



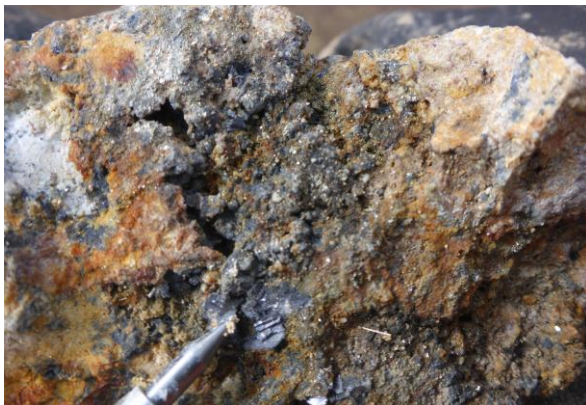
24 October 2016

Mineralised Structure Zone Discovered at Uchpanga

HIGHLIGHTS

- Mineralised structure zone identified at Riqueza's Uchpanga Prospect
- Structure zone hosts highly altered sulphide-bearing stockwork¹ veining and disseminations and believed sub-surface expression of 750m gossan.
- Galena (lead sulphide), sphalerite (zinc sulphide) & chalcopyrite (copper sulphide) evident in sulphides
- Previous sampling of area material returned peak values: **20.96% zinc (Zn), 920g/t silver (Ag), 16.71% Pb and 3.59g/t gold (Au)**
- Assays of samples taken from structure zone pending

Inca Minerals Limited (**Inca** or the **Company**) (ASX code: ICG) has recently completed a wall-rock mapping and sampling program at the old Rita Maria mine working at Riqueza Project's Uchpanga Prospect (**Uchpanga**). With improved access to the mine allowing closer examination, the Company has a new understanding of this very high grade Zn-Ag-Pb-Au mineralisation.



Assays pending



Assays pending

Figure 1 **Above:** Two samples from the mineralised structure zone showing highly altered volcanic with fresh sulphides (galena, sphalerite, chalcopyrite and pyrite) and weathered sulphides/gossan (now Fe-oxides).

Inca's previous sampling at Uchpanga returned peaks of **920g/t Ag, 3.59g/t Au, 20.96% Zn and 16.71% Pb** (refer ASX announcement 15 August 2016). It was then believed this bonanza grade mineralisation was associated with a discrete vein (or dyke). Wall-rock mapping now shows that sulphide mineralisation is associated with a phyllic-argillic alteration zone that comprises extensive sulphide-bearing stockwork veining and disseminations more than 3m across (true width). Mineralisation is believed to be related to a major EW trending structure zone.

"This mineralised structure zones becomes a very high priority zinc, silver, lead and gold drill target" Inca Minerals' Managing Director Mr Ross Brown reports from the field. "The 750m long gossan that corresponds to the structure zone, helps define the size of this heightened target" Mr Brown adds.

¹ Stockwork is a term used to describe a concentrated network of randomly interconnecting veins.



Some seven samples were taken during the wall-rock mapping and sampling program at Uchpanga's old, small-scale Rita Maria mine working. Mineralisation appears to be intrusive-related with evidence for this including: pervasive phyllic and argillic alteration with disseminated sulphides; sulphide-bearing stockwork veining; and the occurrence of plus 3g/t Au and bonanza grade Ag (the project peak Ag value of 2668g/t is from Uchpanga). These features mark it different to the 10% Zn, 200g/t Ag, 11% Pb mineralisation at Humaspunco, which is characteristic of replacement style mineralisation.

