23 October 2015

Pervasive Mineralisation Confirms Porphyry Scale

HIGHLIGHTS

- **112m at 0.39% Zn from surface with 42m at 0.19% Cu and 7.1g/t Ag in CH-DDH023**
- **102m at 0.18% Zn from surface with 16m at 0.14% Cu and 6.2g/t Ag in CH-DDH022**
- **Repeat of metal zoning seen at summit – confirms large porphyry and porphyry model**

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Inca Minerals Limited ("Inca" or "Company") has received assays from drilling at two surface targets, the Water Tank Breccias (CH-DDH-021 and CH-DDH-022) and the Trinity Breccia (CH-DDH-023, CH-DDH-024 and CH-DDH-025). The Water Tanks Breccias were discovered during a 2014 mapping campaign and are of interest as they satellite the gold (Au), silver (Ag), copper (Cu) bearing Clint/Pipe 8 Breccia. The Trinity Breccia is of interest as it occurs in the summit area of Mount Chanape and has a potential large dimension.

The Water Tank Breccias

Geological logging of CH-DDH-021 and CH-DDH-022 reveals that the Water Tank Breccias are part of a much large zone of interlocking hydrothermal and phreatomagmatic breccias up to 200m across (Figure 1). Assay results indicate that the breccias contain pervasive zinc (Zn), Cu and Ag mineralisation.

Mineralisation includes: 102m at 0.18% Zn from surface with 16m at 0.14% Cu and 6.2g/t Ag from surface in CH-DDH022 and 112m at 0.39% Zn from surface with 42m at 0.19% Cu and 7.1g/t Ag. Whilst the Zn is associated with the broader breccia zone, the Cu and Ag is more closely associated with the hydrothermal breccia only (Figure 1).

The mineralisation in the Water Tank breccia zone is similar to that seen in the Summit Breccia (CH-DDH017) and the Cerro Ver Breccia (CH-DDH018 and CH-DDH019). Broad Zn mineralisation is associated with proximal porphyry mineralisation (Figure 2). The mineralised Chanape Porphyry occurs below the Water Tank and Clint/Pipe 8 breccias.

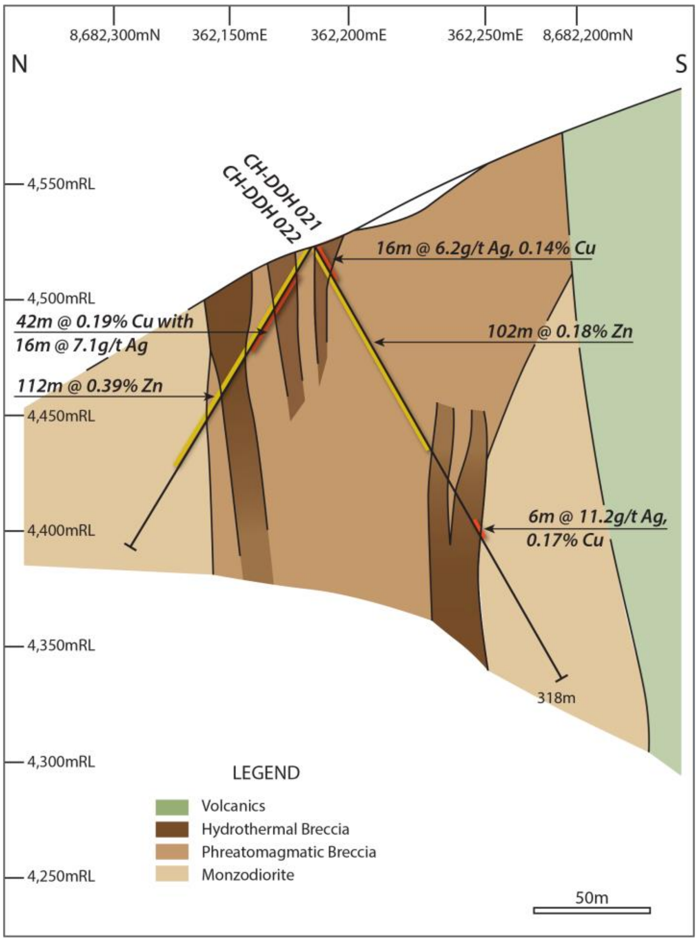

Figure 1: NW-SE schematic cross section showing the position of drill holes CH-DDH021 and CH-DDH022.

