25 October 2017

STRONG MINERALISATION IN 1.5 KM CORRIDOR AT CERRO RAYAS

HIGHLIGHTS

- Channel samples from Vilcapuquio, Torrepata and Wari mine workings at Cerro Rayas return exceptionally strong zinc (**Zn**), lead (**Pb**) and silver (**Ag**) grades and define 1.5km mineralised corridor
- Top-10 Zn, Top-10 Pb and Top-10 combined Zn + Pb channel sample results include:

Sample Number	Channel Length (m)	Zn %	Sample Number	Channel Length (m)	Pb %	Sample Number	Channel Length (m)	Zn + Pb %
IM-001084	1.00	42.61	IM-001055	0.80	46.08	IM-001001	0.5	56.34
IM-001083	0.80	41.82	IM-001061	0.50	34.46	IM-001082	0.8	53.88
IM-001004	0.50	40.92	IM-001028	0.60	32.52	IM-001079	0.7	53.49
IM-001048	0.50	39.67	IM-001082	0.80	30.76	IM-001084	1.0	52.38
IM-001081	0.30	38.31	IM-001001	0.50	27.15	IM-001077	0.5	52.34
IM-001006	0.50	34.63	IM-001079	0.70	24.06	IM-001078	0.6	51.09
IM-001078	0.60	33.76	IM-001072	0.80	22.95	IM-001055	0.8	46.11
IM-001012	0.80	33.60	IM-001003	0.30	21.08	IM-001081	0.3	44.20
IM-001013	0.60	32.26	IM-001077	0.50	21.00	IM-001004	0.5	43.25
IM-001077	0.50	31.34	IM-001043	0.90	20.66	IM-001013	0.6	42.71

Previously released in ASX announcements of 6 October 2017 and 12 October 2017

- Zn-Pb-Ag mineralisation hosted in breccias within dolomitic limestone characteristic of Mississippi Valley Type (**MVT**) deposits
- Twenty-seven known breccias occur at surface at Cerro Rayas; largest to date 120m long x 20m wide

Inca Minerals Limited (**Inca** or the **Company**) (ASX code: ICG) recently released two sets of assay results (**Batch #1** and **Batch #2**) from its first detailed mapping and channel sampling program at the Cerro Rayas Project. The results of Batch #1, comprising 36 samples (ASX announcement 6 October 2017) and Batch #2, comprising 42 samples (ASX announcement 12 October 2017) are exceptionally strong (Table 1) with multiple plus-50% combined Zn + Pb assay values being recorded. **The top-10 Zn results are all >30% and average 36.89%. The top-10 Pb results are all >20% and average 28.07%.**

Style of Mineralisation at Cerro Rayas

The Zn-Pb-Ag mineralisation that occurs at Cerro Rayas is believed to be MVT. It is currently known at three artisanal mines, Vilcapuquio, Torrepata and Wari and occurs in brecciated dolomitic limestones. Factors controlling where mineralisation occurs at Cerro Rayas are believed to include fault activity, development of solution cavities and dolomitization (an alteration process that leads to volume reduction and rock breaking). **These processes are common ore controls in MVT deposits** (Figure 2).

Figure 1: **RIGHT** Ore material collected from Cerro Rayas containing galena and smithsonite. Fresh ore material from MVT deposits typically comprises sphalerite and galena (Zn and Pb sulphides respectively). Smithsonite is a typical ore mineral in MVT deposits affected by supergene enrichment (a mineralising process caused by oxidation and weathering).