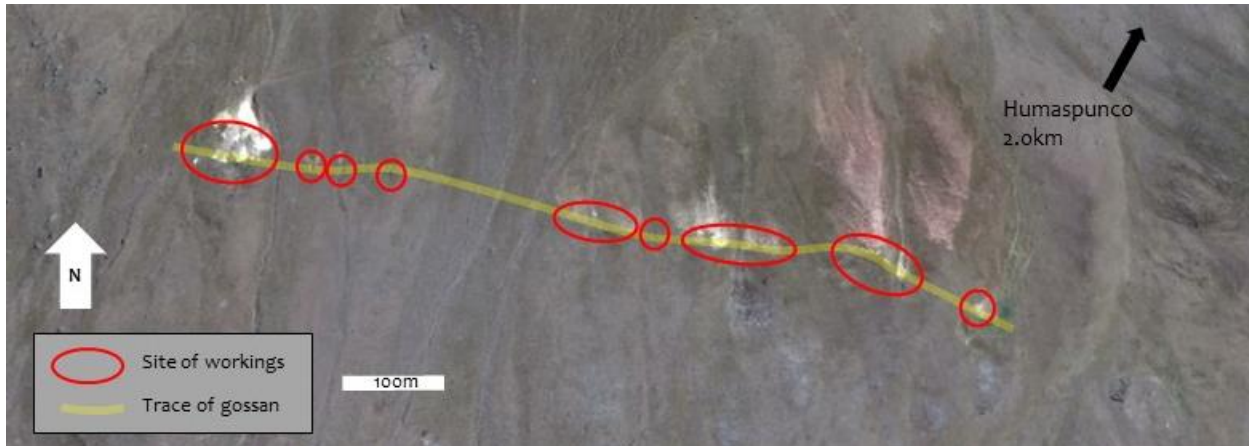


Figure 2 **ABOVE:** Satellite image of the Uchpanga Prospect showing the location of the Rita Maria working, and the line of workings and the outcropping gossan.

“Notwithstanding the differences between Riqueza’s Uchpanga and Humaspunco Prospects, the juxtaposition of these forms of mineralisation is far from coincidental” says Mr Brown. “Some 15km to the NW of Riqueza, the 3.5km x 1.2km intrusive related Bethania Au-Cu alteration zone is adjacent to the Bethanja Zn-Ag-Pb vein mine. It seems clear that, in the prolific Zn-Belt of Peru, replacement style mineralisation is almost always related to intrusive activity. There is a demonstrable association between Au mineralisation and Zn-Ag-Pb mineralisation in the local district”.

Samples from the wall-rock mapping and sampling program at Uchpanga are already with the laboratory and assay results are expected to be reported shortly. The Company anticipates that further information on the results and status of Inca’s current exploration programs will also be reported at that time.

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.



Appendix 1

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of rock chip sampling by the Company on one concession known as Nueva Santa Rita (located in Peru).

Section 1 Sampling Techniques and Data

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or hand-held XRF instruments, etc.). These examples should not be taken as limiting the broad meaning of sampling.</i>	This announcement refers to assay results previously announced on 15 August 2016 and to seven rock chip samples taken in a recent sampling program. No new assay results are released in this announcement.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	The locations of the seven samples mentioned above were determined by hand-held GPS. Sampling protocols and QAQC are as per industry best practice procedures.
	<i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where ‘industry standard’ work has been done this would be relatively simple (e.g. ‘reverse circulation drilling was used to obtain 1m samples from which 3 kg was pulverised to produce a 30g charge for fire assay’). In other cases more explanation may be required, such as where there is a coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information.</i>	Rock chip sampling is a very widely used sampling technique in early exploration, typically combined with geological mapping to determine the presence of mineralisation at a specific location of geological interest. By virtue of its purpose, rock chip sampling is selective. Each sample was bagged separately and labelled. Samples were sent to a laboratory for multi-element analysis.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc.) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc.).</i>	N/A – no drilling or drill results were referred to in this announcement.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	N/A – no drilling or drill results were referred to in this announcement.
Logging	<i>Whether core and chip samples have been geologically and geo-technically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<i>The total length and percentage of the relevant intersections logged.</i>	N/A – no drilling or drill results were referred to in this announcement.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The sample preparation technique was appropriate. Each sample was bagged separately and labelled. Samples were sent to a laboratory for multi-element analysis.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise “representivity” of samples.</i>	N/A – sub-sampling procedures were not undertaken by the Company.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Rock chip sampling is a technique (described above) that directly samples <i>in situ</i> rock. In the case of sampling subject of this announcement, the <i>in situ</i> rock is a mineralised structure zone within a small-scale adit from previous mining operations.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes are considered adequate in terms of the nature and distribution of <i>in situ</i> rock and geological target at each sample location.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	No new assay results are released in this announcement. The analytical assay technique to be used in the elemental testing of the samples for non-Au is four-acid digestion and HCl leach, which is considered a “complete” digest for most material types. Elemental analysis is via ICP and atomic emission spectrometry. Over 20% detection analysis includes additional titration analysis. Au techniques will include Fire Assay with AA finish. The analytical assay technique to be used in the elemental testing is considered industry best practice.
	<i>For geophysical tools, spectrometers, hand-held XRF instruments, etc., the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No new assay results are released in this announcement.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Blanks, duplicates and standards are used as standard laboratory QAQC procedures.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	No new assay results are released in this announcement.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying cont...	<i>The use of twinned holes.</i>	N/A – no drilling or drill results were referred to in this announcement.
	<i>Documentation of primary data, data entry procedures, date verification, data storage (physical and electronic) protocols.</i>	No new assay results are released in this announcement.
	<i>Discuss any adjustment to assay data.</i>	No adjustments were made.
Location of data points	<i>Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	The rock chip sample locations were determined using a hand-held GPS.
	<i>Specification of the grid system used.</i>	WGS846-18L.
	<i>Quality and adequacy of topographic control.</i>	Topographic control is achieved via the use of government topographic maps, in association with GPS and Digital Terrain Maps (DTM's), the latter generated during antecedent detailed geophysical surveys.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	The distribution of the rock chip samples follows industry best practice and to a large degree was subject to the location of visible direct (sulphides) and indirect (alteration) signs of mineralisation.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	Refer immediately above - no Mineral Resource and Ore Reserve estimate is provided in this announcement. The sample population discussed in this announcement is insufficient to obtain an Exploration Target.
	<i>Whether sample compositing has been applied.</i>	Sample compositing was applied, in so far as, at any one rock chip location, rock was collected from an array of outcrop within a 0.5m to 2m radius.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The distribution of rock chip samples follows industry best practice.
	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	N/A – no drilling or drill results were referred to in this announcement.
Sample security	<i>The measures taken to ensure sample security.</i>	Sample security was managed by Inca in line with industry best practice.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	The rock chip sampling regime was appropriate for conditions prevalent at this project location.