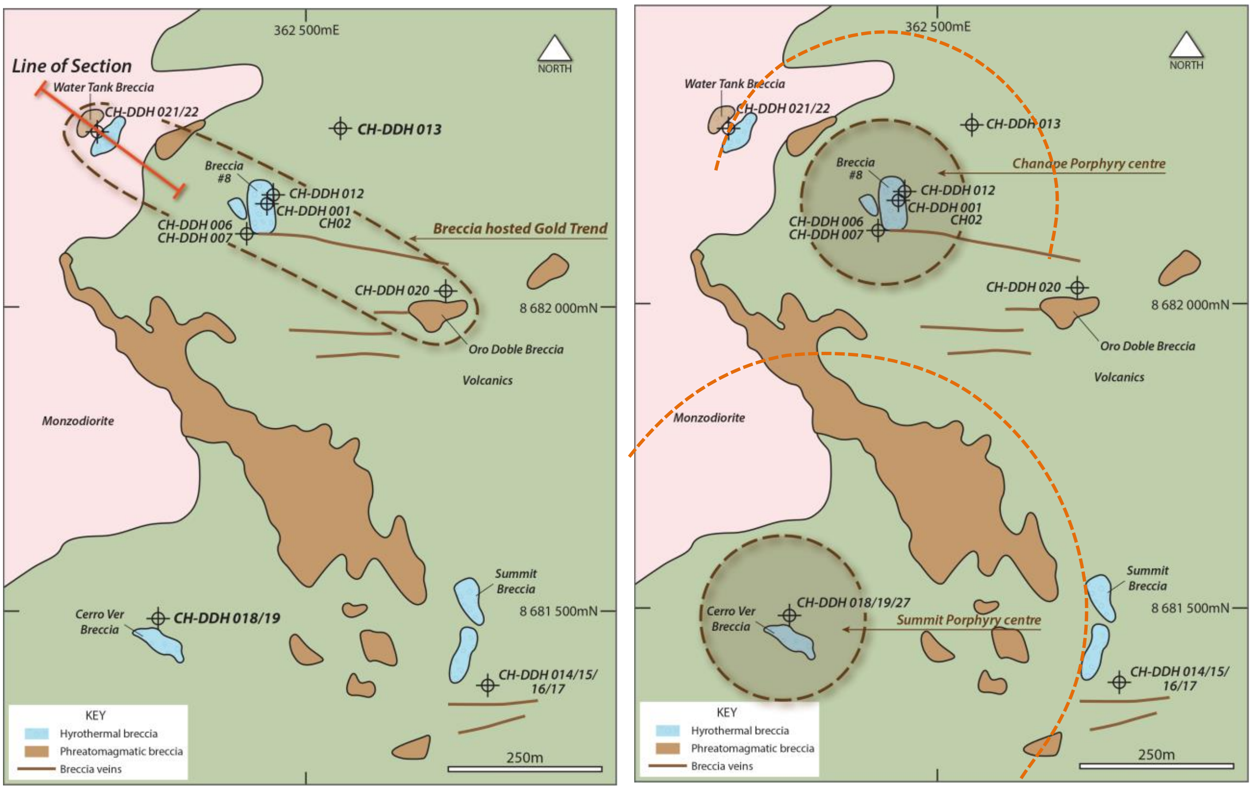

Figure 2: **ABOVE LEFT** Simplified geology plan showing the section orientation (Figure 1) and generalised geology. The Water Tank Breccias contain broad zones of zinc mineralisation as well as zones of Cu and Ag. The mineralisation is akin to the mineralisation in the Summit and Cerro Ver breccias, in that both host broad zones of Zn mineralisation indicative of proximal porphyry style mineralisation. **ABOVE RIGHT** Same plan (as left) showing the location of the Chanape Porphyry and the Summit Porphyry. The relationship between the porphyry and the satellite Zn-mineralisation in the Water Tank Breccias and the Summit Breccia is portrayed schematically (dashed lines depicting outer zones of Zn mineralisation).