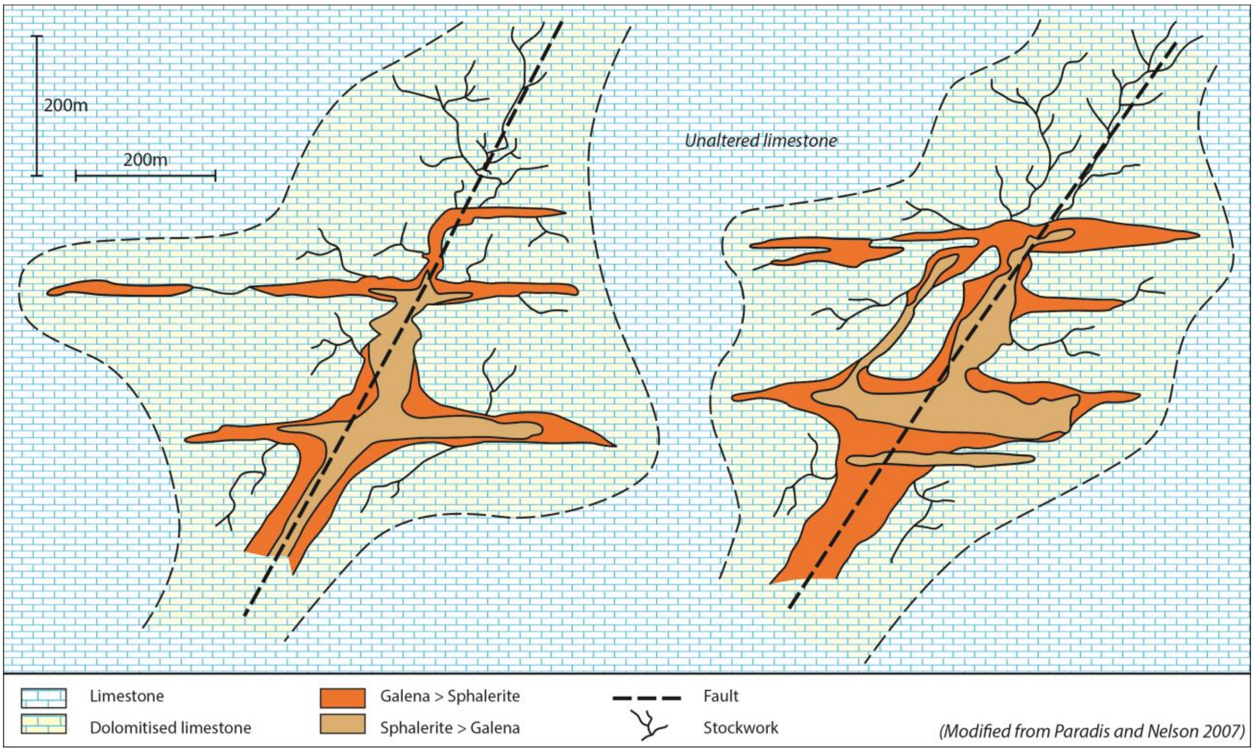


Figure 2: **ABOVE** A schematic representation of MVT mineralisation occurring at Cerro Rayas. Faults are the focal point of the injection of Zn-Pb-Ag-bearing fluids. The combined actions of fault movement and dolomitisation leads to the creation of rock cavities, breccias and stockwork and the precipitation of sphalerite, galena and Ag-bearing minerals. Subsequent changes include the deposition of smithsonite and development of gossan (ex-sulphide).

Smithsonite (Zn carbonate) and galena (Pb sulphide) are the principal ore forming minerals within the mineralised breccias at the mine workings (Figure 1). This is particularly the case at Vilcapuquio and Wari. Where mineralisation is weathered, the ore material is often strongly gossanous. It appears that fresher mineralisation contains less gossan and commensurately more galena and sphalerite (Zn sulphide). The gangue material appears to be calcite and dolomite. Dolomite is an alteration mineral. Stockwork typically comprises calcite veins and veinlets.

Distribution of Mineralisation at Cerro Rayas

Vilcapuquio, Torrepata and Wari define a mineralised NW-SE corridor which extends for 1.5km. At each mine working, mineralisation is associated with breccias or breccia veins, that appear to cross cut steeply dipping and tightly folded sequence of Jurassic aged limestone (Figure 3). These breccias commonly occur along faults which are believed to be related to larger scale regional structures. Importantly, there are 27 breccias and breccia veins currently known at Cerro Rayas (Figure 4).

"Several of the known breccias are exposed along the access track to Torrepata where soil has been removed in the making of the track" says Inca's Managing Director, Mr Ross Brown. "It is reasonable to believe that more breccias may occur beneath the wide areas of grassland at the project."

In results generated to date, the Zn, Pb and Ag ratio is different at each mine working. Generally, Vilcapuquio is Zn>Pb>Ag, Torrepata is Pb>Zn>Ag and Wari is Zn=Pb=Ag (in relative terms). It is believed that these differences are related to localised sulphide zoning (Figure 2) and to supergene processes (described above). Supergene ore is often enriched and can have grades much higher than the sulphide parts of an MVT deposit.

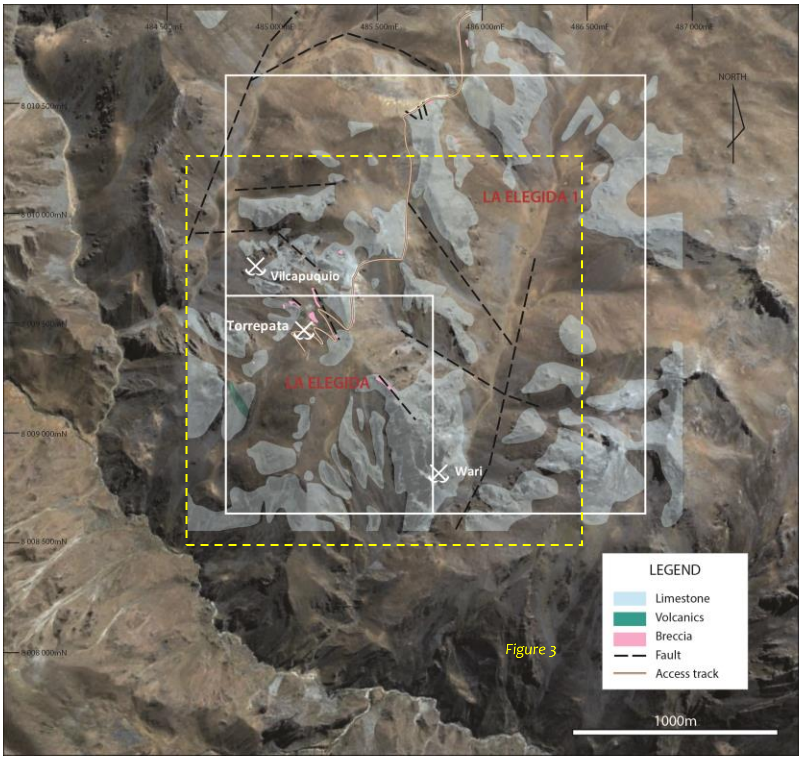


Figure 3: **ABOVE RIGHT** Satellite image showing the location of the three mine workings, Vilcapuquio, Torrepata and Wari. The pale blue areas represent limestone outcrop, pink areas represent breccias and the dashed black lines represent faults. The approximate area shown in Figure 4 (below) is indicated by a dashed yellow line.

