ASX ANNOUNCEMENT

Date: 31 July 2017 No. 530/310717

JUNE 2017 QUARTERLY REPORT SUMMARY

1. COMMONWEALTH GOLD-SILVER-BASE METAL PROJECT, N.S.W. (IPT 100%)

- Drill programme in progress. First gold assays return 14 metres at 4.5 g/t gold including 3 metres at 10 g/t gold.
- Numerous targets being tested and identified from IP data, soil geochemistry data and previous drill results.
- Two 5 kilometre long trends newly identified as prospective for high grade gold-silver deposits similar to Commonwealth-Silica Hill mineralisation.
- Strong similarities to the Eskay Creek deposit in Canada.
- Possible indications of underlying porphyry copper-gold system.

2. BROKEN HILL PGM-NI-CU PROJECT, N.S.W. (IPT 100%)

- VTEM survey identifies eight areas with nickel-copper-PGM potential along the Rockwell-Little Broken Hill Trend.
- One kilometre long near surface geochemical anomaly identified along western margin.
- Further areas for follow up work for nickel-copper-PGM identified in IP data from VTEM survey.
- At Little Darling Creek, target area coincident with rock chip samples up to 4.5 g/t platinum and 5 g/t palladium.
- Along the Rockwell-Little Broken Hill Trend, IP features in part coincident with EM anomalies.
- Cobalt-Copper-Gold potential recognised including previous drill results of **92 metres of 0.04% cobalt** with **10 metres at 0.1 g/t gold** at end of hole.

3. MULGA TANK NI-CU-PGE PROJECT, W.A. (IPT 100%)

- 20 targets for gold and 16 targets for nickel identified.

Market Cap
A$11.8 m (0.014 p/s)

Issued Capital
848,436,136

Directors

Peter Unsworth
Chairman

Dr Michael Jones
Managing Director

Paul Ingram
Non-Executive Director

Markus Elsasser
Non-Executive Director

Felicity Gooding
Non-Executive Director

Bernard Crawford
Company Secretary

www.impactminerals.com.au

a 26 Richardson Street
West Perth
Western Australia 6005
t +61 (8) 6454 6666
f +61 (8) 6454 6667
e info@impactminerals.com.au

1. COMMONWEALTH GOLD-SILVER-BASE METAL PROJECT (IPT 100%)

During the Quarter a follow up drill programme commenced to test and expand the high grade gold-silver mineralisation discovered by Impact Minerals at the Silica Hill Prospect, part of the 100% owned Commonwealth Project 100 km north of Orange, New South Wales (Figure 1). This drill programme is still in progress.

To date one set of gold assay results have been received from the programme and returned the best gold results thus far of:

14 metres at 4.5 g/t gold including 3 metres at 10.4 g/t gold from 153 metres down hole.

These results are discussed in the announcement dated 20 July 2017 and are not covered here.

In a series of announcements during the Quarter Impact identified a significant number of follow up drill targets in and around the general Commonwealth-Silica Hill area. In particular targets have been identified at:

Silica Hill: extensive and strong IP chargeability anomalies with coincident strong gold-silver-in-soil anomalies covering about one square kilometre (Figure 7 and see announcement 9 May 2017).

Main Shaft: a prominent conductor has been identified at depth below the massive sulphide (see announcement dated 25 May 2017).

Main Shaft North: a prominent conductor with coincident copper-lead-zinc-in-soil anomalies located 200 metres north of Main Shaft (Figure 7 and see announcement dated 25 May 2017).

Silica Hill East: several prominent conductors, very strong IP chargeability anomalies and extensive soil geochemistry anomalies of pathfinder metals as well as gold and silver (this announcement).

All of these targets have the potential to significantly expand the high grade gold-silver-zinc-lead-copper resources already defined which stand at an Inferred Resource of **720,000 tonnes at 2.8 g/t gold, 48 g/t silver, 1.5% zinc and 0.6% lead** (4.5 g/t gold equivalent for 110,000 gold equivalent ounces).

