



ASX ANNOUNCEMENT

Date: 30 July 2012

ASX: IPT

Number: 208/300712

JUNE 2012 QUARTERLY REPORT SUMMARY

1. BOTSWANA URANIUM PROJECT (Impact 100%)

- A major gravity survey has been completed covering about 100 sq km and centred over the Red Hills Prospect where Impact has discovered a very large multi-metal alteration system that is at least 1,000 m by 1,500 m by 200 m in size and open in all directions;
- The survey has identified a significant number of gravity anomalies for follow up work including several that are close to the multi-metal alteration system at Red Hills. These anomalies may represent more concentrated accumulations of mineralisation and associated alteration minerals;
- Further interpretation is in progress to identify follow-up drill targets.

2. XADE Cu-Ni-PGE PROJECT, BOTSWANA (Impact earning 51%)

- A major MMI soil sampling programme was completed over about 50 strike kilometres of the shallowest, northern part of the Xade Complex;
- Additional interpretation and modelling of the airborne magnetic data completed to identify shallower drill targets for drilling;
- A suite of additional core samples was collected from previously drilled holes for in-fill analytical work.

3. STRATEGIC ALLIANCE WITH IMPALA PLATINUM LTD

- Negotiations are continuing with the aim of acquiring access to a large tract of mineralised nickel-PGE ground in a southern African country.

4. CORPORATE

- Cash \$1.08 million;
- Several significant projects are being reviewed.

Market Cap

A\$6.7 m (0.050p/s)

Issued Capital

134,335,328

Directors

Peter Unsworth
Chairman

Dr Mike Jones
Managing Director

Dr Rodney Fripp
Executive Director

Paul Ingram
Non-Executive Director

James Cooper-Jones
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1. Botswana Uranium Project (Impact 100%)

Impact's Botswana Uranium Project comprises an extensive area of 26,000 square kilometres of Prospecting Licences and applications that cover 450 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 Limited at the Letlhakane Project near Serule (Figure 1).

Here A-Cap has reported a combined Indicated and Inferred Resource of 261 Mlb of uranium oxide at an average grade of 152 ppm at a cut-off grade of 100 ppm, in deposits hosted both by near-surface calcrete and by Karoo Supergroup sedimentary rocks. A feasibility study on the Letlhakane Project is in progress.

The Red Hills Prospect

During the Quarter work was focussed at the Red Hills Prospect where, in 2011, Impact discovered a very large multi-metal alteration system that is at least 1,000 m by 1,500 m by 200 m in size and open in all directions during its 2011 drill programme (Figures 2 and 3).

A major gravity survey covering about 100 sq km and centred over the Red Hills prospect has been completed. A total of 1,536 readings were taken at a spacing of 200 m over a priority area covering about 40 sq km and centred along the Red Hills Corridor, and at 400 m spacing over the surrounding area.

Final data was received in late July and is being interpreted to identify drill targets for follow up. A significant number of gravity anomalies with exploration potential have been identified within the entire survey area including several that are close to the multi-metal alteration system at Red Hills. These anomalies may represent more concentrated accumulations of sulphide mineralisation as well as alteration minerals such as haematite that characterise the alteration system already identified.

Further details will be reported when the interpretation is complete.

Other work completed included detailed traverse mapping along the Red Hills Corridor and further reconnaissance mapping and sampling in the southern part of the project area.

Analytical data and mineral alteration studies have shown that the alteration zone at Red Hills comprises an **Upper Zone** and **Lower Zone**, both of which thicken towards the east (Figures 4 and 5):

The **Upper Zone** is developed mainly in Proterozoic sandstones of the Palapye Group, is up to 50 m thick and contains anomalous copper, silver, lead and zinc associated with strong sericite alteration.

The **Lower Zone** is developed mainly in Proterozoic conglomerates beneath the sandstones as well as in fault breccias in underlying basement granite and granite gneiss of the Mahalapye Complex. The Lower Zone is at least 100 m thick and contains anomalous REE's (in particular lanthanum and cerium) together with uranium. It is characterised by intense potassium feldspar and specular haematite alteration. In addition quartz-carbonate-fluorite veins have been intersected.