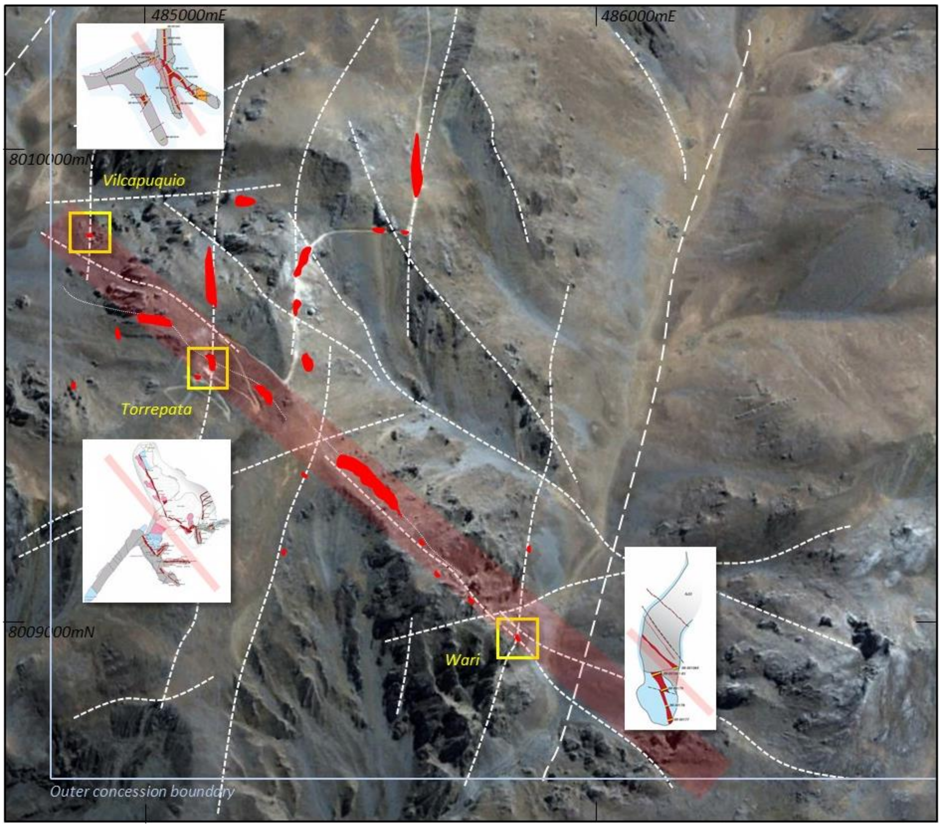
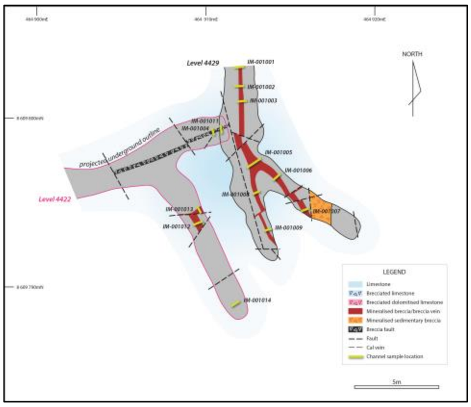
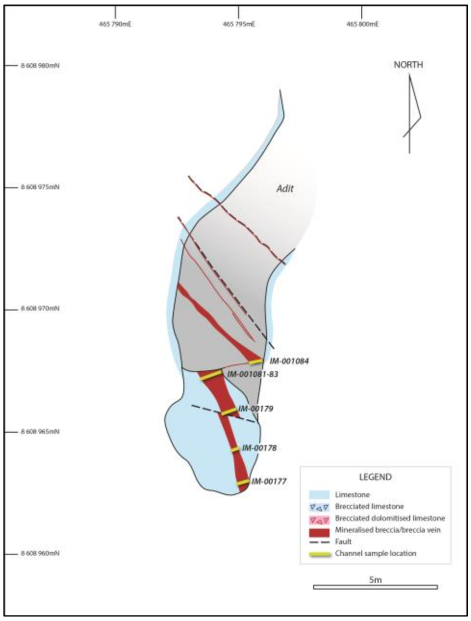


Figure 4: **LEFT** Structural interpretation on a satellite image showing breccias and lineaments occurring at Cerro Rayas (red shaded areas and white dashed lines respectively). There are 27 breccias (known so far) occurring at Cerro Rayas. They are typically located on or close to lineaments. The mineral trend, defined by the three workings and the larger breccia structures is shown (a broad transparent red line) on the main image and on the inserts which show the details of mine working mineralisation (from Figure 5). The mine site trend in mineralisation mimics the project-scale trend.

The project-wide pattern of breccias and lineaments (Figure 4) is replicated on a smaller scale at each of the mine workings, with mineralised breccias and breccia veins generally trending NW-SE and arranged along and off-set by local faults (Figure 5).





