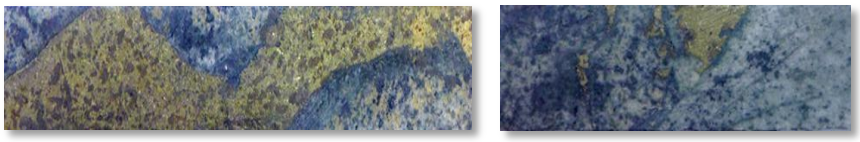
HIGHLIGHTS

Chanape Project – Peru

- Inca Minerals Limited ("Inca", "Company") completes its second phase drilling program at Chanape with multiple zones of +1% Cu from CH-DDH011 – significant intersections included:
  - 97m down-hole interval @ 0.46% Cu, 9.48g/t Ag, 106ppm Mo [0.58% Cu*eq*], from 770m including:
    - 11m interval @ 1.39% Cu, 29.93g/t Ag and 263ppm Mo [1.76%Cu*eq*] from 770m
    - 7m interval @ 1.17% Cu and 24.47g/t Ag [1.4% Cu*eq*] from 809m



    - 8m interval @ 0.94% Cu, 16.98g/t Ag and 286ppm Mo [1.19% Cu*eq*] from 837m
  - 30m down-hole interval @ 0.93% Cu, 18.72g/t Ag, [1.11% Cu*eq*] from 886m
- Significant metre intervals from CH-DHH011 included:
  - 770m-771m @ 2.98% Cu
  - 773m-774m @ 1.38% Cu, 21.4g/t Ag, 450ppm Mo [1.73% Cu*eq*]
  - 774m-775m @ 1.28% Cu, 23.7g/t Ag, 464ppm Mo [1.65% Cu*eq*]
  - 775m-776m @ 1.37%Cu, 28g/t Ag, 258ppm Mo, 0.22g/t Au [1.83% Cu*eq*]
  - 812m-813m @ 4.96% Cu
  - 838m-839m @ 4.01% Cu, 900ppm Mo [4.3% Cu*eq*]
  - 890m-891m @ 2.44% Cu
- Width and tenor of CH-DDH011 grades typical of Cu porphyry systems being developed by major mining houses
- Porphyry mineralisation trends shallower towards middle of large SP anomaly

Dingo Range Project – Western Australia

- Large Ni targets generated
- Exploration program designed and set to commence in next quarter

Corporate Activities

- Post-quarter the Company successfully completes a fully subscribed capital raising of $1.25M through placement of 69.44 million fully paid ordinary shares
- Company receives unsolicited approaches from major resource companies

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Chanape Cu-Mo-Ag-Au Porphyry Project – Peru

Second Phase Diamond Drilling Program

The second phase drilling program resumed at Chanape in January 2014 and was completed during the quarter. A total of 1,239.2m of drilling in two holes was completed (refer Table 1: Drill hole summary):

- CH-DDH010 which commenced in the previous quarter was completed in this quarter to drill test a deeper epithermal target.
- CH-DDH011 was commenced and completed during this quarter and was designed to drill test a deeper porphyry target.

Hole Number	Commenced	Completed	Depth (m)
CH-DDH010	December 2013	January 2014	190.2
CH-DDH011	January 2014	February 2014	1,049

Table 1: Drill hole summary for March 2014 Quarter. Note: 83m of CH-DDH010 was completed in December 2013.

