

**ASX ANNOUNCEMENT**

Date: 18 May 2017

Number: 514/180517

**COMPANY UPDATE**

**Impact remains firmly committed to exploration and discovery on its three key projects in Australia: Commonwealth, Broken Hill and Mulga Tank.**

**Share Purchase Plan (SPP) in progress to raise funds to continue exploration on all three.**

**Focus on the high grade Commonwealth gold-silver-base metal project in NSW where drilling will commence on completion of the SPP.**

**Follow up work at Broken Hill to focus on PGM-nickel-copper-cobalt.**

**Multiple drill targets for gold and nickel identified at Mulga Tank, WA.**

Impact Minerals Limited (ASX:IPT) has three large and significant precious and base metal exploration projects in Australia. These are the Commonwealth and Broken Hill Projects in New South Wales and the Mulga Tank Project in Western Australia.

All three projects were purchased in an acquisition in 2013 for a total of \$1 million and at that time Impact considered all three to hold the potential for a major discovery. Impact has carefully progressed exploration on all of the projects as prudently as possible during difficult times and very encouraging high grade results have been returned from all three.

This work has reinforced Impact's initial exploration concepts and its belief that properly executed exploration programmes could lead to a significant discovery.

Impact remains committed to all three projects and the purpose of the current Share Purchase Plan is to raise funds to continue exploration on them all but with a primary focus on the Commonwealth Project where Impact has discovered high grade gold and silver mineralisation at Silica Hill.

Under the Share Purchase Plan and related Shortfall Offer, existing Shareholders on the Company's register of Shareholders on Wednesday, 10 May 2017 can subscribe for new fully paid ordinary shares in the Company at an issue price of \$0.018 each, with three free attaching options exercisable at \$0.04 each, on or before 15 June 2020 (Free Attaching Options) for every two New Shares issued. Further details are in the announcement dated [11 May 2017](#).

Impact's Managing Director has also been interviewed by ABN Newswire where he summarises the projects and also outlines the Share Purchase Plan (<http://www.abnnewswire.net/press/en/88355/ipt>).

## Commonwealth Project

The Commonwealth Project forms part of Impact's extensive 100% owned land holding of 1,000 sq km in the Lachlan Foldbelt, home to numerous gold and copper mines including the giant Cadia deposit near Orange (40 million ounces of gold and 12 million tonnes of copper).

At Silica Hill significant gold and silver mineralisation has been intersected in six drill holes and covers an area of 200 metres by 100 metres down to a depth of 120 metres below surface and with an average true thickness of at least between 50 metres and 70 metres. The mineralisation is open in all directions including up dip (Figure 1).