The Company's initial concept for the presence of Proterozoic-age uranium deposits in the Mahalapye area of Botswana has been reinforced with multiple avenues of evidence: the mineral alteration assemblages, the nature of the host rocks, the altered fault breccias and the regional fault control as well as the thick drill intercepts with anomalous Rare Earth Elements, uranium, copper, silver, lead and zinc

Significant analytical results, previously reported, include (Figure 5):

- RHRC001:** 32 m at 0.11% Total Rare Earth Elements (TREE) from 85 m; and 56 m at 0.1% TREE and 16 ppm U₃O₈ from 166 m;
- RHRC003:** 72 m at 0.1% TREE and 11 ppm U₃O₈ from 25 metres.
- RHRC008:** 97 m at 0.11% Total Rare Earth Elements (TREE) and 11 ppm U₃O₈ from 105 m;
- RHRC010:** 32 m at 0.13% TREE and 10 ppm U₃O₈ from 45 m;
- RHRC011:** 48 m at 0.13% TREE from 36 m; and 31 m at 15 ppm U₃O₈ from 111 m;
- RHRC014:** 57 m at 0.1% TREE from surface, including 24 m at 0.15% TREE and 20 ppm uranium from 6 m in sedimentary rocks and basement granite; and 12 m at 0.1% TREE from 214 metres.

Unconformity-related deposits of Proterozoic age occur in two global regions: the Athabasca Basin of Canada, and the Pine Creek Orogen of northern Australia. Together they contain six of the 17 largest uranium deposits in the world and have ore grades that are measured in the range of 0.1% to 22% (at McArthur River in Canada). The Mahalapye Complex identified by Impact in Botswana has a similar aerial extent to the Athabasca and Pine Creek regions.

2. Xade Nickel-Copper-PGE JV Project: Botswana (Impact earning 51%)

The Xade Project covers a poorly explored gabbro intrusion in central Botswana with excellent potential to host deposits of PGEs and nickel-copper sulphides. The Project is close to excellent infrastructure and the World Class Orapa diamond mine (Figure 5).

Impact has entered into an option agreement with private company Manica Minerals Limited to spend US\$1.2 million over two years to earn a 51% interest in the Xade Project. Impact may then elect to earn a 75% interest by defining an Indicated Mineral Resource.

The Xade Complex occurs in the North West Botswana Rift, an igneous and sedimentary province of similar age and geological characteristics to the Midcontinent Rift region of North America, and which hosts many major nickel-copper-PGE deposits, such as:

- the extraordinary Nokomis deposit of disseminated Cu-Ni-PGE mineralisation in the Duluth Complex (Duluth Metals Limited: Indicated Resource of 550 Mt at 0.64% copper, 0.2% nickel and 0.66 g/t total platinum plus palladium plus gold);
- the Eagle nickel-copper massive sulphide deposit of Rio Tinto (3.6 Mt at 3.5% nickel and 2.9% copper); and



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- the new PGE-nickel-copper discovery of Magma Metals Limited at the Thunder Bay North Project with an Indicated Resource of 8 Mt at 2.3 g/t platinum equivalent (platinum plus palladium plus copper plus nickel) for 591,000 ounces platinum equivalent.

Results of detailed and systematic geochemical analyses and relogging of about 320 metres of Xade diamond drill core confirm Impact's view that the Xade Complex is very prospective for deposits of nickel, copper and PGE's.

Drilling and interpretation of geophysical surveys indicates that the Complex is buried beneath between 200 m and 600 m of younger cover. The shallowest parts are in the north, and this same area has been interpreted as a prospective feeder zone for the entire Complex.

During the Quarter a major MMI soil geochemistry survey comprising 3,017 samples taken at a spacing of 400 m by 400 m was completed over a 50 km strike of the northern sector of the Xade Complex. All samples have been dispatched to SGS Laboratories in Perth. First results are expected in August.