Drilling Results

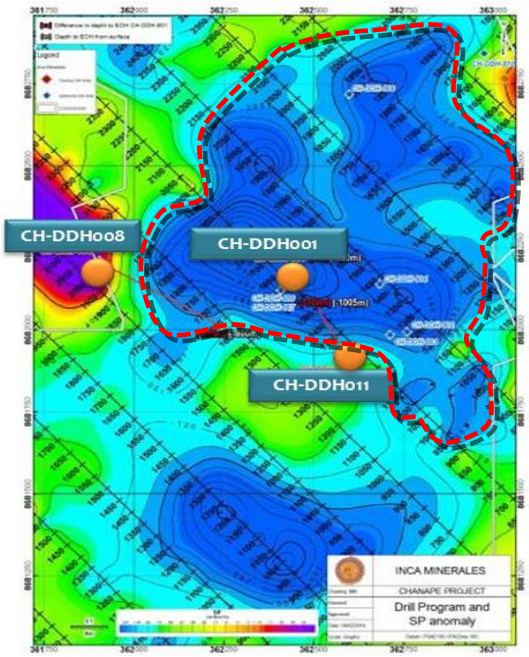
Of the two holes completed in the quarter it was CH-DDH011 that produced the most exciting results and the largest porphyry interval drilled by the Company to date. CH-DDH011 intersected 459m of chalcopyrite (copper mineral)-pyrite bearing porphyry sequence from 590m to 1,049m (EOH) [down-hole depth]. Four broad zones of mineralisation, averaging between 0.58%Cu*eq* and 0.43% Cu*eq*, form a contiguous down-hole section of 177m from 770m. This composite interval includes down-hole intersections **greater than 1% Cu*eq* over 62m** between 770m and 1,047m.

These significant zones of mineralisation are contained within a broader zone of mineralisation with a down-hole intersection of ***283m @ 0.32% Cu, 6.73g/t Ag and 83ppm Mo [0.41% Cueq]*** from 764m. The results signal that the porphyry system at Chanape contains Cu, Ag, Mo grades of potential economic importance. Consequently, Chanape was confirmed as a genuine Cu-Mo-Ag-Au porphyry discovery of regional significance.

Diamond drill-hole CH-DDH011 was collared southeast of the porphyry discovery hole CH-DDH001 (Figure 1a). It was angled back towards CH-DDH001 to intersect mineralised porphyry at depth to the south and "below" the antecedent hole. Significantly, there appears to be a close association between the porphyry intersections in all the Company's deep porphyry target holes (CH-DDH001, CH-DDH008, CH-DDH011) and a large Spontaneous Potential ("SP") anomaly (refer to Figure 1a). From this close spatial association it appears this part of the mineralised system trends shallower to the north.

The SP anomaly pictured in Figure 1a is approximately 750m x 750m in size and one of three SP centres within a much larger SP anomaly that is 2.5km x 1km in area (Figure 1b). Given the close spatial association between SP and porphyry mineralisation, Chanape's mineralised porphyry system has the potential to host several porphyry zones, and in doing so, is not dissimilar to Toromocho, the 2.15Bt 0.5%Cu*eq* mine development 30kms from Chanape.

CH-DDH010 was designed to test an epithermal gold target occurring close to the northern perimeter of the Chanape project. No significant gold mineralisation was identified.



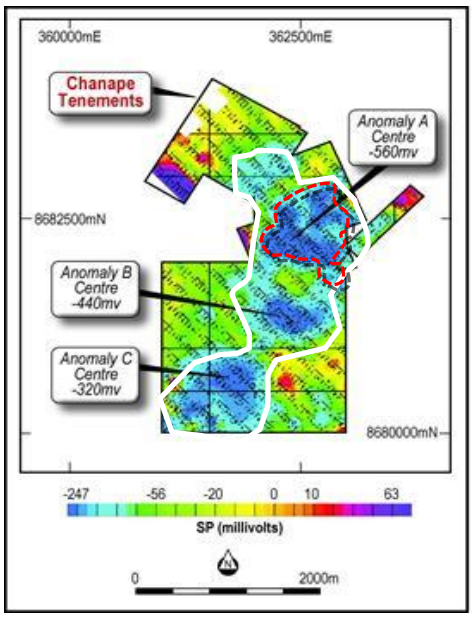


Figure 1a (LEFT): Drill hole location of CH-DDH011 in relation to CH-DDH001 (the "discovery hole") and the SP anomaly, which very closely maps the possible outer perimeter of this porphyry system at Chanape. **Figure 1b (RIGHT):** The large SP anomaly (pale blue) encapsulating the three SP anomaly centres (dark blue) is 2.5km x 1km.

