



ASX ANNOUNCEMENT

ASX: IPT

Date: 10 July 2013

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JUNE 2013 QUARTERLY REPORT

SUMMARY

1. ACQUISITION OF AUSTRALIAN NICKEL-COPPER-PGE PROJECTS

- Impact completed the acquisition of the joint venture rights to the very prospective Mulga Tank and Broken Hill Ni-Cu-PGE Projects from Endeavour Minerals Pty Ltd.

2. MULGA TANK PROJECT, AUSTRALIA (IMPACT EARNING 50%)

- An ongoing review and synthesis of previous exploration data has confirmed the potential for high grade massive nickel sulphide deposits. Two priority targets for follow up have been identified.
- Impact was awarded \$134,000 under the State Government's Industry Drilling Programme for new drill programmes at Mulga Tank.
- Re-logging and sampling of old diamond core, together with a moving loop ground EM survey were completed with results due in late July.

3. BROKEN HILL PROJECT, AUSTRALIA (IMPACT EARNING 80%)

- A re-analysis and synthesis of previous exploration results is underway.

4. BOTSWANA URANIUM PROJECT, AFRICA (IMPACT 100%)

- A Sale and Purchase Agreement was completed for the sale of four non-core Prospecting Licences within the Botswana Uranium Project.

5. INVICTUS GOLD: AUSTRALIA AND TURKEY (IMPACT 75%)

- Invictus completed the acquisition of Endeavour Minerals Pty Ltd.
- A review of previous data revealed high-grade drill intercepts at the Commonwealth high grade gold-VMS Project of up to 30 m at 6 g/t gold from 28 m and including 2 m at 77 g/t gold in addition to six new targets.
- Invictus to receive a refund of \$317,490 from the Australian Taxation Office for R&D expenditure in the 2012 financial year.

6. CORPORATE

- Impact to receive a refund of \$107,095.05 from the Australian Tax Office for R&D expenditure in the 2012 financial year.

Market Cap

A\$9.3m (0.025 p/s)

Issued Capital

371,912,552

Directors

Peter Unsworth
Chairman

Dr Michael Jones
Managing Director

Paul Ingram
Non-Executive Director

Markus Elsasser
Non-Executive Director

James Cooper-Jones
Company Secretary

www.impactminerals.com.au

309 Newcastle Street

Northbridge

Western Australia 6003

tel +61 (8) 6454 6666

fax +61 (8) 6454 6667

email

info@impactminerals.com.au

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ABN 52 119 062 261

1. ACQUISITION OF NICKEL-COPPER-PGE PROJECTS IN W.A. AND N.S.W

On [13 June](#), Impact announced that it had completed the acquisition of the joint venture rights to the highly prospective Mulga Tank and Broken Hill Ni-Cu-PGE projects from Endeavour Minerals Pty Limited.

The acquisition was part of a combined transaction with Impact's 75% owned Invictus Gold Limited (ASX: IVG) to acquire the projects and shares of Endeavour as announced on [30 January 2013](#) and [8 March 2013](#).

To complete the acquisition Impact issued 6,712,882 shares in the Company to Endeavour shareholders under the Company's 15% capacity under listing rule 7.1.

2. MULGA TANK PROJECT, WESTERN AUSTRALIA (IMPACT EARNING 50%)

Impact is earning a 50% interest in the Mulga Tank Project, which covers 425 sq km in the emerging nickel province of southwest Western Australia. The region is host to Sirius Resources' Nova nickel deposit; BHP Billiton Ltd - St George Mining's Dragon disseminated nickel sulphide discovery; AngloGold Ashanti - Independence Group's Tropicana gold mine; and the significant uranium deposit at Mulga Rocks (Figure 1).

During the Quarter, an ongoing review and synthesis of previous exploration data confirmed the Company's view that the Project is highly prospective for both nickel and gold deposits, and in particular for:

- mineralisation similar to bulk tonnage nickel deposits found at Mount Keith near Leinster, WA and the very large and significant Dumont deposit in Quebec, Canada, that is progressing towards development (Royal Nickel Corporation (TSX: RNX): Reserve of 1.1 Bt at 0.27% nickel, Measured, Indicated and Inferred Resources of 2.1 Bt at 0.26% nickel for a contained 8 Mt of nickel with significant credits for contained cobalt, PGE's and magnetite); and
- high-grade nickel sulphide deposits similar to those at Perseverance (45 mt at 2% nickel) near Mount Keith as well as those at the nearby major WA mining centres of Kambalda and Forrestania.

On [22 May 2013](#), Impact announced that a further review of historical data had confirmed Mulga Tank's potential to host high grade massive nickel sulphide deposits, with the identification of two priority target areas for follow up work.

2.1. Evidence of disseminated and massive nickel sulphides

Previous exploration at Mulga Tank focused on the dunite, a circular, strongly magnetic feature 3.5 km by 4 km in diameter that is interpreted to represent a flat-lying ultramafic sill (Figure 2).

Disseminated Nickel Sulphides

Although only four diamond holes have been drilled into the dunite, all of them returned wide intercepts of Mount Keith-style disseminated nickel mineralisation including:

MTD001: 264 m at 0.2% Nickel from 68 m including 2 m at 0.93% Nickel (Figure 2 and 3);

MTD002: 214 m at 0.19% Nickel from 60 m including 1 m at 0.5 % Nickel (Figure 2 and 4);

MTD003: Approximately **248 m at 0.2% Nickel¹** from 60 m (Figure 3); and

DD1A: Approximately **14 m at 0.3% Nickel¹** from 195 m including **1 m at 0.6% Nickel** and **12 m at 0.18% Nickel** from 148 m (Figure 2).

Thin section analysis of the disseminated nickel identified extractable nickel-cobalt minerals such as pentlandite, heazlewoodite and linnaeite.

Massive Nickel Sulphides and Potential for PGE and Chromite Mineralisation

A five-metre zone of ultramafic mesocumulate breccia (Hole MTD003) hosts narrow zones of massive nickel sulphide mineralisation. Although sampling of the breccia is incomplete, limited previous assays returned:

MTD003: **1 m at 1.1% Nickel** from 209 m and **1 m at 0.8% Nickel** from 212 m (Figure 2 and 3).

The drill holes also showed that the dunite is flat lying, and therefore prospective for massive nickel sulphides at shallow depths, similar to the Perseverance nickel deposit north of Kalgoorlie that contains 45 Mt at 2.05% nickel. Only two of the diamond drill holes intersected the basal contact of the dunite.

Limited bedrock-cover interface percussion drilling completed by previous explorers focused on the southern contact of the dunite and returned a best intercept of:

MRC09: **6 m at 0.9 % Nickel** from 64 m including **2 m at 2% Nickel** (Figure 2).

A zone of anomalous gold up to 0.2 g/t and chromium up to 0.14% occurs below the nickel breccia zone in MTD003 indicating the potential for significant zones of precious metals such as Platinum Group Elements (PGEs).

Given the limited exploration completed to date, and the significant size of the Mulga Tank dunite, Impact considers these significant previous drilling results to be very encouraging for the discovery of both high grade disseminated and massive nickel sulphide deposits.

