



22 February 2021

EXPLANATION OF NE AREA DRILLING AT RIQUEZA

IN THIS ANNOUNCEMENT

- *Brief description of the proposed hole groupings intended for the NE Area drill program of Riqueza*
- *Schematic models of porphyry-skarn deposits (Appendix 1)*
- *Competent Person Statement, Key words and ASX JORC 2012 compliance statements (Appendix 2)*

Inca Minerals Limited (**Inca** or the **Company**) recently updated the market on the progress of drill permitting required to commence drilling at the NE Area of Riqueza (ASX announcement dated 20 January 2021). In today's announcement we wish to provide a brief explanation of the drill program itself, its purpose and objectives, as well as a more practical explanation of how and where we intend executing the NE Area drill program.

It is very useful to firstly know where the drilling will be. The fourteen planned holes occur within a polygon that coincides to the *Ficha Técnica Ambiental (FTA)* permit area (Figure 1)¹ in the north east part of Riqueza. This part of Riqueza showed very strong aerial geophysical anomalies and then, subsequently, very strong geochemical and Induced Polarisation (**IP**) anomalies, surface mineralisation and alteration, all consistent with the targeted mineralisation types. This work culminated in the independent interpretation of two possible porphyry centres.

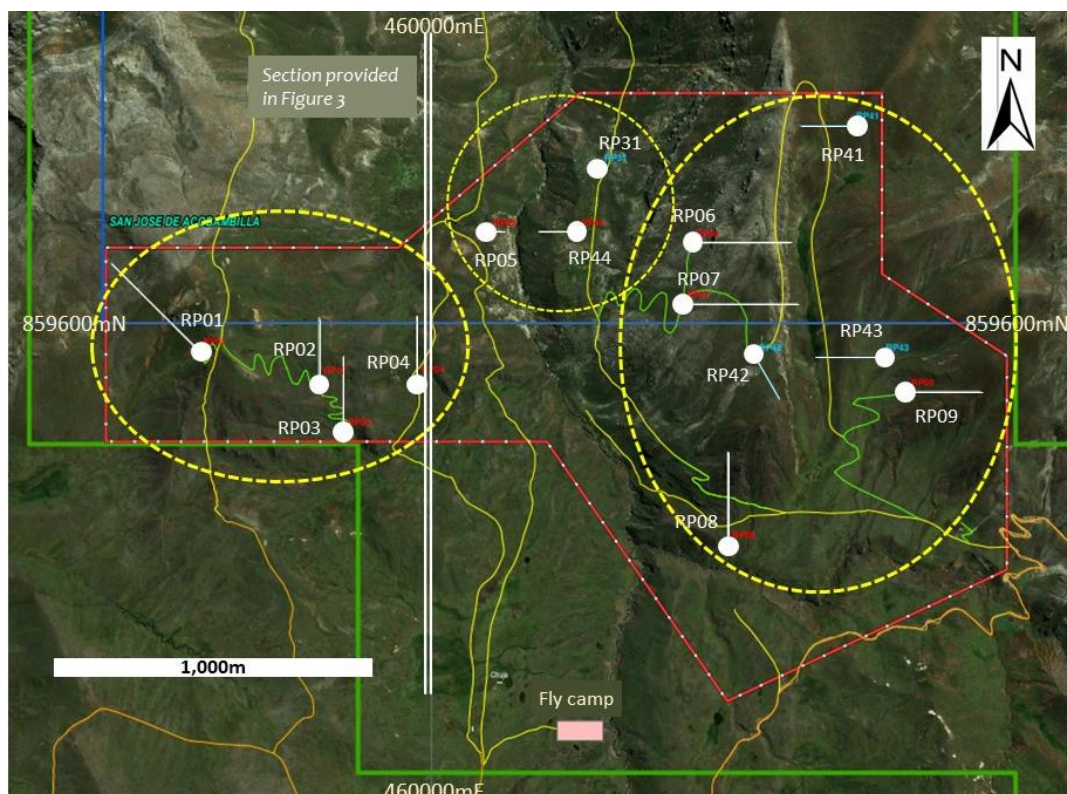


Figure 1 **ABOVE:** Drill hole location plan of the NE Area of Riqueza. Refer to Table 1 for drill hole coordinates. The hole collar positions are marked by white dots. The hole directions (2D projections on the page) are marked by solid white lines. There are three drill hole groupings, marked by dashed yellow lines.

¹ The current “RP-series” hole numbers do not indicate a drilling sequence but are rather an arbitrary number assigned during the target generation phase. As each hole is drilled, it will be assigned a sequential drill hole number.



The broad parameters of the NE Area drill program are unchanged from the 20 January 2021 ASX announcement. The total planned metres is 6,070m. The total planned number of holes is fourteen. The hole depths range from 220m (the shallowest hole - RP05) to 750m (the deepest hole - RP01) with the average hole depth calculated at 433m. All holes are to be drilled at an angle except RP31 (Table 1).