Within this resource is a massive sulphide lens about 50 metres by 50 metres by about 8 metres thick in size which has an Inferred Resource of **145,000 tonnes at 4.5 g/t gold, 142 g/t silver, 4.8% zinc, 1.7% lead and 0.2% copper** (10 g/t gold equivalent for 47,000 gold equivalent ounces; see announcement 19 February 2015).

The targets to be drilled have been generated and prioritised for drilling from a detailed interpretation of three lines of Induced Polarisation (IP) data and from soil geochemistry data as well as previous drill results (Figure 2).

In addition a review of all of Impact's work over the past few years has now demonstrated strong similarities between the mineralised system at Commonwealth-Silica Hill and surrounding area to the very high grade Eskay Creek Mine in British Columbia, Canada (4 million ounces of gold, 180 million ounces of silver; Figure 5). Drilling of the new targets will test this geological model.

1.1 Silica Hill

At Silica Hill the new targets to be drilled occur within a large area of up to one square kilometre which contains numerous undrilled IP and gold- and silver-in soil anomalies north of the small area drilled to date (Lines 10,000 mN, 10,100 mN and 10,200 mN, Figures 1 and 2).

All three traverses comprise coincident strong IP chargeablity and gold- and silver-in-soil anomalies. Previous work by Impact has shown a strong correlation between IP chargeability anomalies and gold-silver sulphide mineralisation in drill holes.

On Line 10,000 mN the target area lies east of the current drilling and is 500 metres wide with peak soil geochemistry values of 50 ppb gold and 12 grams per tonne silver. These are of the same order as the soil geochemical anomalies over Silica Hill and Commonwealth on this traverse (Figure 2).

On Line 10,100 mN the target area is 750 metres wide with peak soil geochemistry values of 235 ppb gold and 18.8 grams per tonne silver.

On Line 10,200 mN the target area is 700 metres wide with peak soil geochemistry values of 104 ppb gold and 7.1 grams per tonne silver.

The size and strength of the IP anomalies and their coincidence with strong gold- and very strong silver-in soil anomalies is very encouraging for the discovery of further high grade gold and silver mineralisation.