2.2 Exploration Model, Volcanic Feeder Vent

Impact has now identified two possible feeder-vent structures at Mulga Tank from the interpretation of data from previous Induced Polarisation and airborne magnetic surveys (Figure 2).

High grade massive nickel-sulphide deposits hosted within ultramafic intrusions such as at Perseverance commonly occur near feeder-vent systems close to the base of the intrusions. Previous diamond drilling has shown that the Mulga Tank dunite is shallow dipping and therefore has significant potential to host high grade massive sulphides at shallow depths (Figures 3 and 4).

Coincident strong airborne magnetic and IP anomalies were interpreted to indicate the presence of highly magnetic and chargeable sulphide mineralisation adjacent to the interpreted feeder-vents (Figure 2). In addition, highly elevated nickel-in-soil partial leach assays confirmed the potential for significant deposits of massive nickel sulphide at depth near the interpreted feeder-vents (Figures 3 and 4).

¹ Incomplete sampling



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The *North Feeder Prospect* covers an unusual structural and geological transition between northwest trending steeply dipping ultramafic units and the flat-lying Mulga Tank dunite (Figure 2). Targets A and B have been identified on the basis of a coincident ground magnetic and IP anomalies with highly elevated coincident nickel-in-soil partial leach assays above 800 ppb and up to 1,420 ppb, as well as copper up to 3,080 ppb (Figures 3 and 4).

The *South Feeder Prospect* is characterised by a coincident strong resistivity and chargeability anomalies in the IP data and located below the dunite (Figure 4). Targets C and D are identified by highly elevated coincident nickel-in-soil values above 800 ppb and up to 3,040 ppb as well as copper up to 2,840 ppb (Figure 4).

2.3 Next Steps

During the Quarter, the following work was also completed at Mulga Tank:

1. a detailed programme of re-logging and sampling of the diamond core.
2. a moving loop ground EM survey which sought to identify conductive anomalies close to the dunite that may represent massive sulphide mineralisation near the interpreted feeder vents.

Results of this work are due in July and will be used to prioritise drill targets. In addition as announced on [18 June 2013](#), Impact has been awarded a grant of \$134,000 under the State Government's Industry Drilling Programme, which will allow Impact to significantly increase the size of its planned drill programmes scheduled to commence later in the year.

3. BROKEN HILL PROJECT (IMPACT EARNING 80%)

The Broken Hill Ni-Cu-PGE Project is located 20 km east of the World Class Broken Hill silver-lead-zinc mine in New South Wales, and consists of one Exploration Licence (EL7390) covering 200 sq km in the south east part of the richly mineralised Curnamona Province (Figures 5 and 6).

Impact has the farm-in rights to nickel-PGE minerals in mafic-ultramafic complexes within EL7390, which is owned by Golden Cross Resources Ltd (GCR). Impact can earn 51% of the Ni-PGE rights from GCR by spending an additional \$345,000 by November 2015, and 80% by spending an additional \$200,000 by November 2017.

The project area contains many tens of strike kilometres of mafic-ultramafic sills, dykes and stocks that contain gossans and fresh outcrops with very high-grade PGE's, nickel, copper, gold and silver mineralisation (Figure 6). There is significant potential for the discovery of bulk tonnage PGE mineralisation together with very high-grade nickel-copper-precious metal massive sulphides throughout the project area.

Previous exploration has focussed along the basal contact of the Mulga Springs Gabbro, a series of shallow northeast dipping mafic-ultramafic sills extensively developed over 10 km of strike from the Mulga Springs Prospect in the south to Moorakie in the north (Figure 7). Previous exploration at Mulga Springs has:

- identified a representative 120 kg sample of gossan which returned **19.6 g/t platinum, 50 g/t palladium, 3 g/t rhodium, 3 g/t osmium, 4.4 g/t iridium, 2 g/t ruthenium, 0.57 g/t gold, 0.34% nickel and 0.71% copper;**



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- identified drill intercepts (Figure 8) in fresh sulphide at about 45 m depth of:

GMS-006: 4 m at 17.9 g/t Pt+Pd+Au, 2.3% nickel and 3.2% copper from 43 m; and

DD4: 2.1 m at 8.3 g/t Pt+Pd+Au, 3% nickel and 3.5% copper from 45 m;

- demonstrated potential for the discovery of large deposits of very high grade nickel-copper-PGE massive sulphides and bulk tonnage PGE mineralisation among many tens of strike kilometres of mafic-ultramafic sills, dykes and stocks similar to those at Norilsk in Russia and Jinchuan in China.

Work by Endeavour has shown that the main body of the gabbro also contains extensive PGE mineralisation (Figure 9) with better intercepts of:

GMS-017: 14 m at 0.82 g/t Pt+Pd+Au and GMS-013: 12 m at 0.46 g/t Pt+Pd+Au.

A re-analysis and synthesis of previous exploration results at the Broken Hill Project is ongoing.

4. THE BOTSWANA URANIUM PROJECT (IMPACT 100%)

The Botswana Uranium Project comprises an extensive area of about 22,000 sq km of Prospecting Licences and applications that cover 250 km of the strike extensions of rocks that host many significant uranium deposits throughout southern Africa, including the adjacent uranium deposits owned by A-Cap Resources Ltd at the Lethlhakane Project near Francistown, northeast Botswana.

A-Cap Resources has reported a combined Indicated and Inferred Resource of 351 Mlb of uranium oxide at an average grade of 152 ppm at a cut off grade of 100 ppm in deposits hosted by both near-surface calcrete and by Karoo Supergroup sedimentary rocks. A feasibility study on the Lethlhakane Project is in progress.

During the Quarter, Impact announced it had entered into a Sale and Purchase Agreement with Sechaba Natural Resources Pty Ltd (Sechaba) and Shumba Coal Ltd (Shumba) for the sale of four non-core Prospecting Licences within the northern part of the Company's Botswana Uranium Project (Figure 10).

Under the agreement, the four licences: PL118/2008, PL120/2008, PL121/2008 and PL097/2010 are to be transferred to Sechaba for a total of US\$800,000, consisting of US\$250,000 cash and Consideration Shares equal to US\$550,000 in Shumba - a company listed on the Botswana Stock Exchange.

The sale of these non-core assets is consistent with the Company's focus on the discovery of high-grade uranium deposits hosted by Proterozoic sedimentary and basement rocks. The proceeds will further strengthen Impact's working capital position, and will enable the progression of exploration activities at the Red Hills Prospect.

About the Agreement

The sale is subject to successful renewal of the Prospecting Rights and Ministerial approvals, with the purchase price due and payable in the following tranches:

1. US\$50,000 cash (non-refundable) payable upon execution of the Sale and Purchase Agreement (completed).
2. US\$50,000 cash payable upon the renewal of the Prospecting Rights (expected within 4 months);

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3. US\$150,000 cash and \$550,000 in shares in Shumba Coal payable upon the Minister of Mines approving the transfer of the Prospecting Rights (expected within 6 months).

