

ASX ANNOUNCEMENT

Date: 30 July 2019

No. 628/30072019

JUNE 2019 QUARTERLY REPORT

1. BLACK RIDGE GOLD PROJECT, QLD (IPT 100%, option to buy 95%)

- Increasing focus on potential gold production opportunity at Black Ridge on granted mining lease and 4 mining lease applications.
- Purchase and commissioning of 50 tonne per day mobile wet processing plant.
- Second phase of bulk sampling completed. Assays awaited.
- Successful performance of the wet processing plant confirms potential for large volumes of free-digging, easily processable oxide ore on the mining leases.

2. COMMONWEALTH PROJECT (IPT 100%)

- Resource update for Commonwealth and Silica Hill underway

3. CORPORATE

- Cash at June 30th: \$2.0 million.
- Sold share holding in Pacton Gold Inc. for net proceeds of \$423,000.

Market Cap

A\$9.2 m (0.007 p/s)

Issued Capital

1,321,679,789

Listed Options

499,910,556

IPTOA

Directors

Peter Unsworth
Chairman

Dr Michael Jones
Managing Director

Paul Ingram
Non-Executive Director

Markus Elsasser
Non-Executive Director

Eamon Hannon
Non-Executive Director

Bernard Crawford
Company Secretary

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1. BLACKRIDGE GOLD PROJECT (IPT100% and option for 95%)

During the Quarter Impact increased its focus on its advanced Black Ridge gold project located about 20 km north of Clermont in central Queensland (Figure 1). Here, as part of the overall land holding, Impact owns a granted mining lease and has under option-to-purchase four other mining lease applications, all of which have the potential for near term gold production subject to on-going positive exploration results.