At 812.5m: Irregular sulphide vein with massive chalcopyrite (cut core appearing on page 1)

At 815m: Radial veinlets containing tourmaline-chlorite alt and blebs of chalcopyrite

At 836.9m: Wide qtz/ tourmaline veins (2 to 3cm) with chalcopyrite and pyrite

At 838.4m: Very highly altered monzodiorite with pervasive disseminated pyrite- chalcopyrite

At 841m: Phyllic altered monzodiorite with qtz, pyrite, chalcopyrite suture veins with tourmaline

At 954m: Phyllic altered monzodiorite with qtz, pyrite, chalcopyrite veins with tourmaline

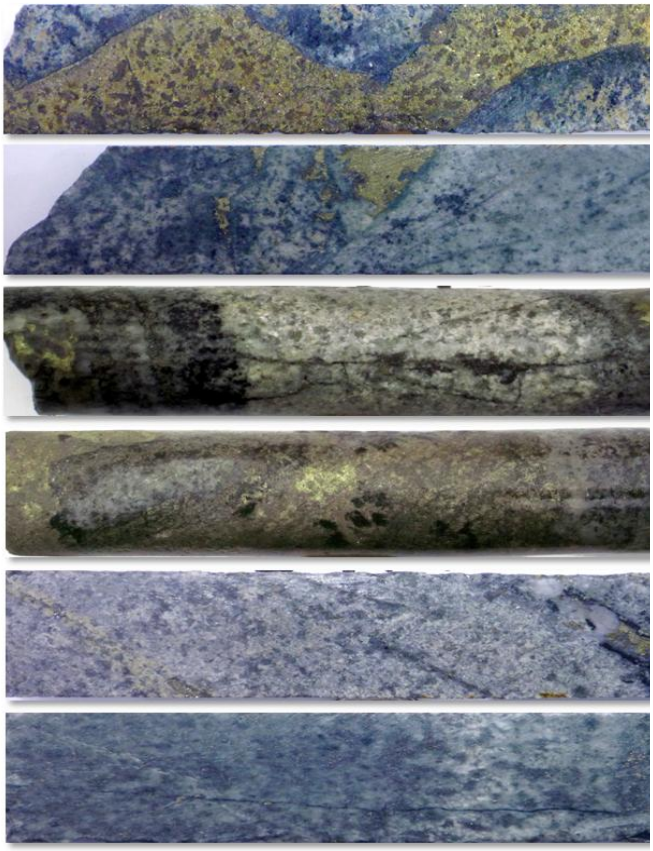


Figure 2: Selection of core photos between 812m and 954m showing porphyry features including alteration, veining and rock textures.

Of particular interest is the intensity and composition of the sulphide veins and alteration minerals. Spectral-reflectance analysis (hydrothermal clay mapping) of CH-DDH011 has been completed with final results currently being interpreted.

Importance of Results and Next Steps

Drilling this quarter has identified significant sections of porphyry mineralisation above 1% Cu*eq* for the first time at Chanape. Equally significant is the +1% Cu occurring over a composite down-hole intersection of 60m. The width and tenor of these grades are typical of Cu porphyry systems that elsewhere are mined or being developed, in most cases, by major mining houses. A case in point and most geographically pertinent is Toromocho. It has an average grade of 0.5% Cu and a *millable* cut-off grade of between 0.2% and 0.4% Cu. It will move into production later this year and by 2016 produce 300,000 tonnes of Cu metal annually.

To date three different forms of mineralisation, collectively related to porphyry mineralisation, have been identified at Chanape. It has breccia-hosted Au-Ag-Cu mineralisation, it has vein-hosted Au-Ag-Cu±Pb mineralisation - both forms occurring at the surface - and it has porphyry-hosted Cu-Mo-Ag±Au mineralisation (Figure 3). Large porphyry systems, such as Toromocho, display this multiple ore-zone characteristic and it is a common feature of most super-sized porphyry deposits.