The above conditions are to be fulfilled on or before 30 June 2014, or by such later date as the Parties may agree in writing on or before this date.

5. INVICTUS GOLD LIMITED (IMPACT 75%)

5.1. Invictus completes acquisition of Endeavour Minerals Pty Ltd

On [13 June](#), Invictus announced it had completed the acquisition of all outstanding shares in Endeavour Minerals Pty Ltd, which owns 100% of the Commonwealth high grade gold-VMS Project in New South Wales.

The acquisition was part of a transaction with Invictus Gold's 75% shareholder, Impact Minerals Limited (ASX: IPT), to acquire the projects and shares of Endeavour as announced on [30 January 2013](#) and [8 March 2013](#).

To finalise the acquisition Invictus issued 3,317,857 Company shares to Endeavour shareholders under the Company's 15% capacity under listing rule 7.1.

5.2. The Commonwealth Project (Invictus 100%)

The Commonwealth Project is located 95 km north of Orange in New South Wales and occurs within the highly prospective Lachlan Fold Belt that is host to many major gold-silver-base metal mines including the Cadia-Ridgeway deposits (Newcrest) that contain 70 million ounces of gold and 12 million tonnes of copper (Figure 1).

The project area covers about 8 sq km and includes 4 km of the prospective Mine Series volcanic rocks (Figures 2 and 3). Previous exploration focused solely on 300m of strike from the Commonwealth Mine to the Commonwealth South area and only 66 drill holes for 3,695 m at an average depth of only 56 m were drilled (Figure 8).

Review identifies Up to 30 m at 6 g/t Gold

On the [28 May](#), Invictus announced that a re-analysis of previous drill results had identified a new target between the Commonwealth Mine and the Commonwealth South Prospect with gold and silver mineralisation between the two areas interpreted to be continuous with the presence of two high-grade shoots (Figure 3). These high-grade drill intercepts have not been followed up and include up to **30 m at 6 g/t gold and 17 g/t silver including 2 m at 77 g/t gold from 24 m** at Commonwealth South. The review also identified six new target areas for follow-up work.

Importantly these results do not include any credits for the high grade base metal mineralisation that is present in both areas. Most holes have not been systematically sampled for all the ore metals and in addition, zones of sulphide mineralisation remain un-sampled in several drill holes.

A new study of the previous drill core that is stored in Sydney has now commenced and shows that the high-grade mineralisation occurs in fresh rock (Figure 4).



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New Exploration Target Identified

The review and synthesis of the previous exploration data identified an Exploration Target between the Commonwealth Mine and the Commonwealth South deposit of:

2.8 Mt to 2.9 Mt at between 7 g/t and 8 g/t gold equivalent for between 640,000 oz and 700,000 oz of gold equivalent (see Notes 1 and 2ⁱ).

There is clear potential to at least double this Target Mineralisation to more than 1 million ounces gold equivalent along strike.

Potential For Extensions To High Grade Gold And Silver Mineralisation

In an announcement on [4 June](#), Invictus stated that a review of previous drill hole data had confirmed the potential to significantly increase the size and extent of the high-grade gold-silver-base metal massive and disseminated sulphide deposits (Figure 2). This work included reinterpreting the results of 66 drill holes, five low frequency EM surveys and 460 soil samples completed between 1952 and 2007. As a result, new maps and cross-sections have been created for the area (Figures 3 to 7).

5.3. Invictus to receive Research and Development Refund of \$317,490

Subsequent to the Quarter end, Invictus announced that it would receive a refund of \$317,490 from the Australian Tax Office for expenditure on research and development in the 2012 financial year.

The funds will be used for working capital.

6. CORPORATE ACTIVITIES

Research and Development Refund of \$107,095.05

Subsequent to the Quarter end, Impact announced that it would receive a refund of \$107,095.05 from the Australian Tax Office for expenditure on research and development in the 2012 financial year.

The funds will be used to advance exploration at the Company's Mulga Tank and Broken Hill joint ventures.

Dr Michael G Jones
Managing Director



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The review of exploration activities and results contained in this report is based on information compiled by Dr Michael G. 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 December 2004 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.

