

ASX ANNOUNCEMENT

Date: 5 October 2020

Number: 707/051020

COMPANY UPDATE

Broken Hill Project

- **Drilling well advanced at Platinum Springs and Red Hill.**
- **Drilling and assays delayed by unseasonal heavy rainfalls and logistical challenges.**
- **RC drilling to commence at Little Broken Hill Gabbro shortly.**
- **Impact withdraws from the Strategic Alliance for silver-lead-zinc with Wyloo Metals Limited and Castillo Copper Limited to pursue its own strategy for these commodities.**
- **Purchase of 20% free carried interest in silver-lead-zinc rights in EL7390 from Silver City Minerals Ltd for \$20,000. Impact now owns 100% of all metal rights in all tenements at Broken Hill.**
- **Drilling at the Dora East silver-lead-zinc prospect to follow up previous high grade drill intercepts will also be done as part of the current programme.**

Commonwealth Project

- **IP Survey 80% complete at the Apsley Porphyry Copper-Gold target.**

Impact Minerals Limited (ASX:IPT) provides the following update on the Company's activities.

1. Broken Hill Project

Drill Programme at Broken Hill

Drilling at Impact's Broken Hill project located in western New South Wales has progressed considerably in the past few weeks despite on-going numerous delays from continuing excessive wet weather which has prevented access to the drill sites. Further rain is expected over the next three days.

RC drilling is still in progress at Platinum Springs and Red Hill with two rigs on site. First assays have been received from Platinum Springs and from some aircore holes from Little Broken Hill Gabbro. Unfortunately, a significant batch of samples has been lost by the couriers in transit to the laboratory and despite an extensive search it has yet to be located. Re-sampling of the relevant drill holes is in progress. A meaningful interpretation of the results is not yet possible but further assays are expected shortly.

Drilling at Red Hill and Platinum Springs should be finished by the end of this week if weather conditions allow. Both RC rigs will then move to the Little Broken Hill Gabbro target.

Withdrawal from Strategic Alliance with Wyloo Metals Limited & Castillo Copper Limited

Impact has elected to withdraw from the proposed Strategic Alliance with Wyloo Metals Limited and Castillo Copper Limited which was formed to jointly market the silver-lead-zinc rights of Impact's large ground holdings and the other two companies' ground holdings in the Broken Hill area (ASX Release 24th February 2020).

A deal that maximised returns to Impact's shareholders did not materialise during the period of the Memorandum of Understanding.

Impact has amassed a considerable amount of intellectual property about the potential for silver-lead-zinc mineralisation, or so-called "Broken Hill-style" of mineralisation, on its extensive land position over the past few years and the company will now pursue its own strategy for these metals.

Purchase of Silver City Minerals Interest in EL7390.

As part of this strategy Impact is pleased to announce that it has purchased Silver City Minerals Limited's (ASX:SCI) 20% interest in the silver-lead-zinc rights to EL7390 for a consideration of \$20,000 cash (ASX Release 23rd October 2015). The purchase is subject only to Ministerial approval, which is expected within two months.

Impact now owns 100% of all mineral rights to its entire tenement portfolio at Broken Hill and ends a long and complex history of joint ventures on the tenement inherited by Impact when it first purchased an interest in the project.

Drilling at the Dora East silver-lead-zinc prospect

RC drilling will now take place at the Dora East silver-lead-zinc prospect adjacent to Impact's Red Hill nickel-copper-PGE prospect. The drill programme will follow up significant silver-lead-zinc results returned from Impact's previous drill programmes which included:

**5.1 metres at 10% zinc, 0.8% lead, 40.4 g/t silver *including*
1 metre at 26.8% zinc, 2.8% lead, 133 g/t silver (4 ounces); *and also including*
1 metre at 21.4% zinc, 0.8% lead and 31.5 g/t silver (1 ounce) from 148.4 metres down
hole in drill hole RHD018; and**

**7 metres at 7.0% zinc, 1.1% lead and 20.1 g/t silver *including*
1.6 metres at 22.0% zinc, 3.6% lead and 66.7 g/t silver (2 ounces) from 131 metres down
hole in drill hole RHD020 (ASX Releases 8th December 2015 and 19th February 2016).**

The silver-rich nature of these intercepts is very encouraging for the discovery of Broken Hill-style silver-lead-zinc mineralisation and the drill programme will test for along strike and up and down dip extensions.

Commonwealth Project

A ground Induced Polarisation geophysical survey is currently underway at the Apsley Prospect at Impact's 100% owned Commonwealth Project in the Lachlan Fold Belt copper-gold province of New South Wales.

The IP survey is being conducted over a very large zoned soil geochemical anomaly about 2 km long by up to 1 km wide that is characterised by metal assemblages expected around a major porphyry copper-gold deposit (ASX Release 10th August 2020). The prospect was identified as one of five areas for follow up work on Impact's tenements following the recent discovery of the Boda copper-gold deposit by Alkane Resources Limited.

The survey is about 80% complete and is being done at a line spacing of 200 metres to cover the entire geochemical anomaly. The survey has been hampered by infrastructure such as roads, railway lines and fences. Results are expected by late October.

COMPLIANCE STATEMENT

This report contains no 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.