

7,500m Drill Program to Commence at 14 Mile Arakaka Project, Guyana

Alicanto Minerals Ltd (ASX: AQI) (“Alicanto” or “the Company”) is pleased to announce that drill rigs are being mobilised to commence drilling next week at the 14 Mile Target area. The drilling is part of a 7,500m campaign being funded by Barrick Gold Corporation (“Barrick”) as part of their earn-in to the Arakaka Project (Refer to ASX announcements dated 1 March and 7 December 2016).

The 2017 drill campaign will focus on both extending last year’s reconnaissance program as well as targeting specific prospects along the 12km Arakaka Main Trend, where previous work has identified multiple styles of gold mineralisation analogous with other large scale gold deposits hosted in the under-explored greenstone belts of the Guiana Shield.

Highlights of the latest and previous drilling results for potential follow-up targeting across multiple prospects along the Arakaka Main Trend include:

- **4.0m @ 21.1g/t gold**¹ – 14 Mile Target Area, Gold Hill Prospect
- **9.0m @ 1.89g/t gold**¹ – 14 Mile Target Area, Gold Hill Prospect
- **48m @ 1.84g/t gold**³ – Purple Heart
- **13.5m @ 7.36g/t gold**³ – Purple Heart
- **1.9m @ 30.7g/t gold**³ – Purple Heart
- **3m @ 2.69g/t Au**⁵ – Pepperpot Target
- **5.1m @ 3.97g/t gold**⁴ – Mehmet Ali Target
- **4m @ 2.2g/t gold**⁵ – Raoul Target
- **2.4m @ 8.5g/t gold**² – Powis Target

To date mineralisation intersected in drilling is on a >1km spacing over three parallel structures for a cumulative >10.6km.

The first phase of the program, targeting the 14 Mile Prospect anticipated to be completed in February, will mark the completion of the reconnaissance phase drilling on the Arakaka Trend and allow the Company to rank the various prospects and styles of mineralization identified before commencing target testing in the following month.

Managing Director Mr. Schwertfeger commented *“With several very high quality targets already identified for follow-up drilling on the main trend, and key mineralising features vectoring us to the northeast, we are anxious to get reconnaissance results over 14 mile and excited about outcomes of the subsequent follow-up drilling on the best of those targets.”*

CAPITAL STRUCTURE

Shares on Issue	83.9m
Share Price	A\$ 0.18
Market Cap	\$15.1m
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 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
- ◆ Multiple saprolite pits and priority targets un-tested
- ◆ Arakaka Trend one of the oldest and most prolific gold districts in Guiana Shield
- ◆ Mining friendly jurisdiction

REGISTERED OFFICE

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1. Refer to ASX Announcement Dated 11 June 2014
2. Refer to ASX Announcement Dated 27 January 2015
3. Refer to ASX Announcement dated 26 August 2015
4. Refer to ASX Announcement dated 4 October 2016
5. Refer to ASX Announcement dated 31 January 2017