Company Contact

Michael G Jones
Managing Director
T: +61 8 6454 6666

Media Contact

Kevin Skinner
Field PR
t: +61 8 8234 9555
e: kevin@fieldpr.com.au

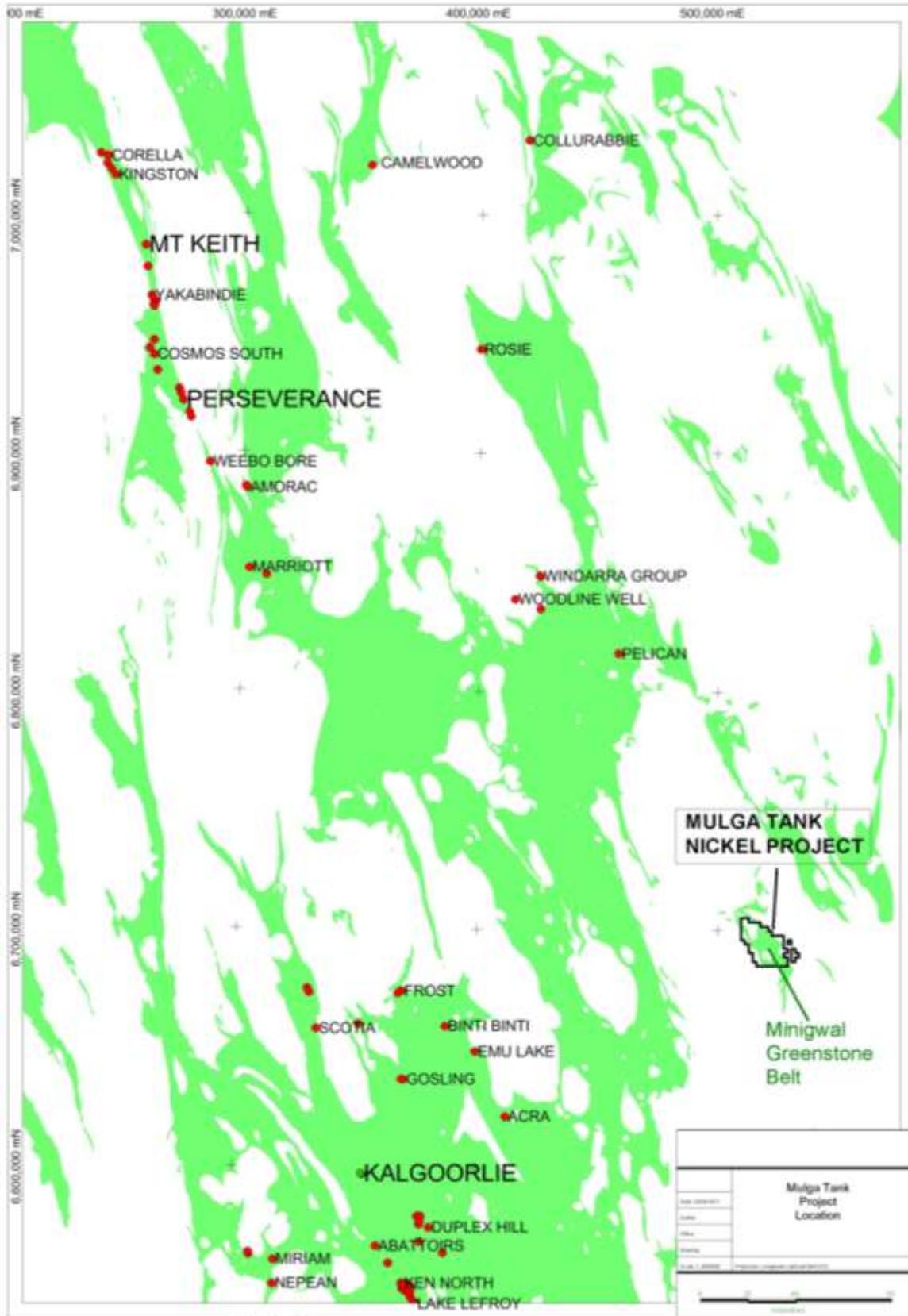


Figure 1: Location of the Mulga Tank Project and significant nickel sulphide deposits (red dots) including the World Class Mount Keith and Perseverance deposits.

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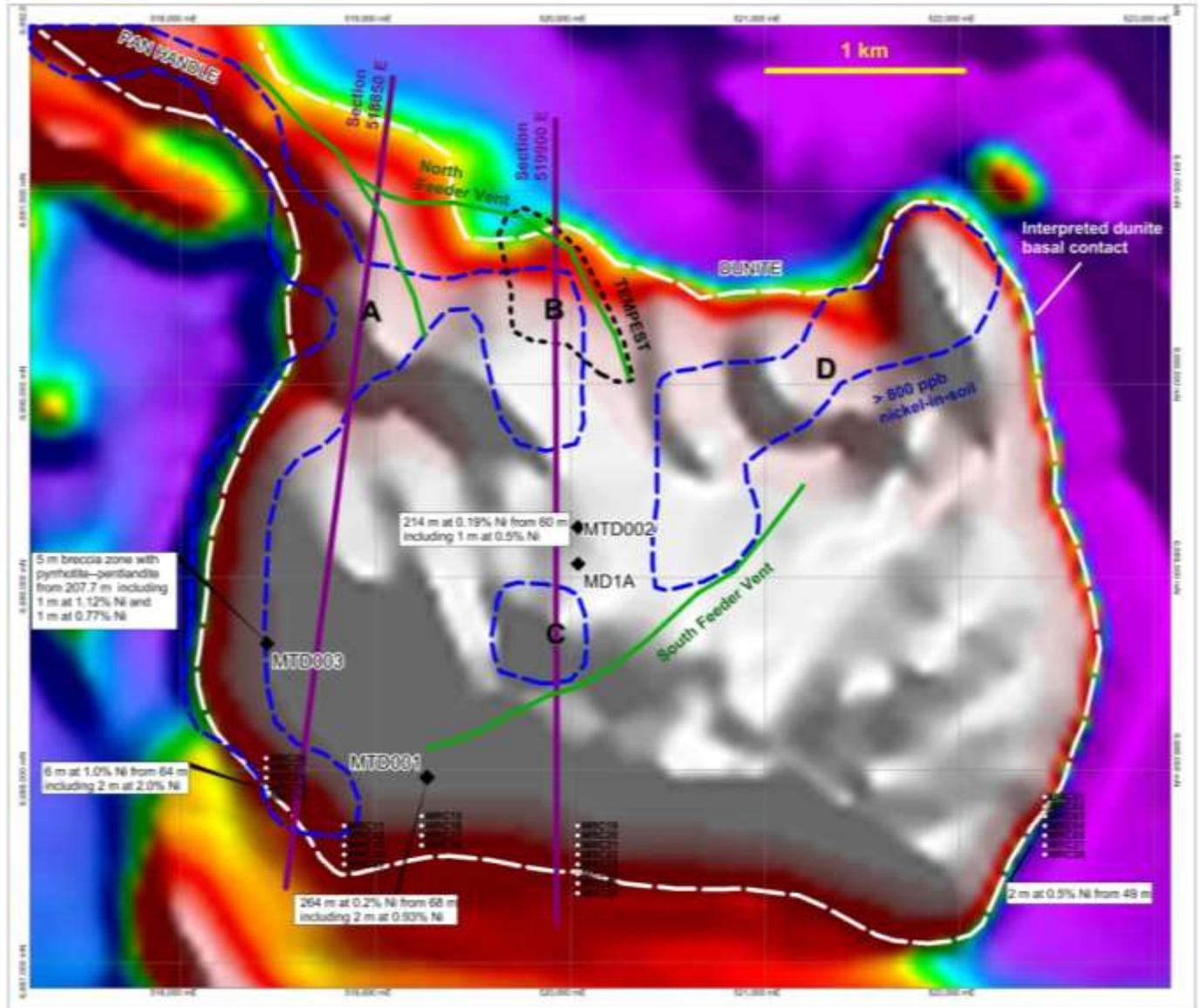


Figure 2: Plan map of the Mulga Tank Dunite (airborne magnetic TMI image) showing the basal contact of the dunite, the Pan Handle located in the northwest, > 800 ppb nickel-in-soil outline, historic diamond holes (black diamonds), RC holes (white circles), significant results, section lines, and target areas (A to D).

