



15 August 2016

10% Zinc Discovered at New Riqueza Prospect

HIGHLIGHTS

- Third prospect discovered (the “Pinta Prospect”) with **3 new mineralised veins in early sampling**
- Pinta peak values: **10.00% Zn, 240g/t Ag, 11.50% Pb**
- Very strong precious metal (silver and gold) mineralisation repeated in sampling at Uchpanga
- Uchpanga peak values: **799g/t silver** and **3.59g/t gold** with 6.46% zinc and 11.76% lead
- **Riqueza now hosts 30 known mineralised bodies including 24 mineralised veins:**
 - Humaspunco: 26 mineralised bodies (including 20 veins) – **mapping 25% complete**
 - Uchpanga: 1 mineralised body (including vein and associated 750m long gossan) – **mapping 10% complete**
 - NEW Pinta: 3 mineralised bodies (including 3 veins) – **mapping 5% complete**
- Inca’s MD en route to Peru to oversee resumption of sampling at Riqueza

Inca Minerals Limited (**Inca** or the **Company**) (ASX code: ICG) has received further encouraging assay results from a program of mapping and sampling recently completed at the Company’s exciting new Riqueza Project. The purpose of the program was to commence investigating an unexplored area centred 700m east of the Humaspunco Prospect – the Pinta Prospect. Preliminary mapping and subsequent assay results already confirm the discovery of three mineralised veins at the Pinta Prospect. The Uchpanga Prospect was also revisited during this program. Results confirm that, in addition to hosting strong zinc (Zn) mineralisation, Uchpanga also hosts strong silver (Ag) and gold (Au). As such Uchpanga is now highly prospective for both precious and base metals.

Currently, Riqueza now hosts a total of 30 mineralised bodies including 26 veins, mantos and breccias at Humaspunco; 1 vein and associated 750m long gossan at Uchpanga and 3 veins at Pinta. **Mapping and sampling is now 25% complete at Humaspunco, 10% complete at Uchpanga and 5% complete at Pinta with the majority of the concession area yet to be covered.** Additional discoveries are reasonably expected to occur with numerous vein-like structures known at all three prospects and in other parts of the project area.

Figure 1: **RIGHT** Uchpanga vein material comprising quartz (cream colours) with several species of sulphide (sphalerite, galena chalcopyrite and pyrite). Material such as pictured was sampled returning **6.46% Zn, 799g/t Ag, 11.76% Pb, 3.59g/t Au**. This material is believed to be the leached sub-surface extension of a 750m long gossan horizon. Refer also to Figures 2 and 5.

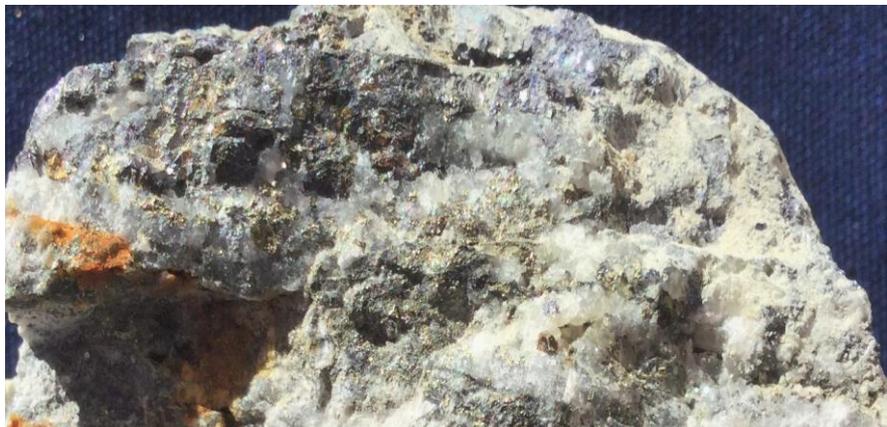




Figure 3: **ABOVE** Satellite image of the new Pinta Prospect showing the location of the 3 new mineralised veins PV1-PV3 and sample locations. There are numerous structures/lineaments (marked by transparent orange lines) that are potentially mineralised veins.



Figure 4: **LEFT** Hand specimen photo of vein-breccia of PV2, showing dolomite-altered limestone clasts rimmed by a quartz-galena. The matrix is predominantly quartz, drusy quartz and smithsonite (Zn bearing mineral).

