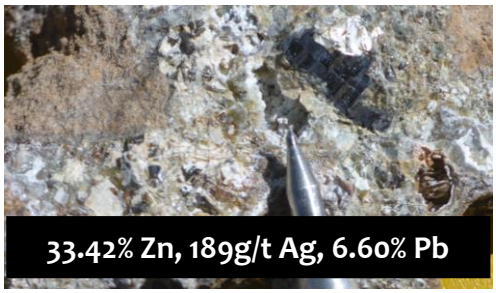
27 September 2016

33.4% Zinc and 540g/t Silver in Latest Manto Assays at Riqueza

HIGHLIGHTS

- Very strong zinc (Zn), silver (Ag), lead (Pb) mineralisation identified in extensive mantos at Humaspunco
- **33.42% Zn** sets new peak for mantos – repeats recent **34.08% Zn** peak for veins in August sample program
- Program manto averages: **12.48% Zn, 261g/t Ag, 10.50% Pb** and vein averages: **10.68% Zn, 205g/t Ag, 11.77% Pb**
- New manto at Pinta discovered, **peak 10.39% Zn**
- Manto sequence now covers projected area of 2,000m x 800m and open to the south
- Number of manto horizons set to increase with detailed mapping and systematic sampling



Inca Minerals Limited (**Inca** or **Company**) (ASX: ICG) continues to receive very high-grade assays from its August program of mapping and sampling at the Company's exciting Riqueza Project (**Program**). The Program's purpose was to advance coverage at the highly prospective Humaspunco and Pinta prospects (Figure 1). On 29 August 2016 the Company announced discovery of 31 new mineralised veins and mantos in the Program. On 20 September 2016 Inca reported very high grades in assay results for the veins sampled in the Program. In this announcement Inca can again report outstanding assay results from the mantos sampled in the Program.

"These latest results confirm extensive and very high-grade mineralisation in both the veins and the mantos at Riqueza. It's exceptionally pleasing and very compelling in terms of implications for the project's potential scale …" (Ross Brown, Managing Director).

The Program's results include discovery of 14 new mineralised manto occurrences at the Humaspunco and Pinta prospects. Assay results for the mantos sampled in the Program confirm very strong zinc-silver-lead (Zn-Ag-Pb) grades with peak values of **33.42% Zn, 540g/t Ag and 24.97% Pb** and averages of **11.48% Zn, 261g/t Ag, 10.50% Pb**.

Figure 1 **LEFT:** Satellite image showing the Humaspunco and Pinto Prospects at Riqueza. The yellow boxes show the approximate coverage of the August mapping and sampling program which discovered some 31 new mineralised veins and mantos.