We have contracted a global drilling company and will be using a track-mounted diamond core (DC) drill rig. The rig is highly mobile and has the capacity to drill to 1,000m depths (our deepest planned hole is 750m). We have opted for the DC drill technique so that we will have continuous solid rock core that is vital for the recognition of possible porphyry and skarn textures. The alternative drill technique, reverse circulation (RC) drilling, does not provide this capacity. As discussed further below, all holes have multiple objectives from the top to bottom, so we shall be coring top to bottom. Every metre of core will be accurately logged and intervals of core will be selected for half-core sampling and multi-element analysis.

Platform	Hole_ID	EAST	NORTH	Elevation	Dip	Azimuth	Depth (m)
RP01	RP01	459292.4	8595914.7	4432.5	-60	315	750
RP02	RP02	459658.0	8595827.1	4346.1	-60	0	380
RP03	RP03	459731.7	8595671.3	4312.9	-60	0	450
RP04	RP04	459955.6	8595831.3	4259.5	-60	0	380
RP05	RP05	460174.4	8596278.6	4177.9	-60	90	220
RP06	RP06	460788.6	8596244.9	4376.0	-60	90	600
RP07	RP07	460763.2	8596058.0	4363.0	-60	90	700
RP08	RP08	460900.8	8595328.0	4231.9	-60	0	560
RP09	RP09	461444.9	8595791.5	4353.4	-60	90	450
RP31	RP31	460513.8	8596474.1	4186.0	-90	0	450
RP41	RP41	461280.0	8596601.0	4502.2	-50	270	250
RP42	RP42	460984.8	8595895.4	4394.0	-55	150	250
RP43	RP43	461370.5	8595895.4	4349.3	-60	270	400
RP44	RP44	460440.7	8596278.2	4189.4	-60	270	230
							6,070

Table 1 **LEFT:** Drill hole parameters of the NE Area drill program. This table appeared in ASX announcement dated 20 January 2021.

Drill Hole Grouping RP01, RP02, RP03 and RP04

The four planned drill holes with numbers RP01, RP02, RP03 and RP04 form the first grouping (Figure 1). They are targeting the western porphyry target, which is referred to as Mega-target #1 (Figure 2). This grouping's proximity to the fly-camp and relative ease of access construction is also favourable in terms of sequencing.

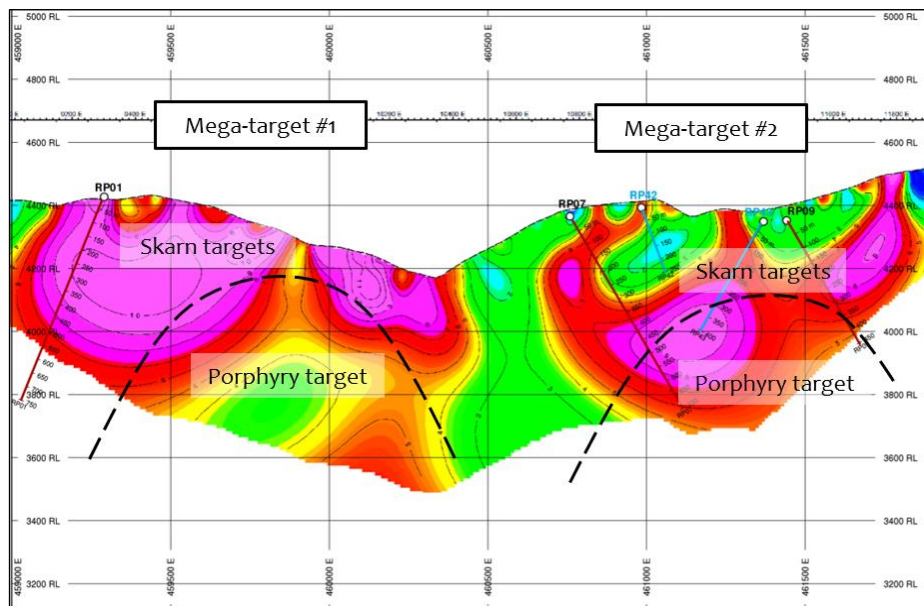


Figure 2 **LEFT:** A west to east (left to right) IP profile along the grid line with a northing value of 8595950mN. IP chargeability responses are shown (red/pink = high, blue = low). The red/pink areas may relate to metal sulphide occurrences and/or to alteration minerals associated with two possible interpreted porphyries and related skarns. This figure appears in ASX announcement dated 20 January 2021.



With the aid of the west-east IP profile (Figure 2) and the added aid of a recently created south-north IP profile, which integrates satellite imagery and geochemical data (Figure 3), the projected intersections of each hole makes the “reach” and therefore, the purpose of each hole [visually] clearer.

