



4 July 2019

919 GRAMS/TONNE SILVER AT CUNCAYOC - RIQUEZA

IN THIS ANNOUNCEMENT

- Assay results from reconnaissance sampling at Riqueza
- General update about Inca-South32 exploration at Riqueza
- Competent Person Statement, Key words and ASX JORC 2012 compliance statements – Appendix 1

HIGHLIGHTS

- Bonanza¹-grade silver (Ag) and strong copper (Cu) discovered in recently identified mineralised structures at Cuncayoc Copper Prospect:
 - 919g/t Ag and 2.71% Cu in sample IM-001804 (channel length 0.25m); and
 - 40g/t Ag and 3.31% Cu in sample IM-001828 (channel length 0.45m)
- Additional strong Ag and Cu identified in mineralised structure at Colina Roja Prospect:
 - 68.8g/t Ag and 1.39% Cu in sample IM-001801 (channel length 0.20m)
- Cu mineralisation discovered in altered margin of rhyolite dome at Alteration Ridge Prospect:
 - 0.60% Cu in sample IM-001806 (channel length 0.25m); and
 - 0.57% Cu in sample IM-001807 (channel length 0.3m)
- Circa 10% of soil samples of grid soil geochemical survey taken to date – survey is ongoing
- WorldView3 imagery currently being interpreted

Inca Minerals Limited (**Inca** or the **Company**) has received assay results for 22 rockchip channel samples collected during a brief reconnaissance program that was conducted at Riqueza in conjunction with a more detailed expert porphyry/skarn mapping program. Results of the latter were subject of a previous ASX announcement (20 June 2019). Both programs are part of the Inca-South32 Year-1 exploration campaign.

The assay results (Table 1) indicate **strong epithermal Ag-Cu-Manganese (Mn) mineralisation broadly associated with a rhyolite dome and related structures**, recently interpreted at Alteration Ridge (ASX announcement 20 June 2019) (Figures 1, 2, 3 & 4). **This strong epithermal Ag-Cu-Mn mineralisation corresponds to several priority one (P-1) geophysical targets** (Figure 5). The Company acknowledges that these very positive assay results are, at this time, from a small number of samples. However, the Company has launched a very detailed grid soil geochemical program to cover these same areas, and follow-up rockchip sampling is planned at Cuncayoc Copper.



Figure 1 **RIGHT**: Outcrop photo of Cu mineralisation at Cuncayoc Copper. Visible mineralisation such as this was sampled during a mapping program (ASX announcement 20 June 2019) as part of parallel reconnaissance rock chip sampling program.

¹ “Bonanza” is an informal term denoting very high-grade ore or mineralisation. Grades in excess of 900g/t Ag may be considered bonanza grade.



Bonanza-grade Ag and strong Cu mineralisation has been discovered in vein structures at the Cuncayoc Copper Prospect. This mineralisation corresponds to P-1 geophysics targets Cunayhuasi (**P-1Cun**) and Cuncayoc East (**P-1Cyc**) (Figure 5). Results include: **919g/t silver (Ag) and 2.71% Cu** in sample IM-001804 (channel length 0.25m) and **40g/t Ag and 3.31% Cu** in sample IM-001828 (channel length 0.45m). The IM-001804 rock sample contained visible copper mineralisation (malachite, azurite and tetrahedrite), Fe-oxides and Mn-oxides. The IM-001828 rock sample contained visible malachite, chrysocolla and Fe-oxides. The geochemical signature of the mineralised vein-structures at Cuncayoc is characteristic of epithermal mineralisation.



Strong grade Ag and Cu mineralisation has also been identified at the Colina Roja Prospect where previous sampling had discovered gold (**Au**) and Ag mineralisation in several southwest-northeast vein structures (ASX announcement 13 September 2017). Past results include IM-000167 **6.52g/t Au and 194g/t Ag**. Interestingly, previous sampling had not identified significant Cu at Colina Roja. From the current program, sample IM-001801 (channel length 0.20m) contains **68.8g/t Ag and 1.39% Cu**.

Figure 2 **LEFT**: Rock specimen photo of Cu mineralisation at Colina Roja. Malachite, Fe-oxides and Mn-oxides occur with brecciated calcite veins.

Significant Cu mineralisation has also been discovered at the margin of the recently interpreted rhyolite dome (ASX announcement 20 June 2019). Visible mineralisation includes malachite, Fe-oxides and Mn-oxides with weak argillic alteration (Figure 3).

