



11 May 2016

Inca Strengthens Ground Holding at Riqueza

Inca Minerals Limited (“Inca” or “Company”) has applied for four new concessions surrounding its Riqueza Project (“Riqueza”) in Peru. On 5 May 2016 Inca announced very strong zinc-silver-lead (Zn-Ag-Pb) mineralisation in ten veins and a dyke. Importantly, the Company also provided compelling evidence for southern and western extensions of a strongly mineralised Zn-Ag-Pb manto deposit. The increased number and extensions of the mineralised veins and manto greatly enhances Riqueza’s size and tonnage potential. The application for significant extra ground at Riqueza is a response to this greatly increased prospectivity.

“The Riqueza Project now has an area of 4,600 hectares. It hosts two exciting prospects, Humaspunco and Uchpanga, which contain numerous high grade Zn-Ag-Pb bodies, and it now covers regional extensions of highly prospective geology that extend over several kilometres” says Inca’s Managing Director, Mr Ross Brown. **“Shareholders will understand that this is a timely strategic acquisition and a very valuable addition of prospective ground prior to the Company commencing drilling.”**

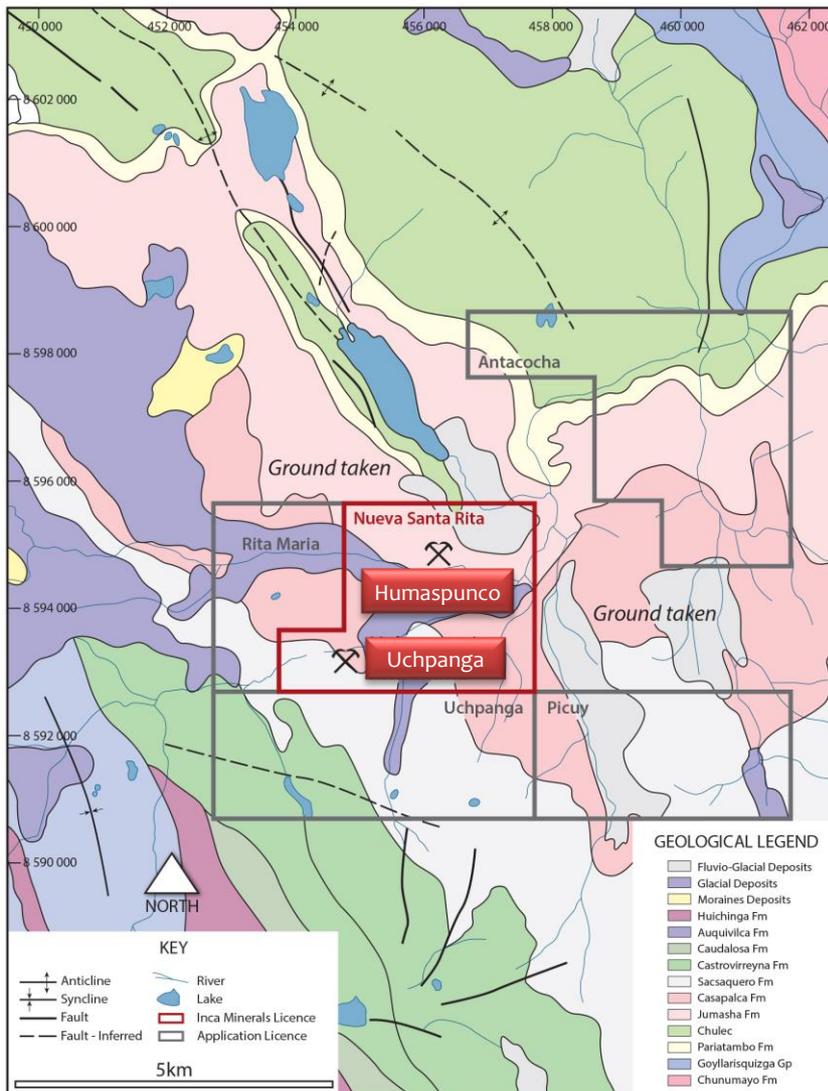


Figure 1: **LEFT** Concession and geology plan of Riqueza showing the original concession (red border) and the four new concessions (grey border) in relation to the regional geology. The Riqueza Project now comprises five concessions: the original concession Nueva Santa Rita (1,000ha) and the new concessions: Antacocha (1,300ha), Rita Maria (500ha), Uchpanga (1,000ha) and Picuy (800ha).

