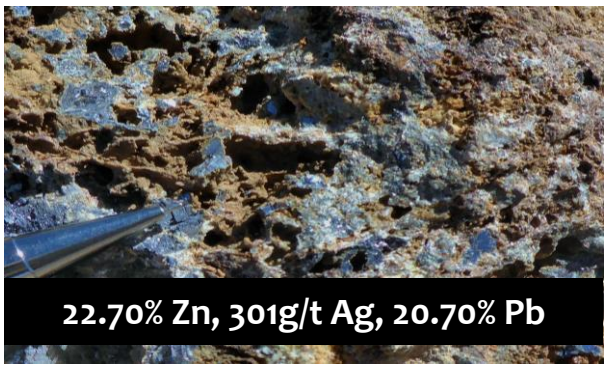
14 July 2016

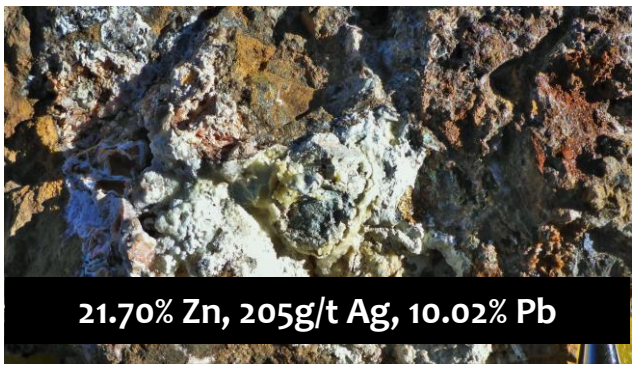
22% Combined Zn & Pb and 207g/t Ag in New Riqueza Veins

HIGHLIGHTS

- Discovery of eight new highly mineralised veins averaging: **10.05% Zn, 207.31g/t Ag** and **12.11% Pb**
- Discovery of additional mantos and extensions averaging: **8.89% Zn, 264.07g/t Ag** and **12.51% Pb**
- Program peak values: **22.70% Zn, 583g/t Ag** and **24.15% Pb**
- Manto mineralisation now open-ended to the west and south
- Numerous vein-like structures to be examined with on-going programs scheduled



22.70% Zn, 301g/t Ag, 20.70% Pb



21.70% Zn, 205g/t Ag, 10.02% Pb

Inca Minerals Limited (**Inca** or **Company**) [ASX: ICG] has received very strong assay results from a recent mapping and sampling program at the Company's exciting new Zinc (Zn) - Silver (Ag) - Lead (Pb) Riqueza Project. The purpose of the program was to investigate several key areas at the Humaspunco Prospect (**Humaspunco**) including the under-explored crest of Humaspunco Hill and the southern perimeter of Humaspunco Hill where high grade manto mineralisation had been identified. Mapping and subsequent assay results confirm the discovery of 8 new mineralised veins and 2 new mineralised breccias. In addition to this, two new extensions of known manto mineralisation have been discovered (Figures 1 & 2) along the northern crest of Humaspunco Hill.

Humaspunco now currently hosts 20 mineralised veins, a 15m thick manto sequence comprising 4 manto horizons and 2 discrete breccias.

"The results are beyond my expectations" says Inca's Managing Director, Mr Ross Brown, who led the program. "The rate of discovery of new veins and mantos during the program was exceptionally pleasing and, with less than 50% of Humaspunco covered by mapping, I anticipate further discoveries to be made." Samples are currently being re-assayed in line with the Company policy to re-test assays greater than exploration level detection limits (i.e. circa 90% of the samples).

Mineralisation is characterised by the presence of small crystals (< 1mm) of sphalerite (Zn sulphide) with small to coarse crystals (< 1mm to ± 10mm) of galena (Pb-sulphide), with calcite and barite as gangue material. Secondary copper minerals are commonly also present. In outcrop the vein and manto deposits are typically weathered to Fe-rich gossan.

Peak metal values from sampling reported in this announcement include:

- Zinc: **22.70%** (in known vein HV11), **21.70%** (in new vein HV19), **20.20%** (in new vein HV18);
- Silver: **583g/t (20.53oz/t)** (in new manto NW), **560g/t (19.72oz/t)** (in new manto NE), **400g/t (14.08oz/t)** (in known vein HV11);
- Lead: **24.15%** (in new vein HV16), **21.65%** (known manto S), **20.70%** (in known vein HV11).

