

Alicanto Commences US\$1.8m Exploration Program Arakaka Project, Guyana

HIGHLIGHTS

- Alicanto **commences exploration program towards US\$1.8m** exploration expenditure requirement for 2016 funded by Barrick Gold Corporation in accordance with the Earn-in Agreement
- Exploration program includes **6,000m of drilling** in the June and September quarters
- Drilling to focus on the **12km long Arakaka main trend** initially targeting the Pepperpot and Purple Heart Prospects

Pepperpot Target Area Highlights:

- Largest artisanal pit hosted within Arakaka Gold Project
- Drilling targeting structural horizon that hosts up to **13.5m @ 7.36g/t gold** along strike in previous drilling.
- Anomalous surface geochemistry and large alteration zone already identified

Purple Heart Target Area Highlights

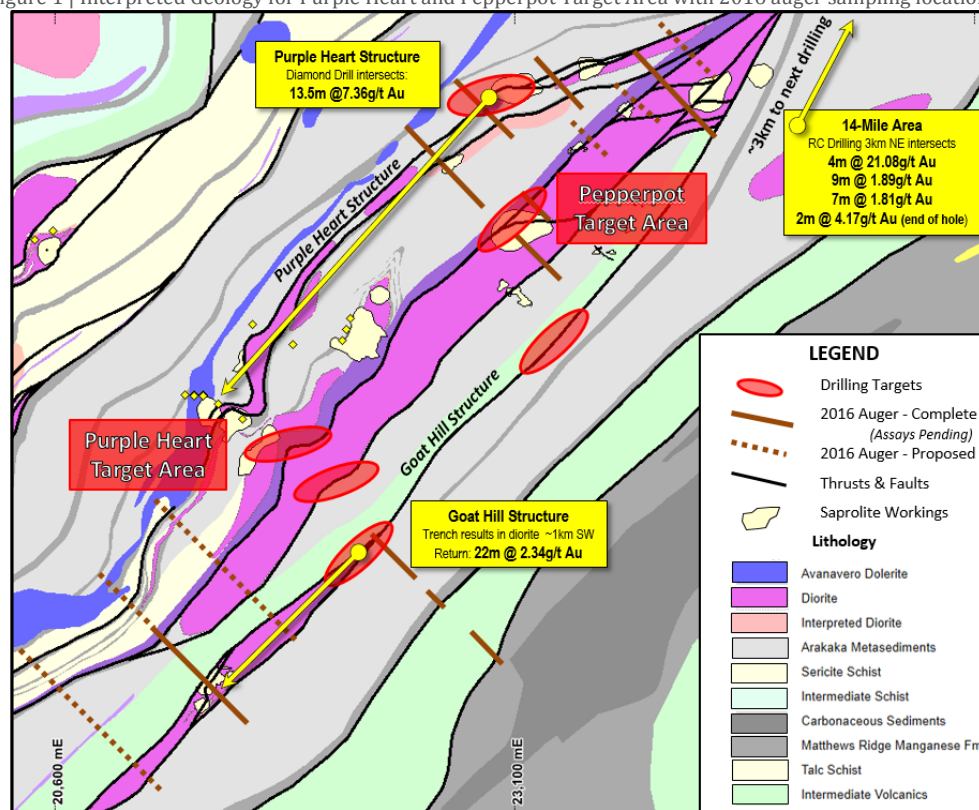
- Drilling targeting structural horizon that hosts up to **22m @ 2.34g/t gold** along strike in previous trenching.
- Multiple +1g/t gold soil anomalies with peak values of **8.1g/t and 6.45 g/t gold**
- Three distinct mineralised structural horizons to be targeted

Alicanto Minerals Ltd (ASX: AQI) (“Alicanto” or “the Company”) is pleased to announce commencement of exploration activity at the Arakaka Gold Project located in northwest Guyana. An exploration work program and budget is finalised for the year one work program currently being operated by Alicanto and funded by Barrick Gold Corporation (“Barrick”) under terms of the Earn-in Agreement announced 1 March 2016, whereby Alicanto has granted Barrick the exclusive right to acquire a 65% interest in the Arakaka Gold Project by sole funding US\$8,000,000 in exploration expenditure within a four year earn-in period (“Earn-in Right”). At completion of the earn-in period, Barrick can elect to pay an additional US\$2,000,000 to Alicanto to exercise its Earn-In Right to acquire a 65% interest in the project.

