



25 June 2015

Prospectus for Underwritten Renounceable Rights Issue

Inca Minerals Limited (**Company**) announces that a Prospectus has been lodged with ASIC in relation to the Company's previously announced one for three renounceable entitlements offer to raise up to \$2.15 million, before costs (**Entitlements Offer**). The Prospectus also includes the placement offer to raise up to an additional \$850,000, before costs, through the issue of up to 85 million new shares.

The Company has executed an underwriting agreement with Patersons Securities Limited (**Patersons**) pursuant to which Patersons has agreed to fully underwrite the Entitlements Offer. A summary of the terms and conditions of the underwriting agreement is included in the Prospectus.

The Prospectus, together with an Entitlement and Acceptance Form, is expected to be sent to eligible shareholders on or about 7 July 2015, in accordance with the following indicative timetable:

Event	Date
Lodgement of Prospectus with ASIC and provision of copy to ASX	Thursday 25 June 2015
Company sends letter to Foreign Shareholders	Monday 29 June 2015
Company sends letter to Eligible Shareholders	Monday 29 June 2015
"Ex" Date	Tuesday 30 June 2015
Entitlement Trading Commencement Date	Tuesday 30 June 2015
Record Date (at 5.00pm WST)	Thursday 2 July 2015
Prospectus despatched to Eligible Shareholders	Tuesday 7 July 2015
Opening Date	Tuesday 7 July 2015
Entitlement Trading End Date	Thursday 9 July 2015
Closing Date (at 5.00pm WST)	Thursday 16 July 2015
ASX and Underwriter notified of Shortfall	Monday 20 July 2015
Anticipated issue date of New Shares	Thursday 23 July 2015
Anticipated date for despatch of holding statements	Thursday 23 July 2015
Deferred settlement trading ends	Thursday 23 July 2015
Anticipated date for commencement of trading of New Shares	Friday 24 July 2015

The above timetable is indicative only and subject to change. Subject to the Listing Rules, the Directors reserve the right to vary these dates, including the Closing Date, without prior notice. Any extension of the Closing Date will have a consequential effect on the anticipated date for issue of the new shares. The Directors reserve the right not to proceed with the whole or part of the Offers at any time prior to allotment. In that event, the relevant application monies will be returned without interest.

Justin Walawski
Director & Company Secretary

INCA MINERALS LIMITED
ACN 128 512 907

PROSPECTUS

FOR

A renounceable pro rata entitlement issue of 1 New Share for every 3 Shares held by Shareholders at the Record Date at an issue price of \$0.01 per New Share, to raise up to approximately \$2,154,454 (Entitlement Offer)

**The Entitlement Offer is fully underwritten
by Patersons Securities Limited**

and

The Placement Offer of up to 85,000,000 New Shares at an issue price of \$0.01 per New Share, to raise up to approximately \$850,000

THE ENTITLEMENT OFFER IS CURRENTLY EXPECTED TO CLOSE AT 5:00PM (WST) ON 16 JULY 2015

VALID ACCEPTANCES MUST BE RECEIVED BEFORE THAT TIME.

PLEASE READ THE INSTRUCTIONS IN THIS PROSPECTUS AND ON THE ACCOMPANYING ENTITLEMENT AND ACCEPTANCE FORM REGARDING THE ACCEPTANCE OF YOUR ENTITLEMENT UNDER THE ENTITLEMENT OFFER.

THIS IS AN IMPORTANT DOCUMENT AND REQUIRES YOUR IMMEDIATE ATTENTION. IT SHOULD BE READ IN ITS ENTIRETY. IF YOU ARE IN DOUBT ABOUT WHAT TO DO, YOU SHOULD CONSULT YOUR PROFESSIONAL ADVISER.

AN INVESTMENT IN THE SECURITIES OFFERED BY THIS PROSPECTUS SHOULD BE CONSIDERED HIGHLY SPECULATIVE IN NATURE.

IMPORTANT INFORMATION

General

This Prospectus is dated, and was lodged with ASIC on, 25 June 2015. Neither ASIC nor ASX nor their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates.

No Securities will be issued on the basis of this Prospectus any later than 13 months after the date of this Prospectus (being the expiry date of this Prospectus).

The Company will apply to ASX within seven days of the date of this Prospectus for Official Quotation by ASX of the New Shares offered by this Prospectus.

A copy of this Prospectus is available for inspection at the Australian registered office of the Company at Suite 1, 16 Nicholson Road, Subiaco, Western Australia during normal business hours. The Company will provide a copy of this Prospectus to any person on request. The Company will also provide copies of other documents on request (refer to Sections 6.2 and 6.13). Eligible Shareholders only can obtain a copy of this Prospectus during the period of the Entitlement Offer on the Company's website.

No person or entity is authorised to give any information or to make any representation in connection with the Offers which is not contained in this Prospectus. Any information or representation not contained in this Prospectus should not be relied on as having been made or authorised by the Company or the Directors in connection with the Offers.

Application Forms

The Application Forms accompanying this Prospectus are important. Application of New Shares under the Offers can only be submitted on an Application Form. If acceptance is by BPAY® there is no need to return an original Application Form. The Entitlement and Acceptance Form sets out an Eligible Shareholder's Entitlement. Please refer to instructions in Section 3 regarding the acceptance of your Entitlement and completion of the Entitlement and Acceptance Form.

By returning an Application Form, you acknowledge that you have received and read this Prospectus and you have acted in accordance with the terms of the Offers detailed in this Prospectus.

Foreign Investors

No action has been taken to permit the offer of Securities under this Prospectus in any jurisdiction other than Australia and New Zealand. The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and therefore persons into whose possession this Prospectus comes should seek advice on and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of those laws. This Prospectus does not constitute an offer of Securities in any jurisdiction where, or to any person to whom, it would be unlawful to issue this Prospectus.

Continuously Quoted Securities

In preparing this Prospectus, regard has been had to the fact that the Company is a disclosing entity for the purposes of the Corporations Act and that certain matters may reasonably be expected to be known to investors and their professional advisers. This Prospectus is issued pursuant to section 713 of the Corporations Act. This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all information that would be included in a prospectus for an initial public offering.

Exposure Period

No exposure period applies to the Offers.

Speculative Investment

An investment in the Securities offered under this Prospectus should be considered highly speculative. Refer to Section 4 for details of the key risks applicable to an investment in the Company.

Persons wishing to apply for Securities offered under this Prospectus should read this Prospectus in its entirety in order to make an informed assessment of the assets and liabilities, financial position and performance, profits and losses and prospects of the Company and the rights and liabilities attaching to the Securities offered pursuant to this Prospectus.

This Prospectus does not take into account the investment objectives, financial or taxation or particular needs of any Applicant. Before making any investment in the Company, each Applicant should consider whether such an investment is appropriate to his/her particular needs, and considering their individual risk profile for speculative investments, investment objectives and individual financial circumstances. If persons considering apply for Securities offered pursuant to this Prospectus have any questions, they should consult their stockbroker, solicitor, accountant or other professional adviser.

There is no guarantee that the Securities offered under this Prospectus will make a return on the capital invested, that dividends will be paid on the New Shares or that there will be an increase in the value of the New Shares in the future.

Forward-looking Statements

This Prospectus contains forward-looking statements which may be identified by words such as "believes", "estimates", "expects", "intends", "may", "will", "would", "could", or "should" and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Prospectus, are expected to take place.

Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company, the Directors and management of the Company. Key risk factors associated with an investment in the Company are detailed in Section 4. These and other factors could cause actual results to differ materially from those expressed in any forward-looking statements.

The Company has no intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this Prospectus, except where required by law.

The Company cannot and does not give assurances that the results, performance or achievements expressed or implied in the forward-looking statements contained in this Prospectus will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.

Competent persons statement and consents

Information in this Prospectus that relates to epithermal and porphyry style mineralisation for the Chanape Project 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 Persons 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 has consented to the inclusion of the statements in this Prospectus based on their information in the form and context in which it appears and have not, before the lodgement of this Prospectus with ASIC, withdrawn their consent. Some of the information in this Prospectus may relate to previously released epithermal and porphyry style mineralisation for the Chanape Project 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.

Website

No document or information included on the Company's website is incorporated by reference into this Prospectus.

Diagrams

Any diagrams used in this Prospectus are illustrative only and may not be drawn to scale. Unless otherwise stated, all data contained in charts, graphs and tables is based on information available at the date of this Prospectus.

Currency

All financial amounts contained in this Prospectus are expressed as Australian dollars unless otherwise stated.

Rounding

Any discrepancies between totals and sums and components in tables contained in this Prospectus are due to rounding.

Time

All references to time in this Prospectus are references to WST, unless otherwise stated.

Glossary

Defined terms and abbreviations used in this Prospectus are detailed in the glossary of terms in Section 8.

CORPORATE DIRECTORY

Directors

Mr Ross Brown: Managing Director
Mr Justin Walawski: Director / Company Secretary
Mr Gareth Lloyd: Director

Lawyers

Hardy Bowen
Level 1, 28 Ord Street
West Perth WA 6005

Inca Minerals Limited Registered Office

Suite 1, 16 Nicholson Road
Subiaco WA 6008
Tel: +61 8 6145 0300
Fax: +61 8 6145 0301
Email: info@incaminerals.com.au
Website: www.incaminerals.com.au
ASX Code: ICG

Auditor*

Stantons International
Level 2, 1 Walker Avenue
West Perth WA 6005

Share Registry

Advanced Share Registry Services
110 Stirling Highway
Nedlands WA 6009
PO Box 1156
Nedlands WA 6909
Tel: +61 8 9389 8033
Email: admin@advancedshare.com.au

Lead Manager and Underwriter

Patersons Securities Limited
Level 23, Exchange Plaza
2 The Esplanade
Perth 6000
Western Australia

* This entity has not been involved in the preparation of this Prospectus and has not consented to being named in this Prospectus. Its name is included for information purposes only.

INDICATIVE TIMETABLE

Event	Date
Lodgement of Prospectus with ASIC and provision of a copy to ASX	Thursday 25 June 2015
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MANAGING DIRECTOR'S LETTER

25 June 2015

Dear Fellow Shareholder,

On behalf of the Board I am pleased to present the Prospectus for Inca Minerals Limited's (**Inca** or **Company**) Entitlement Offer to Shareholders and Placement Offer to investors.

The Entitlement Offer is a renounceable pro-rata entitlement issue to Shareholders of 1 New Share for every 3 Shares held by Shareholders at an issue price of \$0.01 per New Share to raise up to approximately \$2,154,454 (before associated costs). This Entitlement Offer is made to all Inca Shareholders with a registered address in Australia or New Zealand on the Record Date, 2 July 2015.

The Entitlement Offer is fully underwritten by Patersons Securities Limited.

In addition to the Entitlement Offer, Inca may also undertake a Placement Offer to investors to raise up to approximately \$850,000 (before associated costs) at an issue price of \$0.01 per New Share. Further details are provided within this Prospectus.

Use of Funds Raised

On 27 May 2014 Inca issued an ASX announcement reporting assay results from the Company's final drill hole in 2014 at its flagship Chanape Project in Peru (Chanape). That announcement ("55m of 3% Copper Equivalent in New Breccia at Chanape") advised Shareholders of a 55 metre down hole interval of 2.3% copper, 0.60g/t gold and 42.90g/t silver from 155m.