Additional interpretation of the detailed airborne magnetic survey completed by Impact in 2011 was undertaken to target specific aeromagnetic features at shallower depths in preparation for drilling planned for the 3rd Quarter. Cost estimates for deep sounding electro-geophysical techniques were also acquired.

A suite of additional core samples were collected from previously drilled holes for in-fill analytical work, as well as additional samples for mineral microprobe and zircon extraction for U/Pb age dating. This work is expected to provide valuable new information on the intrusive relationships between prospective magmatic units as well as further age comparisons with the extensively mineralised Duluth Complex, considered to be an important analogue.

3. PGE Strategic Alliance with Impala Platinum Limited

In mid-2008 the Company entered into a Strategic Alliance with Impala Platinum Limited, the World's second largest platinum producer, to explore for and develop deposits of Platinum Group Elements (PGE's) in southern Africa.

Under the Alliance Impala Platinum will fund project generation work done by Impact up to US\$800,000 and in return will have the first right to earn equity in any projects identified. Projects in which Impala Platinum elects to earn an interest will require a minimum expenditure by Impala of US\$1 million before withdrawal, and a further US\$1 million expenditure to earn 50%. Any projects which Impala Platinum does not elect to progress with can be retained by Impact.

Following on from the previously announced application for tenements covering an extensive area of mineralised nickel-PGE ground in a southern African country, further negotiations and submissions have been made. Further announcements will be made as developments materialise.



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4. 5. Corporate and Business Development

The Company's cash balance at June 30th 2012 was \$1.08 million.

During the Quarter Impact reviewed and continues to review several significant opportunities for project acquisition. Discussions are on-going.

Invictus Gold Limited

Impact owns 16 million shares and 12.8 million options in Invictus Gold Limited, a gold and gold-copper-molybdenum explorer with extensive ground holdings in Queensland. Shareholders are encouraged to read the full announcements by Invictus which can be viewed in full on the ASX Website under the Invictus Gold code of **IVG** or in the **Latest News** section of the Invictus Gold website <http://www.invictusgold.com.au>.

Toro Energy Limited

Impact also owns 2,742,650 Toro Energy Limited shares with a current market value of about \$180,000.

Dr Michael G 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 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.

