



28 March 2017

COMPANY UPDATE

Inca Minerals Limited (**Inca** or **Company**) (ASX code: ICG) advises that the Company's largest shareholder, Resource Capital Fund VI LP (**RCF**), has reduced its shareholding in the Company and informed the market by way of a Form 604 lodged earlier today. Immediately post-transaction RCF will hold 10.47% of the Company's issued capital and remains Inca's largest single shareholder.

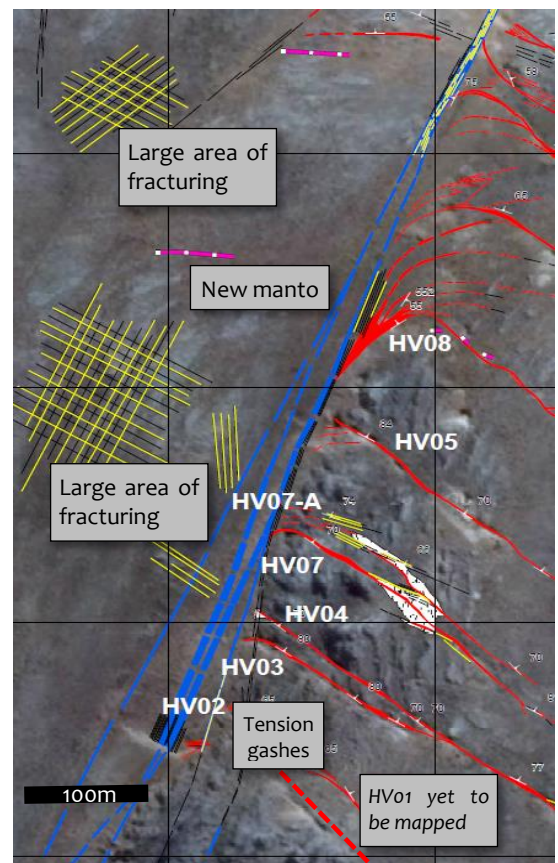
RCF is part of a group of commonly managed private equity funds within Resource Capital Funds - one of the world's largest specialist resource investment funds. The Company believes RCF's decision to remain heavily invested in Inca reflects their understanding and expectations concerning the prospectivity and potential of Inca's projects and particularly the Company's flagship Riqueza Project in Peru.

Currently in Peru, the Company's Managing Director, Mr Ross Brown, said "With the Company's share price having enjoyed a 12-fold increase over the past 10 months it is not unreasonable to expect investors to realise some of the gains on their investment. Importantly for the Company, RCF remain a firm supporter and, like all shareholders, look forward to results from the current drilling campaign confirming Riqueza's potential".

With the Riqueza drilling campaign having recently commenced Mr Brown is expected to be on site on or around 29 March 2017 (Peru time). With the recent discovery of yet another manto occurrence and further broad areas of mineralised fractures the Company is extremely keen to examine the Callancocha feeder zone as a major focal point of the mineralising processes at Riqueza (Figure 1).

In addition, and most recently, the Detailed Mapping and Systematic Sampling Program (**DMASS**) (running concurrently with the current drill campaign) has identified a new cross-cutting fault and a cluster of five mineralised breccias at the intersection of HV04 (Figure 2).

Figure 1: **RIGHT** Large areas of criss-crossing fractures illustrate the broad effects of faulting associated with the Callancocha Structure. Also shown is a new manto and several new tension gash veins in association with HV01 and HV02.



The identification of a new cross-cutting fault may be a second Callancocha-like structure and indicates that large scale faulting is more widespread than previously thought at Humaspunco. The occurrence of mineralised breccias concentrated at vein-fault intersections is also highly encouraging and strongly indicates the presence of metal-bearing fluids during fault activity (causing rock breaking). Considering both discoveries in the broader context, mineralisation at Humaspunco-Pinta appears to be controlled by a series of large parallel NS fault structures that possibly represent multiple metal feeder zones. The mantos were formed through the filtration



of metal-bearing fluids into susceptible limestone horizons. The 100+ EW veins, NS veins, tension gash veins and breccias were formed through the filtration of metal-bearing fluids into structural weaknesses (rock cavities and