The Company subsequently completed a thorough sampling program of the Chanape summit area and, on 22 October 2014, issued an ASX announcement reporting assay results from channel sampling with peak values of mineralisation including 12.6g/t gold, 746g/t silver and 14.96% lead. On 23 December 2014 Inca issued a further ASX announcement reporting assay results from channel sampling with peak values of mineralisation including 12.9g/t gold, 34g/t silver; and 5.94g/t gold, 320g/t silver and 1.77% copper.

The latest drill and surface sampling results provided the Company the requisite incentive to seek a greatly expanded drill permit - a Semi-Detailed Environmental Impact Assessment (**sdEIA**). The Company announced ministerial sign off on this permit on 20 April 2015. The Company immediately applied for a certificate to commence operations (**Certificate**), which must be lodged after the sdEIA is granted. At the time of writing the Company understands that a Ministerial Resolution to grant the Certificate has been prepared and has been presented to the General Director of Mining for his signature. The Company further understands there are no deficiencies with the Company's application and, upon signing of the Ministerial Resolution by the General Director of Mining, the Certificate is formally granted and the Company may immediately commence its planned drilling program at Chanape.

The Company intends to use the funds raised under the Entitlement Offer and the Placement Offer to conduct this drilling, exploration and evaluation program with remaining funds to provide the Company with additional working capital.

Please read this investment opportunity and Prospectus carefully. An investment in the Company contains specific risks which you should consider before making a decision to invest. If you are unsure or require further information you should obtain the appropriate professional advice.

The Board looks forward to reporting exploration results at Chanape in the near future and looks forward to your continued support.

Yours sincerely



Ross Brown
Managing Director
Inca Minerals Limited

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1. Details of the Offers

1.1 The Entitlement Offer

The Entitlement Offer is a renounceable pro rata entitlement issue of 1 New Share for every 3 Shares held by Shareholders on the Record Date at an issue price of \$0.01 per New Share (**Entitlement Offer**) to raise up to approximately \$2,154,454 (before associated costs).

Under this Prospectus, Eligible Shareholders on the Record Date are eligible to participate in the Entitlement Offer.

At the date of this Prospectus, the Company has 646,336,363 Shares on issue. Accordingly, the Entitlement Offer is for the issue of up to approximately 215,445,454 New Shares.

Where the determination of the Entitlement of any Shareholder results in a fraction of a New Share, such fraction will be rounded up to the nearest whole New Share.

Refer to Section 5.1 for a summary of the rights attaching to New Shares.

1.2 Reasons for the Offers and Funding Allocation

The purpose of the Entitlement Offer is to raise up to approximately \$2,154,454 (before associated costs). If completed, the Placement Offer will raise up to approximately \$850,000 (before associated costs). The Offers will potentially raise up to approximately \$3,004,454 (before associated costs).

The funds raised under the Offers will allow the Company to conduct a drilling, exploration and evaluation program for the Company's Chanape Project in Peru and provide the Company with additional working capital.

The funds raised under the Offers are proposed to be expended as follows:

Description of Cash Outflows	(A\$) ⁽¹⁾	(A\$) ⁽²⁾
Chanape Drilling, Exploration & Evaluation Program	1,633,980	2,371,730
Associated Costs of the Offers	183,906	296,156
Working Capital	336,568	336,568
Total funds raised under the Offers	\$2,154,454	\$3,004,454

Notes:

1. Assuming the Underwritten Amount is raised and no Placement Offer occurs.
2. Assuming the Entitlement Offer is fully subscribed and the Placement Offer occurs.

Actual expenditure may differ significantly from the above estimates due to a number of factors including market conditions, the development of new opportunities, the results obtained from the staged approach to exploration, appraisal and development activities and other factors (including the risk factors outlined in Section 4).

If less than \$3,004,454 is raised pursuant to the Offers, the Company will firstly pay the associated expenses of the Offers and then scale back funds available for exploration activities and working capital.

1.3 Minimum Subscription

There is no minimum subscription for the Offers.

1.4 Opening and Closing Dates

The Company will accept Entitlement and Acceptance Forms in respect to the Entitlement Offer from Eligible Shareholders from the Opening Date until 5:00pm (WST) on the Closing Date or such other date as the Directors in their absolute discretion shall determine, subject to the requirements of the Listing Rules.

1.5 Shortfall Offer

Any New Shares under the Entitlement Offer that are not applied for will form the Shortfall Shares. The offer to issue Shortfall Shares is a separate offer under this Prospectus (**Shortfall Offer**).

Under this Prospectus, the Company offers to issue the Shortfall Shares to an investor at the same price of \$0.01 per New Share as that offered under the Entitlement Offer. The Shortfall Shares will have the same rights as the New Shares as detailed in Section 5.1.

Eligible Shareholders may apply for Shortfall Shares by completing the relevant section of their Entitlement and Acceptance Form (refer to Section 3.5 for further details). Other investors may also apply for Shortfall Shares by completing the Shortfall Application Form upon invitation from the Company.

Shortfall Shares may be allocated to any Eligible Shareholder or to other investors who applies for Shortfall Shares under the Shortfall Offer, at the absolute discretion of the Directors and in accordance with the Underwriting Agreement.

An Application for Shortfall Shares accompanied by payment of the Application Monies does not guarantee the allotment of any Shortfall Shares. The Shortfall Shares will be allocated within three months after the Closing Date.

In relation to the Shortfall Offer, the Company reserves the right to issue to an Applicant a lesser number of Shortfall Shares than the number applied for, reject an Application or not proceed with the issuing of the Shortfall Shares or part thereof. If the number of Shortfall Shares issued is less than the number applied for, surplus Application Monies will be refunded in full. Interest will not be paid on Application Monies refunded.

1.6 Underwriting and Sub-Underwriting

The Company has entered into an agreement with Patersons Securities Limited (**Patersons or Underwriter**) dated 25 June 2015 (**Underwriting Agreement**) to fully underwrite the Entitlement Offer and to manage, if undertaken, the Placement Offer. In accordance with the Underwriting Agreement, the Underwriter has an obligation to subscribe for, or procure subscription for, any Shortfall Shares by completing and lodging with the Company, or procuring other persons complete and lodge with the Company, Shortfall Application Forms Application Monies.

In addition, the Company will issue the Underwriter (or its nominees) 1 Share in consideration for every 5 Shortfall Shares subscribed for by the Underwriter (or its nominees) beyond a 30% Shortfall in subscriptions under the Entitlement Offer (i.e. where there is at least a 30% Shortfall in subscriptions under the Entitlement Offer) (**Underwriter Shares**). These Shares will have the same rights as the New Shares as detailed in Section 5.1.

The following table illustrates the number of Shares that may be issued in accordance with this additional payment to the Underwriter:

Scenario	Shareholder Subscription under Entitlement Offer	Number of Shortfall Shares	Number of Underwriter Shares
1	215,445,454 (100%)	0	0
2	150,811,818 (70%)	64,633,636	0
3	107,722,727 (50%)	107,772,727	8,617,819
4	53,861,364 (25%)	161,584,090	19,390,091

As at the date of this Prospectus, Patersons has obtained sub-underwriting commitments from a number of Sub-Underwriters. Sub-Underwriters do not have any direct contractual relationship with the Company and do not have the ability to terminate the underwriting of the Entitlement Offer by Patersons.

For further information on the material terms of the Underwriting Agreement please see Section 6.1.

1.7 Placement Offer

The offer to issue Placement Shares is a separate offer made pursuant to this Prospectus. As at the date of this Prospectus, the Directors have elected to make a decision on whether to proceed with the Placement Offer after the Entitlement Offer closes.

Under this Prospectus, the Company offers to issue up to 85,000,000 Placement Shares to investors at the same price of \$0.01 per New Share as that offered under the Entitlement Offer (**Placement Offer**). The Placement Shares will have the same rights as the New Shares as detailed in Section 5.1.

Placement Shares may be allocated to any person who completes a Placement Application Form upon invitation from the Company, at the discretion of the Directors in consultation with the Underwriter. The Placement Offer will remain open after the Closing Date and the Placement Shares will be allocated within three months after the Closing Date.

An Application for Placement Shares accompanied by payment of the Application Monies does not guarantee the allotment of any Placement Shares.

In relation to the Placement Offer, the Company reserves the right to issue to an Applicant a lesser number of Placement Shares than the number applied for in a Placement Application Form, reject an Application or not proceed with the issuing of the Placement Shares or part thereof. If the number of Placement Shares issued is less than the number applied for in a Placement Application Form, surplus Application Monies will be refunded in full. Interest will not be paid on Application Monies refunded.

Applicants for Placement Shares should complete the Placement Application Form in accordance with the instructions detailed on the form and return the completed Placement Application Form together with the Application Monies (in full) to the Share Registry at:

Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
Email: admin@advancedshare.com.au

If Shareholders or investors wish to apply for Placement Shares they should email the Share Registry for a Placement Application Form on: admin@advancedshare.com.au.

1.8 Entitlements Trading

The Entitlements are renounceable, which means that Eligible Shareholders who do not wish to exercise all or a portion of their Entitlements may choose to sell their Entitlements on ASX. Information on how Entitlements may be sold on ASX is detailed below.

If you wish to sell all of your Entitlement on ASX, provide instructions to your stockbroker regarding the Entitlement which you wish to sell on ASX. Trading of Entitlements will commence on ASX on the Entitlement Trading Commencement Date and cease on the Entitlement Trading End Date. There is no guarantee that an Eligible Shareholder will be able to sell all or any part of their Entitlement on ASX or that any particular price will be paid for the Entitlements sold on ASX.

You may elect to transfer all or a proportion of your Entitlement to another person other than on ASX. If the purchaser of your Entitlement is a Foreign Shareholder or a person that would be a Foreign Shareholder were they a registered holder of Shares, that purchaser will not be able to take up the Entitlement they have purchased.

If you are a Shareholder on the issuer sponsored subregister and you wish to transfer all or a proportion of your Entitlement to another person, other than on ASX, forward a completed standard renunciation and transfer form (obtainable from the Share Registry) accompanied by the applicable transferee's cheque for the New Shares they wish to subscribe for in Australian dollars, crossed "Not Negotiable" and made payable to "Inca Minerals Limited" and lodged at any time after the Opening Date and no later than 5:00pm (WST) on the Closing Date at the Share Registry at:

Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
Email: admin@advancedshare.com.au

If you wish to transfer all or a proportion of your Entitlement to or from another person on the CHESS subregister, you must engage your CHESS controlling participant (usually your stockbroker). If the transferee wants to exercise some or all of the Entitlement, you should follow your stockbroker's instructions as to the most appropriate way to take up the Entitlement on their behalf.

It is important that you either accept or sell your Entitlement in accordance with the instructions in Section 3 and on the back of the Entitlement and Acceptance Form.

Shareholders are responsible for determining their allocations of Entitlements or Shares before trading in them.

Eligible Shareholders who trade in Entitlements or Shares before receiving confirmation of their allocation do so at their own risk. Shareholders who take no action in respect of their Entitlements will receive no benefits.