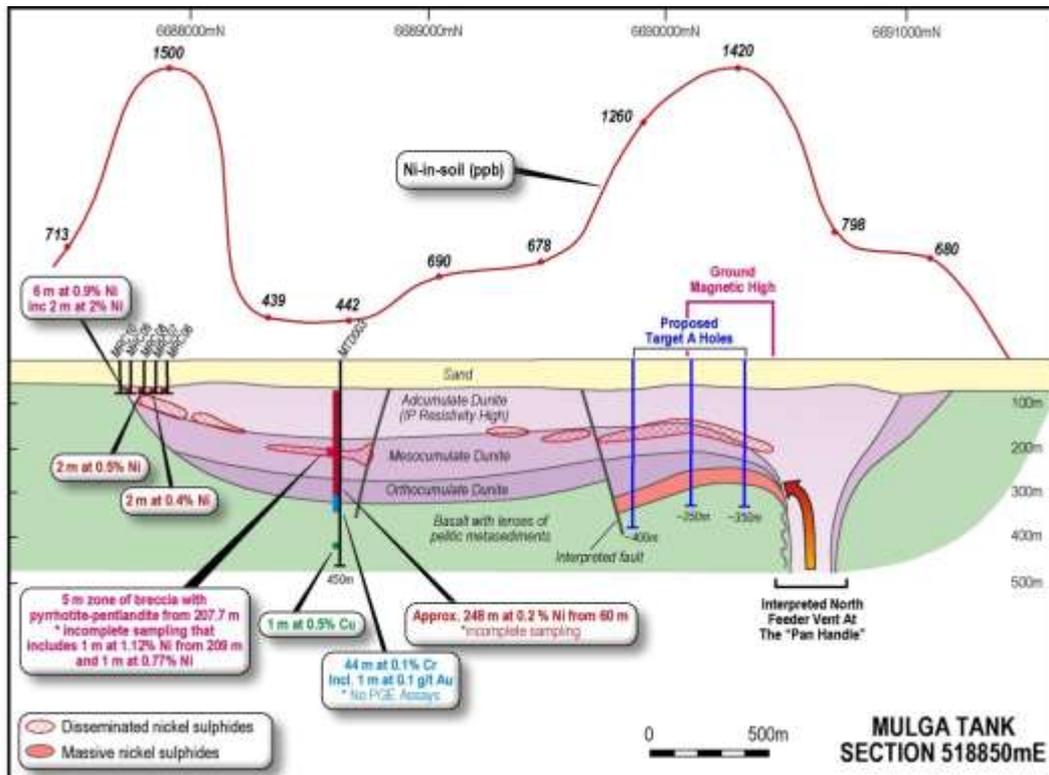


Figure 3: Section line 518850 mE showing the interpreted ultramafic rocks, nickel-in-soil values, previous drill results and conceptual disseminated and massive nickel sulphide targets associated with the northern feeder vent.

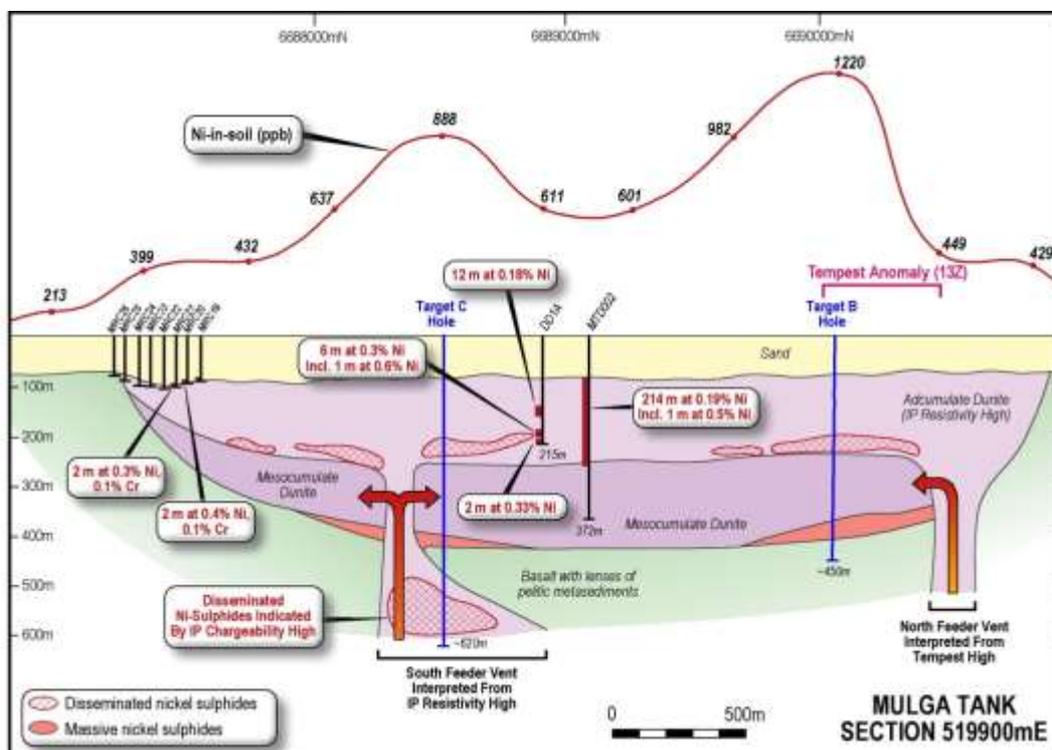


Figure 4: Section line 519900 mE showing the interpreted ultramafic rocks, nickel-in-soil values, previous drill results and conceptual disseminated and massive nickel sulphide targets associated with the southern feeder vent.

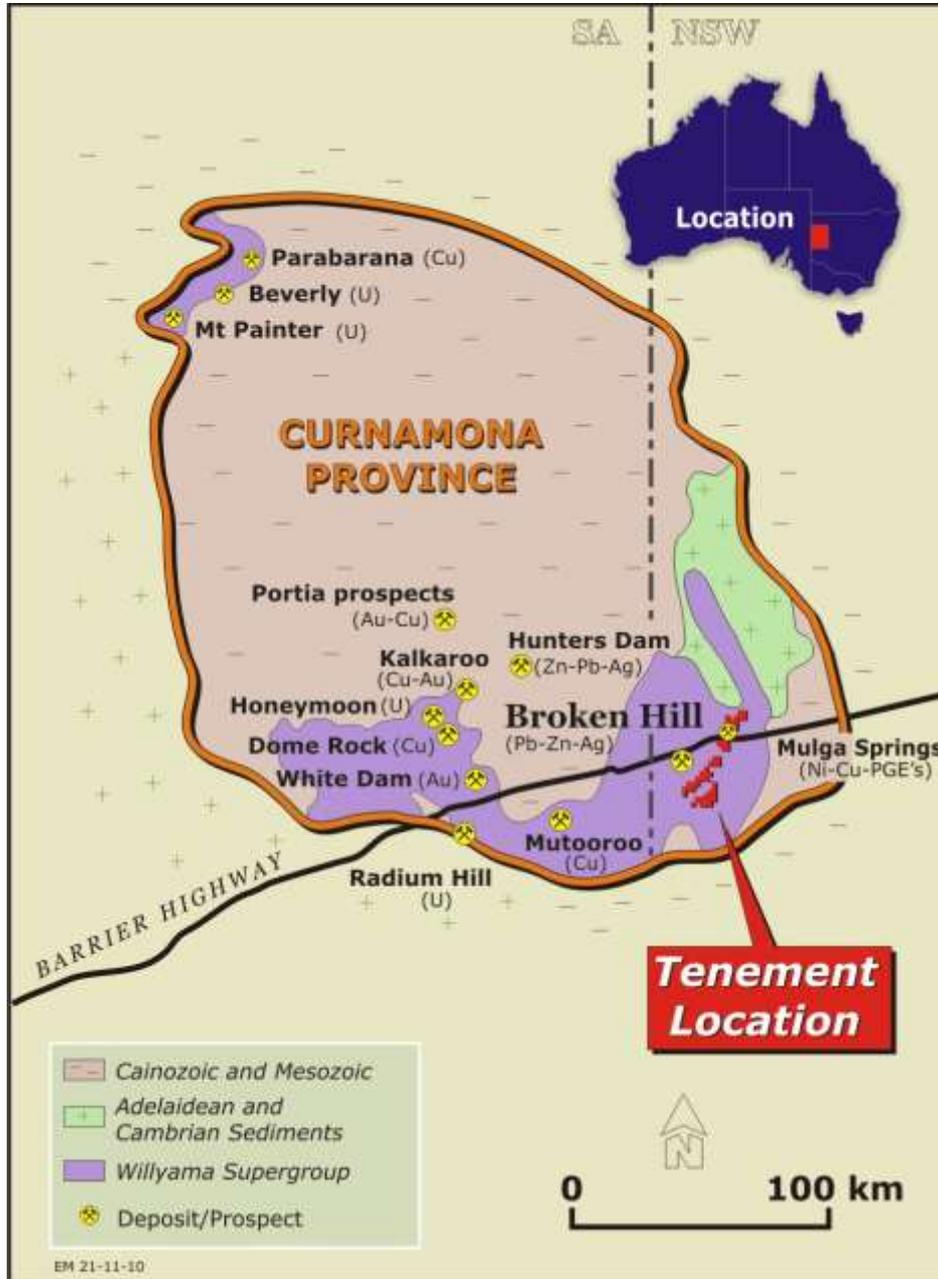


Figure 5: Location of the Broken Hill Ni-Cu-PGE Project.