As can be visualised from Figure 3, the favourable topography at Chanape means an open-cut mine plan, that includes surface mineralisation (vein style Au-Ag-Cu-Pb and breccia style Au-Ag-Cu occurrences) as well as the deeper Cu-Mo-Ag porphyry style mineralisation is possible. In addition, access to the deeper Cu-Mo-Ag porphyry style mineralisation from Chanape valley (some 400m below the foothills of Mount Chanape) through underground mining could be commercially and operationally attractive.

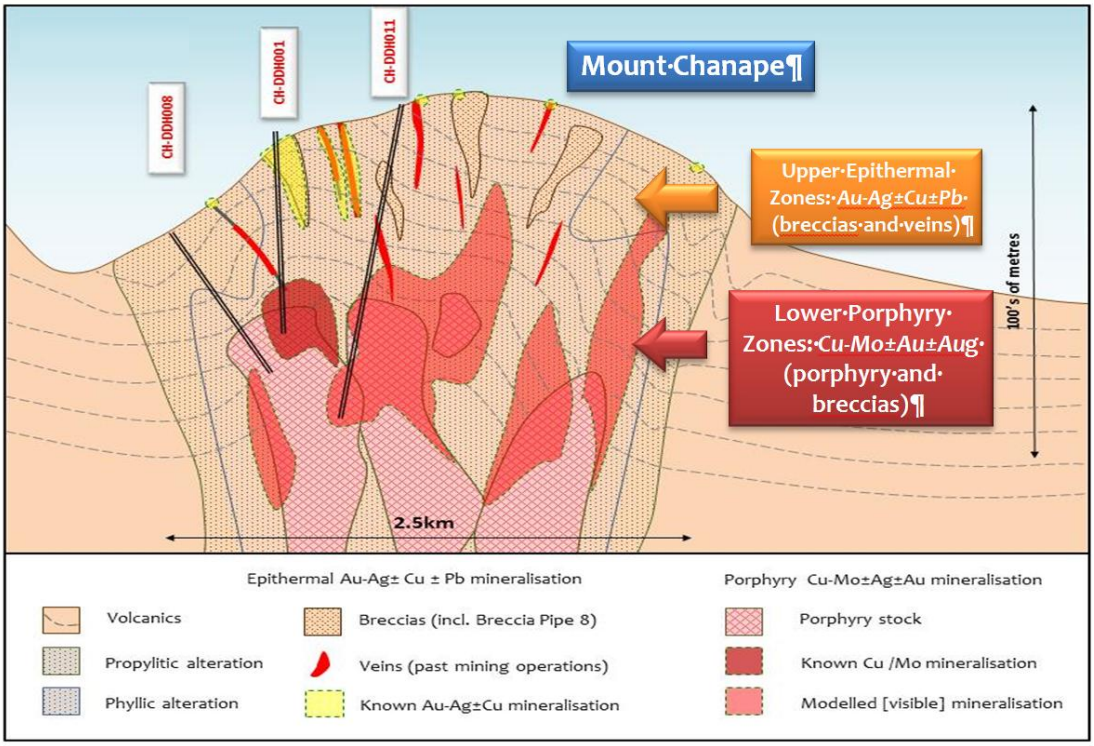


Figure 3: A schematic cross-section presented as the Porphyry Model for Chanape. It is not to scale but shows the position of the Company's 3 deep drill holes, the three known forms of porphyry and porphyry-related mineralisation at Chanape, and shows how multiple "ore-zones" may typically occur in a large porphyry system, such as at Toromocho and as indicated at Chanape. Grades in development drilling will reflect variations associated with this multiple zoning. CH-DDH001 and CH-DDH011 are prime examples for this with contiguous zones of higher grade and lower grade.

