

ASX ANNOUNCEMENT

Date: 14 February 2020

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EXPLORATION RAMP-UP FOR HIGH GRADE PALLADIUM, PLATINUM AND PORPHYRY COPPER-GOLD IN KEY NEW SOUTH WALES AREAS

- Exploration for high grade palladium-platinum-rhodium-nickel-copper at **Broken Hill** to recommence with drilling planned for Q2-Q3 at a time of record prices.
- Follow-up ground-work being planned on 5 key targets for porphyry copper-gold along trend from and close to Alkane Resources' Boda-Kaiser discovery near **Dubbo** in the State's Central West.

Exploration at Impact Minerals Limited's (ASX:IPT) Broken Hill and Commonwealth projects in New South Wales is being invigorated under a new 2020 focus for the Company underpinned by current record Platinum Group Metal (PGM) prices, palladium and rhodium in particular, and the recent Boda-Kaiser copper-gold discovery of Alkane Resources Limited (ASX:ALK) near Dubbo.

Impact Minerals Managing Director, Dr Mike Jones said:

"We are excited to be returning to explore at Broken Hill and Commonwealth where Impact has generated some highly prospective targets for currently high-priced precious metals and where follow-up work including extensive drilling, is required."

"The Company is busy designing drill programmes at Red Hill and other prospects at Broken Hill to follow-up the exceptional grades discovered in our earlier work there. This includes drilled grades of up to 250 g/t or nearly 9 ounces per tonne of palladium, together with very high grades of platinum and even exceptional levels of the rare PGMs, rhodium, currently at US\$9,500 per ounce, osmium, iridium and ruthenium."

"At Commonwealth, Impact has identified five targets close to the recent Boda-Kaiser discovery with potential for porphyry copper-gold mineralisation. We are awaiting assays from rock chip samples to help prioritise follow-up work which will include soil geochemistry surveys and ground geophysics to identify targets that will be drilled after Broken Hill."

Broken Hill:

The new 2020 campaign will build on previous work by Impact and others in the Broken Hill area which discovered some of the highest grades of all six Platinum Group Metals (PGM: platinum, palladium, rhodium, osmium, ruthenium, iridium) in Australia, together with exceptional nickel-copper grades along

a 40 km long belt southeast of Broken Hill (Figure 1). Three key prospects for follow-up work including drilling, have been identified.