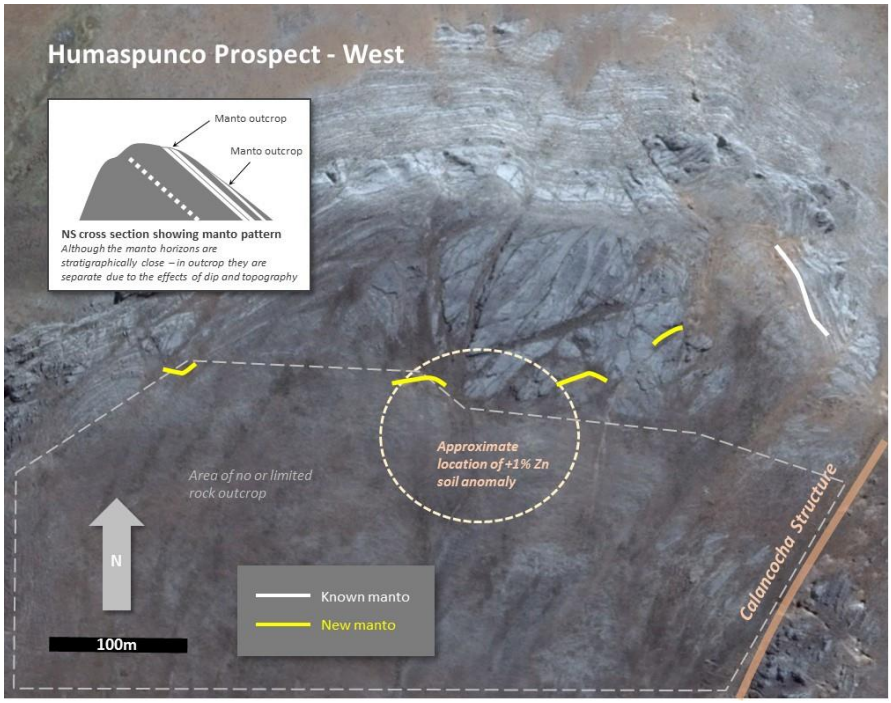


Figure 2 **LEFT:** Humaspunco Prospect – West, showing the known manto (white) and the newly discovered mantos (yellow). Vein mineralisation is not shown. The manto sequence is currently approximately 15m thick (a stratigraphic thickness) and comprises an estimated four manto horizons. Three manto horizons occur towards the top of the manto sequence and a single horizon occurs toward the base of the sequence. The manto sequence occurs within the Jumasha Formation, close to its contact with the overlying Casapalca Formation. An INSERT is provided to depict the manto sequence in cross section.

Figure 3 **RIGHT:** Humaspunco Prospect – East, showing the known mantos (white) and the newly discovered mantos (yellow). Vein mineralisation is not shown. The three new manto horizons on the NE ridge are exposed within a package of very shallow dipping limestones with numerous cross cutting NS and EW mineralised veins. This area is festooned with at least 20 shallow mine workings that trace multiple vein and manto occurrences. The three new manto occurrences near the Calancocha Structure probably represent the stratigraphic equivalent of the three on the ridge. The known manto further to the west is the lower manto horizon that also crops out on the south side of the small creek. An INSERT is provided to depict the manto sequence in cross section as it appears to the south, demonstrating too that it is open in this direction.

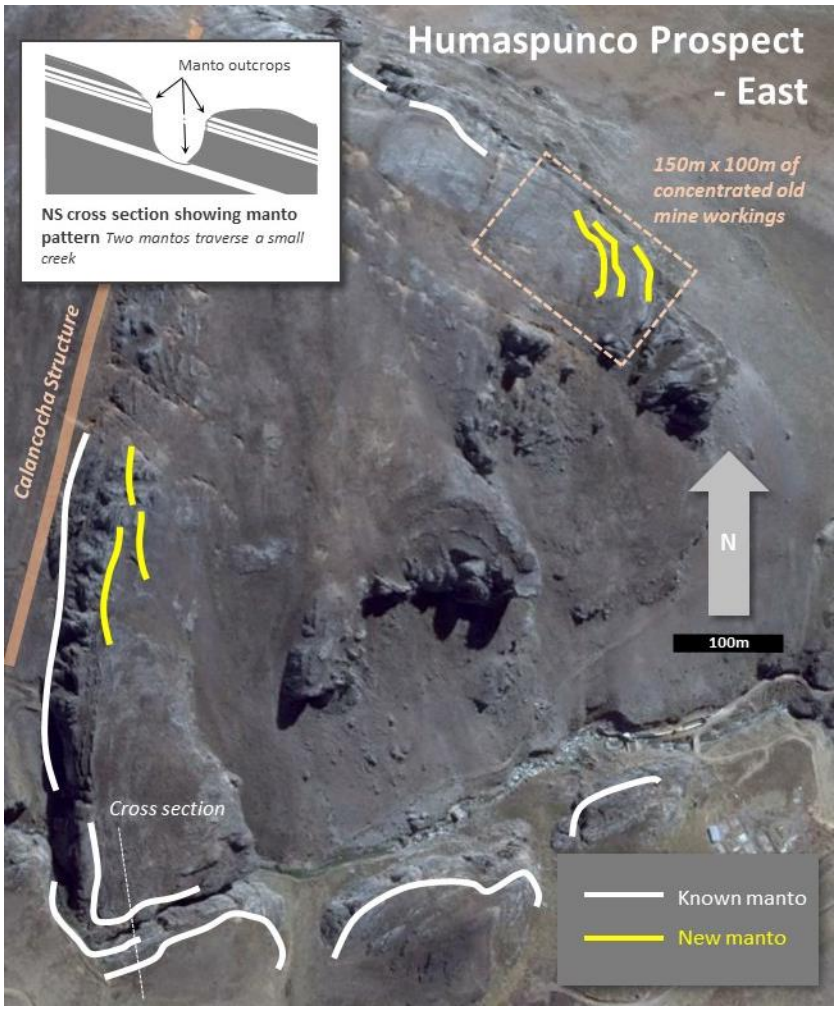


Figure 4 **RIGHT:** Pinta Prospect, showing the new manto (yellow). Vein mineralisation is not shown. The occurrence of manto mineralisation at Pinta strongly indicates that manto style mineralisation is widespread in the Humaspunco-Pinta area. The new manto horizon at Pinta occurs approximately 10m stratigraphic metres below the Jumasha-Casapalca Formation contact (dashed yellow line), and is therefore believed an eastern extension of the upper manto horizons occurring at Humaspunco. The Casapalca Formation comprises red-brown coloured arenites which appear dark in satellite imagery as seen in this figure.