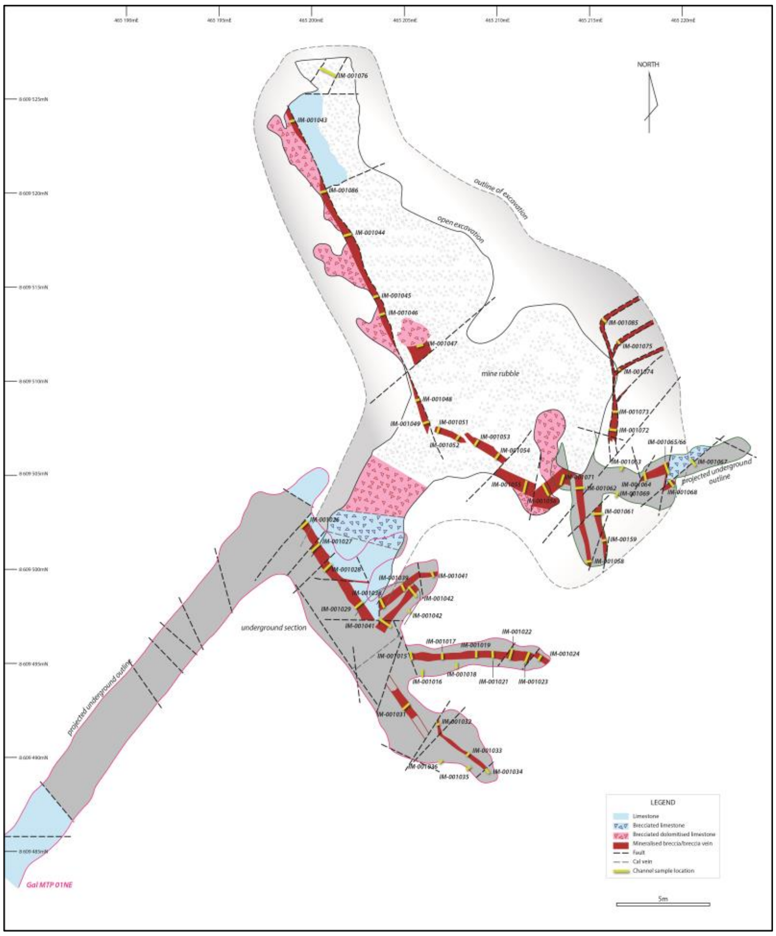


Figure 5: Detailed geological plans of **TOP LEFT** Vilcapuquio, **ABOVE** Torrepata and **LEFT** Wari showing the location of the channel samples. The mineralised features are shaded in solid red. Sample location plans appear in ASX announcements 6 October 2017 and 12 October 2017.

Importance of Results

Inca recognised the potential of the Cerro Rayas Project from the first site visit. The results from the first channel sampling program (comprising 78 samples from Vilcapuquio, Torrepata and Wari), have greatly heightened the prospectivity of this project. **The strong Zn grades in the breccias, at times >40%, are associated with concentrations of smithsonite as matrix material (Figure 6).**

Figure 6: **RIGHT** Example of massive smithsonite from Wari. Smithsonite is a typical supergene Zn mineral in MVT deposits.

Results from channel sampling have returned exceptional grades, **including peaks of 42.61% Zn, 46.08% Pb and 229g/t Ag, with combined Zn + Pb >50% on six occasions**. Average values for the program (comprising 78 samples) include: **8.9% Zn and 8.31% Pb** with the average combined **Zn + Pb of 17.21%**. Importantly, the channel samples were taken predominantly perpendicular to the breccias and breccia veins **so the assay values are a good indication of *in situ* grade**.

To examine whether the known mineralised host rock type, the breccias, occur elsewhere at Cerro Rayas, a review of project-wide geology was completed. Results of this work were very encouraging with 27 breccia structures being recognised. These breccias appear to be concentrated along lineaments within a large Jurassic-aged sequence of limestone and in this respect, appear similar to those containing strong mineralisation. The vast majority appear to have never been sampled.

"The identification of Mississippi Valley Type mineralisation, at times above 50% combined zinc-lead, heralds a very positive start to exploration at Cerro Rayas" says Mr Brown. "I like the fact that we have so many breccias to look at already [27], and I like the fact that we have three very obvious drill targets already, Vilcapuquio, Torrepata and Wari."

The characteristics of the mineralisation occurring at Cerro Rayas (host type, alteration style and mineral assemblage) are strongly indicative of Mississippi Valley Type mineralisation.[1] Detailed mapping shows that strong Zn+Pb+Ag mineralisation is associated with dolomitised breccias and breccia veins. Ore forming minerals that have been recognised include sphalerite, smithsonite and galena.

Figure 7: **FAR LEFT** Underground mine surface at Torreptata showing distinctive mosaic style brecciation associated with hydrothermal dolomitisation. This is compared to **TOP LEFT** the same process at the Robb Creek MVT deposit (6.5Mt at 7.11% Zn + Pb) and **BOTTOM LEFT** the Pine Point MVT deposit (25.8Mt at 4.05% Zn + Pb), both mines in Canada.

