



11 November 2013

Drilling Resumes at Chanape

HIGHLIGHTS

- Drilling resumes at Chanape
- Epithermal gold-silver and porphyry copper-molybdenum-silver-gold targets to be tested

Inca Minerals Limited (“Inca” or the “Company”) has commenced its largest drilling program to date at Chanape in Peru. The Company will immediately drill test a number of the priority porphyry and epithermal targets generated in the recent P1 and P2 exploration programs.

A total of approximately 5,000m of drilling is planned for Chanape in this program, which is expected to continue into the new year. Drilling will include a number of deep angled holes (up to 700m depth) to test porphyry targets and will include shallow angled holes to test epithermal targets (generally less than 200m depth).

The objectives are twofold, (i) to add dimension to the mineralised porphyry intersected in CH-DDH001 and (ii) to provide better dimension to the near-surface gold/silver mineralisation already known in Breccia 8 (CH-DDH001) and Breccia 10/11 (CH-DDH002, CH-DDH003). Obtaining the newly granted (and expanded) drill permit will allow Inca to maintain flexibility with the program and allow for immediate follow-up of significant results.

A priority for the Company is to investigate the 1.5km-wide geophysical anomaly that coincides with the known porphyry sequence drilled in CH-DDH001. The geophysical signature is also coincident with known gold/silver-bearing breccia pipes (including Breccia Pipe 8), pervasive porphyry-style alteration and broad geochemical Au-Ag-Cu-Mo anomalies (Figure 1).

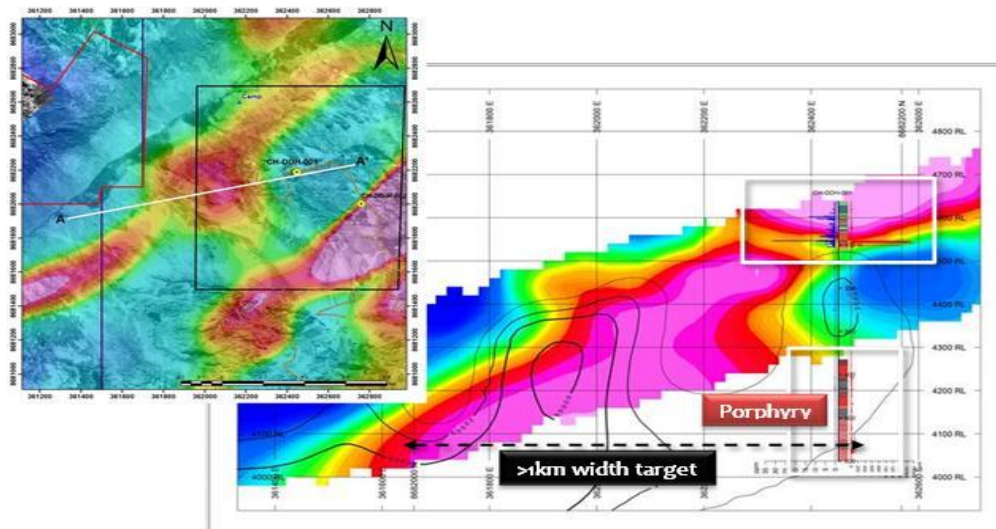
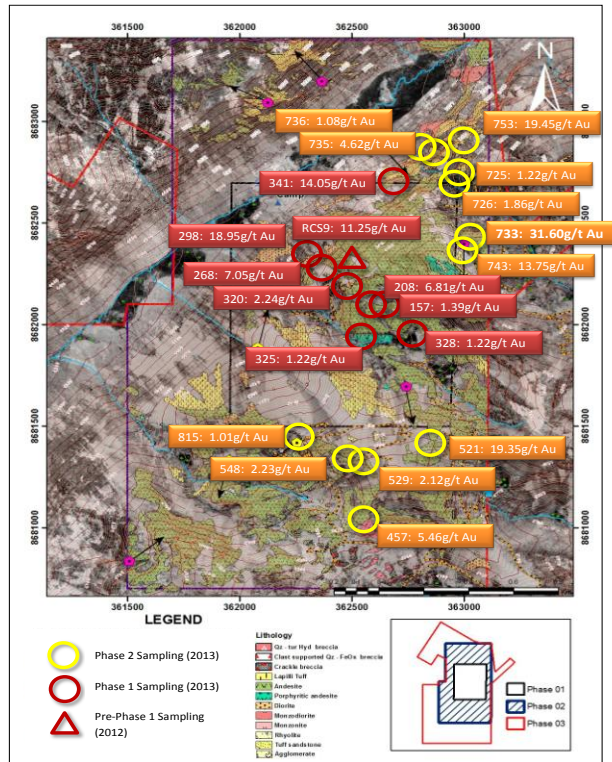


Figure 1: [a previously released figure] Composite cross-section showing a large chargeability anomaly (red-pink highs), coincident with a large magnetic high (black contours) relative to position of Breccia Pipe 8 and mineralised porphyry



In addition to drill testing porphyry targets, the company also intends drilling the multiple epithermal targets that occur across the P1/P2 area. Targets largely coincide with breccia pipes, breccia structures and/or brecciated /stockworked volcanics that have gold grades (in rock chip sampling) commonly greater than 10g/t Au (Figure 2).

Figure 2: [a previously released figure] Rock chip sample locations of highlighted gold results. Strongly mineralised breccia bodies and altered volcanics, covering a large section of the central part of the project area, demonstrates the widespread nature of the epithermal gold mineralisation. Gold/silver occurrences, such as these, will be drilled in the current program.



Inca's Managing Director, Mr Ross Brown said that "With the identification of high quality drill targets and re-commencement of drilling, the Company is entering an exciting phase in project development and company growth. The drill program of 5,000m (and newly granted permit) is designed to afford flexibility and may be altered in accordance with results. The possible intersection of a porphyry in initial drilling may therefore result in immediate follow-up holes."

The Company looks forward to releasing results from the drilling as they come to hand.

Justin Walawski
Director

Office: +61 (0)8 6145 0300

Email address: info@incaminerals.com.au **Competent Person Statement**

The information in this report that relates to Exploration Results is based on information compiled by Mr Ross Brown, Managing Director, Inca Minerals Limited, who is a Member of the Australian Institute of Mining and Metallurgy. Mr Brown is a full time employee of Inca Minerals Limited. He has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined by the 2004 edition of the "Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves". Mr Brown consents to the report being issued in the form and context in which it appears.