



INCA MINERALS LTD

Targeting a new generation of Tier-1 mineral discoveries in Australia

Quarterly Report

ASX Announcement | 30 January 2025 | ASX: ICG

DECEMBER 2024 QUARTERLY ACTIVITIES REPORT

HIGHLIGHTS

- Fieldwork was undertaken at several of the Frewena tenements to progress outstanding rehabilitation requirements and to follow up on the recently discovered Candy Colette ironstone outcrop.
- Approval sought and received from the NT GDC for delay in the drilling of the GDC co-funded hole at the Kestrel target at Jean Elson Project in the NT.
- Grant application for co-funding of a proposed IP survey at the Macauley Creek historical mining area prepared and submitted to the Queensland Government, with advice on whether the application is successful expected in the March 2025 quarter.
- Data processing of the multiple geophysical anomalies across several of the Company's tenements continued.
- Following advice received from the Northern Land Council (NLC) that the company can negotiate with local Traditional Owners on its Collia South tenement application in the Daly River region in the NT, work has commenced on preparing a presentation to the NLC and Traditional Owners to seek their agreement for Inca to commence exploration activities.
- \$831,000 raised from placement to sophisticated investors

OVERVIEW OF EXPLORATION ACTIVITIES IN AUSTRALIA

The December Quarter was a period for Inca Minerals Limited ("Inca" or "the Company") to consolidate and streamline the forward exploration program, consistent with the Company's current financial capacity. Whilst the Company has multiple projects the focus of the quarter was to review and refine all datasets with a view to prioritising activities for 2025. Limited fieldwork was undertaken at the Frewena projects.

A summary of actions for each of these exploration activities follows.

AUSTRALIAN EXPLORATION ACTIVITIES

Jean Elson (NT)

In mid-2024, Inca was successful in securing co-funding, of up to \$176,729, from the NT GDC Program for drilling at its Kestrel target at Jean Elson, which is near the known outcropping mineralised vein systems at Ningaloo and Sunset Boulevard (Camel Creek). The purpose of this drilling is to investigate modelled strong gravity and magnetic anomalies coincident with chargeability/conductivity geophysical signatures interpreted from Gradient Array IP data that was collected in 2022.

The proposed GDC co-funded drill program would initially involve one 800m drillhole, targeting one of the strongest but deeper geophysical targets identified from GDC co-funded geophysical surveys completed in 2022 (refer to ASX announcement of 9 November 2022). With the significant organisational changes to

the company in the December quarter, it was clear that complying with the GDC requirement for this drilling to be completed by December 2024 was not possible. Accordingly, the company sought, and obtained, approval from the GDC Program to delay drilling of the co-funded hole at Kestrel until the second quarter of 2025.

Frewena (NT)

During the quarter, considerable work continued to be directed at reviewing the existing geophysical datasets for the Frewena projects and in identifying new targets. Several new targets in the newly named Jan Margaret Prospect, were identified in the SW part of the Frewena Far East tenement (EL33282) and a discrete stand-alone strong target, called Courtenay Ellen, at Frewena East (EL32580).

The review of the company's geophysical datasets also shows that further close spaced follow up geophysical surveys is warranted in other areas. In the case of the Frewena Far East tenement, there is an area in the NW of the tenement where the coarse geophysical data suggests areas of significant structural activity and some moderate level intensities which warrant follow up.

Most of the current geophysical datasets are based on wide spaced surveys and whilst they show several potential targets, the level of detail is not sufficient to determine whether these potential targets are prospective, or how prospective they might be. In these situations, follow up close spaced ground geophysics will be needed to assess and rank these potential targets. There are a number of these across the Inca tenements and the first task will be for Inca staff to review the datasets in more detail and identify and describe the follow up geophysical surveys that might be required.

The review of the company's geophysical datasets will continue for the other Frewena tenements.

During the December quarter, fieldwork had a focus on both identifying rehabilitation requirements for the past drilling programs at Frewena Far East and Frewena East and follow up mapping and selective sampling work at the recently identified Candy Colette ironstone outcrop at Frewena Frontier.

Assessment of the rehabilitation requirements for the clean-up of previous drill pads and sumps showed that several of the sumps still had the liners in place (Figure 1). As part of the field work, these were removed and taken to a site (at Camooweal) for appropriate disposal.