The Trinity Breccia

Geological logging of CH-DDH-023, CH-DDH-024 and CH-DDH-025 reveals that the Trinity Breccia, which at surface comprises three discrete phreatomagmatic breccias within an area of limited outcrop, is comprised of multiple zones of phreatomagmatic, hydrothermal and quartz brecciation within a sequence of volcanics and intrusive diorite. In CH-DDH023 alone more than 20 "mappable" breccia occurrences were recognised. No significant mineralisation was identified in the Trinity Breccia. The Trinity Breccia appears to form part of a broad zone of brecciation associated with non-mineralising episode of intrusive activity at Chanape.

Significance of Results and Next Steps

The recognition of Zn mineralisation associated with the Water Tank Breccia sequence is significant. As a satellite breccia to that of the underlying Chanape Porphyry, it is a duplication of the same circumstance that exists at the summit, where Zn mineralisation is associated with the Summit and Cerro Ver breccias, which are satellites to the recently discovered Summit Porphyry.

The 3D metal-zoning pattern that is now emerging at Chanape is entirely consistent with a **very large porphyry system being present at Chanape.** The main features of this pattern are schematically shown in Figure 3 and listed below as:

- Lower level Cu-Ag-Mo±Au porphyry mineralisation (Chanape and Summit Porphyries)
- Middle level Au-Ag±Cu±Mo epithermal (mesothermal) breccia-hosted mineralisation
- Upper and outer level Zn±Pb±Ag±Au±Cu epithermal breccia-hosted mineralisation

"With each hole drilled at Chanape our knowledge-bank is increasing" said Inca's Managing Director, who is currently in Peru. "A metal distribution pattern is rapidly emerging that is characteristic of the large porphyry system. Whilst it is preferable to intersect strong mineralisation in every drill hole, even the largest porphyries in the world are not so forthcoming. On the contrary, and as counter-point to such preferences, recognising components of the porphyry system that are not mineralised is an important part of the process in determining components that are mineralised."

The affirmation of the porphyry exploration model provides impetus to the remaining drill holes of the 2015 programme, which focus on known gold targets as well as focussing on as porphyry targets. "The model predicts further possible porphyry discoveries with associated Au and Cu mineralisation" Brown says.

The Company is currently awaiting assay results for the Summit Porphyry and Chujcula Veins, recently identified in CH-DDH027.