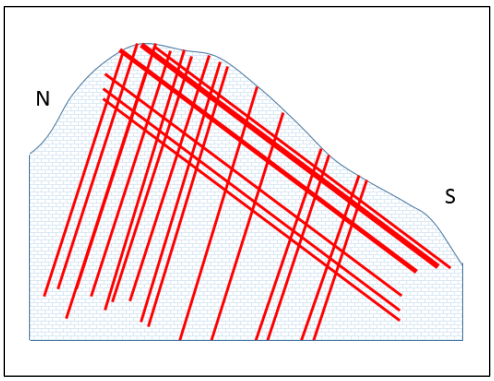
Significance of Results and Future Exploration

In addition to 43 mineralised veins and breccias, Riqueza is now known to host 18 mineralised manto occurrences (17 at Humaspunco and 1 at Pinta). Of these, 14 were discovered in the Program (13 at Humaspunco and 1 at Pinta). With an average grade of **12.48% Zn, 261g/t Ag, 10.50% Pb**, and more than half the samples assayed showing combined Zn-Pb values in excess of 20%, manto assay results from the Program are very strong (refer Table 1).

Manto mineralisation at Humaspunco and Pinta is high-grade and widespread. Including 14 new manto locations identified during the Program the manto sequence now extends from Humaspunco West to Pinta over an area approximately 2,000m (EW) and 800m (NS) and is open ended to the south. (Figures 3 & 5).

Vein-hosted and manto-hosted mineralisation occur together at Humaspunco and Pinta. Manto mineralisation is parallel to bedding ("strata-bound") and vein mineralisation cuts across bedding. The strata at Humaspunco comprises limestone dipping at approximately 40˚ to the south. The manto horizons therefore also dip at approximately 40˚ to the south and the manto sequence extends approximately over 2,000m EW x 800m NS. By contrast, the vein mineralisation at Humaspunco dips at an angle of 70˚to the north. The net effect of the interplay between mantos and veins at Humaspunco is a very large three-dimensional network of high-grade intersecting stacked (flat) manto horizons and repeating (steep) veins (Figure 5).

Figure 5 **RIGHT:** Schematic cross section of Humaspunco showing the interconnectedness of veins (near-vertical red lines) with mantos (inclined red lines). Below the surface and at surface Humaspunco comprises a network of crisscrossing veins and mantos that are consistently grading 10% Zn, 200g/t Ag and 11% Pb.



Manto and vein mineralisation are petrographically very similar. Like in the veins, manto Zn and Pb mineralisation is associated with sphalerite and galena respectively. These sulphides occur as coarse aggregates (galena crystals up to 1.5cm wide) with barite and calcite as gangue material. The mantos generally contain more barite than the veins and appear a little more brecciated, but these differences are minor. Weathering is similar and commonplace, with secondary zinc (smithsonite) and copper (malachite) occurring with secondary Fe-oxides (limonite, goethite and jarosite). Dolomite is the dominant form of alteration and there is no pyrite.