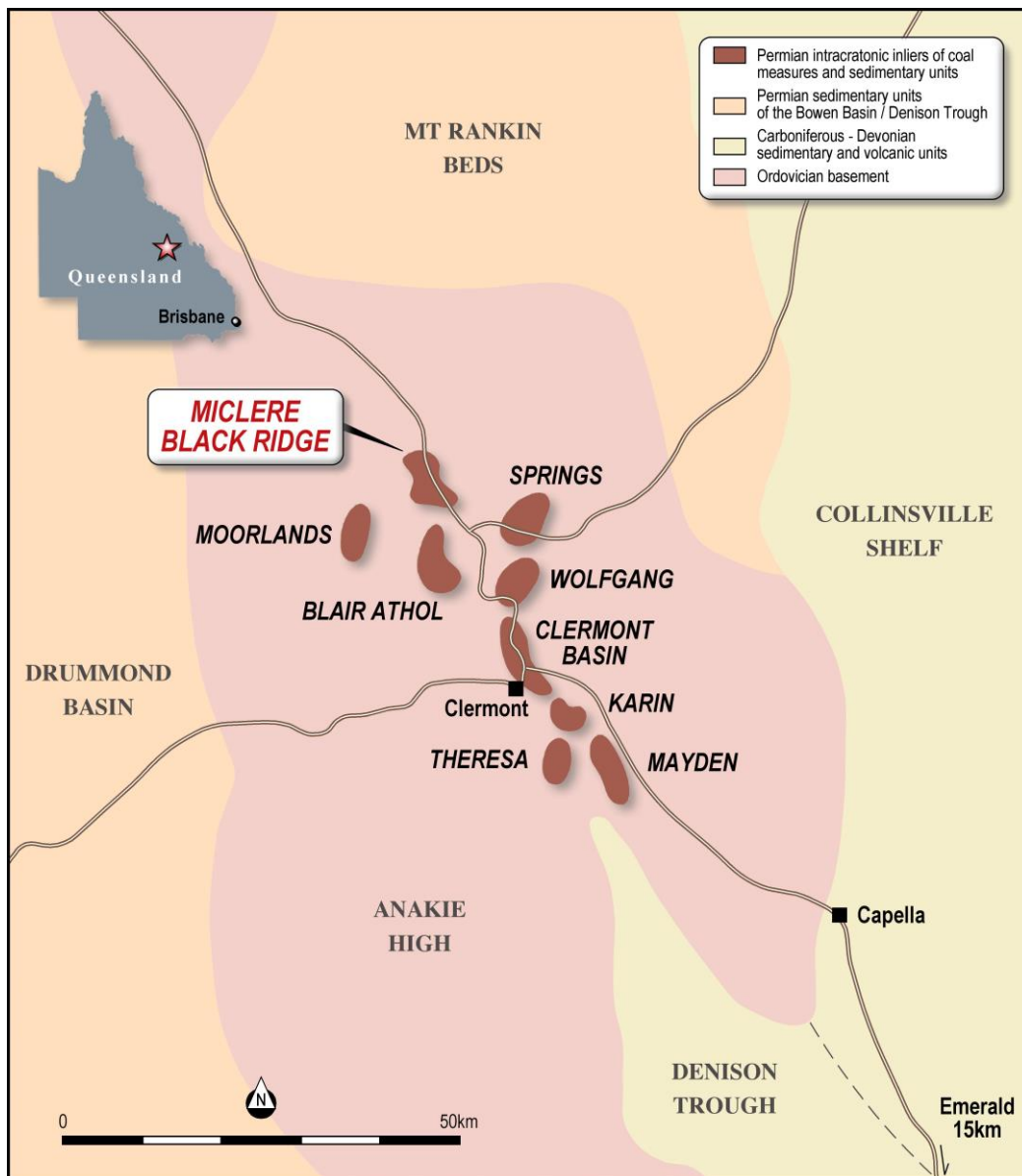


Figure 1. Location and regional geology of the Black Ridge gold project. The project lies at the southern end of the Miclere-Black Ridge Basin, the northern-most of a series of Permian intracratonic sedimentary basins that are also host to major coal deposits.

Impact has shown that previous exploration drilling at Black Ridge may have underestimated the grade at the project because of a potentially significant “nugget effect” (ASX Release May 29th 2018). Accordingly large bulk samples were judged to be the most cost effective exploration method for such a nuggety style of gold mineralisation and two phases of sampling, Phase 1 and Phase 2, have now been completed.

The Phase 1 work, in which each bulk sample weighed about 1 tonne, demonstrated that the project area potentially contains large volumes of free-digging, gold-mineralised oxide material (weathered rock) that was easily processed using simple water-based gravity separation equipment (ASX Release October 3rd 2018).

The aim of the Phase 2 work was to help determine if the wet processing of about 10 times more volume of oxide material was possible and determine the potential for even larger samples or trial mining to be undertaken in a future third Phase of work.

Accordingly in order to expedite the results of the Phase 2 programme, a second-hand small mobile water processing plant capable of processing up to 50 tonnes of material per day was purchased by Impact (Figure 3).

The plant was commissioned using the 3 samples that were not processed from the Phase 1 bulk sample programme because of their high clay content (ASX Release October 3rd 2018). These 3 samples have been sent for assay together with the samples from the Phase 2 programme.



Figure 2. Commissioning of Mobile Wet Processing Plant for Gold

Phase 2 Bulk Sampling Programme

A total of 14 bulk samples were taken in Phase 2 for about 160 tonnes of material, mostly on the company's 100% owned granted Mining Lease ML2386. The water processing plant performed exceptionally well with the free digging oxide material separating easily in the trommel and sluice.



Figure 3. Impact's water processing set up for the bulk samples at Black Ridge.

Panned concentrates from the bulk samples have been sent for assay with results expected shortly. In addition the fine "overflow" material from the processing plant and panning process has also been assayed to determine the efficacy of the plant in retrieving fine gold.

The strike potential at the high grade Foxes Lead (or "run") on ML2386 was tested by taking 50m spaced bulk samples over about 300 metres of strike along the target unconformity to assess the grade distribution and determine the potential for any further high grade "runs" (Figure 4). A compilation of previous production data from Government records indicated the grade within these runs was commonly more than one ounce per tonne (Figure 4 and ASX Release October 3rd 2018).