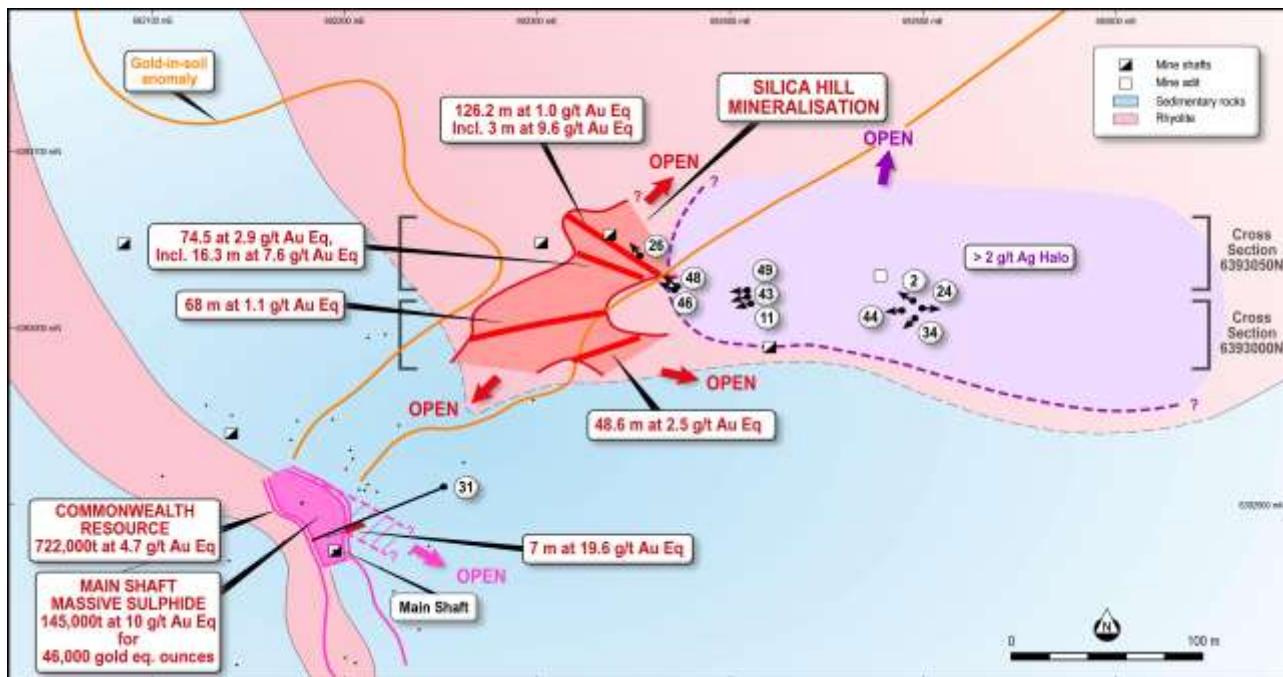
Four drill holes out of the six have also returned gram-times-metre intercepts of more than 100 gram.metres. These are robust and significant results for potential bulk mining and indicate the potential to significantly increase the resources at the Commonwealth Project, which currently stand at 720,000 tonnes at 2.8 g/t gold, 48 g/t silver, 1.5% zinc and 0.6% lead (see announcement [19 February 2015](#)).

In detail, these thick widths of mineralisation actually comprise numerous narrow veins and vein stockworks of high grade gold and very high grade silver hosted by the Silica Hill rhyolite that contain lower grade disseminated gold and silver. For example, Hole CMIPT046 returned an intercept of **41 metres at 2 g/t and 176 g/t silver** from 61 metres including 30 individual assays of varying widths of between 2 g/t and 24 g/t gold and 12 individual assays with more than 500 g/t silver including **1 metre at 12.2 g/t gold and 680 g/t silver including 0.3 metres at 23 g/t gold and 1,110 g/t silver; 1 metre at 5.3 g/t gold and 924 g/t silver; 1.7 metres at 3.8 g/t gold and 1,176 g/t silver; and 0.7 metres at 1.5 g/t gold and 855 g/t silver.**

(see announcements dated [5th December 2016](#) and [22<sup>nd</sup> February 2017](#)).

Impact's work has shown that the mineralisation at Commonwealth-Silica Hill is part of a gold-rich VMS system (volcanogenic massive sulphide) and has strong similarities to the Eskay Creek Mine in Canada (>4 million ounces of gold and 150 million ounces of silver).

Follow up drilling will commence at Silica Hill on completion of the Share Purchase Pan.



**Figure 1.** Silica Hill: Significant drill results. The mineralisation is open in all directions. Also note the large silver halo (shaded purple) to the east of the best mineralisation. This area contains significant low grade non-economic silver at a grade of up to 5 g/t within the Silica Hill rhyolite. This has not been tested at depth and will also be drilled in the upcoming programme.

## Broken Hill Project

The Broken Hill project covers about 517 sq km of ground close to and south of the giant Broken Hill lead-zinc-silver Mine in New South Wales (Figure 2). The project is prospective for deposits of nickel-copper-Platinum Group Metals (PGM)-cobalt as well as silver-lead-zinc and copper-gold-cobalt.