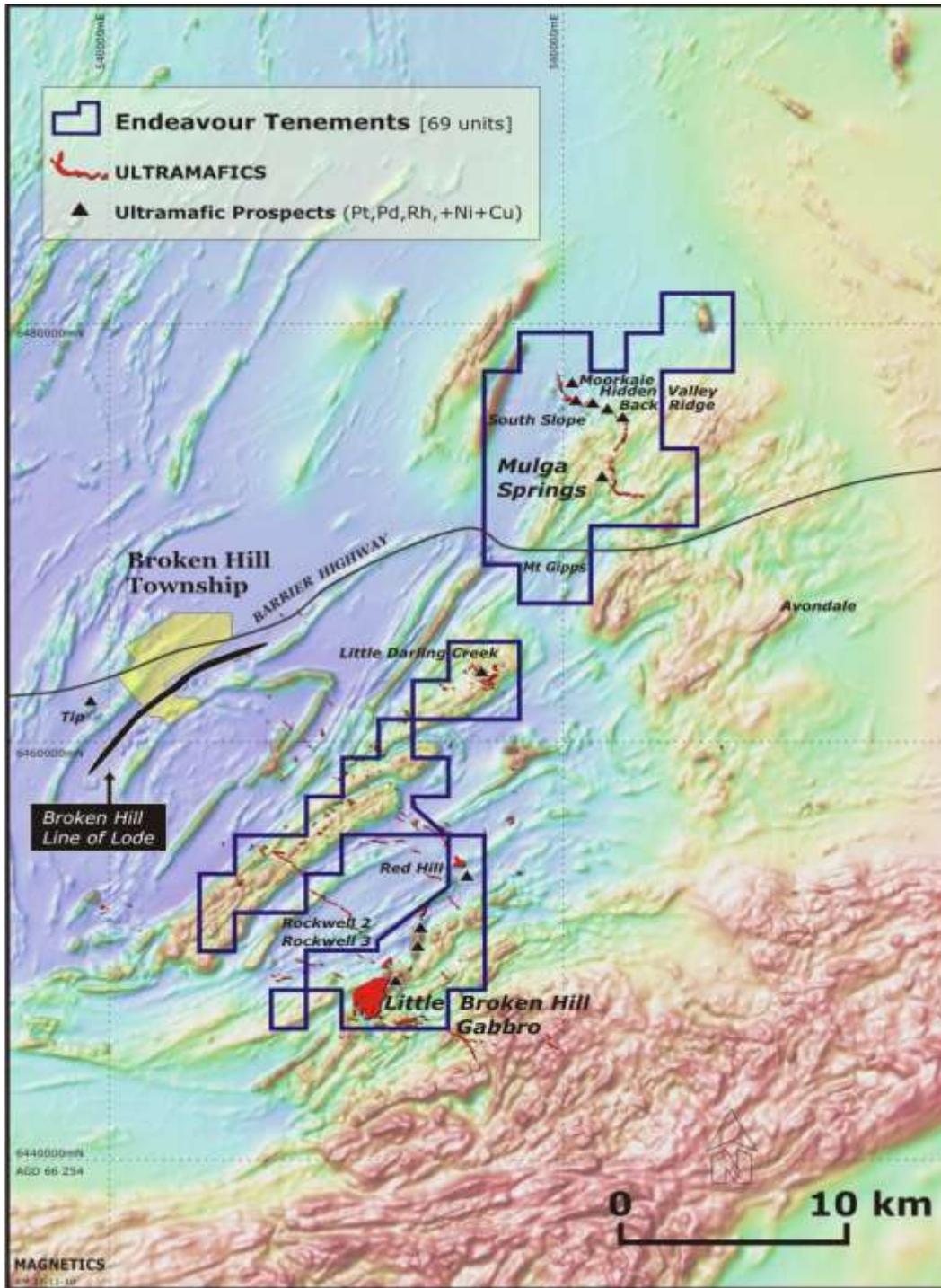


Figure 6: Broken Hill Ni-Cu-PGE Project - magnetic data showing mapped mafic-ultramafic units.