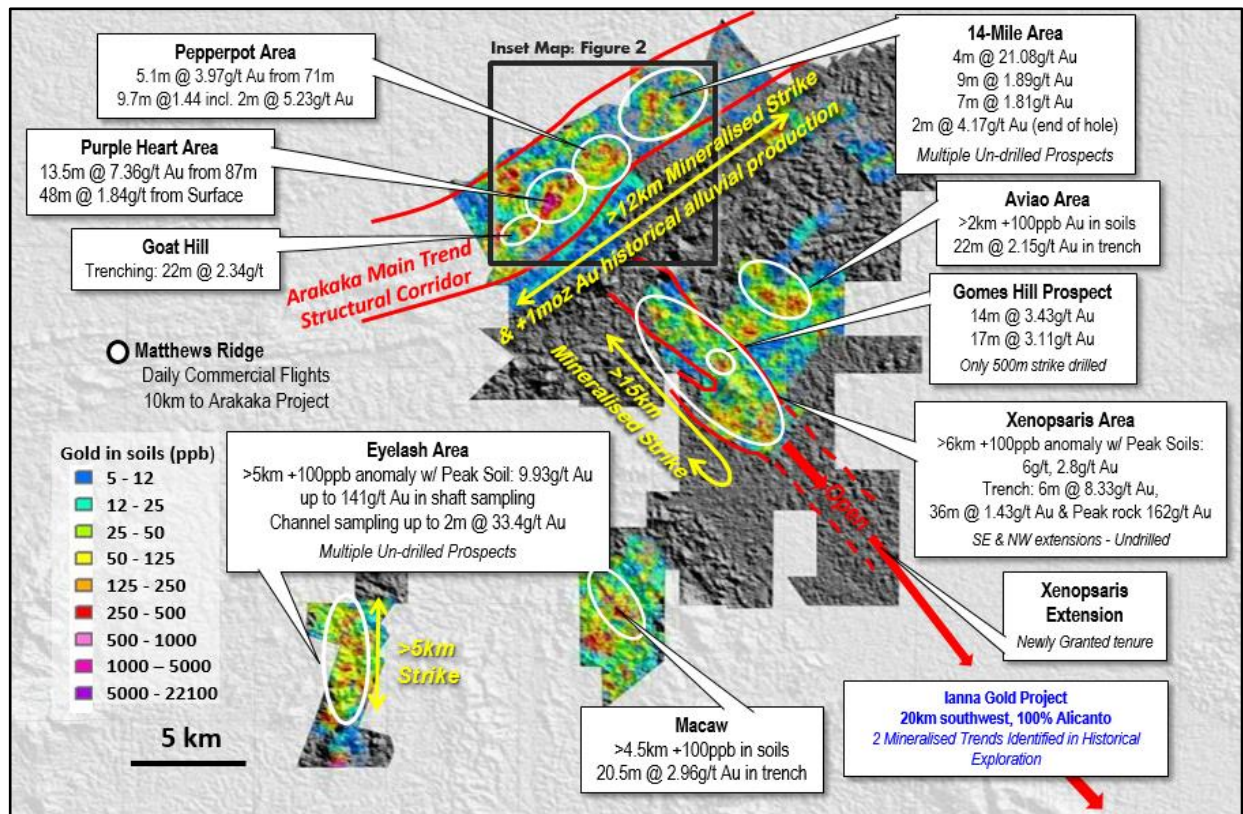


Figure 1 | Location of anomalous gold Target Areas and select Prospects within the >300km² Arakaka Gold Project land position

The first phase of 2017 drilling will extend initial drill testing of the Arakaka Main trend a further 4km to the northeast. Recent drilling has progressed to the northeast identifying multiple targets for follow-up drilling, and the mineralisation and alteration has increased in tenor and intensity progressively with each incremental step to the northeast in the direction of the 14 Mile target area.

Previous RC drilling by Alicanto within the 14 Mile Area of the Arakaka Main Trend returned significant intercepts at the Gold Hill Prospect, providing a proof of conceptual target associated with diorite intrusions. Structures associated with mineralisation on diorite margins have demonstrated potential for high grade, quartz vein hosted mineralisation and pervasive disseminated to stock-worked style mineralisation within the diorite intrusions themselves located on coincident targets throughout the Main Trend.

This target concept is observed on a fence of drilling at the 14 Mile Area's Gold Hill prospect returning **4m @ 21.1g/t Au** associated with a sheared diorite margin, and continued mineralisation on section into the diorite in a hole returning **9m @ 1.89 g/t Au, 7m @ 1.81g/t Au** and ending in **2m @ 4.17g/t Au** at the limit of the RC drill rig's capability, which was reached prior to intersecting the projection of the hole's targeted structure.

A number of analogous settings remain untested within the 14 mile area, and reconnaissance drilling will provide results to assess and prioritise each of those settings for higher density Prospect drill testing.