Mineralisation at Uchpanga

The small-scale mine working, Rita Maria, which is part of the Uchpanga Prospect, was revisited during the current program. Material collected from this working is believed to be vein material and the subject of this past mining activity. It contains sphalerite (Zn sulphide), galena (lead sulphide), pyrite (iron sulphide) and chalcopyrite (copper sulphide) in association with quartz and light-coloured altered clays (Figure 1). Argillic alteration is pervasive. Vein assay results from the recent program include: **6.46% Zn, 799g/t Ag, 11.76% Pb and 3.59g/t Au**, which adds favourably to the sample results of the May 2016 program, **20.96% Zn, 920g/t Ag, 16.71% Pb and 2.65g/t gold (Au)** (ASX announcement 2 June 2016).

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The line of workings that traverse the northern scree slope of Cerro Uchpanga that defines the Uchpanga Prospect, follow a contiguously outcropping gossan over a distance of 750m (Figure 5). The vein material sampled at Rita Maria in two programs is believed to be the “fresh” (under-ground) equivalent of this gossan. As such, it is reasonable to conclude that the gold and silver rich mineralisation recorded at Rita Maria may extend laterally for at least 750m. The gossan is open east and west and the fresh sulphides are open at depth.



Figure 5: **ABOVE** Satellite image of the Uchpanga Prospect, showing the sample locations and rough trace of the gossan (transparent yellow line) and location of the workings (circled). The Rita Maria mine working is the largest in the chain of workings. It is probable the gossan is the surface representation of the vein that was mined between the 1950's to 1980's.

Significance of Results

The results from both the May and June programs continues to confirm the very strong potential of the Riqueza Project. The discovery of Pinta, being a third area at Riqueza hosting a concentration of mineralised bodies, is adding to this potential. As well as three known veins, Pinta is also prospective for manto mineralisation as it hosts limestones at the same stratigraphic level as the mantos at Humaspunco. At Uchpanga, the high precious metal grades and alteration style strongly indicate intrusive related mineralising processes. This is not entirely unexpected, Minera IRL's Corihuarmi gold mine and the Bethania gold-copper mine, 25km and 15km in line to the northwest of Uchpanga, are both intrusive related epithermal deposits (Figure 6).

It is believed that both Humaspunco and Pinta are replacement style mineral deposits occurring in a distal position within a large intrusive-related mineralising system. Uchpanga is an epithermal style mineral deposit occurring in a proximal position within a large intrusive-related mineralising system.

The mineralisation identified at Uchpanga is significantly different to that occurring at Humaspunco: i) mineralisation includes significant levels of Au, Cu and Mn [Humaspunco is Zn-Ag-Pb rich], ii) mineralisation occurs with quartz and pyrite [Humaspunco occurs with calcite and barite], iii) mineralisation occurs with well-developed argillic alteration [Humaspunco occurs with dolomite alteration], iv) mineralisation occurs with quartz stock-work veining [Humaspunco occurs with calcite/barite veining that is rarely stockwork] and v) mineralisation occurs in a volcanic sequence [Humaspunco occurs in a limestone sequence]. These differences reflect a “hotter” style of mineralisation at Uchpanga compared to Humaspunco.