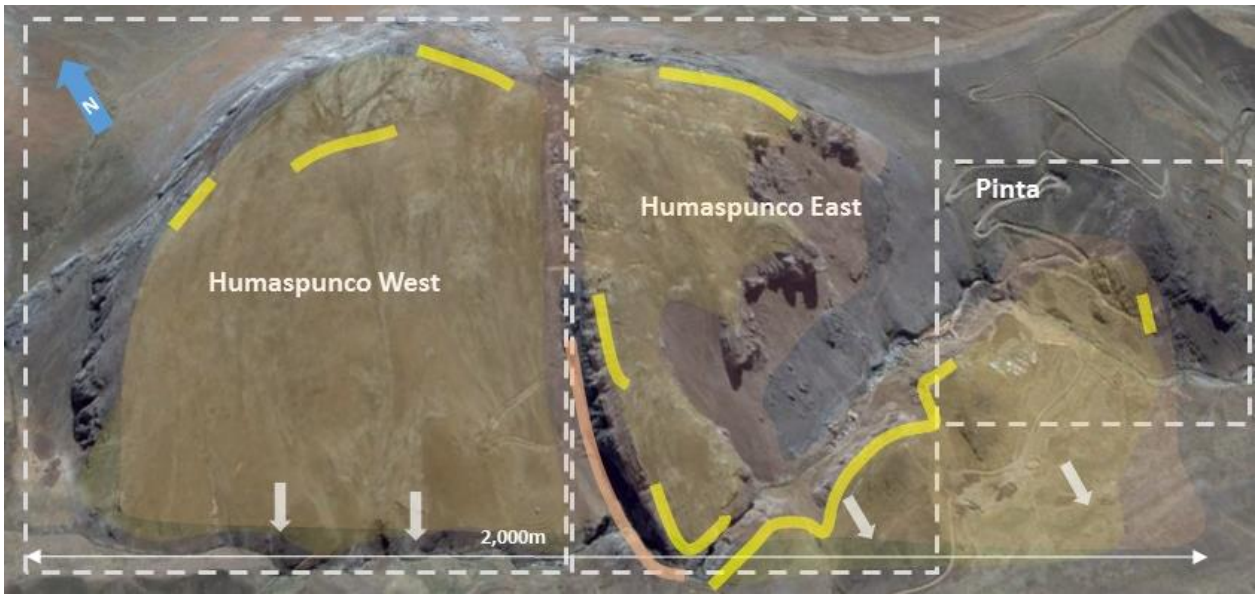


Figure 6 **ABOVE**: Satellite image showing Humaspunco and Pinto Prospects. Pale yellow shading shows the projected expanse of the upper manto sequence, connecting outcrop occurrences of three manto horizons (thick yellow lines). The pale beige shading shows the projected expanse of the lower manto sequence, connecting outcrop occurrences of a fourth manto horizon (thick beige lines).

Inca intends making further announcements regarding results pertaining to the 31 newly discovered mineralised veins and mantos in the Program. The Company's Managing Director, Ross Brown, noted the August Program had more than built on the Company's early successes, proving the best of three mapping and sampling programs conducted at Riqueza to date and stating that "These latest results confirm extensive and very high grade mineralisation in both the veins and the mantos at Riqueza. It's exceptionally pleasing and very compelling in terms of implications for the project's potential scale and the confidence with which we undertake future work at Riqueza."

The Company continues to make progress with its 14,000m drill permit with the granting of the CIRA permit (refer ASX announcement 14 September 2016). Design of the drilling program is now being refined to investigate both vein and manto mineralisation which is considerably more extensive than initially thought.

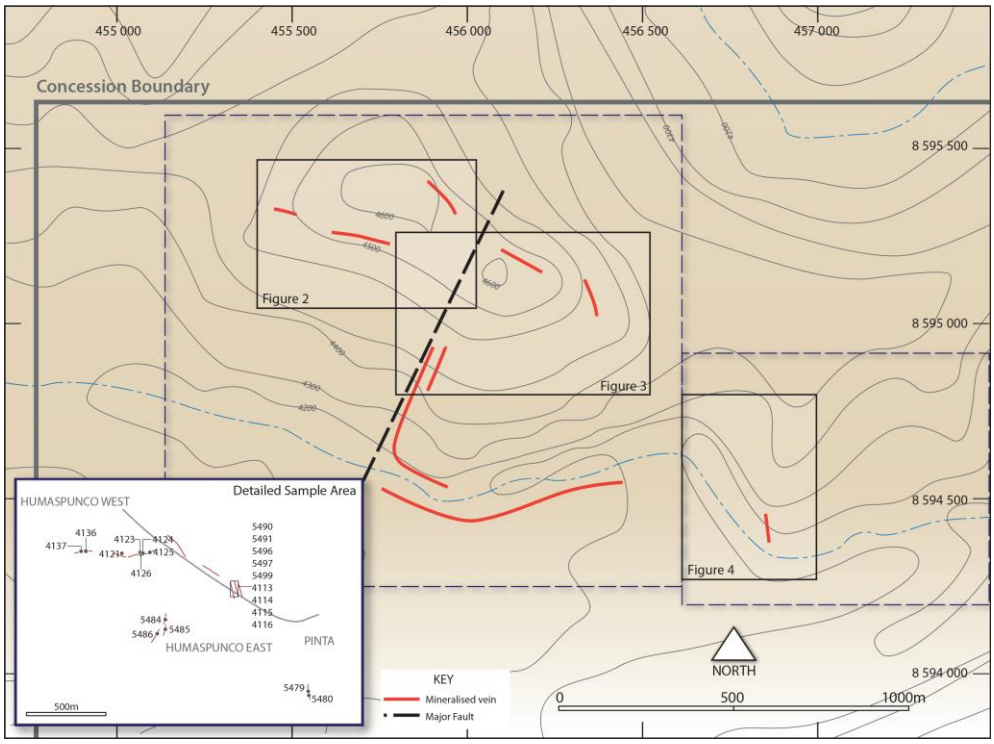
Recent examination of the 18 known manto occurrences, in relation to known manto horizons, confirms at least four manto horizons in a manto sequence approximately 15m thick (stratigraphic thickness) at Humaspunco and Pinta. However, the number of manto horizons may increase as systematic mapping and sampling facilitates further understanding of the stratigraphic spread of the mantos in the Humaspunco-Pinta area.