Figure 1: Jumping Spider Sump – Liners and rubbish obvious

The nature and level of rehabilitation work that is still required is illustrated by Figures 2. With the removal of the sump liners, most of the outstanding rehabilitation will only involve having the sumps backfilled and levelled.



Figure 2: Roadhouse Sump

Following completion of the rehabilitation related work, some exploration work was undertaken at the Candy Colette ironstone anomaly found at Frewena Frontier in late 2023. A number of rock chip samples were taken and submitted for assay on return to Mt Isa. Field reconnaissance showed that the ironstone outcrop covered an area of at least 300m by 250m. The outcrop was tested with the pXRF machine prior to the collection of rock chip samples to ensure that samples collected were anomalous in base metal readings. A cutoff grade of 100ppm copper was used to determine whether to take rock chip samples. A few samples, which were shown to be anomalous for copper with the pXRF machine were collected and submitted to ALS for Geochem analysis, however; the results were not positive with no anomalous base metals recorded.

In addition to mapping of the ironstone outcrop, the relationship between the ironstone outcrop and two nearby strong geophysical anomalies (Figure 3) was also investigated. There are two geophysical (regional data) anomalies to the north (approximately 12km from the ironstone outcrop) and to the west (approximately 10km from the ironstone outcrop). These sites were visited to determine whether there were any outcropping rocks but the areas where these two anomalies were, are flat black soil plains with no distinguishing features or outcrop.

The areas of gravity and coincident gravity/magnetics defined by the blue polygons are covered by Georgina Basin limestone sediments and black soil with variable thickness between 50 to 150m. There are no outcropping rocks in the area. High resolution ground gravity surveys are recommended for these areas with deliverables including gridded images, contours, depth slices and UBC mesh and density files that can be run in 3D modelling software packages for effective drill target generation.