The proposed work program includes two phases of drilling totalling over 6,000m in 2016, including an early 1,600m drilling program anticipated to commence in May. The work program also includes a combination of geological mapping, soil, auger, trench, and rock chip sampling and petrographic work. Exploration activity commenced in late March, with preparation of drill sites, auger drilling, geological mapping and rock chip sampling programs in support of drill target definition are currently in progress.

Completed exploration activities in support of drill target definition currently totals 883.5m of sampling in 221 auger holes and 223 rock chip samples collected in the first few weeks of exploration activity. The focus of the initial phase of exploration on the Project is the Pepperpot and Purple Heart Target Area's within the 12km long gold anomalism of the Arakaka Main Trend.

Figure 1 | Interpreted Geology for Purple Heart and Pepperpot Target Area with 2016 auger sampling locations



Pepperpot Target Area Pepperpot is host to favourable diorite intrusions that are strained and faulted by structures associated with mineralisation in drilling returning up to **13.5m @ 7.36g/t Au** (Refer to ASX Release dated 26 August 2015) located at Purple Heart approximately 1.7km along strike to the southwest within the 12km long gold anomalous Arakaka main trend. The mapped structural and lithologic settings at Pepperpot prospects are analogous to Purple Heart and are associated with high tenor surface gold anomalism and extensive surface workings. These analogous settings at Pepperpot along favourable structural corridors within the Arakaka main trend are a high priority target for initial drill testing on the Arakaka Gold Project.

Pepperpot is host to one of the largest artisanal pits in the region with >2.5km strike extent of extensive artisanal alluvial and eluvial workings (refer to Figures 1 & 2).

CAPITAL STRUCTURE

Shares on Issue	72.0m
Options on Issue	15.1m
Market Cap	\$6.9m

ASX Code **AQI**

BOARD & MANAGEMENT

Didier Murcia	Non-Exec Chairman
Travis Schwertfeger	Managing Director
Hamish Halliday	Non-Exec Director
Marcus Harden	Chief Geologist
Brett Dunnachie	CFO & Co. Secretary

ARAKAKA GOLD PROJECT, GUYANA

- ♦ Regional scale project
- ♦ Highly prospective Northwest Guyana Greenstone Belt
- ♦ Over 12km strike along major mineralised structural corridor
- ♦ Less than 5% of the +12km of the Arakaka Trend drill tested
- ♦ Multiple untested, high priority targets
- ♦ Underexplored and multiple saprolite pits
- ♦ Arakaka Trend one of the oldest and most prolific gold districts in Guiana Shield
- ♦ Mining friendly jurisdiction

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The Pepperpot area is un-drilled, and has limited exploration information resulting from restricted exposure to saprolite or outcrop in an area of low relief. However, detailed mapping by Alicanto, followed by initial auger sampling has identified areas of very shallow (<4m) of cover, that can be cost effectively assessed for alteration, favourable lithology, and gold anomalism. These low saprolite rises are currently being targeted in shallow auger sampling programs to refine drill targeting.

Purple Heart Target Area is located in the Arakaka Main Trend (refer to Figure 2) and is host to gold mineralisation focused in shear zones in and around diorite intrusions with mineralisation occurring as combinations of high-grade veins and broad disseminated mineralisation. The concurrent styles of mineralisation illustrate the potential of the Purple Heart area to host bulk tonnage targets. The multiple anomalous Au trends cover >2.4km strike length across >1.5km width. Several targets for drill testing have been defined from previous exploration activity in drilling, trenching, mapping and surface geochemistry with the following exploration highlights (Refer to ASX Release dated 26 August 2015);