New mineralised discoveries include:

- Vein 13: NW-SE strike; peak assay value: 11.65% Zn, 215.0g/t Ag (7.57oz/t Ag), 17.13% Pb
- Vein 14: NW-SE strike; peak assay value: 14.79% Zn, 230.0g/t Ag (8.10oz/t Ag), 8.37% Pb
- Vein 15: NW-SE strike; peak assay value: 3.86% Zn, 196.6g/t Ag (6.92oz/t Ag), 14.98% Pb
- Vein 16: NW-SE strike; peak assay value: 3.69% Zn, 291.0g/t Ag (10.25oz/t Ag), 24.15% Pb
- Vein 17: NW-SE strike; peak assay value: 16.68% Zn, 204.0g/t Ag (7.18oz/t Ag), 20.12% Pb
- Vein 18: NW-SE strike; peak assay value: 20.20% Zn, 74.6g/t Ag (2.63oz/t Ag), 0.61% Pb
- Vein 19: NW-SE strike; peak assay value: 21.70% Zn, 205.0g/t Ag (7.22oz/t Ag), 10.02% Pb
- Vein 20: NW-SE strike; peak assay value: 5.92% Zn, 239.0g/t Ag (8.42oz/t Ag), 6.05% Pb
- Upper Manto NW: peak assay value: 15.73% Zn, 583.0g/t Ag (20.53oz/t Ag), 18.65% Pb
- Upper Manto NE: peak assay value: 15.63% Zn, 560.0g/t Ag (19.72oz/t Ag), 19.87% Pb
- Breccia 1: peak assay value: 18.07% Zn, 418.0g/t Ag (14.72oz/t Ag), 44.41% Pb[1]
- Breccia 2: peak assay value: 9.00% Zn, 331.0g/t Ag (11.65oz/t Ag), 14.62% Pb