Eligible Shareholders and investors who trade in Entitlements should have regard to Section 1.15.

1.9 Risks of the Offers

As with any securities investment, there are risks associated with investing in the Company. However, having regard to the matters detailed in Section 1.2 and the risk applicable to the Company and its business detailed in Section 4, Eligible Shareholders should be aware that an investment for the Securities offered under this Prospectus should be considered highly speculative and there exists a risk that you may, in the future, lose some or all of the value of your investment.

Before deciding to invest in the Company, investors should read this Prospectus in its entirety, in particular the specific risks associated with an investment in the Company (detailed in Section 4), and should consider all factors in light of their personal circumstances and seek appropriate professional advice.

1.10 Application Forms and BPAY® Payments

Acceptance of a completed Application Form, or alternatively, a BPAY® payment, by the Company creates a legally binding contract between the Applicant and the Company for the number of New Shares accepted by the Company. The Application does not need to be signed to be a binding acceptance of New Shares.

If the Application Form is not completed correctly it may still be treated as valid. The Directors' decision as to whether to treat the acceptance as valid and how to construe, amend or complete the Application Form is final.

1.11 Issue and Despatch

New Shares under the Entitlement Offer are expected to be issued, and security holder statements despatched, on or before the date in the Indicative Timetable.

Shortfall Shares and Placement Shares may be issued within three months after the Closing Date.

It is the responsibility of Applicants to determine their allocation prior to trading in New Shares. Applicants who sell New Shares before they receive their holding statements do so at their own risk.

1.12 Application Monies held on trust

All Application Monies will be held on trust in a bank account maintained solely for the purpose of depositing Application Monies received pursuant to this Prospectus until the New Shares are issued. All Application Monies will be returned (without interest) if the New Shares are not issued.

1.13 ASX Quotation

Application will be made to ASX no later than seven days after the date of this Prospectus for Official Quotation of the New Shares offered pursuant to this Prospectus. If ASX does not grant Official Quotation of the New Shares offered by this Prospectus within three months after the date of this Prospectus (or such period as the ASX allows), no New Shares will be issued or allotted under the Offers and the Company will repay, as soon as practicable, without interest, all Application Monies received pursuant to this Prospectus.

ASX takes no responsibility for the contents of this Prospectus. The fact that ASX may grant Official Quotation is not to be taken in any way as an indication of the merits of the Company or the New Shares offered pursuant to this Prospectus.

1.14 Effect on control

Having regard to the sub-underwriting commitments received by Patersons with a large number of non-associated Sub-Underwriters, and the impact of the Placement Offer (if it occurs) on the Company's issued capital, the Offers are not expected to give rise to control implications for the Company.

1.15 Withdrawal

The Directors may at any time decide to withdraw this Prospectus and the Offers, in which case, the Company will return all Application Monies (without interest) in accordance with the provisions of the Corporations Act.

1.16 CHESS

The Company participates in the Clearing House Electronic Subregister System, known as CHESS. ASX Settlement, a wholly owned subsidiary of ASX, operates CHESS in accordance with the Listing Rules and Securities Clearing House Business Rules.

Under CHESS, Applicants will not receive a certificate but will receive a statement of their holding of Securities.

If you are broker sponsored, ASX Settlement will send you a CHESS statement.

The CHESS statement will set out the number of Securities issued under this Prospectus, provide details of your holder identification number, the participant identification number of the sponsor and the terms and conditions applicable to the Securities.

If you are registered on the Issuer Sponsored subregister, your statement will be dispatched by Advanced Share Registry Services and will contain the number of Securities issued to you under this Prospectus and your security holder reference number.

A CHESS statement or Issuer Sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their Shareholding changes. Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

1.17 Foreign Shareholders

The Entitlement Offer is not being extended to any Shareholders whose registered address is outside Australia or New Zealand. The Company is of the view that it is unreasonable to make the Entitlement Offer to Shareholders outside Australia and New Zealand, having regard to:

- (a) the number of those Shareholders;
- (b) the number and value of Shares to be offered to those persons; and
- (c) the cost of complying with overseas legal requirements.

The Prospectus does not constitute an offer in any place in which, or to any person to whom, it would not be lawful to make such an offer other than for Shareholders in Australia and New Zealand. The Company is not required to make offers under the Prospectus to Shareholders other than in Australia and New Zealand. Where the Prospectus has been despatched to Shareholders domiciled outside Australia or New Zealand and where the country's securities code or legislation prohibits or restricts in any way the making of the offer contemplated by the Prospectus, the Prospectus is provided for information purposes only.

Shareholders resident in Australia and New Zealand holding Shares on behalf of persons who are resident overseas are responsible for ensuring that taking up Entitlements under the Entitlement Offer does not breach regulations in the relevant overseas jurisdiction. Return of a duly completed Entitlement and Acceptance Form will be taken by the Company to constitute a representation that there has been no breach of those regulations.

1.18 Foreign Holder Nominee

For the purposes of Listing Rule 7.7, the Company has appointed Patersons as a nominee to sell the Entitlements which were offered to Foreign Shareholders (**Nominee**) had they been entitled to participate in the Entitlement Offer and to account to the Foreign Shareholders for their proportion of the sale proceeds net of expenses. Patersons will sell the Entitlements on ASX and in the event that the Entitlements are unable to be sold on ASX (due to there being no market for the Entitlements), then the Entitlements will be sold off-market for nominal consideration.

Any interest earned on the proceeds of the sale of these Entitlements will firstly be applied against expenses of such sale, including brokerage, and any balance will accrue to the relevant Foreign Shareholder.

Notwithstanding that the nominee must sell the Entitlements, Foreign Shareholders may nevertheless receive no net proceeds if the costs of the sale are greater than the sale proceeds.

1.19 Taxation Implications

The Directors do not consider it appropriate to give Shareholders advice regarding the taxation consequences of subscribing for Securities under this Prospectus.

The Company, its advisers and its officers do not accept any responsibility or liability for any such taxation consequences to Shareholders. Shareholders should consult their own professional taxation advisers to obtain advice in relation to the taxation laws, regulations and implications applicable to their personal circumstances.

1.20 Major Activities and Financial Information

A summary of the major activities and financial information relating to the Company for the financial year ended 30 June 2014 is in the Annual Report which is available on the Company's website at www.incaminerals.com.au.

Summary of activities relating to the Company for the half year ended 31 December 2014 is in the half yearly report, lodged with ASX on 5 March 2015. The Company's continuous disclosure notices (i.e. ASX announcements) since the lodgement of its Annual Report for the year end 30 June 2014 with ASX on 23 October 2014 are detailed in Section 6.2.

Copies of these documents are available free of charge from the Company or the Company's website: www.incaminerals.com.au. Directors strongly recommend that Shareholders review these and all other announcements prior to deciding whether or not to participate in the Offers.

1.21 Privacy

The Company collects information about each Applicant provided on an Application Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Application Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Application Form for the purposes detailed in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related bodies corporate, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

If you do not provide the information required on Application Form, the Company may not be able to accept or process your Application.

An Applicant has an entitlement to gain access to the information that the Company holds about that person subject to certain exemptions under law. A fee may be charged for access. Access requests must be made in writing to the Company's registered office.

1.22 Enquiries concerning Prospectus

Enquiries relating to this Prospectus should be directed to the Company's Managing Director or Company Secretary by email on: info@incaminerals.com.au.

2. Effect of the Offers

2.1 Capital Structure on completion of the Offers

On the basis that the Company completes the Offers on the terms in this Prospectus, the Company's capital structure will be as follows:

	Number of Shares ⁽¹⁾	Number of Shares ⁽²⁾
Balance as at the date of this Prospectus	646,336,363	646,336,363
Entitlement Offer	215,445,454	215,445,454
Placement Offer ⁽³⁾	85,000,000	85,000,000
Underwriter Shares ⁽⁴⁾	-	19,390,091
TOTAL	946,781,817	966,171,908

Notes:

1. Assuming the Entitlement Offer is fully subscribed and Placement Offer occurs, the New Shares issued under the Offers will represent approximately 31.7% of the enlarged issued share capital of the Company following the Offers.
2. Assuming Eligible Shareholders subscribe for 25% of the New Shares under the Entitlement Offer with the Underwriter or Sub-Underwriters electing to subscribing for all the Shortfall Shares, the Placement Offer occurs and Underwriter Shares are issued to the Underwriter (or its nominees), the New Shares issued under the Offers and Underwriter Shares will represent approximately 33.1% of the enlarged issued share capital of the Company following the Offers.
3. The issue of New Shares under the Placement Offer is subject to the Directors deciding to proceed with the Placement Offer (refer to Section 1.7).
4. The issue of Underwriter Shares is subject to the Underwriter (or its nominees) subscribing for Shortfall shares beyond a 30% Shortfall in subscription under the Entitlement Offer (refer to Section 1.6).

2.2 Pro-Forma Statement of Financial Position

Set out on the following pages are the Company's Consolidated Statement of Financial Position as at 17 June 2015 (unaudited) and the Company's Pro-Forma Consolidated Statement of Financial Position as at 17 June 2015 (unaudited) (**Statements**).

The Statements are presented in abbreviated form insofar as they do not include all the disclosures that are present in annual financial reports as required by Australian Accounting Standards. The significant accounting policies that underpin the Statements are the same policies as those outlined in the Company's audited Annual Financial Report for the Year Ended 30 June 2014.

The Scenario 1 Pro-Forma Statement of Financial Position as at 17 June 2015 has been prepared on the assumption that the Entitlement Offer raises an amount equal to the Underwriting Amount (being \$2,154,454 (before associated costs) and no Placement Offer occurs.

The Scenario 2 Pro-Forma Statement of Financial Position as at 17 June 2015 has been prepared on the assumption that the Entitlement Offer is fully subscribed and the Placement Offer occurs and together, in total, raise \$3,004,454 (before associated costs).

**UNAUDITED PRO-FORMA CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS AT 17 JUNE 2015**

Scenario 1: Assumes Entitlement Offer raises an amount equal to the Underwritten Amount and no Placement Offer occurs.

	Note	Unaudited 17 June 2015 \$	Pro-forma Adjustments \$	Unaudited Pro-Forma 17 June 2015 \$
Assets				
Current Assets				
Cash and cash equivalents	1	434,946	1,970,548	2,405,494
Trade and other receivables		401,597	-	401,597
Total Current Assets		836,543	1,970,548	2,807,091
Non-Current Assets				
Plant and equipment		105,544	-	105,544
Exploration and evaluation expenditure		11,704,328	-	11,704,328
Total Non-Current Assets		11,809,872	-	11,809,872
Total Assets		12,646,415	1,970,548	14,616,963
Liabilities				
Current Liabilities				
Trade and other payables		19,966	-	19,966
Provisions		36,826	-	36,826
Total Current Liabilities		56,792	-	56,792
Total Liabilities		56,792	-	56,792
Net Assets		12,589,623	1,970,548	14,560,171
Equity				
Contributed equity	1	25,129,885	1,970,548	27,100,433
Accumulated losses		(12,249,774)	-	(12,249,774)
Foreign currency translation reserve		(290,488)	-	(290,488)
Total Equity		12,589,623	1,970,548	14,560,171

Note:

- Gross proceeds received of \$2,154,454 via the issue of 215,445,454 fully paid ordinary shares at \$0.01 per share, pursuant to the Underwritten Amount of the Entitlement Offer. Cash and contributed equity is offset by cash costs incurred on the Entitlement Offer amounting to \$183,906.