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As previously announced to the market (refer ASX announcement 24 February 2014), drilling has been paused to collate data from recent drilling. Using results from detailed logging, alteration, geochemistry and in particular, hydrothermal clay mapping, the next phase of drilling will target further extensions of the mineralised porphyry system now building at Chanape.

The Company has also continued to progress a new and much larger drill permit designed to replace the existing drill permit, previously announced 10 January 2014. The existing DIA Permit (valid until June 2014) has an allowance of 10,000m of drilling. The Company has completed the wet-season environmental base line study that is a requirement for a drill permit referred to as a Semi Detailed Environmental Impact Assessment (or "EIAsd"). The EIAsd Permit will provide the Company a drill allowance of ≥20,000m once granted. This would provide permitting for uninterrupted drilling well into the future.

Drill Camp at Chanape

Dingo Range Nickel Project – Western Australia

In December 2013, the Company commissioned Grant "Rocky" Osborne to undertake detailed literature research with the purpose of critically assessing past exploration conducted in the broader Dingo Range Project area and to generate Ni targets in the project area. The results of this work were released to the market on 14 April 2014.

The Dingo Range Nickel Project is located 80km east of Mt Keith and comprises 11 granted tenements covering an approximate area of 410km^2 (Figure 4). The tenements cover a large section of the Dingo Range-Mt Fisher Greenstone Belt of the Kurnalpi Terrance within the Eastern Goldfields Superterrane. In late 2012 Rox Resources discovered nickel at their Mt Fisher East Project, which is adjacent to Inca's Dingo Range Nickel Project.

During 2013 Rox Resources continued to advance its Mt Fisher East Project via drilling and geophysics and was rewarded with their maiden Ni resource of 34,600t Ni at the Camelwood Prospect (1.6Mt @ 2.2%Ni) as announced by Rox 3 October 2013. On 10 January 2014, Rox Resources announced positive Ni assay results from two new discoveries, Musket and Cannonball Prospects. Rox concluded that there is strong regional potential for nickel, a view equally shared by Inca.

Nickel exploration in Western Australia has been heightened in recent years by two significant discoveries, the Sirius discovery at Nova and the Rox discovery at Camelwood, Musket and Cannonball. Notwithstanding the fact that Inca's principal emphasis remains the development of its porphyry deposit at Chanape in Peru, the Company recognises, as many of its original shareholders have done, the potential Dingo Range has for nickel mineralisation – a view with heightened expectancy in light of Rox's Ni discovery in the same area.