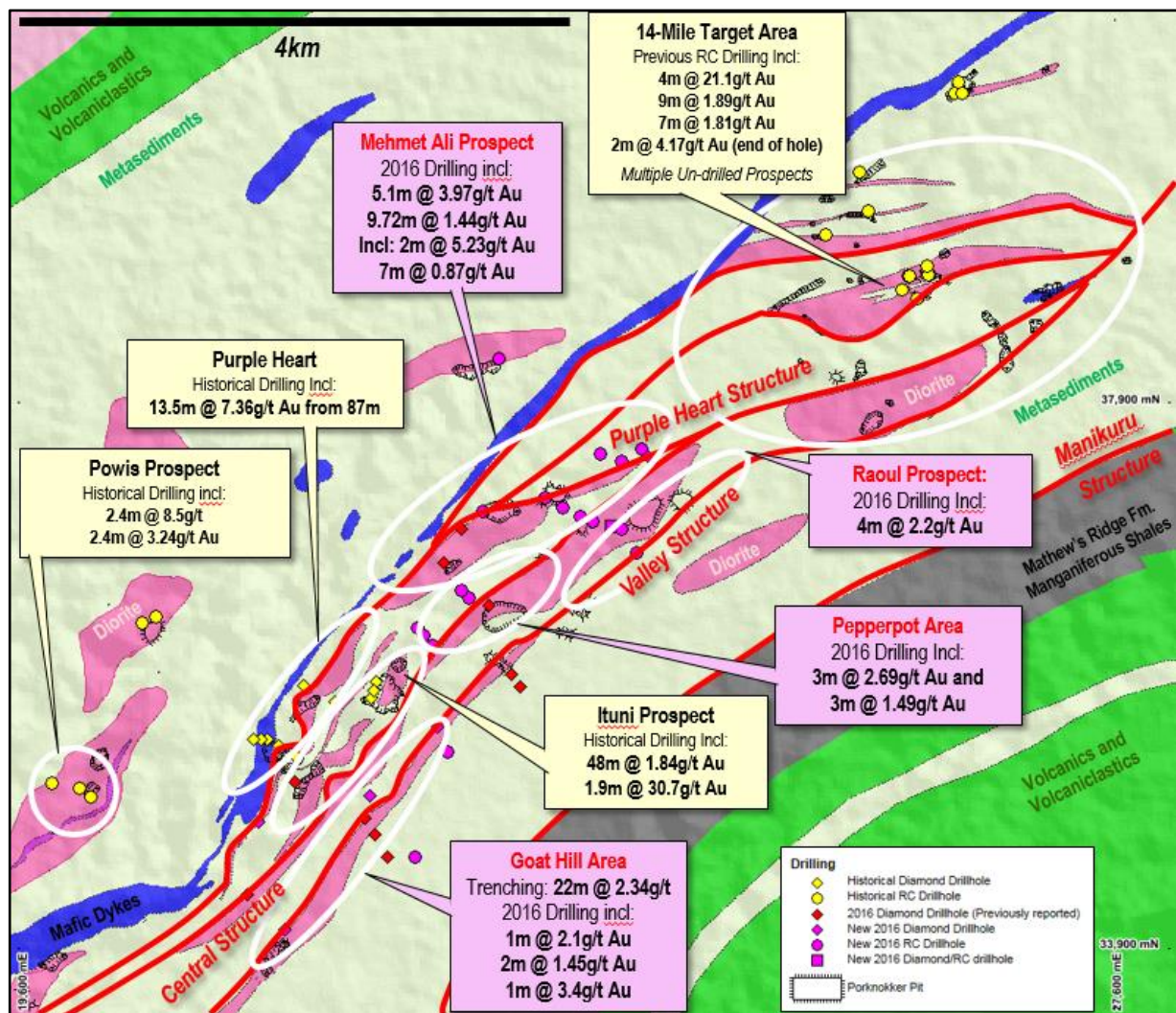


Figure 2 | Arakaka Main Trend Drill collar locations and proposed reconnaissance drill targets. Targets generated from 2016 reconnaissance drilling in Pink.

Prospect Drill Testing Phase

Following completion of the reconnaissance phase drilling on the Arakaka Trend, the Company will rank the various prospects and styles of mineralization identified and then commence target testing immediately.