In addition samples were taken in trenches at the Harveys and Smiths prospects (Figure 4) which previously returned high grade results of up to 592 g/m³ (approximately 297 g/t) from much smaller samples (ASX Release October 3rd 2018). There is significant potential at these two prospects to define a previously undiscovered high grade "run" at surface within the target conglomerate unit.

The results of this work will be used as a basis to determine if an Exploration Target can be calculated for the gold mineralisation at Black Ridge. This would underpin internal economic studies to make a decision on the nature of the next stage of work at the project.

ABOUT THE BLACK RIDGE PROJECT

Impact's project covers 91 square kilometres and comprises one 100% owned granted mining lease (ML2386), one 100% Exploration Permit (EPM26806) and an option to purchase 95% of a further Exploration Permit (E26066) and four Mining Lease applications (ML 100158, 59, 60 and 61) from Rock Solid Holdings Pty Limited (Figures 4 and 5; ASX Release May 29th 2018).

The project covers the historic Black Ridge and Springs mining centres which together with other areas around Clermont produced about 185,000 ounces of gold from 1879 to the early 1900's from surface down to depths of about 70 metres in small shafts and related underground workings.

Further discoveries were made in the Clermont area in the 1930's and total production from the area is estimated by the Geological Survey of Queensland to be more than 300,000 ounces of gold (ASX Release May 29th 2018).