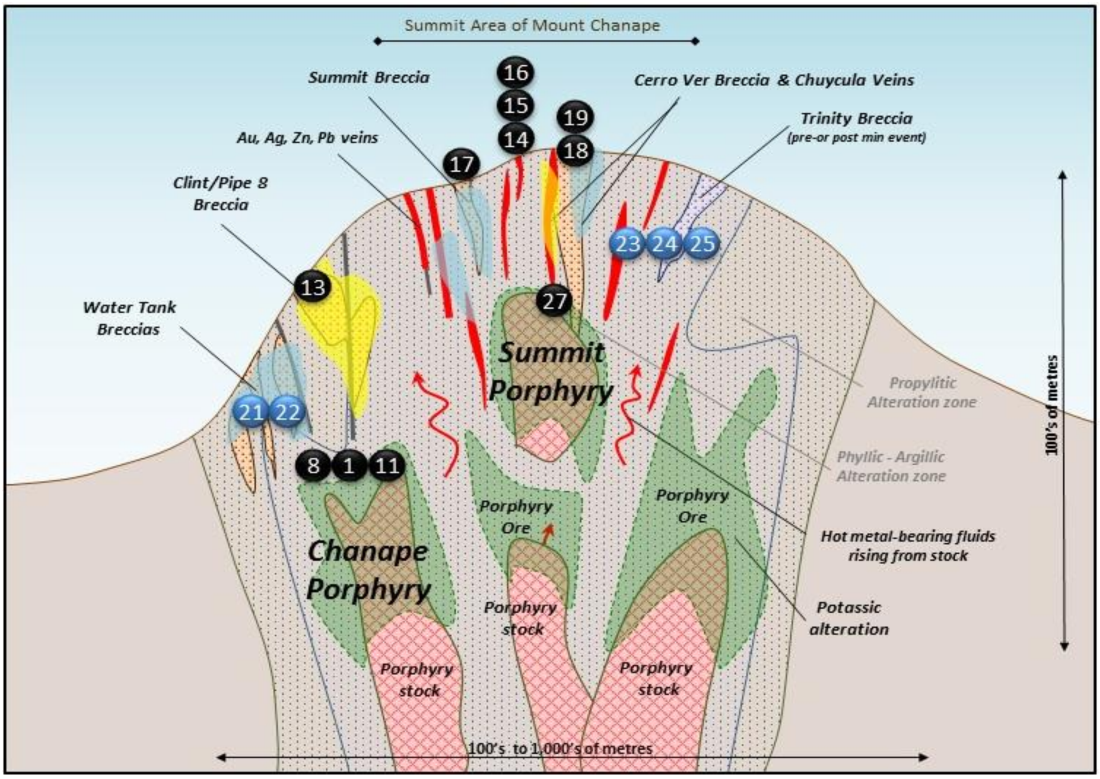

Figure 3: **ABOVE** Chanape Porphyry Exploration Model, showing the metal zones of the greater Chanape Porphyry System. The drill holes of the Water Tank Breccias and Trinity Breccia, subject of this announcement, are marked.

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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 (m)	Inclination of hole	Direction of hole	Total Depth (m)
	Easting (mE)	Northing (mN)	Datum				
CH-DDH021	362185	8682265	PSAD 56-185	4505	60˚	120˚	214.5
CH-DDH022	362185	8682265	PSAD 56-185	4505	60˚	300˚	153.0
CH-DDH023	362445	8680790	PSAD 56-185	4780	50˚	0˚	190.5
CH-DDH024	362532	8680867	PSAD 56-185	4786	50˚	240˚	178.5
CH-DDH025	362532	8680867	PSAD 56-185	4786	70˚	0˚	198.4

Table 2: Assay Results of CH-DDH021 (0m to 112m)

Sample Number	Interval			Au (g/t)	Ag (g/t)	Cu (ppm)	Pb (ppm)	Zn (ppm)
	From	To	Interval					
DD-001247	0.00	2.00	2.0	0.139	5	567	1233	149
DD-001248	2.00	4.00	2.0	0.121	9.6	3035	2511	1509
DD-001249	4.00	6.00	2.0	0.084	5.9	1401	903	4530
DD-001251	6.00	8.00	2.0		6.7	1501	970	3672
DD-001252	8.00	10.00	2.0	0.048	5.8	804	820	7159
DD-001253	10.00	12.00	2.0	0.06	5.6	669	722	6483
DD-001254	12.00	14.00	2.0	0.039	4.4	1587	795	2165
DD-001255	14.00	16.00	2.0	0.059	6.6	1095	871	1052
DD-001256	16.00	18.00	2.0	0.054	3.9	1455	590	1168
DD-001257	18.00	20.00	2.0	0.047	1.7	316	209	1741
DD-001258	20.00	22.00	2.0	0.035	1.4	395	144	1774
DD-001259	22.00	24.00	2.0	0.044	1.2	355	120	859
DD-001261	24.00	26.00	2.0	0.035	0.8	679	91	1171
DD-001262	26.00	28.00	2.0	0.039	0.7	575	142	1648
DD-001263	28.00	30.00	2.0	0.036	0.6	5	51	639
DD-001264	30.00	32.00	2.0	0.041	0.9	16	58	837
DD-001265	32.00	34.00	2.0	0.041	0.9	41	69	1043
DD-001266	34.00	36.00	2.0	0.049	1	28	66	1666
DD-001267	36.00	38.00	2.0	0.041	2.3	128	169	2876
