



5 June 2019

RIQUEZA PROJECT UPDATE

IN THIS ANNOUNCEMENT

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HIGHLIGHTS

- Satellite imagery acquired and processing of imagery commenced
- Further detailed 3D analysis of priority geophysical targets at Riqueza to be considered
- Specialist porphyry-skarn mapping completed – independent report due in approximately ten days
- Project-scale grid sampling set to commence within seven days
- New Cuncayoc Copper Prospect discovered near Alteration Ridge
- Transfer of title of Riqueza concessions to project company Brillandino Minerales S.A.C. (**Brillandino**) – a condition precedent – to be finalised imminently
- Application for extension of the existing DIA drill permit
- General meeting held with all three directors electing to salary sacrifice

Inca Minerals Limited's (**Inca** or the **Company**) wishes to update the market about Riqueza and other recent corporate developments. Inca's Managing Director, Mr Ross Brown, has returned from a 30-day trip to Peru during which time the Inca-South32 Year-1 field program has commenced.

Inca-South32 Year-1 Exploration Campaign

Three programs of the year-1 exploration campaign at Riqueza have commenced:

- A satellite imagery program commenced in the previous month with the acquisition of WorldView3 imagery covering the project area. Processing of that data has now commenced.
- Field work associated with the specialist porphyry-skarn mapping program is completed. Mapping covered the NE and south-central parts of Riqueza. A subsequent independent report is being prepared and is due in approximately ten days.
- The final configuration of a grid soil sampling program is agreed. The program, comprising approximately 1,500-samples, is set to commence within seven days.

“The three programs have kick started the Inca-South32 Year-1 exploration campaign with results anticipated to flow through more regularly” says Mr Brown. “Each of these initial programs are designed to provide an additional layer of information critical in the definition of potential drill targets. Additional 3D modelling of high priority geophysical targets is being considered for the same purpose.”

WorldView3 is high-resolution multi-band satellite imagery capable of detecting porphyry and skarn related alteration patterns on the surface. The data is currently being interpreted to identify targets.



Specialist porphyry and skarn mapping, conducted during May 2019, focussed on two large areas, the Yanacolipa target area in the NE of Riqueza, and the Alteration Ridge area in the south-central part of Riqueza. No results are available at the time of writing.

The *Yanacolipa area* is prospective for porphyry and skarn related mineralisation and was targeted for specialised mapping because of the presence of strong geophysical anomalies, regional scale structures and prospective geology (limestone).

The *greater Alteration Ridge area*¹ is prospective for porphyry related mineralisation and was targeted for specialised mapping because of the prevalence of geophysical anomalies, pervasive alteration, multiple zones of mineralisation, regional scale structures and prospective geology (volcanics).

An independent geological report which will summarise the mapping results of these areas is due within 10 days. Areas of interest will be defined as well as broader comments provided concerning future exploration focus.

The final planning of the grid soil sampling program is complete with a total of approximately 1,500 samples to be collected on a 200m x 200m grid. Each soil sample will be tested for porphyry and skarn pathfinder elements, including but not limited to gold, silver, copper, zinc, lead, manganese. The resultant geochemical data will be analysed and possible geochemical targets generated.

Year-1 exploration at Riqueza is focussed on reducing the search area from “project-scale” to “drill target-scale.” Like geophysics, the current programs are designed to generate targets. Simply put, areas with geophysical, geochemical and satellite targets that coincide with specialised mapping priority areas, will be elevated in terms of drill target status.

New Cuncayoc Copper Prospect

As part of the lead-up to the specialised mapping program, Inca geologists conducted several traverses in areas not adequately covered in the past. As a result of work conducted south of Pampa Corral and east of Colina Roja-Alteration Ridge, a new prospect has been identified (Figures 1 & 2). The new Cuncayoc Copper Prospect hosts several structure-related copper-bearing veins varying from several metres thick (true width) to several centimetres thick. Malachite is the predominant ore-forming mineral occurring as clast coatings and matrix material in veins that are typically brecciated. Considerably more work is required to determine the number of mineralised veins, vein widths and vein lengths. Follow-up mapping and sampling has begun.



Figure 1 **LEFT:** Copper-bearing vein within volcanic rocks recently discovered east of Alteration Ridge. Several shallow workings testify to past small-scale artesinal mining in this area.

¹ The Greater Alteration area includes the Alteration Ridge, Uchpanga, Colina Roja and Pampa Corral prospects, all of which host known mineralisation.



Figure 2 **LEFT:** Satellite image of the south-central part of Riqueza showing the relative locations of the prospects mentioned in-text. The Cuncayoc Copper Prospect is south of Pampa Corral and east of Colina Roja-Alteration Ridge.

Update on the Inca-South32 Agreement

As previously announced (1 April 2019) a key term of the executed Earn-in Agreement (**EIA**) is the transfer of title for all Riqueza concessions to Inca's wholly owned Peruvian subsidiary Brillandino Minerale S.A.C. (**Brillandino**) which is the Project Company for the Inca-South32 EIA. A condition precedent (**CP**) for South32 funding to commence; the transfer of all concession titles to Brillandino, is nearing completion and is anticipated within seven days.