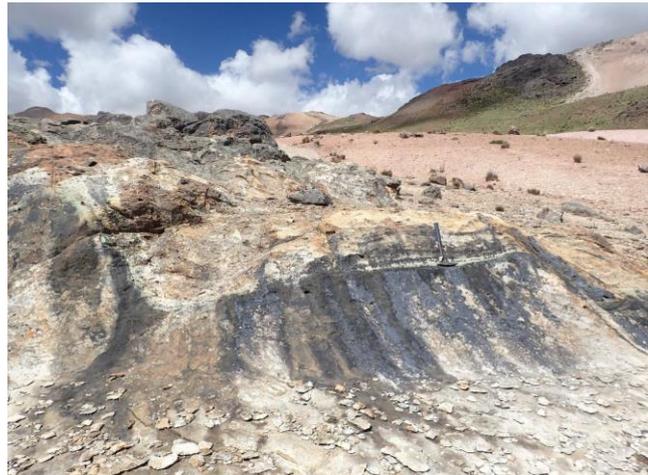


Figure 3 **RIGHT**: Outcrop photo of Cu, Fe/Mn-oxide mineralisation at the margin of the rhyolite dome. The distinctive black colouration is Mn-oxide staining.

Table 1 **BELOW**: Highlighted Ag, Cu and Mn assay results of the 8 of 22 reconnaissance samples taken during the detailed expert mapping program. Bonanza-grade Ag mineralisation occurs with Cu and Mn mineralisation – characteristic of epithermal mineralised systems. 919 g/t Ag is the equivalent of 29 ounces per tonne. Refer to Table for the complete Ag-Cu-Mn assay data for the 22 samples.

Sample Number	Coordinates			Channel Sample Description			Ag		Cu		Mn
	Eastings	Northings	Height above sealevel	Width	Length	Orientation	ICP40B	AAS41B	ICP40B	AAS41B	ICP40B
							ppm	g/t	ppm	%	ppm
							0.2	10	0.5	0.002	2
IM-001801	455026.0	8592257.0	4550	0.20	0.20	SW-NE	68.8	68.8	1393.0	1.393	1524
IM-001804	456414.0	8591646.0	4720	0.20	0.25	SW-NE	919	919	271.0	2.71	2037
IM-001806	455937.0	8589892.0	4682	0.20	0.25	NW-SE	1.4	1.4	5997.1	0.60	4900
IM-001807	455935.0	8589891.0	4683	0.20	0.30	NW-SE	0.9	0.9	5742.3	0.57	2338
IM-001816	456435.3	8592328.6	4569	0.20	0.30	NW-SE	11.4	11.4	5851.1	0.59	707
IM-001817	456435.1	8592329.0	4569	0.20	0.60	NW-SE	11.4	11.4	4378.9	0.44	362
IM-001823	456449.4	8592325.9	4562	0.20	0.20	NW-SE	7	7	3434.4	0.34	647
IM-001828	456290.0	8592248.0	4583	0.20	0.45	NNW-SSE	40	40	331.0	3.31	789



Figure 4 **BELOW**: Sample location plan showing colour-coded Ag results (as per in-diagram legend).