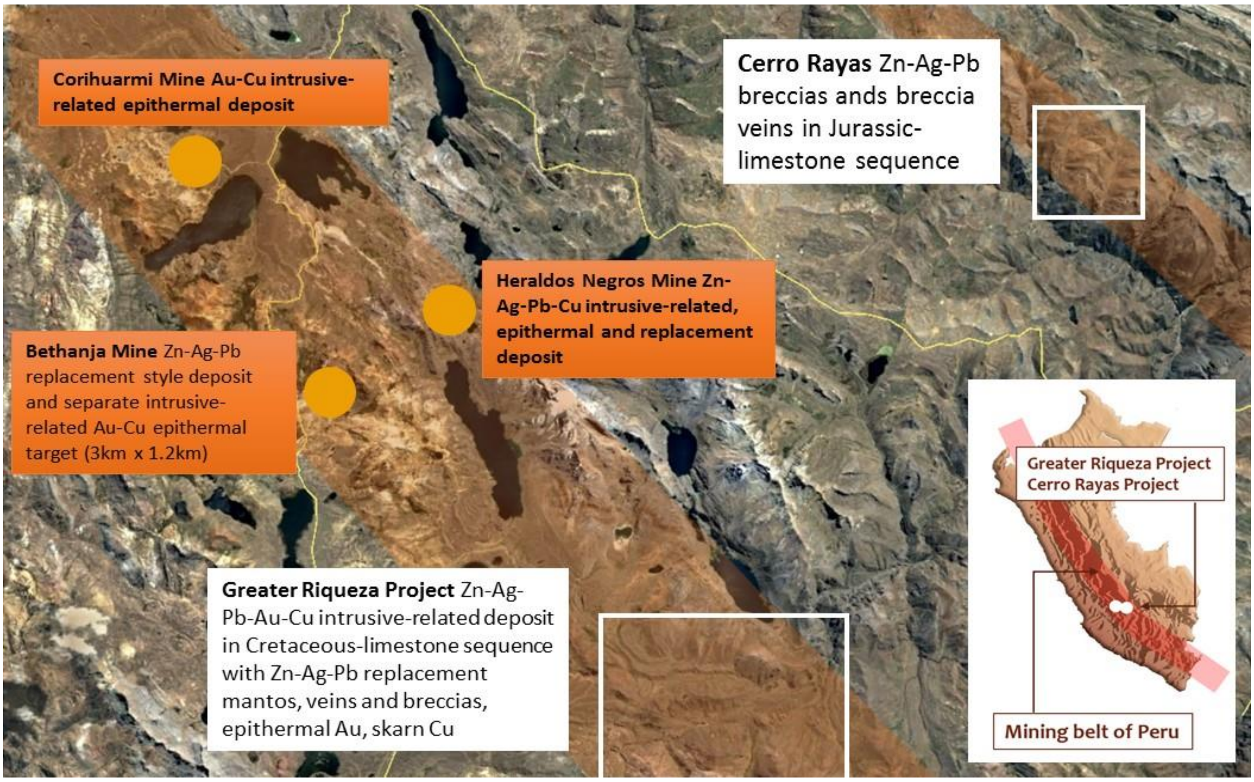
[1] MVT zinc-lead deposits are a varied category of ore deposits that predominantly occur in dolomites and limestones. Zinc and lead are the major commodities. They range in size from 2Mt to 1,600Mt with average size of 7Mt. Zn grades average 4% (ranging from 1.4% to >12%) (Cox, et al USGS Spec Bull 1693, 1986). The San Vicente MVT mine in Peru, containing 30Mt of ore at 12%-14% Zn, is 250km north of Cerro Rayas.

Future Work at Cerro Rayas

Cerro Rayas is rapidly maturing into a drill-ready project. Vilcapuquio, Torrepata and Wari are drill-ready targets. A program to test the 27 known breccias occurring within the project area has already begun, with the largest breccia (approximately 120m x 20m) located along strike from Torrepata subject to current exploration. Project wide reconnaissance exploration will focus on identifying "areas of interest" including but not limited to sites with visible mineralisation, dolomitization and brecciation.

Following completion of the above, it is the intention of the Company to commence drilling at Cerro Rayas as soon as practicable. In an ASX announcement of 9 October 2017, the Company indicated that it was aware of pending [very positive] changes to the drill permit regulations considered by Peru's Ministry of Energy and Mines (**MEM**). Where less than 20 drill platforms are requested by a company, the project may be considered to be a "Low Environmental Impact Project" and therefore not require a drill permit. Permission to drill from the MEM would be provided within ten business days under these circumstances and the Company hopes these provisions may soon become enacted.

Figure 8: **BELOW** Project location plan showing Cerro Rayas in relation to the Greater Riqueza Project, the parallel Epithermal Au-Ag, Mississippi Valley Type Zn-Pb-Ag and Cu-Zn skarn mineral belts (the "Mining Belt" in the INSERT) and several mines close to the projects. The Mining Belt of Peru is heavy endowed with metals, hosting mines that produce the second highest amount of Cu, Ag and Zn in the world.



Competent Person Statements

The information in this report that relates to exploration results at the Cerro Rayas 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 exploration results, 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 fulltime employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

Table 2: Assay Table (Zn, Pb, Ag)