Drill Permit Extension

Inca has applied for an extension of its existing DIA drill permit. The extension is a provision of possible use by Brillandino in future exploration campaigns. "We have an existing drill permit" says Mr Brown. "If we can use it, all the better." The extension application was made using a relatively simple process referred to as an ITS.

Corporate Update – Including results of the General Meeting

As previously announced (31 May 2019) all resolutions of the General Meeting of Shareholders, held on 31 May 2019, were approved. Resolutions 1 and 2 concerned the approval of the purchase of Inca shares by Mr Brown and Dr Jonathan West at above market prices. Funds have been received from these directors and shares are to be issued immediately.

Resolutions 3, 4 and 5 concerned salary sacrifices by all directors, Mr Brown, Mr Gareth Lloyd and Dr West. It is the intension of all directors to now act on this approval.

Mr Malcolm Smartt has been appointed Inca's Company Secretary (ASX announcement 17 May 2019). Replacing Dr Justin Walawski as Company Secretary, Mr Smartt has considerable experience in the resource sector as both company secretary and director. "I have worked with Mal in the past" says Mr Brown. "He is a highly effective resource executive, who is keenly aware of the need for budgetary restraint and the implementation of appropriate cash management strategies to ensure that the maximum proportion of the company's funds are dedicated to exploration activities which underpin success. I take this opportunity now, as I have been away for over a month, to thank Justin for his service to the Company and to wish him well for the future.



Competent Person Statement

The information in this report that relates to exploration results and mineralisation for the Greater Riqueza project area, 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 exploration results, 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.

Selected Key Words Used in this Announcement (order of appearance and cross reference)

<u>Porphyry (Deposit)</u>	A type of deposit containing ore-forming minerals occurring as disseminations and veinlets in a large volume of rock. The rock is typically porphyritic (a texture of large crystals in a fine groundmass). <i>Porphyry Deposits</i> are economically very significant.
<u>Skarn (Deposit)</u>	A type of deposit that forms as a result of alteration which occurs when hydrothermal fluids interact either igneous or sedimentary rocks. In many cases, skarns are associated with the intrusion of granitic rocks, especially <i>Porphyry</i> intrusions, in and around faults that intrude into a limestone.
<u>Geophysics</u>	An exploration method using instruments to collect and analyse sub-surface data of such properties as magnetics, radioactivity, gravity, electronic conductivity, etc. Instruments can be located on surface (ground survey) or above the ground (airborne survey).
<u>Magnetic Survey</u>	Measures variations in the intensity of the earth's magnetic field caused by the contrasting content of rock-forming magnetic minerals in the Earth's crust. This allows sub-surface mapped of geology, including <i>Structures</i> . An airborne survey is flown either by plane or helicopter with the magnetometer kept at a constant height above the surface.
<u>Radiometric Survey</u>	Or gamma-ray spectrometric survey measures concentrations of radio-elements potassium (K), uranium (U) and thorium (Th), specifically the gamma rays emitted by isotopes of these elements. All rocks and soils contain radioactive isotopes and almost all gamma-rays detected at surface are the result of radioactive decay of K, U and Th. <i>Radiometrics</i> is therefore capable of directly detecting potassic alteration which is associated with hydrothermal processing and formation of deposits.
<u>Structure</u>	A very broad and widely used geological term but used at Riqueza to mean a large linear feature either a geological fault or a lineament.
<u>Fault</u>	A surface or zone of rock fracture along which there has been displacement.
<u>Vein</u>	A tabular or sheet-like form of mineralisation, often resulting from in-filling a vertical or near-vertical fracture. They often cut across <i>Country Rock</i> .
<u>Brecciation/Breccia</u>	At Humaspunco, taken to mean broken or fragmented rock. <i>Breccia Veins</i> which are common at Humaspunco, are narrow fissures containing numerous rock fragments. The rock fragments are called <i>Clasts</i> and the space around the clasts is called the <i>Matrix</i> . Often the <i>Matrix</i> in the <i>Breccia Veins</i> at Humaspunco contains the <i>Ore-forming Minerals</i> .
<u>Ore-forming Minerals</u>	Minerals which are economically desirable, as contrasted to <i>Gangue Minerals</i> . In mineralisation at Cuncayoc it includes <i>Malachite</i> .
<u>Malachite:</u>	A secondary copper mineral with a formula of $Cu_2(CO_3)(OH)_2$ with 57.48% Cu.
<u>Clasts</u>	The coarse component of a <i>Breccia</i> , at Humaspunco generally meaning angular fragments of <i>Country Rock</i> (limestone) but could also mean fragments of <i>Vein</i> material.
<u>Matrix</u>	The fine component of a <i>Breccia</i> , occurring between the <i>Clasts</i> .
<u>Grid Soil Sampling</u>	A sampling program whereby the B-horizon of the soil profile is sampled on a strict grid system (in this case at 200m x 200m).