**UNAUDITED PRO-FORMA CONSOLIDATED STATEMENT OF
FINANCIAL POSITION AS AT 17 JUNE 2015**

Scenario 2: Assumes Entitlement Offer is fully subscribed and the Placement Offer occurs.

	Note	Unaudited 17 June 2015 \$	Pro-forma Adjustments \$	Unaudited Pro-Forma 17 June 2015 \$
Assets				
Current Assets				
Cash and cash equivalents	1	434,946	2,708,298	3,143,244
Trade and other receivables		<u>401,597</u>	<u>-</u>	<u>401,597</u>
Total Current Assets		<u>836,543</u>	<u>2,708,298</u>	<u>3,544,841</u>
Non-Current Assets				
Plant and equipment		105,544	-	105,544
Exploration and evaluation expenditure		<u>11,704,328</u>	<u>-</u>	<u>11,704,328</u>
Total Non-Current Assets		<u>11,809,872</u>	<u>-</u>	<u>11,809,872</u>
Total Assets		<u>12,646,415</u>	<u>2,708,298</u>	<u>15,354,713</u>
Liabilities				
Current Liabilities				
Trade and other payables		19,966	-	19,966
Provisions		<u>36,826</u>	<u>-</u>	<u>36,826</u>
Total Current Liabilities		<u>56,792</u>	<u>-</u>	<u>56,792</u>
Total Liabilities		<u>56,792</u>	<u>-</u>	<u>56,792</u>
Net Assets		<u>12,589,623</u>	<u>2,708,298</u>	<u>15,297,921</u>
Equity				
Contributed equity	1	25,129,885	2,708,298	27,838,183
Accumulated losses		(12,249,774)	-	(12,249,774)
Foreign currency translation reserve		<u>(290,488)</u>	<u>-</u>	<u>(290,488)</u>
Total Equity		<u>12,589,623</u>	<u>2,708,298</u>	<u>15,297,921</u>

Note:

- Gross proceeds received of \$3,004,454. \$2,154,454 being received via the issue of 215,445,454 fully paid ordinary shares at \$0.01 per share, pursuant to the Entitlement Offer. \$850,000 being received via the issue of 85,000,000 fully paid ordinary shares at \$0.01 per share, pursuant to the Placement Offer. Cash and contributed equity is offset by cash costs incurred on the Entitlement Offer and Placement Offer amounting to \$296,156.

3. Action required by Shareholders

3.1 Eligible Shareholders

Your entitlement to participate in the Entitlement Offer will be determined on the Record Date. The number of New Shares which Eligible Shareholders are entitled is shown on the accompanying Entitlement and Acceptance Form.

If you do not take up your Entitlement, then your percentage holding in the Company will be diluted.

If you are an Eligible Shareholder you may either:

- (a) take up all or part of your Entitlement in accordance with this Prospectus;
- (b) take up all of your Entitlement and apply for New Shares in excess of your Entitlement by applying for Shortfall Shares in accordance with this Prospectus;
- (c) sell all or part of your Entitlement on ASX and allow the balance to lapse;
- (d) deal with part or all of your Entitlement other than on ASX; or
- (e) decline to exercise all or part of your Entitlement and allow it to lapse.

If you are an Eligible Shareholder and wish to take up all or part of your Entitlement:

- (a) carefully read this Prospectus in its entirety;
- (b) consider the risks associated with the an investment in the Company (refer to Section 4) in light of your personal circumstances;
- (c) complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form; and
- (d) return the completed Entitlement and Acceptance Form together with the Application Monies (in full) in accordance with Section 3.10, to the following address so that it is received by no later than 5:00pm (WST) on the Closing Date:

Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
Email: admin@advancedshare.com.au

3.2 Non-Eligible Shareholders – Foreign Shareholders

If you are a Foreign Shareholder, you may not take up any of, or do anything in relation to, your Entitlement. Refer to Sections 1.17 and 1.18 for treatment of Foreign Shareholders.

3.3 Acceptance of all of your Entitlement

If you wish to accept all of your Entitlement, then applications for Securities under this Prospectus must be made on the Entitlement and Acceptance Form in accordance with the

instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form and return the completed form, together with the Application Monies (in full), in accordance with Section 3.10 to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Closing Date:

Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
Email: admin@advancedshare.com.au

3.4 Selling all of your Entitlement on ASX

If you wish to sell all of your Entitlement on ASX, complete the appropriate section on the Entitlement and Acceptance Form marked "Instructions to Your Stockbroker" and return it to your stockbroker as soon as possible, or otherwise provide instructions to your stockbroker regarding the number of Entitlements you wish to sell on ASX.

You can sell your Entitlement on ASX from the Entitlement Trading Commencement Date to the Entitlement Trading End Date. The Company accepts no responsibility for any failure by your stockbroker to carry out your instructions.

3.5 Acceptance of all of your Entitlement and applying for Shortfall Shares

If you wish to accept all of your Entitlement and apply for New Shares in excess of your Entitlement by applying for Shortfall Shares, then applications for Shortfall Shares must be made by completing the relevant sections on the Entitlement and Acceptance Form, in accordance with the instructions referred to in this Prospectus and on the Entitlement and Acceptance Form. Please read the instructions carefully.

Please complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form and return the completed form, together with the Application Monies (in full), in accordance with Section 3.10 to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Closing Date:

Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
Email: admin@advancedshare.com.au

3.6 Taking up part of your Entitlement and selling the balance on ASX

If you wish to take up only part of your Entitlement, complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form, including the number of Shares you wish to accept and the Application Monies (calculated at \$0.01 per New Share accepted) and return the completed Entitlement and Acceptance Form together with the Application Monies (in full) in accordance with Section 3.10 to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Closing Date:

Advanced Share Registry Services
PO Box 1156

Nedlands WA 6909
Email: admin@advancedshare.com.au

You may then provide instructions to your stockbroker regarding the number of Entitlements you wish to sell on ASX.

3.7 Taking up part of your Entitlement and allowing the balance to lapse

If you wish to take up part of your Entitlement and allow the balance to lapse, complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form, including the number of Shares you wish to accept and the Application Monies (calculated at \$0.01 per New Share accepted) and return the completed Entitlement and Acceptance Form together with the Application Monies (in full) in accordance with Section 3.10 to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Closing Date:

Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
Email: admin@advancedshare.com.au

If you take no further action, the balance of your Entitlement will lapse and you will have forfeited any potential benefit to be gained from selling/trading your Entitlements.

3.8 Dealing with part or all of your Entitlement other than on ASX

You may transfer all or part of your Entitlements to another person other than on ASX provided that the purchaser is not a Foreign Shareholder or would not be a Foreign Shareholder if the purchaser was the registered holder of Shares.

If you wish to transfer all of your Entitlement to another person other than on ASX, forward a completed standard renunciation form (obtainable from the Company's Share Registry) and the applicable transferee's cheque for any Application Monies they wish to subscribe for to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Closing Date:

Advanced Share Registry Services
PO Box 1156
Nedlands WA 6909
Email: admin@advancedshare.com.au

If you wish to transfer part of your Entitlement to another person other than on ASX only, but also want to take up some or all of the balance of your Entitlement, you will need to take the steps described above in relation to the Entitlements you wish to transfer and complete the personalised Entitlement and Acceptance Form in accordance with the instructions detailed on the form, including the number of Shares you wish to accept and the Application Monies (calculated at \$0.01 per New Share accepted) and return the completed Entitlement and Acceptance Form together with the Application Monies (in full) in accordance with Section 3.10 to the Share Registry so that it is received at the following address by no later than 5:00pm (WST) on the Closing Date:

Advanced Share Registry Services
PO Box 1156

Nedlands WA 6909
Email: admin@advancedshare.com.au

If the Company receives both a completed renunciation form and a completed Entitlement and Acceptance Form in respect of the same Entitlements, the renunciation will be given effect in priority to the acceptance.

3.9 Allow all or part of your Entitlement to lapse

Your Entitlement may have value. The Entitlements are renounceable, which enables Eligible Shareholders who do not wish to accept some or all of their Entitlement to sell or trade all or part of their Entitlements on ASX.

If you do not wish to accept any of your Entitlement, you are not obliged to do anything.

The number of Shares you currently hold and the entitlement attaching to those Shares will not be affected should you choose not to accept or sell any part of your Entitlement.

3.10 Payment

The offer price of News Shares under the Entitlement Offer, Shortfall Offer or Placement Offer is \$0.01 per New Share.

For all Eligible Shareholders, payments must be received by 5:00pm (WST) on the Closing Date.

Completed Application Forms must be accompanied by a cheque, drawn in Australian dollars, made payable to "Inca Minerals Limited" and crossed "Not Negotiable".

For Eligible Shareholders, if you wish to pay via BPAY® you must follow the instructions in the Entitlement and Acceptance Form. You will be deemed to have accepted your Entitlement upon receipt of the BPAY® payment by the Company.

If paying via BPAY®, Eligible Shareholders should be aware that their own financial institution may implement earlier cut off times with regards to electronic payment and it is the responsibility of Eligible Shareholders to ensure that funds are submitted through BPAY® by the date and time mentioned above. If you elect to pay via BPAY®, you must follow the instructions for BPAY® set out in the Entitlement and Acceptance Form and you will not need to return the Entitlement and Acceptance Form.

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY® payment.

3.11 Brokerage

No brokerage or stamp duty is payable by Shareholders who accept their Entitlement to Shares.

3.12 Enquiries concerning your Entitlement

If you have any queries concerning your Entitlement please contact the Company's Managing Director or Company Secretary by email: info@incaminerals.com.au.

4. Risk factors

The Securities offered under this Prospectus are considered highly speculative and carry no guarantee with respect to the payment of dividends or returns of capital. An investment in the Company is not risk free and the Directors strongly recommend that potential investors consult their professional advisers and consider the risks factors described below, together with information contained elsewhere in this Prospectus, before deciding whether to apply for Securities pursuant to this Prospectus.

The following list of risk factors ought not to be taken as exhaustive of all the risks faced by the Company or by Shareholders. The proposed future activities of the Company are subject to a number of risks and other factors which may impact its future performance. Some of these risks can be managed and mitigated by planning and the use of safeguards and appropriate controls. However, many of the risks are outside the control of the Company or the Directors and cannot be mitigated.

4.1 Company Specific Risk

(a) General

The business, assets and operations of the Company are subject to certain risk factors that have the potential to influence the operating and financial performance of the Company in the future. These risks can impact on the value of an investment in the securities of the Company.

The Board aims to manage these risks by carefully planning its activities and implementing risk control measures. Some of the risks are, however, highly unpredictable and the extent to which they can be effectively managed is limited.