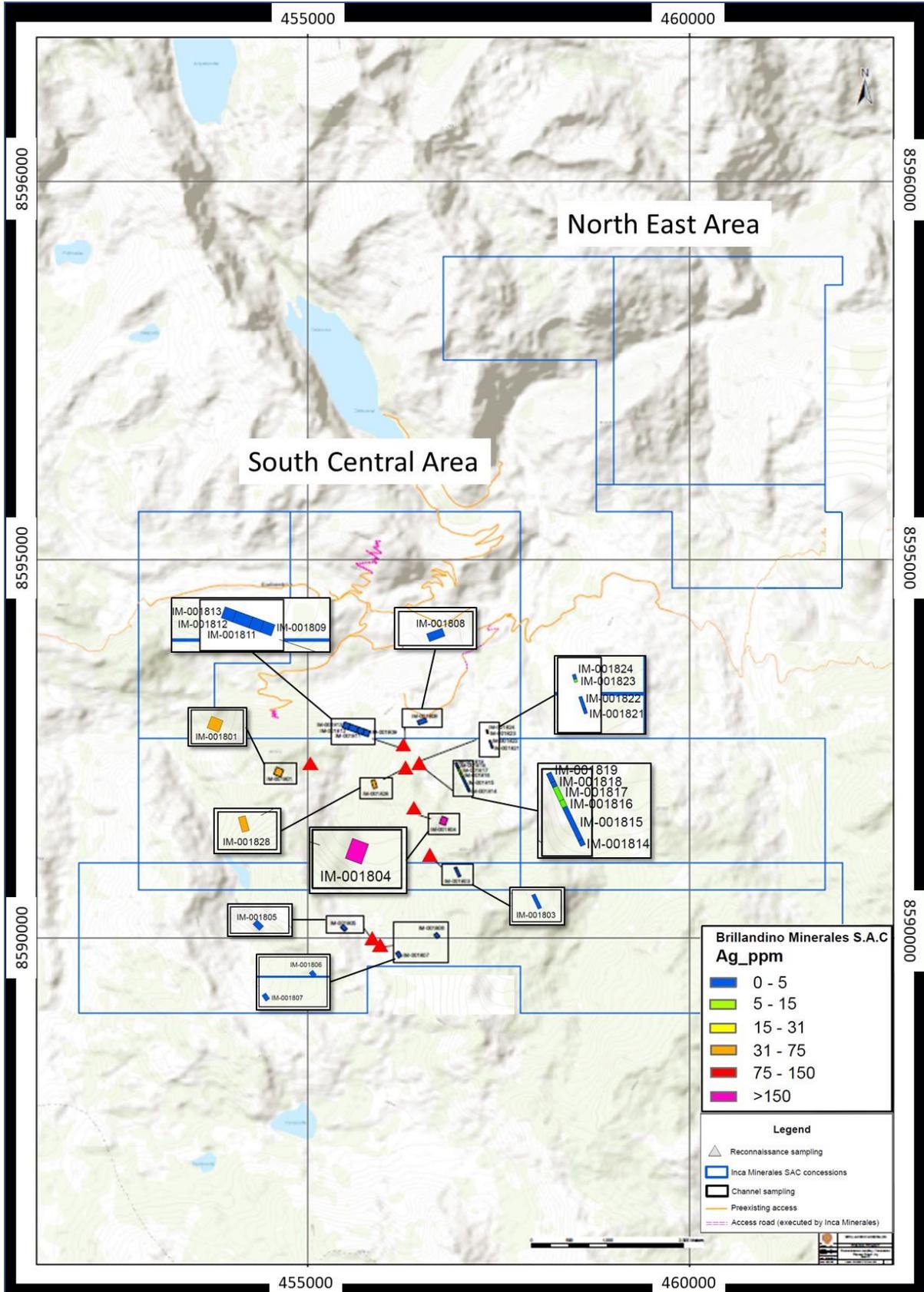
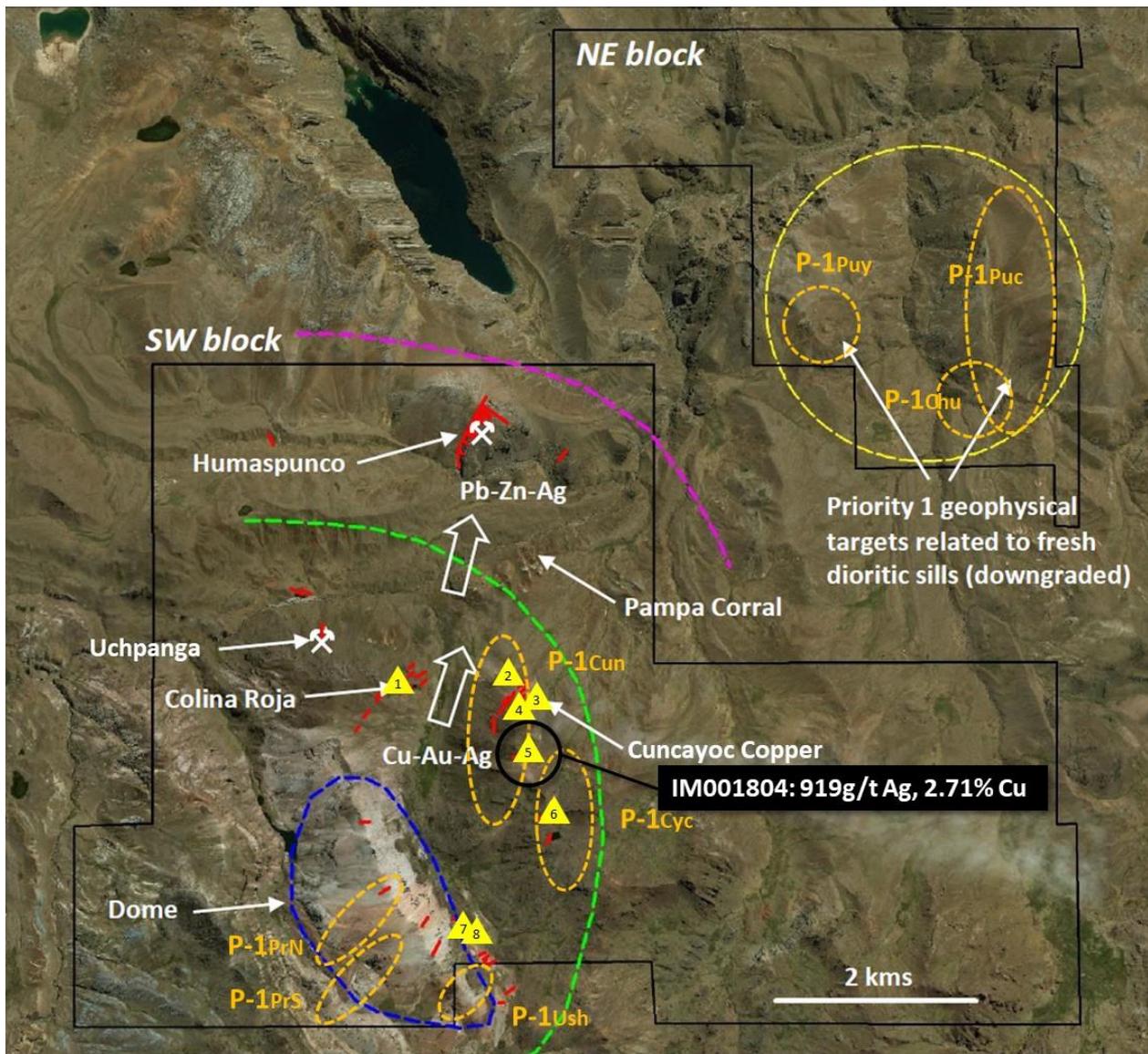




