

ASX ANNOUNCEMENT

Date: 30 July 2021

No: 767/300721

JUNE 2021 QUARTERLY REPORT

1. BROKEN HILL PGM-Ni-Cu PROJECT, NSW (IPT 100%)

- Final assay results received from breakthrough 2020 RC drill programme at the Little Broken Hill Gabbro.
- At the Rockwell prospect, Hole RWIPT013 returned:
51 metres at 0.3 g/t 3PGE from 140 metres in RWIPT013 which includes 6 metres at 0.5% copper, 0.4% nickel and 0.3 g/t 3PGE and 1 metre at 0.2% copper and 1.1 g/t 3PGM.
- This extends the basal ultramafic unit with continuous PGM mineralisation from surface to 150 metres depth and for 1,650 metres along trend mineralisation increasing in grade and thickness down dip.
- Two follow up diamond drill holes intersected disseminated to blebby and vein sulphides in the basal ultramafic unit and a 100 metre thick zone of disseminated pyrite with weak copper mineralisation in the upper gabbro units. Assays pending.
- At the Western Contact prospect three very widely spaced drill holes along the basal ultramafic unit 2 kilometres south of Rockwell also returned anomalous PGE-copper mineralisation over a one kilometre trend including:
16 metres at 500 ppm copper and 0.2 g/t 3PGE from 83 metres.
- At the Central prospect an area at least 1,000 metres by 500 metres in size with anomalous copper (>250 ppm) and 3PGE (>20 ppb) centred over a possible “feeder zone” has been identified. This is interpreted to be a possible halo or leakage anomaly above a larger mineralised zone at depth.
- A stand out gold-copper result has been returned from within the feeder zone fault of:
4 metres at 1.5 g/t gold and 0.13% copper from 150 metres including 1 metre at 4.5 g/t gold and 0.18% copper from 152 metres.
- Preparations for follow up drill programme to commence by Q4 underway.

2. COMMONWEALTH Cu-Au PROJECT, NSW (IPT 100%)

- 17 reverse circulation (RC) scout drill holes completed at the Apsley porphyry copper-gold prospect to test a number of specific coincident IP geophysical and soil geochemistry anomalies.
- Variable widespread alteration typical of the outer distal zones of a porphyry copper system intersected.
- Assays all recently received following excessive delays at the laboratory. Interpretation in progress.

Market Cap

A\$28 m (0.014 p/s)

Issued Capital

2,023,794,919

Directors

Peter Unsworth
Chairman

Dr Michael Jones
Managing Director

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3. ARKUN Ni-Cu-PGM PROJECT, WA (IPT 100%)

- Field checking and interpretation of magnetic data indicates mafic and ultramafic rocks are likely to be far more widespread than recognised on regional geological maps due to thin cover.
- Limited first pass rock chip samples return encouraging low level PGE's in several places throughout the project area.
- An interpretation of the bedrock geology has identified 17 first pass targets for follow up work including a significant untested magnetic anomaly of similar size and shape to Gonneville/Julimar (Chalice Mining Ltd ASX:CHN) and Newleyine (Mandrake Resources Ltd ASX:MAN).
- Reconnaissance soil geochemistry traverses completed over all 17 targets at 100 m spacings along gazetted roads and tracks.
- Results expected in August.

4. DOONIA GOLD PROJECT, WA (IPT 80%)

- Exploration Licence granted following signing of the Native Title agreement with the Ngadju Group.
- A new large deep seated magnetic anomaly centred directly under the Doonia project identified in re-processed magnetic data and interpreted as a major buried intrusion.
- A cluster of smaller near-surface magnetic anomalies lie above the eastern edge of the large anomaly and are interpreted as possible magnetic porphyry stocks derived from the deeper body.
- A significant untested gold-bismuth soil geochemistry anomaly up to 2.5 km by 1.5 km in size is centred over the near surface magnetic units.
- Shows strong similarities to the recent Burns discovery (Lefroy Exploration Ltd ASX:LEX).
- Statutory approvals process for drilling and organisation of heritage surveys commenced with the aim of drilling in Q4 2021.

5. CORPORATE

- \$4 million raised via placement to professional and sophisticated investors including a number of domestic and overseas funds.
- Melbourne-based Peak Asset Management was Lead Manager to the placement.
- \$3.4 million cash as at 30th June 2021.

1. BROKEN HILL Ni-Cu-PGM PROJECT, NSW (IPT 100%)

Impact's Broken Hill nickel-copper-platinum group metals (PGM) project covers a suite of mafic to ultramafic intrusions that occur in a 40 km long belt extending from Little Broken Hill in the south west through to Red Hill, Platinum Springs and Moorkai in the north east, all about 25 km east and south of the city of Broken Hill in NSW (Figure 1).

The following progress was made during the Quarter:

1. Final drill assays were received from the 2020 drill programme at the Little Broken Hill Gabbro (LBHG) prospect (ASX Release 15th April 2021); and
2. Two diamond drill holes were completed at Little Broken Hill Gabbro and two at the Red Hill prospect (ASX Releases 11th May 2021 and 3rd June 2021).

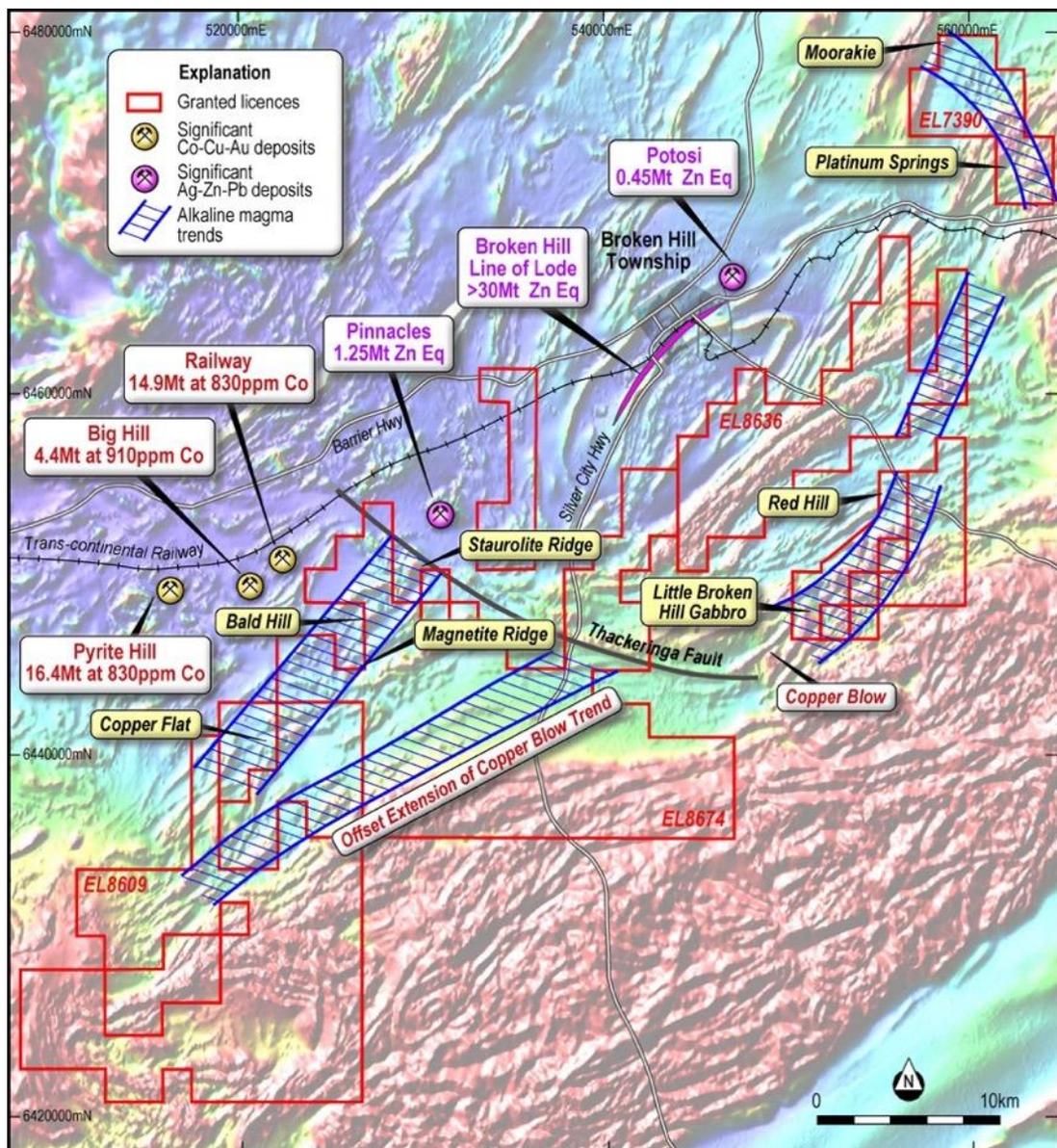


Figure 1. Impact's ground holdings in the Broken Hill area showing key prospects including Red Hill, Platinum Springs and Little Broken Hill Gabbro.

DRILL RESULTS FROM LITTLE BROKEN HILL GABBRO

Impact's drill programme at Broken Hill in late 2020 achieved breakthrough drill intercepts at all three of its key prospects, Red Hill, Platinum Springs and Rockwell-Little Broken Hill Gabbro (ASX releases 2nd December 2020, 22nd December 2020, 21st January 2021, 9th March 2021, 15th April 2021).