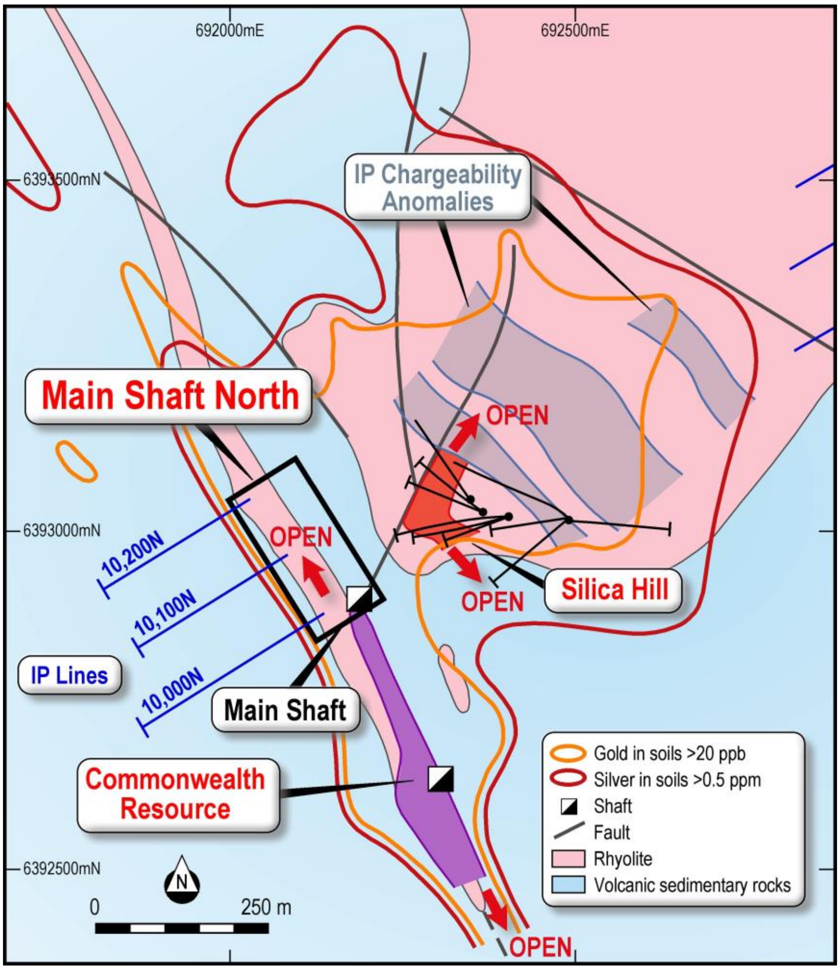
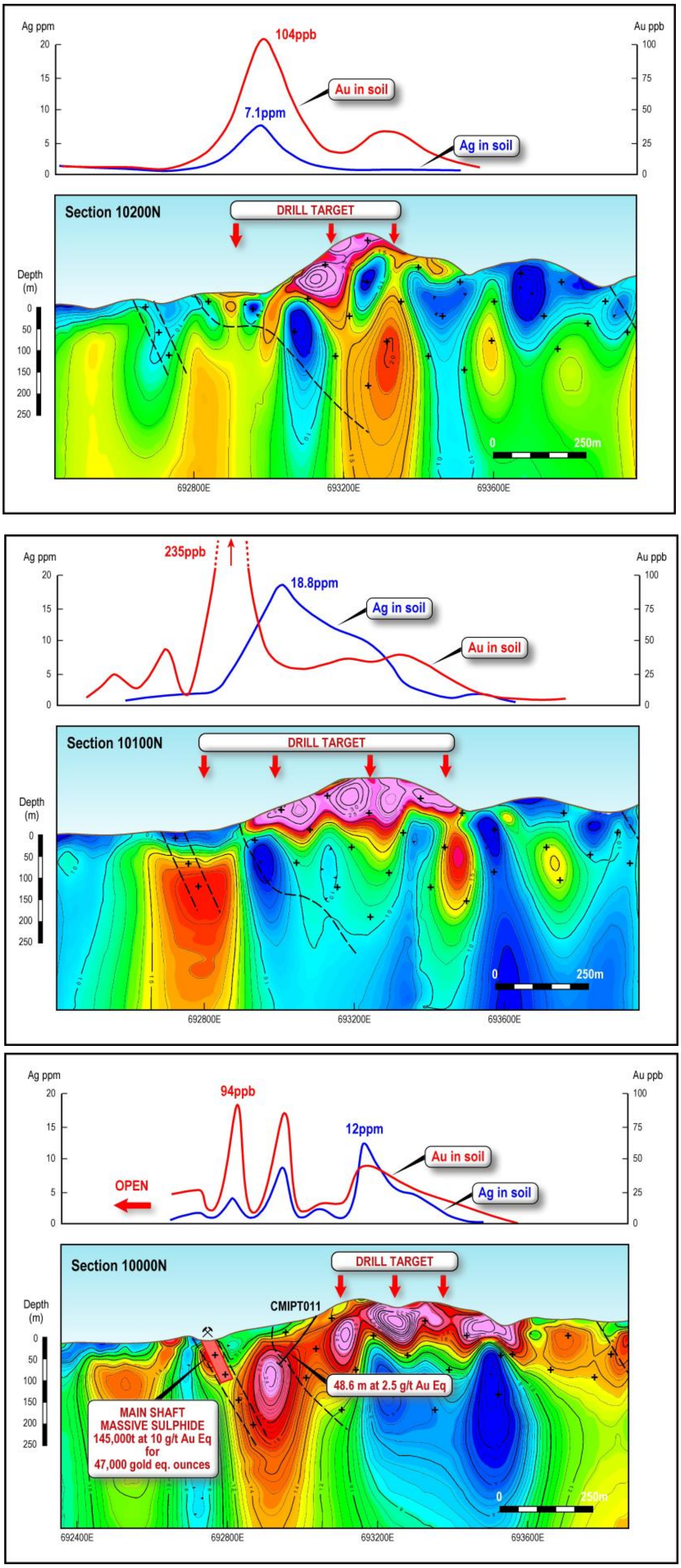