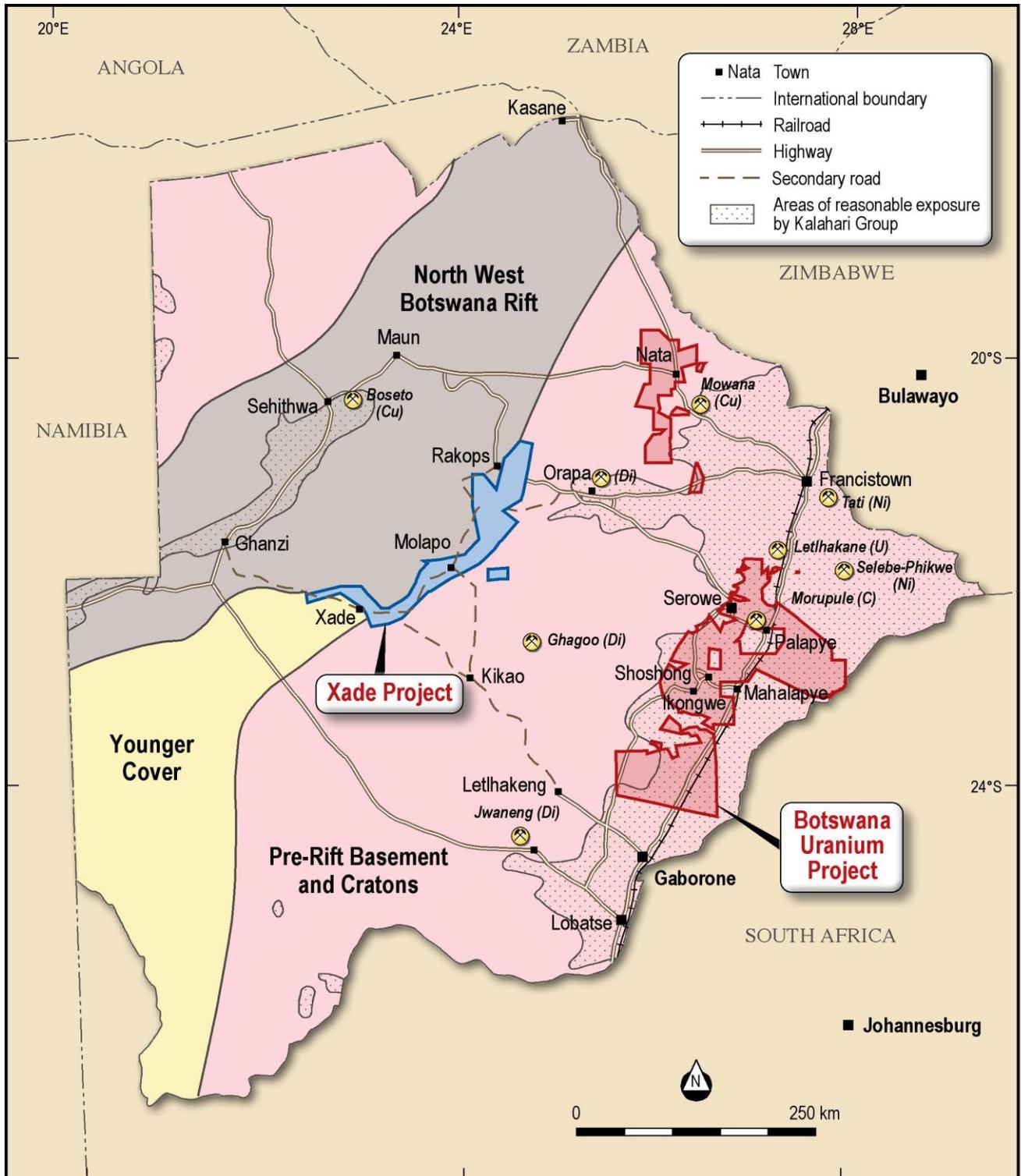


Figure 1. Location of Impact's Projects in Botswana