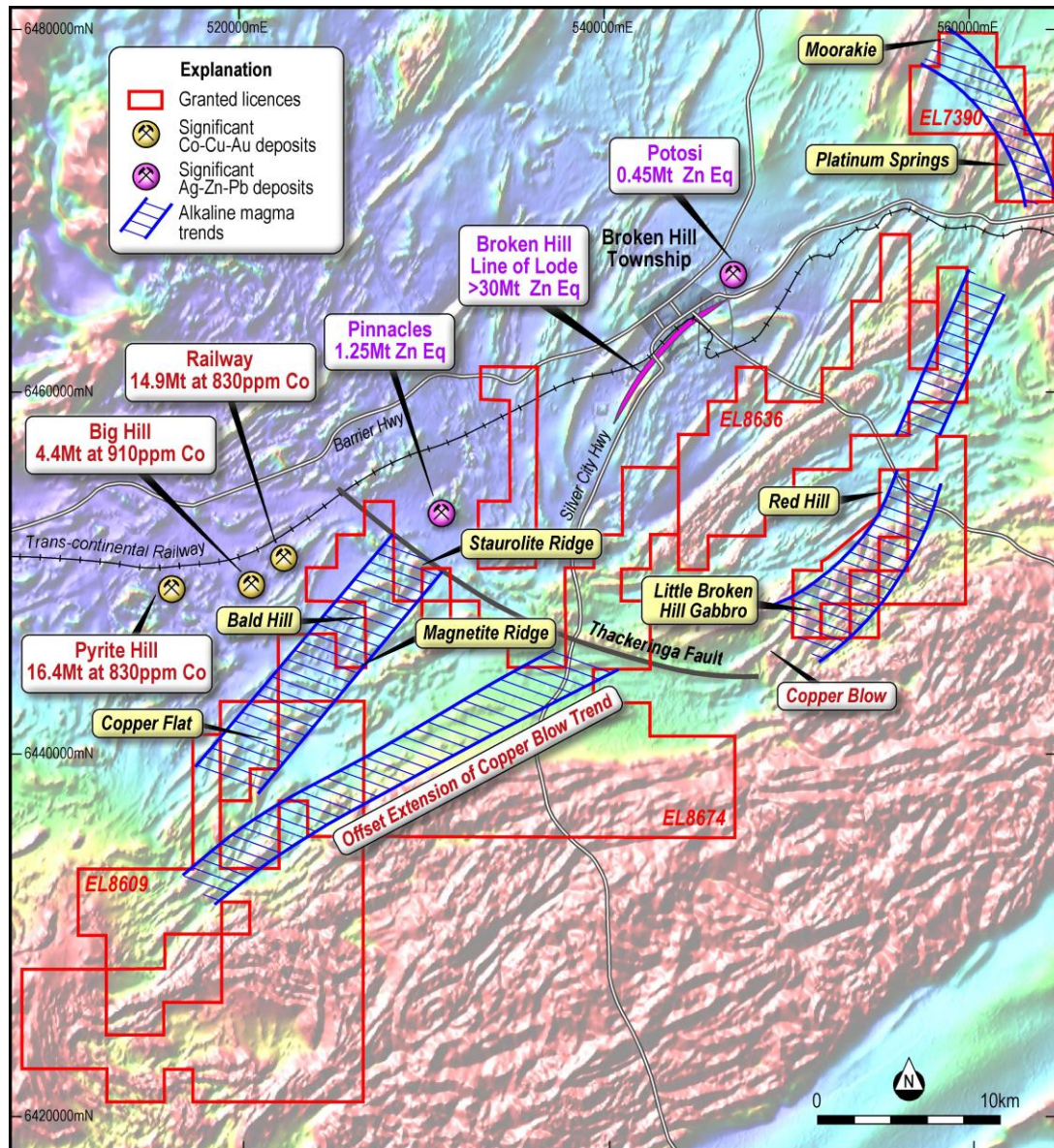


Figure 1. Location of magmatic trends prospective for nickel-copper-PGE in the Broken Hill area.

At **Red Hill**, exceptional grades were returned from drilling by Impact including a stand-out intercept of: **1.2 metres at 254 g/t (9.5 ounces) palladium, 10.4 g/t platinum, 10.9 g/t gold, 7.4% nickel, 1.8% copper, 19 g/t silver, 0.5% cobalt, 4.6 g/t rhodium, 7.2 g/t iridium, 5.6 g/t osmium and 3.1 g/t ruthenium** (ASX Announcement 26th October 2015).

A total of 12 out of 13 of Impact's drill holes at Red Hill returned robust widths and grades of similar mineralisation within 70 metres of surface. The mineralisation is open along trend and at depth and follow-up drilling to test for extensions to this remarkable mineralisation is being planned.

At **Platinum Springs**, drilling by Impact returned a very high grade intercept of unweathered magmatic massive sulphide mineralisation within 50 metres of surface that returned:

0.6 metres at 11.5 g/t platinum, 25.6 g/t palladium, 1.4 g/t gold, 7.6% copper, 7.4% nickel and 44.3 g/t silver, 1.3 g/t rhodium, 1.7 g/t iridium, 2.0 g/t osmium and 0.8 g/t ruthenium

(ASX Announcements 3rd February 2016 and 31st March 2016).

Platinum Springs lies at the southern end of the Moorkai Trend and is the only prospect to have been explored in detail. Exceptional high-grade rock chip samples have been returned from numerous prospects between the Platinum Springs and Moorkai Prospects, a distance of about 9 km along the Moorkai Trend (See ASX announcements above). There has been limited follow-up exploration (Fig. 2).