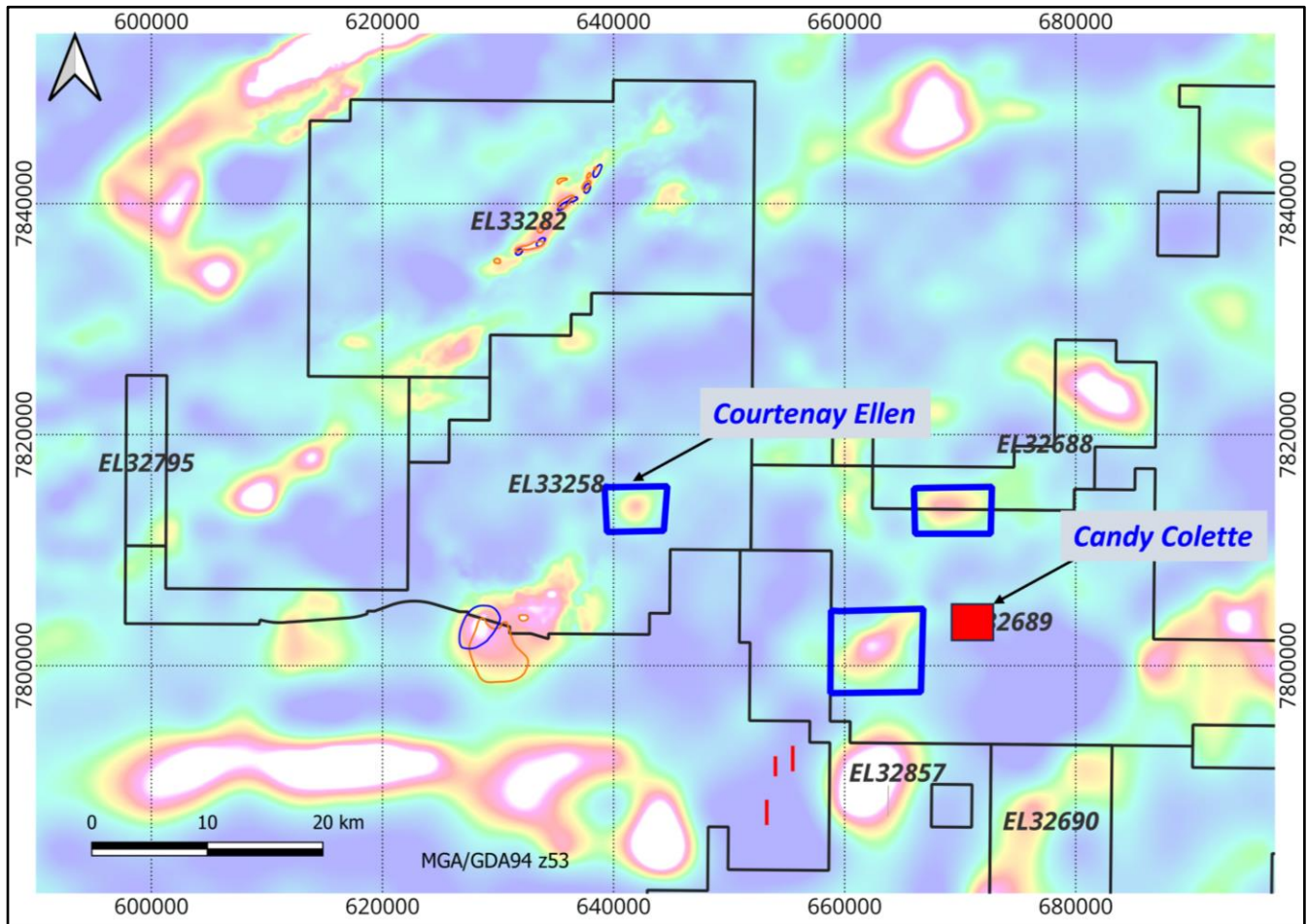


Figure 3: The Candy Colette prospect in EL32689 relative to the 2 gravity anomalies described above. Also shown is the Courtenay Ellen prospect in EL33258.

Lithium Opportunities (WA and the NT)

A number of tenements in both WA and the NT have been applied for that are considered to have potential for lithium. Until Cultural Heritage Agreements have been negotiated and signed with the relevant Traditional Owner groups, no exploration can be progressed on these tenements.

During the quarter, the company received advice from the Northern Land Council (NLC) that its Collia South tenement application is compliant with the requirements outlined under section 41(6) of the *Land Rights Act* and the company can now commence consultations, with the relevant Traditional Owners, during the negotiating period. Collia South is considered prospective for lithium and tin and may also have potential for other minerals. The company is now preparing a formal presentation for the relevant Traditional Owners and will engage in face-to-face meetings, through the NLC, early in 2025 to seek to secure an Exploration Agreement.

MaCauley Creek (QLD)

Following Incas' own exploration activities and its comprehensive review and data interpretation of the historical drilling results, especially at the Central area, Inca has identified the Central area as warranting extensive further exploration with priority directed to completing a high-power 3D IP survey with up to 500m depth resolution to investigate if there are primary sulphides at depth that could be the source of the numerous abandoned mine workings in the area. Accordingly, Inca has submitted a grant application for funding from the Queensland Governments' Collaborative Exploration Initiative (CEI) Round 9 grant program.

This CEI Round 9 grant proposal seeks funding for an induced polarisation geophysical survey to be conducted at the historical Central mining area at MaCauley Creek. The prevalence of high grade and widespread Cu-Au-Mo-Ag-Zn mineralisation, and the potential for a significantly sized mineral deposit discovery makes MaCauley Creek a standout candidate for CEI funding.

The 3D IP section lines can survey to depths often to greater than 400m with confidence and result in chargeability and resistivity cross sections from which drillholes can be designed. The relationship of the proposed 3D IP survey to the historical Central mining area at MaCauley Creek is shown in Figure 4.