At the Little Broken Hill Gabbro, in the first drill programme to ever test the intrusion, three specific areas were tested by scout drill holes (Figure 2):

1. **Rockwell** which covers the northern one third of the intrusion and where Impact's drilling has already identified large amounts of anomalous PGE+/-copper-nickel mineralisation in the basal ultramafic unit of the LBHG (ASX Releases 17th December 2020, 22nd December 2020 and 15th April 2020).
2. The **Western Contact** zone which was drilled in three places to further test the basal ultramafic unit two kilometres south west of Rockwell.
3. **Central LBHG** which was drilled to test for halos or so-called "leakage anomalies" within the upper gabbro units of the LBHG that overlie an interpreted "feeder zone." These are fault-controlled conduits through which hot magma migrates from depth into a larger intrusion and which are common sites for the deposition of nickel-copper sulphides such as at the giant Voiseys Bay deposit in Canada (ASX Releases 9th July 2020 and 17th December 2020).

Significant results, all of which require follow up drilling, were returned from all three areas.

1.1 Rockwell

Impact completed an extensive drill programme at Rockwell in 2020 and robust widths of up to 60 metres thick of strongly anomalous 3PGE mineralisation with individual metre assays of up to 2.6 g/t 3PGE, 1.1% nickel and 0.7% copper were returned from the basal ultramafic unit.

Final assays from the programme were received during the Quarter. Results are reported as 3PGE: palladium+platinum+gold. A stand out intercept was returned from Hole RWIPT013 (Figures 3 and 4) of:

51 metres at 0.3 g/t 3PGE from 140 metres which includes
6 metres at 0.5% copper, 0.4% nickel and 0.3 g/t 3PGE from 154 metres and
5 metres at 0.5% copper, 0.4% nickel and 0.6 g/t 3 PGE from 161 metres and
1 metre at 0.2% copper and 1.1 g/t 3PGE from 186 metres.

This is of a similar width to a significant intercept previously reported in Hole RWIPT003 of

61 metres at 0.4 g/t 3PGE from 31 metres RWIPT003 which includes
12 metres at 1.4 g/t 3PGE and 0.2% copper from 73 metres and including
1 metre at 2.3 g/t 3PGE, 0.4% nickel and 0.2% copper from 73 metres and
1 metre at 2.6 g/t 3PGE, 0.7% nickel and 0.2% copper from 79 metres.

Other new results at Rockwell with robust widths of modest grades of 3PGE included (Figures 3 and 4):

11 metres at 0.8 g/t 3PGE from 101 metres in RWIPT004 which includes
1 metre at 1.0 g/t 3PGE and 0.15% copper from 105 metres;
11 metres at 0.3 g/t 3PGE from 40 metres in RWIPT008 which includes
2 metres at 0.7 g/t 3PGE from 47 metres; and
18 metres at 0.1 g/t 3PGE from 245 metres in RWIPT014.

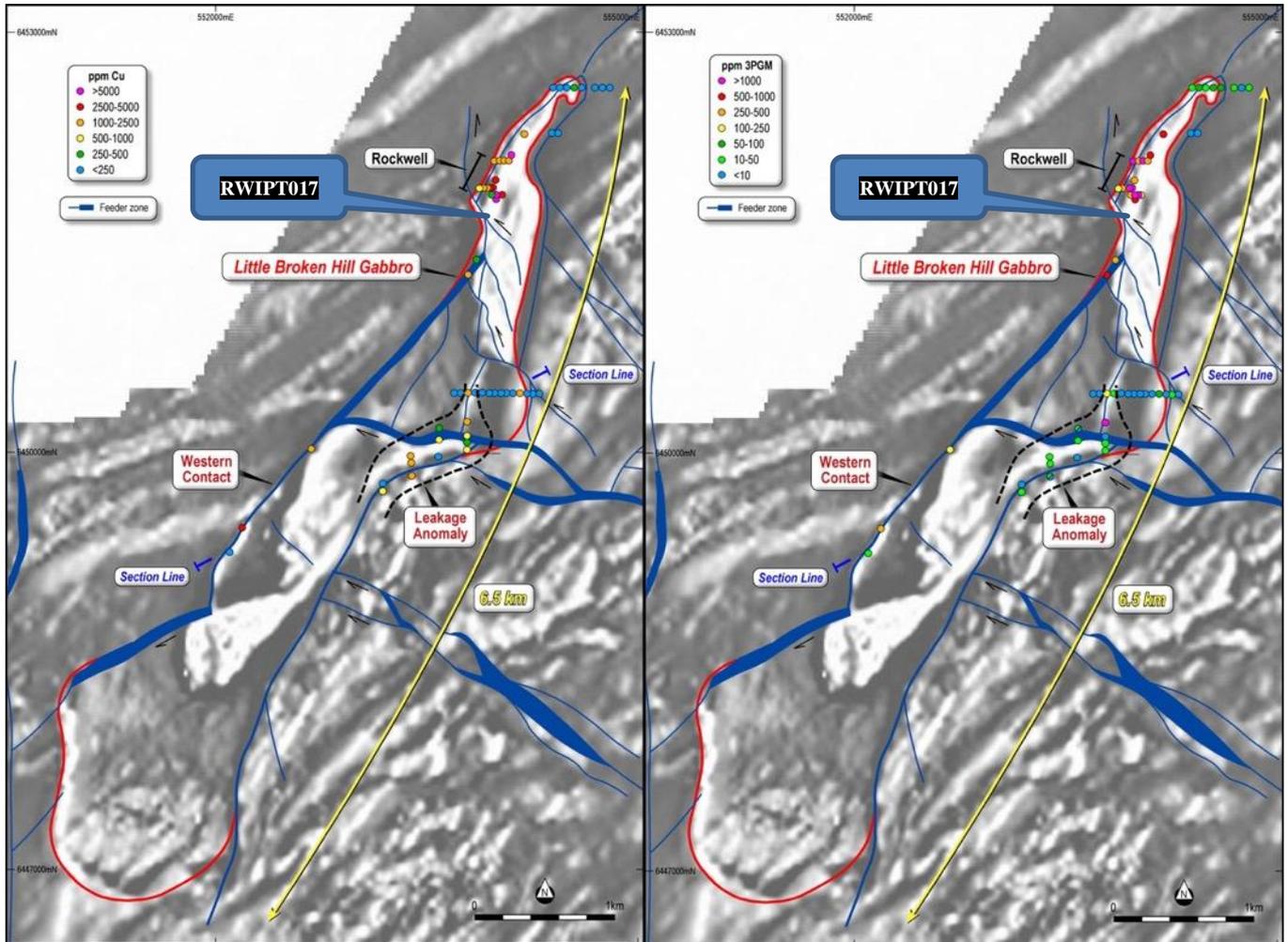


Figure 2. First vertical derivative image of airborne magnetic data over the Little Broken Hill Gabbro showing interpreted feeder zones in blue, Impact’s drill collars and best results down hole for copper and 3PGM (palladium+platinum+gold). Note the widespread mineralisation over the length of the intrusion. The LBHG is clearly very fertile with significant potential to discover a major PGE-nickel-copper deposit.

In addition two holes were drilled 400 metres and 500 metres south of the main area of drilling at Rockwell to test the basal ultramafic unit along trend. Anomalous results were returned from both holes (Figures 2 and 4) including:

11 metres at 0.3 g/t 3PGE from 40 metres in Hole RWIPT008 which includes 2 metres at 0.7 g/t 3 PGE from 47 metres with up to 0.1% copper in a few places.

These are the first holes in this part of the basal ultramafic unit of the intrusion and are again considered very encouraging, in particular given the increase in grade and depth seen to the north at Rockwell (Figure 3).

Together these results indicate significant PGE-copper-nickel mineralisation extends to a depth of at least 150 metres from surface and for at least 1,500 metres along trend at Rockwell. This demonstrates that the Little Broken Hill Gabbro has the potential to host a significant deposit at depth or along trend.