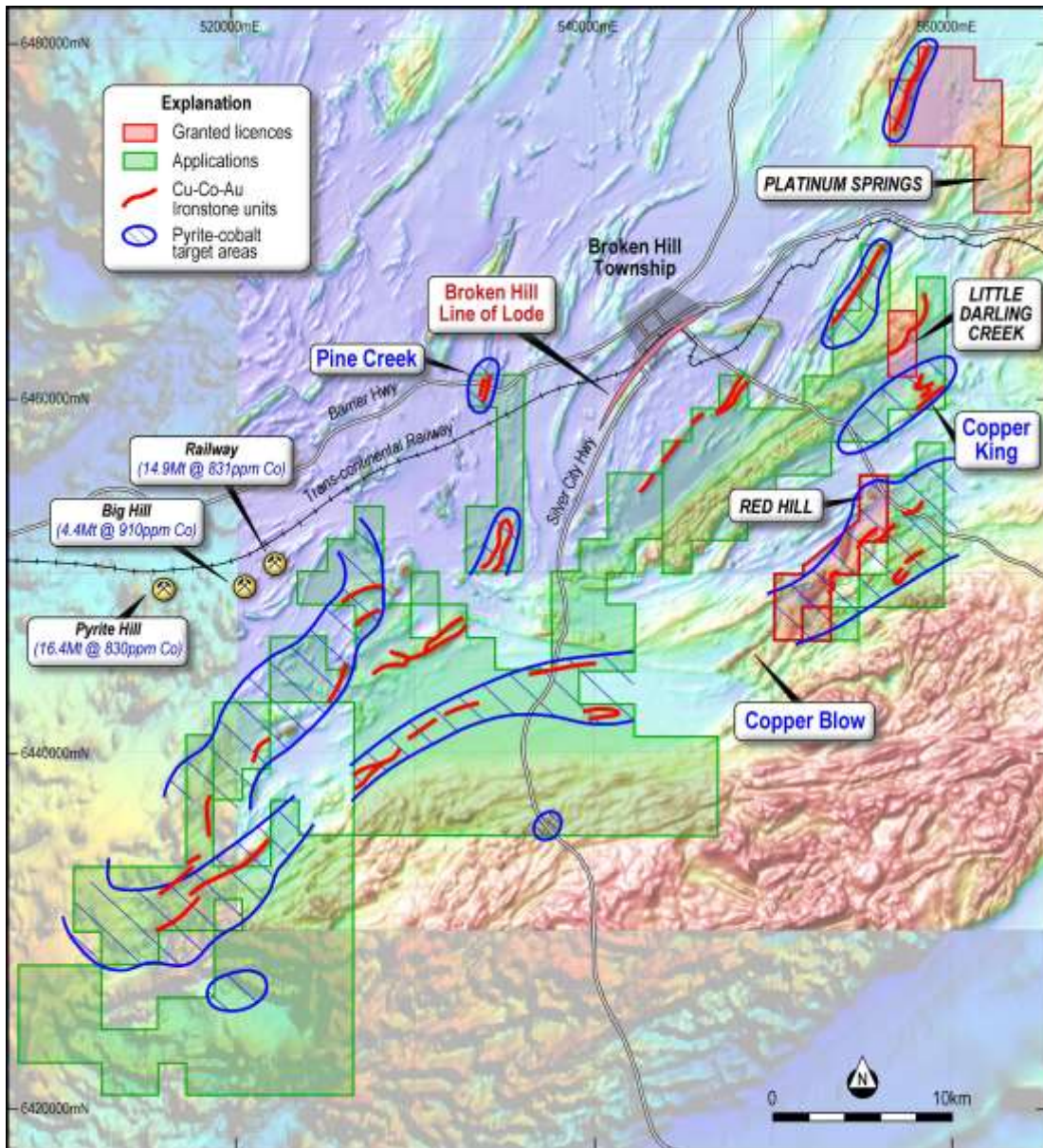
Impact's focus has been, and will continue to be, on the discovery of nickel-copper-PGM-cobalt deposits principally at the Red Hill, Platinum Springs and Little Darling Creek Prospects. Very high grade drill results have been returned from Red Hill and Platinum Springs including one of the highest drill intercepts for PGM's ever reported in Australia in RHDH012 at Red Hill which returned:

**1.2 metres at 7.4% nickel, 1.8% copper, 0.5% cobalt,  
10.4 g/t platinum, 10.9 g/t gold, 294 g/t (9.5 ounces) palladium and 19 g/t silver,  
4.6 g/t rholdium, 7.2 g/t iridium, 5.6 g/t osmium and 3.1 g/t ruthenium.**

(see announcement dated [26 October 2015](#))

These results still require follow up drilling. In addition a recently completed VTEM survey to the south of Red Hill has identified 8 areas of interest for follow up work (see announcement dated [3 May 2017](#)) . A second VTEM survey is required over the Moorkai Trend, which includes the Platinum Springs Prospect, and this is planned for later in the year.