Recent drill results continue to support Alicanto's discovery of three large scale high strain zones running the entire length of the Arakaka trend. The Valley Structure, Central Structure and Purple Heart structure now each have multiple drill intersects demonstrating good continuity of these structures, on approximately 1km spacing, and there is reported either quartz-chlorite-arsenian pyrite (+/-Visible Gold) mineralisation or quartz-magnetite (+/-Visible Gold) through all sections.

A sufficient level of information has now been achieved from reconnaissance to allow Alicanto to drill specific target areas thought capable of potentially yielding >1Moz Au. Each of the prospects defined along the identified structures to date will be combined with results from planned February drilling at the 14 mile target area and prioritised by structural setting, degree of alteration, host lithology and mineralisation style. Current targets include:

- Purple Heart Area: Continuous >100ppb Au soil anomalism up to Au over >2.5km of mapped strike on the Purple Heart and Central Structures. Un-drilled peak soil results include **6.45g/t, 3.9g/t Au** and **3.55g/t, Au** limited drill testing to date, returned better intercepts of **13.5m @ 7.36g/t Au, 48m @ 1.84g/t Au, and 10.8m @ 1.66g/t Au** (Refer to AQI ASX Press Release 26 August 2015).

- Gold Hill Prospect: Continuous >100ppb Au soil anomalism over >3.2km of strike. Limited RC drilling in 2014 has returned both high grade vein hosted mineralised intercepts (**4m @ 21.1g/t Au**) and disseminated mineralisation (**9m @ 1.89 g/t Au, 7m @ 1.81g/t Au and 2m @ 4.17g/t EOH**) from the same hole. Undrilled auger results of up to 6.52g/t Au >1km along strike from drill intercepts. (Refer to AQI ASX Announcement 23 July 2014).
- Goat Hill Area: Largely under alluvial cover, the Goat Hill Area has received only limited work to date. Trenching results of up to **22m @ 2.34g/t** have been returned. Drilling is limited to three diamond drillholes drilled in 2016 over >1.2km with two holes intersecting the mineralised valley structure with results including 1m @ 2.1g/t Au, 2m @ 1.45g/t Au and 1m @ 3.4g/t Au. (Refer to ASX Announcement dated 4 October 2016).
- Raoul Area: Largely under alluvial cover. The Raoul area sits on the valley structure, tested by only a single RC hole in 2016 within >2.5km of blind target returning 4m @ 2.2g/t Au in ARRC030.
- Pepperpot Area: Largely under alluvial cover a single section line of three holes has been drilled in 2016 with all holes intersecting quartz-arsenian pyrite-visible gold veins with best returning 3m @ 2.69g/t Au from 84m in ARRC021A (Refer to ASX Announcement dated 31 January 2016). Strike extent has not yet been tested.
- Mehmet Ali: Situated on the Purple Heart Structure with >100ppb Au in soil anomalism over >1.25km with local peaks of up to 1.54g/t Au, the Mehmet Ali target has been drilled by four diamond holes in 2016 over >1.4km with three of the holes reporting visible gold and intercepts of up to **9.72m @ 1.44g/t Au** and **5.1m @ 3.97g/t Au**. The target is open in all directions (Refer to ASX Announcement dated 4 October 2016).
- Powis: Situated off the main trend the Powis area has received only limited drilling with results of up to 2.4m @ 8.5g/t and 2.4m @ 3.24g/t Au returned from drilling to date (Refer to ASX Announcement dated 27 January 2016).