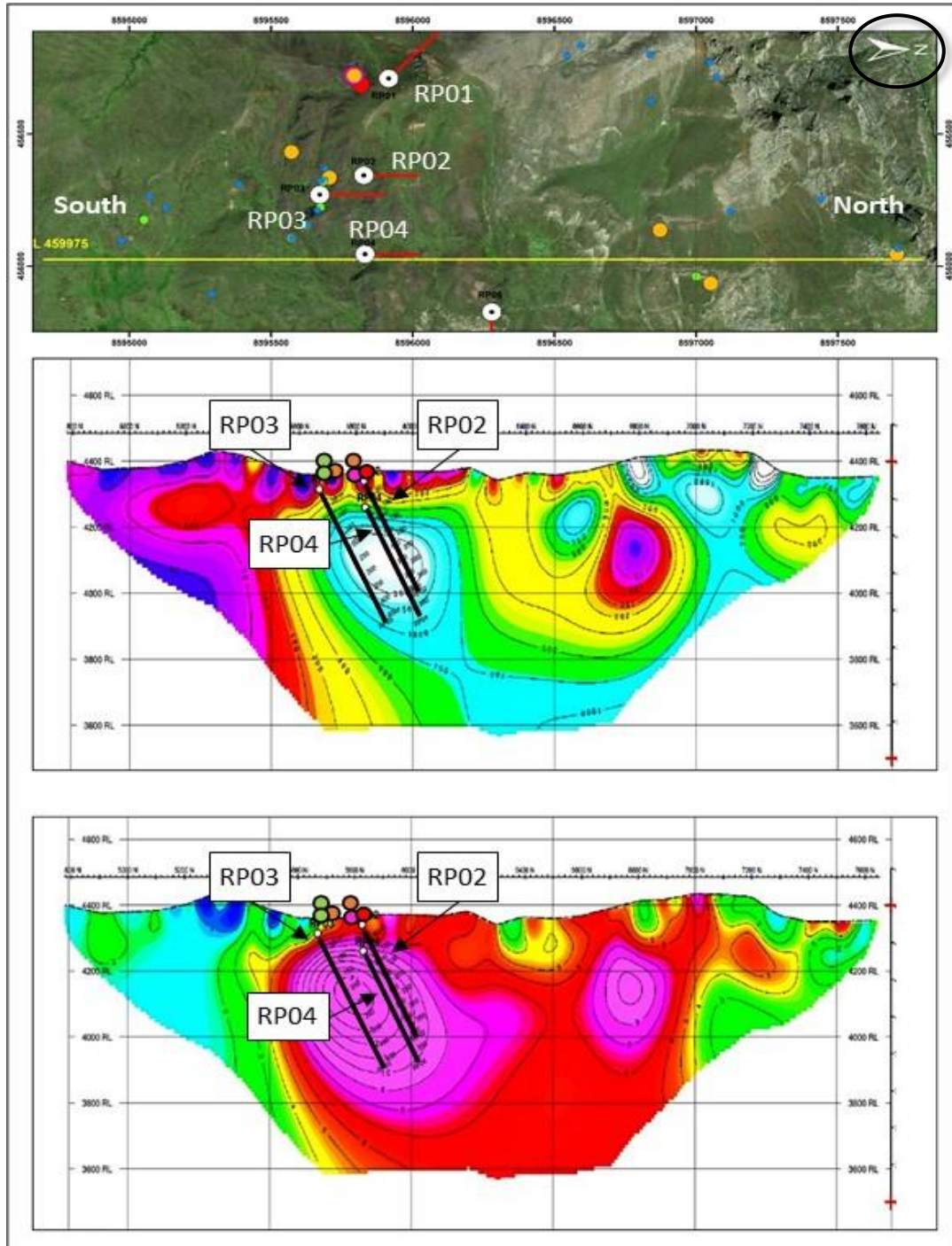


Figure 3 **ABOVE:** An integrated -drill profile along a grid line with an easting value of 459975mE. Please note that the drill directions appear 90° different to that of Figure 1. This is because the north direction of the plan of Figure 3 is across the page to the right, instead of up the page in Figure 1. Based on Figure 2 and Figure 3 it is apparent that RP02, RP03 and RP04 are testing a very strong IP target. The 2D profiles collapse the three holes into a single plane, but in actuality, they are some 300-350m apart, whilst RP01 (not on the profiles) is testing the same mega-target but further to the west. The upper satellite image of Figure 3 makes this clear.



This first hole grouping is testing for the presence of large-scale porphyry, skarn and carbonate replacement mineralisation associated with the porphyry mega-target. With known surface mineralisation in the vicinity, the entire projected length of each hole will be of interest. In other words, these holes do not target mineralisation just occurring at depth. Based on a generic Cu-porphyry model in limestone terrain, one might expect carbonate replacement mineralisation above skarn mineralisation which, in turn, is above and/or adjacent to porphyry mineralisation. In actual deposits, like those in Peru's Miocene porphyry belt, such simple zoning is the exception (please refer to Appendix 1: Porphyry-skarn internal architecture).

Importantly, hole parameters will be flexible, so that possible mineralised intersections are followed up whilst to the rig is on the platform or in the area. This will be the case for all drill hole groupings. More on this below.

Drill Hole Grouping RP06, RP07, RP08, RP09, RR41, RP42 and RP43

The seven planned drill holes with numbers RP06, RP07, RP08, RP09, RP41, RP42 and RP43 (Figure 1) are likely to be drilled second. They are targeting the eastern porphyry target (referred to as "Mega-target #2") (Figure 2).