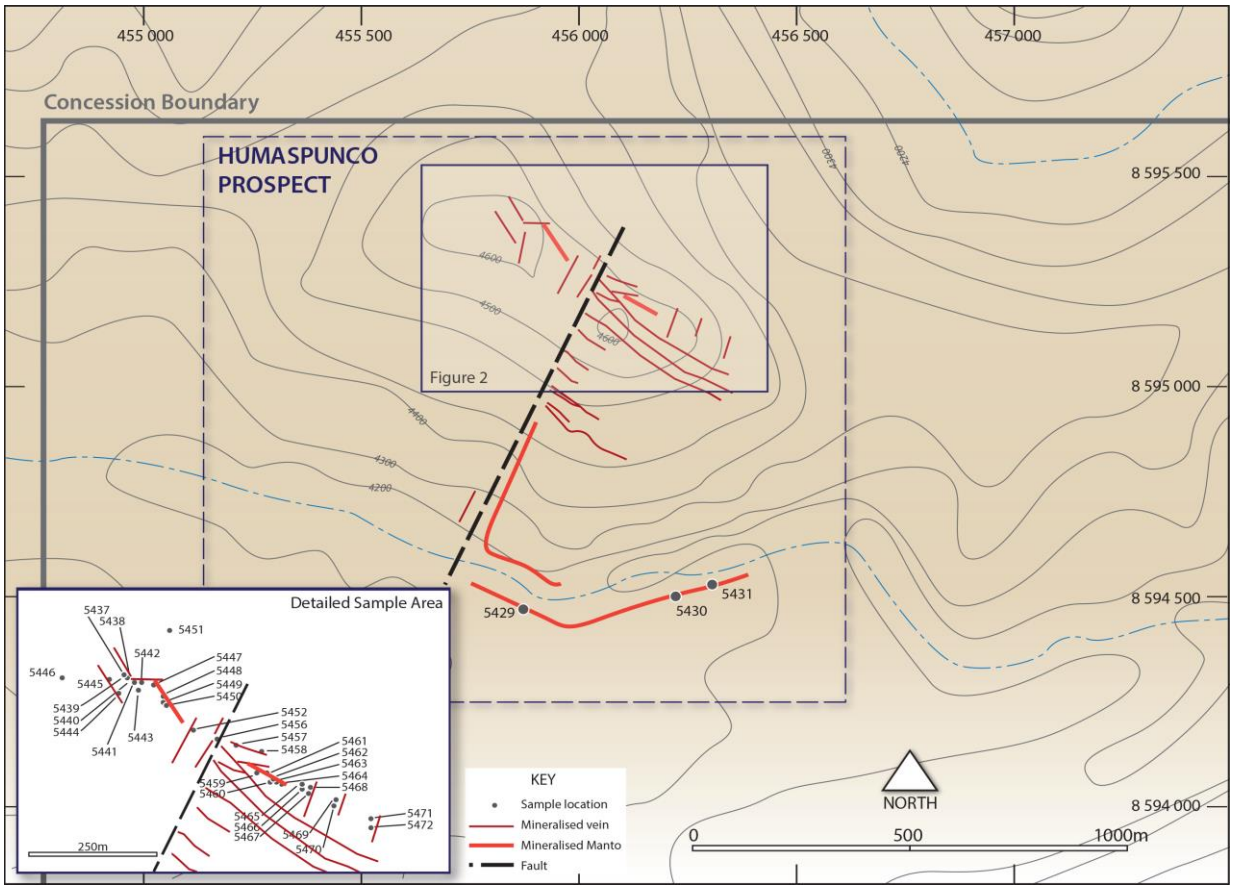


Figure 1: ABOVE Sample location plan at Humaspunco.

[1] Sampled in May program but not recognised as discrete breccia body

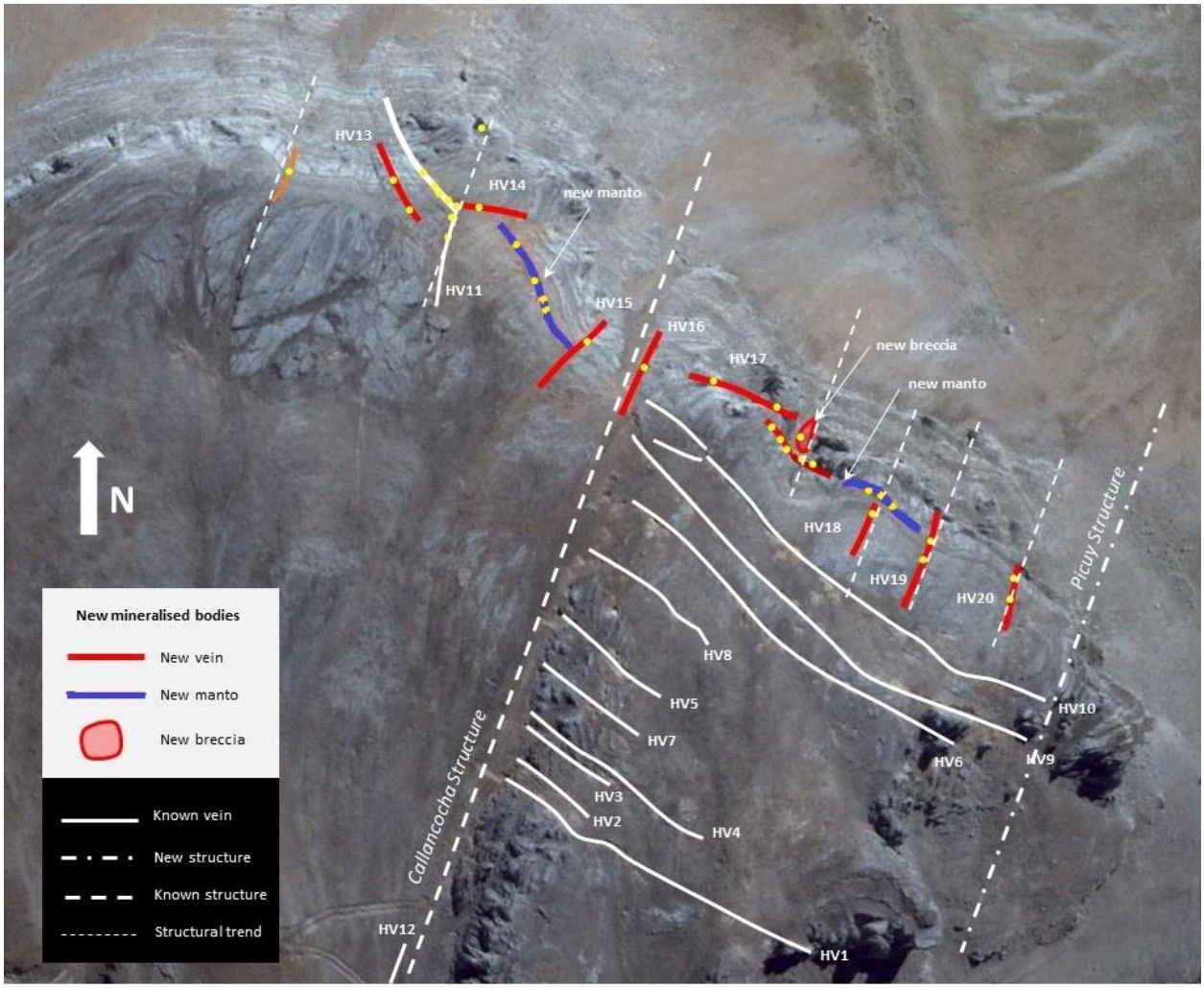


Figure 2: **ABOVE** Satellite image showing the new vein and manto locations at Humaspunco. Previously known mineralised veins (numbers HV1 to HV12) are indicated as solid white lines. The new veins, 8 in total, HV13 to HV20 are indicated as solid red lines. The new manto horizons are shown as solid blue lines. *NOTE: The scale and location of the area captured in Figure 2 is provided in Figure 1.*

