

Ianna Gold Project Acquisition Update

On 26 July 2016, Alicanto Minerals Ltd (ASX: AQI) (“Alicanto” or “the Company”) announced that it had entered into a binding agreement to acquire the Ianna Gold Project in Northwest Guyana. The Ianna Gold Project is located in the highly prospective Barama-Mazaruni Greenstone Belt in Guyana’s Northwest District and is located less than 25km from Alicanto’s flagship Arakaka Project.

As previously announced, the completion of the agreement remained subject to a 45 day due diligence period. Alicanto is currently continuing with its due diligence procedures and has signed an amendment to extend the due diligence period to a total of 105 days from entering the binding agreement.

Ianna Gold Project Highlights

- ◆ Ianna hosts two extensive mineralised corridors delivering **“Walk up” drill targets** extending over 7km of strike extent.
- ◆ Historical drilling has already delivered **multiple ore grade intersections** in the top 60m;
 - **50m @ 2.47g/t Au from 10m to end of hole**
 - **48m @ 1.19g/t Au from surface**
 - **14m @ 4.27g/t Au from 24m**
 - **12m @ 3.84g/t Au from 20m**
 - **12m @ 3.99g/t Au from surface**

For full details refer to the Company’s ASX Announcement dated 26 July 2016

- ◆ The Ianna Gold Project contains both the structural and lithological setting considered ideal to host large scale gold deposits.
- ◆ The Project host excellent Infrastructure, including existing camp facilities, airstrip and river port.

Ianna Gold Project Summary

The Ianna Gold Project is located in the northwest of Guyana, less than 25km southeast from existing exploration operations at the Arakaka Gold Project. The property is comprised of thirteen medium scale mining permits and a number of pre-existing small claims that lie within the medium scale mining permits and straddle key areas of interest and totals approximately 54km².

CAPITAL STRUCTURE

Shares on Issue	83.6m
Options on Issue	24.7m
Market Cap	\$29m
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 Guiana Shield Greenstone Belt
- ◆ +1 million ounce Au historical production in near surface
- ◆ Footprint of artisanal workings pre-production is analogous to Las Cristinas / Las Brisas and Gros Rosebel Mines
- ◆ +12km mineralised corridor of Arakaka Main Trend less than 5% drill tested
- ◆ Arakaka Trend one of the oldest and most prolific gold districts in Guiana Shield
- ◆ Mining friendly jurisdiction

REGISTERED OFFICE

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Ianna Gold Project Summary (continued)

The Ianna Gold Project area is host to existing drilling associated with extensive surface geochemical survey work completed. Over 12,400m's Reverse Circulation and 926m's Diamond drilling historically covering limited strike extent drilling to shallow depth, with ~95% of drilling testing less than 50m below surface.

Two corridors of mineralisation on the Ianna trend and the King's Ransom trend have been identified within the Ianna Gold Project area from review of historical datasets and prioritised by Alicanto geologists for follow-up exploration activity on the Ianna trend and King's Ransom trend. The broad zones of mineralisation identified provide considerable support to aggressively expand exploration activities into other prospects within the project area.

The Ianna Gold project has excellent infrastructure, including existing camp facilities, an existing airstrip and river port landing on the property, and can be accessed by road from the Arakaka Project area.

Significant Terms of the Ianna Gold Project Acquisition

Alicanto has entered into the Ianna Project Option Deed (Binding Agreement) with a Guyanese company, Sheik R Minerals Inc, and retains exclusivity for a wholly owned Guyanese subsidiary of Alicanto to acquire any and all rights or beneficial interest held by a privately owned Guyanese entity over the Ianna Project area for the duration of a due diligence period ending 105 days after execution of the Binding Agreement.

Upon Alicanto's confirmation of satisfaction with respect to due diligence (Confirmation Date), Alicanto will then maintain an exclusive option to acquire and operational access to the project for a 36 month period, which will be maintained with the following option payments;

- ◆ US\$25,000 on the Confirmation Date; and
- ◆ US\$50,000 within 4 months after the Confirmation Date, and
- ◆ US\$200,000 within 15 months after the Confirmation Date

During the option period Alicanto must keep tenements in good standing and ensure a minimum aggregate expenditure of US\$600,000 on exploration and various land holding costs over a 24 month period.

Alicanto can elect to acquire the property (Completion) at any time subsequent to the US\$50,000 option payment without further expenditure or option payment liabilities by paying either i) a lump sum payment of US\$3,000,000; or ii) a lump sum payment of US\$1,350,000 and a 2% net smelter royalty (NSR).

If an NSR is issued as consideration at Completion, the Company will retain a Right of Re-purchase of the NSR for 24 months after Completion, and at Alicanto's election can acquire either: i) a 50% portion of the NSR by paying US\$2,000,000; or ii) a 100% portion of the NSR by paying US\$3,000,000. Following the expiry of the Right of Re-purchase period, the Company will retain a right of first offer for a further 36 month period to acquire all or a specified part of the NSR.

For further details in relation to the acquisition of the Ianna Gold Project, refer to the Company's ASX Announcement dated 26 July 2016.



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.