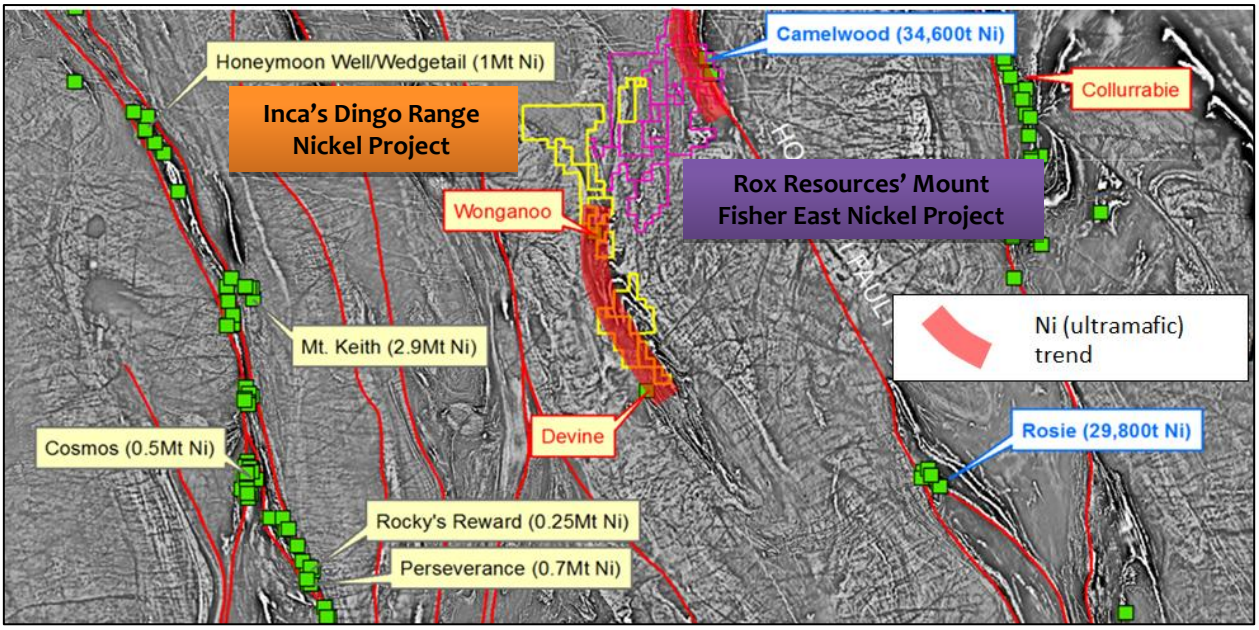

Figure 4: Nickel mines and prospects of the Eastern Goldfields on a background of 1VD RTP magnetics. Inca's Dingo Range Nickel Project is shown in yellow outline; Rox's Mt Fisher Project is shown in magenta outline (Figure provided by G. Osborne, 2103).

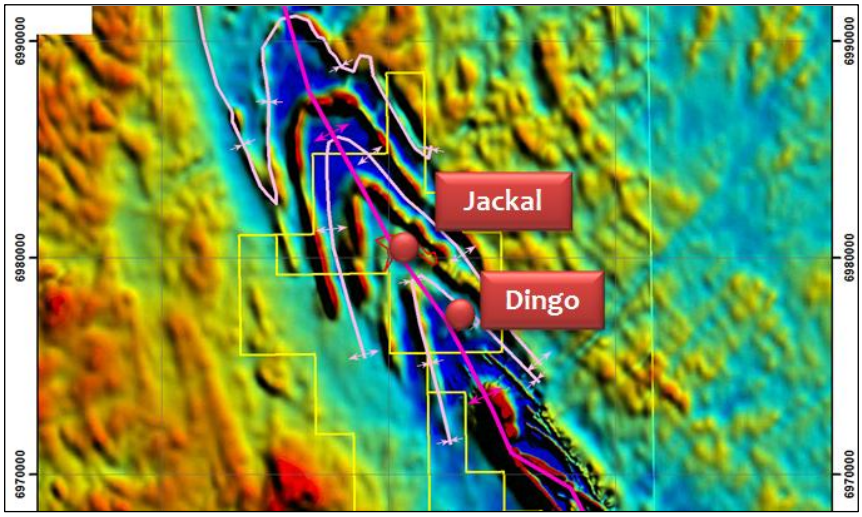

Figure 5: RTP Image of the southern tenements comprising Inca's Dingo Range Nickel Project (tenement boundaries outlined in yellow). High priority nickel targets have been recognised in association with folded ultramafic units that occur throughout the project area (fold axis outlined in pink).

Corporate Activities

Fund Raising

Post-quarter and in April 2014 the Company successfully completed a fully subscribed capital raising of $1.25 million through placement of 69.44 million fully paid ordinary shares to professional and sophisticated investors at $0.018 per share. Funds raised through the Placement will be used as additional working capital and investment capital primarily to facilitate an aggressive exploration program at Chanape with the Company's next phase of drilling intended to commence in May following analysis of all data from the previous drill program.

