



3 June 2014

Chanape Site Visits by Majors

HIGHLIGHTS

- Confidentiality Agreements executed, site visits conducted and drill core inspected by majors
- Chanape's potential re-affirmed
- Follow-up visits scheduled and negotiations on-going

On 24 February 2014 Inca Minerals Limited (**Inca** or **Company**) advised that it had received unsolicited approaches from a number of major global resource companies for agreement to visit Chanape and to access confidential technical and corporate information. Following on from that announcement, the Company wishes to update and keep shareholders informed on the status of these developments.

Confidentiality Agreements (CA) have been executed and, for commercial and legal reasons, the identity of these parties must remain confidential.

Throughout May Inca's Managing Director, Mr Ross Brown, was in Peru to meet with and manage site visits with representatives from 4 of these companies all of whom are large global diversified resource companies with market capitalisations ranging from A\$3.5 billion to \$A14 billion. Mr Brown said "Chanape's potential is very clear and this level of interest from quality companies reinforces Inca's view that Chanape hosts a fully preserved Cu, Mo, Ag, Au porphyry system with the potential to become a multi-ore-zone, super-sized mine development."

A number of meetings were held with representatives from each of the 4 companies. Drill core from Inca's porphyry related drill holes was inspected in Lima and up at Chanape. Importantly, inspections included drill core from Inca's most recent hole (CH-DDH012) which, as announced to the market 27 May 2014, intersected 55m of 3% copper equivalent (2.3% Cu, 0.60g/t Au and 42.90g/t Ag) **from 155m**.



Figure 1: Massive visible chalcopyrite at 190.8m in CH-DDH012. Assay results of 190m-191m returned **13.4% Cu, 0.031% Mo, 1.4g/t Au and 186g/t Ag**.



Site visits of between 2 – 5 days were conducted and meetings with key stakeholders (on matters including Inca’s permitting and social license) took place. Reporting on the quality of meetings to date Ross Brown said “The recovery of drill core (and subsequent reporting of a 55m intersection of 3% Cueq at shallow depths) from CH-DDH012 coincided with these meetings and has only galvanised the level of interest in Chanape. The tenor of discussions has been serious, genuine and extremely productive. Follow-up visits to site have already been planned to better understand the breccias and porphyry system as have undertakings for sharing of further information”.

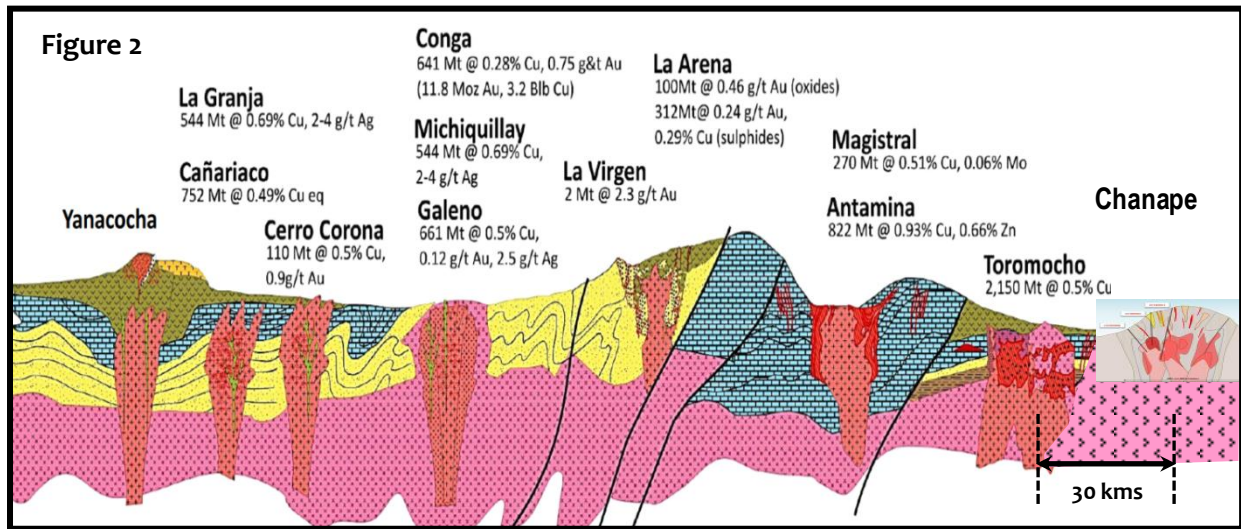


Figure 2: Regional NS cross section of central Peruvian porphyry belt. Chanape is to the far right-30kms NE of Toromocho.

Initial site visits from additional strategic partners have also been scheduled for July 2014. As shown in Figure 2, Chanape lies along the central Peruvian porphyry belt. The in-ground value of porphyries to the north of Chanape (far right in Figure 2) highlight the prospectivity of the region and, in conjunction with results at Chanape to date, provides strong incentive for Inca to carefully progress both current and future discussions with prospective project partners.

Competent Person Statements

The information in this report that relates to epithermal and porphyry style mineralisation for the Chanape 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 Australian Institute of Mining and Metallurgy. 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 in the 2012 Edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Brown is a full time employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

Some of the information in this report may relate to previously released epithermal and porphyry style mineralisation for the Chanape Project, located in Peru, and subsequently prepared and first disclosed under the JORC Code 2004. It has not been updated to comply with the JORC Code 2012 on the basis that the information has not materially changed since it was last reported, and is based on the information compiled by Mr Ross Brown BSc (Hons), MAusIMM, SEG, MAICD Managing Director, Inca Minerals Limited, who is a Member of the Australian Institute of Mining and Metallurgy. 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 in the 2004 Edition of the “Australian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Brown is a full time employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.