(b) Additional Requirements for Capital

Since its inception the Company's principal activity has been and remains the exploration for commercially exploitable mineral deposits and the Company does not as yet generate revenue from its principal activity. Accordingly, the Company requires continual equity or debt funding to meet existing and future expenditure requirements and there is no guarantee the Company will secure sufficient funding to implement its exploration intentions as outlined in the Prospectus.

(c) Permit Risk

The Company is presently waiting on Peruvian government authorities to grant (by way of signature on an existing Ministerial Resolution) what the Company understands is the final certificate to commence the planned exploration, drilling and evaluation of the Chanape Project. There is a risk of delay or that applicable laws, regulations or the governing authorities will change or that such changes will result in additional material expenditures or time delays. There is also a risk that the necessary land acquisitions, permits, certificates, consents, authorisations and agreements required to implement future exploration, project development, or mining of the Company's projects may not be obtained under conditions or within time frames that make such plans economic.

(d) **Operating Risk**

The operations of the Company may be affected by various factors not within its control. Funds raised under the Offers are intended to be used to conduct a drilling, exploration and evaluation program at the Company's Chanape Project in Peru and as additional working capital where warranted. The operations of the Company may be affected by failure to locate or identify commercially viable mineral deposits, unanticipated metallurgical problems which may affect eventual extraction costs, possible seismic activity, operational and technical difficulties encountered in drilling and exploration, operating and maintaining plant and equipment, mechanical failure, industrial and environmental accidents, labour shortages, industrial and environmental disputes, obtaining government approvals, adverse weather conditions, fire, explosions, rock falls, unusual or unexpected rock formations, and unexpected shortages or increases in the costs of consumables, spare parts, plant, equipment or labour. The Chanape Project is located within Peru's Andes mountain range and there is a risk that heavy snow fall or rain may adversely impact the Company's exploration activities. These risks and hazards could also result in damage to or destruction of property, plant and equipment, personal injury, environmental damage, business interruption, monetary losses and possible legal liability. The Company may become subject to liability for accidents, pollution or other hazards against which it cannot insure or against which it may elect not to insure because of premium costs or for other reasons, or in amounts which exceed policy limits.

No assurances can be given that the Company will achieve commercial viability through exploration success and exploitation of its projects and, until the Company is able to realise value from its projects, it is likely to incur ongoing operational losses.

(e) **Social Licence Risk**

Engagement with and approval from traditional communities within the Chanape Project region is an important requirement for continued operations in Peru. If local communities become dissatisfied or feel their rights are being abrogated, this can cause delays to permitting, operations or indeed cessation of a project.

(f) **Project Access Risk**

The Chanape Project is accessed by a national arterial highway, sealed roads and gravel tracks in Peru. Seismic activity or extreme weather may result in closure of the highway, roads or tracks thereby delaying access to the Chanape Project.

(g) **Sovereign Risk**

The Company cannot guarantee that the government in Peru will remain stable or supportive of the mining and resources sector and existing ownership structures. Accordingly, the Company cannot guarantee ongoing access, surety of title and tenure of its Peruvian based assets.

Outcomes in Peruvian courts may be less predictable than in Australia, which could affect the enforceability of contracts entered into by the Company or its subsidiary in Peru.

(h) **Government Policies and Legislation**

Any material adverse changes in government policies, legislation or shifts in political attitude in Australia or Peru that affect mineral exploration activities, tax laws, royalty regulations, government subsidies and environmental issues may affect the viability of a project or the Company.

No assurance can be given that amendments to current laws and regulations or new rules and regulations will not be enacted, or that existing rules and regulations will not be applied in a manner which could substantially limit or affect the Company's exploration and operating activities.

(i) **Commodity Price and Exchange Rate Risk**

The Company's Chanape Project is prospective, *inter alia*, for gold, copper, silver and molybdenum. The market price of these commodities fluctuate and are affected by numerous factors beyond the control of the Company. These factors include current and expected future supply and demand, forward selling by producers, production cost levels in major metal producing centres as well as macroeconomic conditions such as inflation and interest rates. Fluctuations in commodity prices may impact on the commercial attractiveness or viability of the Chanape Project.

Furthermore, the international prices of most commodities are denominated in United States dollars and the Company's cost base will be in a combination of Australian dollars, United States dollars and Peruvian Nuevo Soles. Consequently, changes in these exchange rates may impact on the expenditure of the Company and the Company's purchasing capacity. The exchange rate is affected by numerous factors beyond the control of the Company, including interest rates, inflation and the general economic outlook

(j) **Environmental Risk**

The Company's projects are subject to Peruvian and Australian laws and regulations concerning the environment. The Company's activities are expected to have some impact on the environment, particularly if advanced exploration or mine development were to occur in the future. It is the Company's intention to conduct its activities to the highest standard of environmental obligation, including compliance with all environmental laws.

The Company may, in future, require additional approval from authorities before it can undertake activities that are likely to impact the environment. Failure to obtain such approvals may prevent the Company from undertaking its desired activities. The Company is unable to predict the effect of additional environmental laws and regulations that may be adopted in the future, including whether any such laws and regulations would materially increase the Company's costs of doing business or affect its operations in any area. If the Dingo Range, Chanape or Moquegua projects prove to be large scale projects, the resulting development of such a large scale project could require a substantial environmental footprint that may demand operating restrictions that could act to make the project uneconomic.

(k) **No Profit to Date**

The Company has incurred losses since its inception. It is therefore not possible to evaluate its prospects based on past performance. Since the Company intends to continue investing in its exploration program the Directors anticipate making further losses in the foreseeable future.

While the Directors have confidence in the future potential of the Company, there can be no certainty that the Company will achieve or sustain profitability or achieve or sustain positive cash flow from its operating activities.

4.2 Industry Risk

(a) **Mining and Exploration Risk**

The business of mineral exploration, development and production is subject to risk by its nature. The success of the business depends, *inter alia*, on successful exploration and/or acquisition of reserves, securing and maintaining title to tenements and consents, successful design, construction, commissioning and operating of mining and processing facilities, successful development and production in accordance with forecasts and successful management of the operations. Exploration and mining are speculative undertakings which may be hampered by force majeure circumstances, land claims and unforeseen mining problems. Increased costs, lower output or high operating costs may all contribute to make a project less profitable than expected at the time of the development decision. There is no assurance that the Company's attempts to exploit its exploration activities will be successful.

The Company's exploration activities to date are not advanced to a stage where reliable reserve or resource estimates can be made. Reserve and resource estimates, if made in the future, are expressions of judgment based on drilling results, past experience with mining properties, knowledge, experience, industry practice and many other factors. Estimates which are valid when made may change substantially when new information becomes available. Ore estimation is an interpretive process based on available data and interpretations and, thus, estimations may prove to be inaccurate.

The actual quality and characteristics of ore deposits cannot be known until mining takes place, and will almost always differ from the assumptions used to develop reserves. Further, reserves are valued based on future costs and future prices and, consequently, the actual reserves and resources may differ from those estimated, which may result in either a positive or negative effect.

No assurance can be given that commercial tonnages, grades or recovery will be achieved or realised. Commodity price fluctuations, as well as increased production costs or reduced recovery rates, may render possible reserves containing relatively lower grades uneconomic and may ultimately result in a restatement of such reserves. Moreover, short-term operating factors relating to possible reserves, such as the need for sequential development of ore bodies and the processing of new or different ore types or grades, may cause a mining operation to be unprofitable in any particular accounting period.

There is a risk that unforeseen geological and geotechnical difficulties may be encountered if and when developing and mining reserves. In this event, a loss of revenue may be caused due to the lower than expected production and/or higher than anticipated operation and maintenance costs and/or on-going unplanned capital expenditure in order to meet production targets.

(b) **Title**

The Company's mining exploration activities are dependent upon the grant, or as the case may be, the maintenance of appropriate licenses, which may be withdrawn or made subject to limitations. The maintaining of license, obtaining renewals, or getting licenses granted, often depends on the Company being successful in obtaining required statutory approvals for its proposed activities and that the licenses, tenements, leases, permits or consents it holds will be renewed as and when required. There is no assurance that such renewals will be given as a matter of course and there is no assurance that new conditions will not be imposed in connection therewith.

(c) **Results of Studies**

Subject to the results of future exploration and testing programs, the Company may progressively undertake a number of studies in respect to the Company's current or new projects. These studies may include scoping, pre-feasibility and bankable feasibility studies.

These studies will be completed within certain parameters designed to determine the economic feasibility of the Company's current or new projects within certain limits. There can be no guarantee that any of the studies will confirm the economic viability of the Company's current or new projects or the results of other studies undertaken by the Company (e.g. the results of a feasibility study may materially differ to the results of a scoping study).

Further, even if a study determines the economics of the Company's current or new projects, there can be no guarantee that the current or new projects will be successfully brought into production as assumed or within the estimated parameters in the feasibility study once production commences including but not limited to operation costs, mineral recoveries and commodity prices. In addition the ability of the Company to complete a study may be dependent on the Company's ability to raise further funds to complete the study if required.

(d) **Metallurgy**

Metal or mineral recoveries are dependent upon the metallurgical process, and by its nature processing contains elements of significant risk such as:

- (i) identifying a metallurgical process through test work to produce a saleable metal or concentrate;
- (ii) developing an economic process route to produce a metal or concentrate; and
- (iii) changes in mineralogy in the ore deposit can result in inconsistent metal recovery, affecting the economic viability of the project.

No assurance can be given that any particular level of recovery from mineral resources or reserves will in fact be realised or that a mineral resource will ever qualify as commercially viable which can be legally and economically exploited.

(e) **Economic and Government Risks**

Economic and legislative changes in either Australia or Peru may affect the future viability of the Company. The future viability of the Company is also dependent on a number of other factors affecting the performance of all industries, not just the exploration and mining industries. These factors include, but are not limited to:

- (i) General economic conditions in Australia, Peru and their respective major trading partners.
- (ii) Changes in government policies, taxation and other laws.
- (iii) The strength of the equity and share markets in Australia and throughout the world, and in particular investor sentiment towards the commodities (resources) sector.
- (iv) Movement in, or outlook on, interest rates and inflation rates.
- (v) Natural disasters, social upheaval or war in Australia, Peru and other countries.

Industry profitability can be affected by changes in government within Peru, Australia and other jurisdictions, which are not within the control of the Company. The Company's activities are subject to extensive laws and regulations controlling not only the exploration for and mining of minerals, but also the possible effects of such activities upon the environment and upon interests of native and/or indigenous peoples. Permits from a variety of regulatory authorities are required for many aspects of mine operation and reclamation. There is no assurance that permits will be obtained when sought or that unfavourable conditions will not be imposed. Future legislation and regulations could cause additional expense, capital expenditures, restrictions and delays in the development of the Company's tenements, the extent of which cannot be predicted.

(f) **Reliance on Key Personnel**

The responsibility of overseeing the day to day operations and the strategic management of the Company depends substantially on its senior management and its key personnel. There can be no assurance given that there will be no detrimental impact on the Company if one or more of these employees cease their employment.

(g) **Competition**

The industry in which the Company is involved is subject to domestic and global competition. While the Company undertakes all reasonable due diligence in its business decisions and operations, the Company has no influence or control over the activities or actions of its competitors and these activities or actions may positively or negatively affect the operating and financial performance the Company's projects and business.