DD-001268	38.00	40.00	2.0	0.042	0.7	172	55	1011
DD-001269	40.00	42.00	2.0	0.056	0.8	306	46	768
DD-001271	42.00	44.00	2.0	0.066	1.1	316	68	3836
DD-001272	44.00	46.00	2.0	0.047	0.8	41	64	500
DD-001273	46.00	48.00	2.0	0.04	2	196	227	1106
DD-001274	48.00	50.00	2.0	0.033	1.2	170	107	1080
DD-001275	50.00	52.00	2.0	0.046	1.9	607	139	1297
DD-001276	52.00	54.00	2.0	0.033	0.6	127	50	1485
DD-001277	54.00	56.00	2.0	0.034	0.9	6	60	678
DD-001278	56.00	58.00	2.0	0.037	1.1	38	63	1261
DD-001279	58.00	60.00	2.0	0.045	0.7	71	46	1077
DD-001281	60.00	62.00	2.0	0.035	1	137	51	3252
DD-001282	62.00	64.00	2.0	0.032	0.4	70	20	873
DD-001283	64.00	66.00	2.0	0.037	1.2	69	63	820
DD-001284	66.00	68.00	2.0	0.033	0.8	22	56	615
DD-001285	68.00	70.00	2.0	0.038	1.5	14	164	1656
DD-001286	70.00	72.00	2.0	0.055	2.9	20	339	2358
DD-001287	72.00	74.00	2.0	0.02	2.7	20	343	800
DD-001288	74.00	76.00	2.0	0.04	3.2	40	501	1295
DD-001289	76.00	78.00	2.0	0.033	2.9	41	427	1428
DD-001291	78.00	80.00	2.0	0.044	2.9	27	312	3502
DD-001292	80.00	82.00	2.0	0.035	4.5	68	672	1240
DD-001293	82.00	84.00	2.0	0.032	10.8	470	1076	3984
DD-001294	84.00	86.00	2.0	0.025	6.1	68	665	1869
DD-001295	86.00	88.00	2.0	0.027	5.5	357	472	1949
DD-001296	88.00	90.00	2.0	0.025	5.1	53	505	1202
DD-001297	90.00	92.00	2.0	0.028	5.5	53	387	1150
DD-001298	92.00	94.00	2.0	0.022	8	162	422	657
DD-001299	94.00	96.00	2.0	0.021	5.8	512	352	1477
DD-001301	96.00	98.00	2.0	0.03	2.1	49	108	569
DD-001302	98.00	100.00	2.0	0.016	4.6	52	274	1020
DD-001303	100.00	102.00	2.0	0.024	2.5	32	180	979
DD-001304	102.00	104.00	2.0	0.02	3.2	176	197	1422
DD-001305	104.00	106.00	2.0	0.035	2.5	152	206	517
DD-001306	106.00	108.00	2.0	0.034	7.9	512	205	610
DD-001307	108.00	110.00	2.0	0.044	6	314	228	615
DD-001308	110.00	112.00	2.0	0.028	6.5	615	227	473