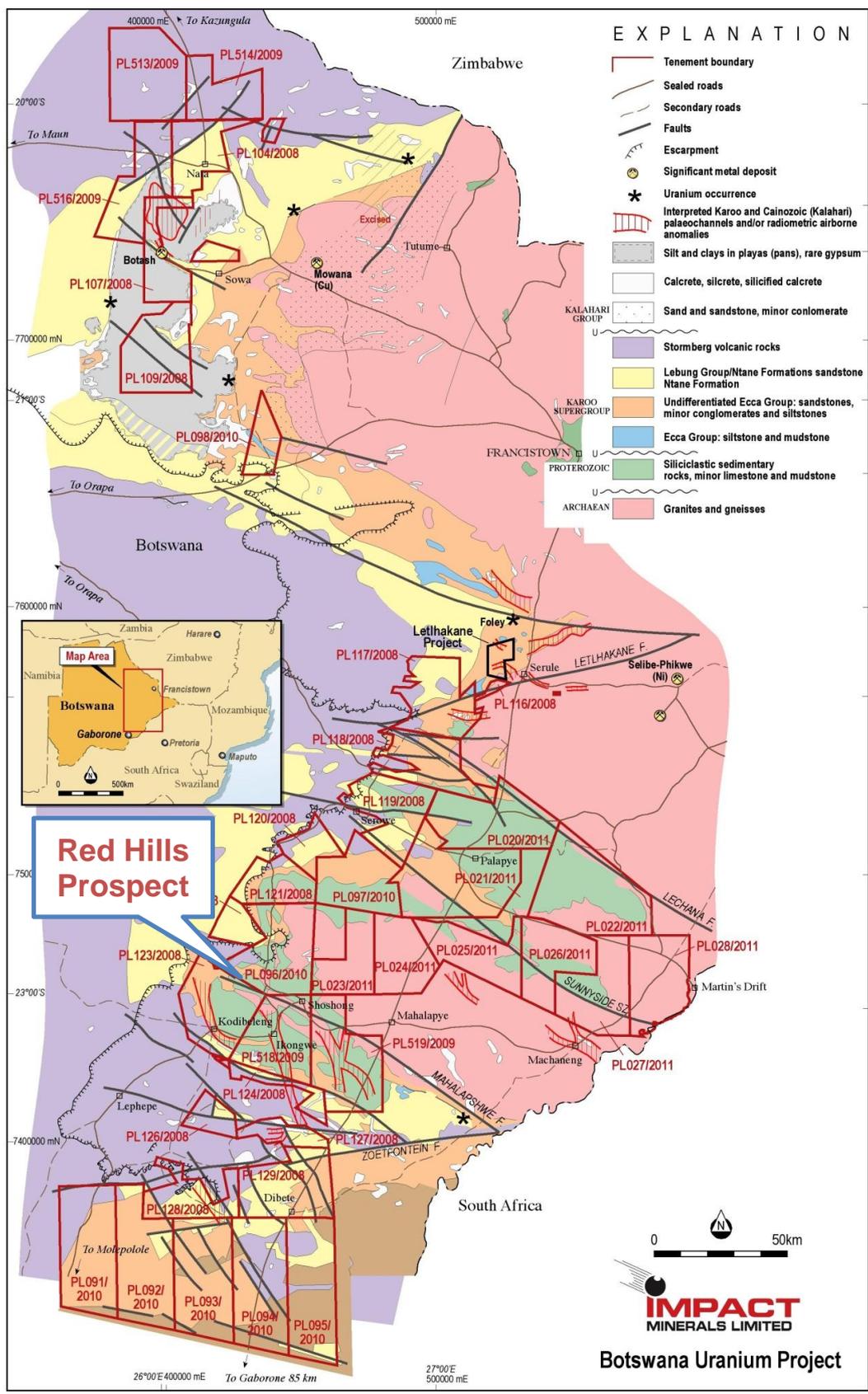


Figure 2. Geology of the Botswana Uranium Project.

