

A NEW MODEL for Processing **Gold** in Peru

Precious Metals Summit 2014 Switzerland
November 2014



Peru has a Problem

Why it's Important

- Social and safety problems
- Environmental degradation
- Billions in lost tax revenue
- Corruption

The Solution

Formalization and regulation by Peruvian government

Miners must be permitted,

Can only sell to licensed facilities



**HIGHER
TAX REVENUES**

**BETTER WORKING
CONDITIONS**

**FORMALIZATION
by New Government
in 2012**

**FAIRNESS
IN TRANSACTIONS**

**ENVIRONMENTAL
PROTECTION**



Demand for legally compliant ore and processing is now increasing.

- **Deadline for IGAT was April 26th 2014**
- **Reduced number of legal plants**
- **Permitted to buy key supplies**

Our Vision

- Develop a consistent ore buying experience for the miners
- Scalable processing plants & processes
- “Cookie Cutter” concept
- Make mining a better place

What sets us apart

- Consistent experience for miners
- Transparent processes
- Attraction of Top mining talent
- Looking out for the miners:
safe, legal, environmentally responsible

Our Core Values

- The field comes First!
- Ethical treatment
- Promises kept
- Superior service
- And never give up!



Toll Milling: a Lucrative Model

- High grade gold ore
- Low costs, high margins in good or bad markets
- 55% of value paid out



Thousands of Mines. Decades of Opportunity.

Top six regions for Formalization

| Region | # of Mines |
|----------------|------------|
| 1. Arequipa | 13,709 |
| 2. Ayacucho | 7,969 |
| 3. Puno | 6,130 |
| 4. Apurimac | 5,846 |
| 5. La Libertad | 5,203 |
| 6. Piura | 2,128 |



Going Further

How we will become the gold processor of choice in Peru

- Pay within 24 hours of agreement on ore purchase
- If we miss our payment deadline, we pay penalties

Step One: Chala Plant

Now in cash flow and growth mode



Improve Efficiency. Expand Capacity.

- 100 TPD by end of 2014
- Plants can be permitted for 350 TPD
- Add 50 TPD capacity each quarter

Revenue Forecasts

Average grade of .5 oz/tonne

| | 25 Tons Per Day | 50 Tons Per Day | 100 Tons Per Day |
|---|-----------------------|-----------------------|-----------------------|
| Monthly Operating Revenue * | US\$ 226,000 | US\$ 452,000 | US\$ 903,000 |
| Monthly Operating Cost ** | US\$ 91,000 | US\$ 129,000 | US\$ 255,000 |
| Operating Monthly Cash Flow | US\$ 135,000 | US\$ 323,000 | US\$ 648,000 |
| Net Cash Flow on an Annual Basis From Operations | US\$ 1,620,000 | US\$ 3,876,000 | US\$ 7,776,000 |

Average grade of .8 oz/tonne

| | 25 Tons Per Day | 50 Tons Per Day | 100 Tons Per Day |
|--|-----------------------|-----------------------|-----------------------|
| Monthly Operating Revenue * | US\$ 267,500 | US\$ 535,000 | US\$ 1,070,000 |
| Monthly Operating Cost ** | US\$ 91,000 | US\$ 129,000 | US\$ 255,000 |
| Operating Monthly Cash Flow | US\$ 176,500 | US\$ 406,000 | US\$ 815,000 |
| Net Cash Flow on an Annual Basis From Operations | US\$ 2,118,000 | US\$ 4,872,000 | US\$ 9,780,000 |
| Total oz of Gold on an Annual Basis From Operations | 6,840 | 13,680 | 27,360 |