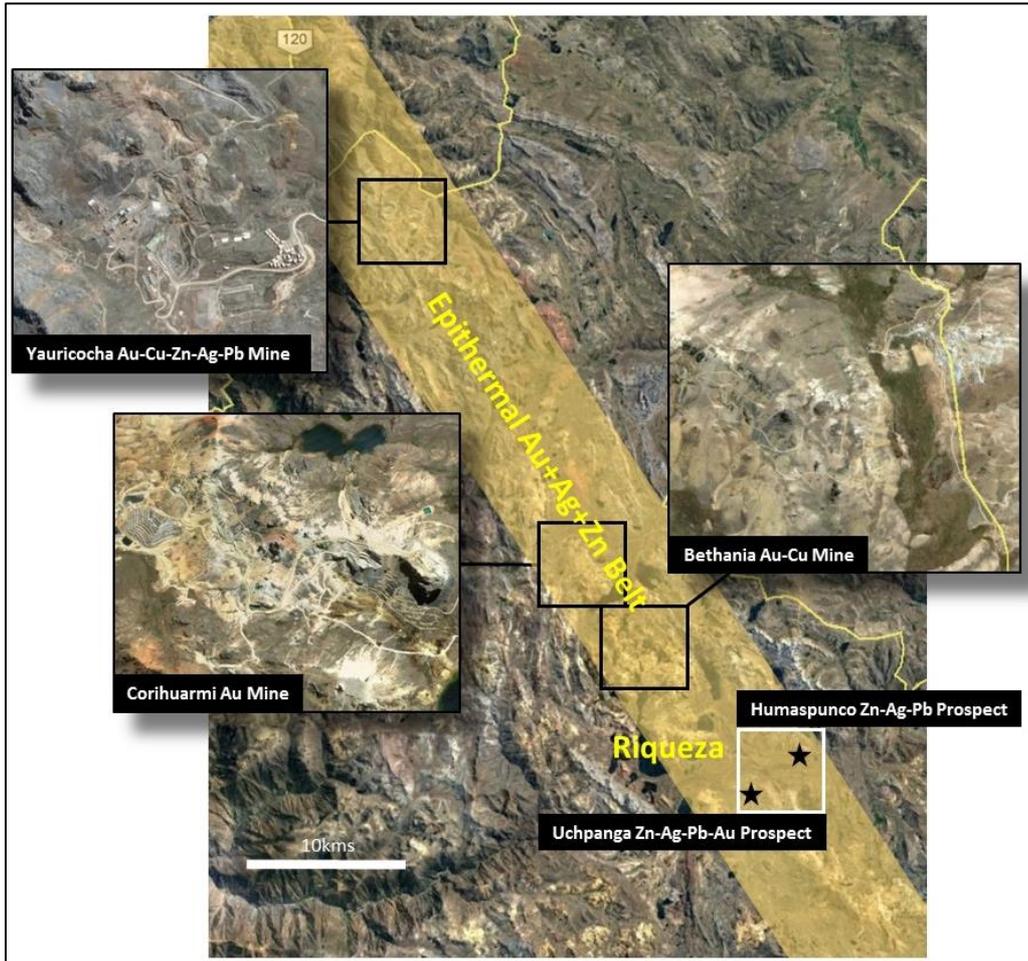


Figure 6: **ABOVE** Regional satellite image showing the position of an epithermal gold-silver-zinc belt linking the Yauricocha polymetallic mine in the NW to Inca's zinc-silver-lead-gold Riqueza Project in the SE. Between these book-end deposits are two operating gold (copper) mines – the Corihuarmi gold mine and the Bethania gold-copper mine.

Planned Exploration at Riqueza

Since the Company commenced exploration at Riqueza it has identified 18 new mineralised veins across three prospects (Humaspunco, Uchpanga and Pinta); confirmed a 15m thick manto sequence at Humaspunco comprising four manto horizons which we now know extends west and south from previous known occurrences; and identified very strong precious metal (Ag and Au) and base metal mineralisation (Zn and Pb) at Uchpanga associated with a 750m long gossan. Mr Brown is currently returning to Riqueza to oversee the resumption of mapping and sampling which, to date, has covered a very small percentage of the total project area. Results from this new program should become available late August/early September 2016.

NUMEROUS VEIN-LIKE STRUCTURES EVIDENT IN SATELLITE IMAGERY ARE TARGETTED FOR IMMEDIATE AND ONGOING MAPPING AND SAMPLING WHILST THE DRILL PERMIT APPLICATION IS UNDERWAY

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As previously announced (20 July 2016) all environmental base-line studies, which underpin the Riqueza drill permit application, have been completed. While awaiting the final granting of the drill permit, exploration at Riqueza continues and future exploration planned at each of the three identified prospects includes:

At Humaspunco:

- Continue mapping and sampling.
- Examine satellite structures for possible vein mineralisation.
- Examine all parts of the +1% Zn soil anomaly.
- Detailed vein and manto sampling (channel-sampling, grade-width analysis, margin characteristics).
- Design geophysical coverage and complete survey.
- Drill target prioritisation.
- Trenching & Drilling.

At Uchpanga:

- Continue mapping and sampling of the gossan.
- Complete mapping of alteration areas in the vicinity.
- Design geophysical coverage and complete survey.
- Drill target prioritisation.
- Trenching & Drilling.

At Pinta:

- Continue mapping and sampling.
- Examine satellite structures for possible vein mineralisation.
- Examine stratigraphic exposures of the Jumasha Formation for possible manto mineralisation.
- Detailed vein and manto sampling (channel-sampling, grade-width analysis, margin characteristics).
- Design geophysical coverage and complete survey.
- Drill target prioritisation.
- Trenching & Drilling.

Planned project-wide future exploration includes: i) mapping and sampling of all exposures of the Jumasha Formation for possible manto mineralisation, ii) broad-based mapping and sampling traverses for possible additional mineralised prospects, and iii) broad-based geophysics.

It is the Company's intention to create an inventory of all mineralised bodies occurring at surface. Using all mapping, sample assay and geophysical data, drill targets will be generated and prioritised ahead of drill-testing.