It is not the intention of this ASX announcement to present all the IP profiles of the drill holes—suffice to mention that the second hole grouping has a similar purpose to that of the first. Notwithstanding this, the second grouping is targeting a larger interpreted porphyry than that of the first grouping.

Like the first grouping, this hole grouping is testing for large-scale porphyry, skarn and carbonate replacement mineralisation. Again, with known surface mineralisation in the vicinity, the entire projected length of each hole will be of interest.

Drill Hole Grouping RP05, RP31 and RP44

The three planned drill holes with numbers RP05, RP31 and RP44 (Figure 1) are the likely third grouping to be completed. They are targeting an interesting zone between the two interpreted porphyries. In this area the targets include *inter alia* porphyry extensions, satellite porphyries, skarns and carbonate replacements. Like groupings one and two, surface mineralisation in the area makes each hole's entire length of interest.

Drill Hole Adjustments and Subsequent Phases of Drilling

As mentioned above, existing holes of the NE Area drill program may be adjusted and holes may be added. Depth, dip direction and hole angle are drilling parameters that may be altered that enable additional reach from an existing platform. In this way, the 6,070m may be seen as a minimum metreage.

Importantly, if there is mineralisation at the forecast bottom of the hole, we are not compelled to stop. Should holes be extended, the depth capacity of the DC rig of 1,000m will allow this, even for the deepest planned hole (RP01 at 750m).

The Company also has the right to adjust platform positions without adjusting the FTA and EP permits if such positional changes are minor. Should larger positional changes/additions be recommended, a more formal notification process may be required.

In addition, it is the intention of the Company to include the NE Area in its phase two drill program. This second program will cover the entire Riqueza Project area, and possibly new areas south of Riqueza. It is designed to test the remaining targets of the entire project and to follow-up on those possibly generated in the NE Area.

It is anticipated that this second program will be under a category-2 *Declaración de Impacto Ambiental (DIA)* permit.

***Completed Drill Permitting and the Remaining Steps before Drill Mobilisation***

The bullet-point list provided below is a convenient way to present the status of the drill permit requirements for the NE Area program. This quick reference shows that the final two permits are pending.

Permitting Checklist:

- | | |
|--|---|
| • Environmental Based Line Study | COMPLETED |
| • Noise/Air/Water Base Line Study | COMPLETED |
| • Noise/Air/Water Monitoring Program | COMMENCED (this is ongoing for the duration of the program) |
| • Drillers engaged | COMPLETED |
| • CIRA | COMPLETED |
| • FTA | COMPLETED |
| • Water Permit | LODGED |
| • Certificate to Commence Work (or EP) | LODGED |

As and when further news about the drill permits is available, the Company will update the market.

Drill rig mobilisation is planned upon granting of the Certificate to Commence Work. At this stage we do not believe the drillers are required to go through additional COVID-19 related protocols to those already in place by the Government and by Inca. Note however, that the drill rig will be moved from sea level to above 4,000m above sea level so system checks will occur.

The construction of access tracks, prohibited by law prior to a Certificate to Commence Work is granted, will begin when permitted to do so. The drill rig selected for the NE Area is track-mounted and will not require an access track to be mobilised. The fly-camp will also be constructed at this time. The base camp remains operable.

Unfortunately COVID-19 will/may continue to effect the permit granting process and will require protocols during drilling, camp support and drill core sample transportation and treatment. To the extent it can, the Company is proactively managing COVID-19 to minimise related impositions.

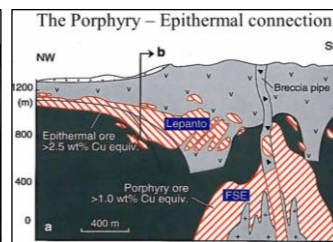
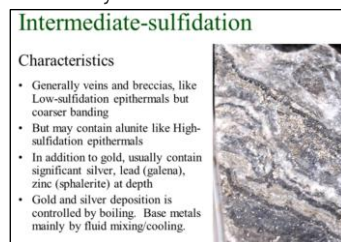
Competent Person Statement

The information in this report that relates to exploration results and mineralisation for Riqueza located in Peru, is based on information reviewed and 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

<u>Porphyry (Deposit)</u>	A type of <u>deposit</u> containing <u>ore-forming minerals</u> 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). <u>Porphyry deposits</u> 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 <u>Porphyry</u> intrusions, in and around faults that intrude into a limestone.
<u>Carbonate Replacement (Deposit)</u>	A process in which carbonate minerals are “replaced” by another mineral or minerals. A Manto is a form of <u>Carbonate Replacement</u> inasmuch as the carbonate minerals of a limestone layer are “replaced” by ore-forming minerals like <u>sphalerite</u> and <u>galena</u> .
<u>Epithermal</u>	Said of <u>hydrothermal</u> processes occurring at temperatures ranging from 50°C to 200°C, and within 1,000m of the Earth's surface.
<u>Intermediate Sulphidation</u>	Please refer to inserts immediately below (from Andrew Jackson, Sprott International). Commonly abbreviated IS.



