

ASX ANNOUNCEMENT

Date: 2 April 2020

Number: 667/02042020

COMPANY UPDATE

- **Impact awarded \$75,000 for drill testing of high-grade nickel-copper-PGM targets at Broken Hill as part of the New Frontiers Cooperative Drilling grants programme run by the NSW Government.**
- **Field checking and rock chip sampling of the exposed parts of the Rockwell-Little Broken Hill Gabbro Trend completed.**
- **Rock chip assays from the Commonwealth Project along trend from the Boda discovery of Alkane Resources Limited received and are being interpreted.**
- **COVID19 Update.**

Impact Minerals Managing Director, Dr Mike Jones:

“We are very pleased to have received this \$75,000 grant for drilling at Broken Hill. It is a testament to the in-house research we have completed there over the past few years on the potential of the region to host high grade nickel copper-PGM mineralisation. The recent discoveries of similar mineralisation in magmatic massive sulphides by both Chalice Gold Mines Limited at Julimar near Perth and Legend Mining Limited near Nova-Bollinger in the Fraser Range show that there is considerable interest in this style of mineralisation.”

“In addition, the recent exceptional drill results of Alkane Resources Limited from the Boda discovery along trend from our Commonwealth project continue to demonstrate the tremendous upside for porphyry copper-gold mineralisation in the region. We are also directly along trend from the Magmatic Resources Limited Lady Ilse project where drilling is in progress” he said.

“We are currently interpreting the assays of our recent rock chip sampling campaign at Commonwealth to distinguish the different styles of mineralisation present on our licences and to identify areas for follow up work.

We are well funded following our recent capital raising to progress our field programmes as best as possible under the new health and travel restrictions imposed as a consequence of COVID19. We are of course following developments as closely as possible to ensure the health and well-being of our staff and contractors. We wish everyone the best at this difficult time” Dr Jones said.

BROKEN HILL PROJECT (IPT 100%)

Impact Minerals Limited (ASX:IPT) is pleased to announce that it has received a grant of \$75,000 from the \$2 million New Frontiers Cooperative Drilling grants programme awarded by the Department of Planning, Industry and Environment of the New South Wales Government.

The grant, which is awarded on the technical merit of the proposed drill programme, will be used to drill test specific targets along the Rockwell-Little Broken Hill Gabbro trend, a six kilometre long mafic-ultramafic intrusion that is highly prospective for deposits of high grade nickel-copper-platinum group metals (PGM) including palladium and rhodium, currently at near record prices (Figure 1). The entire trend is very poorly explored with only a few drill holes completed by previous explorers to shallow depths.