Figure 1. Geology and exploration results for the Silica Hill-Commonwealth-Main Shaft area. The Silica Hill mineralisation, shown in red, lies 150 metres north east of the Commonwealth Resource and occurs at the southern end of a large area with coincident gold- and silver-in soil and IP chargeability anomalies that has not been drilled.

Figure 2. IP chargeability and gold and silver-in-soil values. Host rhyolite shown by + symbol.



Line 10,200mN
Drill target 700 m wide
Peak gold result 104 ppb
Peak silver result 7.1 g/t (ppm)

Line 10,100mN
Drill target 750 m wide
Peak gold result 235 ppb
Peak silver result 18.8 g/t

Line 10,000mN
Drill target 500 m wide
Peak gold result 50 ppb (undrilled)
Peak silver result 12 g/t (ppm)

1.2 Priority Drill Targets for Massive Sulphides at Main Shaft North

Specific drill targets have also been identified with the potential to significantly extend the high grade gold-silver-zinc-lead-copper massive sulphide mineralisation that forms part of the Commonwealth deposit (Figure 1).

The targets occur at depth below and along trend from Main Shaft which lies at the northern end of the Commonwealth deposit. Accordingly this new area is called the **Main Shaft North** Prospect (Figure 1). The new targets have been generated and prioritised for drilling from a detailed interpretation of three lines of Induced Polarisation (IP) **conductivity** data and from soil geochemistry data (Figures 3, 4 and 5).

IP conductivity anomalies may represent massive sulphide bodies, such as that found at Main Shaft at the northern end of the Commonwealth deposit. Here, a relatively small massive sulphide lens about 50 metres by 50 metres by about 8 metres thick in size has an Inferred Resource of 145,000 tonnes at 4.5 g/t gold, 4.8% zinc, 1.7% lead and 0.2% copper (10 g/t gold equivalent for 47,000 gold equivalent ounces; This massive sulphide resource is contained within the larger Commonwealth deposit see announcement 19 February 2015).

Of note is that this small massive sulphide body has been clearly identified in the IP conductivity data (Figure 3).