<u>Hydrothermal Deposit</u>	Of, or pertaining to “hot water” usually used in the context of <u>ore-forming</u> processes. A <u>deposit</u> is a naturally occurring accumulation or concentration of metals or minerals of sufficient size and concentration that might, under favourable circumstances, have economic value (Geoscience Australia). It is not a defined term in the JORC Code 2012 for Australasian Reporting of Exploration Results, Mineral Resources and Ore Reserves (JORC 2012).
<u>Mineralisation</u>	A general term describing the process or processes by which a mineral or minerals are introduced into a rock (or geological feature such as a <u>vein</u> , fault, etc...). In the strictest sense, <u>mineralisation</u> does not necessarily involve a process or processes involving <u>ore-forming minerals</u> . Nevertheless, <u>mineralisation</u> is very commonly used to describe a process or processes in which <u>ore-forming minerals</u> are introduced into a rock at concentrations that are economically valuable or potentially valuable. The potential <u>mineralisation</u> occurring at greater Riqueza is <u>epithermal</u> , <u>porphyry</u> , <u>skarn</u> and <u>carbonate replacement</u> .
<u>Ore-forming Minerals</u>	Minerals which are economically desirable. Chalcopyrite, bornite, sphalerite and galena may be anticipated in such <u>mineralisation</u> .
<u>Diamond Core Drilling</u>	A drilling technique that generates solid rock cylinders or “core” CORE SHOWN ARE NOT THE PROPERTY OF INCA
<u>Reverse Circulation Drilling</u>	A drilling technique that generates small pieces of rock or “cuttings” CUTTINGS SHOWN ARE NOT THE PROPERTY OF INCA



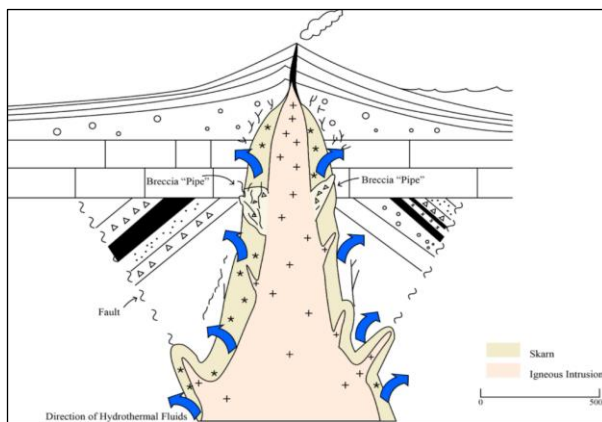
<u>Geochemistry(-ical)</u>	The study of the distribution and amounts of the chemical elements in minerals, ores, rocks, soils, water and the atmosphere
<u>Geophysics(-ical)</u>	An exploration method using instruments to collect and analyse properties as magnetics, radioactivity, gravity, electronic conductivity, etc. Instruments can be located on surface (ground survey) or above the ground (airborne survey).



Appendix 1: Porphyry-Skarn Internal Architecture

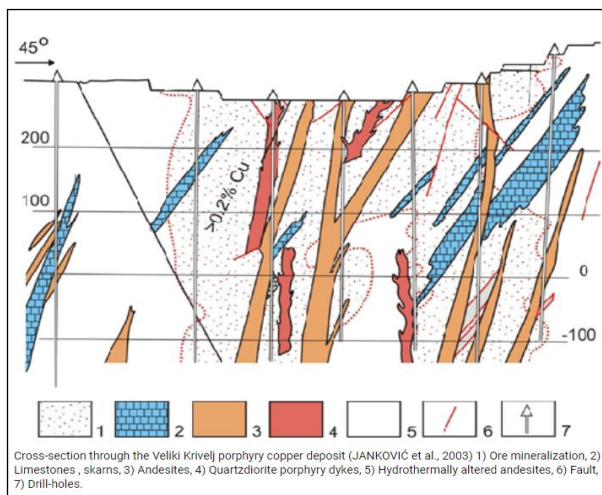
The following schematic porphyry-skarn cross section models are included for the sole purpose of illustrating the internal architecture of such mineral systems. **No grade, tonnage, Exploration Target, mineral resource/reserve comparison of any type is made between Riqueza's NE Area porphyry-skarn targets and the porphyry-skarn models presented below.**

The two lower schematic sections are of known porphyry-skarn deposits. They illustrate that such systems typically comprise multiple phases of intrusion, porphyry emplacement and skarn development. Visualising a hole drilled across these sections provides insight as to the geological variation possible in the NE Area of Riqueza.