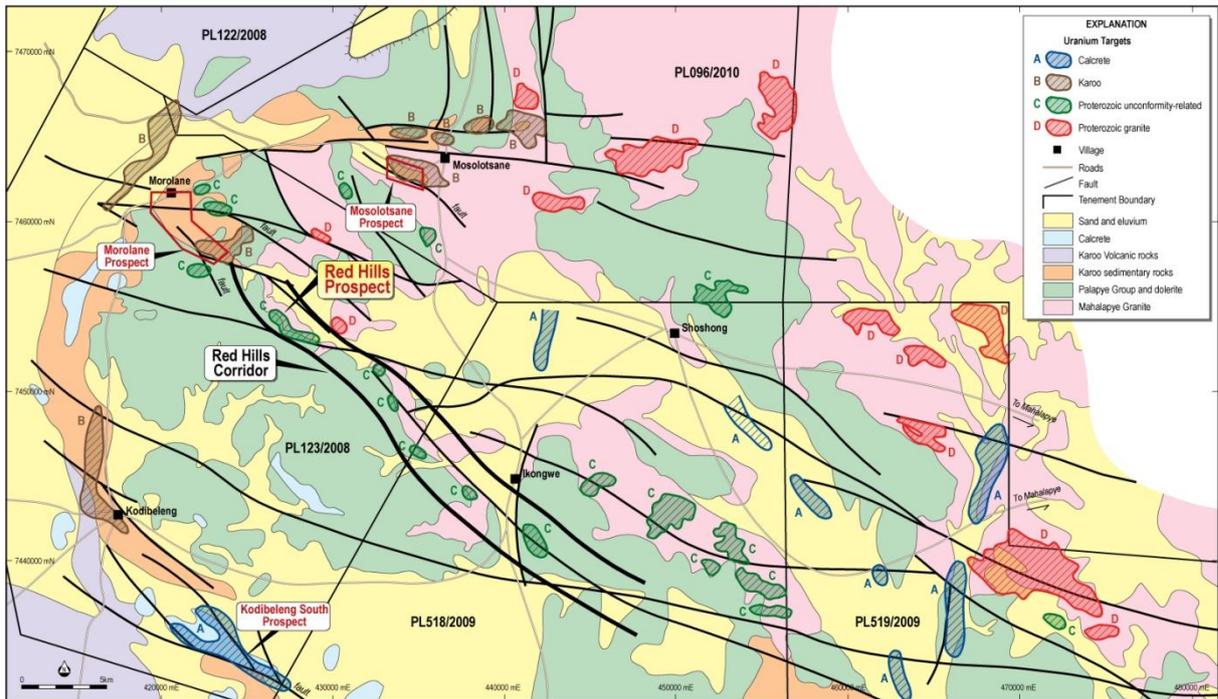


Figure 3. The Location and Geology of the Red Hills Corridor.