Sample Number / Element	Sample Location	Channel Parameters		Zn					Pb					Ag	
Unit				ppm	%	%	%	%	ppm	%	%	%	%	g/t	g/t
Method		Orientation	Length (m)	ICP40B	AAS41B	CON21G	CON21B		ICP40B	AAS41B	CON29C	CON29G		ICP40B	AAS41B
Limit				10000	20	30	75		10000	20	30	65		100	4000
IM-001001	Vilcapuquio (underground)	W-E	0.5	>10000	>20	29.19	--	29.19	>10000	>20	27.15	--	27.15	19.7	--
IM-001002	Vilcapuquio (underground)	W-E	0.3	>10000	>20	23.55	--	23.55	>10000	12.38	--	--	12.38	10.3	--
IM-001003	Vilcapuquio (underground)	W-E	0.3	>10000	16.77	--	--	16.77	>10000	>20	21.08	--	21.08	13.8	--
IM-001004	Vilcapuquio (underground)	W-E	0.5	>10000	>20	--	40.92	40.92	>10000	2.33	--	--	2.33	2.7	--
IM-001005	Vilcapuquio (underground)	SW-NE	0.5	>10000	>20	27.65	--	27.65	>10000	14.06	--	--	14.06	9.4	--
IM-001006	Vilcapuquio (underground)	SW-NE	0.5	>10000	>20	--	34.63	34.63	>10000	7.85	--	--	7.85	6.8	--
IM-001007	Vilcapuquio (underground)	SW-NE	0.5	>10000	>20	20.31	--	20.31	>10000	4.61	--	--	4.61	3.0	--
IM-001008	Vilcapuquio (underground)	SW-NE	0.6	>10000	18.57	--	--	18.57	>10000	19.86	--	--	19.86	10.3	--
IM-001009	Vilcapuquio (underground)	SW-NE	0.5	>10000	13.13	--	--	13.13	>10000	5.43	--	--	5.43	3.4	--
IM-001011	Vilcapuquio (underground)	SW-NE	0.5	2713.5	--	--	--	0.27	1097	--	--	--	0.11	0.2	--
IM-001012	Vilcapuquio (underground)	SW-NE	0.8	>10000	>20	--	33.6	33.60	>10000	7.78	--	--	7.78	6.4	--
IM-001013	Vilcapuquio (underground)	SW-NE	0.6	>10000	>20	--	32.26	32.26	>10000	10.45	--	--	10.45	6.6	--
IM-001014	Vilcapuquio (underground)	SW-NE	0.5	>10000	4.23	--	--	4.23	>10000	1.50	--	--	1.50	1.3	--
IM-001015	Torrepata (underground)	N-S	0.3	978	--	--	--	0.10	851	--	--	--	0.09	0.2	--
IM-001016	Torrepata (underground)	N-S	0.4	640.1	--	--	--	0.06	425	--	--	--	0.04	0.3	--
IM-001017	Torrepata (underground)	N-S	0.4	>10000	1.14	--	--	1.14	1890	--	--	--	0.19	0.5	--
IM-001018	Torrepata (underground)	N-S	0.5	785	--	--	--	0.08	1061	--	--	--	0.11	0.6	--
IM-001019	Torrepata (underground)	N-S	0.7	876.2	--	--	--	0.09	2354	--	--	--	0.24	0.4	--
IM-001021	Torrepata (underground)	N-S	0.8	583.3	--	--	--	0.06	>10000	1.48	--	--	1.48	1.6	--
IM-001022	Torrepata (underground)	N-S	1.0	3124.6	--	--	--	0.31	>10000	1.99	--	--	1.99	2.1	--
IM-001023	Torrepata (underground)	N-S	0.7	545.3	--	--	--	0.05	>10000	5.01	--	--	5.01	3.3	--
IM-001024	Torrepata (underground)	N-S	0.4	>10000	5.87	--	--	5.87	1752	--	--	--	0.18	1.8	--
IM-001025	Torrepata (underground)	N-S	0.4	>10000	3.29	--	--	3.29	2697	--	--	--	0.27	1.2	--
IM-001026	Torrepata (underground)	SW-NE	0.4	258.7	--	--	--	0.03	>10000	1.32	--	--	1.32	0.3	--
IM-001027	Torrepata (underground)	SW-NE	1.1	189.2	--	--	--	0.02	>10000	6.71	--	--	6.71	3.4	--
IM-001028	Torrepata (underground)	SW-NE	0.6	294.8	--	--	--	0.03	>10000	>20	--	31.52	32.52	18.2	--
IM-001029	Torrepata (underground)	SW-NE	1.0	7490.3	--	--	--	0.75	>10000	4.39	--	--	4.39	2.8	--
IM-001031	Torrepata (underground)	SW-NE	0.4	223.8	--	--	--	0.02	>10000	3.02	--	--	3.02	1.2	--
IM-001032	Torrepata (underground)	SW-NE	0.6	1115.5	--	--	--	0.11	>10000	4.74	--	--	4.74	3.8	--
IM-001033	Torrepata (underground)	SW-NE	0.7	421.1	--	--	--	0.04	2205	--	--	--	--	0.8	--
IM-001034	Torrepata (underground)	NW-SE	0.6	197.3	--	--	--	0.02	9799	--	--	--	0.98	0.5	--
IM-001035	Torrepata (underground)	SW-NE	0.3	264.7	--	--	--	0.03	>10000	13.44	--	--	13.44	7.0	--
IM-001036	Torrepata (underground)	SW-NE	0.4	496.6	--	--	--	0.05	3776	--	--	--	0.38	0.6	--
IM-001037	Torrepata (underground)	SW-NE	0.3	545.4	--	--	--	0.05	1356	--	--	--	0.14	0.6	--
IM-001038	Torrepata (underground)	NW - SE	0.5	>10000	4.52	--	--	4.52	>10000	7.88	--	--	7.88	5.2	--
IM-001039	Torrepata (underground)	NW - SE	0.3	>10000	15.28	--	--	15.28	>10000	1.39	--	--	1.39	2.0	--
IM-001041	Torrepata (underground)	SW-NE	0.5	>10000	1.91	--	--	1.91	7407	--	--	--	0.74	1.6	--
IM-001042	Torrepata (underground)	SW-NE	0.9	290	--	--	--	0.03	5452	--	--	--	0.55	0.7	--
IM-001043	Torrepata (open excavations)	WSW-ENE	0.9	>10000	15.24	--	--	15.24	>10000	>20	20.66	--	20.66	10.3	--