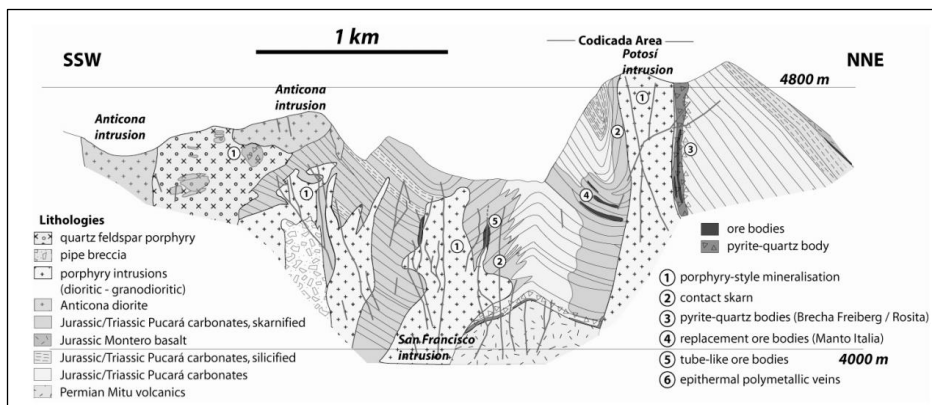
LEFT: A simplified hypothetical model of a porphyry-skarn deposit as a schematic cross section. There is central porphyry intrusion and skarns located along its margins.

From *Geologyforinvestors.com*



LEFT: A simplified model of a known porphyry-skarn deposit. The deposit comprises multiple porphyries and skarns. **The deposit is not owned by the Company.**

From Jankovic *et al* 2003.



LEFT: A simplified model of another known porphyry-skarn deposit. The deposit also comprises multiple porphyries and skarns. This deposit is located in Peru and is currently being mined. **The deposit is not owned by the Company.**

From Catchpole *et al* 2008.

**Appendix 1: Porphyry-Skarn Internal Architecture cont...**

The profile provided below merges Figure 2 as a transparency over the porphyry-skarn profile that is provided on the previous page (page 7). The Figure 2 profile is re-sized so that the scale of the two profiles are the same. **The merged profile visually compares scale only. No mineralisation, grade, tonnage, Exploration Target, Mineral Resource/Reserve comparison of any type is made between Riqueza's NE Area porphyry-skarn target profile and the porphyry-skarn deposit profile presented below.**

The profile from Appendix 1 (beneath Figure 2 in the merged profile below) is that of a tier-1 scale porphyry-skarn deposit. **The porphyry-skarn deposit, with a JORC compliant global resource and reserve of 2.3billion tonnes at 0.447% Cu, 0.017% Mo and 7.05g/t Ag, is not the property of the Company.**

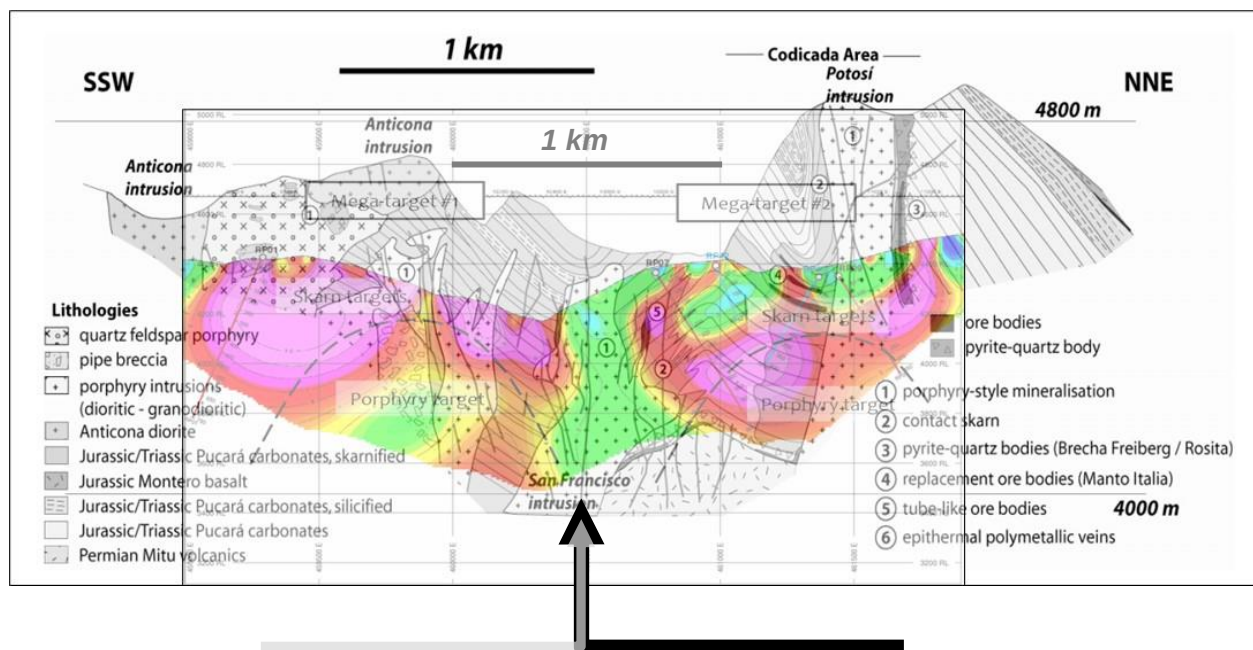
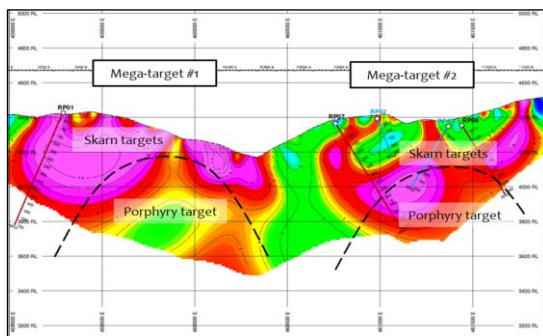
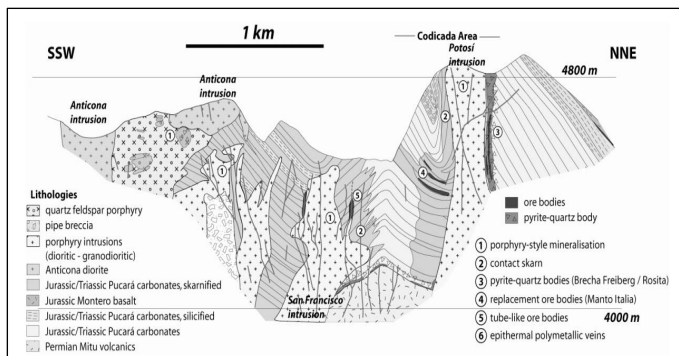