Zn-Ag-Pb Mineralisation at Humaspunco

As of the current program, Humaspunco hosts 20 confirmed mineralised veins, a manto sequence at least 15 metres thick and two mineralised breccias. There are a large number of linear structures that traverse Humaspunco that will be examined for the first time in the coming quarter.

Vein Mineralisation at Humaspunco

Vein mineralisation at Humaspunco was hitherto predominantly known east of the Callancocha Structure (Figure 2). The average grade of these veins from previous exploration is **7.81% Zn, 239.04g/t Ag and 11.12% Pb**. Following completion of the most recent program, there are now at least 20 known mineralised veins at Humaspunco, several of which occur west of the Callancocha Structure. The average grade of veins sampled in the current program is **10.05% Zn, 207.31g/t Ag and 12.11% Pb** meaning average grade across all 20 known mineralised veins is consistently high. Vein thicknesses range from circa 3m (Vein 11) to less than 1m. The combined total strike length (adding all vein lengths together) is circa 3,000m.

Figure 3: **FAR LEFT** Photo facing southwest showing a new NE-SW vein (Vein 19). The vein is up to 2m wide and contains coarse galena and fine grained sphalerite. **LEFT TOP** Photo facing east showing Vein 11. This vein occurs west of the Callancocha Structure and is up to 3m wide. **LEFT BOTTOM** Rock specimen photo of material Vein 11. Fresh galena can be seen within a matrix of gossanous Fe-oxides.

The mineralised veins at Humaspunco occur in two main orientations; northwest-southeast (NW-SE) and northeast-southwest (NE-SW). Roughly perpendicular to each other, the NW-SE veins run parallel to the long axis of Humaspunco Hill, whilst the NE-SW veins run across the long axis of Humaspunco Hill. The NW-SE veins include HV1-HV10, HV12-HV15 and HV17 (Figure 2). They form a close-spaced parallel vein-set occurring mostly on the eastern half of Humaspunco Hill. Importantly NW-SE veins are now also known on the western half of Humaspunco Hill. The NE-SW veins include HV11-HV12, HV16, HV18-HV20 (Figure 2). They are parallel to the Callancocha Structure and the newly recognised Picuy Structure (Figure 2).

Vein mineralisation is characterised by sphalerite and galena. Sphalerite crystals are generally < 1mm in size, whilst galena crystals range in size from < 1mm to ±10mm. Both sulphides are readily weathered to gossan. This is particularly true of sphalerite due to its greater susceptibility and finer crystal size. Figure 3 shows galena remnants within ex-sphalerite gossan.

Manto Mineralisation at Humaspunco

Manto mineralisation at Humaspunco was previously known only in exposures east of Callancocha Structure, either along the structure itself, or along the southern perimeter of Humaspunco Hill (Figure 1). The average grade of mineralised manto sequence (comprising three separate manto horizons) occurring at Humaspunco from previous exploration is **7.11% Zn, 165.56g/t Ag and 9.30% Pb**.

The current program shows that manto mineralisation now occurs along the crest of Humaspunco Hill, east and west of the Callancocha Structure (Figure 2). As well as being open-ended to the south, as previously known, the new results demonstrate that the manto sequence extends west. The average grade of manto material sampled in the current program is **8.89% Zn, 264.07g/t Ag and 12.51% Pb**. This is consistent with and an improvement upon past grades (stated above).

The manto mineralisation discovered along the crest of Humaspunco Hill in the current program is highly weathered and limited in exposure to semi-gossanous to gossanous remnants (Figure 4). Two manto horizons have been recognised along the NE section of the crest, both of which believed part of the upper manto sequence.

Figure 4: **TOP LEFT** Photo showing the sampling process of manto mineralisation occurring east of the Callancocha Structure. The manto along the crest of Humaspunco Hill is highly weathered and at times difficult to identify. Galena and sphalerite are nevertheless readily visible in hand specimen. **TOP RIGHT** Hand specimen of semi-gossanous manto material, with visible galena and sphalerite.