IM-001044	Torrepata (open excavations)	WSW-ENE	0.6	>10000	5.16	--	--	5.16	>10000	6.55	--	--	6.55	4.3	--
IM-001045	Torrepata (open excavations)	WSW-ENE	0.7	699	--	--	--	0.07	>10000	15.95	--	--	15.95	9.8	--
IM-001046	Torrepata (open excavations)	WSW-ENE	0.7	1726.6	--	--	--	0.17	>10000	10.29	--	--	10.29	5.9	--
IM-001047	Torrepata (open excavations)	WSW-ENE	1.3	617.6	--	--	--	0.06	>10000	16.60	--	--	16.60	10.4	--
IM-001048	Torrepata (open excavations)	WSW-ENE	0.5	>10000	>20	--	39.67	39.67	6954	--	--	--	0.70	4.3	--
IM-001049	Torrepata (open excavations)	WSW-ENE	0.3	1028.3	--	--	--	0.10	>10000	6.50	--	--	6.50	6.1	--
IM-001051	Torrepata (open excavations)	SSW-NNE	0.5	>10000	13.27	--	--	13.27	4612	--	--	--	0.46	1.4	--
IM-001052	Torrepata (open excavations)	SW-NE	0.8	426.5	--	--	--	0.04	>10000	15.75	--	--	15.75	10.0	--
IM-001053	Torrepata (open excavations)	SW-NE	0.8	1143	--	--	--	0.11	>10000	11.48	--	--	11.48	7.3	--
IM-001054	Torrepata (open excavations)	SW-NE	0.5	1766.7	--	--	--	0.18	>10000	6.49	--	--	6.49	4.9	--
IM-001055	Torrepata (open excavations)	SSW-NNE	0.8	314.8	--	--	--	0.03	>10000	>20	--	46.08	46.08	26.8	--
IM-001056	Torrepata (open excavations)	NW-SE	0.7	148.5	--	--	--	0.01	>10000	8.43	--	--	8.43	4.3	--
IM-001057	Torrepata (open excavations)	NW-SE	0.7	191.4	--	--	--	0.02	>10000	11.71	--	--	11.71	7.3	--
IM-001058	Torrepata (open excavations)	SW-NE	1.3	70.6	--	--	--	0.01	>10000	4.53	--	--	4.53	3.1	--
IM-001059	Torrepata (open excavations)	SW-NE	0.9	129.7	--	--	--	0.01	>10000	1.69	--	--	1.69	1.2	--
IM-001061	Torrepata (open excavations)	SW-NE	0.5	81.7	--	--	--	0.01	>10000	>20	--	34.46	34.46	18.3	--
IM-001062	Torrepata (open excavations)	SW-NE	0.6	108.8	--	--	--	0.01	>10000	11.59	--	--	11.59	6.5	--
IM-001063	Torrepata (open excavations)	SW-NE	0.6	193.2	--	--	--	0.02	4862	--	--	--	0.49	0.6	--
IM-001064	Torrepata (open excavations)	SW-NE	0.5	128	--	--	--	0.01	>10000	2.20	--	--	2.20	1.3	--
IM-001065	Torrepata (open excavations)	SW-NE	0.8	126.3	--	--	--	0.01	>10000	8.01	--	--	8.01	4.3	--
IM-001066	Torrepata (open excavations)	SW-NE	0.3	123.1	--	--	--	0.01	1020	--	--	--	0.10	0.3	--
IM-001067	Torrepata (open excavations)	SW-NE	0.6	64.9	--	--	--	0.01	617	--	--	--	0.06	0.3	--
IM-001068	Torrepata (open excavations)	SW-NE	1.2	495.5	--	--	--	0.05	>10000	12.54	--	--	12.54	7.0	--
IM-001069	Torrepata (open excavations)	SW-NE	0.7	129.6	--	--	--	0.01	2460	--	--	--	0.25	0.8	--
IM-001071	Torrepata (open excavations)	NW-SE	0.9	261	--	--	--	0.03	>10000	16.65	--	--	16.65	8.3	--
IM-001072	Torrepata (open excavations)	W-E	0.8	7923.9	--	--	--	0.79	>10000	>20	22.95	--	22.95	14.0	--
IM-001073	Torrepata (open excavations)	W-E	0.3	2831.9	--	--	--	0.28	5019	--	--	--	0.50	1.3	--
IM-001074	Torrepata (open excavations)	NW-SE	0.4	702.5	--	--	--	0.07	>10000	3.21	--	--	3.21	2.9	--
IM-001075	Torrepata (open excavations)	NW-SE	0.5	6803.8	--	--	--	0.68	>10000	16.43	--	--	16.43	10.3	--
IM-001076	Torrepata (open excavations)	NW-SE	1.0	>10000	>20	22.26	--	22.26	3807	--	--	--	0.38	3.5	--
IM-001077	Wari (underground)	WSW-ENE	0.5	>10000	>20	--	31.34	31.34	>10000	>20	21.00	--	21.00	>100	184
IM-001078	Wari (underground)	WSW-ENE	0.6	>10000	>20	--	33.76	33.76	>10000	17.33	--	--	17.33	>100	169
IM-001079	Wari (underground)	WSW-ENE	0.7	>10000	>20	29.43	--	29.43	>10000	>20	24.06	--	24.06	>100	225
IM-001081	Wari (underground)	WSW-ENE	0.3	>10000	>20	--	38.31	38.31	>10000	5.89	--	--	5.89	79.4	--
IM-001082	Wari (underground)	WSW-ENE	0.8	>10000	>20	23.12	--	23.12	>10000	>20	--	30.76	30.76	>100	229
IM-001083	Wari (underground)	WSW-ENE	0.8	>10000	>20	--	41.82	41.82	5206	--	--	--	0.52	5.2	--
IM-001084	Wari (underground)	WSW-ENE	1.0	>10000	>20	--	42.61	42.61	>10000	9.77	--	--	9.77	>100	181
IM-001085	Torrepata (open excavations)	NW-SE	0.5	>10000	2.01	--	--	2.01	>10000	2.20	--	--	2.20	3.8	--
IM-001086	Torrepata (open excavations)	NW-SE	0.5	>10000	>20	24.26	--	24.26	5897	--	--	--	0.59	4.0	--