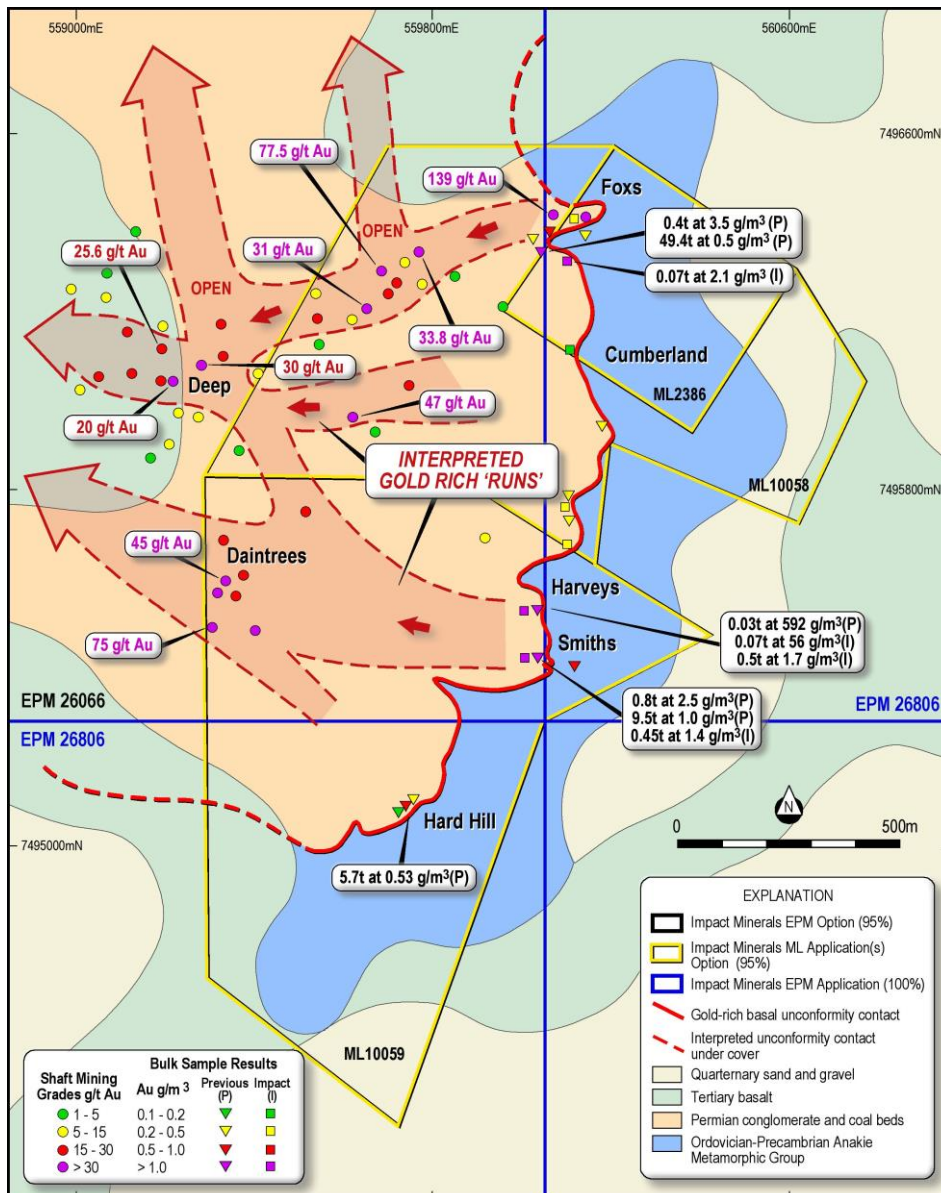


Figure 4. Gold production data and Phase 1 bulk sample results at Black Ridge.

The gold produced at Black Ridge was mostly hosted in basal conglomerates of Permian-aged sedimentary basins which include the mined coal measures that unconformably overlie the Anakie metamorphic rocks of Middle Ordovician age and older (Figures 4 and 5).