A significant new development is the recognition of an upper and lower manto sequence at Humaspunco. The upper manto sequence is believed to comprise three individual manto horizons. It is exposed within limestone that forms ridges along southern perimeter of Humaspunco Hill (previously described). A lower manto sequence has now formally been recognised, occurring at the base of the same ridges, some 15 metres lower in the stratigraphy (Figure 3). This indicates that manto mineralisation is repeated and repeatable at depth.

Breccia Mineralisation at Humaspunco

Two discrete (mappable) breccia bodies have been recognised in this recent program: Breccia 1, located on the southern perimeter of Humaspunco Hill, and Breccia 2, located on the ridge of Humaspunco Hill (Figure 2). Breccia 1 is exposed in outcrop at a juncture between a splay fault associated with the NE-SW trending Callancocha Structure and the lower manto sequence. Breccia 2 is exposed in outcrop on a NE-SW trending fault in close proximity (therefore possibly related to) the upper manto. Both breccias are irregular in shape and comprise metal sulphides and coarse crystals of calcite and barite (up to 100mm in size). Breccia 2 in particular appears to "intrude" and disrupt the almost flat un-brecciated limestone sequence.

Significance of Results

A total of 20 mineralised veins, a laterally extensive mineralised manto sequence, covering an area of 480,000m^2 (the equivalent area of 384 Olympic sized swimming pools), and two mineralised breccias have been discovered at Humaspunco. They occur in close juxtaposition and possess a consistently high grade. Their spatial relationship is provided in Figure 5 (below) and shows the intensity of mineralisation occurring at Humaspunco.

Humaspunco is considered highly prospective for the following reasons: 1) manto and vein mineralisation is laterally extensive and contiguous; 2) manto and vein mineralisation appears "repeatable" (additional manto horizons at depth and additional veins laterally; 3) the Zn, Ag and Pb grades are consistently high; and 4) mineralisation is at or close to the surface with topography that favours possible development.

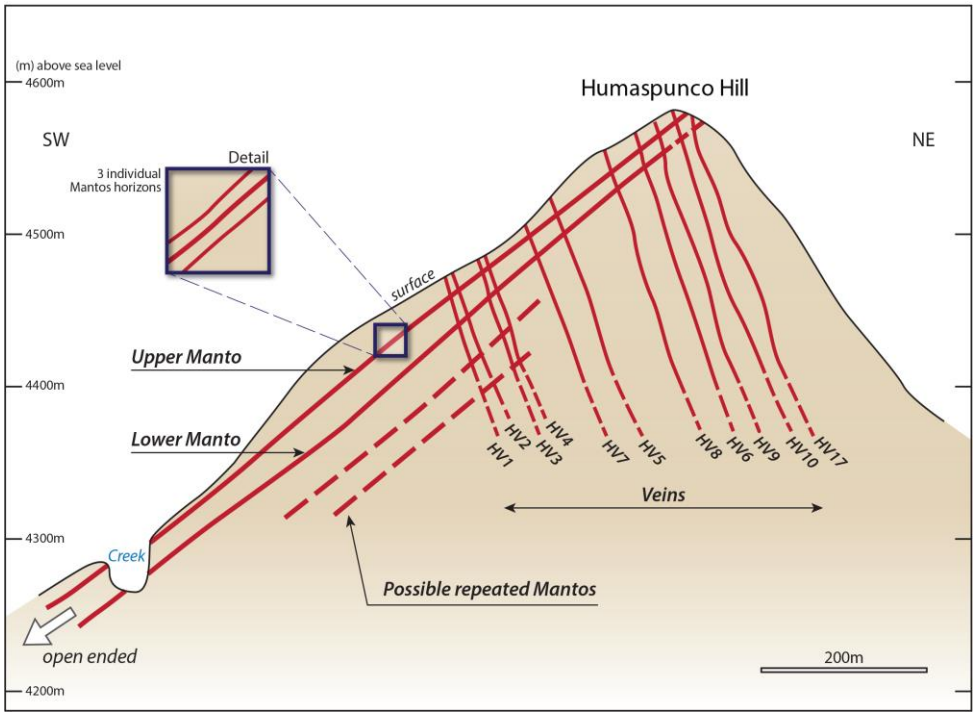


Figure 5: **LEFT** A schematic cross-section showing the steeply N-dipping NW-SE trending veins in relation to the shallowly S-dipping mantos. The cross section has a times-two vertical exaggeration but is otherwise approximately to scale. The very close proximity of each vein and their projected intersection of the manto sequence, comprising four individual manto horizons, becomes apparent. Not drawn on this cross-section are the NE-SW veins which add further continuity to the overall mineralisation.

