

### ASX ANNOUNCEMENT

Date: 22 July 2020

Number: 690/220720

#### **DRILLING COMMENCES AT BROKEN HILL AND PLACEMENT TO RAISE \$3.25 MILLION**

- **Drilling in progress at Impact’s 100% owned Broken Hill project targeting nickel-copper-platinum group metals at the Red Hill, Platinum Springs and Little Broken Hill targets.**
- **First assays expected by late August**
- **\$3.25 million raised via placement to bring Cash Balance to \$5.5 million before costs.**

Impact Minerals Limited (ASX:IPT) is pleased to announce that it has received firm commitments to raise \$3,245,000 (before costs) via a placement of 216,333,333 shares (**Shares**) to sophisticated and professional investors at 1.5 cents per share (**Placement**).

Funds raised from the Placement will be used to fund a drill programme that is now in progress at Broken Hill targeting high grade palladium and other platinum group metals at Red Hill and other prospects as well as to conduct follow up work including drilling at the Company’s Commonwealth project in the Lachlan Fold Belt also in New South Wales.

Impact Minerals Managing Director, Dr Mike Jones said:

“We are pleased to now have the funds to continue to aggressively explore our two key projects in New South Wales as well as work up our new Arkun project in Western Australia. The drill bit is now turning again at Broken Hill and we are very excited to be following up the very high grade results from our previous drilling at Red Hill and Platinum Springs as well as testing our new concepts for the Little Broken Hill area. In addition, we also have some compelling targets emerging along trend and close to the emerging Boda discovery in the copper-gold rich Lachlan Fold Belt. Shareholders both old and new can look forward to very strong news flow over the next 6 months”.

“The capital raising was very well supported and included continuing strong support from our major German shareholder Deutsche Balaton.”

The Shares will be issued under the Company’s available placement capacity as follows:

- 206,211,181 Shares pursuant to Listing Rule 7.1
- 10,122,152 Shares pursuant to Listing Rule 7.1A

The Placement is being made at a 13% discount to the 5 day VWAP at close of market on Friday 17<sup>th</sup> July.

Xcel Capital Pty Ltd and 180 Markets were Joint Lead Managers for the Placement.

## **About the Drill Programme at Broken Hill**

A major drill programme of up to 8,000 metres of aircore, reverse circulation and diamond drilling has now commenced at Impact's Broken Hill Ni-Cu-PGE project in New South Wales. The programme will test three priority prospects: Red Hill, Platinum Springs and the Little Broken Hill Gabbro-Rockwell Trend (Figure 1).

At **Red Hill**, a programme of RC and diamond drilling will test the along trend and down plunge extension of the exceptional nickel-copper-PGE mineralisation discovered by Impact (Figure 2 and ASX Release 7<sup>th</sup> May 2020).

Here, twelve out of the thirteen drill holes completed at Red Hill have returned robust widths and grades of nickel-copper-PGE's. Recent new assays of the rare PGE's rhodium, osmium, ruthenium and iridium have confirmed the unusual nature of the mineralisation in the region with some stand out results, Hole RHD008 which returned:

**29.0 metres at 10.9 g/t 7PGM comprising:**

**0.8 g/t rhodium, 0.9 g/t iridium, 0.8 g/t osmium, 0.8 g/t ruthenium, 5.1 g/t palladium, 2.5 g/t platinum and 0.4 g/t gold, 2.3% copper, 0.4% nickel and 58 g/t silver from surface.**

This intercept also included two veins of very high grade mineralisation that returned:

**0.6 metres at 34.5 g/t (1.1 ounces) 7PGM comprising:**

**7.2 g/t rhodium, 7.0 g/t iridium, 5.2 g/t osmium, 3.8 g/t ruthenium, 4.0 g/t palladium, 7.9 g/t platinum, 0.07 g/t gold, 5.2% copper, 1.2% nickel and 8 g/t silver from 13.0 metres; and**

