevalent at this project location.

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: 10 De Julio de Chanape, Chanape 4. Ownership: The concessions registered on INGEMMET (Peruvian Geological Survey) are assigned to the Company. The Company has a 5-year mining assignment agreement whereby the Company may earn 100% 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.	With further reference to above, the mining assignment agreement is in good standing at the time of writing. The concessions are all in good standing.
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	The drill holes subject of this announcement were carried out by Energold – a drilling company that adheres to industry best practice.
Geology	*Deposit type, geological setting and style of mineralisation.*	The geological setting of the area subject to drilling (and reported in this announcement) is that of Mesozoic subduction zone, mountain-building terrain comprising acidic and intermediate volcanics and intrusives. Porphyry intrusions and associated brecciation have widely affected the volcanic sequence, introducing epithermal and porphyry style mineralisation.
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:*	Refer to Table 1 for coordinates of holes referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Drill hole information cont…	• *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.*	
	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.	Not applicable – the information has been provided in Table 1.
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.*	Not applicable – no weighting averages nor maximum/minimum truncations were applied.
	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.	Not applicable – no weighted averages nor maximum/minimum truncations were applied.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Not applicable – 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').*	Where ever mineralisation was reported in this announcement, clear reference to it being "down hole" width/thickness was made. Commentary is also provided in terms of true widths (refer above).
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.*	A plan and section has been provided for the mineralisation reported in CH-DDH013. A plan has been provided for the mineralisation reported in CH-DDH014, 15 & 16. The diagrams show hole location with coordinates and RL's.
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 on the drill holes reported on 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 also makes reference to results of CH-DDH001, CH-DDH006/7 and CH-DDH012. Announcements pertaining to CH-DDH001 were made 29 January 2013, 6 February 2013 and 27 February 2013. An announcement pertaining to CH-DDH006 & 7 was made 10 December 2013. Announcements

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		pertaining to CH-DDH012 were made 12 May 2014 and 27 May 2014.
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 systems that appear characteristic of this area.
	Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.	A plan showing the position of the four drill holes referred to in this announcement provides relative positioning of the mineralised intersections. The two different zones of mineralisation are not linked but occur separately within a broader epithermal and mineralised porphyry system.

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