29 August 2018

LARGE PORHYRY AND SKARN TARGET-CENTRES DEFINED AT RIQUEZA

HIGHLIGHTS

- Further interim geophysics interpretation at Greater Riqueza Project defines at least three large porphyry and porphyry-skarn target-centres:
  - New porphyry and porphyry-skarn target-centre **Tayapampa** ±2.0km x 1.25km in size
  - New porphyry target-centre **Palcacandha** ±2.75km x 1.75km in size
  - New porphyry and porphyry-skarn target-centre **Yanacolipa** ±2.5km x 1.5km in size
- These target-centres consolidate previous individual targets into very significant high priority anomalies
- Further geophysical interpretations, including 3D-modelling, will continue to refine targets

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Further to Inca Minerals Limited's (**Inca** or the **Company**) ASX announcements containing interim geophysical interpretations of the Great Riqueza Project (**Riqueza** or the **Project**) (4 July and 30 July 2018), the Company has now received an additional interpretation showing consolidated target-centres[1] that are characteristic of porphyry and/or porphyry-skarn systems.

"These target-centres are an amalgamation of multiple coincident targets into a large single anomaly" says Inca's Managing Director, Mr Ross Brown. "Three such anomalies, highlighted in this announcement, are of a size and characteristic that makes them particularly prospective."

Tayapampa Porphyry and Porphyry-skarn Target-Centre

The Tayapampa geophysics target-centre is located in the SW corner of the Greater Riqueza Project area and is approximately 2.0km x 1.25km in area (Figure 1). It is bounded by NW-SE trending structures believed to be associated with the Chonta Fault System. A large coincident radiometric anomaly indicates that the area has undergone widespread rock alteration. Based on regional geological interpretations that Tayapampa is possibly underlain by Jumasha Formation limestone. Therefore, in addition to it being prospective for porphyry, it is also prospective for skarn.

Palcacandha Porphyry Target-Centre

The Palcacandha geophysics target-centre is located in the S-central part of the Greater Riqueza Project area, east of Alteration Ridge and is approximately 2.75km x 1.75km in area (Figure 2). Similar to the Tayapampa geophysics target-centre, Palcacandha is bounded by NW-SE trending structures and has a coincident radiometric anomaly. It is currently the largest target at Riqueza.

[1] The term "target-centre" is used here to mean a large target comprising (previous) individual targets, where the single target is prospective for large mineral systems like porphyries and/or porphyry-skarns.

Yanacolipa Porphyry Target-Centre

The Yanacolipa geophysics target-centre is located in the NE part of Greater Riqueza and is approximately ±2.5km x 1.5km in size (Figure 3). Jumasha Formation limestone is the predominant lithology at Yanacolipa and, as such, is prospective for porphyry and skarn.

