



22 June 2016

More Significant Discoveries at Riqueza

HIGHLIGHTS

- Manto sequence now mapped for over 1200m on northern perimeter of Humaspunco.
- Number of known mineralised veins almost doubles with 8 new veins discovered.
- Assays from current sampling programme expected July 2016.

The Managing Director of Inca Minerals Limited (“**Inca**” or “**Company**”), Mr Ross Brown, is currently returning from Peru following a field visit to the Riqueza Project, where mapping and sampling continues together with environmental baseline studies for the drilling permit. During the visit, the team led by Mr Brown, conducted mapping and collected samples from the Humaspunco and Uchpanga Prospects.

Mapping highlights to date from this programme include: the discovery of new manto style mineralisation west of the Callancocha Structure, a scissor fault (“**CSS fault**”), that bisects Humaspunco Hill; the discovery of manto style mineralisation along the Humaspunco Hill ridge-top, east of the CSS fault, hitherto unknown as well as the discovery of eight mineralised veins, east and west of the CSS fault, all hitherto unknown.

"The mapping and sampling programme is proving to be very rewarding" says Mr Brown. "The recognition of manto style mineralisation west of the CSS fault strongly indicates that the manto sequence [comprising three known mantos] continues west of the CSS fault. The discovery of manto style mineralisation along the ridge top of Humaspunco, east of the CSS fault is also important. Knowledge of it daylighting here was lacking prior to this field work."

Altogether the manto sequence is now observed to outcrop along the northern perimeter of Humaspunco Hill on either side of the CSS fault - a total distance of approximately 1200m. Outcrop exposures on the western and southern parts of Humaspunco suggest manto mineralisation is present to the base of the southern side of the hill, a distance of approximately 800m. Beyond the base of the hill the manto mineralisation is effectively open to the south, where it has been mapped for over 500m (ASX announcement 2 June 2016).



Figure 1: Vein material sampled during the current mapping and sampling programme. It contains coarse galena and fine sphalerite within a calcite-barite matrix.

Eight additional mineralised veins were also discovered during this programme. These include NW-SE veins on both sides of the CSS fault and NE-SW veins predominantly east of the CSS fault.



"We have now almost doubled the number of known mineralised veins at Humaspunco. The significance of this number of discoveries is unambiguous. There are numerous mineralised veins occurring at Humaspunco. At least a dozen "structures", similar to those mapped in this programme are yet to be sampled. They will be subject to close examination in the coming weeks" says Mr Brown.

Mapping and sampling also occurred at Uchpanga in the southern part of the project. The purpose of sampling was to follow up the very high grades of the vein material found at the main Rita Maria working during Inca's prior sample programme. Grades of 20.96% zinc, 920g/t silver, 16.71% lead and 2.65g/t gold were obtained during this previous programme (ASX announcement 2 June 2016).

Mr Brown reports that "There is little to no exposure in the vicinity of these workings and the adits are currently closed. Vein material was nevertheless collected, examined and sampled. It contains visible fresh sulphides including sphalerite [zinc sulphide], galena [lead sulphide] and chalcopyrite [copper sulphide]."

The presence of polymetallic mineralisation (particularly gold and copper) at Riqueza, specifically at Uchpanga, was previously enigmatic but not so now. Mr Brown, explains.

"Riqueza is located in a corridor of epithermal-related mineral deposits trending regionally northwest to southeast. AIM-TSX listed Minera IRL operates the Corihuarmi gold mine and the Bethania polymetallic prospect/mine 25km and 15km northwest of Riqueza respectively. The Corihuarmi gold mine has produced 200,000 ounces of gold to date. Bethania is primarily a polymetallic-gold-copper deposit. Fifty-five kilometres to the north-west of Riqueza, Sierra Metals operates the 850,000 tpa Yauricocha polymetallic-silver-zinc-gold-copper-lead mine. Riqueza sits at the southern end of this economically important mineral belt. In this context, seeing gold and copper as well as zinc, silver and lead, is easily explained."

Mr Brown returns to Perth this week. The assays of the most recent sampling programme are expected to be released over the coming weeks as the mapping and sampling continues.

Competent Person Statements

The information in this report that relates to mineralisation for the Santa Rita 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 Santa Rita 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.