



27 August 2014

Moquegua Vendor Becomes Inca Shareholder Notice Under Section 708A(5)(e) of Corporations Act

Inca Minerals Limited (**Inca** or **Company**) is pleased to announce the issue of 1,300,000 fully paid ordinary shares, at an implied issue price of ten cents (A\$0.10) per share, as the purchase consideration for six concessions integral to Inca's Moquegua project in Peru.

The shares were issued to Mr Daniel Oscar Chavez Ticona (**Daniel Chavez**) pursuant to the Mining Option, Mining Assignment and Option of Future Asset Agreement (**Agreement**) dated 23 June 2011 between the Inca group and Daniel Chavez.

With Chanape as Inca's flagship project, Moquegua (also in Peru), and Dingo Range in Western Australia, the Company has assembled three very exciting projects that underpin and will continue to build on the value attaching to the Company.

Inca also provides the following information:

1. The issue of 1,300,000 fully paid ordinary shares to Daniel Chavez for six Moquegua project concessions is an implied purchase consideration of A\$130,000.00 and dilutes the voting power of existing shareholders by 0.02%.
2. Inca issued the securities to Daniel Chavez under ASX Listing Rule 7.1 as an expeditious and advantageous means of meeting one of the requirements under the Agreement.
3. There were no other costs in connection with the issue of 1,300,000 shares to Daniel Chavez.

Notice Under Section 708A of the Corporations Act

Inca provides this notice pursuant to Section 708A(5)(e) of the Corporations Act. The 1,300,000 fully paid ordinary shares described above were issued without disclosure to Mr Daniel Chavez under Part 6D.2 of the Corporations Act in reliance on Section 708(5) of the Corporations Act. These shares are part of a class of securities quoted on the Australian Securities Exchange.

As at the date of this notice:

1. Inca has complied with the provisions of Chapter 2M of the Corporations Act; and
2. Inca has complied with Section 674 of the Corporations Act; and
3. There is no excluded information for the purposes of Sections 708A(7) and 708A(8) of the Corporations Act.

Dr Justin Walawski
Director & Company Secretary



About the Moquegua Project

The Moquegua project comprises 10 concessions, six the subject of this ASX announcement and four additional concessions previously acquired by Inca. The Company now holds approximately 8,000 hectares of prospective ground within the Southern Peru Copper Porphyry Belt (Figure 1) and has developed strong and ongoing access to project opportunities in this prolific copper porphyry area.

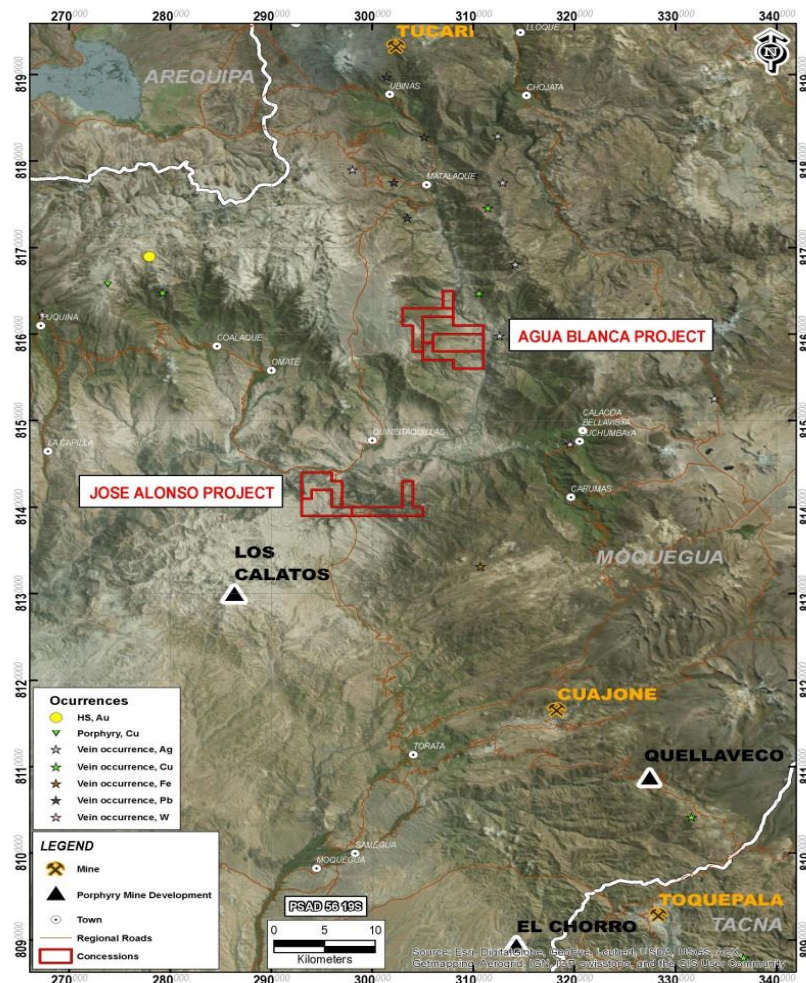


Figure 1: Location plan of the Agua Blanca and Jose Alonso Prospects that make up the Moquegua regional project.

Historically, the Southern Peru Copper Porphyry Belt has produced approximately 16Mt of copper (Cu) metal ($\pm 57\%$ of Peru's historic copper production) and currently produces 590,000t of Cu metal annually. Annual Cu metal production of the region is believed to top 1Mt with the commencement of production at Quellaveco and the upgrading of the +3Bt Cerro Verde mine. No less than five major Cu-Mo porphyry mines and developments occur within 50km of Inca's Moquegua project. The area is tightly held by exploration companies and majors and Inca's neighbours include BHP-B and Anglo-American. Whilst Moquegua is an earlier stage project, it has known porphyry-style alteration and visible mineralisation already identified on the ground. These factors, together with its proximity to substantial current and developing mines, make it a compelling project and a worthy addition to the Company's flagship Chanape porphyry project in Peru.