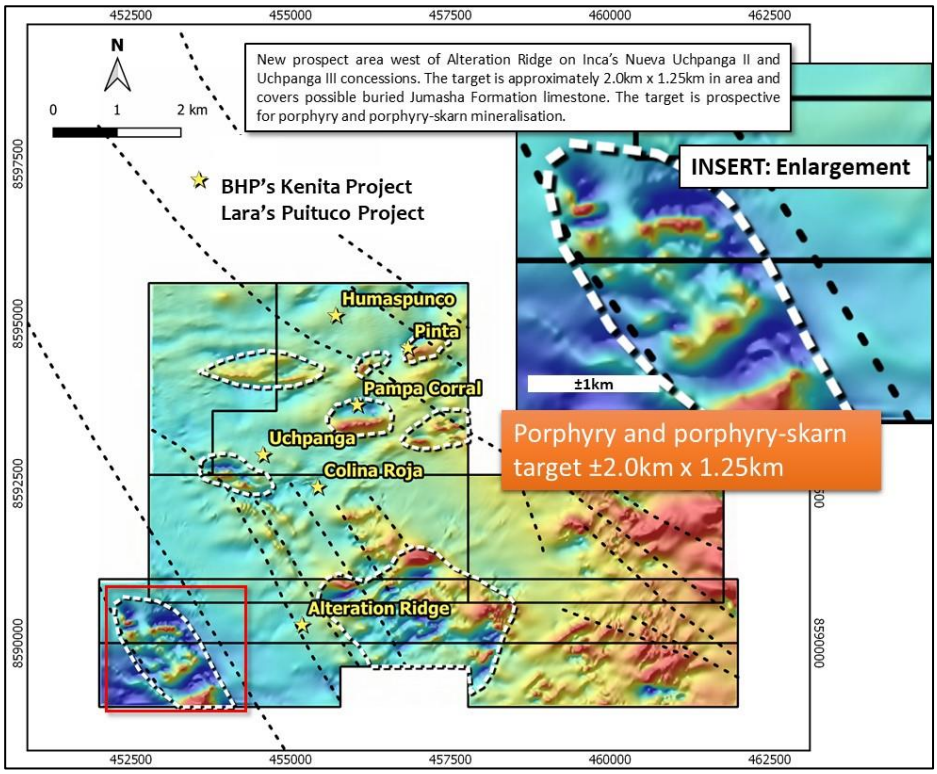

Figure 1 **LEFT:** A preliminary TMIRTP image showing raw, gridded total magnetic intensity data reduced to pole providing a basic level of interpretation. Highlighted is the Tayapampa porphyry and porphyry-skarn target-centre.

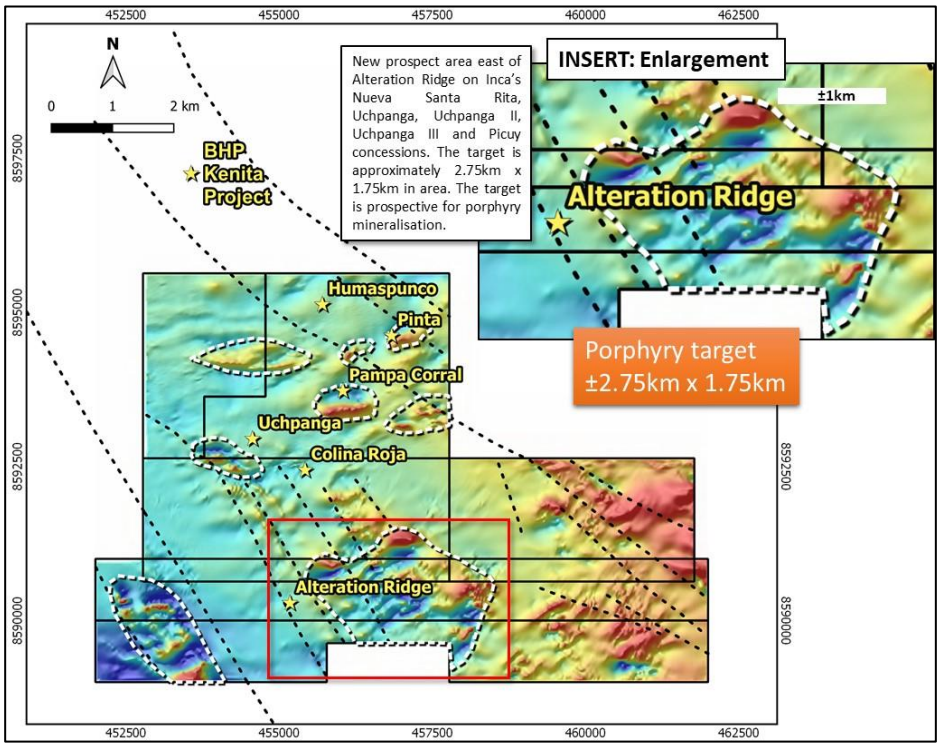

Figure 2 **LEFT:** A preliminary TMIRTP image showing raw, gridded total magnetic intensity data reduced to pole providing a basic level of interpretation. Highlighted is the Palcacandha porphyry target-centre.