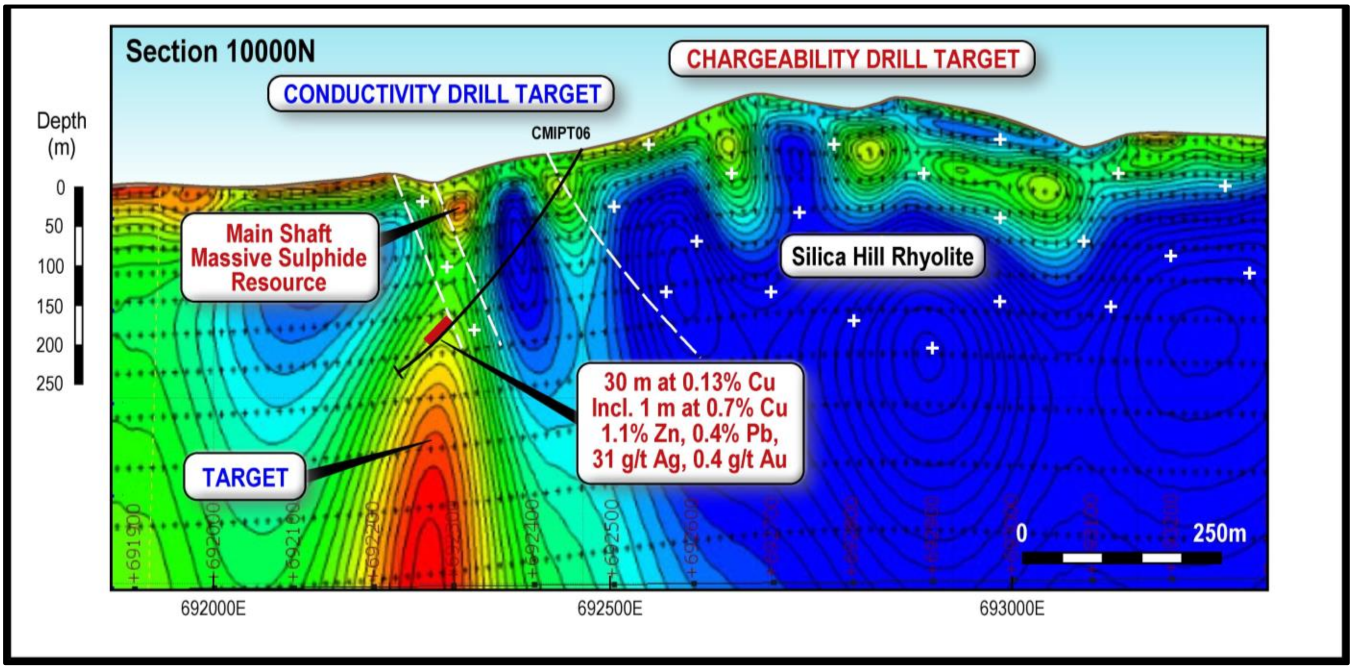


Figure 3. IP Conductivity data along Section 10,000 mN showing the massive sulphide body at Main Shaft and copper-rich drill hole CMIPT06.

At **Main Shaft North** the new targets to be drilled occur on three specific traverses along trend from Main Shaft and within the large area of up to one square kilometre which contains numerous undrilled IP and gold- and silver-in soil anomalies north of the small area drilled to date (Lines 10,000 mN, 10,100 mN and 10,200 mN, Figures 2, 3 and 4).

All three traverses comprise coincident good IP conductivity anomalies and coincident lead-zinc-copper-in-soil anomalies.

On **Line 10,000 mN** the IP conductivity data has clearly identified the small massive sulphide body at Main Shaft above the main rhyolite unit (Figure 3). A larger and stronger anomaly has been identified at about 200 metres below surface and just below the deepest hole drilled at Main Shaft (CMIPT06, Figure 3).

This hole has returned the thickest and highest grade copper mineralisation yet discovered within the Commonwealth deposit of:

30 metres at 0.13% copper from 209 metres, including 1 metre at 0.7% copper, 1.1% zinc, 0.4% lead, 31 g/t (one ounce) silver and 0.4 g/t gold and 1 metre at 1% copper, 2% zinc and 14 g/t silver.

This is a significant intercept and the conductor below it is an obvious target. The conductor appears to lie below the rhyolite and it may represent a copper-rich "feeder zone" to the upper massive sulphide deposit.

On **Line 10,100 mN** a significant coincident lead+zinc+copper-in-soil anomaly of about 1,000 ppm combined, occurs over the northern extension of the rhyolite unit associated with the massive sulphide mineralisation. There is a strong conductivity contrast below this anomaly.

On **Line 10,200 mN** an IP conductivity anomaly occurs at about 200 metres below surface in a similar position along trend from that on 10,000mN. This is directly overlain by another significant lead+zinc+copper-in-soil anomaly of up to 820 ppm combined (Figure 4).