Figure 5 **BELOW:** A satellite image of the Riqueza Project area. The SW block (also referred to as the south-central area) encapsulates the greater Alteration Ridge Area and hosts five P-1 geophysical targets. The reconnaissance sample locations are indicated by solid yellow triangles (I₁: IM-001801; I₂: 08-09,11-13; I₃: 14-19, 21-24; I₄: 28; I₅: 04; I₆: 03; I₇: 05; I₈: 06-07). The diagram also highlights the metal zoning of the IS epithermal system with distal Pb-Zn-Ag mineralisation associated with Humaspunco and Cu-Au-Ag (\pm Pb/Zn) mineralisation associated with Uchpanga, Colina Roja and Cuncayoc Copper. This metal zoning is entirely consistent with epithermal and porphyry models and with polymetallic epithermal systems in central Peru. The NE block encapsulates the Yanacolipa Geophysical Target Area and hosts three P-1 geophysical targets (orange dashed shapes). A variation of this diagram was included in ASX announcement of 20 June 2019.





Current Inca-South32 Exploration Programs

A near project-wide grid soil geochemistry program (**soil program**) commenced at Riqueza in late May 2019. As at 1 July 2019 a total of 125 soil samples have been taken (out of a program total of 1,269 samples). Soil samples are being taken on a 200m x 200m NS-EW grid and will be subject to multi-element analysis. The objective of the soil program is to identify geochemical indicators of (pathways to) hidden, or buried, porphyry and/or skarn mineralisation. Of particular interest are the large expanses of non-outcrop within the greater Alteration Ridge Area where the usefulness of mapping is limited. It is expected that the geochemical sampling will be especially useful in identifying any potential anomalies in these areas.

Detailed localised geological mapping and reconnaissance rock chip channel sampling will continue as a parallel program to the soil program so that any/all zones of mineralisation, important structures and alteration zones found during soil sampling are described and sampled in a timely manner.

The WorldView3 satellite data has now been provided to geophysics/remote sensing specialists Resource Potentials for detailed analysis. The results of this work are anticipated in July 2019. These will provide an additional layers of data that will further assist in project-wide target generation, refinement and prioritisation.

Competent Person Statement

The information in this report that relates to exploration results and mineralisation for Riqueza located in Peru, is based on information reviewed and 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 exploration results, 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 fulltime employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

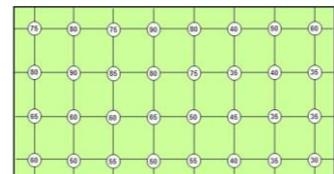
Table 2 **BELOW:** Ag, Cu and Mn assay results of 22 reconnaissance samples taken during recent mapping.