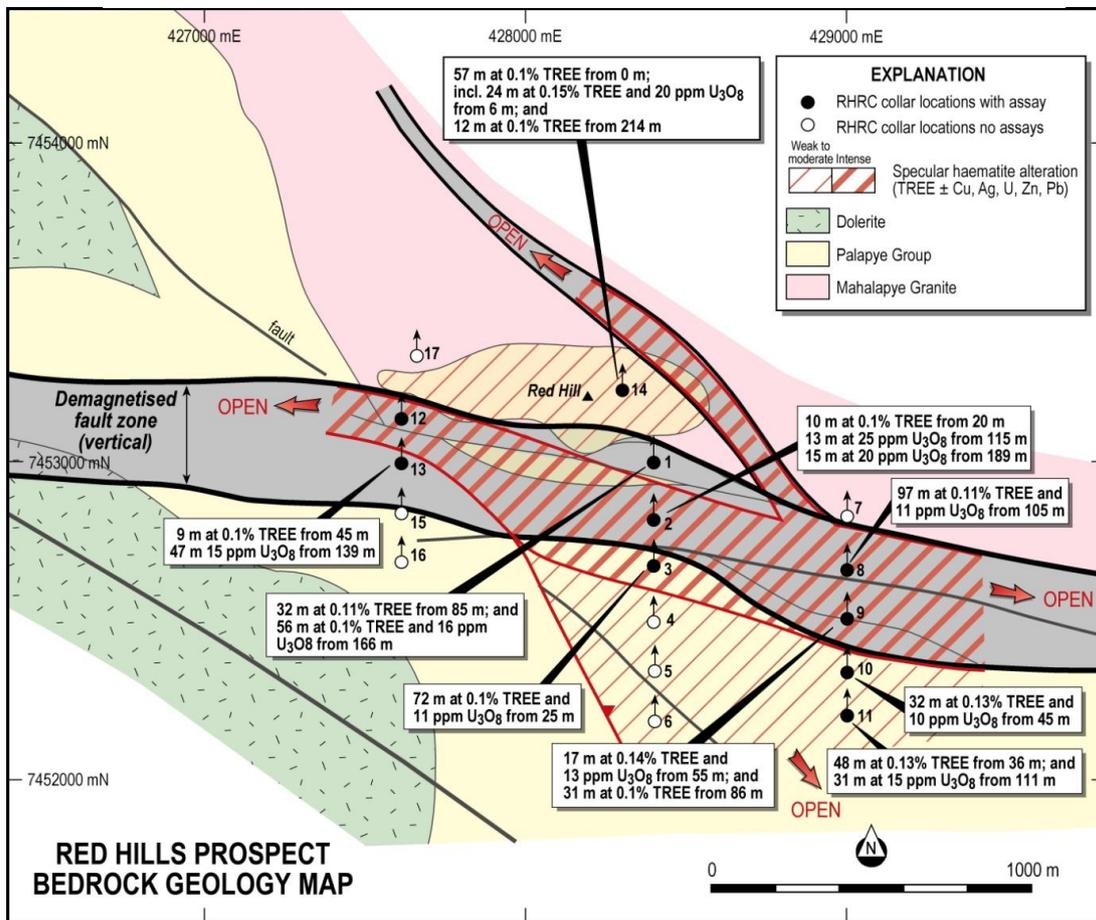


Figure 4. The Geology and Alteration System at the Red Hills

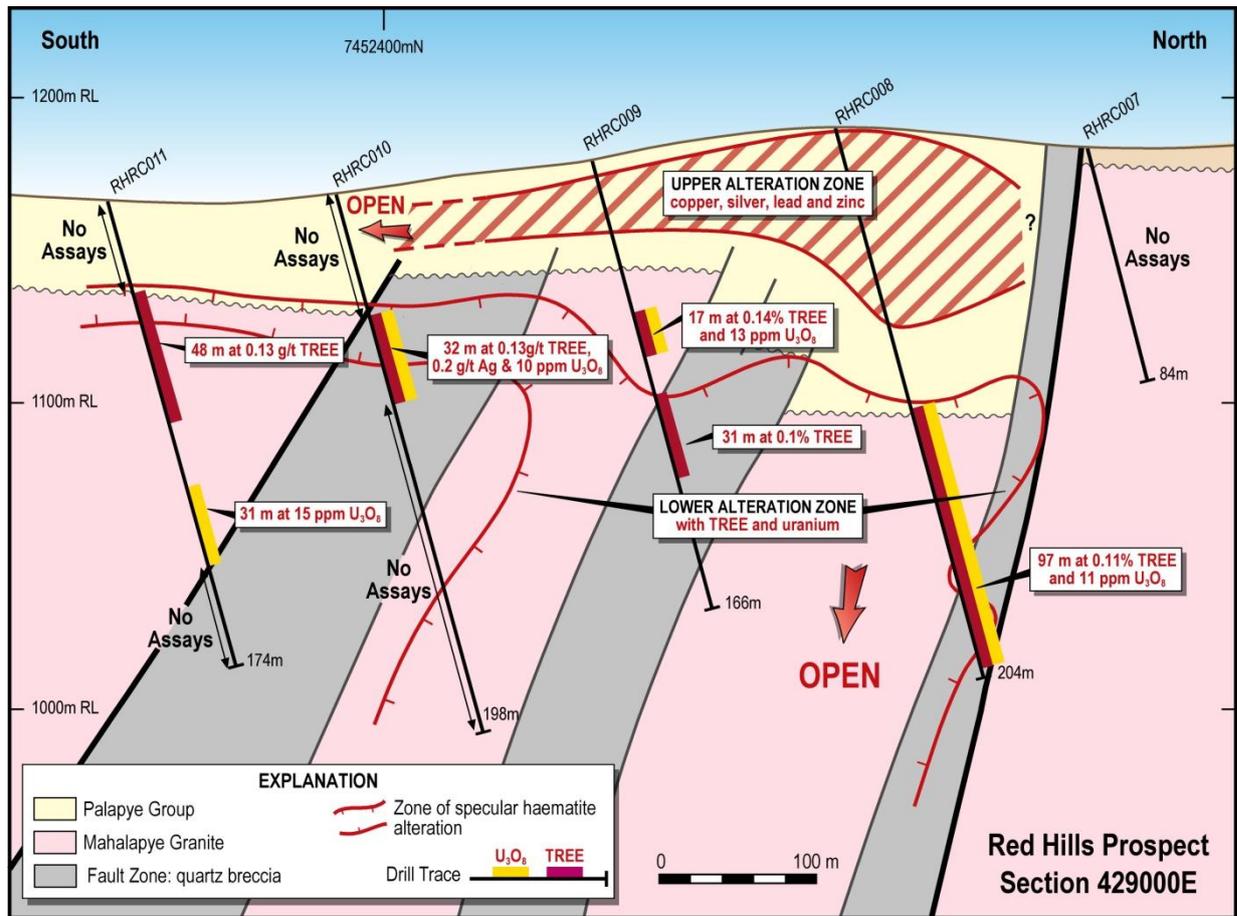


Figure 5. Cross section through the Red Hills Prospect on Traverse 429,000 mE and showing the Upper Zone and Lower Zone of the alteration system.