VEINS: Humaspunco hosts 20 mineralised veins occurring in two main orientations, NW-SE and NE-SW. Both vein-sets contain high levels of coarse galena and sphalerite with calcite and barite as gangue material. At surface, the veins are semi-gossanous due to the weathering of the metal sulphides. The total combined strike length of the veins (HV1 through to HV20) is approximately 3,000m, with vein lengths ranging from 30m to 300m. The veins range in width from ±3m to < 1m. They represent a significant quantum of mineralised material. Evidence suggests the veins have significant depth potential and: 1) they are exposed in numerous underground workings and 2) that they day-light at elevations ranging from 4,450m to 4,650m above sea level (a vertical range of 200m).

MANTOS The manto sequence at Humaspunco comprises an upper manto sequence of three individual manto horizons and a lower manto sequence (Figure 5). The individual mantos are on average < 1m thick (up to 3m thick) and together represent a true stratigraphic thickness of approximately 15m to 20m (including the inter-manto interval). The upper manto sequence is now known along the northern ridge of Humaspunco Hill and along the southern perimeter of the hill. It is exposed at various locations down the side of the hill where it outcrops along cross-cutting fault scarps. It is not unreasonable to therefore believe that the manto extends sub-surface between these cardinal points (on the hill). This being the case, the manto has a lateral coverage of 480,000m^2 (or the area of 384 Olympic sized swimming pools). Importantly, manto style mineralisation is now known west of the cross-cutting Callancocha Structure. In previous exploration Inca was able to show that the manto sequence dips into the ground south of Humaspunco Hill. It is therefore open-ended in two directions, to the west and to the south.

"Another hallmark of manto style mineralisation is a tendency to repeat within the stratigraphy. We now know that we have at least four individual manto horizons with an upper and lower manto sequence. It is entirely possible that further mantos occur at depth given this style of mineralisation at Humaspunco is believed to be intrusive related replacement style – with mineralising processes originating below" said Mr Brown.

BRECCIAS The current field trip identified two discrete breccia bodies. Breccia 1 occurs at an intersection between the NE-SW major Callancocha Structure and a NW-SE fault and is believe related to mineralising processes concentrated in structurally-controlled dilatation zones, where a certain degree of "rock fragmentation" takes place. Zegarra (1983) observed breccia bodies associated with manto and vein intersections extending vertically over 20m with thickness from 1.5m to 4m. Past sample values of these structures average **20.04% Zn, 76.9g/t Ag and 4.94% Pb** (R. Walker 2011). Breccia 2 occurs at the ridge top at a complex juncture of veins, joints and locally undulating bedding. It is more pipe-like in nature than Breccia 1 and is believed related to rising metal-bearing fluids along faults/joints.

In both cases, Breccia 1 and Breccia 2 occur at the intersections of structures. Humaspunco hosts 20 veins and four individual mantos. "Should the formation of breccias be in response to broad structural forces, which is not unexpected, there is a likelihood that breccias may have developed at other manto-vein intersections" says Mr Brown. "Doing the maths, there is the potential for several dozens of mineralised breccias at Humaspunco."

Planned Exploration at Humaspunco

In light of the significant discoveries recently made, satellite lineaments (veins) and prospective stratigraphic horizons (mantos) will be closely mapped and sampled. Mapping and sampling will continue at Humaspunco with a view to creating an inventory of all mineralised bodies occurring at surface. Geophysics will be designed to cover all such targets, adding important sub-surface three-dimensionality. Using all mapping, sample assay and geophysical data, drill targets will be generated and prioritised ahead of testing. All environmental base-line studies required for the DIA drill permit have already been completed.

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Competent Person Statements

The information in this report that relates to mineralisation for the Riqueza 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 information concerning mineralisation for the Riqueza 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: Rock Chip Assay Results (Zn, Ag, Pb, Cu)