Sample Number	Coordinates			Channel Sample Description			Ag		Cu		Mn
	Eastings	Northings	Height above sealevel	Width	Length	Orientation	ICP40B	AAS41B	ICP40B	AAS41B	ICP40B
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IM-001801	455026.0	8592257.0	4550	0.20	0.20	SW-NE	68.8	68.8	1393.0	1.393	1524
IM-001803	456635.0	8591064.0	4777	0.20	0.80	NW-SE	1	1	79.5	--	198
IM-001804	456414.0	8591646.0	4720	0.20	0.25	SW-NE	919	919	271.0	2.71	2037
IM-001805	455841.0	8589999.0	4651	1.00	1.50	NW-SE	1.2	1.2	531	--	1096
IM-001806	455937.0	8589892.0	4682	0.20	0.25	NW-SE	1.4	1.4	5997.1	0.60	4900
IM-001807	455935.0	8589891.0	4683	0.20	0.30	NW-SE	0.9	0.9	5742.3	0.57	2338
IM-001808	456275.0	8592518.0	4519	0.20	0.40	WSW-ENE	0.7	0.7	21.3	--	>10000
IM-001809	456256.0	8592509.0	4520	0.20	0.20	WNW-ESE	0.1	0.1	17.9	--	7936
IM-001811	456255.8	8592509.1	4520	0.20	0.20	WNW-ESE	2.9	2.9	17.8	--	7646
IM-001812	456255.6	8592509.2	4520	0.20	0.30	WNW-ESE	0.3	0.3	6.4	--	8639
IM-001813	456255.3	8592509.2	4520	0.20	0.20	WNW-ESE	0.3	0.3	7.8	--	6233
IM-001814	456436.0	8592327.0	4568	0.20	0.25	NW-SE	0.6	0.6	16.7	--	2350
IM-001815	456435.6	8592327.8	4569	0.20	1.45	NW-SE	0.5	0.5	43.3	--	446
IM-001816	456435.3	8592328.6	4569	0.20	0.30	NW-SE	11.4	11.4	5851.1	0.59	707
IM-001817	456435.1	8592329.0	4569	0.20	0.60	NW-SE	11.4	11.4	4378.9	0.44	362
IM-001818	456434.9	8592329.3	4571	0.20	0.20	NW-SE	3.6	3.6	3531	--	3138
IM-001819	456434.8	8592329.6	4571	0.20	0.40	NW-SE	0.5	0.5	30.3	--	979
IM-001821	456450.0	8592324.0	4562	0.20	0.30	NW-SE	0.7	0.7	23.2	--	445
IM-001822	456449.9	8592324.5	4562	0.20	0.80	NW-SE	0.1	0.1	10.8	--	750
IM-001823	456449.4	8592325.9	4562	0.20	0.20	NW-SE	7	7	3434.4	0.34	647
IM-001824	456449.3	8592326.1	4562	0.20	0.30	NW-SE	1.3	1.3	340.4	--	1404
IM-001828	456290.0	8592248.0	4583	0.20	0.45	NNW-SSE	40	40	331.0	3.31	789



Selected Key Words Used in this Announcement (order of appearance and cross reference)