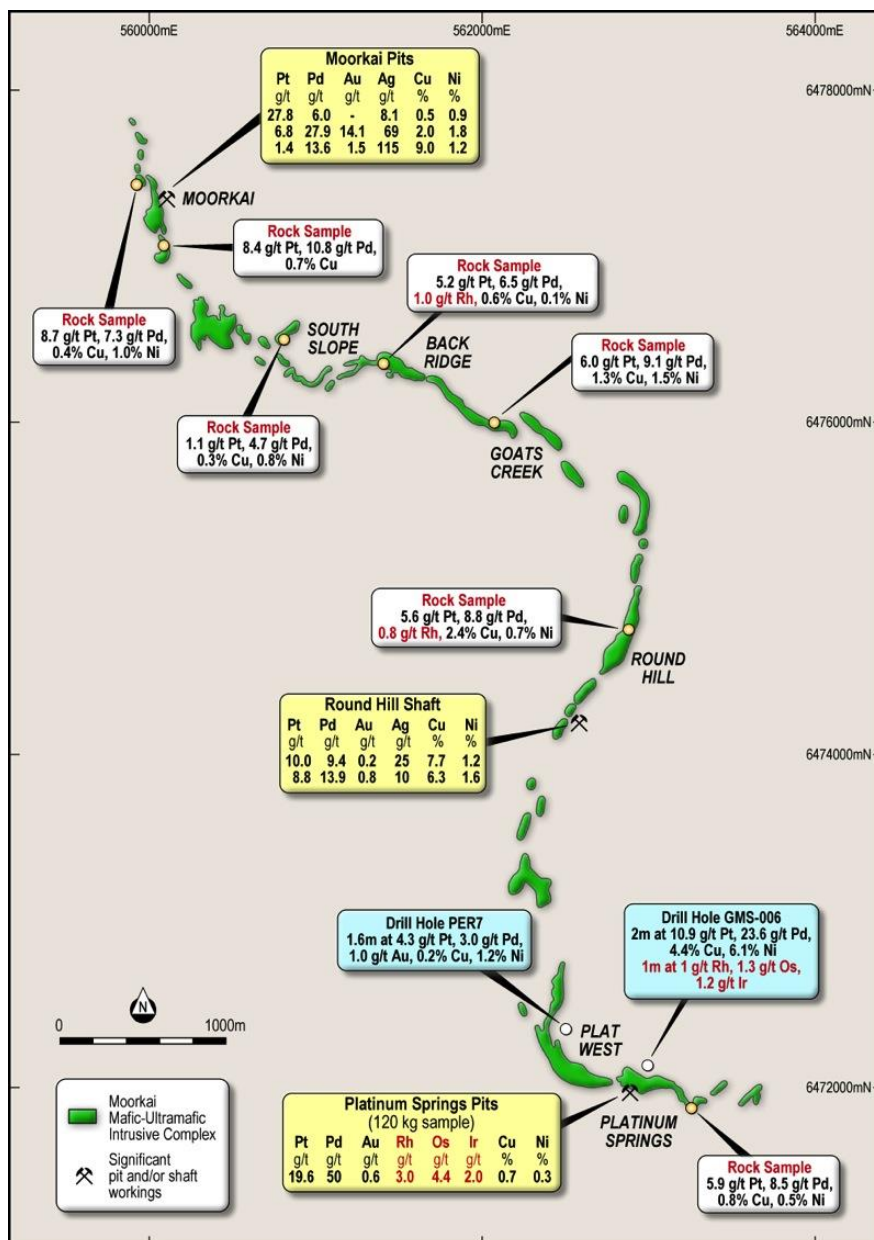


Figure 2. Rock chip samples and previous drill results from the Moorkai Intrusive Complex.

At **Little Broken Hill**, a mafic-ultramafic intrusive complex extends over 7 very poorly explored kilometres and yet contains numerous soil geochemistry, RAB drill hole, VTEM and rock chip anomalies that are priority areas for follow-up work (ASX Announcement 13th December 2018). Field checking of these areas will commence shortly.

In addition, other belts of mafic-ultramafic rocks with anomalous PGM's have also been recognised for the first time by Impact Minerals. These too, are very under explored (Figure 1).

Central West:

At Impact's **Commonwealth Project**, assays are awaited from rock chip samples taken as follow-up to reconnaissance work on four key targets for porphyry copper-gold mineralisation along trend from and close to the Boda-Kaiser porphyry copper-gold discovery and where follow-up drilling by Alkane Resources is in progress (ASX Announcement 14th January 2020).