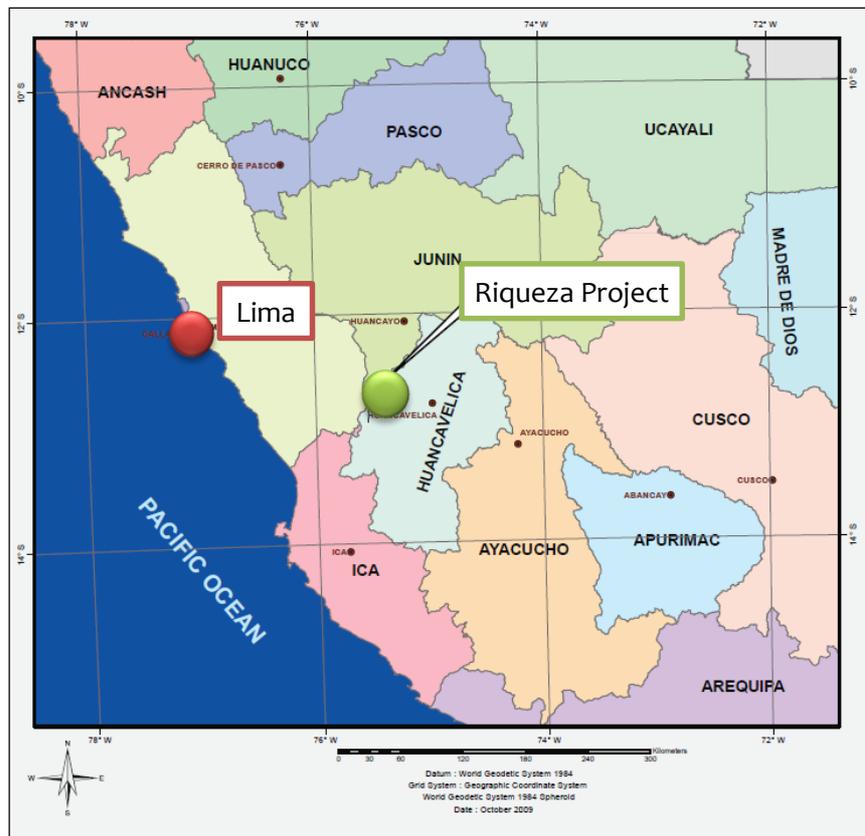


The additional ground covers 3,600 hectares (tripling the Company's footprint in the area) and includes the prospective Jumasha Formation to the NW and NE and the Casapalca/Sacsacero Formations to the south (Figure 1). The Jumasha Formation is an important host of strong Zn-Ag-Pb mineralisation at the Humaspunco Prospect, and more broadly throughout the Zn-Cu-skarn belt of central Peru. The Casapalca/Sacsacero Formations host strong Zn-Ag-Pb mineralisation at the Uchpanga Prospect.

Figure 2: **RIGHT** Location plan of Riqueza.

About Riqueza

Riqueza is a Zn-Ag-Pb project located within the rich mineral belts of central Peru, 200km SE of Lima (Figure 2). Extensive rock chip sampling has identified widespread strong mineralisation at two prospects within the Riqueza Project area, Humaspunco and Uchpanga (Figure 1). The Humaspunco Prospect hosts ten strongly mineralised veins and strongly mineralised mantos averaging >7% Zn, >200g/t Ag and >10% Pb. There is compelling evidence that the veins and mantos have significant extensions both laterally and at depth.



The Uchpanga Prospect hosts a strongly mineralised dyke (6.94% Zn, 94.97% Ag and 8.77% Pb), a 12m thick manto and a gossan¹ which is 600m long. Hydrothermal altered, disseminated sulphide-bearing structures at both prospects are believed to be feeder zones.

Planned Exploration

Inca's exploration programme is designed to lead to drilling at Riqueza in the shortest possible time frame. Mapping, sampling and geophysics programmes are being designed to examine depth and strike extensions of existing known Zn-Ag-Pb mineralisation as well as to investigate lesser mapped and sampled surface targets [*inter alia* the western and southern extensions of the mantos at Humaspunco, the +1% Zn soil anomaly at Humaspunco, the extensive vein swarm NW of the mineralised veins at Humaspunco, the gossan at Uchpanga].

¹ A gossan is a weathered massive to semi-massive sulphide layer.



“To optimise drilling we intend implementing a multi-disciplined exploration programme designed to generate and prioritise drill targets” says Mr Brown. “The purpose of mapping and sampling is to identify all mineralisation occurring at surface. The purpose of geophysics is to identify anomalies occurring below the surface. The careful marrying of both data sets will result in the generation of exciting targets which we look forward to drill testing as soon as possible.”

The proposed programmes which will lead into drilling include:

- Mapping and sampling of all known Zn-Ag-Pb occurrences including but not limited to:
 - NW-SE trending Zn-Ag-Pb vein sets at Humaspunco.
 - NE-SW trending Zn-Ag-Pb feeder-zone vein sets at Humaspunco.
 - NW-SE trending Zn-Ag-Pb vein sets at Uchpanga.
 - NW-SE trending gossan at Uchpanga.
- Sampling of all previous un-sampled mine workings at Humaspunco and Uchpanga.
- Mapping and sampling of extensions of:
 - Humaspunco manto to the west and to the south.
 - NW-SE trending Zn-Ag-Pb vein sets at Humaspunco, west of the Callancocha Structure.
 - 700m x 500m +1% Zn soil anomaly.
- Geophysics at Humaspunco and Uchpanga:
 - IP and/or EM surveys designed to generate sulphide targets shallower than 300m.
- Target generation, assessment and prioritisation.

Exploration has already begun at Riqueza with an orientation mapping and sampling programme covering *inter alia*: i) the Uchpanga gossan, hitherto under-sampled and ii) the southern extension of the Humaspunco Zn-Ag-Pb manto. Results are expected in May.

For further information contact Ross Brown (Managing Director).

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Competent Person Statements

The information in this report that relates to mineralisation for the Riqueza Project, located in Peru, is based on information compiled by Mr Ross Brown BSc (Hons), MAusIMM, SEG, MAICD Managing Director, Inca Minerals Limited, who is a Member of the Australasian Institute of Mining and Metallurgy. He has sufficient experience, which is relevant to the style of mineralisation and types of deposits under consideration, and to the activity which has been undertaken, to qualify as a Competent Person as defined in the 2012 Edition of the “Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves”. Mr Brown is a full time employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.

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