<u>Reconnaissance Sampling</u>	Refers to very early-stage, in some cases, first-pass, [often rock] sampling recording location, rock type, <u>structure</u> , <u>alteration</u> and <u>mineralisation</u> (if present).
<u>Bonanza Grade</u>	An informal term denoting very high-grade ore or <u>mineralisation</u> . Grades in excess of 900g/t Ag reported in this announcement may be considered <u>bonanza grade</u> .
<u>Channel Sampling</u>	A technique whereby a continuous section of rock is collected for <u>geochemical</u> analysis, usually in a perpendicular orientation to <u>mineralisation</u> . A single channel sample is typically one metre long in length or shorter. A series of <u>channel samples</u> may extend for tens of metres. This technique is often used in trenches or across large expanses of rock outcrop.
<u>Mineralisation</u>	A general term describing the process or processes by which a mineral or minerals are introduced into a rock (or geological feature such as a <u>vein</u> , fault, etc...). In the strictest sense, <u>mineralisation</u> does not necessarily involve a process or processes involving <u>ore-forming minerals</u> . Nevertheless, <u>mineralisation</u> is very commonly used to describe a process or processes in which <u>ore-forming minerals</u> are introduced into a rock at concentrations that are economically valuable or potentially valuable. The potential <u>mineralisation</u> occurring at Riqueza is <u>epithermal</u> , <u>porphyry</u> and porphyry-related.
<u>Epithermal</u>	Said of <u>hydrothermal</u> processes occurring at temperatures ranging from 50°C to 200°C, and within 1,000m of the Earth's surface.
<u>Hydrothermal</u>	Of, or pertaining to "hot water" usually used in the context of <u>ore-forming</u> processes.
<u>Ore-forming Minerals</u>	Minerals which are economically desirable.
<u>Porphyry (Deposit)</u>	A type of <u>deposit</u> containing <u>ore-forming minerals</u> occurring as disseminations and veinlets in a large volume of rock. The rock is typically porphyritic (a texture of large crystals in a fine groundmass). <u>Porphyry deposits</u> are economically very significant.
<u>Deposit</u>	A <u>deposit</u> is a naturally occurring accumulation or concentration of metals or minerals of sufficient size and concentration that might, under favourable circumstances, have economic value (Geoscience Australia). It is not a defined term in the JORC Code 2012 for Australasian Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012).
<u>Rhyolite(-ic)</u>	A classification of a group of igneous rocks generally porphyritic which exhibit flow texture. <u>Rhyolitic</u> is term describing <u>rhyolite</u> characteristics.
<u>Volcanic Dome</u>	A steep sided, rounded extrusion (quasi-intrusive) of highly viscous magma erupted from a volcano. Domes often occur within volcano craters, which may be later eroded away leaving a high topographic dome feature.
<u>Geophysics</u>	An exploration method using instruments to collect and analyse rock properties as such magnetics, radioactivity, gravity, electronic conductivity, etc. Instruments can be located on surface (ground survey) or above the ground (airborne survey).
<u>Structure</u>	A very broad and widely used geological term used to describe linear features such as geological faults, lineaments or <u>veins</u> .
<u>Grid Sampling</u>	A method of sampling whereby samples (typically soil samples) are taken from a prescribed grid-location often orientated to the cardinal points NS-EW. The grid spacing is arbitrary, but can be from 10m to 10km depending on the purpose and survey area.
<u>Malachite</u>	A hydrated copper oxide with a chemical formula: $Cu_2(CO_3)(OH)_2$; 57.48% Cu mol weight.
<u>Azurite</u>	A hydrated copper oxide with a chemical formula: $Cu_3(CO_3)_2(OH)_2$; 55.31% Cu mol weight.





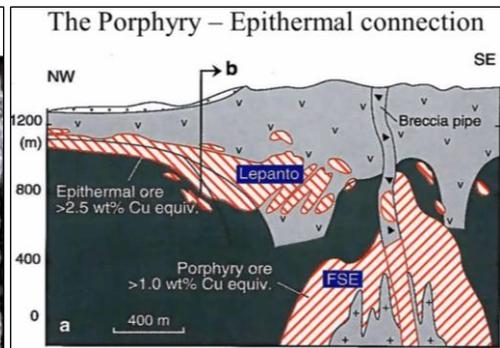
Selected Key Words Used in this Announcement (order of appearance and cross reference) continued...

- Tetrahedrite A copper-iron-antimony sulphide with a chemical formula: $(Cu, Fe)_{12}Sb_4S_{13}$; 34.80% Cu mol weight. The geochemistry of several samples (with high Sb) confirms the presence of tetrahedrite.
- Fe-oxides A group of oxide minerals containing iron (Fe), including but not limited to haematite, limonite and goethite.
- Mn-oxides A group of oxide minerals containing manganese (Mn), including but not limited to pyrolusite, franklinite, jacobsonite.
- Chrysocolla A hydrated copper aluminium oxide with a chemical formula: $(Cu,Al)_2H_2Si_2O_5(OH)_2.n(H_2O)_2$; 33.86% Cu mol weight.
- Breccia Broken or fragmented rock. Breccia veins which are common at Riqueza, are narrow fissures containing numerous rock fragments. The rock fragments are called clasts and the space around the clasts is called the matrix. Often the matrix in the breccia veins at Riqueza contains the ore-forming minerals.
- Matrix The fine component of a breccia, occurring between the clasts.
- Vein(s) A tabular or sheet-like form of mineralisation, often resulting from in-filling a vertical or near-vertical fracture. They often cut across country rock.
- Country Rock Rock that encloses or is cut by mineralisation. And more broadly, rock that makes up the geology of an area.
- Calcite A common carbonate mineral with the chemical formula: $CaCO_3$.
- Argillic In the context of this announcement, said of clay alteration.
- Alteration A process that involves the alteration (change to) a rock, mineral or mineralisation by processes involving, but not limited to, the presence of hydrothermal fluids.
- Intermediate Sulphidation Please refer to inserts immediately below (from Andrew Jackson, Sprott International). Commonly abbreviated IS.

Intermediate-sulfidation

Characteristics

- Generally veins and breccias, like Low-sulfidation epithermals but coarser banding
- But may contain alunite like High-sulfidation epithermals
- In addition to gold, usually contain significant silver, lead (galena), zinc (sphalerite) at depth
- Gold and silver deposition is controlled by boiling. Base metals mainly by fluid mixing/cooling.