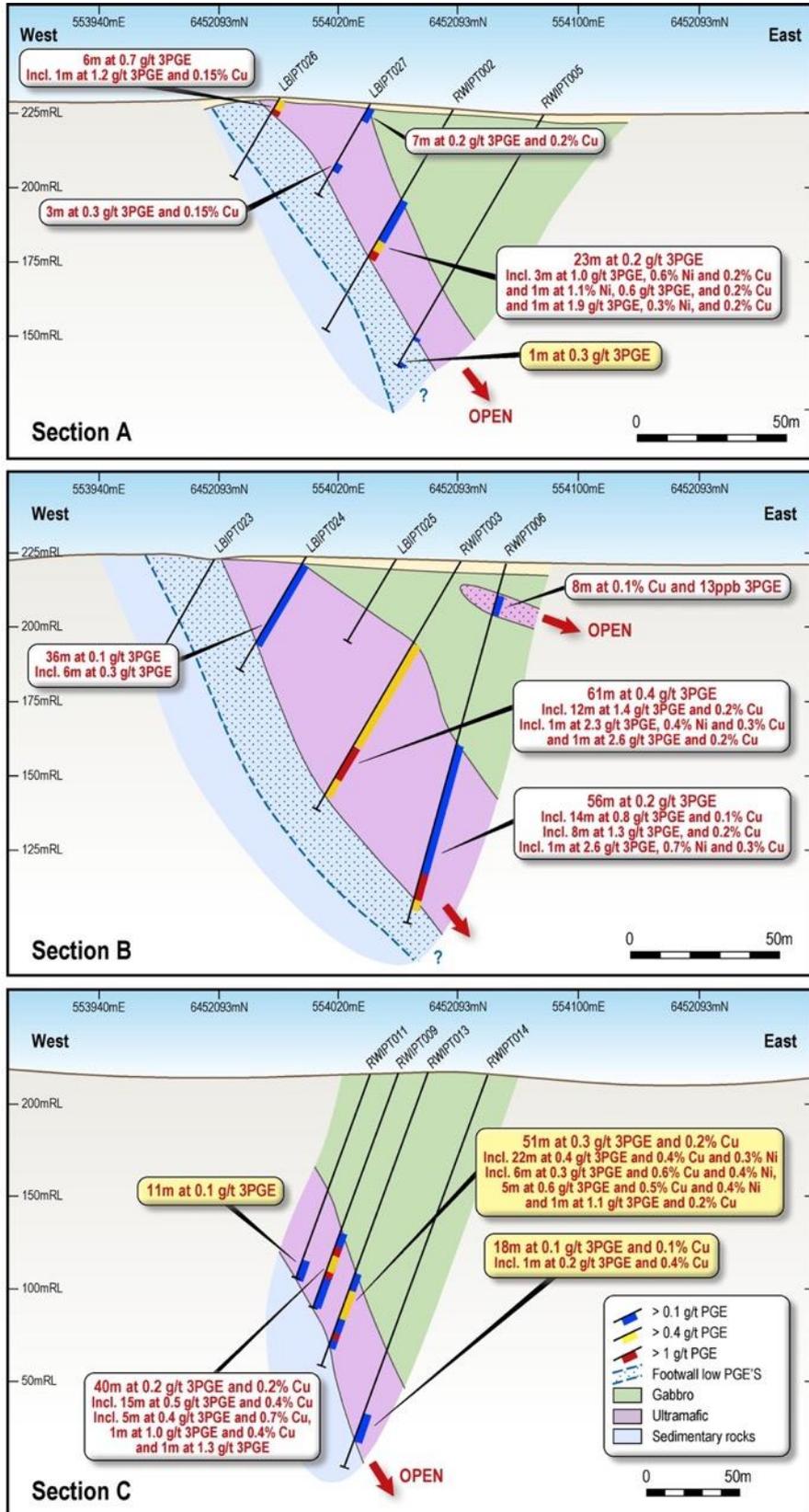


Figure 3. Cross-sections through the Rockwell Prospect with recent drill results in yellow. Note the increasing PGE content with width of the basal ultramafic (see Figure 4 for location of cross sections from Drill Hole IDs).

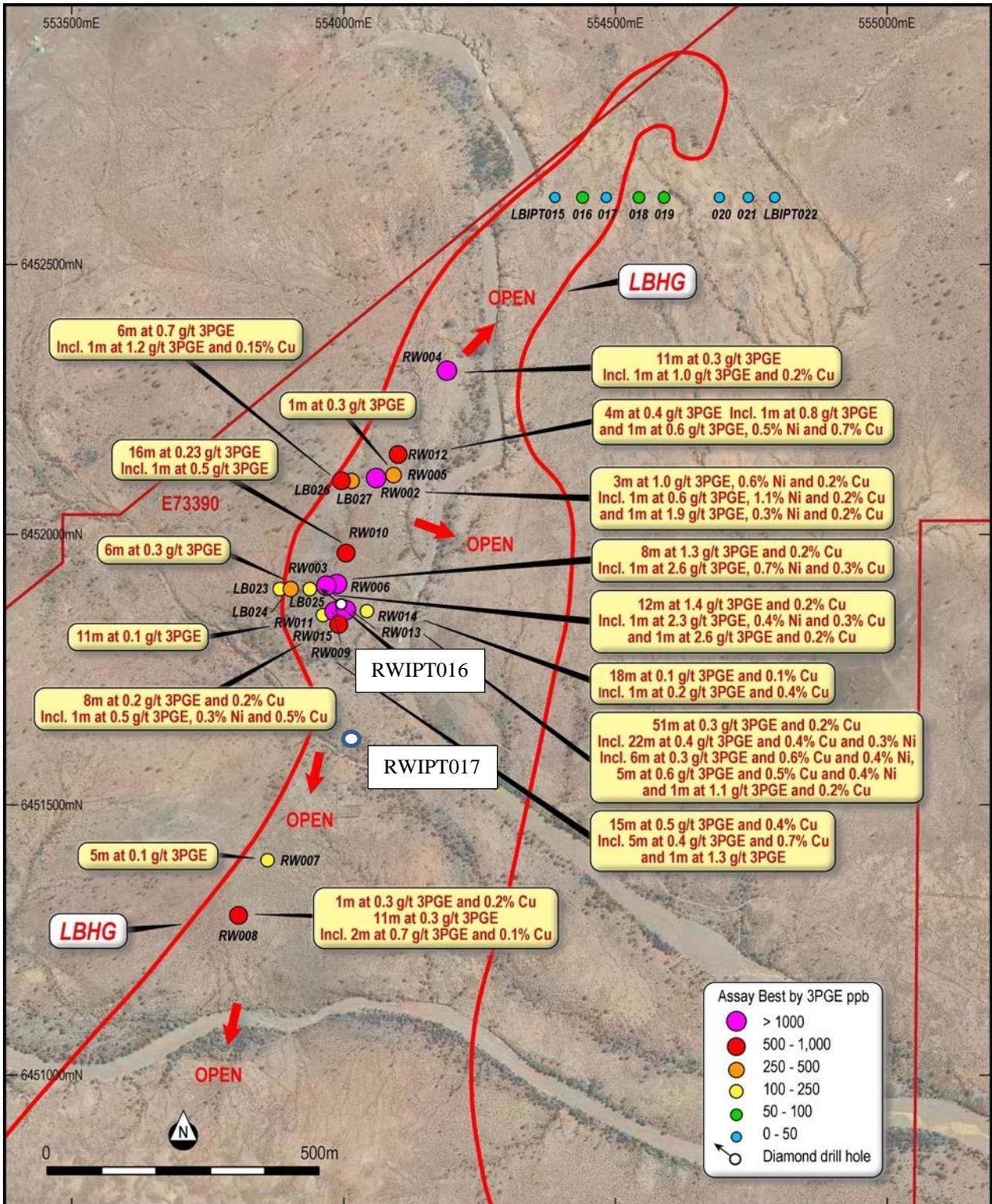


Figure 4. Location of Impact’s drill holes at Rockwell with best down hole assay results for 3PGE and showing the location of diamond drill holes RWIPT016 and RWIPT017 (ASX Release 23rd June 2021). The northern line of drill holes with weaker results are vertical aircore drill holes that are no more than 50 metres deep. They have probably not effectively tested the basal ultramafic unit at depth and deeper RC drilling is required.

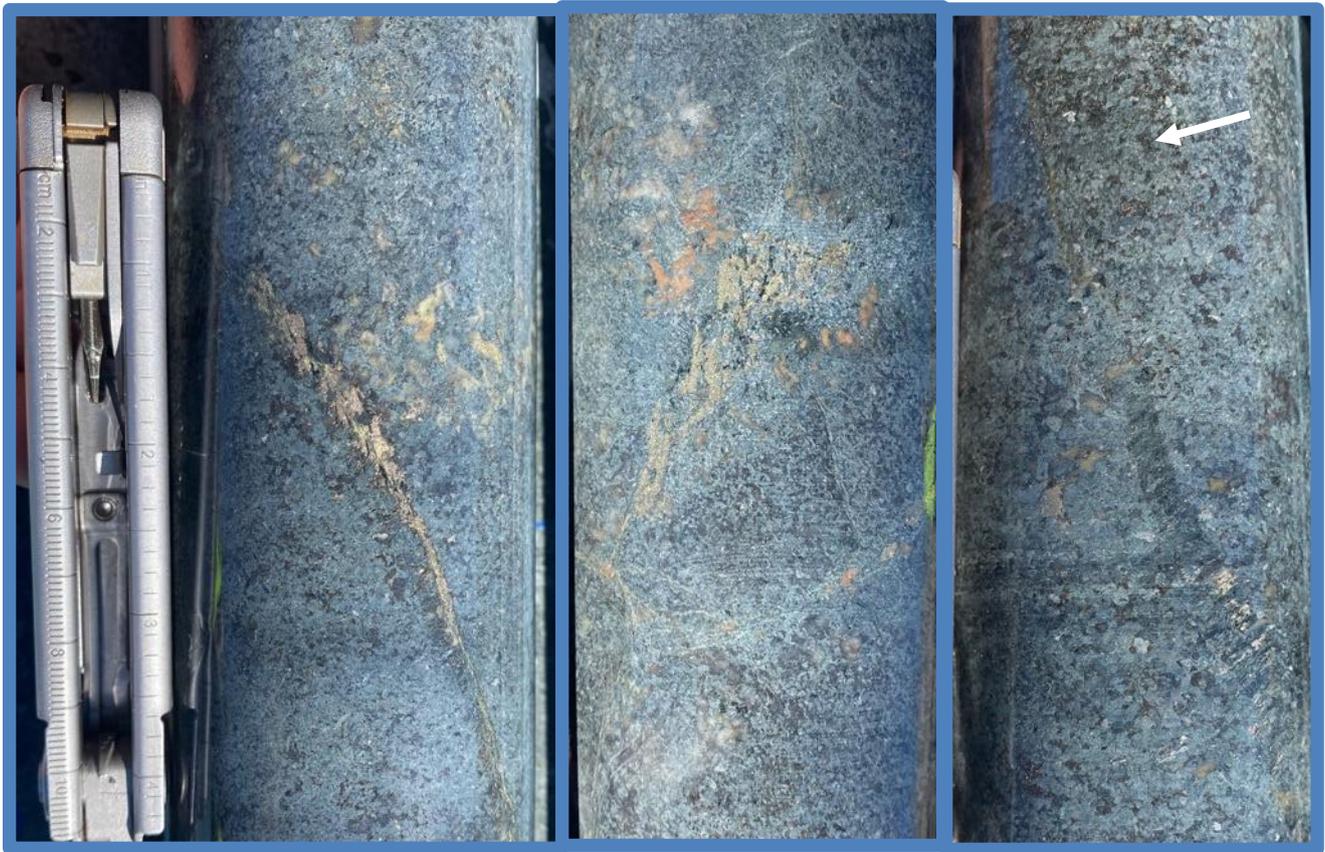


Figure 5. Photographs of diamond core from selected intervals from 95 metres to 98 metres down hole in RWIPT016. The photographs show disseminated to blebby to vein hosted sulphide mineralisation comprising pyrite-pyrrhotite-chalcopyrite (copper sulphide) and lesser pentlandite (nickel sulphide). Fine grained disseminated sulphide occurs in many places in this interval (see arrow for example).

