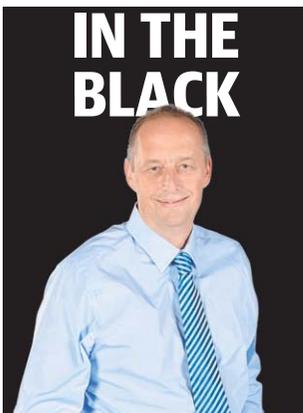


MAKING AN IMPACT WITH THREE GOOD PROJECTS



IN THE BLACK

JOHN BEVERIDGE

WHEN even the big guys like Rio Tinto and BHP Billiton are slashing billions of dollars from their exploration budgets, it takes some gumption to raise and spend money on what might be the next big thing.

It is not a prospect that seems to worry Impact Minerals chief Dr Mike Jones or his shareholder base, judging by the 100 per cent take up of a \$1.9 million rights issue yesterday, which takes staged exploration funding to an impressive \$9.3 million.

One of the keys to the intense interest even as exploration dries up has been the support of Andrew "Twiggy" Forrest's private Squadron Resources and major German shareholder, the Bunnenberg family.

It also doesn't hurt to have three good projects, with the argument going that if the big guys are interested in the rocks, there must be

something special there.

That certainly seems to be the case with Impact's Broken Hill project already producing some of the highest platinum grades ever found in Australia.

Seven targets are now being tested by 1500 metres of diamond drilling, which should produce a much clearer picture of whether Broken Hill's historic success as host to one of the world's largest silver, lead and zinc deposits can move a little further down the periodic table.

Certainly regional geological sampling shows something very interesting is going on, with indications of rare platinum group metals such as rhodium, iridium, osmium and ruthenium.

With any luck this drilling campaign should nail down the source rocks for these platinum metals or at least give a very solid pointer to where they may be found.

Impact's Commonwealth copper/gold project west of Sydney is also highly prospective, occurring in the same belt as the fabulous Cadia Ridgeway mine near Orange, the much smaller Copper Hill and Cargo mines and more recent discoveries such as Galwadgere and Kaiser-MacGregor.

Surprisingly for such a promising area there has been precious little deep drilling done and it would not be a total surprise if there were either a volcanogenic massive

sulphide deposit or a larger copper gold porphyry deposit hiding somewhere on the 315 square kilometres of

Commonwealth leases.

There is plenty of work happening at Commonwealth this year to firm up targets, but the drill program starting in the first quarter of next year will be particularly interesting.

Last, but by no means least, is the Mulga Tank project in WA with the target being large nickel deposits.

When you are running a company you are not meant to have favourites but Dr Jones admits that he has a soft spot for Mulga Tank, which comes with significant potential to become a new nickel field with multiple deposits.

Already the first discovery of some high grade nickel/copper sulphides in the area has backed Impact's theoretical model so a major 5000 metre drill program later this year is replete with potential.

With three shots on goal and low drilling costs thanks to the mining bust, Impact is a **speculative buy**.

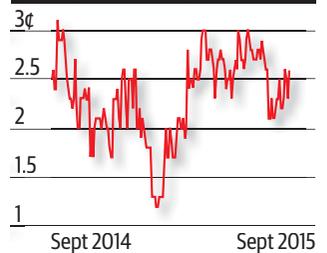
LEADERSHIP speculation is not confined to Canberra with ANZ's enigmatic chief Mike Smith indicating that he might retire in the next year.

While such a move would create newsroom gloom given Mr Smith's penchant for free-wheeling commentary, he has done the hard yards of reorienting the bank towards Asia and restocking capital.

With bank stocks on the nose at the moment which has boosted prospective dividend yields, ANZ is a **portfolio buy**, given the high likelihood of a smooth transition at the top.

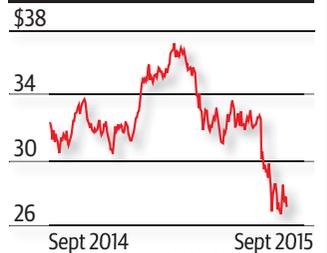
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IMPACT MINERALS



HIGH	3.1c
LOW	1.2c

ANZ BANK



HIGH	\$37.19
LOW	\$26.71