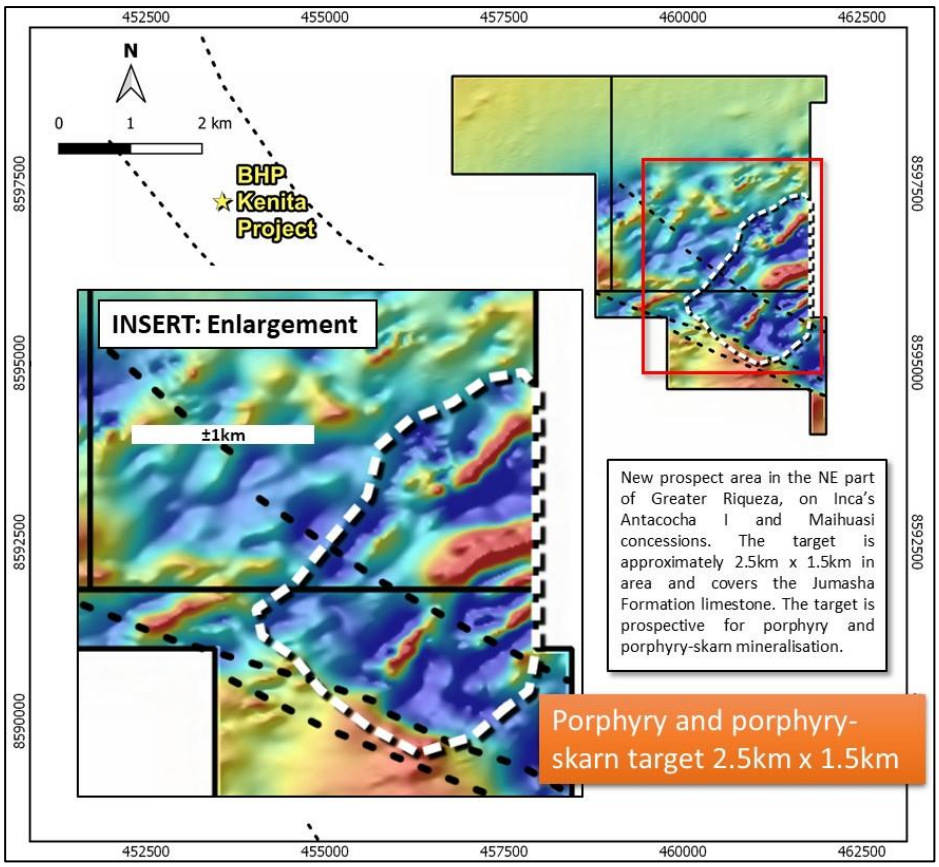

Figure 3 **LEFT:** A preliminary TMIRTP image showing raw, gridded total magnetic intensity data reduced to pole providing a basic level of interpretation. Highlighted is the Yanacolipa porphyry and porphyry-skarn target-centre

Significance of Porphyry and Skarn Related Targets

The new Tayapampa, Palcacandha and Yanacolipa target-centres are very large, roughly circular-shaped anomalies and comprise magnetic lows and highs and radiometric responses. They possess geophysical signatures indicative of porphyry and skarn deposits and are therefore prospective for them.

There are several mineralised porphyries within 50km of Riqueza. These porphyries are focussed along a northwest-southeast trending corridor known the Chonta Fault System, which is part of the broader prolifically mineralised Miocene Porphyry-Skarn Metallogenic Belt of central Peru. **The coincidence of multi high magnetics, radiometrics and NW-SE structures at Tayapampa, Palcacandha and Yanacolipa is extremely encouraging.**

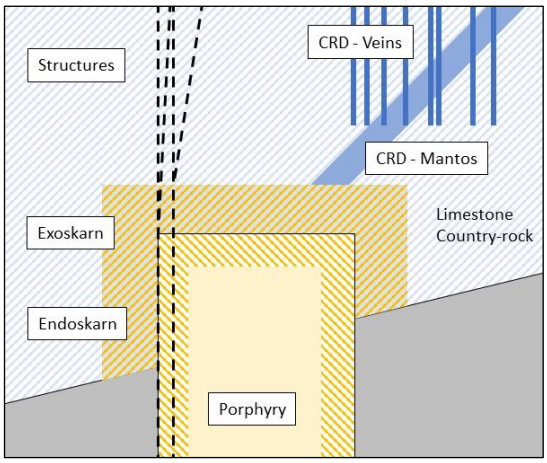

Figure 4 **LEFT:** A simplified schematic porphyry model showing the juxtaposition of porphyry deposits, skarn deposits (exo = outside the porphyry along the contact, endo = inside the porphyry along the contact), structure-related deposits and manto and vein carbonate replacement deposits (CRD's). The broad elements of this model are known at Riqueza and its surrounds: mineralised porphyries intrusions, skarn mineralisation, mineralised structures, mantos and veins within a limestone country-rock setting.