(h) **Insurance**

Insurance of all risks associated with exploration is not always available and, where it is available, the cost may be high. The Company will have insurance in place considered appropriate for the Company's needs.

The business of the Company is subject to a number of risks and hazards generally, including adverse environmental conditions, industrial accidents, labour disputes, unusual or unexpected geological conditions, ground or slope failures, cave-ins, changes in the regulatory environment and natural phenomena such as extreme weather conditions, floods and earthquakes. Such occurrences could result in damage to mineral properties, buildings, personal injury or death, environmental damage to properties of the Company or others, delays in mining, monetary losses and possible legal liability.

Although the Company maintains insurance to protect against certain risks in such amounts as it considers to be reasonable, its insurance will not cover all the potential risks associated with its operations and insurance coverage may not continue to be available or may not be adequate to cover any resulting liability, particularly as the Company is seeking to acquire new projects which are located in other jurisdictions or involve a new commodity.

It is not always possible to obtain insurance against all such risks and the Company may decide not to insure against certain risks because of high premiums or other reasons. Moreover, insurance against risks such as environmental pollution or other hazards as a result of exploration and production is not generally available to the Company or to other companies in the mining industry on acceptable terms. Losses from these events may cause the Company to incur significant costs that could have a material adverse effect upon its financial performance and results of operations.

4.3 General Risk

(a) **Securities investments**

There are risks associated with any securities investment. The prices at which the Securities trade may fluctuate in response to a number of factors. Furthermore, the stock market, and in particular the market for mining and exploration companies, has experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of such companies. There can be no guarantee that trading prices will be sustained. These factors may materially affect the market price of the Securities regardless of the Company's operational performance.

(b) **Share Market Conditions**

Share market conditions may affect the value of the Company's Shares regardless of the Company's operating performance. Share market conditions are affected by many factors including but not limited to the following:

- (i) General economic outlook.
- (ii) Interest rates and inflation rates.

- (iii) Currency fluctuations.
- (iv) Mineral price fluctuations.
- (v) Changes in investor sentiment toward particular market sectors.
- (vi) The demand for, and supply of, capital.
- (vii) Terrorism or other hostilities.
- (viii) Other factors beyond the control of the Company.

The market price of the Shares may fall as well as rise and may be subject to varied and unpredictable influences on the market for equities in general and resource stocks in particular. Neither the Company nor the Directors warrant the future performance of the Company, or any return on an investment in the Company.

(c) **Economic Risk**

Changes in the general economic climate in which the Company operates may adversely affect the financial performance of the Company. Factors that may contribute to that general economic climate include the level of direct and indirect competition against the Company, industrial disruption, the rate of growth of gross domestic product in Australia, Peru or any other country in which the Company operates, interest rates, exchange rates and the rate of inflation.

(d) **Competition**

The Company will compete with other companies, including other mineral exploration and mining companies. Some of these companies have greater financial and other resources than the Company and, as a result, may be in a better position to compete for future business opportunities. Many of the Company's competitors not only explore for and produce minerals, but also carry out refining operations and produce other products on a worldwide basis. There can be no assurance that the Company can compete effectively with these companies

4.4 Investment Speculative

The above list of risk factors ought not to be taken as exhaustive of the risks faced by the Company or by investors in the Company. The above factors and others not specifically referred to above, may, in the future, materially affect the financial performance of the Company and the value of the Securities offered under the Prospectus.

The Securities offered pursuant to this Prospectus carry no guarantee with respect to the payment of dividends, returns of capital or the market value of those Securities.

Potential investors should consider that the investment in the Company is speculative and should consult their professional advisers before deciding whether to apply for Securities.

5. Rights attaching to Securities

5.1 Rights attaching to New Shares

The following is a summary of the more significant rights and liabilities attaching to New Shares to be issued pursuant to this Prospectus. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

Full details of the rights and liabilities attaching to Shares are set out in the Constitution, a copy of which is available for inspection at the Company's registered office during normal business hours.

(a) General meetings

Shareholders are entitled to be present in person, or by proxy, attorney or representative to attend and vote at general meetings of the Company.

Shareholders may requisition meetings in accordance with Section 249D of the Corporations Act and the Constitution.

(b) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of Shares, at general meetings of Shareholders or classes of Shareholders:

- (i) each Shareholder entitled to vote may vote in person or by proxy, attorney or representative;
- (ii) on a show of hands, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder has one vote; and
- (iii) on a poll, every person present who is a Shareholder or a proxy, attorney or representative of a Shareholder shall, in respect of each Share held by him, or in respect of which he is appointed a proxy, attorney or representative, have one vote for each Share held, but in respect of partly paid shares shall have a fraction of a vote equivalent to the proportion which the amount paid up bears to the total issue price for the share.

(c) Payment of Dividend

Subject to the Corporations Act, the Constitution and the rights of any persons entitled to shares with special rights to dividend, the Directors may determine that a dividend is payable, fix the amount and the time for payment of the dividend and authorise the payment or crediting of the dividend by the Company to, or at the direction of, each Shareholder entitled to that dividend. No dividend shall carry interest as against the Company.

(d) Winding-up

If the Company is wound up, the liquidator may, with the authority of a special resolution, divide among the Shareholders in kind the whole or any part of the property of the Company, and may for that purpose set such value as he considers fair upon any property to be so divided, and may determine how the division is to

be carried out as between the Shareholders or different classes of Shareholders. The liquidator may, with the authority of a special resolution, vest the whole or any part of any such property in trustees upon such trusts for the benefit of the contributories as the liquidator thinks fit, but so that no Shareholder is compelled to accept any Shares or other Securities in respect of which there is any liability.

(e) Transfer of Shares

Generally, Shares in the Company are freely transferable, subject to the Constitution and to any restrictions attached to a Share, a Shareholder may transfer any of any of the Shareholder's Shares by:

- (i) a proper ASTC transfer;
- (ii) a written transfer in any usual form or in any other form approved by the Directors; or
- (iii) any other electronic system established or recognised by the Listing Rules.

(f) Future increase in capital

The allotment and issue of any Shares is under the control of the Directors of the Company. Subject to restrictions on the issue or grant of Securities contained in the Listing Rules, the Constitution and the Corporations Act (and without affecting any special right previously conferred on the holder of an existing Share or class of Shares), the Directors may issue Shares as they shall, in their absolute discretion, determine.

(g) Variation of rights

Under Section 246B of the Corporations Act, the Company may, with the sanction of a special resolution passed at a meeting of Shareholders vary or abrogate the rights attaching to Shares.

If at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of that class), whether or not the Company is being wound up, may be varied or abrogated with the consent in writing of the holders of three quarters of the issued shares of that class, or if authorised by a special resolution passed at a separate meeting of the holders of the shares of that class.

(h) Changes to Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of the members present and voting at a general meeting of the Company. At least 28 days' written notice specifying the intention to propose the resolution as a special resolution must be given.

(i) Meetings and Notices

Each Shareholder will be entitled to receive notice of, and to attend and vote at, general meetings of the Company and to receive notices, accounts and other documents required to be furnished to Shareholders under the Constitution, the Corporations and the Listing Rules.

5.2 Dividend Policy

The Company does not intend to declare or pay any dividends in the immediately foreseeable future.

Any future determination as to the payment of dividends by the Company will be at the sole discretion of the Directors and will depend on the availability of distributable earnings and operating results and financial condition of the Company, future capital requirements and general business and other factors considered relevant by the Directors. No assurance in relation to the payment of dividends or franking credits attaching to dividends can be given by the Company.

6. Additional Information

6.1 Underwriting Agreement

The Company has entered into an agreement (**Underwriting Agreement**) with Patersons Securities Limited (**PSL** or **Underwriter**) dated 25 June 2015 to fully underwrite the Entitlement Offer and to manage, if undertaken, the Placement Offer.

In accordance with the Underwriting Agreement, the Underwriter has an obligation to subscribe for, or procure subscription for, any Shortfall Shares by completing and lodging with the Company, or procuring other persons complete and lodge with the Company, Shortfall Application Forms and Application Monies.

The Company must pay the Underwriter a fee of 6% of the total dollar amount raised under the Entitlement Offer and Placement Offer. In addition, the Company must pay a corporate advisory fee of \$60,000 subject to a minimum total amount raised of \$3,000,000 under the Offers.

The Company will also reimburse the Underwriter's out-of-pocket expenses where they are directly related to the Entitlement Offer and the Placement Offer. The Company will pay any GST applicable to any fee payable to the Underwriter under the Underwriting Agreement.

The Underwriting Agreement is governed by the laws of Western Australia.

The Underwriter may terminate its obligations under the Underwriting Agreement if, at any time prior to the date on which allotment of the last of Shortfall Shares and Underwriter Shares occurs in accordance with the Prospectus:

- (a) **(No certificate)**: the Company (or a subsidiary) has not received the final executed certificate from the Peruvian government authorities to commence exploration, drilling and evaluation of the Chanape Project (as described in Section 4.1(c)) at least three Business Days prior to the Closing Date;
- (b) **(Indices fall)**: any of the All Ordinaries Index or the Standard and Poors / ASX 200 Index as published by ASX is at any time after the date of the Underwriting Agreement 7.5% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement; or
- (c) **(Share Price)**: Shares of the Company finish trading on the ASX, under the ASX code of "ICG", on any three trading days with a closing price that is less than \$0.01; or
- (d) **(Prospectus)**: the Company does not lodge the Prospectus on the date specified in the timetable in the Underwriting Agreement or the Prospectus or the Offers are withdrawn by the Company; or
- (e) **(Copies of Prospectus)**: the Company fails to provide the Underwriter with copies of this Prospectus as required under the Underwriting Agreement and such failure is not remedied within 2 days; or
- (f) **(No Official Quotation)**: Official Quotation has not been granted by the Shortfall Notice Deadline Date (being the date specified in the Underwriting Agreement by which the Company must give notice to the Underwriter of any Shortfall) or, having been granted, is subsequently withdrawn, withheld or qualified; or