For further information contact Ross Brown (Managing Director).

Office: +61 (0)8 6145 0300

Email address: info@incaminerals.com.au

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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.

Table 1: Assay Results Zn, Ag, Pb, Au, Cu

Sample code	Prospect	Coordinates (WGS84) Zone 18			Zn (ppm)	Zn (%)	Ag (g/t)	Pb (ppm)	Pb (%)	Au (g/t)	Cu (ppm)
		Easting	Northing	Elevation							
005432	Pinta	456887	8594994	4,345	100010	10.00	240.0	114990	11.50	0.291	897
005433	Pinta	456854	8594657	4,332	52670	5.27	113.8	55060	5.51	0.030	195
005434	Pinta	456783	8594621	4,290	14670	1.47	7.5	10460	1.05	0.022	28
005435	Pinta	456778	8594594	4,290	11840	1.18	6.7	868	0.87	0.278	35
005436	Pinta	456778	8594594	4,290	61520	6.15	31.6	52980	5.30	0.066	204
005453	Uchpanga	454500	8592964	4,321	64590	6.46	799.0	117590	11.76	3.594	3359
005454	Uchpanga	454500	8592964	4,321	20620	2.06	147.2	22070	2.207	0.503	669
005455	Uchpanga	454500	8592964	4,321	871	0.09	1.4	309	0.03	0.005	61



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 from 8 rock chip samples collected by the Company. Results for the elements Zn, Ag, Pb, Zn, Au and Cu are presented in Table 1. Reference is made to results of previous exploration as described in Section 2 of this Appendix.
	<i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.</i>	The sample locations 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.

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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 in situ rock. In the case of sampling subject of this announcement, the in situ rock comprises mineralised veins and mantos cropping out within and proximal to adits of 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 in situ 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>	The analytical assay technique used in the elemental testing of the samples for non-Au was four-acid digestion and HCl leach, which is considered a “complete” digest for most material types. Elemental analysis was via ICP and atomic emission spectrometry. Over-10-30% detection analysis includes additional titration analysis. Au techniques included Fire Assay with AA finish. The analytical assay technique 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>	N/A - No geophysical tool or electronic device was used in the generation of sample results other than those used by the laboratory in line with industry best practice.
	<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 were 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>	The sample assay results are independently generated by Bureau Veritas Minerals (BVM) who conduct QAQC procedures, which follow industry best practice.
	<i>The use of twinned holes.</i>	N/A – no drilling or drill results were referred to in this announcement.



CRITERIA	JORC CODE EXPLANATION	COMMENTARY
Verification of sampling and assaying cont...	<i>Documentation of primary data, data entry procedures, date verification, data storage (physical and electronic) protocols.</i>	Primary data (regarding assay results) is supplied to the Company from BVM in two forms: EXCEL and PDF form (the latter serving as a certificate of authenticity). Both formats are captured on Company laptops which are backed up from time to time. <u>Following</u> critical assessment (including price sensitivity) when time otherwise permits, the data is entered into a database by a Company GIS personnel.
	<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 had been 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>	Please refer immediately above. Note that no Mineral Resource and Ore Reserve estimation has been provided in this announcement. It is further acknowledged that the sample population of that released in this announcement is insufficient to obtain an Exploration Target and that additional sampling, to achieve this, would be required.
	<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 is 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 is appropriate for outcrop conditions prevalent at this project location.

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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 refers to exploration carried out at Riqueza by previous parties. References include mention of veins and mantos. The Company has previously cited these references and in this announcement attribute no grade to them other than those generated by the Company.
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 effected by a series of near vertical Zn-Ag-Pb bearing veins/breccia and Zn-Ag-Pb [strata-bound] 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.

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Data aggregation methods cont...	<i>The assumptions used for any reporting of metal equivalent values should be clearly stated.</i>	N/A – no equivalents were used in this announcement.
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>	<p>Vein and manto style mineralisation average widths, thicknesses and lengths are provided on the basis of mapping and sampling results and not drilling. Vein widths are not true widths as the veins dip at an angle of between $\pm 60^\circ$ and 80°.</p>
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 plan showing the position of the 8 samples has been provided in this announcement.
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 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	<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>	As well as discussing the Company's current mapping and assay results, this announcement discusses the Company's previous exploration results announced on 2 June 2016, 22 June 2016, 29 June 2016 and 14 July 2016.
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>	By nature of early phase exploration, further work is necessary to better understand the mineralisation that appear characteristic of this area.
	<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>	N/A: Refer above.

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