Final Interpretation

More detailed interpretation will continue to better define all targets, including three-dimensional modelling to aid potential drill planning. Upon completion, final interpretations will be provided to shareholders.

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Competent Person Statement

The information in this report that relates to exploration results and mineralisation for the Greater Riqueza project area, 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 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.

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

Geophysics	An exploration method using instruments to collect and analyse sub-surface data of such properties as magnetics, radioactivity, gravity, electronic conductivity, etc. Instruments can be located on surface (ground survey) or above the ground (airborne survey).
Porphyry (Deposit)	A type of *Deposit* containing *Ore-forming Minerals* 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). *Porphyry Deposits* are economically very significant.
Skarn (Deposit)	A type of *Deposit* that forms as a result of *Alteration* which occurs when hydrothermal fluids interact either igneous or sedimentary rocks. In many cases, skarns are associated with the intrusion o granitic rocks, especially *Porphyry* intrusions, in and around faults that intrude into a *Limestone*.
Structure	A very broad and widely used geological term but used at Riqueza to mean a large linear feature either a geological *Fault* or a lineament.
Fault	A surface or zone of rock fracture along which there has been displacement.
Radiometric Survey	Or gamma-ray spectrometric survey measures concentrations of radio-elements potassium (K), uranium (U) and thorium (Th), specifically the gamma rays emitted by isotopes of these elements. All rocks and soils contain radioactive isotopes and almost all gamma-rays detected at surface are the result of radioactive decay of K, U and Th. *Radiometrics* is therefore capable of directly detecting *Potassic Alteration* which is associated with hydrothermal processing and formation of *Deposits*.

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Key Words Used in this Announcement *(order of appearance and cross reference) cont…*

Magnetic Survey	Measures variations in the intensity of the earth's magnetic field caused by the contrasting content of rock-forming magnetic minerals in the Earth's crust. This allows sub-surface mapped of geology, including *Structures*. An airborne survey is flown either by plane or helicopter with the magnetometer kept at a constant height above the surface.
Limestone	A calcium carbonate sedimentary rock typically formed of ancient shallow marine deposits such as coral reefs and reef-related deposits.
Deposit	A [mineral] *Deposit* 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).
TMIRTP Image	A gridded magnetics image: Total Magnetic Intensity, Reduced to the Magnetic Pole.
Alteration	Any change in the mineralogical composition of a rock brought about by physical and/or chemical means. *Potassic Alteration* is a process in which potassium-rich minerals are developed, such is the case in *Porphyry* mineralisation.
Carbonate Replacement	A process in which carbonate minerals are "replaced" by another mineral or minerals. A *Manto* is a form of *Carbonate Replacement* inasmuch as the carbonate minerals of a *Limestone* layer are "replaced" by *Ore-forming Minerals* like *Sphalerite* and *Galena*.
Manto	A tabular or sheet-like form of mineralisation, often resulting from replacement along layers of *Limestone*. They often lay parallel to *Country Rock*.
Country Rock	Rock that encloses or is cut by mineralisation. And more broadly, rock that makes up the geology of an area. The *Country Rock* at Humaspunco is *Limestone* and to a lesser extent sub volcanic.
Polymetallic	A term that describes for multi-element nature of a *Deposit* or *Mineral Belt*.
Mineral Belt	A term that describes a particular area that hosts a concentration of *Deposits*.