Figure 2



Profile from Appendix 1 (previous page)





Appendix 2: JORC Code Compliancy Statement

The following information is provided to comply with the JORC Code (2012) exploration reporting requirements.

SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria: Sampling techniques

JORC CODE Explanation

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.

Company Commentary

This announcement does not refer to sampling results. It refers to a drilling proposal for the NE Area of the Company's Riqueza Project. Reference is made in this announcement to previously announced integrated interpretations and reviews of AMAGRAD, 3D inversion modelling, interim IP, soil geochemical and mapping-sampling programs.

JORC CODE Explanation

Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.

Company Commentary

This announcement does not refer to new sampling results.

JORC CODE Explanation

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.

Company Commentary

This announcement does not refer to new sampling results.

Criteria: Drilling techniques

JORC CODE Explanation

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.).

Company Commentary

No drilling or drilling results are referred to in this announcement. It refers to drill permitting outcomes and to drill proposals for the NE Area of the Company's Riqueza Project.

Criteria: Drill sample recovery

JORC CODE Explanation

Method of recording and assessing core and chip sample recoveries and results assessed.

Company Commentary

No drilling results are referred to in this announcement.

JORC CODE Explanation

Measures taken to maximise sample recovery and ensure representative nature of the samples.

Company Commentary

No drilling results are referred to in this announcement.



JORC CODE Explanation

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.

Company Commentary

No drilling results are referred to in this announcement.

Criteria: Logging

JORC CODE Explanation

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.

Company Commentary

No drilling results are referred to in this announcement.

JORC CODE Explanation

Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc.) photography

Company Commentary

No drilling results are referred to in this announcement.

JORC CODE Explanation

The total length and percentage of the relevant intersections logged.

Company Commentary

No drilling results are referred to in this announcement.

Criteria: Sub-sampling techniques and sample preparation

JORC CODE Explanation

If core, whether cut or sawn and whether quarter, half or all core taken.

Company Commentary

No drilling results are referred to in this announcement.

JORC CODE Explanation

If non-core, whether riffled, tube sampled, rotary split, etc. and whether sampled wet or dry.

Company Commentary

No drilling results are referred to in this announcement.

JORC CODE Explanation

For all sample types, the nature, quality, and appropriateness of the sample preparation technique.

Company Commentary

This announcement does not refer to new sampling results.

JORC CODE Explanation

Quality control procedures adopted for all sub-sampling stages to maximise “representivity” of samples.

Company Commentary

This announcement does not refer to new sampling results.

JORC CODE Explanation

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.



Company Commentary

This announcement does not refer to new sampling results.

JORC CODE Explanation

Whether sample sizes are appropriate to the grain size of the material being sampled.

Company Commentary

This announcement does not refer to new sampling results.

Criteria: Quality of assay data and laboratory tests

JORC CODE Explanation

The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.

Company Commentary

This announcement does not refer to new sampling results.

JORC CODE Explanation

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.

Company Commentary

This announcement does not refer to new sampling results.

JORC CODE Explanation

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.

Company Commentary

This announcement does not refer to new sampling results.

Criteria: Verification of sampling and assaying

JORC CODE Explanation

The verification of significant intersections by either independent or alternative company personnel.

Company Commentary

This announcement does not refer to new sampling results.

JORC CODE Explanation

The use of twinned holes.

Company Commentary

No drilling or drilling results are referred to in this announcement.

JORC CODE Explanation

Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.

Company Commentary

This announcement does not refer to any new sampling results.

JORC CODE Explanation

Discuss any adjustment to assay data.

Company Commentary

This announcement does not refer to new sampling results.



Criteria: Location of data points

JORC CODE Explanation

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.

Company Commentary

This announcement does not refer to exploration related to a mineral resource estimation.

JORC CODE Explanation

Specification of the grid system used.

Company Commentary

WGS846-18L.