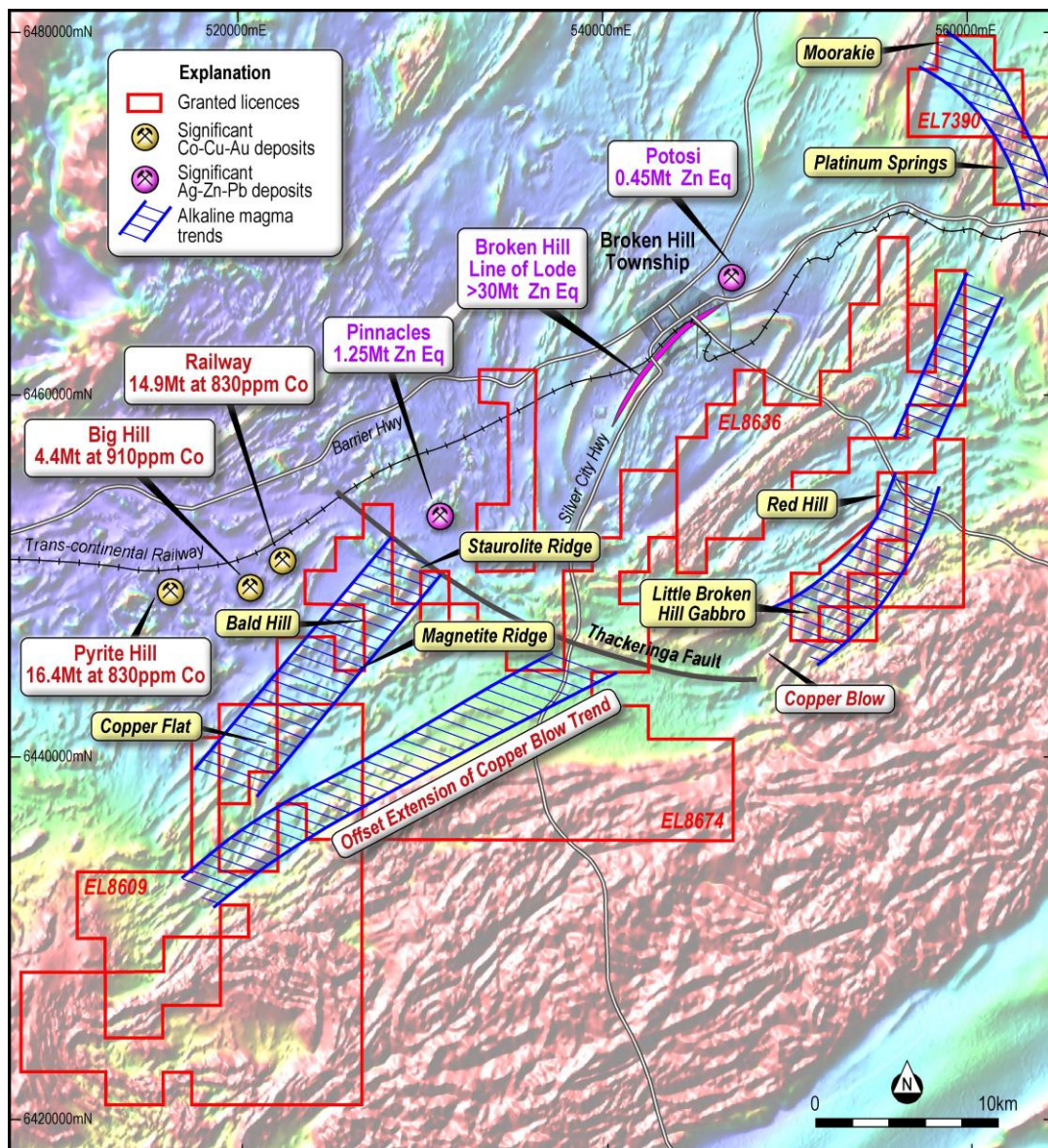


Figure 1. Location of magmatic trends prospective for nickel-copper-PGE in the Broken Hill area.

As part of the preparation for a drill programme, field checking and extensive rock chip sampling was recently completed along the Little Broken Hill trend. Samples will be submitted to the laboratory shortly with results expected in May.

In-house research by Impact has shown that the mafic-ultramafic rocks along the Rockwell-Little Broken Hill Gabbro trend forms part of the 40 km long belt that hosts similar mafic-ultramafic intrusions where Impact and others have 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 (Figure 1).

For example at the Red Hill Prospect, 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 magmatic massive sulphide mineralisation 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).

A detailed synthesis and interpretation of previous exploration data for the three priority targets, Red Hill, Platinum Springs and Little Broken Hill Gabbro to identify specific drill targets is in progress with a view to drilling as soon as practicable.

Central West:

At Impact's **Commonwealth Project**, assays from rock chip samples on four key targets for porphyry copper-gold mineralisation along trend from and close to the Boda-Kaiser porphyry copper-gold discovery have been received and are being interpreted (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 significant prospects recently identified by Magmatic Resources Limited (ASX:MAG) and including the Lady Ilse target where drilling is in progress (Figure 2).