**Figure 2.** Impact’s exploration licences in the Broken Hill area and some key prospects.

Impact has also discovered high grade silver-lead –zinc at the Dora Prospect near Red Hill and recently demonstrated significant potential for copper-cobalt-gold and cobalt-pyrite deposits within the Company’s tenements. (see announcements dated [8 December 2015](#) and [5 May 2017](#)).

At Dora East drill hole RHD018 returned:

**5 metres at 10% zinc, 0.8% lead and 40 g/t silver including:  
 1 metre at 26.8% zinc, 2.8% lead and 133 g/t (4 ounces) silver; and  
 1 metre at 21.4% zinc, 0.8% lead and 31 g/t (1 ounce) silver.**

A compilation of previous work for these different styles of deposits is in progress to help identify areas for on ground follow up work.

## Mulga Tank Project

Impact owns 100% of the Mulga Tank Project that covers about 370 sq km of the Minigwal greenstone belt located 200 km north east of Kalgoorlie in Western Australia. The project is prospective for gold and nickel deposits.

Impact discovered high tenor nickel and copper sulphides at the Mulga Tank Dunite in its maiden drill programme (see announcement [29 January 2014](#)).

Three styles of nickel-copper mineralisation were identified:

1. Extensive disseminated nickel in the Mulga Tank Dunite with assays of:  
**2 m at 1.3% nickel including 1 m at 2% nickel and multiple 0.5 m thick zones of 0.5% to 1.2% nickel within an intercept of 115 m at 0.3% nickel;**  
**Other thick intercepts including 21 m at 0.4% nickel and 59 m at 0.3% nickel.**
2. High tenor veins at the base of the Mulga Tank Dunite with assays of:  
**0.25 m at 3.8% nickel, 0.7% copper and 0.7 g/t PGE and 0.3 m at 0.7% nickel;** and
3. High tenor nickel sulphide in multiple komatiites in a flow channel in the upper part of the dunite with assays of:  
**0.75 m at 0.85% nickel, 0.35% copper and 0.28 g/t PGE (Pt+Pd+Au);** and  
**6.7 m at 0.5% nickel.**

The style of mineralisation and the nature of the rocks are similar to those that host the significant nickel deposits at Perseverance (1 Mt of contained nickel) and Mt Keith (>2 Mt of contained nickel) near Leinster in WA). In addition the project area occurs in the same geological terrain as the recently discovered Gruyere deposit of more than 5 million ounces of gold. The Mulga Tank project has been poorly explored for gold and this will also be a focus of the forward programme.

The results of 2,500 soil geochemistry samples that cover the eastern part of the Mulga Tank Dunite as well as the Panhandle Prospect have been received and are being interpreted. A number of gold and nickel anomalies have been identified and these are being prioritised for follow up work including drilling.

## Dr Michael G Jones Managing Director

*The review of exploration activities and results contained in this report is based on information compiled by Dr Mike Jones, a Member of the Australian Institute of Geoscientists. He is a director of the company and works for Impact Minerals Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Dr Jones has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

*Impact Minerals confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements referred to and in the case of mineral resource estimates, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed. The relevant announcements for this report are listed below and also contain the relevant Table outlining the JORC requirements.*

Cobalt-copper-gold potential of the Broken Hill Project [5 May 2017](#)

Exploration update: VTEM at Broken Hill [3 May 2017](#).

Silica Hill and Commonwealth continue to expand [22 February 2017](#).

Drilling commences at Silica Hill gold-silver discovery near Orange in NSW [5 December 2016](#).

Exceptional zinc-silver grades at Red Hill (Dora East) [8 December 2015](#).

High grade rare PGM's at Red Hill [26 October 2015](#).

Maiden High Grade Resource at Commonwealth [19 February 2015](#).

Mulga Tank Drill Assays [29 January 2014](#)