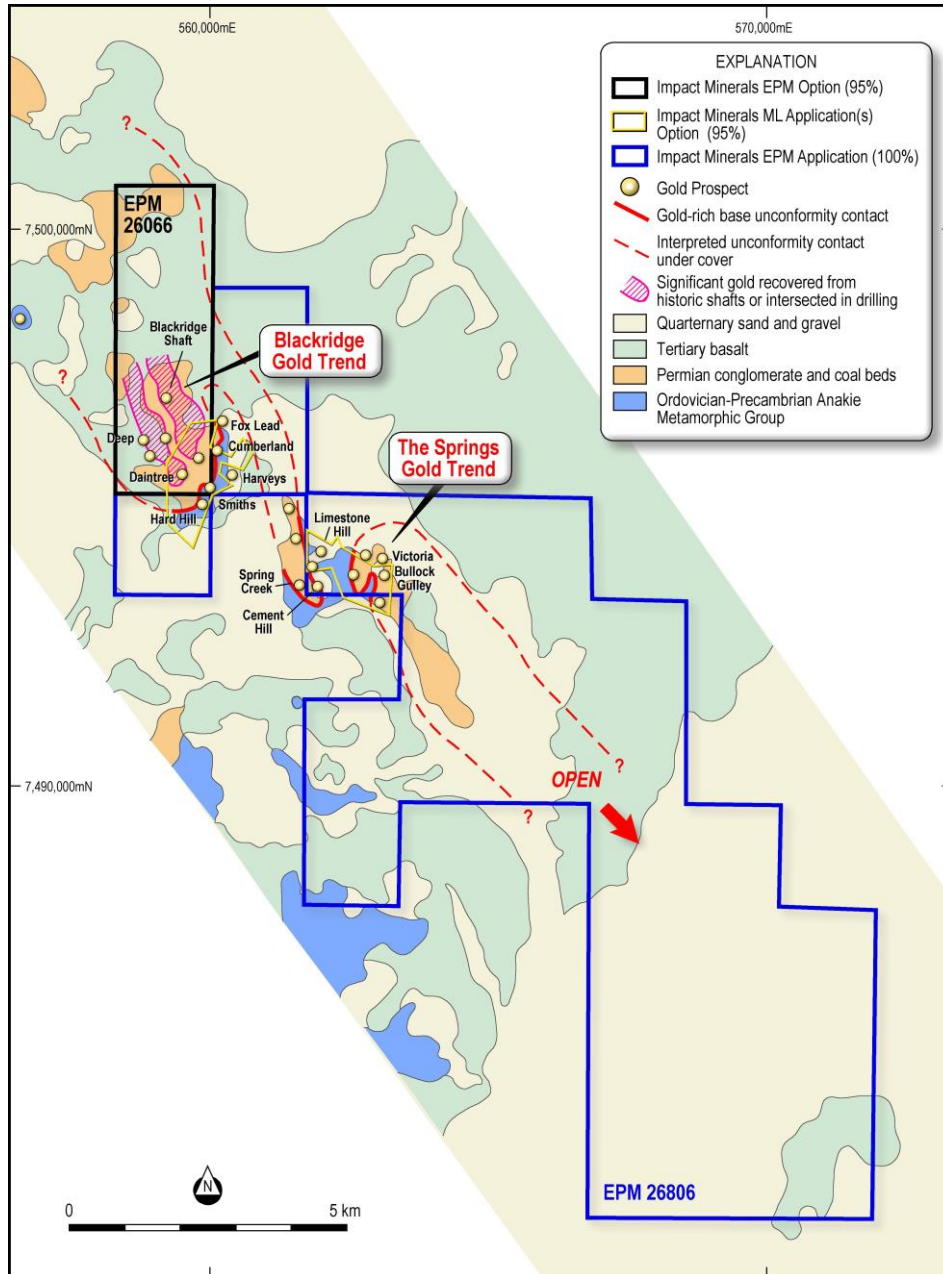


Figure 5. Tenure and geology of the Black Ridge gold project.

The unconformity is present at surface over about 1,500 metres of trend at Black Ridge. Much of the lease is covered by loose gravel with only a few outcrops of conglomerate and schist in places. This cover, within which small gold nuggets have been found by prospectors over many years, has hindered previous exploration and there has been no recent systematic exploration in the area.

Previous bulk samples of about 1 tonne demonstrated that gold was widely distributed along the exposed conglomerate unit and related colluvium. Of 12 samples taken of the main unit 11 returned values of between 0.04 g/m³ to 2.2 g/m³ with one high grade result of 56 g/t from a 70 kg sample along the unconformity (ASX Release 23rd October 2018). These results are encouraging for the potential for bulk mining.

In addition the Compensation Agreement with the local landowner for ML2386 was also completed during the Quarter.

Further progress was also made on the advancement of the four mining lease applications towards grant and the associated compensation agreements with the land owners.

At present there are statutory limitations on the sample size that can be taken on all licences except for ML2386. Once all the mining leases are granted, nearly two kilometres of strike of the target unit will be available for bulk sampling and/or trial mining.

2. COMMONWEALTH PROJECT

During the Quarter resource consultants Optiro undertook a revised resource estimate for the Commonwealth area and a maiden resource for the Silica Hill area, located on Impact's 100% owned Commonwealth Project in the Lachlan Fold Belt, New South Wales.

This work is being finalised.

3. CORPORATE

Cash at June 30th was \$2.0 million.

Sale of Shares in Pacton Gold Inc.

During the Quarter Impact completed the sale of all of its shares in Pacton Gold Inc. for total net proceeds of \$423,000. The shares were part of the sale of Impact's Pilbara gold holdings as announced to the ASX on May 29th 2018. Impact received a total of \$764,000 in cash and shares for the sale.



Dr Michael G Jones
Managing Director

Competent Persons Statement

Exploration Results

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). Dr 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.

Impact Minerals confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements referred to and in the case of mineral resource estimates, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.

Forward Looking Statements

This document may contain certain forward-looking statements. Forward-looking statements include, but are not limited to statements concerning Impact Minerals Limited's (Impact's) current expectations, estimates and projections about the industry in which Impact operates, and beliefs and assumptions regarding Impact's future performance. When used in this document, words such as "anticipates", "could", "plans", "estimates", "seeks", "intends", "may", "potential", "should" and similar expressions are forward-looking statements. Although Impact believes that its expectations reflected in these forward-looking statements are reasonable, such statements are subject to known and unknown risks, uncertainties and other factors, some of which are beyond the control of Impact and no assurance can be given that actual results will be consistent with these forward-looking statements.

Actual values, results or events may be materially different to those expressed or implied in this document. Given these uncertainties, recipients are cautioned not to place reliance on forward-looking statements. Any forward-looking statements in this document speak only at the date of issue of this document. Subject to any continuing obligations under applicable law and the ASX Listing Rules, Impact does not undertake any obligation to update or revise any information or any of the forward-looking statements in this document or any changes in events, conditions or circumstances on which any such forward-looking statement is based.