Table 2 cont.: Assay Results of CH-DDH021 (112m to 214.5m)

Sample Number	Interval			Au (g/t)	Ag (g/t)	Cu (ppm)	Pb (ppm)	Zn (ppm)
	From	To	Interval					
DD-001309	112.00	114.00	2.0	0.022	2.2	138	226	711
DD-001311	114.00	116.00	2.0	0.018	1.8	48	290	1168
DD-001312	116.00	118.00	2.0	0.061	1.5	116	182	1159
DD-001313	118.00	120.00	2.0	0.021	2.1	225	187	996
DD-001314	120.00	122.00	2.0	0.034	1.6	55	160	1252
DD-001315	122.00	124.00	2.0	0.031	1.9	282	163	595
DD-001316	124.00	126.00	2.0	0.024	1.1	79	139	1244
DD-001317	126.00	127.00	1.0	0.021	1.7	200	78	218
DD-001318	127.00	128.00	1.0	0.029	1.8	319	250	968
DD-001319	128.00	129.00	1.0	0.043	2.5	367	295	961
DD-001321	129.00	130.00	1.0	0.069	3.4	602	130	289
DD-001322	130.00	131.00	1.0	0.168	10.3	886	258	586
DD-001323	131.00	132.00	1.0	0.189	8	919	232	370
DD-001324	132.00	133.00	1.0	0.142	2.6	321	203	366
DD-001325	133.00	134.00	1.0	0.1	4.1	508	119	275
DD-001326	134.00	135.00	1.0	0.078	4.7	565	212	242
DD-001327	135.00	136.00	1.0	0.029	3.8	671	99	192
DD-001328	136.00	137.00	1.0	0.027	10.2	1636	223	1115
DD-001329	137.00	138.00	1.0	0.034	4.5	522	187	539
DD-001331	138.00	139.00	1.0	0.033	9.5	1693	379	142
DD-001332	139.00	140.00	1.0	0.023	1.4	190	80	211
DD-001333	140.00	141.00	1.0	0.034	22.7	3243	678	210
DD-001334	141.00	142.00	1.0	0.033	18.9	2769	866	860
DD-001335	142.00	143.00	1.0	0.011	1.2	93	213	672
DD-001336	143.00	145.00	2.0	0.016	0.9	80	139	685
DD-001337	145.00	147.00	2.0	0.021	1.2	34	121	367
DD-001338	147.00	149.00	2.0	0.006	0.3	24	37	278
DD-001339	149.00	151.00	2.0	0.009	0.9	75	73	353
DD-001341	151.00	153.00	2.0	0.008	0.5	13	39	227
DD-001342	153.00	155.00	2.0	<0.005	0.7	37	58	337
DD-001343	155.00	157.00	2.0	0.007	0.6	42	50	173
DD-001344	157.00	159.00	2.0	0.009	0.5	18	46	230
DD-001345	159.00	161.00	2.0	0.006	0.3	29	43	249
DD-001346	161.00	163.00	2.0	<0.005	0.4	22	42	278
DD-001347	163.00	165.00	2.0	<0.005	0.2	7	11	53
DD-001348	165.00	167.00	2.0	<0.005	0.2	19	18	158
DD-001349	167.00	169.00	2.0	0.007	0.5	29	59	277
DD-001351	169.00	171.00	2.0	0.006	0.3	40	38	142
DD-001352	171.00	173.00	2.0	0.007	0.4	33	42	183
DD-001353	173.00	175.00	2.0	<0.005	0.5	28	40	213
DD-001354	175.00	177.00	2.0	0.006	0.8	41	67	317
DD-001355	177.00	179.00	2.0	0.006	1	55	71	233
DD-001356	179.00	181.00	2.0	0.191	2.5	529	99	231
DD-001357	181.00	183.00	2.0	0.019	1.7	114	206	367
DD-001358	183.00	185.00	2.0	0.016	1	98	71	292
DD-001359	185.00	187.00	2.0	0.426	37.5	5731	1730	5454
DD-001361	187.00	189.00	2.0	0.039	2	211	156	357
DD-001362	189.00	191.00	2.0	0.071	3.1	344	339	755
DD-001363	191.00	193.00	2.0	0.013	1.9	84	275	528
DD-001364	193.00	195.00	2.0	0.065	3	224	362	708
DD-001365	195.00	197.00	2.0	0.079	16.6	2298	1069	694
DD-001366	197.00	199.00	2.0	0.012	0.8	37	94	466
DD-001367	199.00	201.00	2.0	0.006	0.5	26	59	209
DD-001368	201.00	203.00	2.0	0.006	<0.2	17	14	114
DD-001369	203.00	205.00	2.0	0.008	0.2	26	15	126
DD-001371	205.00	207.00	2.0	0.006	0.2	37	18	100
DD-001372	207.00	209.00	2.0	0.009	0.4	47	20	160
DD-001373	209.00	211.00	2.0	<0.005	0.2	38	33	130
DD-001374	211.00	213.00	2.0	0.007	0.2	31	26	203
DD-001375	213.00	214.50	1.5	<0.005	0.2	19	14	77

Table 3: Assay Results of CH-DDH022 (0m to 93m)