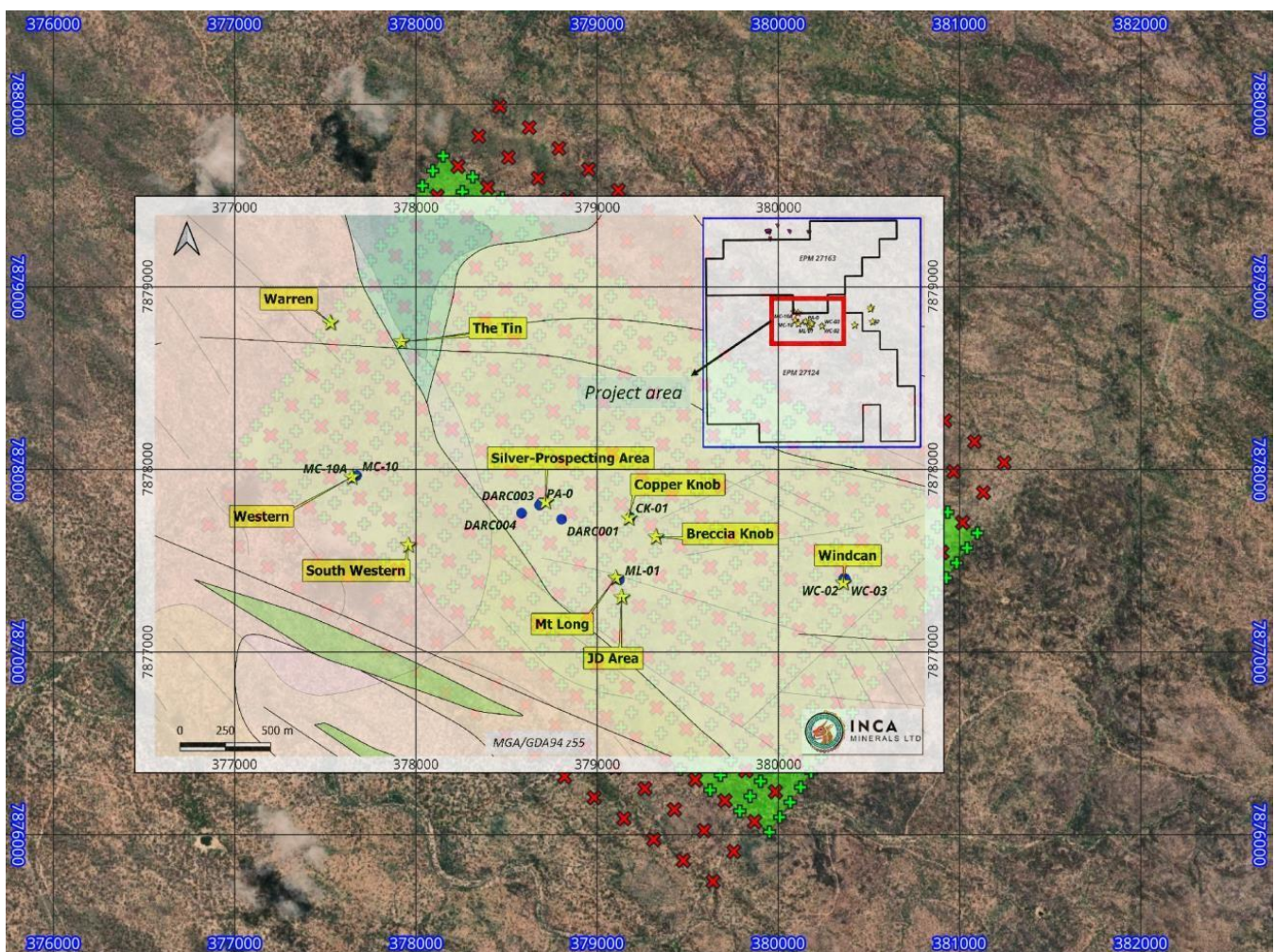


Figure 4: Survey design overlain by historical drill holes at the MaCauley Creek Central mining area

CORPORATE ACTIVITIES

During the quarter the Company successfully raised \$831,000 (after expenses of the issue) through the issue of 211.1 million shares @ \$0.04. One free option was awarded for every two shares subscribed and will have an expiry date of 30 April 2026 and an exercise price of \$0.008.

An extensive search for new projects that could compliment the suite of existing projects, with an emphasis on gold/copper prospectivity, commenced during the quarter. Several high priority projects were identified and discussions are continuing with the project owners.

Cash Management

As at 31 December 2024, Inca maintains cash of \$0.668 million.

During the quarter, the Company expensed \$242,000 on exploration activities described herein. Payments to related parties of the entity and their associates totalled \$26,000 and consisted of director fees and associated superannuation.

Tenements

No exploration tenements were acquired or relinquished during the December quarter. Appendix 1 lists the Company's tenements.

This announcement has been authorised for release by the Board of Inca Minerals Limited.

Investor inquiries – Trevor Benson, CEO - Inca Minerals – (08) 6263 4738

Competent Person's Statement

Information in this report that relates to previously reported Exploration Results has been crossed-referenced in this report to the date that it was reported to ASX. Inca Minerals Limited confirms that it is not aware of any new information or data that materially affects information included in the relevant market announcements.