This work has already commenced as has systematic sampling of the known veins. The aim of this work is to determine detailed vein and manto grades, vein widths and manto thicknesses. Mapping and sampling coverage led by Mr. Brown is set to continue in October. Coverage will include additional vein and manto targets on the far west, east and central ridges.

Table 1: Assay Results Zn, Ag, Pb

Sample Number	Zn (%)	Ag (g/t)	Pb (%)	Prospect	Mineralisation
5479	**10.39**	110.00	2.99	Pinta	Upper manto (probable far eastern extension)
5480	3.85	52.10	2.35	Pinta	Upper manto (probable far eastern extension)
5484	8.86	**340.00**	6.85	Humaspunco East	Upper manto (central east extension)
5485	**10.77**	**240.00**	7.82	Humaspunco East	Upper manto (central east extension)
5486	3.57	**262.00**	8.89	Humaspunco East	Upper manto (central east extension)
5490	**33.42**	189.00	6.60	Humaspunco East	Upper manto (north eastern extension)
5491	**15.29**	142.00	2.91	Humaspunco East	Upper manto (north eastern extension)
5496	**18.80**	**200.00**	1.41	Humaspunco East	Upper manto (north eastern extension)
5497	**10.16**	**540.00**	**16.58**	Humaspunco East	Upper manto (north eastern extension)
5499	0.83	**405.00**	**24.97**	Humaspunco East	Vein EW HV30/manto intersection
184113	8.93	**427.00**	**10.52**	Humaspunco East	Vein NS HV31/manto intersection
184114	**19.66**	**439.00**	**15.76**	Humaspunco East	Upper manto (north eastern extension)
184115	**26.08**	**322.00**	**11.88**	Humaspunco East	Upper manto (north eastern extension)
184116	**22.19**	**223.00**	8.24	Humaspunco East	Upper manto (north eastern extension)
184121	7.35	129.00	**10.83**	Humaspunco West	Upper manto (central west extension)
184123	**20.86**	**524.00**	**20.96**	Humaspunco West	Upper manto (central west extension)
184124	**16.20**	113.00	3.87	Humaspunco West	Upper manto (central west extension)
184125	7.20	**386.00**	**26.60**	Humaspunco West	Upper manto (central west extension)
184126	**15.43**	164.00	**10.24**	Humaspunco West	Upper manto (central west extension)
184136	1.21	130.00	**10.77**	Humaspunco West	Upper manto (west extension)
184137	1.02	151.00	9.41	Humaspunco West	Upper manto (west extension)
average	**12.48**	**261.34**	**10.50**		

Sample Location Plan: Manto Mineralisation only



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.

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 21 rock chip samples collected by the Company. Results for the elements Zn, Ag, Pb are presented in Table 1. Reference is made to results of previous exploration as described 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 procedures.
	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 at a specific location of geological interest. 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.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	*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.
	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 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 ICP and atomic emission spectrometry. Over 20% 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 SGS Del Peru (SGS) 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 by SGS 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 were 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, would be 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.*	Sample security was 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 rock chip sampling regime was 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 mineralisation at Riqueza identified by previous parties. Pictorial reference includes inclusion of veins and mantos in various diagrams. The Company has previously cited 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 affected 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.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
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.
	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').*	No representations of mineralisation width have been made in this announcement.
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 21 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.*	Reference in this announcement is made to previous announcements concerning preliminary mapping and assay results from the same program that generated the assay results herein. These announcements were made on the 29 August 2016 and 20 September 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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