Sample Number	Interval			Au (g/t)	Ag (g/t)	Cu (ppm)	Pb (ppm)	Zn (ppm)
	From	To	Interval					
DD-001376	3.00	5.00	2.0	0.031	2	42	539	1949
DD-001377	5.00	7.00	2.0	0.047	2.3	783	390	871
DD-001378	7.00	9.00	2.0	0.026	1.7	984	528	383
DD-001379	9.00	11.00	2.0	0.035	2	2193	469	1122
DD-001381	11.00	13.00	2.0	0.043	2.9	1319	676	1373
DD-001382	13.00	15.00	2.0	0.111	7.8	3037	1097	2750
DD-001383	15.00	17.00	2.0	0.046	8.4	4172	1299	4936
DD-001384	17.00	19.00	2.0	0.051	8	1463	1398	9097
DD-001385	19.00	21.00	2.0	0.072	7.7	1371	1227	8001
DD-001386	21.00	23.00	2.0	0.091	6.7	3469	593	4450
DD-001387	23.00	25.00	2.0	0.108	6.3	3509	678	5889
DD-001388	25.00	27.00	2.0	0.092	5.8	887	789	388
DD-001389	27.00	29.00	2.0	0.063	5.9	769	269	198
DD-001391	29.00	31.00	2.0	0.072	4.8	4045	252	3304
DD-001392	31.00	33.00	2.0	0.094	2.3	1034	266	4793
DD-001393	33.00	35.00	2.0	0.072	2.3	2202	258	6049
DD-001394	35.00	37.00	2.0	0.051	3.4	1595	209	7363
DD-001395	37.00	39.00	2.0	0.12	2.7	1476	152	6766
DD-001396	39.00	41.00	2.0	0.048	2.4	348	165	8289
DD-001397	41.00	43.00	2.0	0.125	4.2	2199	624	4029
DD-001398	43.00	45.00	2.0	0.064	5.3	1796	600	5567
DD-001399	45.00	47.00	2.0	0.059	7.9	1172	1522	6214
DD-001401	47.00	49.00	2.0	0.041	10.7	806	2100	5912
DD-001402	49.00	51.00	2.0	0.045	3.6	1063	647	5500
DD-001403	51.00	53.00	2.0	0.04	2.1	385	739	8641
DD-001404	53.00	55.00	2.0	0.049	1.5	92	292	4654
DD-001405	55.00	57.00	2.0	0.096	5	361	305	8254
DD-001406	57.00	59.00	2.0	0.078	2.2	219	273	7102
DD-001407	59.00	61.00	2.0	0.073	3.5	98	257	6459
DD-001408	61.00	63.00	2.0	0.047	6.4	61	674	8574
DD-001409	63.00	65.00	2.0	0.058	3.5	263	322	6002
DD-001411	65.00	67.00	2.0	0.048	3.3	53	189	7633
DD-001412	67.00	69.00	2.0	0.051	1.7	50	210	6233
DD-001413	69.00	71.00	2.0	0.072	1.3	19	102	4567
DD-001414	71.00	73.00	2.0	0.036	1.2	33	88	3211
DD-001415	73.00	75.00	2.0	0.053	1.2	38	67	431
DD-001416	75.00	77.00	2.0	0.045	1.3	41	108	5280
DD-001417	77.00	79.00	2.0	0.038	2.1	60	86	2757
DD-001418	79.00	81.00	2.0	0.065	1.7	111	199	496
DD-001419	81.00	83.00	2.0	0.068	3.5	134	251	469
DD-001421	83.00	85.00	2.0	0.058	9	454	184	974
DD-001422	85.00	87.00	2.0	0.087	9.2	754	207	4842
DD-001423	87.00	89.00	2.0	0.032	8.4	1009	272	4743
DD-001424	89.00	91.00	2.0	0.118	11.4	1358	688	1849
DD-001425	91.00	93.00	2.0	0.011	2.3	104	581	1674

Table 3 cont.: Assay Results of CH-DDH022 (93m to 153m)

Sample Number	Interval			Au (g/t)	Ag (g/t)	Cu (ppm)	Pb (ppm)	Zn (ppm)
	From	To	Interval					
DD-001426	93.00	95.00	2.0	0.012	2.7	74	651	1664
DD-001427	95.00	97.00	2.0	0.01	2	54	562	1801
DD-001428	97.00	99.00	2.0	0.013	2.2	53	667	1839
DD-001429	99.00	101.00	2.0	0.01	1.4	43	416	1760
DD-001431	101.00	103.00	2.0	0.014	2.4	60	680	3247
DD-001432	103.00	105.00	2.0	0.016	1.6	42	482	2197
DD-001433	105.00	107.00	2.0	0.011	1.7	31	518	2565
DD-001434	107.00	109.00	2.0	0.017	1.1	38	306	1923
DD-001435	109.00	111.00	2.0	0.012	1	27	247	811
DD-001436	111.00	113.00	2.0	0.011	1.3	15	258	776
DD-001437	113.00	115.00	2.0	0.011	1.2	21	414	1124
DD-001438	115.00	117.00	2.0	0.01	1.4	18	405	995
DD-001439	117.00	119.00	2.0	0.008	1	12	288	409
DD-001441	119.00	121.00	2.0	0.011	1.3	19	418	694
DD-001442	121.00	123.00	2.0	0.013	1.6	20	507	993
DD-001443	123.00	125.00	2.0	0.012	1.3	18	347	587
DD-001444	125.00	127.00	2.0	0.02	1.9	14	264	694
DD-001445	127.00	129.00	2.0	0.021	1.9	30	343	1205
DD-001446	129.00	131.00	2.0	0.014	1.6	30	513	1017
DD-001447	131.00	133.00	2.0	0.012	1.4	24	345	719
DD-001448	133.00	135.00	2.0	0.044	1	14	287	445
DD-001449	135.00	137.00	2.0	0.011	1.5	20	474	694
DD-001451	137.00	139.00	2.0	0.005	0.7	13	141	301
DD-001452	139.00	141.00	2.0	0.011	1.2	13	316	479
DD-001453	141.00	143.00	2.0	0.007	0.7	14	210	391
DD-001454	143.00	145.00	2.0	0.017	0.3	8	61	125
DD-001455	145.00	147.00	2.0	0.006	0.8	17	225	379
DD-001456	147.00	149.00	2.0	0.006	0.8	19	186	314
DD-001457	149.00	151.00	2.0	0.014	0.4	17	75	154
DD-001458	151.00	153.00	2.0	<0.005	0.4	9	72	118