Sample code	Prospect	Vein (number) manto or breccia	Coordinates (WGS84) Zone 18			Zn (ppm)	Zn (%)	Ag (g/t)	Ag (oz/t)	Pb (ppm)	Pb (%)	Cu (ppm)
			Easting	Northing	Elevation							
005429	Humaspunco	manto (S)	455943	8594479	4,030	153930	15.39	190.8	6.72	63020	6.30	1818
005430	Humaspunco	manto (S)	456285	8594523	4,329	60780	6.08	108.3	3.81	82400	8.24	690
005431	Humaspunco	manto (S)	456396	8594600	4,330	59160	5.92	295.0	10.39	216510	21.65	267
005437	Humaspunco	HV11	455855	8595400	4,651	37240	3.72	327.0	11.51	194110	19.41	550
005438	Humaspunco	HV11	455857	8595400	4,649	1811	0.18	4.0	0.14	2649	0.26	78
005439	Humaspunco	HV11	455863	8595396	4,654	124580	12.46	174.1	6.13	115860	11.59	951
005440	Humaspunco	HV11	455870	8595389	4,653	149360	14.94	199.0	7.01	122810	12.28	838
005441	Humaspunco	HV11	455875	8595386	4,655	9069	0.91	397.0	13.98	196860	19.69	655
005442	Humaspunco	HV11	455886	8595386	4,653	152470	15.25	400.0	14.08	168960	16.90	3100
005443	Humaspunco	HV11	455880	8595371	4,651	227020	22.70	301.0	10.60	207030	20.70	1305
005444	Humaspunco	HV13	455843	8595365	4,651	103030	10.30	215.0	7.57	171250	17.13	1099
005445	Humaspunco	HV13	455826	8595392	4,665	116540	11.65	174.5	6.14	165460	16.55	1937
005446	Humaspunco	N/A	455731	8595398	4,653	18590	1.86	7.1	0.25	2211	0.22	87
005447	Humaspunco	HV14	455911	8595383	4,655	147850	14.79	230.0	8.10	83700	8.37	2278
005448	Humaspunco	manto (NW)	455929	8595360	4,646	156840	15.68	83.3	2.93	64390	6.44	452
005449	Humaspunco	manto (NW)	455931	8595344	4,646	65160	6.52	583.0	20.53	186520	18.65	4553
005450	Humaspunco	manto (NW)	455933	8595343	4,646	76830	7.68	333.0	11.73	118950	11.90	3051
005451	Humaspunco	manto (NW)	455942	8595492	4,638	157270	15.73	187.1	6.59	163030	16.30	517
005452	Humaspunco	HV15	455989	8595289	4,622	38610	3.86	196.6	6.92	149770	14.98	1000
005456	Humaspunco	HV16	456037	8595274	4,606	36920	3.69	291.0	10.25	241510	24.15	198
005457	Humaspunco	HV17	456074	8595259	4,625	109240	10.92	85.8	3.02	39580	3.96	1139
005458	Humaspunco	HV17	456122	8595246	4,627	47730	4.77	183.2	6.45	133550	13.36	1612
005459	Humaspunco	HV17	456115	8595204	4,625	3521	0.35	2.3	0.08	417	0.04	21
005460	Humaspunco	HV17	456134	8595201	4,625	117490	11.75	148.2	5.22	92880	9.29	2755
005461	Humaspunco	HV17	456142	8595189	4,617	166750	16.68	204.0	7.18	201210	20.12	1025
005462	Humaspunco	manto (NE)	456145	8595191	4,617	29930	2.99	145.3	5.12	108950	10.90	803
005463	Humaspunco	manto (NE)	456149	8595187	4,598	12710	1.27	225.0	7.92	146630	14.66	537
005464	Humaspunco	breccia 2	456162	8595181	4,601	90030	9.00	331.0	11.65	146160	14.62	1570
005465	Humaspunco	manto (NE)	456204	8595181	4,614	51770	5.18	222.0	7.82	198680	19.87	636
005466	Humaspunco	manto (NE)	456202	8595172	4,608	89430	8.94	560.0	19.72	15370	1.54	4844
005467	Humaspunco	manto (NE)	456216	8595158	4,605	153570	15.36	236.0	8.31	137210	13.72	1445
005468	Humaspunco	HV18	456219	8595171	4,605	202030	20.20	74.6	2.63	6086	0.61	937
005469	Humaspunco	HV19	456269	8595146	4,579	96140	9.61	358.0	12.61	105590	10.56	3577
005470	Humaspunco	HV19	456266	3595140	4,578	216990	21.70	205.0	7.22	100180	10.02	1368
005471	Humaspunco	HV20	456336	8595109	4,563	59170	5.92	239.0	8.42	60450	6.05	672
005472	Humaspunco	HV20	456337	8595092	4,556	46890	4.69	151.6	5.34	103400	10.34	807
							9.41	**224.11**	**7.89**		**11.98**	