Appendix 1

The following information is provided to comply with the JORC Code (2012) requirements for the reporting of a recent interim exploration results at Inca's Greater Riqueza project (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 future grid sampling. It also includes two photographs of outcrops with visible copper mineralisation which have not been sampled at the time of writing. This announcement does not refer to any current sampling or sample assay results.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	N/A – No sampling or assay results are referred to in this announcement.
	<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>	N/A – No sampling or assay results are referred to in this announcement.
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 results are 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 results are referred to in this announcement.
	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples.</i>	N/A - No drilling results are 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 results are 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 results are 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 results are referred to in this announcement.
	<i>The total length and percentage of the relevant intersections logged.</i>	N/A - No drilling results are referred to in this announcement.
	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	N/A - No drilling results are referred to in this announcement.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Sub-sampling techniques and sample preparation	<i>If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.</i>	N/A – No sampling or assay results are referred to in this announcement.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	N/A – No sampling or assay results are referred to in this announcement.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise “representivity” of samples.</i>	N/A – No sampling or assay results are referred to in this announcement.
	<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>	N/A – No sampling or assay results are referred to in this announcement.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	N/A – No sampling or assay results are referred to in this announcement.
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>	N/A – No sampling or assay results are referred to in this announcement.
	<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>	N/A – No sampling or assay results are referred to 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>	N/A – No sampling or assay results are referred to in this announcement.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	N/A – No sampling or assay results are referred to in this announcement.
	<i>The use of twinned holes.</i>	N/A - No drilling results are referred to in this announcement.
	<i>Documentation of primary data, data entry procedures, date verification, data storage (physical and electronic) protocols.</i>	N/A – No sampling or assay results are referred to in this announcement.
	<i>Discuss any adjustment to assay data.</i>	N/A – No sampling or assay results are referred to in this announcement.
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 locations of the outcrops containing copper mineralisation reported in this announcement were determined by 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 and a hand-held GPS.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	N/A – No sampling or assay results are referred to in this announcement.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and</i>	N/A – No grade, grade continuity, Mineral Resource or Ore Reserve estimations are referred to in this announcement.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Data spacing and distribution ctd	<i>Ore Reserve estimation procedure(s) and classifications applied.</i>	
	<i>Whether sample compositing has been applied.</i>	N/A – No sampling or assay results are referred to in this announcement.
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>	N/A – No sampling or assay results are referred to in this announcement.
	<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 results, sampling or assay results are referred to in this announcement.
Sample security	<i>The measures taken to ensure sample security.</i>	N/A – No sampling or assay results are referred to in this announcement.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	No audits were required in relation to information subject of this announcement.



Section 2 Reporting of Exploration Results

CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Mineral tenement and land tenure status	<i>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.</i>	<p>Tenement Type: Nine Peruvian mining concessions which make up the Greater Riqueza project area.</p> <p>Concession Names: Nueva Santa Rita, Antacocha I, Antacocha II, Rita Maria, Maihuasi, Uchpanga, Uchpanga II, Uchpanga III and Picuy.</p> <p>Ownership: In relation to Nueva Santa Rita, the Company has a 5-year concession transfer option and assignment agreement (“Agreement”) whereby the Company may earn 100% outright ownership of the concession.</p> <p>In relation to all other above-named concessions the Company has 100% ownership.</p>
	<i>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.</i>	The Agreement and all concessions are in good standing at the time of writing.
Exploration done by other parties	<i>Acknowledgement and appraisal of exploration by other parties.</i>	This announcement does not refer to exploration conducted by previous parties.
Geology	<i>Deposit type, geological setting and style of mineralisation.</i>	The geological setting of the area is that of a gently folded sequence of Cretaceous limestones and Tertiary “red-beds” and volcanics.
Drill hole information	<p><i>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:</i></p> <ul style="list-style-type: none"> • <i>Easting and northing of the drill hole collar</i> • <i>Elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar.</i> • <i>Dip and azimuth of the hole.</i> • <i>Down hole length and interception depth.</i> • <i>Hole length.</i> 	N/A- No drilling results are referred to in this announcement.
	<i>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.</i>	N/A- No drilling results are referred to in this announcement.
Data aggregation methods	<i>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.</i>	N/A - No sampling, drilling or assay results are referred to in this announcement.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Data aggregation methods (ctd)	<i>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.</i>	
	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	N/A - No sampling, drilling or assay results are referred to in this announcement.
Relationship between mineralisation widths and intercept lengths	<i>These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. 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>	N/A - No sampling, drilling or assay results are referred to in this announcement.
Diagrams	<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>	A diagram is provided that shows the relative position of the new prospect mentioned in-text.
Balanced reporting	<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>	The Company believes this ASX announcement provides a balanced report of the exploration results referred to in this announcement.
Other substantive exploration data	<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>	This announcement makes reference to three previous ASX announcements dated: 1 April 2019, 17 May 2019 and 31 May 2019.
Further work	<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>	This announcement presents an interim report on a new prospect mentioned in-text. Further work in relation to the prospect is necessary to progress the understanding of the visual mineralisation.
	<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>	Refer above.
