

Barrick Elects to Fund Year 2 and Approves 7,500m Drill Program – Arakaka Project, Guyana

Alicanto Minerals Ltd (ASX: AQI) (“Alicanto” or “the Company”) is pleased to announce that Barrick Gold Corporation (“Barrick”) has elected to continue funding the Arakaka Gold project for a second year in accordance with the Earn-in Agreement announced by the Company on 1 March 2016. Barrick has also approved Alicanto’s proposal for US\$2.5m exploration expenditure on the Arakaka Gold Project, located in northwest Guyana (refer to Figure 1).

HIGHLIGHTS:

- ◆ Barrick elects to continue exploration expenditure towards a US\$10m funding requirement to Earn-in to a 65% interest in the Arakaka Gold Project.
- ◆ 2017 budget represents a 40% increase in budgeted exploration expenditure.
- ◆ Alicanto continues to be the operator on the project overseeing 7,500m of drilling commencing in February 2017

The approved exploration budget includes over 7,500m of RC and diamond core drilling designed to both follow up on this year’s work as well as targeting new areas of the Arakaka Main Trend.

Travis Schwertfeger, Managing Director stated, *“Progress at the Arakaka Gold project in the past eight months has been significant. We have completed reconnaissance drilling along 60% of the Arakaka Main Trend to better define the extent of the mineralised corridor and increase resolution of the geological controls on mineralisation. This drilling has identified a far more extensive mineralising system than previously understood and strong continuity of an extensive hydrothermal alteration system.”*

“We are anxious to complete the reconnaissance phase of the exploration work at Arakaka in the first quarter of 2017, which will place the Company in an excellent position to prioritise the best of a substantial number of priority targets for drill testing in the second quarter of the calendar year.”

CAPITAL STRUCTURE

Shares on Issue	83.9m
Share Price	A\$ 0.21
Market Cap	\$18m
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

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The proposed exploration program operated by Alicanto is forecasted to commence in early February, with completion of drilling the priority in the budget, and additional exploration activities to operate concurrently with drilling and extend into the second half of the year include a range of proposed surface geochemistry, auger and trenching exploration activity designed to advance the full spectrum of the exploration pipeline at the Arakaka Gold Project.

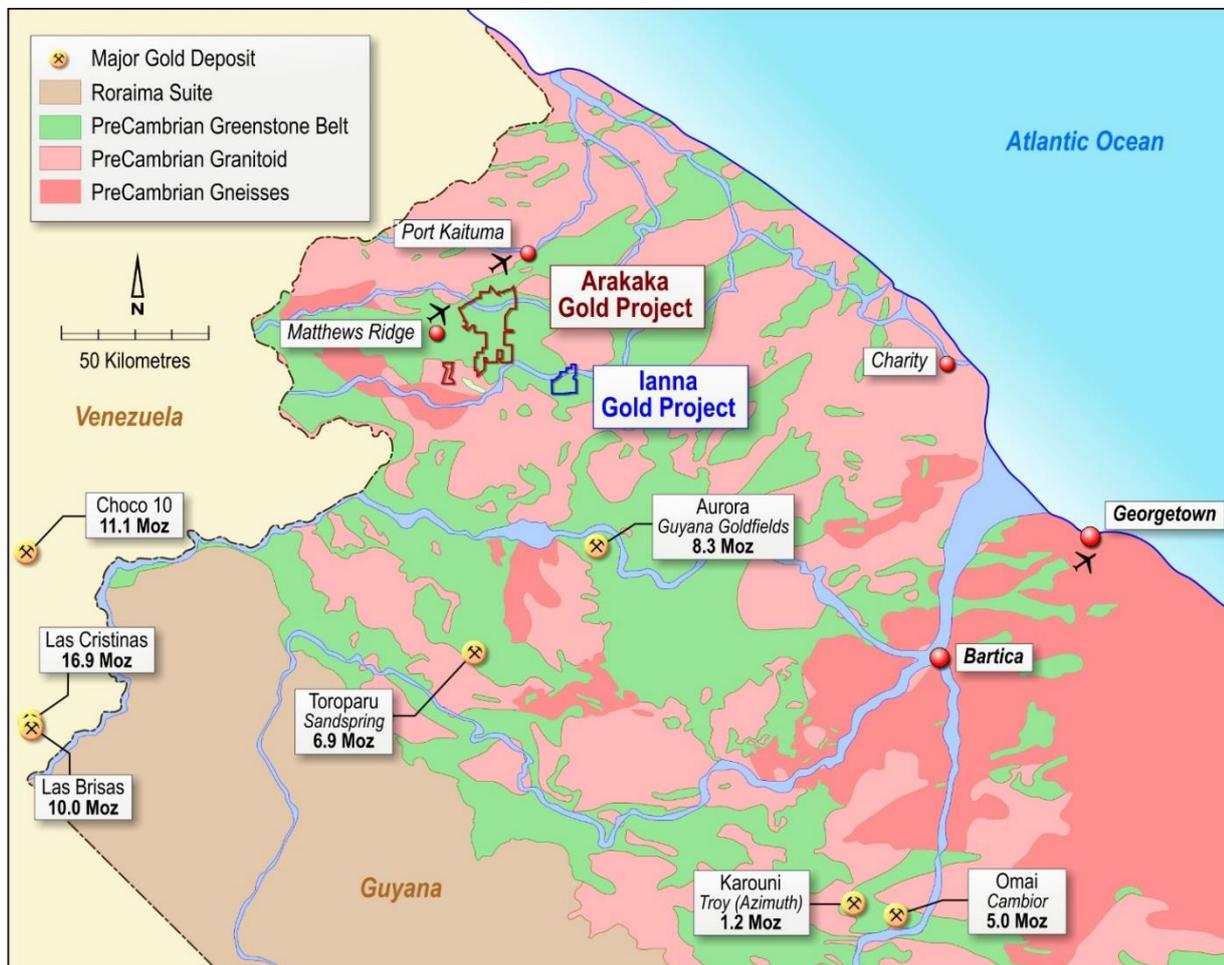


Figure 1 | Location of Arakaka Gold project located in the Northwest Mining District of Guyana on modified geology from the Guyana Geology and Mines Commission's Geological Map of Guyana, 1987.

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. 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 that is not yet host to substantial gold resources.

Alicanto and Barrick have entered into an Earn-in Agreement whereby the Company granted Barrick the exclusive right to acquire a 65% interest in the Arakaka Gold Project. Barrick may earn up to a 65% interest in the Arakaka Project by meeting US\$10 million in funding requirements, including US\$8 million in exploration expenditures over four years, and US\$2 million paid to Alicanto upon completion of the exploration earn-in expenditures. Significant terms of the Earn-in Agreement are provided in the ASX announcement dated 1 March 2016.

ENDS

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 continually evaluating additional projects in both Guyana and overseas for potential joint venture or acquisition.