Diamond Drill Holes at Rockwell

Two diamond drill holes, RWIPT016 and RWIPT017, were completed in early June at Rockwell, the first ever diamond drill holes into the Little Broken Hill Gabbro.

Hole RWIPT016 was drilled to test between the encouraging drill intercepts in reverse circulation drill holes RWIPT003 and RWIPT013 (Figure 4) to give a better understanding of the nature of the mineralisation.

Hole RWIPT017 was targeted close to an interpreted feeder zone to the LBHG about 150 metres to the south of previous drilling (Figures 2 and 4).

RWIPT016

Hole RWIPT016 intersected the basal 95 metres of the LBHG which comprises 71 metres of gabbro that overlies the target basal ultramafic unit which, in this location is 24 metres thick true width (ASX Release 3rd June 2021). The entire ultramafic unit contains trace to up to 1% disseminated sulphide with a zone of more intense blebby and vein sulphide from 95 metres to 98 metres down hole (Figure 5 and ASX Release 3rd June 2021). The sulphides comprise pyrite, pyrrhotite, chalcopyrite and pentlandite in decreasing order.

Of note, the more visible sulphides are associated with a coarsening of the surrounding crystals in the host ultramafic (Figure 5). This is indicative of the mineralisation being released from the fractionating magma as it cooled.

Such fractionation processes have been shown to be an important control on the formation of the basal Kambalda-style channel that hosts massive sulphide mineralisation at Impact’s Platinum Springs prospect at Broken Hill and Impact believes that similar but much larger channels may be present at the base of the LBHG (ASX Release 2nd December 2020).

Such channels of massive sulphide may be detectable by electromagnetic geophysical methods. A down hole EM survey will be completed at Rockwell in the next Quarter and consideration is also being given to completing a high powered ground EM survey over much of the very poorly explored LBHG to also search for significant conductors.

However, it should be noted that there is still significant potential for a low sulphide PGE dominant deposit at LBHG and that such deposits will not be detected by EM methods. In such a case exploration will also be driven by Impact’s proprietary ratio for PGM exploration (ASX Release 23rd June 2021).

RWIPT017

Hole RWIPT017 intersected a 100-metre-thick zone of disseminated to blebby pyrite sulphide mineralisation containing extensive low-grade copper (Figure 6, ASX Release 23rd June 2021).



Figure 6. Extensive pyrite in layered gabbro. Note how the sulphide blebs which are up to 0.5 mm in dimension are intergrown with, and are an integral part of, the minerals within the gabbro. These textures are characteristic of magmatic sulphides and extend over a true thickness of about 100 metres.

The sulphide zone, which occurs within a strongly magnetic gabbro at least 125 metres thick, comprises up to 5% pyrite that is intimately intergrown with other minerals in the gabbro, a texture considered characteristic of so-called “magmatic sulphides” (Figure 5).

In addition, from 25 metres down hole, the sulphide zone contains a 50-metre-thick interval with between 100 ppm and 250 ppm copper and up to 500 ppm copper in places as measured with a handheld XRF instrument. Impact considers it likely that the copper occurs as very small crystals of chalcopyrite that are not readily visible although further detailed examination of the core is in progress.

The presence of magmatic sulphides with copper is considered to be an important indicator of so-called “sulphide saturation”, a process that is a key requisite for the formation of large PGE-copper-nickel sulphides within mafic and ultramafic intrusions. This is the first evidence that such a process has occurred at the LBHG and is an exciting development for the project as a whole.

1.2 Western Contact of the LBHG

Three shallow scout drill holes to test the basal ultramafic unit over a one kilometre strike extent were completed along the central west contact of the LBHG (Figure 2).

Two of the drill holes returned encouraging anomalous results:

16 metres at 500 ppm copper and 0.2 g/t 3PGE from 83 metres in Hole LBIPT053 which includes 2 metres at 0.3% copper and 0.2 g/t 3PGE from 89 metres and 3 metres at 0.1% copper and 0.4 g/t 3PGE from 94 metres; and

7 metres at 0.3 g/t 3PGE from 146 metres in LBIPT052.

The ultramafic unit in the third hole LBIPT054 contained weak 3PGE up to about 20 ppb over its entire 12 metre width.

Given the very wide drill spacing and essentially random location of the drill holes, these results further confirm the prospectivity of the basal ultramafic unit over many kilometres of strike along the western contact of the LBHG. It is of note that at Rockwell similar results were found closer to surface with better grades intersected at depth (Figure 3).

Impact considers it likely that the basal ultramafic unit contains PGE-copper-nickel mineralisation over much of its 6.5 kilometre extent and extensive further exploration is required.

1.3 Central Little Broken Hill Gabbro

The Central LBHG area is centred on a major fault WNW-trending fault that cross cuts the entire LBHG and which is interpreted as one of the main feeder zones to the intrusion (Figure 2).

However it was considered likely that the feeder zone was most prospective at some depth where it intersects the basal ultramafic unit. Accordingly the Central LBHG area was drilled to test for near surface halos or “leakage anomalies” that may have come from massive sulphide bodies buried deeper within the intrusion.

Of the 30 aircore and RC holes completed, 12 returned very encouraging results and an area at least 1,000 metres by 500 metres in size with anomalous copper (>250 ppm) and 3PGE (>20 ppb) has been identified. This is centred over the interpreted feeder zone and has a possible westerly plunge (Figures 2 and 7).

Of note, there is a stand out gold-copper intercept in Hole LBIPT040 associated with quartz veins in the target feeder zone fault which returned (Figure 7):

4 metres at 0.13% copper and 1.5 g/t gold from 150 metres which includes

1 metre at 1.3 g/t gold and 0.18% copper from 151 metres and

1 metre at 4.5 g/t gold and 0.17% copper from 152 metres.

These results are all supportive of the potential for more significant mineralisation at depth in and around the feeder zone. Modelling of the magnetic and gravity data over the LBHG is now underway to determine the likely depth to the base of the intrusion to help guide further drilling and determine the efficacy of a ground EM survey that may help to identify conductive zones that may represent massive nickel-copper sulphide deposits.

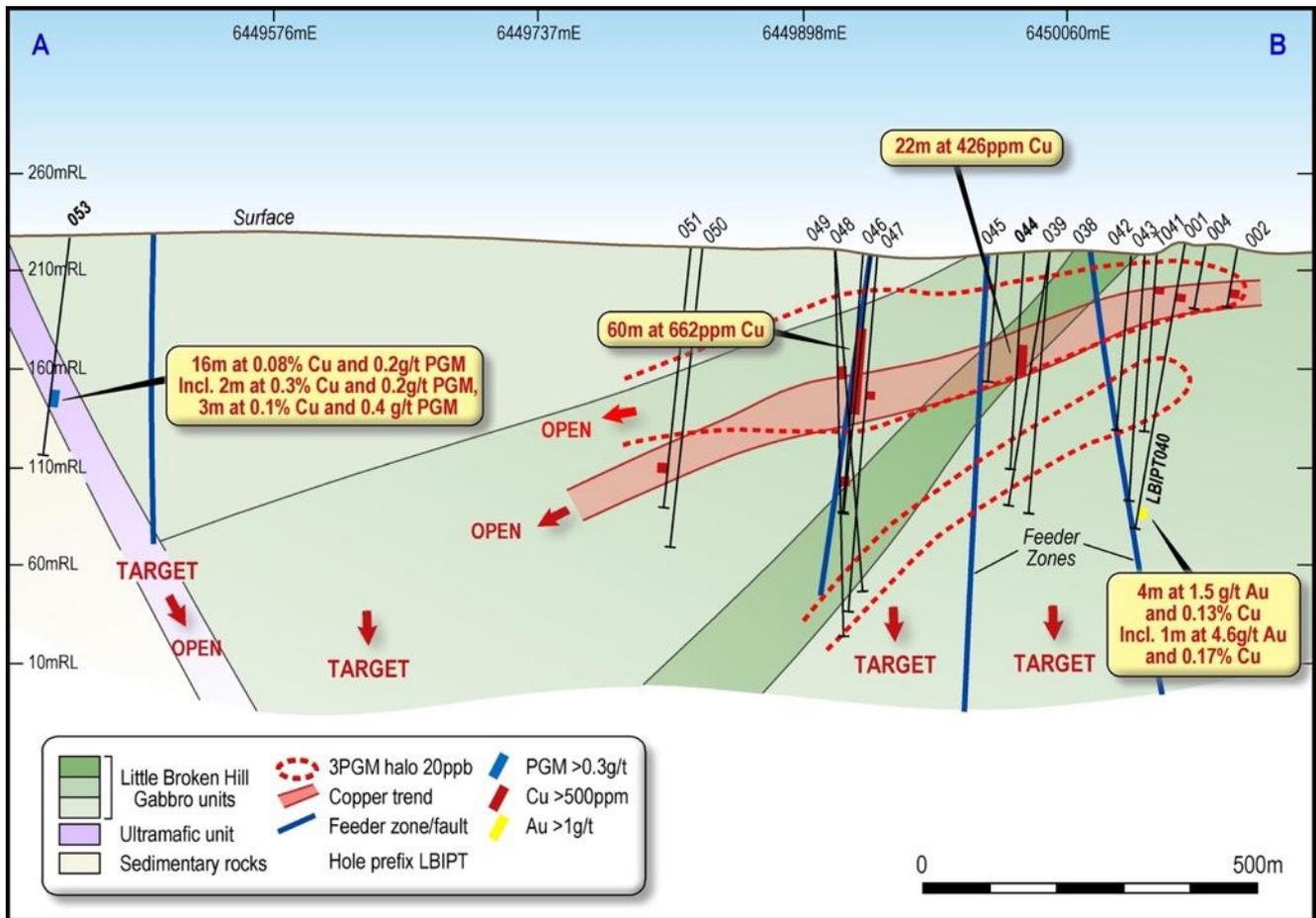


Figure 7. Oblique cross section through the LBHG showing drill results from the Central LBHG area and also the Western Contact (Hole 053). Significant anomalous copper and 3PGE mineralisation is present over a large area and at depth. This is encouraging for the discovery of a massive sulphide deposit at depth.