- Only three mineralised trends have received limited drill testing to date, returning better intercepts of **13.5m @ 7.36g/t Au, 48m @ 1.84g/t Au, and 10.8m @ 1.66g/t Au**
- Previous trenching intersects **22m @ 2.34g/t Au** on structures projected under cover at Purple Heart, and returns up to **27m @ 3.14g/t Au and 34m @ 2.98g/t Au** proximal to existing drilling.
- Peak Soil value of **8.1g/t Au** with eight >1g/t Au soil results, with un-drilled mineralised trends hosting peak soil results of **6.45g/t, 3.9g/t Au and 3.55g/t, Au.**

Figure 2 | Target Area and Prospect locations within the >300km² land position

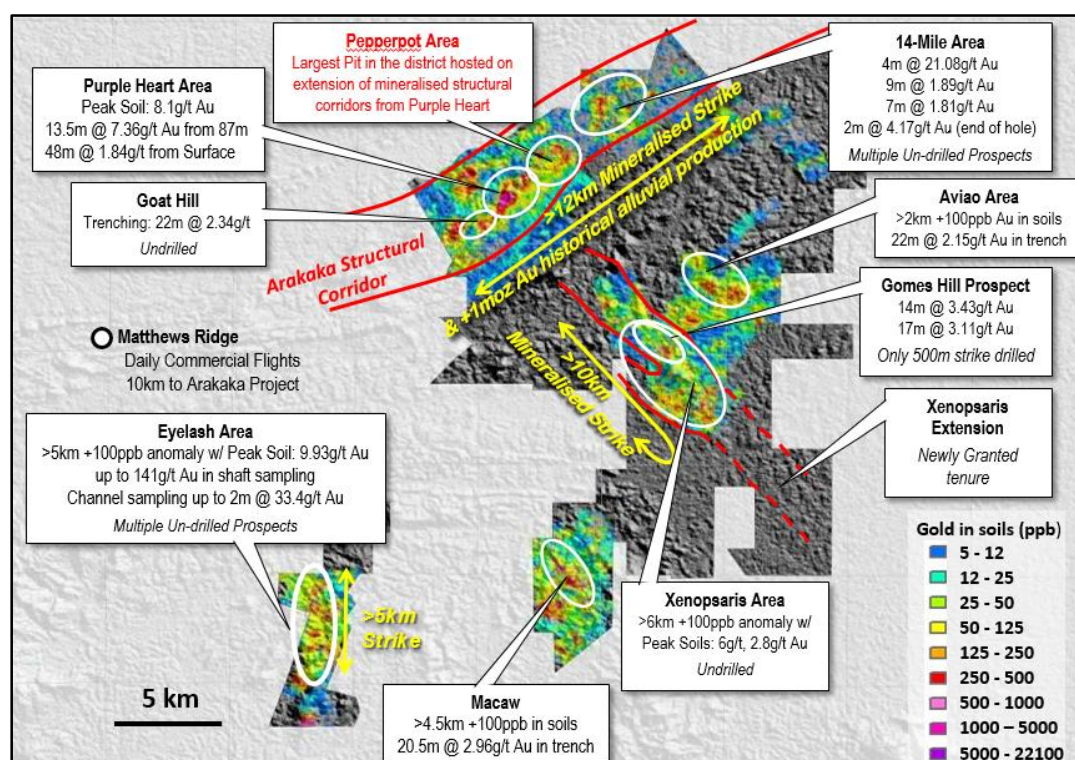
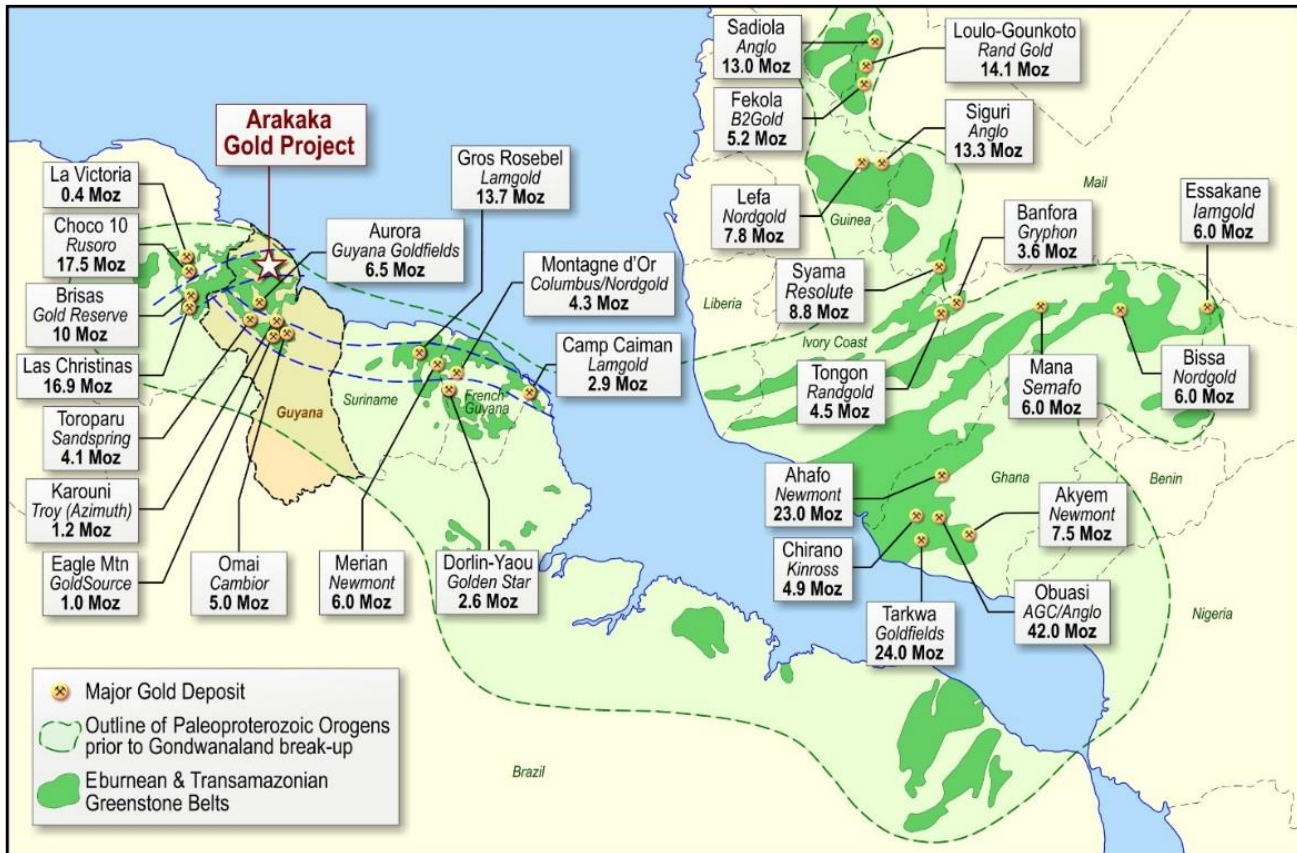


Figure 3 | Location Map - Arakaka Gold Project



For detailed information on all aspects of the company and its project please visit:

www.alicantominerals.com.au or contact:

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About Alicanto Minerals

Alicanto Minerals Limited (ASX: AQI) is an emerging mineral exploration company focused on the exploration and development of a portfolio of gold projects in the prospective geological provinces of Guyana.

In addition to the exploration of its current Guyanese projects, the Company is continuously evaluating additional projects in both Guyana and overseas for potential joint venture or acquisition.

Competent Persons Statement

The information in this report that relates to Exploration Results is based on information compiled by Mr Marcus Harden, who is a Member of The Australian Institute of Geoscientists. Mr Harden is Chief Geologist for the Company. Mr Harden has sufficient experience which is relevant to the style of mineralisation and type of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the JORC 2012 Edition of the 'Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves'. Mr Harden consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.