- (g) **(Supplementary prospectus):**
- (i) the Underwriter, having elected not to exercise its right to terminate its obligations under the Underwriting Agreement as a result of an occurrence as described in Section 6.1(r)(vi) of this Prospectus, forms the view on reasonable grounds that a supplementary or replacement prospectus should be lodged with ASIC for any of the reasons referred to in section 719 of the Corporations Act and the Company fails to lodge a supplementary or replacement prospectus in such form and content and within such time as the Underwriter may reasonably require; or
 - (ii) the Company lodges a supplementary or replacement prospectus without the prior written agreement of the Underwriter; or
- (h) **(Non-compliance with disclosure requirements):** it transpires that the Prospectus does not contain all information required by the Corporations Act; or
- (i) **(Misleading Prospectus):** it transpires there is a statement in the Prospectus that is misleading or deceptive or likely to mislead or deceive, or that there is an omission from the Prospectus (having regard to the provisions of section 713 of the Corporations Act) or if any statement in the Prospectus becomes misleading or deceptive or likely to mislead or deceive or if the issue of the Prospectus is or becomes misleading or deceptive or likely to mislead or deceive; or
- (j) **(Restriction on allotment):** the Company is prevented from allotting New Shares under the Entitlement Offer or Underwriter Shares within the time required by the Underwriting Agreement, the Corporations Act, the Listing Rules, any statute, regulation or order of a court of competent jurisdiction by ASIC, ASX or any court of competent jurisdiction or any governmental or semi-governmental agency or authority; or
- (k) **(Withdrawal of consent to Prospectus):** any person (other than the Underwriter) who has previously consented to the inclusion of its, his or her name in the Prospectus or to be named in the Prospectus, withdraws that consent; or
- (l) **(ASIC application):** an application is made by ASIC for an order under section 1324B or any other provision of the Corporations Act in relation to the Prospectus, the Shortfall Notice Deadline Date has arrived, and that application has not been dismissed or withdrawn; or
- (m) **(ASIC hearing):** ASIC gives notice of its intention to hold a hearing under section 739 or any other provision of the Corporations Act in relation to the Prospectus to determine if it should make a stop order in relation to the Prospectus or the ASIC makes an interim or final stop order in relation to the Prospectus under section 739 or any other provision of the Corporations Act; or
- (n) **(Takeovers Panel):** the Takeovers Panel makes a declaration that circumstances in relation to the affairs of the Company are unacceptable circumstances under Pt 6.10 of the Corporations Act, or an application for such a declaration is made to the Takeovers Panel; or
- (o) **(Hostilities):** there is an outbreak of hostilities or a material escalation of hostilities (whether or not war has been declared) after the date of the Underwriting Agreement involving one or more of Australia, New Zealand, the United Kingdom, the United States of America, the Peoples Republic of China, Israel, Peru, Brazil,

Ecuador, Bolivia, Chile, Colombia or any member of the European Union, or a terrorist act is perpetrated on any of those countries or any diplomatic, military, commercial or political establishment of any of those countries anywhere in the world; or

- (p) **(Authorisation)** any authorisation which is material to anything referred to in the Prospectus is repealed, revoked or terminated or expires, or is modified or amended in a manner unacceptable to the Underwriter; or
- (q) **(Indictable offence):** a director or senior manager of the Company or its subsidiaries is charged with an indictable offence;
- (r) **(Termination Events):** subject to having a material adverse effect or otherwise giving rise to a liability for the Underwriter, any of the following events:
 - (i) **(Default):** default or breach by the Company under the Underwriting Agreement of any terms, condition, covenant or undertaking;
 - (ii) **(Incorrect or untrue representation):** any representation, warranty or undertaking given by the Company in the Underwriting Agreement is or becomes untrue or incorrect;
 - (iii) **(Contravention of constitution or Act):** a contravention by the Company (or a subsidiary) of any provision of its constitution, the Corporations Act, the Listing Rules or any other applicable legislation or any policy or requirement of ASIC or ASX;
 - (iv) **(Adverse change):** an event occurs which gives rise to a material adverse effect (as defined in the Underwriting Agreement) or any adverse change or any development including a prospective adverse change after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of the Company (or a subsidiary) including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time;
 - (v) **(Error in Due Diligence Results):** it transpires that any of the due diligence results or any part of the verification material was false, misleading or deceptive or that there was an omission from them;
 - (vi) **(Significant change):** a "new circumstance" as referred to in section 719(1) of the Corporations Act arises that is materially adverse from the point of view of an investor;
 - (vii) **(Public statements):** without the prior approval of the Underwriter a public statement is made by the Company in relation to the Offers, the issue of the New Shares or Underwriter Shares, or the Prospectus;
 - (viii) **(Misleading information):** any information supplied at any time by the Company or any person on its behalf to the Underwriter in respect of any aspect of the Offers or the issue of New Shares or Underwriter Shares or the affairs of the Company (or subsidiary) is or becomes misleading or deceptive or likely to mislead or deceive;

- (ix) **(Official Quotation qualified):** Official Quotation of the New Shares or Underwriter Shares is qualified or conditional, other than being conditional only on the allotment of the New Shares and Underwriter Shares;
- (x) **(Change in Act or policy):** there is introduced, or there is a public announcement of a proposal to introduce, into the Parliament of Australia or any of its States or Territories any Act or prospective Act or budget or the Reserve Bank of Australia or any Commonwealth or State authority adopts or announces a proposal to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (xi) **(Change in Act or policy of Peru):** there is introduced, or there is a public announcement of a proposal to introduce, into the equivalent or similar institutions in Peru as those referred to in Section 6.1(r)(x) of this Prospectus to adopt any new, or any major change in, existing, monetary, taxation, exchange or fiscal policy;
- (xii) **(Prescribed Occurrence):** a Prescribed Occurrence (as defined in the Underwriting Agreement) occurs;
- (xiii) **(Suspension of debt payments):** the Company suspends payment of its debts generally;
- (xiv) **(Event of Insolvency):** an Event of Insolvency (as defined in the Underwriting Agreement) occurs in respect of the Company (or subsidiary);
- (xv) **(Judgment against the Company (or subsidiary)):** a judgment in an amount exceeding \$25,000 is obtained against the Company (or a subsidiary) and is not set aside or satisfied within 7 days;
- (xvi) **(Litigation):** litigation, arbitration, administrative or industrial proceedings are after the date of the Underwriting Agreement commenced or threatened against the Company (or a subsidiary), other than any claims foreshadowed in the Prospectus;
- (xvii) **(Board and senior management composition):** there is a change in the composition of the Board or a change in the senior management of the Company before allotment of the last of Shortfall Shares and Underwriter Shares in accordance with the Prospectus without the prior written consent of the Underwriter;
- (xviii) **(Change in shareholdings):** there is a material change in the major or controlling shareholdings of the Company (or a subsidiary) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to the Company (or a subsidiary);
- (xix) **(Timetable):** there is a delay in any specified date in the timetable for the Entitlement Offer which is greater than 7 Business Days;
- (xx) **(Force Majeure):** a force majeure affecting the Company's business or any obligation under the Underwriting Agreement lasting in excess of 7 days occurs;

- (xxi) **(Certain resolutions passed):** the Company (or a subsidiary) passes or takes any steps to pass a resolution under section 254N, section 257A or section 260B of the Corporations Act or a resolution to amend its constitution without the prior written consent of the Underwriter;
- (xxii) **(Capital Structure):** the Company (or a subsidiary) alters its capital structure in any manner not contemplated by the Prospectus;
- (xxiii) **(Investigation):** any person is appointed under any legislation in respect of companies to investigate the affairs of the Company (or a subsidiary); or
- (xxiv) **(Market Conditions):** a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

The Underwriting Agreement also contains a number of indemnities, representations and warranties from the Company to the Underwriter that are considered common for an Underwriting Agreement of this type.

6.2 Continuous Disclosure Obligations

The Company is a "disclosing entity" (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act, and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class as Shares that have been quoted on the official list of the ASX during the three months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities, or operation to acquire securities, in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, the financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the three months before the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the stock market conducted by ASX.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the closing date of the Offers:
 - (i) the annual financial report of the Company for the financial year ended 30 June 2014 being the most recent annual financial report of the Company lodged with the ASIC before the issue of this Prospectus; and
 - (ii) any documents used to notify ASX of information relating to the Company in the period from lodgement of the financial statements referred to in paragraph (i) above until the issue of the Prospectus in accordance with the Listing Rules as referred to in section 674(1) of the Corporations Act.

Copies of all documents lodged with the ASIC in relation to the Company can be inspected at the registered office of the Company during normal office hours.

The Company has lodged the following announcements with ASX since the lodgement of its annual report on 23 October 2014:

Date	Description of Announcement
30 October 2014	Inca September 2014 Quarterly Activities Report
30 October 2014	Inca Appendix 5B – September 2014 Quarterly
26 November 2014	Progress on sdEIA Drilling Permit at Chanape
28 November 2014	Managing Director AGM Presentation
28 November 2014	Annual General Meeting Results
5 December 2014	Appendix 3B
5 December 2014	Appendix 3Y – Change of Director's Interest
23 December 2014	Drill Permit Advances & Rich Gold-Silver-Copper in Sampling
15 January 2015	Response to ASX Price Query
29 January 2015	Chanape Drill Permit Advances
30 January 2015	December 2014 Quarterly Activities Report

Date	Description of Announcement
30 January 2015	Appendix 5B – December 2014 Quarterly
24 February 2015	Chanape sdEIA Drill Permit Update
5 March 2015	Chanape Drill Permit Update
5 March 2015	Financial Report for Half Year Ended 31 December 2014
16 March 2015	Chanape Drill Permit Application Update
25 March 2015	Trading Halt
25 March 2015	Trading Halt Request
25 March 2015	Chanape sdEIA Permit Approved
25 March 2015	Chanape sdEIA Permit Receives Ministerial Sign Off
1 May 2015	Appendix 5B
1 May 2015	Suspension from Official Quotation
1 May 2015	March 2015 Quarterly Activities Report
1 May 2015	Reinstatement to Official Quotation
20 May 2015	Mobilisation Ahead of Resumption of Drilling at Chanape
17 June 2015	Trading Halt
22 June 2015	Change of Address
22 June 2015	Suspension from Official Quotation
23 June 2015	Inca to Undertake \$2.15m Renounceable Rights Issue
23 June 2015	Reinstatement to Official Quotation
23 June 2015	Investor Presentation
23 June 2015	Appendix 3B

6.3 Interests of Directors

Except as disclosed in this Prospectus, no Director (or entity in which they are a partner or director) has, or has had in the two years before the date of this Prospectus, any interests in:

- (a) the formation or promotion of the Company; or

- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Offers; or
- (c) the Offers, and

no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- (d) any Director to induce him or her to become, or to qualify as, a Director; or
- (e) any Director of the Company for services which he or she (or entity in which they are a partner or director) has provided in connection with the formation or promotion of the Company or the Offers.

6.4 Directors' Interests

As at the date of this Prospectus, the relevant interests of the Directors and their associated entities in the Securities are as follows:

Director	Shares held	Entitlement to subscribe for New Shares under Entitlement Offer
Ross Brown	24,274,508	8,091,503
Justin Walawski	1,002,000	334,000
Gareth Lloyd	-	-

As at the date of the Prospectus, each Director intends to take up some or all of his Entitlement, subject to each Director's financial position prior to the Closing Date.

6.5 Directors' Remuneration

The remuneration (including superannuation) of existing Directors for the past two financial years are as follows:

Director	Financial Year 2014	Financial Year 2013
Mr Ross Brown ⁽¹⁾	\$279,125	\$221,924
Mr Justin Walawski ⁽²⁾	\$249,741	\$220,900
Mr Gareth Lloyd ⁽³⁾	\$54,625	\$30,520
TOTAL	\$583,491	\$473,344

Note:

- (1) Commencement date 1 March 2012.
- (2) Commencement date 21 March 2012. Mr Walawski is also the company secretary of the Company via an agreement with the Company whereby he receives a minimum retainer of \$5,400 per month (excluding GST) for consulting services provided up to and including 32 hours per month. Mr Walawski is then paid an additional hourly rate of \$200 for his services over and above 32 hours per month.
- (3) Commencement date 14 September 2012.