1.4 Red Hill

At Red Hill two diamond drill holes were completed during the Quarter to follow up a stand out drill intercept in Hole RHIPT034 from the 2020 drill programme along the southern contact of the Red Hill chonolith intrusion (ASX Release 21st January 2021). RHIPT034 returned:

138 metres at 0.3 g/t 3PGM (Pd+Pt+Au) from surface which includes several higher grade intercepts of:
2 metres at 2.3 g/t 3PGE from 75 metres, and
12 metres at 1.5 g/t 3PGM and 0.2% copper from 103 metres which includes
2 metres at 2.3 g/t 3PGM, 0.3% copper and 0.3% nickel from 109 metres, and also includes
2 metres at 1.1 g/t 3PGM and 0.2% copper from 135 metres.

This result demonstrated for the first time that the chonolith-shaped (tube-like) ultramafic intrusion at the Red Hill body hosts significant thicknesses of disseminated PGM+/-copper+/-nickel mineralisation close to surface. The intercept is open at depth and this was a priority target area for follow up drilling.

The diamond drill holes intersected minor disseminated sulphide mineralisation in places. Assays are due in late August-September.

1.5 Discussion and Next Steps at Broken Hill

Impact's previous work has shown the LBHG to be of a similar size, age, chemical composition and in the same geodynamic setting as the giant Jinchuan nickel-copper-PGE deposit in China (550Mt at 1.1% nickel, 0.7% copper and 0.5 g/t PGM).

The two diamond drill holes at LBHG (ASX Releases 3rd June 2021 and 23rd June 2021) represent the end of the first scout phase of drilling of the large intrusion and the results are considered to be very encouraging both for the discovery of a Jinchuan-style disseminated deposit or a Voisey's Bay-style massive sulphide deposit (ASX Releases 9th July 2020, 17th December 2020, 3rd June 2021, 23rd June 2021).

Virtually every drill hole that has penetrated the basal ultramafic unit of the LBHG, the primary target horizon, has intersected strongly anomalous PGM with variably anomalous nickel and copper.

The anomalous PGM's generally occur throughout the entire thickness of the ultramafic unit with narrower zones of better grades of up to 2.6 g/t 3PGM's, 1.1% nickel and 0.7% copper occurring towards the base of the unit in places. It is evident that there is potentially a very large inventory of those metals contained within the ultramafic unit.

The newly discovered sulphide zones that contain variable amounts of copper in the gabbro units *above* the basal ultramafic also identify for the first time these units as potential hosts for deposits of massive PGM-copper-nickel sulphide.

The mineralisation discovered by Impact at the LBHG is open along trend and down dip and, given the very small area tested thus far, this is considered very encouraging for the potential discovery of a significant nickel-copper-PGE deposit either at the base of, or somewhere within, the LBHG. Extensive follow-up drilling is clearly required at many places.

A detailed interpretation of the large amount of new data generated from the major drill programmes completed at LBHG, Platinum Springs and Red Hill is nearing completion and in addition down hole electromagnetic surveys will be completed on 5 drill holes across the project area to search for targets that may represent massive sulphide bodies.

Modelling of the magnetic and gravity data over the LBHG will also be completed to help determine the likely range of depths to the more prospective basal contact.

All of this data will be used to prioritise areas for the follow up drilling.

Discussions are in progress with drilling contractors to determine timing and cost of a follow up drill programme with the aim of drilling as soon as practicable. Statutory approvals are already in place for a number of drill holes across the project area.

2. COMMONWEALTH PROJECT, NSW (IPT 100%)

During the Quarter 17 reverse circulation drill holes were completed at the Apsley porphyry copper-gold prospect, part of the Company's 100% owned Commonwealth project in the Lachlan copper-gold province in New South Wales. The prospect lies about 15 km south of the recent Boda-Kaiser discovery (Alkane Resources Ltd).

The drill holes, which are the first ever holes to be drilled at Apsley, tested a number of specific coincident IP geophysical and soil geochemistry anomalies at widely spaced reconnaissance intervals (ASX Releases 10th August 2020, 16th February 2021, 12th March 2021, 16th April 2021).

The drilling identified a wide variety of porphyry, volcanic and variably carbonaceous sedimentary rocks that for the most part dip west at shallow to moderate angles. In places the porphyry units may have a steeper dip suggesting they may be later cross-cutting intrusions.

The rocks are variably altered to chlorite, epidote, hematite and lesser biotite and contain weakly disseminated pyrite and very fine grained, weak to moderately disseminated copper-bearing minerals in zones up to 60 metres thick (close to true thickness). There is strong K-feldspar alteration in places, in particular in hole APIPT001 which returned a 60 metre thick intersection of altered porphyritic rock (Figure 8).

Measurements of major elements such as potassium, aluminium, iron, calcium with a hand-held XRF instrument indicate widespread alteration typical of the outer distal zones of a porphyry copper system together with more localised zones of potassic alteration typical of the inner more proximal zones of such systems.

The upper zones of the nearby Boda-Kaiser discovery are characterised by weak to modest alteration and gold-dominant mineralisation with significant copper and gold only appearing at depth in a steeply dipping system. Measurements of precious metals such as gold and silver are not possible with the hand-held XRF instrument and base metal readings including copper are taken as a single measurement on a bag of RC drill chips. Accordingly, they are not reliable indicators of the true grade.

Final assays were significantly delayed because of a back log at the laboratory. All results have now been received and are being interpreted.

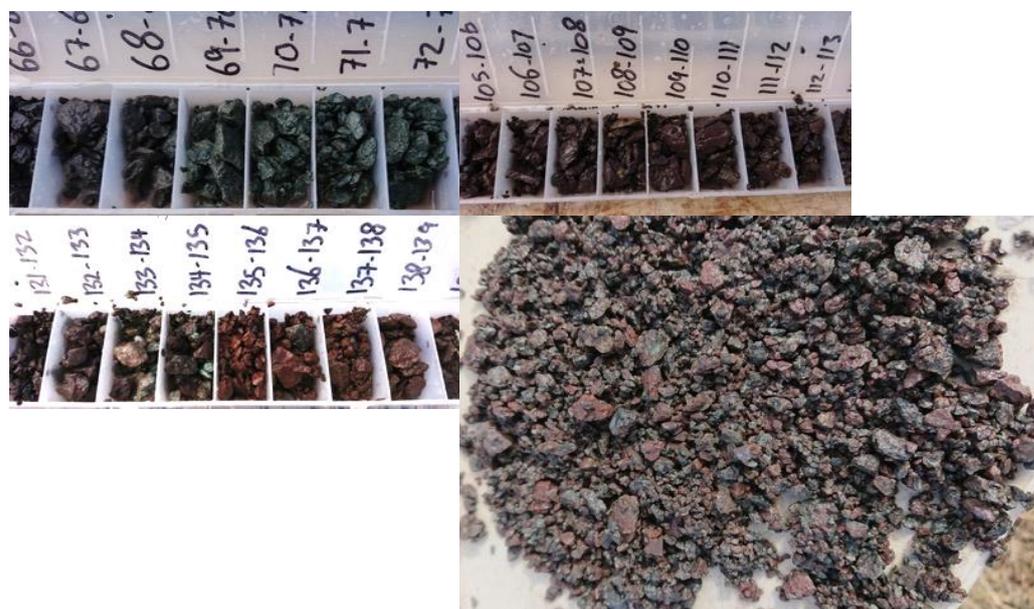


Figure 8. Alteration in Hole APIPT001. Strong chlorite-epidote alteration (top left) passes into strong hematite alteration (top right) then strong K-feldspar alteration in a porphyritic unit (bottom left). A close up of the strong K-feldspar unit is shown in the bottom right from 137 metres downhole and is typical of more proximal alteration.

3. ARKUN PROJECT, WA (IPT 100%)

The Arkun Project, which covers about 1,900 square kilometres, is centred between York and Corrigin 130 km east of Perth and was staked following the recent significant PGM discovery at Julimar just 75 km north east of Perth by Chalice Mining Ltd (Figure 9 and ASX Release 29th May 2020).

The following work was completed during the Quarter:

1. An interpretation of the bedrock geology from regional airborne magnetic data and the surface geology from airborne radiometric data.
2. Reconnaissance field checking and rock chip sampling (ASX Release 16th April 2021).
3. Identification of 17 priority targets for follow up work and completion of reconnaissance soil geochemistry traverses over all 17. The targets were sampled at 100 metre intervals along gazetted roads and tracks (ASX Release 10th June).

