



23 June 2015

Inca to Undertake \$2.15M Renounceable Rights Issue

HIGHLIGHTS

- Inca to raise up to \$2.15 million via a 1 : 3 Renounceable Rights Issue at one cent per share (“Rights Issue”)
- New shares offered at 41% discount to ASX market price of existing shares when last traded
- Proceeds to be used for drilling and exploration at the Chanape gold-copper project in Peru

Inca Minerals Limited (**Inca** or **Company**) is pleased to announce that it is to raise up to \$2.15 million, before costs, through a Renounceable Rights Issue to Inca shareholders. The Rights Issue is a renounceable pro rata entitlement issue of 1 new share for every 3 shares held by Inca shareholders (on the record date) at an issue price of \$0.01 per new share. In effect, new shares are being offered to Inca’s eligible shareholders at a 41% discount to the market price at which Inca’s shares last traded (being \$0.017 per share) as at the close of ASX trading on 17 June 2015. Under the Rights Issue the rights are renounceable meaning eligible shareholders who do not wish to exercise all or a portion of their entitlements may choose to sell their entitlements on the ASX.

Eligible Inca shareholders may subscribe for their entitlement under the Rights Issue and may also apply for shares in excess of their entitlement (in the event that all new shares under the Rights Issue are not applied for (**Shortfall Shares**)). The Company may, at the discretion of the directors, issue any Shortfall Shares to eligible Inca shareholders.

Inca is currently in discussions with Patersons Securities Limited to underwrite all or part of the Rights Issue subject to execution of a formal underwriting agreement. The Company expects to provide further information regarding the outcome of these discussions and/or execution of any formal underwriting agreement shortly.

In addition to the Rights Issue, the Company may also undertake a Placement Offer and raise up to an additional \$850,000 (before associated costs) through the issue of 85 million new shares to investors (**Placement**). Eligible Inca shareholders and other investors may apply for new shares under the Placement. Further details of the Rights Issue and the Placement (**Offers**) and an indicative timetable will be contained in a Prospectus to be lodged with ASIC and distributed to Inca’s shareholders.

Use of Funds

The Offers will provide additional funding to support the drilling, exploration and evaluation program at the Company’s Chanape project in Peru (**Chanape**) and for additional working capital. The Company has received Ministerial sign-off and been granted its Semi-Detailed Environmental Impact Assessment drill



permit for Chanape. The drill camp has been made operational and drilling will re-commence upon the Company's receipt of the final certificate to commence operations.

About Chanape

Chanape is the Company's flagship project located in Peru. It is highly prospective for epithermal and porphyry style mineralisation. Some of Chanape's exploration highlights include:

- Best drill results:
 - **55m @ 2.3% Cu, 0.6g/t Au, 42.9g/t Ag** from 155m, including **10m @ 5.35% Cu, 150ppm Mo, 0.96g/t Au and 83.68g/t Ag** from 186m (ASX announcement: 27 May 2014);
 - **108m @ 2.0g/t Au, 41g/t Ag** from surface, including **42m @ 3.3g/t Au and 34.9g/t Ag** from 63m (ASX announcement: 27 February 2013);
 - **97m @ 0.46% Cu, 100ppm Mo, 9.48g/t Ag** from 770m (ASX announcement: 12 March 2014).
- Numerous +3.0g/t gold surface anomalies (ASX announcement: 22 October 2014).
- Epithermal and porphyry style mineralisation (including gold, copper, silver and molybdenum) known over a vertical range of 1,300 metres (ASX announcement: 23 October 2014).

These results will be followed up in the coming drilling campaign at Chanape.

Justin Walawski
Director & Company Secretary.

Competent Person's Statements

The information in this report that relates to gold, copper, silver, zinc 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 Australasian 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 "Australasian 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 reports/data regarding gold, copper, silver, zinc epithermal and porphyry style mineralisation for the Chanape Project, located in Peru, 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. The Company is not aware of any new information or data that materially affects the information in this report and such information 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 Australasian 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 "Australasian 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.