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 Chanape and San Antonio 3 De 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 two drill holes (CH-DDH021 & 22) drilled to depths of 214.5m and 153.0m respectively. Sampling referred to in this announcement pertains to multi-element analysis of half-core samples collected from a total of 367.5m of drilling. Results of key elements are presented in Tables 2 & 3. New geological information is also presented from three additional drill holes CH-DDH023, 24 & 25.
	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.	The drill core (of above) was cut (longitudinally) and bagged as 1 metre and 2 metre samples. 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 and samples was diamond core from surface to end-of-hole. Core diameter was HQ (63.5mm dia). The angled holes were orientated as per industry best practice.
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. With no sample loss no bias, based on sample loss, would occur.
Logging	*Whether core and chip samples have been geologically and geo-technically logged to a level of detail to*	On-site geologist(s) log lithology, alteration, mineralisation on a shift basis. Core recoveries are noted.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Logging cont…	*support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	
	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 for every core-tray.
	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 whole-number down-hole intervals and collected as either a one or two metre sample. Sampling is not subject to visible signs of mineralisation other than measures to ensure representative sampling by core cut orientations.
	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.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
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 practice.
	The use of twinned holes.	This announcement refers to five drill holes (CH-DDH021-25). CH-DDH021 & 22 were drilled from the same platform in opposing directions and as such are not considered twinned. CH-DDH024 & 25 were also drilled from the same platform in significantly different directions (>90°) and as such are not considered twinned. Table 1 lists the drill hole parameters (depth, dip and azimuth).
	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 desktops/laptops which are backed up from time to time. Only after critical assessment and public release of data (if appropriate), is the data 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 two holes subject of geological and assay results reporting were logged in *circa* 10cm detail. Regarding assay results - samples were collated in 1 or 2 metre intervals. Spacing (distance) between data sets with respect to geology and assays is in line with industry best practice.
	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.*	Sample orientation of the core is linear and thus directly related to hole orientations. Therefore, refer to the sub-section immediately below.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Orientation of data in relation to geological structure cont…	*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.*	Multiple zones of mineralisation are referred to with regard to CH-DDH021 & 22. The angle of these holes to that of the interpreted orientation of mineralisation is sufficiently obtuse to render assay results unbiased in terms of orientation. The mineralised interval in both holes reflects the angled (or horizontal) width of mineralisation believed to be vertically orientated and NOT the true width (or horizontal) extent of mineralisation.
Sample security	*The measures taken to ensure sample security.*	Pre-assay sample security is managed by Inca 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 concessions. Concession Names: Chanape and San Antonio 3 De Chanape. Ownership: The concessions registered on INGEMMET (Peruvian Geological Survey) is 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 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.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
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:* • *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.*	Refer to Table 1 for coordinates of holes 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.	No exclusion of information has occurred – 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').*	Wherever mineralisation is reported in this announcement, clear reference to it being "down hole" width/thickness is 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 the holes and showing 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.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
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 geological data of CH-DDH018 & 19. The pertinent announcement was made on 1 September 2015.
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 drill holes referred to in this announcement provides relative positioning of the mineralised intersections.

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