**0.65 metres at 54.5 g/t (1.7 ounces) 7GM comprising:**

**0.9 g/t rhodium, 1.2 g/t iridium, 0.9 g/t osmium, 0.5 ruthenium, 29.7 g/t palladium,**

**19.2 g/t platinum, 2.1 g/t gold, 12.2% copper, 0.5% nickel and 147 g/t silver from 27.7 metres.**

This is in addition to the previously reported spectacular intercept from RHD012, which included assays for the rare PGE's done at the time (Figure 2 and ASX Release October 23<sup>rd</sup> 2015). This hole returned:

**3.5 metres at 162.4 g/t (5.3 ounces) 7PGE comprising:**

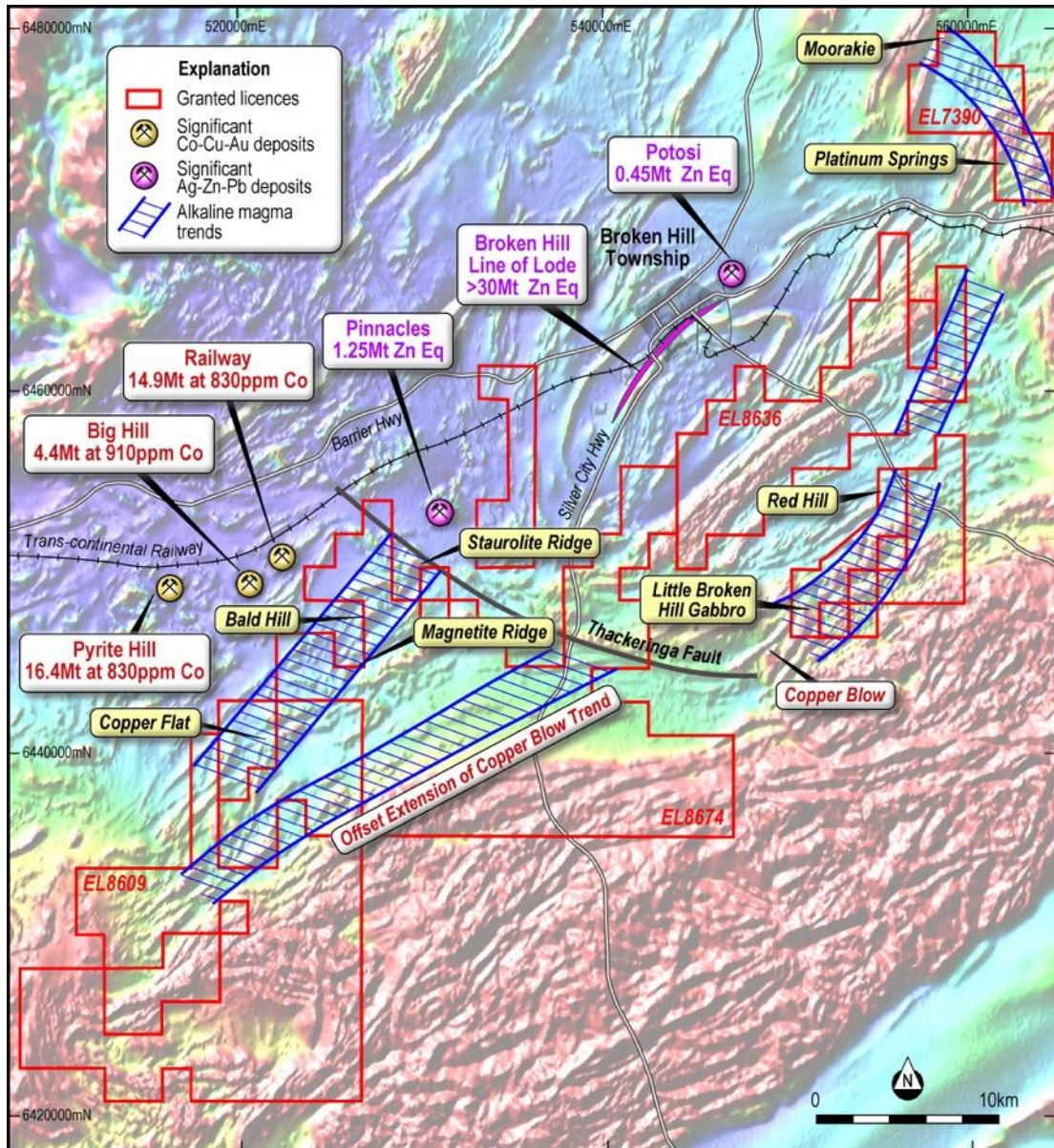
**5.7 g/t rhodium, 2.6 g/t iridium, 2.0 g/t osmium, 1.1 g/t ruthenium, 144 g/t (4.6 ounces) palladium, 5 g/t platinum, 6 g/t gold, 2.9% nickel, 2.3% copper and 14.5 g/t silver from 67.3m down hole.**