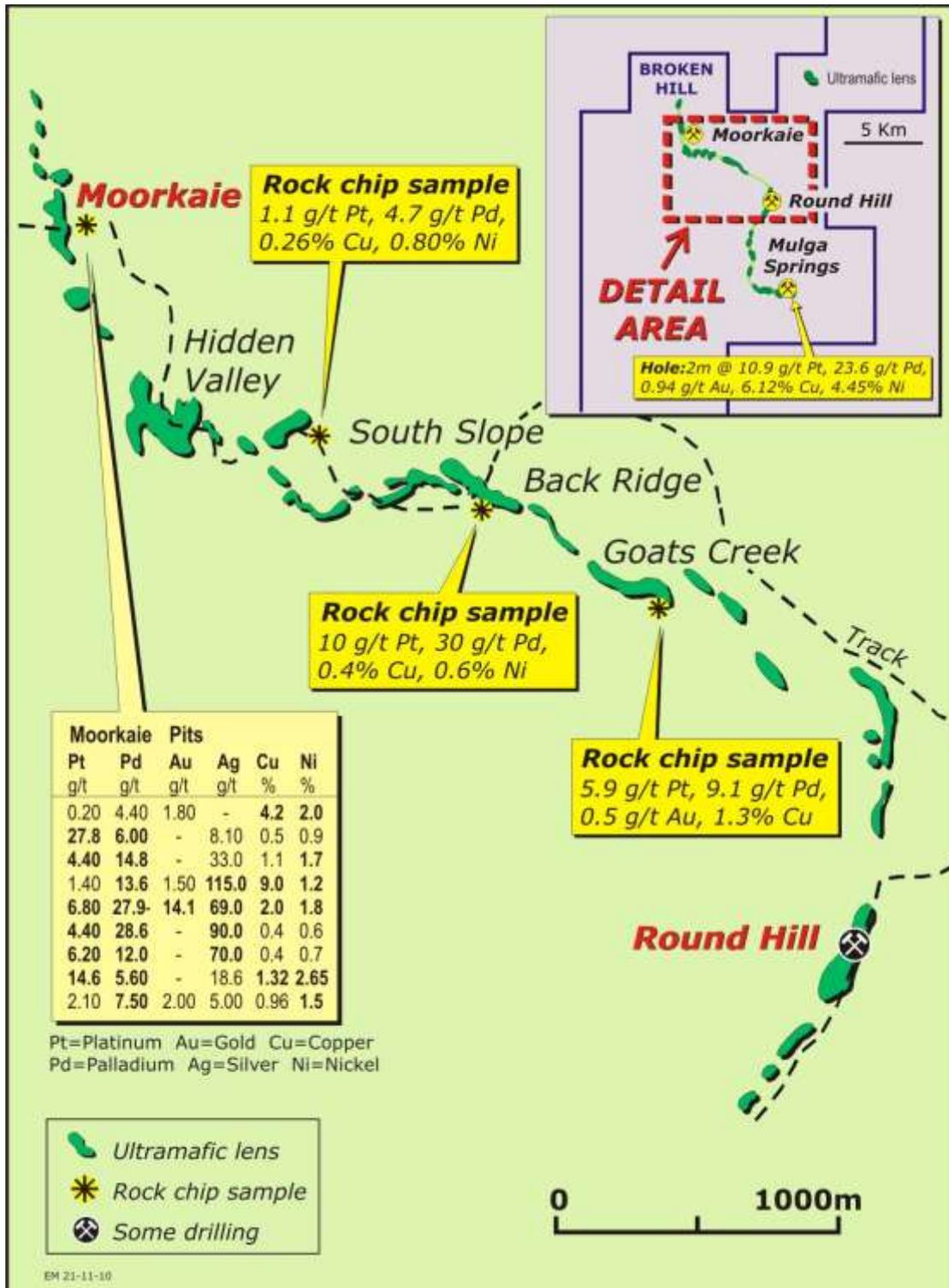


Figure 7: The Mulga Springs Gabbro with locations of strongly anomalous samples of gossan.

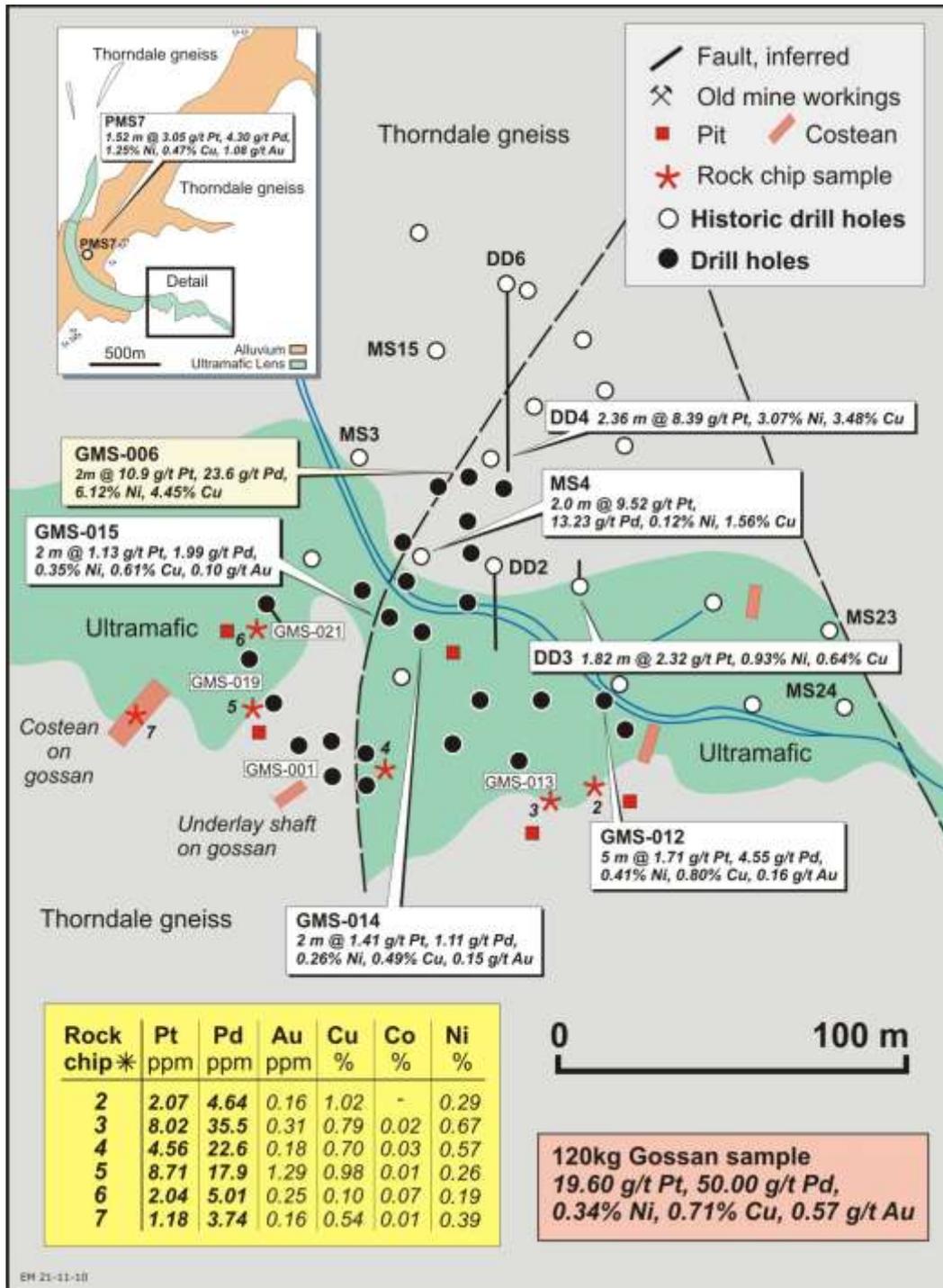


Figure 8. Geology of the Mulga Springs Prospect showing previous drill holes.