Appendix 1 - Inca Minerals Limited Tenement Schedule as at 31 December 2024

State	Project Name	Tenement Name	Tenement Status	Tenement Number	Ownership
QLD	MaCauley Creek	MaCauley Creek South	Granted	EPM27124	90% ¹
QLD		MaCauley Creek North	Granted	EPM27163	90% ¹
QLD	Hay River	Hay River East	Granted	EPM27747	90% ⁵
NT		Hay River West	Application	EL32579	Application ⁵
NT	Collia South	Collia South	Application	EL33604	Application
NT	Frewena Fable	Frewena Fable	Granted	EL31974	90% ²
NT		Frewena Fable North	Granted	EL32287	90% ²
NT	Frewena East	Frewena East South East	Granted	EL33258	90% ²
NT		Frewena East (Near Frontier)	Granted	EL32857	90% ²
NT		Frewena East South East	Granted	EL32795	90% ²
NT	Frewena Far East	Frewena Far East	Granted	EL33282	90% ²
NT	Frewena Frontier	Frewena Frontier North	Granted	EL32688	90% ²
NT		Frewena Frontier South Central	Granted	EL32689	90% ²
NT		Frewena Frontier South	Granted	EL32690	90% ²
NT	Lorna May	Lorna May	Application	EL32107	Application ³
NT		Lorna May (non-consent area)	Application	EL33151	Application ⁴
NT	Jean Elson	Jean Elson West	Granted	EL32485	90% ⁴
NT		Jean Elson East	Granted	EL32486	90% ⁴
NT		Jean Elson Northwest	Granted	EL33214	90% ⁴
WA	Brammall Hills	Brammall Hills	Application	E80/5904	Application
WA		West Brammall Hills	Application	E80/5968	Application
WA		Tent Hill	Application	E80/5967	Application

Note 1: JV Agreement and Royalty Deed between Inca (90% and MRG Resources (10%) free-carried to feasibility and with residual 1.5% NSR

Note 2: JV Agreement and Royalty Deed between Inca (90%), MRG Resources (5%) and Dr. J. West free-carried to feasibility and with residual 1.5% NSR

Note 3: JV Agreement and Royalty Deed between Inca (95%) and MRG Resources (5%) free-carried to feasibility and with residual 1.5% NSR

Note 4: JV Agreement and Royalty Deed between Inca (90%) and MRG Resources (10%) free-carried to feasibility and with residual 1.5% NSR

Note 5: JV Agreement and Royalty Deed between Inca (90%) and MRG Resources (10%) West free-carried to feasibility and with residual 1.5% NSR

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

Inca Minerals Limited

ABN

36 128 512 907

Quarter ended ("current quarter")

31 December 2024

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (6 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	-	-
(b) development	-	-
(c) production	-	-
(d) staff costs	(117)	(210)
(e) administration and corporate costs	(254)	(305)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	2	4
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(369)	(511)

2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	-	-
(c) property, plant and equipment	(2)	(2)
(d) exploration & evaluation	(242)	(418)
(e) investments	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	46	46
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other – New opportunities	(178)	(178)
2.6	Net cash from / (used in) investing activities	(374)	(550)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	844	844
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(13)	(13)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	831	831

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	580	898
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(369)	(511)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(374)	(550)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	831	831

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (6 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	668	668

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	608	520
5.2	Call deposits	60	60
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	668	580

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	(26)
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(369)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(242)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(611)
8.4	Cash and cash equivalents at quarter end (item 4.6)	668
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	668
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	0.9
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	Answer: Yes	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	Answer: The 2024 AGM held on 29 November 2024 approved resolutions approving the restoration of the company's 15% placement capacity and the additional 10% placement capacity under LR 7.1.A. In addition, approval was also received to place up to an additional 200 million shares. As is usual practice, the Company has had initial non-binding but positive discussions with broking houses and sophisticated investors to provide further funding support in 2025.	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	Answer: Yes, as set out in 8.8.2 above.	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Date: 30 January 2025

Authorised by:



Brett Dickson

Company Secretary

Notes

- 1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2 If this quarterly cash flow report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: *Exploration for and Evaluation of Mineral Resources* and AASB 107: *Statement of Cash Flows* apply to this report. If this quarterly cash flow report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.