6.6 Interests of Other Persons

No promoter or other person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director) do not hold, have, and have not had in the two years before the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offers; or
- (c) the Offers,

and no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be paid to a promoter or any person named in this Prospectus as having performed a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Prospectus (or entity in which they are a partner or director), provided in connection with the formation or promotion of the Company or the Offers, except as disclosed in this Prospectus and as follows:

- (a) Hardy Bowen has acted as the Australian lawyers to the Company for the Offers. In respect of this work the Company will pay approximately \$17,500. During the two years before the date of this Prospectus, Hardy Bowen has provided the Company with legal services and have been paid approximately \$15,600 for these services;
- (b) Patersons Securities Limited has been engaged as the Underwriter to fully underwrite the Entitlement Offer and to manage the Placement Offer (if undertaken) (refer to Section 1.6). In respect of this work the Company will pay between \$129,267 and \$240,267 in cash and between nil and 30,162,364 Underwriter Shares. Patersons Securities Limited has also been engaged as Nominee in the Entitlements of Foreign Shareholders and is entitled to a fee of 1.5% of the total gross value of all Entitlements sold or \$1,500 (plus GST), whichever is greater. During the two years before the date of this Prospectus, Patersons Securities Limited provided the Group with fundraising services and were paid approximately \$7,500 for these services; and
- (c) Advanced Share Registry Services conducts the Company's share registry functions and will provide administrative services in respect to the proposed Share applications pursuant to this Prospectus. Advanced Share Registry Services will be paid for these services on standard industry terms and conditions.

The amounts disclosed above are exclusive of GST.

6.7 Related Party Transactions

At the date of this Prospectus, no material transactions with related parties and Directors interests exist that the Directors are aware of, other than those disclosed in this Prospectus.

6.8 Market Price of Shares

The highest and lowest market sale prices of the Shares on ASX during the three months immediately preceding the date of lodgement of this Prospectus with ASIC and the respective dates of those sales were:

Highest: \$0.023 (26 March 2015)

Lowest: \$0.012 (23 June 2015)

The latest available market sale price of the Shares on ASX prior to the date of lodgement of this Prospectus with ASIC was \$0.012 per Share on 23 June 2015.

6.9 Expenses of Offers

The expenses of the Offers payable by the Company, assuming the Entitlement Offer is fully subscribed and Placement Offer occurs are as follows:

ASIC lodgement fee	\$2,290
ASX quotation fee	\$12,100
Lead manager and underwriter fees	\$240,267
Legal expenses	\$17,500
Printing, mailing, and other administration expenses	\$24,000
Total	<u>\$296,157</u>

6.10 Taxation Implications

The acquisition and disposal of Shares will have taxation consequences, which will differ depending on the individual financial affairs of each investor. All potential investors in Company are urged to take independent financial advice about the taxation and any other consequences of acquiring and selling the Shares.

To the maximum extent permitted by law, the Company, its officers and each of their respective advisers accept no liability or responsibility with respect to the taxation consequences of subscribing for Securities under this Prospectus.

6.11 Litigation and Claims

So far as the Directors are aware, there is no current or threatened civil litigation, arbitration proceedings or administrative appeals, or criminal or governmental prosecutions of a material nature in which the Company (or any other member of the Group) is directly or indirectly concerned which is likely to have a material adverse effect on the business or financial position of the Company or the Group.

6.12 Consents

Each of the parties referred to in this Section 6.12:

- (a) has given the following consents in accordance with the Corporations Act which have not been withdrawn as at the date of lodgement of this Prospectus with ASIC;
- (b) makes no express or implied representation or warranty in relation to the Company, this Prospectus or the Offers;
- (c) makes no, and purports to have made no, statement in this Prospectus or on which a statement in this Prospectus is based except as set out in this Section; and
- (d) to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Prospectus other than a reference to its name and a statement included in this Prospectus with the consent of that party as specified in this Section.

None of the parties referred to in this Section 6.12 authorised or caused the issue of this Prospectus or the making of the Offers.

Name	Role
Hardy Bowen	Lawyers
Patersons Securities Limited	Lead Manager, Underwriter and Nominee
Advanced Share Registry Services	Share Registry

Each of the Directors has given their written consent to being named in this Prospectus in the context in which they are named and have not withdrawn their consent prior to lodgement of this Prospectus with ASIC.

6.13 Documents Available for Inspection

The following documents are available for inspection during normal business hours at the registered office of the Company:

- (a) this Prospectus; and
- (b) the Constitution.

6.14 Information Excluded from Continuous Disclosure Notices

There is no information which has been excluded from a continuous disclosure notice in accordance with the Listing Rules, and which is required to be set out in this Prospectus.

6.15 Determination by ASIC

ASIC has not made a determination which would prevent the Company from relying on section 713 of the Corporations Act in issuing the Securities offered under this Prospectus.

6.16 Electronic Prospectus

Pursuant to Regulatory Guide 107, ASIC has exempted compliance with certain provisions of the Corporations Act to allow distribution of an electronic copy of this Prospectus on the basis of a paper Prospectus lodged with ASIC and the issue of New Shares in response to an electronic Entitlement and Acceptance Form, subject to compliance with certain provisions. If you have received an electronic copy of this Prospectus, please ensure that you have received the entire Prospectus accompanied by the Entitlement and Acceptance Form. If you have not, please contact the Company and the Company will send to you, free of charge to you, either a hard copy or a further electronic copy of this Prospectus or both.

The Company reserves the right not to accept an Entitlement and Acceptance Form from an Applicant if it has reason to believe that when that Applicant was given access to the electronic Entitlement and Acceptance Form, it was not provided together with an electronic copy of this Prospectus and any relevant supplementary or replacement prospectus or any of those documents were incomplete or altered. In such a case, the Application Monies shall be held by the Company on trust and returned (without interest) to the Applicant as soon as practicable.

7. Authorisation

This Prospectus is authorised by each of the Directors.

This Prospectus is signed for and on behalf of the Company, pursuant to a resolution of the Board, by:



Ross Brown
Managing Director

Dated: 25 June 2015

8. Glossary

In this Prospectus, unless the context otherwise requires:

Annual Report means the financial report lodged by the Company with ASIC in respect to the year ended 30 June 2014 and includes the corporate directory, review of activities, Shareholder information, financial report of the Company and its controlled entities for the year ended 30 June 2014, together with a Directors' report in relation to that financial year and the auditor's report for the period to 30 June 2014.

Applicant means a person who submits an Entitlement and Acceptance Form, Shortfall Application Form or Placement Application Form (as applicable).

Application means a valid application for New Shares under the Entitlement Offer made pursuant to an Entitlement and Acceptance Form, Shortfall Shares under the Shortfall Offer made pursuant to a Shortfall Application Form or Placement Shares under the Placement Offer made pursuant to the Placement Application Form (as applicable).

Application Form means an Entitlement and Acceptance Form, Shortfall Application Form or Placement Application Form (as applicable).

Application Monies means application monies for the New Shares received by the Company from an Applicant.

ASIC means the Australian Securities & Investments Commission.

ASTC means ASX Settlement and Transfer Corporation Pty Ltd ACN 008 504 532.

ASX means ASX Limited ABN 98 008 624 691 and where the context permits, the Australian Securities Exchange operated by ASX Limited.

Board means the board of Directors.

Business Day means Monday to Friday inclusive, excluding public holidays and any other day that ASX declares is not a business day.

Chanape Project or **Chanape** means the Company's Chanape project located approximately 90km east of Lima, Peru.

CHESS means ASX Clearing House Electronic Subregistry System.

Closing Date means the date referred to in the Indicative Timetable.

Company or **Inca** means Inca Minerals Limited ACN 128 512 907.

Constitution means the constitution of the Company as at the date of this Prospectus.

Corporations Act means the *Corporations Act 2001* (Cth).

Directors means the directors of the Company at the date of this Prospectus.

Eligible Shareholder means a person who:

- (a) is a Shareholder at 5:00pm (WST) on the Record Date; and

- (b) has a registered address in Australia or New Zealand as recorded with the Share Registry as at the Record Date.

Entitlement means a Shareholder's entitlement to subscribe for New Shares under the Entitlement Offer.

Entitlement Offer has the meaning given to that term in Section 1.1.

Entitlement Offer Period means the period taken from the Entitlement Trading Commencement Date up to and including the Closing Date.

Entitlement and Acceptance Form means the entitlement and acceptance form attached to, or accompanying this Prospectus, that sets out the entitlement of an Eligible Shareholder to subscribe for New Shares pursuant to the Entitlement Offer.

Entitlement Trading Commencement Date means the date referred to in the Indicative Timetable.

Entitlement Trading End Date means the date referred to in the Indicative Timetable.

Foreign Shareholder means any Shareholder who is not an Eligible Shareholder.

Group means the Company and each of its subsidiaries.

Indicative Timetable means the indicative timetable on page 6 of this Prospectus.

Issuer Sponsored means securities issued by an issuer that are held in uncertificated form without the holder entering into a sponsorship agreement with a broker or without the holder being admitted as an institutional participant in CHESS.

JORC Code means the 2012 edition of the Australasian Code for Reporting Exploration Results, Mineral Resources and Ore Reserves, which is available at www.jorc.org.

Listing Rules means the official listing rules of ASX.

Offers means the Entitlement Offer, Shortfall Offer and Placement Offer.

Official Quotation means quotation of Shares on the official list of ASX.

Opening Date means the date referred to in the Indicative Timetable.

New Share means a Share offered pursuant to this Prospectus.

Nominee has the meaning given to that term in Section 1.18.

Patersons or **Underwriter** means Patersons Securities Limited ACN 008 896 311 AFSL No 239 052.

Placement Offer has the meaning given to that term in Section 1.7.

Placement Shares means New Shares issued under the Placement Offer.

Placement Application Form means the placement application form attached to, or accompanying this Prospectus, to be used for the purpose of applying for Placement Shares.

Prospectus means this prospectus dated 25 June 2015.

Record Date means the date referred to in the Indicative Timetable.

Section means a section of this Prospectus.

Securities means any securities including Shares issued or granted by the Company pursuant to this Prospectus.

Share means a fully paid ordinary share in the capital of the Company.

Share Registry means Advanced Share Registry Services.

Shareholder means a registered holder of Shares.

Shortfall means the New Shares not applied for under the Entitlement Offer before the Closing Date.

Shortfall Application Form means the application form attached to, or accompanying this Prospectus, to be used for the purposes of applying for Shortfall Shares.

Shortfall Offer has the meaning given to that term in Section 1.5.

Shortfall Shares means the New Shares constituting the Shortfall.

Statements has the meaning given to that term in Section 2.2.

Sub-Underwriter means the sub-underwriters who have provided commitments to Patersons to subscribe for Shortfall Shares under the Shortfall Offer.

Underwriter Shares has the meaning given to that term in Section 1.6.

Underwritten Amount means \$2,154,455 of the Entitlement Offer which is underwritten by Patersons

Underwriting Agreement has the meaning given to that term in Section 1.6.

Voting Power has the meaning given in section 610 of the Corporations Act.

WST means Western Standard Time, being the time in Perth, Western Australia.