Appendix 1

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of rock chip sampling by the Company on one concession known as Nueva Santa Rita (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 assay results from 36 rock chip samples collected by the Company. Results for the elements Zn, Ag, Pb, Zn, Au and Cu are presented in Table 1. Reference is made to results of previous exploration in Section 2 of this Appendix.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The sample locations were determined by hand-held GPS. 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.	Rock chip sampling is a very widely used sampling technique in early exploration, typically combined with geological mapping to determine the presence of mineralisation in a specific geological body. By virtue of its purpose, rock chip sampling is selective. Each sample was bagged separately and labelled. Samples were sent to a laboratory for multi-element analysis.
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.).*	N/A – no drilling or drill results were referred to in this announcement.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	N/A – no drilling or drill results were referred to in this announcement.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	N/A – no drilling or drill results were 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.	N/A – no drilling or drill results were 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.*	N/A – no drilling or drill results were referred to in this announcement.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	N/A – no drilling or drill results were referred to in this announcement.
	The total length and percentage of the relevant intersections logged.	N/A – no drilling or drill results were referred to in this announcement.
	If core, whether cut or sawn and whether quarter, half or all core taken.	N/A – no drilling or drill results were referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	*If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*	N/A – no drilling or drill results were referred to in this announcement.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation technique was appropriate. Each sample was bagged separately and labelled. Samples were sent to a laboratory for multi-element analysis.
	Quality control procedures adopted for all sub-sampling stages to maximise "representivity" of samples.	N/A – sub-sampling procedures were not 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.	Rock chip sampling is a technique (described above) that directly *samples in situ* rock. In the case of sampling subject of this announcement, the *in situ* rock comprises mineralised veins and mantos cropping out within and proximal to adits of previous mining operations.
	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 *in situ* rock and geological target at each sample location.
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 the samples for non-Au was four-acid digestion and HCl leach, which is considered a "complete" digest for most material types. Elemental analysis was via inductive coupled plasma and atomic emission spectrometry. Over-10-30% detection analysis includes additional titration analysis. Au techniques included Fire Assay with AA finish. The analytical assay technique 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 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 QAQC procedures.
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 Bureau Veritas Minerals (BVM) who conduct QAQC procedures, which follow industry best practice.
	The use of twinned holes.	N/A – no drilling or drill results were 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 BVM 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 (including 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 rock chip sample locations had been determined using a hand-held GPS.
	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 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 distribution of the rock chip samples follows industry best practice and to a large degree was subject to the location of visible direct (sulphides) and indirect (alteration) signs of mineralisation.
	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.	Please refer immediately above. Note that no Mineral Resource and Ore Reserve estimation has been provided in this announcement. It is further acknowledged that the sample population of that released in this announcement is insufficient to obtain an Exploration Target and that additional sampling, to achieve this, is required.
	Whether sample compositing has been applied.	Sample compositing was applied, in so far as, at any one rock chip location, rock was collected from an array of outcrop within a 0.5m to 2m radius.
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.*	The distribution of rock chip samples follows industry best practice.
	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.	N/A – no drilling or drill results were referred to in this 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 rock chip sampling regime is appropriate for outcrop conditions 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 Name: Nueva Santa Rita. Ownership: The Company has a 5-year concession transfer option and assignment agreement ("Agreement") whereby the Company may earn 100% outright 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.	The Agreement and concession are in good standing at the time of writing.
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	This announcement refers to exploration carried out at Riqueza by previous parties. References include mention of veins and mantos. The Company has previously sited these references and in this announcement attribute no grade to them other than those generated by the Company.
Geology	*Deposit type, geological setting and style of mineralisation.*	The geological setting of the area is that of a gently SW dipping sequence of Cretaceous limestones and Tertiary "red-beds", on a western limb of a NW-SE trending anticline; subsequently effected by a series of near vertical Zn-Ag-Pb bearing veins/breccia and Zn-Ag-Pb [strata-bound] mantos.
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.*	N/A – no drilling or drill results were 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.	N/A – no drilling or drill results were referred to in this announcement.
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.*	N/A – 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.	N/A – no weighting averages nor maximum/minimum truncations were applied.

Data aggregation methods cont…	*The assumptions used for any reporting of metal equivalent values should be clearly stated.*	N/A – 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').*	Vein and manto style mineralisation average widths, thicknesses and lengths are provided on the basis of mapping and sampling results and not drilling. Vein widths are not true widths as the veins dip at an angle of ±70˚. Manto thicknesses are estimate and approximate true stratigraphic thicknesses.
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 showing the position of the 36 samples has been provided in 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 to avoid misleading reporting of Exploration Results.*	The Company believes the ASX announcement provides a balanced report of its sampling program and relation of it to previously reported exploration 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.*	As well as discussing the Company's current mapping and assay results, this announcement discusses the Company's previous exploration results announced on 2 June 2016, 22 June 2016 and 29 June 2016.
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 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.	N/A: Refer above.

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