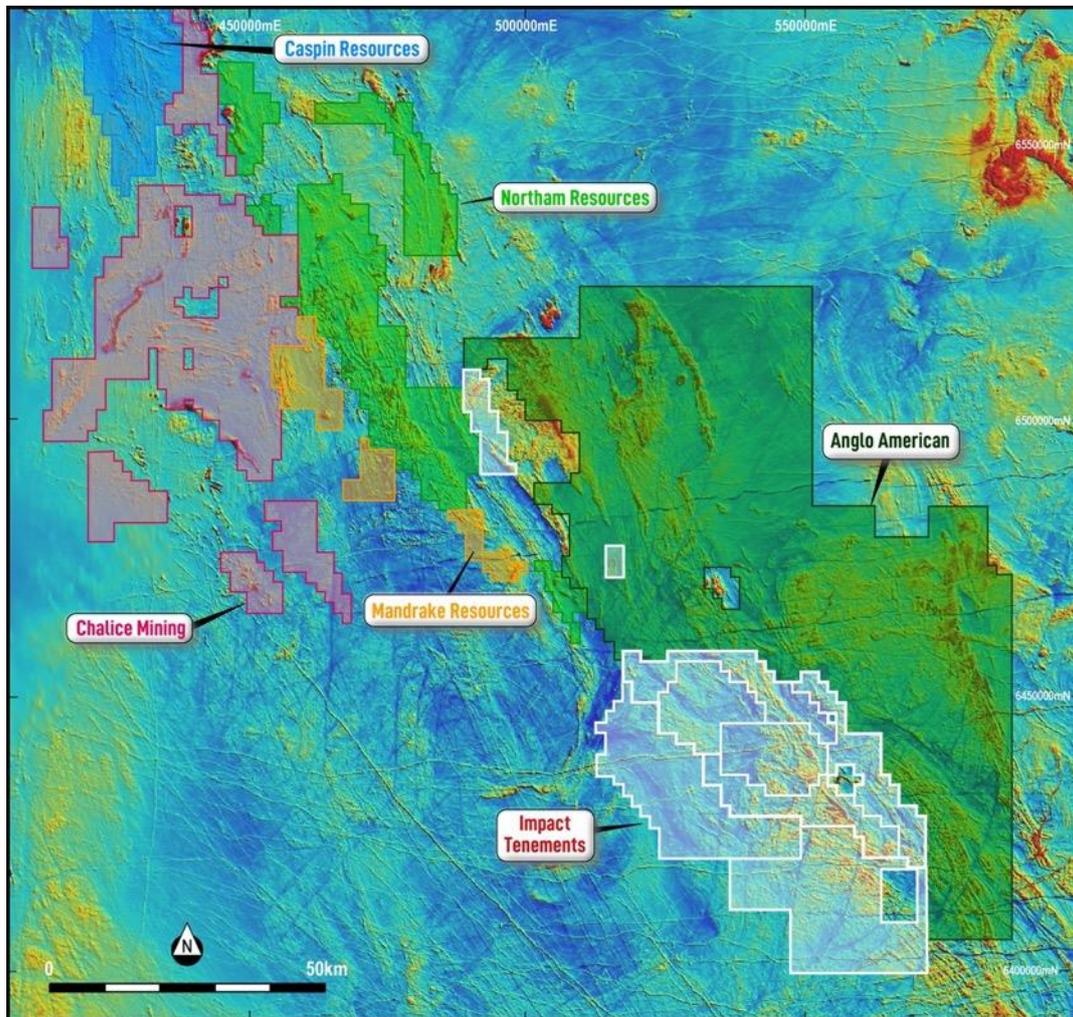


Figure 9. Location of Impact’s Arkun project within the emerging Ni-Cu-PGM province of WA and main tenement holders. Impact has one of the larger ground holdings in the region. Anglo American plc, one of the world’s leading mining companies lodged Exploration Licence applications covering a vast area of some 10,130 km² surrounding three sides of the Arkun project on the afternoon of 29 May 2020 a few hours after Impact made its first announcement on Arkun (ASX Release 10th June 2020).

The interpretation of the magnetic data, the surface geology and reconnaissance field checking and rock chip samples has shown the following:

1. It is likely that mafic and ultramafic rocks are more widespread than shown on the regional Geological Survey maps.
2. The mafic and ultramafic rocks contain low levels of PGE up to 25 to 30 ppb platinum+palladium+gold in rock chip samples in at least several places. The assay values are not considered material but do attest to the significant prospectivity of the area.
3. Most of the project area is covered by residual soils and ferricrete with limited transported cover. Accordingly, it is likely that the previous regional soil geochemistry surveys were moderately effective and that conventional soil geochemistry techniques can be used for follow up soil sampling. This will allow quick assessments of target areas to be made.

These observations have been used in conjunction with conceptual models for nickel-copper-PGM mineralisation to identify 17 first pass targets for follow up work (Figure 10).

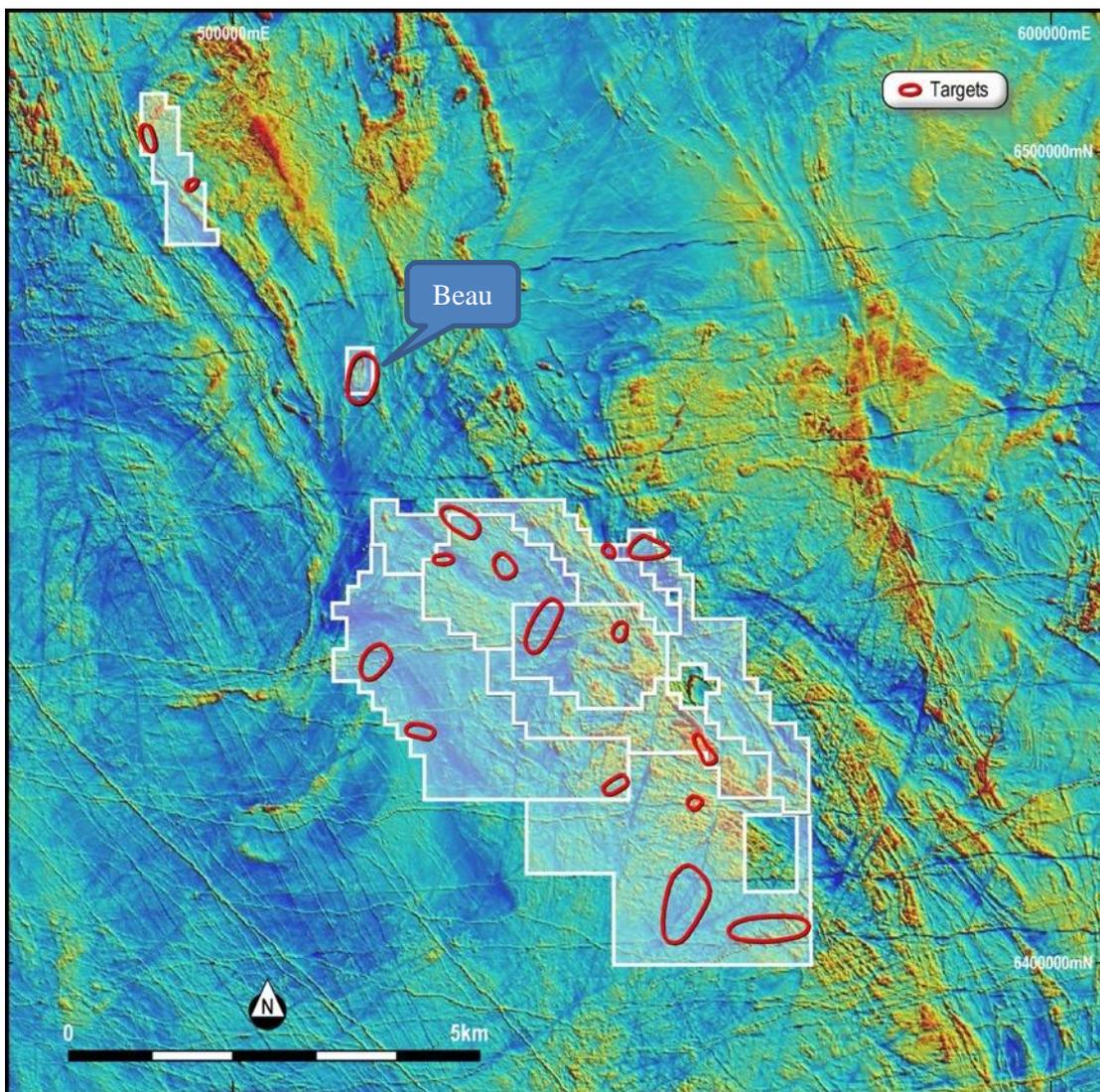


Figure 10. Location of priority targets for follow up on Impact's tenements.

Of these the Beau Prospect, which lies completely within exploration licences owned by Anglo American Corporation is one of the highest ranked (Figures 10 and 11).

The prospect covers a prominent oval magnetic anomaly 3,000 metres by 1,500 metres in dimension that lies under shallow cover (likely to be less than 30 metres) and which has never been explored.

The anomaly is of a similar size and geometry to the Gonneville Intrusion, host to the significant PGM-copper-nickel mineralisation discovered recently at Julimar (Chalice Mining Ltd) and also the Newleyine intrusion and also proven to host nickel-copper-PGE mineralisation (Mandrake Resources Ltd) (Figures 9 and 11).

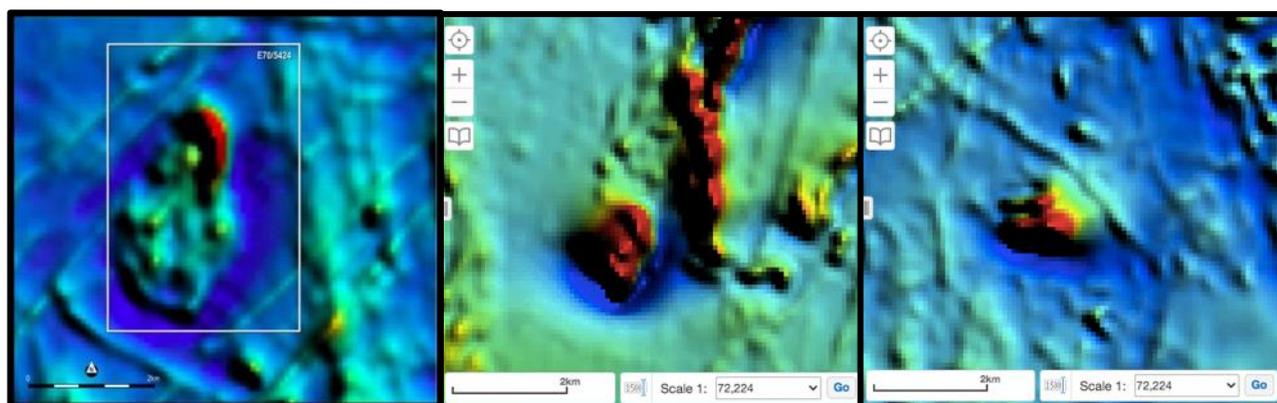


Figure 11. Image of regional magnetic data showing the magnetic anomalies at Beau (left), Gonneville (Chalice Mining Ltd centre) and Newleyine (right) for comparison.