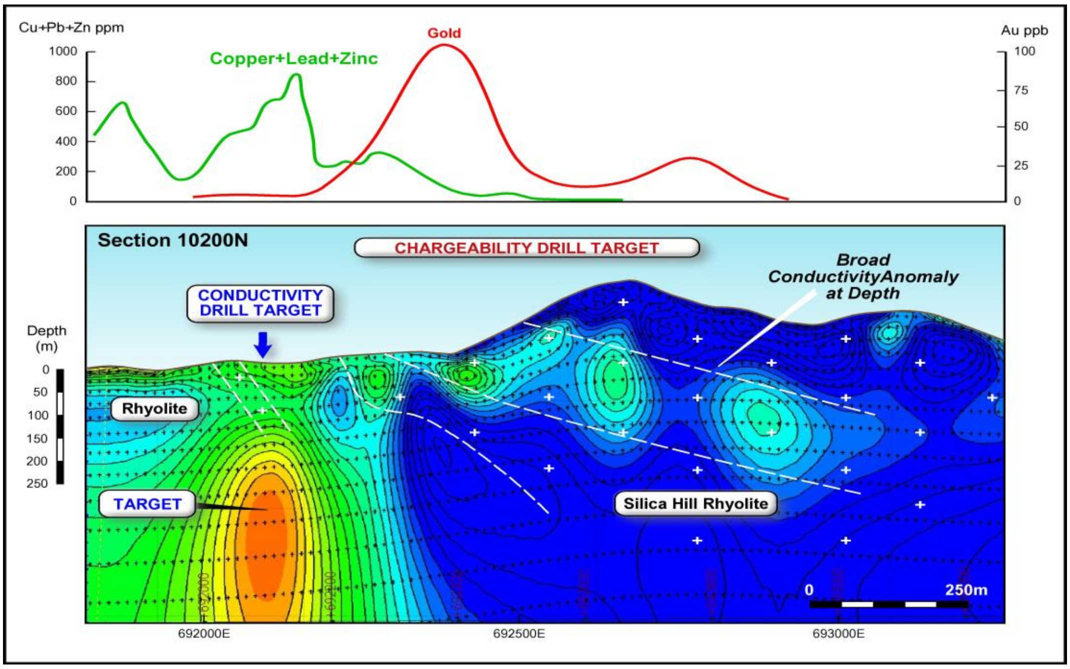


Figure 4. IP Conductivity data along Section 10,200 mN showing coincident IP conductivity and lead-zinc-copper-in-soil anomalies. The gold-in-soil anomaly is coincident with strong IP chargeability anomalies (see announcement 9 May 2017).

The nature and location of the IP conductivity anomalies and their coincidence with strong lead-zinc-copper-in-soil anomalies is very encouraging for the discovery of further high-grade massive sulphide mineralisation.

1.3 Silica Hill East Prospect

Until now, Impact's exploration has been mostly focussed at the Main Shaft-Commonwealth South-Silica Hill Prospects up to one kilometre away on the lower, western contact of the Silica Hill Rhyolite and the underlying thinner Commonwealth Rhyolite (Figures 1 and 5).