This intercept also included a vein of very high grade mineralisation that returned:

**1.2 metres at 335.8 g/t (10.8 ounces) 7PGE comprising:**

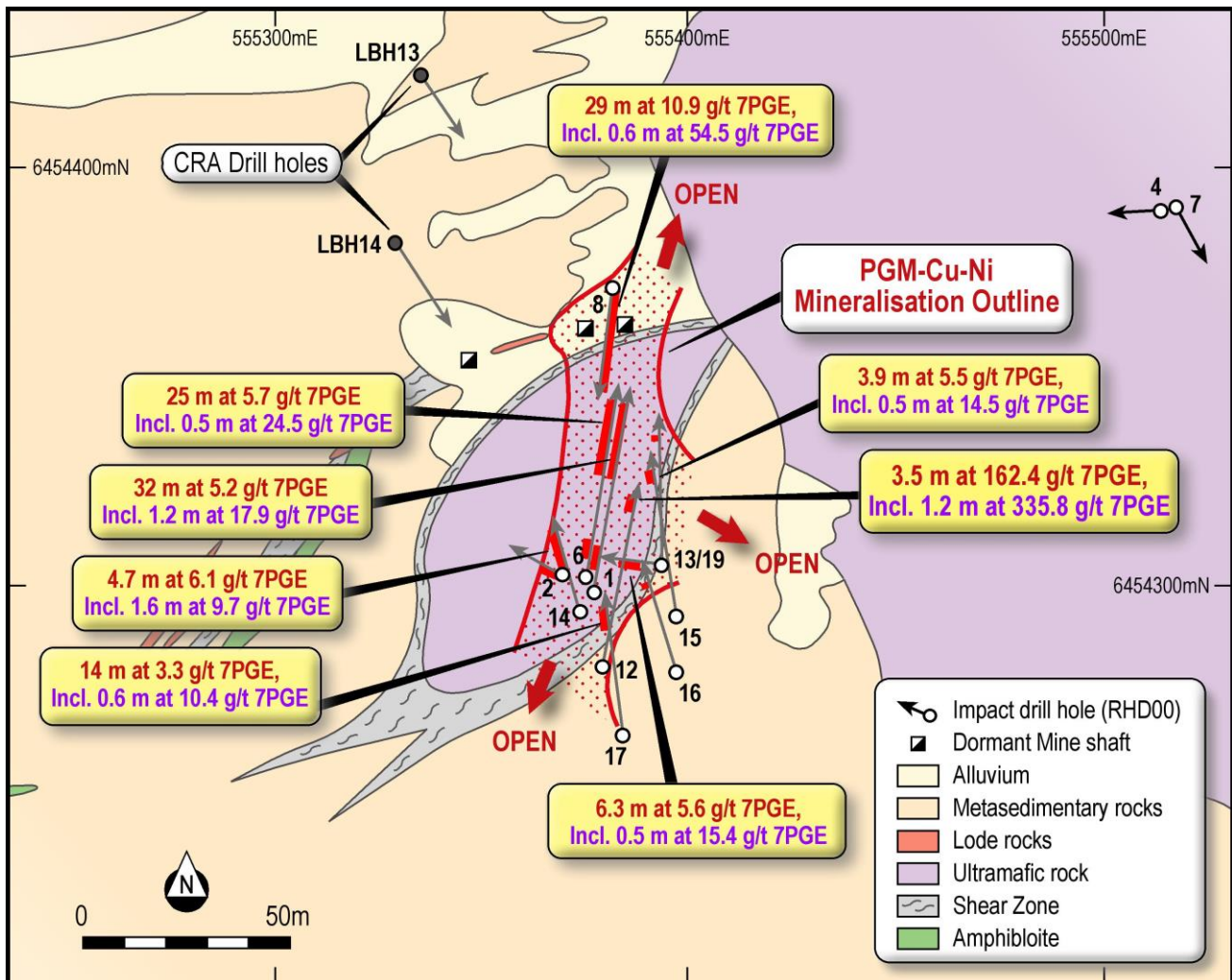
**4.6 g/t rhodium, 7.2 g/t iridium, 5.6 g/t osmium, 3.1 g/t ruthenium, 294 g/t (9.5 ounces) palladium**