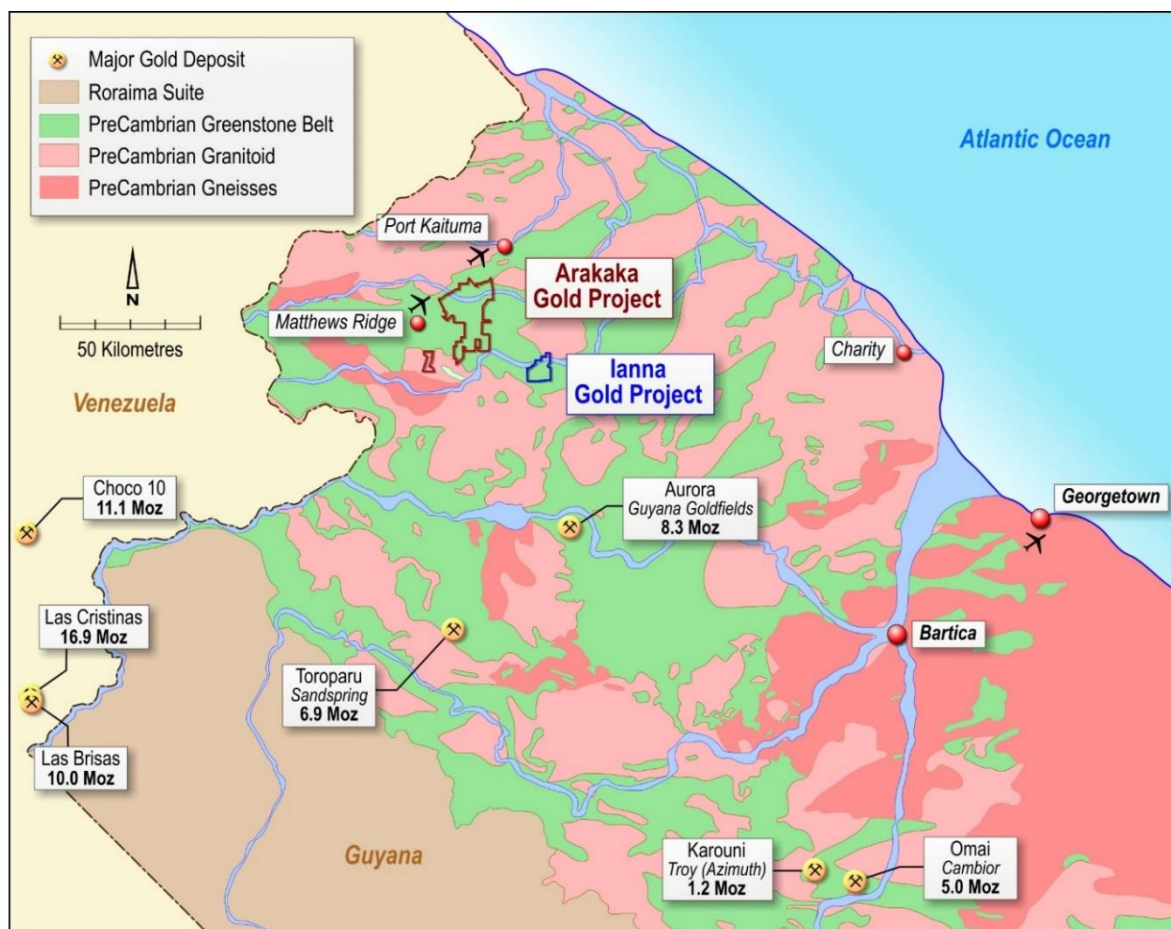


Figure 3 | Location of Arakaka Gold project located in the Northwest Mining District of Guyana on modified geology from the Guyana Geology and Mines Commission's Geological Map of Guyana, 1987.

Geologically, Guyana is underlain by the Guiana Shield, a Proterozoic aged craton that was contiguous with the Leo Mann Shield of West Africa prior to the opening of the Atlantic Ocean. As such, the geology of the Guiana Shield is similar in age, lithology and style of mineralisation to the prolific Birimian gold belts of West Africa (>200MOz of Au endowment). The project is hosted in the highly prospective Barama-Mazaruni Greenstone Belt in Guyana's Northwest District within one of the last and among the least explored greenstone belts across the Guiana and West African Shields.

Ends

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

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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 continually 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 Travis Schwertfeger, who is a Member of The Australian Institute of Geoscientists. Mr Schwertfeger is the Managing Director for the Company. Mr Schwertfeger 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 Schwertfeger consents to their inclusion in the report of the matters based on his information in the form and context in which it appears.