Appendix 1

The following information is provided to comply with the JORC Code (2012) requirements for reporting by the Company of channel sampling results on two concessions known as La Elegida and La Elegida I (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 78 channel sample results first appearing in previous ASX announcements (6 and 12 October 2017). The channel samples were taken from three artisanal mine workings called Vilcapuquio, Torrepata and Wari.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	The locations of the channel samples are believed to be representative of the exposed sections of the mineralised features at the above-mentioned mine workings. Channel sample intervals were determined by GPS and, where collected underground, GPS and tape measurements by Company geologists.
	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.	Channels perpendicular to exposed mineralisation were used to obtain continuous samples approximately 2kg in weight and between 0.3m and 1.3m long.
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.).*	NA – No drilling results are referred to in this announcement.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	NA – No drilling results are referred to in this announcement.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	NA – No drilling results are 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.	NA – No drilling results are 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.*	NA – No drilling results are referred to in this announcement.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	NA – No drilling results are referred to in this announcement.

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CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Logging cont….	*The total length and percentage of the relevant intersections logged.*	NA – No drilling results are referred to in this announcement.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	NA – No drilling results are referred to in this announcement.
	If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.	NA – No drilling results are referred to in this announcement.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Channel sampling follows industry best practice.
	Quality control procedures adopted for all sub-sampling stages to maximise "representivity" of samples.	No sub-sampling procedures were undertaken.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	The channel orientation was aligned perpendicular to the known visible zone of mineralisation. Company QAQC samples includes field duplicates.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes and channel lengths are adequate in terms of the nature and distribution of mineralisation visible in the underground and excavation wall face. Where considered appropriate, individual channel lengths are either sub-one metre (≥0.3m), one metre or plus-one metre (≤1.3m).
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 channel samples for non-Au was 4-acid digestion and HCl leach, which is considered a complete digestion for most material types (SGS: AAS41B). Elemental analysis was via ICP and atomic emission spectrometry (SGS: ICP40B). Over 20% detection analysis includes additional titration analysis (SGS: CON21G & CON21B). The analytical assay techniques 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 channel 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 procedures. The Company also entered blanks, duplicates and standards as an additional QAQC measure.
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.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying cont…	*The use of twinned holes.*	NA – No drilling results are referred to in this announcement
	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 SGS in two forms: Excel and PDF form (the latter serving as a certificate of authenticity). Both formats are captured on Company laptops/desktops/iPads which are backed up from time to time. Following critical assessment (eg price sensitivity, *inter alia*), the data is entered into a database by 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.*	NA – No drilling results are referred to in this announcement
	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. In the case of underground sample locations, tape measures and compass bearings were taken from a fixed location with coordinates established by GPS.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	The channel samples were spaced regularly along breccia mineralisation exposed in the mine workings, with individual samples taken in sub-one (≥0.3m), one metre and plus-one metre (≤1.3m) lengths along each channel.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	No representations of extensions, extrapolations or reference to grade continuity were made in this announcement.
	Whether sample compositing has been applied.	No sample compositing had been applied to generate assay results subject of this announcement.
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.*	Channel sample orientations are perpendicular to the trend of the mineralised breccias and breccia veins exposed in the underground and open excavations. The results are considered unbiased.
	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.	Refer immediately above.

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CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sample security	*The measures taken to ensure sample security.*	Sample security was 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.*	Where considered appropriate, assay data is independently audited. No audit was required in relation to assay data subject of this announcement. Notwithstanding this, to a certain degree, over-detection re-analysis serves as verification of primary data.

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 Names: La Elegida and La Elegida 1. Ownership (La Elegida I): The Company has a 2½-year concession transfer option and assignment agreement (**Agreement**) whereby the Company may earn 100% outright ownership of the concession. Ownership (La Elegida): The Company has a 2-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 Agreements and concessions are in good standing at the time of writing.
Exploration done by other parties	*Acknowledgement and appraisal of exploration by other parties.*	This announcement does not refer to exploration conducted by previous parties.
Geology	*Deposit type, geological setting and style of mineralisation.*	The geological setting of the area is that of folded sequence of Jurassic limestones of the Pucará Group; subsequently affected by a series of near vertical Zn-Ag-Pb structures (faults).
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: a) Easting and northing of the drill hole collar; b) Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar, c) Dip and azimuth of the hole; d) Down hole length and interception depth; e) Hole length.*	NA – No drilling results are 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.	A/a.

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 of this nature were applied and no 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 of this nature 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').*	NA – No drilling results are referred to in this announcement. In the case of the channel samples, the orientation of the zones of mineralisation are relatively well known. The channel sample orientations are predominantly perpendicular to the mineralised trend and may be considered true approximate widths.
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.*	Plans are provided showing the position of the channel samples of 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 exploration results 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.*	This announcement makes reference to three previous ASX announcements dated 6 October 2017, 9 October 2017 and 12 October 2017.
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 appearing in the various mine workings subject of channel sampling in this announcement.
	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.