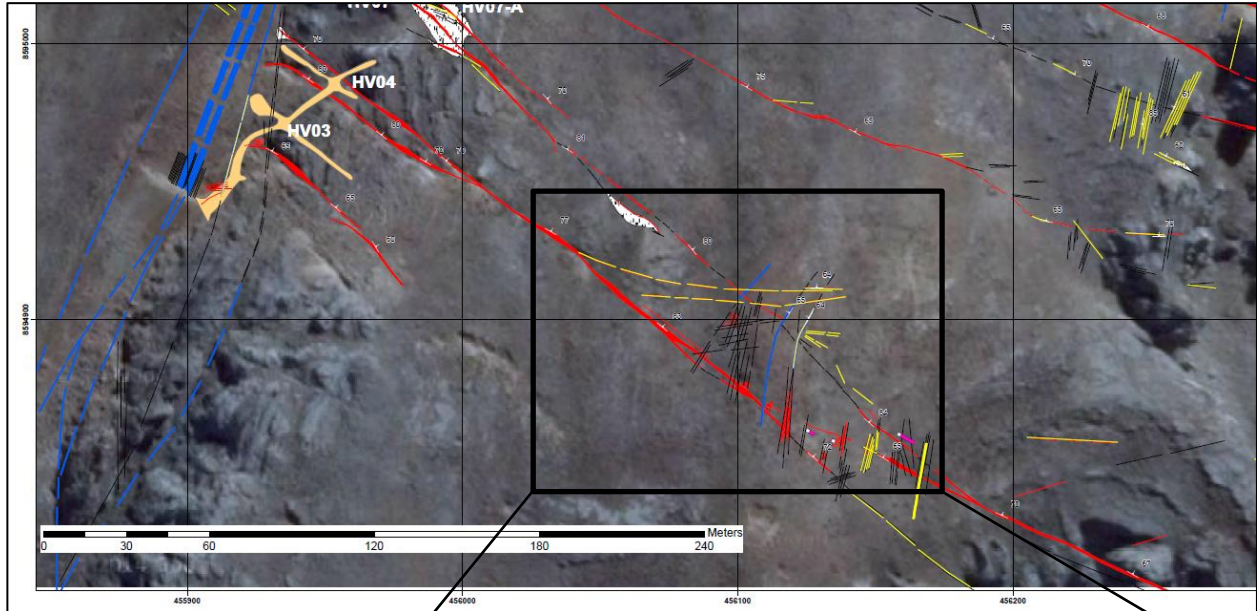
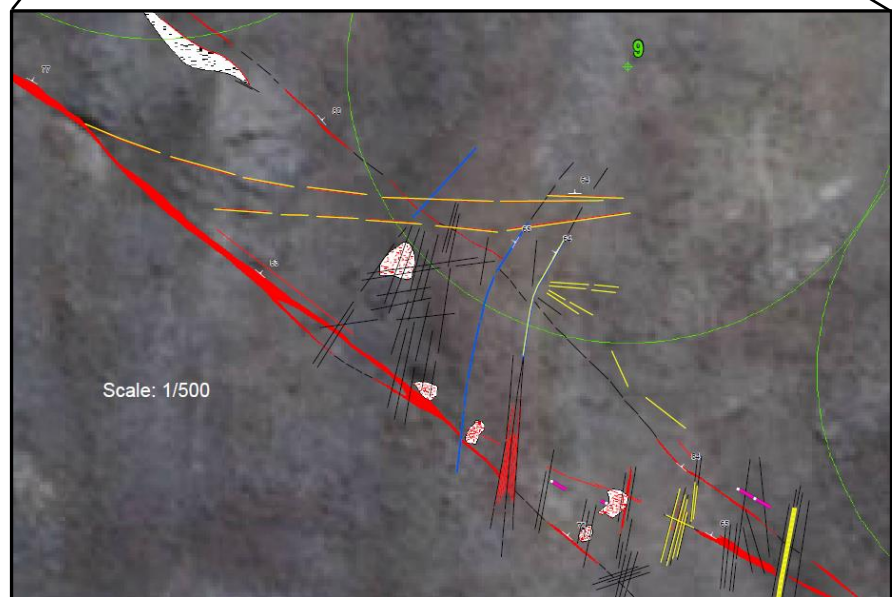


Figure 2: **ABOVE & RIGHT** Detail of veins HV04 and HV07. A cluster of mineralised breccias identified at an intersection of veins HV04, HV07, faults (blue lines) and fractures (black and yellow lines).



break zones) caused by multiple pulses of fault movement. The occurrence of possible off-set mantos supports multiple phases of mineralisation and fault activity. “I think of two intersecting packs of playing cards when visualising the structural setting of Humaspunco-Pinta” says Mr Brown. “As one pack of cards is drawn across the other at right angles, cards are bent, spaces open up; and veins and breccias are created within both decks. I am keen to get to site and set about confirming this as soon as possible”.



INCA MINERALS LTD

ACN: 128 512 907

ASX ANNOUNCEMENT

ASX Code: ICG

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 fulltime 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 fulltime employee of Inca Minerals Limited and consents to the report being issued in the form and context in which it appears.