Geochemistry(-ical) The study of the distribution and amounts of the chemical elements in minerals, ores, rocks, soils, water and the atmosphere. The objective of all forms of sampling techniques, albethey, reconnaissance rockchip, channel, grid, rock/soil, drill chip/core, etc... is to obtain geochemical data.



Appendix 1

The following information is provided to comply with the JORC Code (2012) exploration reporting requirements.

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria: Sampling techniques

JORC CODE Explanation

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.

Company Commentary

This announcement refers to 22 new assay results and one past assay result from 9 channel sample locations. The 22 channel samples were taken during a reconnaissance program attached to a detailed mapping program conducted at the Company's Riqueza Project in Peru. The results of the mapping program were the subject of a prior ASX announcement (refer below).

JORC CODE Explanation

Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.

Company Commentary

Channel sample intervals are determined through tape measurement made relative to a hand-held GPS location.

JORC CODE Explanation

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.

Company Commentary

Channels perpendicular to the exposed mineralisation within trenches or across outcrop were used to obtain continuous samples approximately 2kg in weight and between 0.2m and 1.5m long.

Criteria: Drilling techniques

JORC CODE Explanation

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.).

Company Commentary

No drilling or drilling results are referred to in this announcement.

Criteria: Drill sample recovery

JORC CODE Explanation

Method of recording and assessing core and chip sample recoveries and results assessed.

Company Commentary

No drilling or drilling results are referred to in this announcement.

JORC CODE Explanation

Measures taken to maximise sample recovery and ensure representative nature of the samples.

Company Commentary

No drilling or drilling results are referred to in this announcement.



JORC CODE Explanation

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.

Company Commentary

No drilling or drilling results are referred to in this announcement.

Criteria: Logging

JORC CODE Explanation

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.

Company Commentary

No drilling or drilling results are referred to in this announcement.

JORC CODE Explanation

Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography

Company Commentary

No drilling or drilling results are referred to in this announcement.

JORC CODE Explanation

The total length and percentage of the relevant intersections logged.

Company Commentary

No drilling or drilling results are referred to in this announcement.

Criteria: Sub-sampling techniques and sample preparation

JORC CODE Explanation

If core, whether cut or sawn and whether quarter, half or all core taken.

Company Commentary

No drilling or drilling results are referred to in this announcement.

JORC CODE Explanation

If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.

Company Commentary

No drilling or drilling results are referred to in this announcement.

JORC CODE Explanation

For all sample types, the nature, quality and appropriateness of the sample preparation technique.

Company Commentary

Channel sampling follows industry best practice.

JORC CODE Explanation

Quality control procedures adopted for all sub-sampling stages to maximise “representivity” of samples.

Company Commentary

No sub-sampling procedures were undertaken.

JORC CODE Explanation

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.



Company Commentary

The orientation of the channels were aligned perpendicular to the visible zone of mineralisation.

JORC CODE Explanation

Whether sample sizes are appropriate to the grain size of the material being sampled.

Company Commentary

The sample sizes are adequate in terms of the nature and distribution of mineralisation visible in the trenches and subsequent channels.

Criteria: Quality of assay data and laboratory tests

JORC CODE Explanation

The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.

Company Commentary

The analytical assay technique used in the elemental testing of the channel samples for non-Au was 4-acid digestion and HCl leach, which is considered a complete digestion for most material types. Elemental analysis was via ICP and atomic emission spectrometry. The analytical assay technique used in the elemental testing is considered industry best practice.

JORC CODE Explanation

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.

Company Commentary

N/A – No geophysical tool or electronic device was used in the generation of the channel sample results other than those used by the laboratory in line with industry best practice.

JORC CODE Explanation

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.

Company Commentary

Blanks, duplicates and standards were used as standard laboratory procedures. The Company also entered blanks, duplicates and standards as an additional QAQC measure.

Criteria: Verification of sampling and assaying

JORC CODE Explanation

The verification of significant intersections by either independent or alternative company personnel.

Company Commentary

The sample assay results are independently generated by SGS Del Peru (SGS) who conduct QAQC procedures, which follow industry best practice.

JORC CODE Explanation

The use of twinned holes.

Company Commentary

No drilling or drilling results are referred to in this announcement.

JORC CODE Explanation

Documentation of primary data, data entry procedures, date verification, data storage (physical and electronic) protocols.



Company Commentary

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 (e.g. price sensitivity, *inter alia*), when time otherwise permits, the data is entered into a database by Company GIS personnel.

JORC CODE Explanation

Discuss any adjustment to assay data.