JORC CODE Explanation

Quality and adequacy of topographic control.

Company Commentary

This announcement refers to a drill proposal for the NE Area of the Company's Riqueza Project. Reference is made in this announcement to previously announced integrated interpretations and reviews of AMAGRAD, 3D inversion modelling, interim IP, soil geochemical and mapping-sampling programs. All such exploration (including the proposed drill holes) were/are located using geo-referenced software.

Criteria: Data spacing and distribution

JORC CODE Explanation

Data spacing for reporting of Exploration Results.

Company Commentary

This announcement does not refer to new data results.

JORC CODE Explanation

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.

Company Commentary

No grade continuity, Mineral Resource or Ore Reserve estimations are referred to in this announcement.

JORC CODE Explanation

Whether sample compositing has been applied.

Company Commentary

This announcement does not refer to new sample compositing results.

Criteria: Orientation of data in relation to geological structure

JORC CODE Explanation

Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.

Company Commentary

This announcement does not refer to new sampling results.

JORC CODE Explanation

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.

**Company Commentary**

This announcement refers to a drill proposal for the NE Area of the Company's Riqueza Project. Reference is made in this announcement to previously announced integrated interpretations and reviews of AMAGRAD, 3D inversion modelling, interim IP, soil geochemical and mapping-sampling programs. The proposed drill holes were designed using geo-referenced software to provide the most representative intersection of mineralisation possible whilst using the least amount of drill metres required to do so.

Criteria: Sample security**JORC CODE Explanation**

The measures taken to ensure sample security.

Company Commentary

This announcement does not refer to any new sampling results.

Criteria: Audits and reviews**JORC CODE Explanation**

The results of any audits or reviews of sampling techniques and data.

Company Commentary

This announcement does not refer to new sampling results. Nevertheless, this announcement does refer to independent and Company drill proposals for the NE Area of the Company's Riqueza Project. The Company has reviewed the proposals and concludes that processes deployed and criteria used for selecting the hole locations were at best practise standard.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria: Mineral tenement and land tenure status**JORC CODE Explanation**

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.

Company Commentary

Tenement Type: The Riqueza Project area comprises nine Peruvian mining concessions: Nueva Santa Rita, Antacocha I, Antacocha II, Rita Maria, Maihuasi, Uchpanga, Uchpanga II, Uchpanga III and Picuy.

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.

All other above-named concessions: The Company has direct 100% ownership.

JORC CODE Explanation

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.

Company Commentary

The Agreement and all concessions are in good standing at the time of writing.

Criteria: Exploration done by other parties**JORC CODE Explanation**

Acknowledgement and appraisal of exploration by other parties.

Company Commentary

This announcement does not refer to exploration conducted by previous parties.

Criteria: Geology**JORC CODE Explanation**

Deposit type, geological setting, and style of mineralisation.

**Company Commentary**

The geological setting of the area is that of a gently SW dipping sequence of Cretaceous limestones, Tertiary “red-beds” and volcanics on a western limb of a NW-SE trending anticline; subsequently affected by an intrusive rhyolite volcanic dome believed responsible for a series of near vertical large-scale structures and multiple and pervasive zones of epithermal/porphyry/skarn related Cu- Au-Ag-Pb-Zn-Mo mineralisation.

Criteria: Drill hole information**JORC CODE Explanation**

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:

- 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.

Company Commentary

No drilling or drilling results are referred to in this announcement. A table is nevertheless provided that shows the above listed parameters for proposed holes only.

JORC CODE Explanation

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.

Company Commentary

No drilling or drilling results are referred to in this announcement.

Criteria: Data aggregation methods**JORC CODE Explanation**

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. 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

Company Commentary

No drilling results are referred to in this announcement.

JORC CODE Explanation

The assumptions used for any reporting of metal equivalent values should be clearly stated.

Company Commentary

No drilling results are referred to in this announcement, and therefore, no metal equivalents are referred to in this announcement.

Criteria: Relationship between mineralisation widths and intercept lengths**JORC CODE Explanation**

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.’)

Company Commentary

No drilling results are referred to in this announcement.



Criteria: Diagrams

JORC CODE Explanation

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

Company Commentary

Plans are provided showing the position of the proposed drill holes.

Criteria: Balanced reporting

JORC CODE Explanation

Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced avoiding misleading reporting of Exploration Results.

Company Commentary

The Company believes the ASX announcement provides a balanced report of the drilling proposal and past exploration results referred to in this announcement.

Criteria: Other substantive exploration data

JORC CODE Explanation

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.

Company Commentary

This announcement refers to one previous ASX announcement dated: 20 January 2021.

Criteria: Further work

JORC CODE Explanation

The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).

Company Commentary

By nature of early phase exploration, further work is necessary to better understand the mineralisation occurring in the NE Area of the Riqueza Project. Further work is also necessary to better understand the relationship between the mineralisation associated with these samples and the AMAGRAD, IP, 3D magnetic inversion models and soil anomalies. This is the reason why drilling has been proposed.

JORC CODE Explanation

Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.

Company Commentary

Refer above.