Next Steps

The results of the soil geochemistry survey are expected in August. Once interpretation is complete the targets will be ranked for follow up work. Land access negotiations will then commence in order to gain access to the priority areas.

4. DOONIA PROJECT, WA (IPT 80%)

Impact's 80% owned Doonia gold project lies 75 kilometres east of the world class St Ives gold mining centre in Western Australia and comprises one Exploration Licence E15/1790 (Figure 12).

During the Quarter the exploration licence was fully granted, thus allowing on-ground exploration to commence, and re-processing of the regional airborne magnetic data over the Doonia project was completed.

The Doonia project was identified during a review of the Eastern Goldfields for intrusion-hosted gold deposits in light of the recent major Hemi discovery in the Pilbara (De Grey Mining Ltd ASX:DEG). The project has been further enhanced by the recent discovery of significant gold-copper-magnetite mineralisation hosted by a magnetic porphyry intrusion at the Burns project located just 20 km west of Doonia (Lefroy Exploration Ltd) (Figure 12 and ASX Release 4th March 2021).

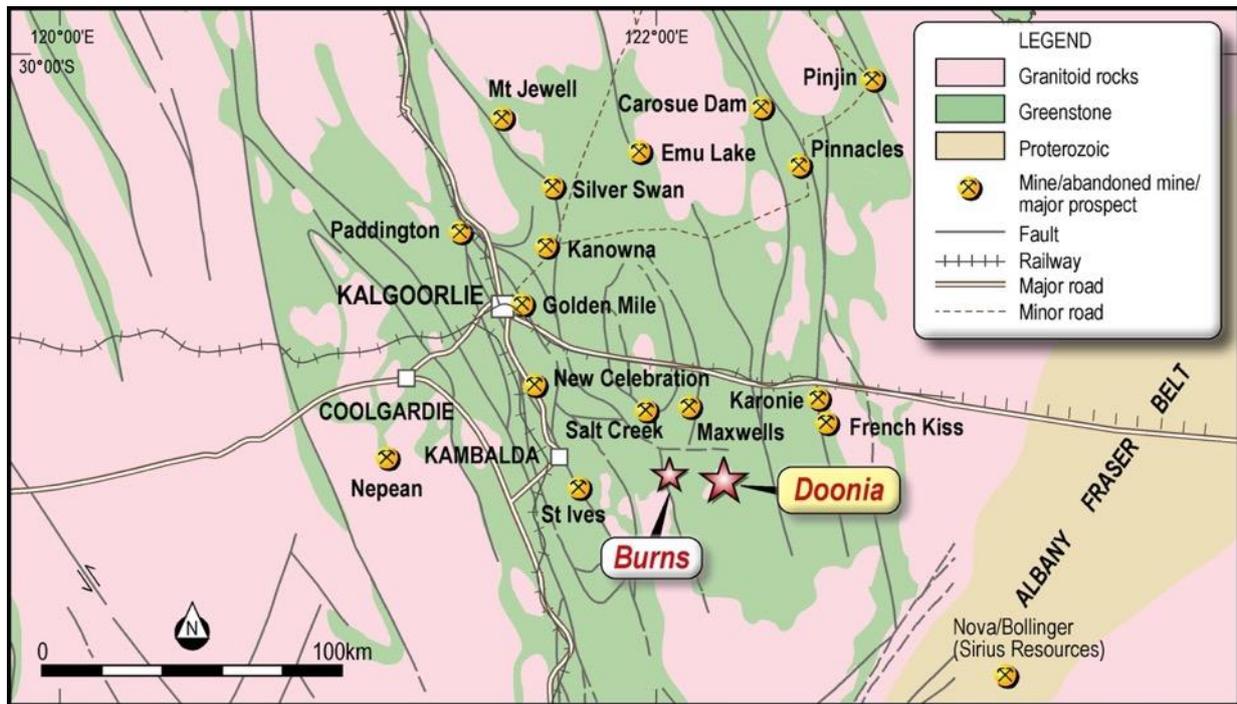


Figure 12. Location of the Doonia Project in the Eastern Goldfields of Western Australia.

The Burns project is a new style of mineralisation within this part of the Eastern Goldfields and may herald a new model for further similar discoveries in the region. Burns is recognisable in regional magnetic data as a modest positive magnetic anomaly that is at least in part directly associated with magnetite alteration related to the gold-copper mineralisation. Doonia has a similar magnetic response in the same data (Figure 13).

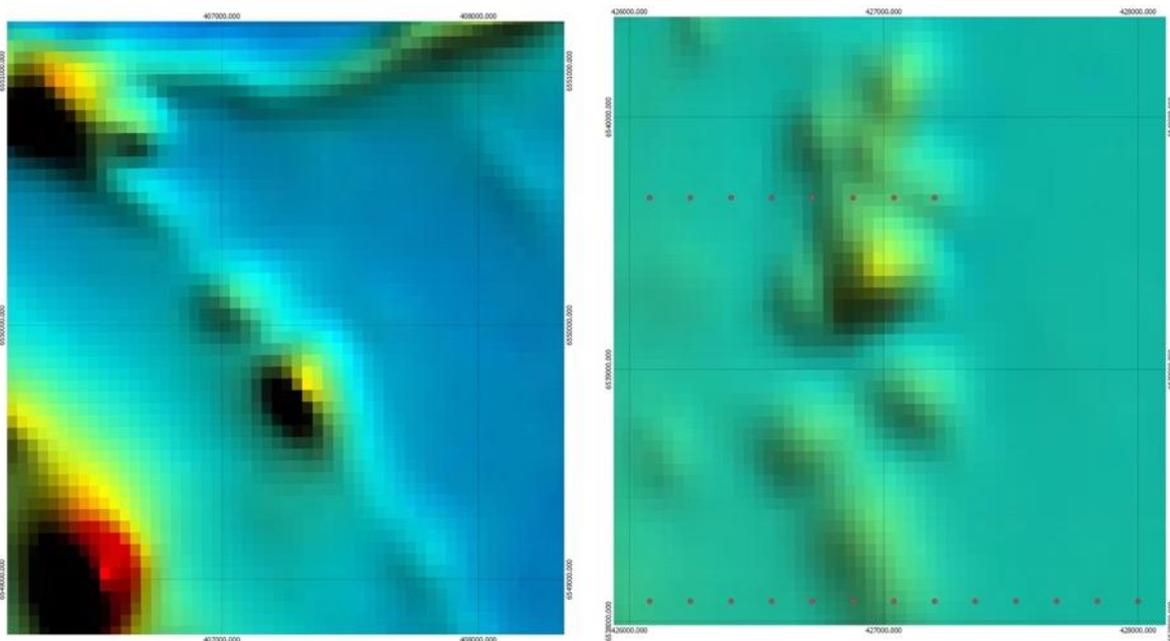


Figure 13. Regional magnetic data over the Burns prospect (L) and Doonia project (R) at the same scale.

Of note, the Doonia and Burns prospects were both first identified in the same regional exploration programme by WMC Resources Limited in the 1990's with modest gold anomalism found in both areas in broad spaced aircore drilling. However, neither area was followed up at the time.

The Burns discovery indicates that the drill spacing used by WMC was inadequate for the regolith environment that occurs under and around salt lake environments as previously described by Impact for Doonia (ASX Release 17th November 2020).

A major intrusive complex at depth?

A large ovoid magnetic anomaly, about 6 km by 6 km in size, that lies directly beneath the Doonia project was identified in images of regional magnetic data that were reprocessed to enhance the magnetic contrast between different units in the magnetically quiet metasedimentary basin (Mt Belches Group) within which Doonia lies. The anomaly is interpreted as a large magnetic intrusion, that has been emplaced at some depth into the metasedimentary rocks that underlie most of the project area (Figure 14).

In addition, a cluster of smaller well-defined magnetic anomalies occur above the central east part of the larger anomaly. These anomalies have short strike lengths and do not appear to be part of the linear stratigraphy that characterises much of the surrounding greenstone belt terrain. They are interpreted as possible near surface magnetic porphyry intrusions that may be related to and sourced from the larger buried intrusion.

Soil geochemical anomalies

Impact has identified a previously unrecognised distinct and coherent zoned soil geochemical anomaly centred over the small magnetic anomalies which comprises a core area of gold+bismuth that is 2,500 metres long and up to 1,000 metres wide (Figure 14). The core area is also characterised by anomalous copper-nickel and zinc and is partly surrounded by a larger halo of arsenic+antimony (Figure 15).