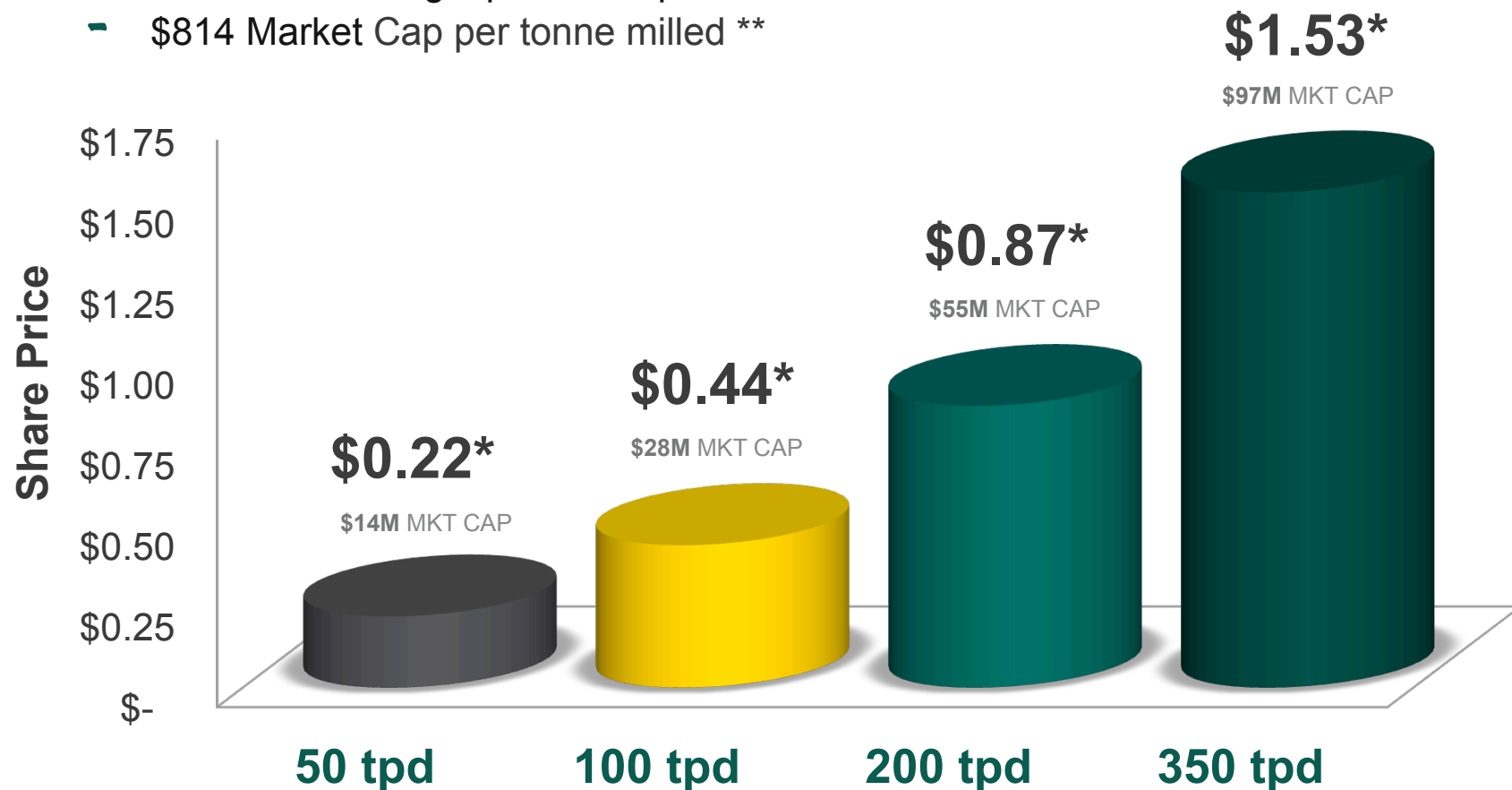
* Estimate based on US\$1250/oz sale price multiplied by 28.5 days per month

** Does not include general and administrative expenses

Chala Plant Performance Model

Projection based on publicly disclosed information from a Peruvian gold milling company:

- \$265 Gross Margin per tonne processed
- \$814 Market Cap per tonne milled **



* Based on existing number of shares outstanding

** Extrapolated from September 30th, 2013 year to date results

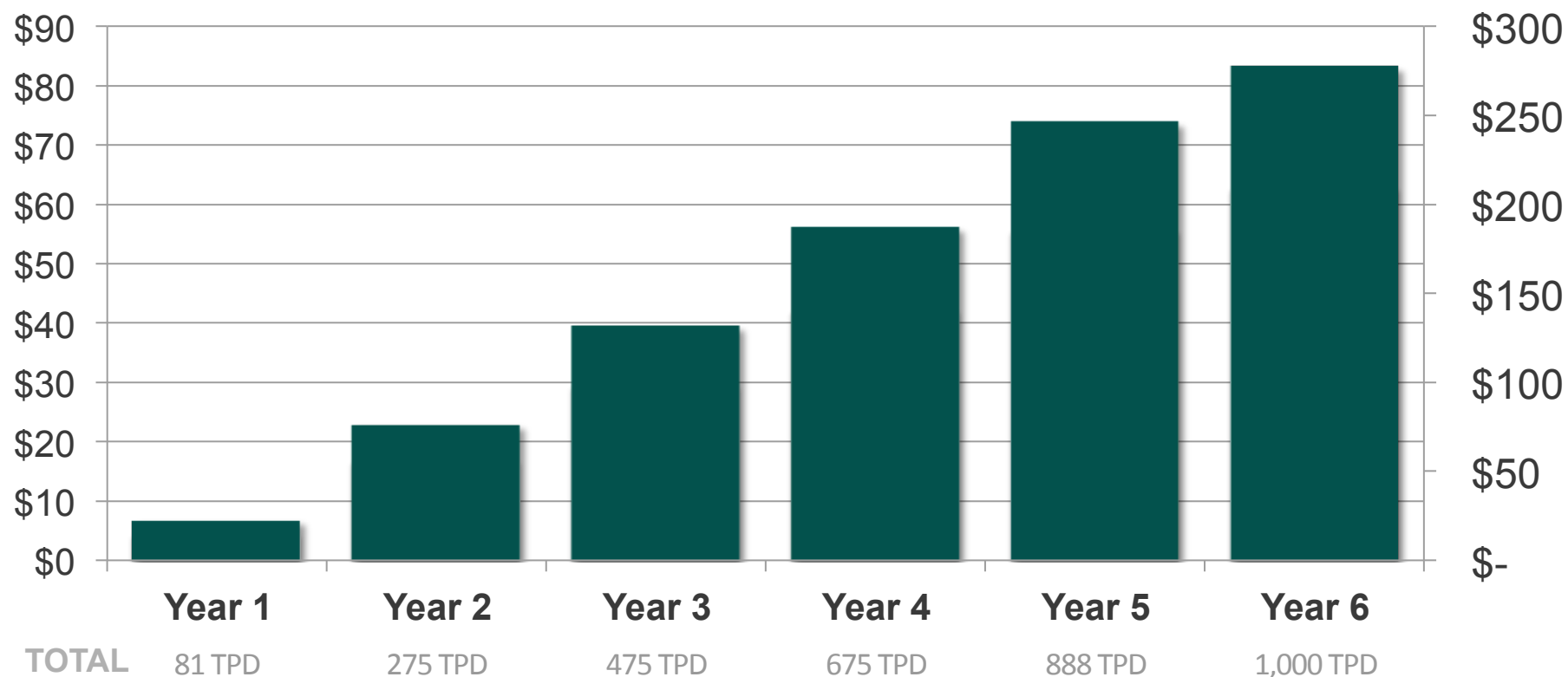
*** These measures may not be comparable with those of other toll milling corporations

Projected Annual Net Income

Projected Net Income (Before depreciation and interest)

Based on publicly disclosed information from a Peruvian gold milling company including a gross margin of \$265/tonne processed and market cap of \$814/tonne milled *

Market
Cap
(Million)



*Based on existing share structure

**These measures may not be comparable with those of other toll milling corporations

Our Long-Term Strategy

Acquire and upgrade four producing toll mining facilities within five years



Increase production to over 1000 tpd



Become the market leader
in gold ore processing

About Our Shares

| TSX-V: IO <i>as of October 20, 2014</i> | |
|--|------------------|
| Issued & Outstanding | 63.9 M |
| Warrants | 13.1 M |
| Options | 5.7 M |
| Fully Diluted | 82.7 M |
| Cash * | \$ 2.2 M |
| Marketable Securities | \$ 0.47M |
| Market Cap | \$ 10.0 M |
| 52 Week Range | \$0.065 - \$0.18 |
| Ownership: Management | 17.5% |

* Includes closed tranche receivable of \$1.4 M



Thank you for attending

Visit us at www.incaone.com