**10.4 g/t platinum, 10.9 g/t gold, 7.4% nickel, 1.8% copper and 19 g/t silver.**



**Figure 1.** Impact's ground holdings in the Broken Hill area showing key prospects including Red Hill, Platinum Springs and Little Broken Hill Gabbro.





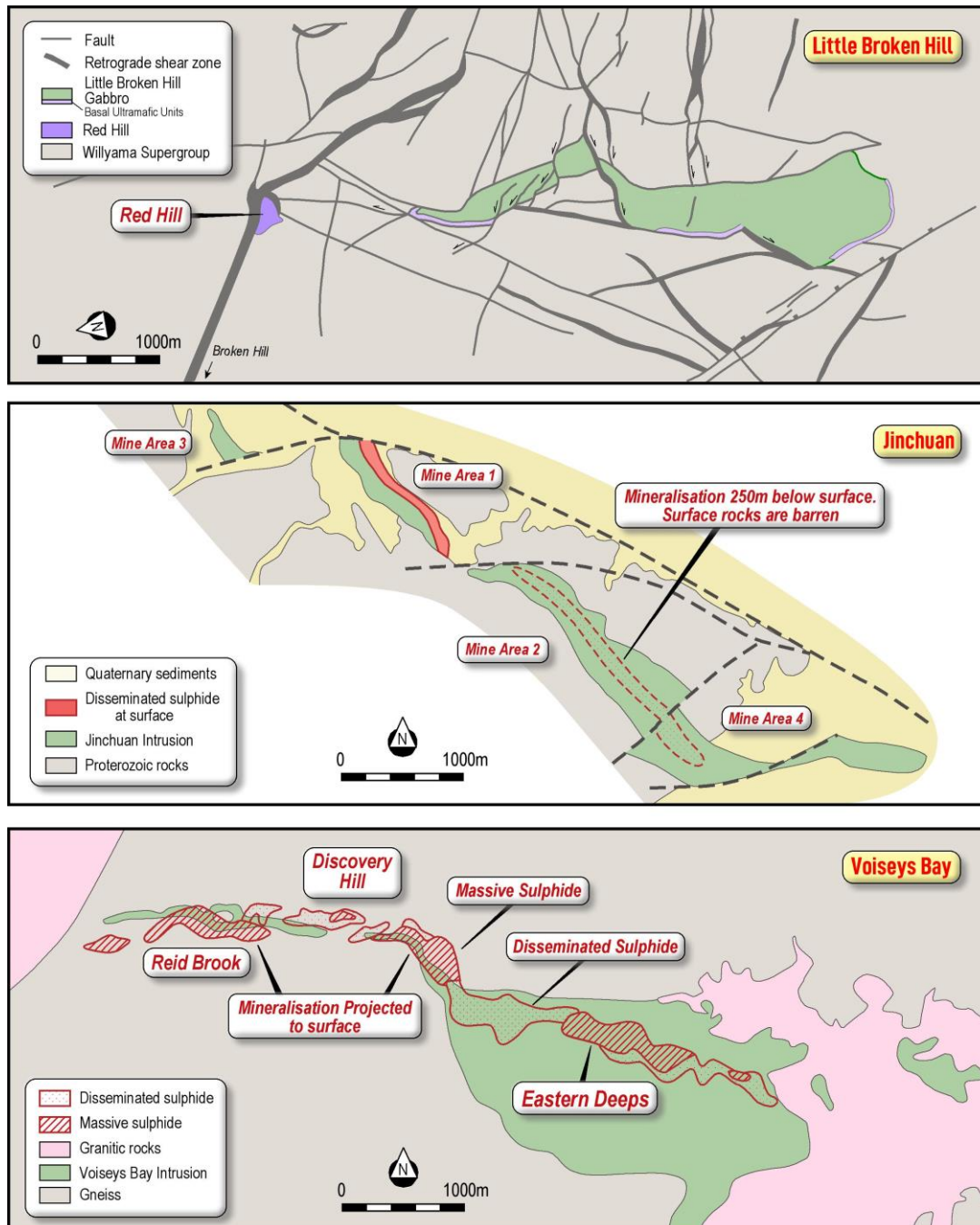
**Figure 2.** Drill hole location plan for Red Hill showing the location of the recently reported assay results (see ASX Release 7<sup>th</sup> May 2020 for details).