Section 2 Reporting of Exploration Results

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	Tenement Type: Peruvian mining concession. Concession Name: Nueva Santa Rita. Ownership: The Company has a 5-year concession transfer option and assignment agreement (“Agreement”) whereby the Company may earn 100% outright ownership of the concession.
	The security of the land tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The Agreement and concession are in good standing at the time of writing.
Exploration done by other parties	Acknowledgement and appraisal of exploration by other parties.	This announcement makes no reference to mineralisation at Riqueza identified by previous parties.
Geology	Deposit type, geological setting and style of mineralisation.	The geological setting of the area is that of a gently SW dipping sequence of Cretaceous limestones and Tertiary “red-beds”, on a western limb of a NW-SE trending anticline; subsequently affected by a series of near vertical Zn-Ag-Pb bearing veins/breccia and Zn-Ag-Pb [strata-parallel] mantos.
Drill hole information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: <ul style="list-style-type: none"> • Easting and northing of the drill hole collar • Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar. • Dip and azimuth of the hole. • Down hole length and interception depth. • Hole length. 	N/A – no drilling or drill results were referred to in this announcement.
	If the exclusion of this information is justified on the basis that the information is not material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.	N/A – no drilling or drill results were referred to in this announcement.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	N/A – no weighting averages nor maximum/minimum truncations were applied.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations shown in detail.	N/A – no weighting averages nor maximum/minimum truncations were applied.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	N/A – no equivalents were used in this announcement.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Relationship between mineralisation widths and intercept lengths	<p><i>These relationships are particularly important in the reporting of Exploration Results.</i></p> <p><i>If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.</i></p> <p><i>If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').</i></p>	No representations of mineralisation width have been made in this announcement.
Diagrams	<p><i>Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported. These should include, but not limited to a plan view of drill hole collar locations and appropriate sectional views.</i></p>	N/A – this announcement makes no reference to new assay or drilling results.
Balanced reporting	<p><i>Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.</i></p>	The Company believes the ASX announcement provides a balanced report of its sampling program and relation of it to previously reported exploration referred to in this announcement.
Other substantive exploration data	<p><i>Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.</i></p>	This announcement refers to assay results released on 15 August 2016. No new information is provided this announcement.
Further work	<p><i>The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).</i></p>	By nature of early phase exploration, further work is necessary to better understand the mineralisation that appear characteristic of this area.
	<p><i>Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.</i></p>	N/A: Refer above.