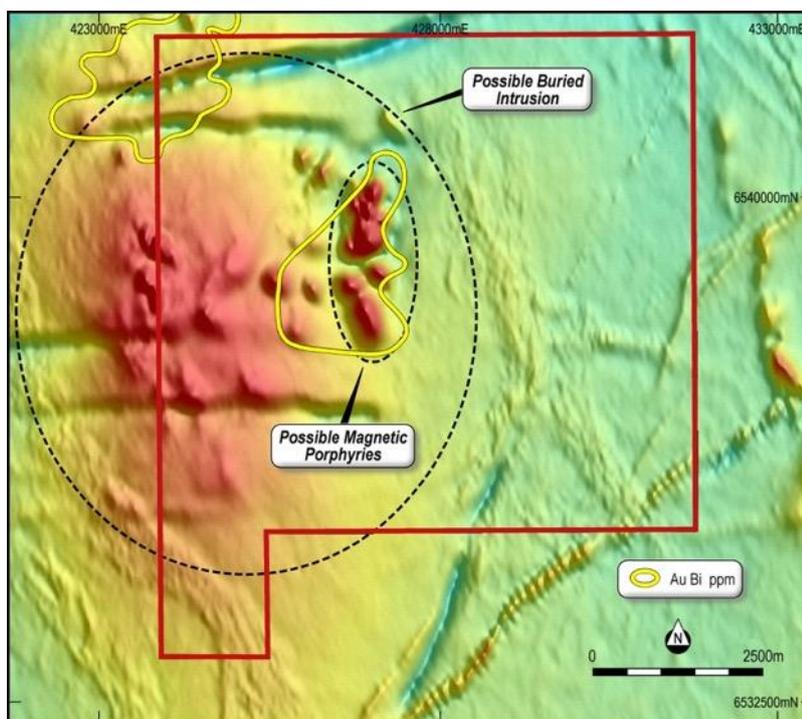


Figure 14. Image of regional magnetic data over the Doonia project with warmer colours indicating more magnetic units. A large oval deep-seated anomaly is centred directly under the project area above which a cluster of near surface anomalies is present and which are interpreted as possible magnetic intrusions. These smaller anomalies are coincident with a gold-bismuth soil geochemistry anomaly (ASX Release 17th November 2020).

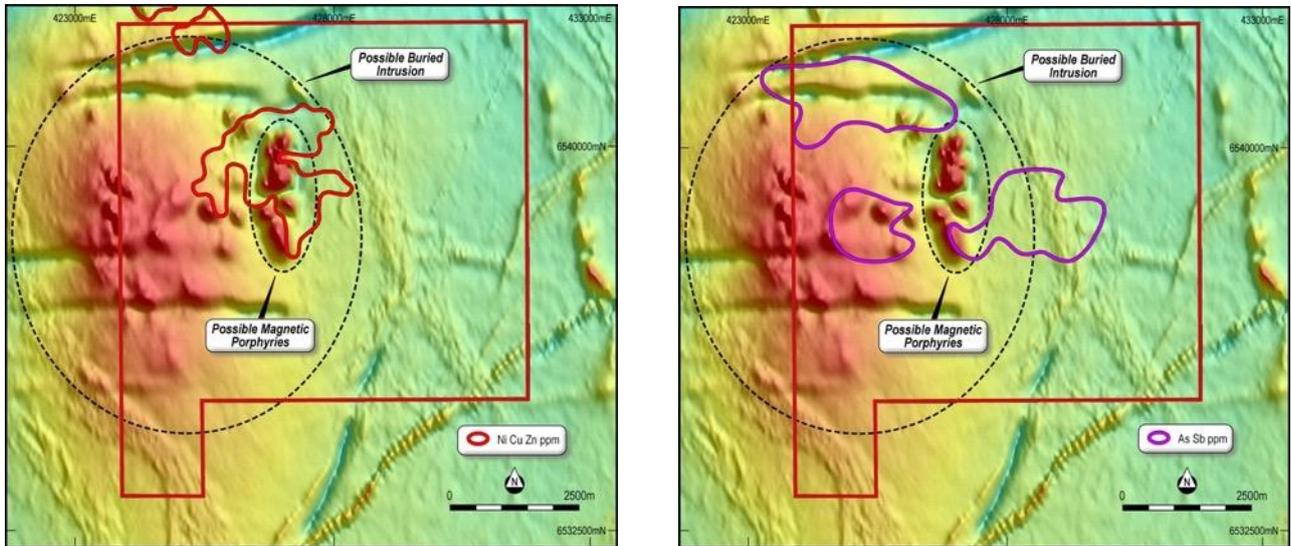


Figure 15. Images of the regional magnetic data showing a nickel+copper+zinc anomaly over the shallow magnetic anomalies (left) and an outer halo of arsenic+antimony (see ASX Release 17th November 2020 for details on the soil geochemistry anomalies).

These results are interpreted to be potentially related to a gold-bismuth mineralised system associated with a differentiated mafic to felsic intrusion. The system covers a large area and is a priority drill target

The mineralisation at Burns is also characterised by a metal association of copper-gold-bismuth-arsenic (with molybdenum-silver-tellurium which were not assayed at Doonia). This is a compelling similarity.

Next Steps

Statutory approvals and the required heritage surveys, to be conducted in conjunction with the Ngadju Group, are now being organised. In addition, field checking and confirmatory sampling will also be conducted in the September Quarter, with the aim of drilling by the end of the year.

About the Joint Venture at Doonia

Impact has formed an unincorporated joint venture over the Doonia Project with Odette Resources Pty Ltd in which Odette has a free carried interest of 20% up to a Decision to Mine. Impact has an 80% interest in the project now that the tenement has been granted. At a Decision to Mine, Odette can either contribute to future costs on a pro-rata basis or convert its interest to a 1% Net Smelter Royalty.

5. CORPORATE

5.1 \$4 Million Placement

During the Quarter a capital raising of \$4,000,000 (before costs) was completed via a placement of 242,424,242 shares at 1.65 cents per share. The Shares were issued to sophisticated and professional investors and pursuant to personal offers under section 708 of the Corporations Act and Listing Rule 7.1.

Peak Asset Management, a boutique investment management firm, headquartered in Melbourne, Australia acted as the Lead Manager for the Placement.

5.2 JMEI Entitlement Received

Impact was successful in its application to participate in the Federal Government's Junior Mineral Exploration Incentive (JMEI) scheme, receiving an allocation of up to \$825,000 in tax credits for the 2020 tax year.

Following the lodgement of the Company's 30 June 2020 income tax return, the Company issued \$250,461 of these JMEI tax credits to those shareholders who participated in the Company's February 2020 Placement. The remaining \$574,539 of 2020 JMEI tax credits will be carried forward to the 2021 tax year and, subject to the Company meeting the necessary eligibility requirements, these may be distributed to eligible shareholders for inclusion in their tax return for the year ended 30 June 2021.

5.3 Financial Commentary

The Quarterly Cashflow Report (Appendix 5B) for the current period provides an overview of the Company's financial activities.

Cash exploration expenditure for the current period was \$1.2 million. Corporate and other expenditure amounted to \$199k. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$96k and includes salary, directors' fees and superannuation.

Cash at June 30th 2021 was \$3.4 million.

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.

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%
EL9036	Granted	100%	100%
EL9037	Granted	100%	100%
EL9115	Granted	100%	100%
Black Ridge, Qld			
EPM26806	Granted	100%	100%
ML2386	Granted	100%	100%
EPM27571	Application	-	-
EPM27410	Application	-	-
Arkun, WA			
E70/5424	Granted	100%	100%
E70/5430	Granted	100%	100%
E70/5431	Granted	100%	100%
E70/5432	Granted	100%	100%
E70/5433	Granted	100%	100%
E70/5434	Granted	100%	100%
E70/5490	Granted	100%	100%
E70/5504	Granted	100%	100%
E70/5505	Granted	100%	100%
Doonia, WA			
E15/1790	Granted	80%	80%

Appendix 5B

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Name of entity

IMPACT MINERALS LIMITED

ABN

52 119 062 261

Quarter ended ("current quarter")

30 JUNE 2021

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		
(b) development	-	-
(c) production	-	-
(d) staff costs	(69)	(249)
(e) administration and corporate costs	(130)	(783)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	-	21
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	94	161
1.8 Other (provide details if material)	-	-
1.9 Net cash from / (used in) operating activities	(105)	(850)
2. Cash flows from investing activities		
2.1 Payments to acquire or for:		
(a) entities	-	-
(b) tenements	(74)	(104)
(c) property, plant and equipment	-	(27)
(d) exploration & evaluation	(1,202)	(4,807)
(e) investments	-	-
(f) other non-current assets	-	-

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
2.2	Proceeds from the disposal of:		
	(a) entities	-	-
	(b) tenements	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) 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)	-	-
2.6	Net cash from / (used in) investing activities	(1,276)	(4,938)
3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	4,000	7,245
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(255)	(472)
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	3,745	6,773
4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	1,052	2,431
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(105)	(850)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(1,276)	(4,938)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	3,745	6,773

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of period	3,416	3,416

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	891	1,052
5.2	Call deposits	2,525	-
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)	3,416	1,052

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	96
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments.

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities	-	-
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	-	-
7.5	Unused financing facilities available at quarter end		
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		

Mining exploration entity or oil and gas exploration entity quarterly cash flow report

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(105)
8.2	(Payments for exploration & evaluation classified as investing activities) (item 2.1(d))	(1,202)
8.3	Total relevant outgoings (item 8.1 + item 8.2)	(1,307)
8.4	Cash and cash equivalents at quarter end (item 4.6)	3,416
8.5	Unused finance facilities available at quarter end (item 7.5)	-
8.6	Total available funding (item 8.4 + item 8.5)	3,416
8.7	Estimated quarters of funding available (item 8.6 divided by item 8.3)	3
	<i>Note: if the entity has reported positive relevant outgoings (ie a net cash inflow) in item 8.3, answer item 8.7 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.7.</i>	
8.8	If item 8.7 is less than 2 quarters, please provide answers to the following questions:	
8.8.1	Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?	
	N/A	
8.8.2	Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?	
	N/A	
8.8.3	Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?	
	N/A	
	<i>Note: where item 8.7 is less than 2 quarters, all of questions 8.8.1, 8.8.2 and 8.8.3 above must be answered.</i>	

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.

Date: 30 July 2021

Authorised by: The Board
(Name of body or officer authorising release – see note 4)

Notes

1. This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
2. If this quarterly cash flow 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 cash flow 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.
4. If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
5. If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's *Corporate Governance Principles and Recommendations*, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.