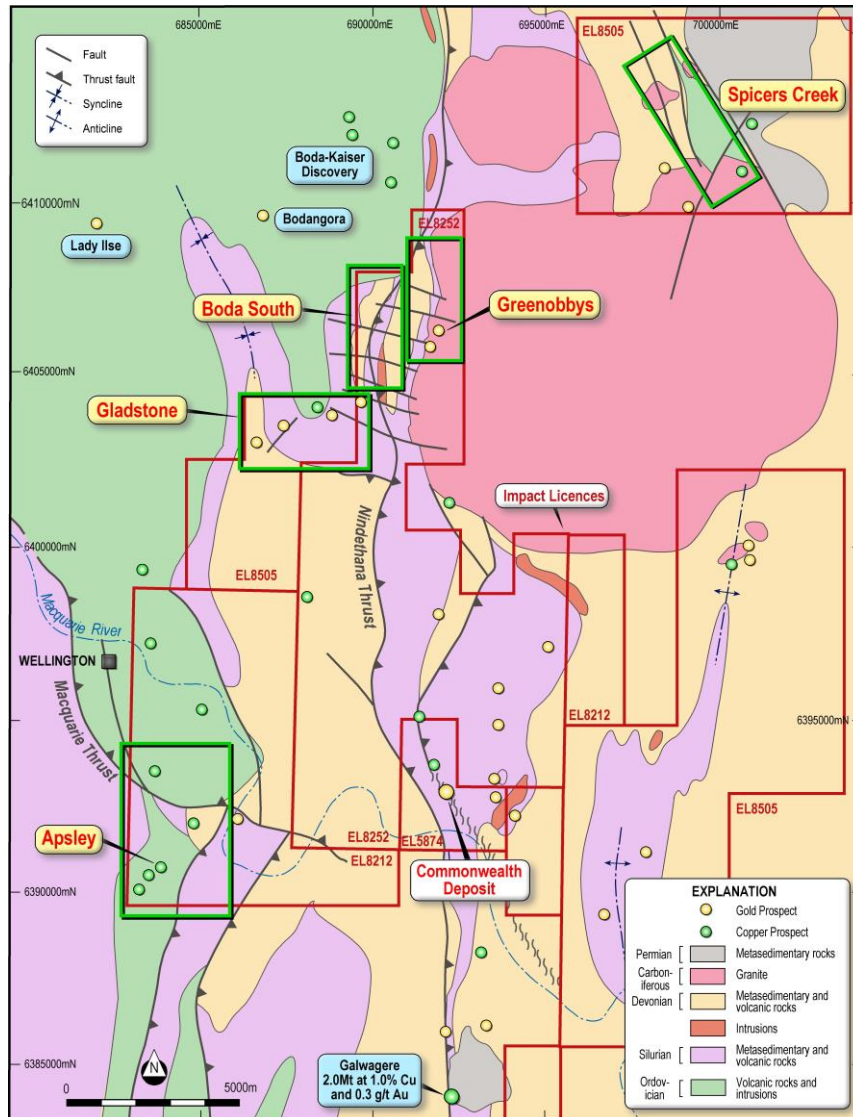


Figure 2. Geology of the Commonwealth Project showing key targets for follow up and location of the Boda-Kaiser discovery and key targets of Magmatic Resources Limited.

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.
2. Alteration minerals that suggest they lie within the outer (propylitic) to middle-inner (potassic) zones 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.

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

RESPONSE TO COVID19

It is axiomatic that the health, well-being and safety of Impact's staff and contractors is the priority concern of the company. This priority has been heightened by the impact of the COVID-19 virus. All recommended protocols have been implemented including a work from home policy and the suspension of interstate travel.

It is Impact's intention to try and progress its field programmes within the restrictions imposed where and when possible. At this time the situation is highly fluid and the company is monitoring the situation daily. There is a considerable amount of data that is being compiled in preparation for the resumption of field activities and announcements on the results of that work will be released as it progresses.

The company currently has approximately \$3 million in cash and is well funded to continue its programmes.

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.