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Appendix 1

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of interim results from an airborne magnetic-radiometric survey at Inca's Greater Riqueza project (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 interim results from an airborne (by helicopter) magnetics-radiometrics survey (**AMAGRAD**). No sampling or assay results are referred to in this announcement.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.	N/A – No sampling or assay results are referred to in this announcement.
	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.	N/A – No sampling or assay results are referred to in this announcement.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).*	N/A - No drilling results are referred to in this announcement.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed.*	N/A - No drilling results are referred to in this announcement.
	Measures taken to maximise sample recovery and ensure representative nature of the samples.	N/A - 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.	N/A - 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.*	N/A - No drilling results are referred to in this announcement.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.	N/A - No drilling results are referred to in this announcement.
	The total length and percentage of the relevant intersections logged.	N/A - No drilling results are referred to in this announcement.
	If core, whether cut or sawn and whether quarter, half or all core taken.	N/A - No drilling results are referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	*If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.*	N/A – No sampling or assay results are referred to in this announcement.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	N/A – No sampling or assay results are referred to in this announcement.
	Quality control procedures adopted for all sub-sampling stages to maximise "representivity" of samples.	N/A – No sampling or assay results are referred to in this announcement.
	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.	N/A – No sampling or assay results are referred to in this announcement.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	N/A – No sampling or assay results are referred to in this announcement.
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.*	N/A – No sampling or assay results are referred to in this announcement.
	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 sampling or assay results are referred to in this announcement.
	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.	N/A – No sampling or assay results are referred to in this announcement.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	N/A – No sampling or assay results are referred to in this announcement.
	The use of twinned holes.	N/A - No drilling results are referred to in this announcement.
	Documentation of primary data, data entry procedures, date verification, data storage (physical and electronic) protocols.	N/A – No sampling or assay results are referred to in this announcement.
	Discuss any adjustment to assay data.	N/A – No sampling or assay results are referred to in this announcement.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	The locations were determined by a NovAtel OEM628 GPS board used for both helicopter flight path and data recovery.
	Specification of the grid system used.	WGS846-18L.
	Quality and adequacy of topographic control.	Topographic control is achieved via the use of government topographic maps, in association with GPS and Digital Terrain Maps (DTM's), the latter generated during antecedent detailed geophysical surveys.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Line spacing was 50 metres at a sensor height of 50 metres.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Data spacing and distribution ctd	*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.*	N/A – No grade, grade continuity, Mineral Resource or Ore Reserve estimations are referred to in this announcement.
	Whether sample compositing has been applied.	N/A – No sampling or assay results are referred to in 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.*	N/A – No sampling or assay results are referred to in this announcement.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	N/A – No drilling results, sampling or assay results are referred to in this announcement.
Sample security	*The measures taken to ensure sample security.*	N/A – No sampling or assay results are referred to in this announcement.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	Where considered appropriate, assay data is independently audited. No audits were required in relation to information subject of this announcement.

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: Nine Peruvian mining concessions which make up the Greater Riqueza project area. Concession Names: Nueva Santa Rita, Antacocha I, Antacocha II, Rita Maria, Maihuasi, Uchpanga, Uchpanga II, Uchpanga III and Picuy. Ownership: In relation to Nueva Santa Rita, the Company has a 5-year concession transfer option and assignment agreement ("**Agreement**") whereby the Company may earn 100% outright ownership of the concession. In relation to all other above-named concessions the Company has 100% ownership.
	The security of the land tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Agreement and all 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 a gently SW dipping sequence of Cretaceous limestones and Tertiary "red-beds", on a western limb of a NW-SE trending anticline; subsequently affected by a series of near vertical large-scale structures, Zn-Ag-Pb bearing veins/breccia and Zn-Ag-Pb [strata-parallel] mantos.
Drill hole information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *Easting and northing of the drill hole collar* • *Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar.* • *Dip and azimuth of the hole.* • *Down hole length and interception depth.* • *Hole length.*	N/A - No drilling 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.	N/A - No drilling results are referred to in this announcement.
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 sampling, drilling or assay results are referred to in this announcement.

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Data aggregation methods (ctd)	*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.*	
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	N/A - No sampling, drilling or assay results are referred to 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').*	N/A - No sampling, drilling or assay results are referred to in this announcement.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not limited to a plan view of drill hole collar locations and appropriate sectional views.*	The interim TMIRTP images of the AMAGRAD corresponding to the Greater Riqueza Project area is provided in this announcement.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	The Company believes this ASX announcement provides a balanced report of the 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 4 July 2018, 30 July 2018 and 22 August 2018.
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).*	Only interim results are reported in this announcement. Further work and interpretation is necessary to identify possible additional anomaly targets and to better define anomaly targets referred to 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.

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