Chanape Continues To Attract the Interest of Majors

On 24 February 2014 Inca advised the market it had received a number of unsolicited approaches from middle tier and major resource companies for agreement to visit Chanape and to access confidential technical and corporate information. Subsequent to that announcement, Inca received further unsolicited approaches from other major resource companies. Inca considers the reasons for this interest include:

- Open-ended porphyry mineralisation in all 3 deep drill holes indicates size potential.
- Multi-zone mineralisation, grade and depth profile readily comparable to known porphyry developments.
- Located in a porphyry belt containing 11 mega-sized porphyry mines with > 6Bt of porphyry ore.

The Company holds a strong view that Chanape hosts a large, fully preserved Cu, Mo, Ag, Au porphyry system (not unlike the mega-sized Toromocho deposit 30kms away) and has welcomed the initial interest from potential strategic partners in the longer term.

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Ross Brown
Managing Director

Competent Person's Statements

The information in this report that relates to gold, copper, silver, zinc epithermal and porphyry style mineralisation for the Chanape Project, located in Peru, and to nickel mineralisation hosted by ultramafic sequences in Western Australia, 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 Australian 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 "Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Brown is a full time employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

Some of the information in this report may relate to previously released reports/data regarding gold, copper, silver, zinc epithermal and porphyry style mineralisation for the Chanape Project, located in Peru, and nickel mineralisation hosted by ultramafic sequences in Western Australia, and first disclosed under the JORC Code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported. The Company is not aware of any new information or data that materially affects the information in this report and such information is based on the information compiled by Mr Ross Brown BSc (Hons), MAusIMM, SEG, MAICD Managing Director, Inca Minerals Limited, who is a Member of the Australian 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 "Australian 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.

Copper Equivalent

Cu*eq* was used in previously released announcement only after mentioning all contributing commodity grades. Cu*eq* including molybdenum, silver and on one occasion gold is applicable in the case of the nature and style of mineralisation being reported on in these previous announcements as the mineralisation characteristically contains these commodities i.e. Cu-Mo-Ag-Au-hosted porphyry mineralisation. Metals prices included: Mo: US$1.10/pound, Ag: US$21/oz, Au: US$1,300/oz.

Table 2: Drill Hole Parameters

Hole Number	Coordinates			Height above sea level	Azimuth	Dip	Total Depth
	Easting	Northing	Datum				
CH-DDH010	363027mE	8682882mN	PSAD56	4,612m	340°	50°	190.2m
CH-DDH011	362596mE	8681906mN	PSAD56	4,693m	332°	80°	1,049m

Table 3: ASX Announcements Released During March 2014 Quarter and April 2014

ASX Announcement	Date Announced	Competent Person
Porphyry Hole Assays & Resumption of Drilling at Chanape	10 January 2014	Ross Brown
Change of Director's Interest	29 January 2014	N/A
Appendix 5B – Inca December 2013 Quarterly Report	30 January 2014	N/A
Inca Minerals December 2013 Quarterly Activities Report	31 January 2014	Ross Brown
Chanape – Largest Mineralised Porphyry Interval To Date	10 February 2014	Ross Brown
Strong SP Anomaly Associated With Known Porphyry	12 February 2014	Ross Brown
Chanape Attracts the Interest of Majors	24 February 2014	Ross Brown
ASX Listing Rule 3.10A - Release of Securities from Escrow	3 March 2014	N/A
Trading Halt	10 March 2014	N/A
Multiple +1% Copper Intersections from Chanape Drilling	12 March 2014	Ross Brown
Half Year Financial Report	14 March 2014	Ross Brown
Company Presentation March – April 2014	19 March 2014	Ross Brown
Inca Clarification – Competent Person's Statement	20 March 2014	Ross Brown
Extract DJ Carmichael Weekly Brief 21 March 2014	25 March 2014	N/A
Inca's Dingo Range Nickel Project	14 April 2014	Ross Brown
Trading Halt	15 April 2014	N/A
Change of Share Registry's Address	17 April 2014	N/A
Suspension from Official Quotation	17 April 2014	N/A
Inca Capital Raising Successful	22 April 2014	N/A
Reinstatement to Official Quotation	22 April 2014	N/A