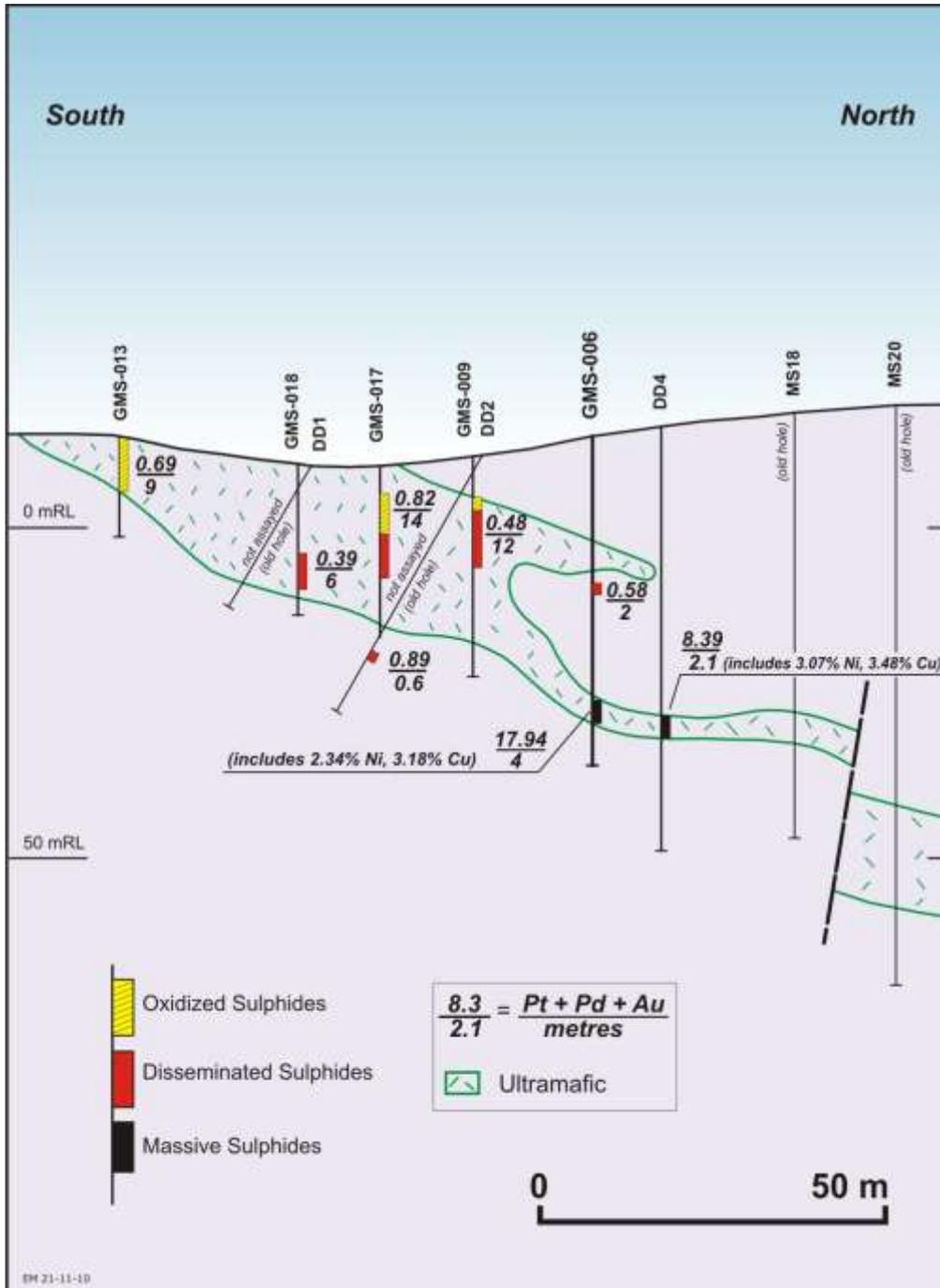


Figure 9: Cross-section through the Mulga-Springs Prospect showing high-grade nickel-copper-PGE drill intercepts and extensive areas of previously unrecognised lower-grade PGE mineralisation.

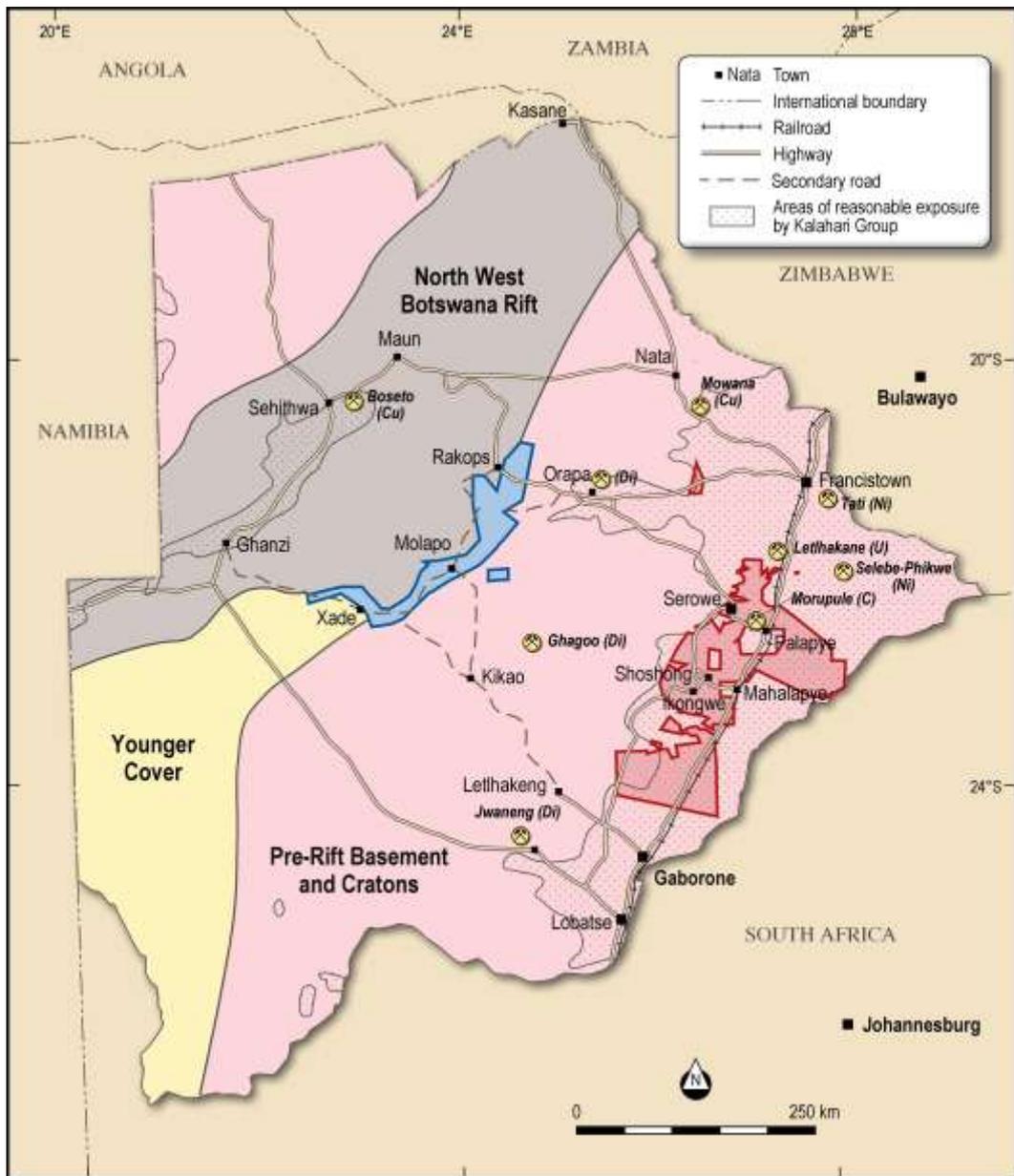


Figure 10: Location of Xade Cu-Ni-PGE Project and Botswana Uranium Project