Company Commentary

No adjustments were made.

Criteria: Location of data points

JORC CODE Explanation

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.

Company Commentary

The sample locations were determined using hand held GPS.

JORC CODE Explanation

Specification of the grid system used.

Company Commentary

WGS846-18L.

JORC CODE Explanation

Quality and adequacy of topographic control.

Company Commentary

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.

Criteria: Data spacing and distribution

JORC CODE Explanation

Data spacing for reporting of Exploration Results.

Company Commentary

Regarding channel sampling, the channels were spaced so as to form a continuous line of sampling within each trench, or across each outcrop perpendicularly across the known mineralisation with individual samples taken 1.5m to <1m lengths along each channel.

JORC CODE Explanation

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.

Company Commentary

No grade continuity, Mineral Resource or Ore Reserve estimations are referred to in this announcement.

JORC CODE Explanation

Whether sample compositing has been applied.

Company Commentary

No sample compositing had been applied to generate assay results subject of this announcement.

Criteria: Orientation of data in relation to geological structure



JORC CODE Explanation

Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.

Company Commentary

Assay results subject of this announcement are believed associated with structure-hosted epithermal mineralisation. The area of visible mineralisation exposed in the new trenches/outcrop were accurately mapped.

JORC CODE Explanation

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.

Company Commentary

No drilling results are referred to in this announcement.

Criteria: Sample security

JORC CODE Explanation

The measures taken to ensure sample security.

Company Commentary

Sample security was managed by the Company in line with industry best practice.

Criteria: Audits and reviews

JORC CODE Explanation

The results of any audits or reviews of sampling techniques and data.

Company Commentary

Where considered appropriate, assay data is independently audited. None were required in relation to assay data subject of this announcement.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria: Mineral tenement and land tenure status

JORC CODE Explanation

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.

Company Commentary

Tenement Type: The Riqueza Project area comprises nine Peruvian mining concessions: Nueva Santa Rita, Antacocha I, Antacocha II, Rita Maria, Maihuasi, Uchpanga, Uchpanga II, Uchpanga III and Picuy.

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.

All other above-named concessions: The Company has direct 100% ownership.

JORC CODE Explanation

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.

Company Commentary

The Agreement and all concessions are in good standing at the time of writing.

Criteria: Exploration done by other parties

JORC CODE Explanation

Acknowledgement and appraisal of exploration by other parties.



Company Commentary

This announcement does not refer to exploration conducted by previous parties.

Criteria: Geology

JORC CODE Explanation

Deposit type, geological setting and style of mineralisation.

Company Commentary

The geological setting of the area is that of a gently SW dipping sequence of Cretaceous limestones, Tertiary “red-beds” and volcanics on a western limb of a NW-SE trending anticline; subsequently affected by an intrusive rhyolite volcanic dome believed responsible for a series of near vertical large scale structures and multiple and pervasive zones of epithermal related Au-Cu-Ag-Mn-Zn-Pb mineralisation.

Criteria: Drill hole information

JORC CODE Explanation

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.

Company Commentary

No drilling or drilling results are referred to in this announcement.

JORC CODE Explanation

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.

Company Commentary

No drilling or drilling results are referred to in this announcement.

Criteria: Data aggregation methods

JORC CODE Explanation

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. 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

Company Commentary

No weighted averages, maximum/minimum truncations and cut-off grades were applied to assay reporting in this announcement.

JORC CODE Explanation

The assumptions used for any reporting of metal equivalent values should be clearly stated.

Company Commentary

No metal equivalents are referred to in this announcement.

Criteria: Relationship between mineralisation widths and intercept lengths

JORC CODE Explanation

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.’)



Company Commentary

The orientation of the zones of mineralisation encountered in the trenches/outcrop are relatively well known through concurrent detailed mapping, therefore the widths are considered true widths.

Criteria: Diagrams

JORC CODE Explanation

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

Company Commentary

Plans are provided showing the position of the channel samples subject of this announcement.

Criteria: Balanced reporting

JORC CODE Explanation

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.

Company Commentary

The Company believes the ASX announcement provides a balanced report of its exploration results referred to in this announcement.

Criteria: Other substantive exploration data

JORC CODE Explanation

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.

Company Commentary

This announcement makes reference to two previous ASX announcements dated: 13 September 2017 and 20 June 2019.

Criteria: Further work

JORC CODE Explanation

The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).

Company Commentary

By nature of early phase exploration, further work is necessary to better understand the mineralisation appearing in the trenches/outcrop subject of this announcement.

JORC CODE Explanation

Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.

Company Commentary

Refer above.