At **Platinum Springs** a programme of aircore and RC drilling will follow up a previous drill intercept of **0.6 metres at 11.5 g/t platinum, 25.6 g/t palladium, 1.4 g/t gold, 1.3 g/t rhodium, 1.7 g/t iridium, 2.0 g/t osmium and 0.8 g/t ruthenium 7.6% copper and 7.4% nickel** returned in Impact's drill hole PSD02 (ASX Release 3<sup>rd</sup> February 2016). In addition, drilling of two other prospects Platinum West and Platinum Central will also be completed.

At the Little Broken Hill Gabbro-Rockwell Trend an extensive programme of aircore drilling will test a 4 kilometre long part of the intrusive complex which is under shallow cover and which has not been previously drilled.

Impact has received a grant of \$75,000 from the New Frontiers Cooperative Drilling grants programme awarded by the Department of Planning, Industry and Environment of the New South Wales Government for drilling at Little Broken Hill. This was based on new concepts that Impact has developed for the formation of the gabbro (ASX Release 9<sup>th</sup> July 2020).

Impact's new interpretation of the structure of the Little Broken Hill gabbro intrusion demonstrates that it formed in a mid-crustal magma chamber likely being fed directly by mantle-related magmas enriched in nickel-copper-PGE. This chamber was expanding laterally as a result of regional extensional stresses related to the break-up of the supercontinent Rodinia at the same time as, and close to, the giant Jinchuan deposit in China. In addition, there are strong geometric similarities between the Little Broken Hill Gabbro, Jinchuan and the world class Voiseys Bay intrusions (Figure 3).



**Figure 3.** Comparison of the Little Broken Hill Gabbro-Red Hill area with Jinchuan and Voiseys Bay. Note the similar scale and also how most of the mineralisation at Jinchuan and Voiseys Bay is at depth.

The lateral expansion allowed multiple phases of magma to be injected into the Little Broken Hill chamber through newly identified major feeder zones that are now the priority targets for follow up.

Previous exploration at Little Broken Hill has been hampered by shallow alluvial cover and 70% of the gabbro is not exposed. The drill programme will test a large part of this area which covers the key feeder zone target (ASX Release 9<sup>th</sup> July 2020).

### **COMPLIANCE STATEMENT**

This report does not contain any new Exploration Results.

#### **Dr Mike 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). 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.*