Tenement Information in accordance with Listing Rule 5.3.3

Project / Tenement ID	Status	IPT Interest at start of quarter	IPT Interest at end of quarter
Commonwealth, NSW			
EL5874	Granted	100%	100%
EL8212	Granted	100%	100%
EL8252	Granted	100%	100%
EL8504	Granted	100%	100%
EL8505	Granted	100%	100%
EL8632	Granted	100%	100%
Broken Hill, NSW			
EL7390	Granted	100%	100%
EL8234	Granted	100%	100%
EL8636	Granted	100%	100%
EL8674	Granted	100%	100%
EL8609	Granted	100%	100%
Mulga Tank, WA			
E39/988	Granted	100%	100%
E39/1072	Granted	100%	100%
E39/1439	Granted	100%	100%
E39/1441	Granted	100%	100%
E39/1513	Granted	100%	100%
E39/1761	Granted	100%	100%
E39/1766	Granted	100%	100%
E39/1767	Granted	100%	100%
E39/1997	Granted	100%	100%
E39/2018	Granted	100%	100%
E39/2019	Granted	100%	100%
E39/2065	Granted	100%	100%
Clermont, Qld			
EPM14116	Granted	100%	100%
Black Ridge, Qld			
EPM26806	Granted	100%	100%
ML2386	Granted	100%	100%

Appendix 5B

Mining exploration entity and oil and gas exploration entity quarterly report

Introduced 01/07/96 Origin Appendix 8 Amended 01/07/97, 01/07/98, 30/09/01, 01/06/10, 17/12/10, 01/05/13, 01/09/16

Name of entity

IMPACT MINERALS LIMITED

ABN

52 119 062 261

Quarter ended ("current quarter")

30 JUNE 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers		
1.2 Payments for		
(a) exploration & evaluation	(271)	(2,583)
(b) development	-	-
(c) production	-	-
(d) staff costs	(63)	(314)
(e) administration and corporate costs	(128)	(714)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	7	47
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Research and development refunds	712	1,357
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	257	(2,207)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(11)	(93)
(b) tenements (see item 10)	-	-
(c) investments	-	-
(d) other non-current assets	-	-

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (12 months) \$A'000
2.2 Proceeds from the disposal of:		
(a) property, plant and equipment	-	-
(b) tenements (see item 10)	-	341
(c) investments	423	423
(d) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other (provide details if material)	-	25
2.6 Net cash from / (used in) investing activities	412	696

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	-	-
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	-	-

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of period	1,334	3,514
4.2 Net cash from / (used in) operating activities (item 1.9 above)	257	(2,207)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	412	696
4.4 Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5 Effect of movement in exchange rates on cash held	-	-
4.6 Cash and cash equivalents at end of period	2,003	2,003

5. Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1 Bank balances	503	334
5.2 Call deposits	1,500	1,000
5.3 Bank overdrafts	-	-
5.4 Other (provide details)	-	-
5.5 Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,003	1,334

6. Payments to directors of the entity and their associates	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	93
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	

Directors' fees, salary payments and superannuation.

7. Payments to related entities of the entity and their associates	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-
7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2	

Mining exploration entity and oil and gas exploration entity quarterly report

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

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9. Estimated cash outflows for next quarter	\$A'000
9.1 Exploration and evaluation	300
9.2 Development	-
9.3 Production	-
9.4 Staff costs	80
9.5 Administration and corporate costs	120
9.6 Other (provide details if material)	
9.7 Total estimated cash outflows	500

10. Changes in tenements (items 2.1(b) and 2.2(b) above)	Tenement reference and location	Nature of interest	Interest at beginning of quarter	Interest at end of quarter
10.1 Interests in mining tenements and petroleum tenements lapsed, relinquished or reduced	-	-	-	-
10.2 Interests in mining tenements and petroleum tenements acquired or increased	-	-	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.



Sign here:
(Director/Company Secretary)

Date: 30 July 2019

Print name: Bernard Crawford

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, AASB 6: Exploration for and Evaluation of Mineral Resources and AASB 107: Statement of Cash Flows apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standards apply to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.