The four targets are **Boda South, Apsley, Spicers Creek** and **Greenobbys**. In addition, one new target area, **Gladstone**, has been identified along trend to the south of the significant prospects Bodangora and Lady Ilse recently identified by Magmatic Resources Limited (Figure 3).

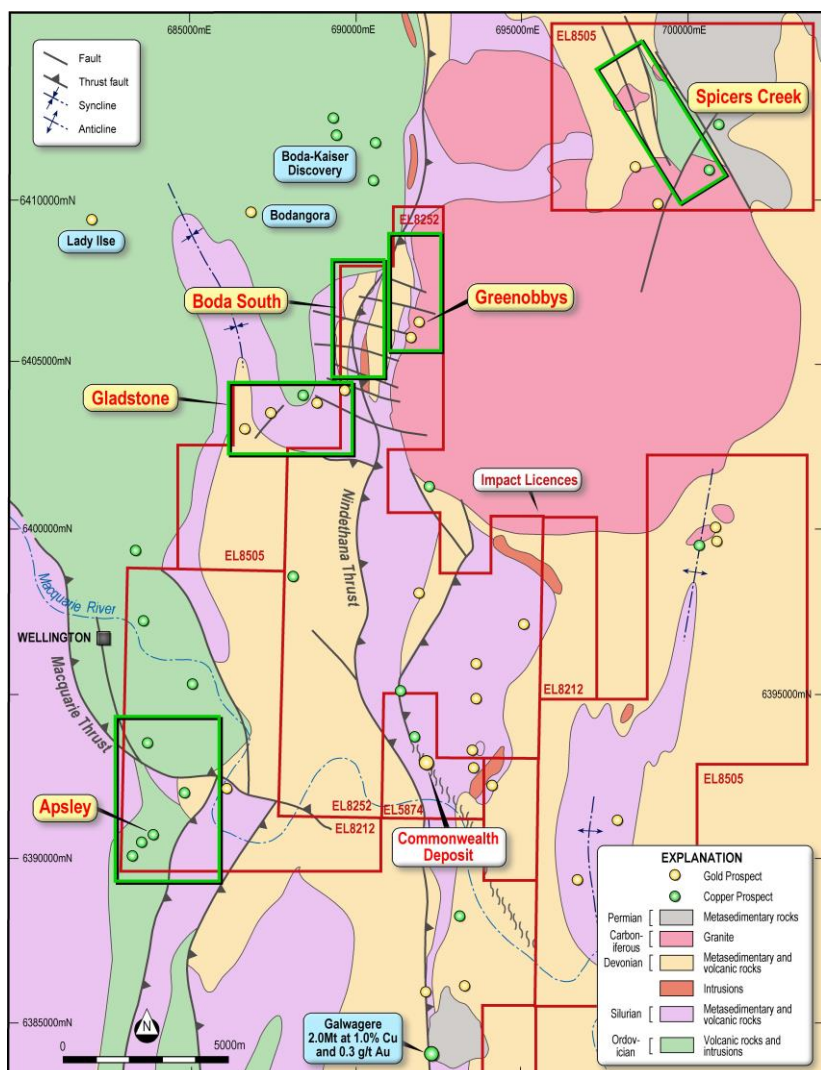


Figure 3. Geology of the Commonwealth Project showing key targets for follow up and location of the Boda-Kaiser discovery and key targets of Magmatic Resources Limited.

All five of Impact's prospects have characteristics suggesting they are parts of large porphyry or other intrusive-related copper-gold systems including:

1. Significant copper and/or gold with associated pathfinder metals in recent rock chip assays, with further assays awaited
2. Alteration minerals that suggest they lie within the outer (propylitic) to middle-inner (potassic) ones of such intrusive-related systems, the prospective centres of which may lie only within a few hundred metres of the areas sampled, either at depth or along trend; and
3. A spatial association with unexplained magnetic anomalies and which, like Boda, could be a direct indication of significant copper-gold mineralisation (ASX Announcement 14th January 2020).

Follow up exploration programmes comprising soil geochemistry and ground geophysics to define drill targets will be prioritised on receipt of the rock chip assays.

COMPLIANCE STATEMENT

This report does not contain any new Exploration Results.

Dr Mike Jones

Managing Director

Competent Persons Statement

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). Mike 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.