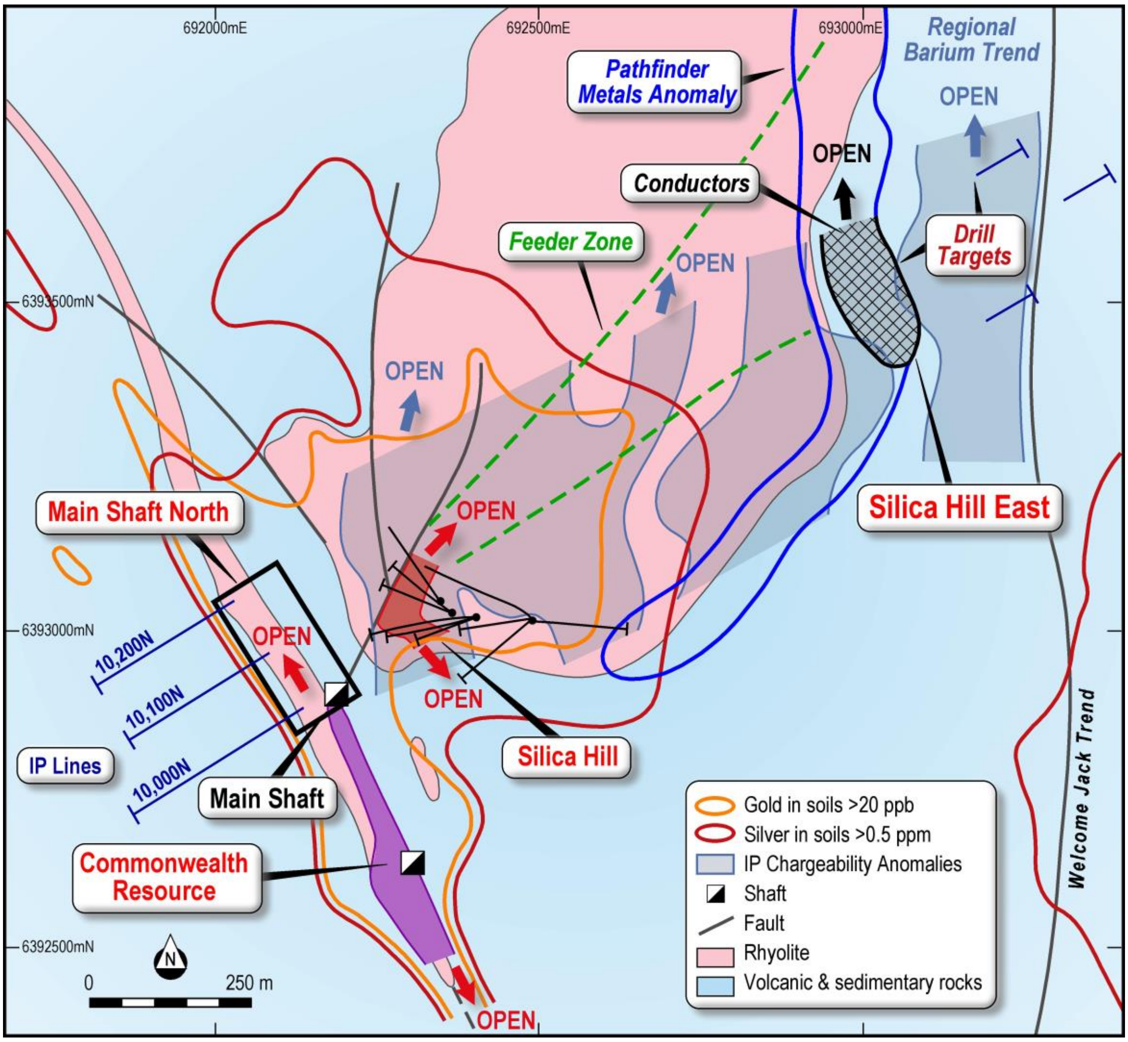


Figure 5. Geology and exploration results for the Silica Hill-Commonwealth area highlighting the new **Silica Hill East** Prospect on the right hand side of the diagram.

However, certain features within these rhyolites and the associated mineralisation suggest that the area explored to date could be part of a much larger and very prospective high grade "feeder zone" that extends for one kilometre north east through the Silica Hill Rhyolite up to its eastern upper contact with overlying volcanic rocks (Figure 5).

In addition, the position where the interpreted feeder zone intersects the upper contact is an excellent conceptual target for further gold-rich VMS mineralisation (Figure 5) and the following geophysical and soil geochemical anomalies support this interpretation and have provided specific drill targets close to or at this location:

1. A barium and other pathfinder metal-in-soil anomaly that extends for at least 800 metres north-south along the contact and which forms the southern end of a recently recognised 5 kilometre long unexplored trend identified in regional geochemical data (Figure 7 and see announcement 31 May 2017).
2. A very strong IP **chargeability** anomaly extending for some distance into the rocks overlying the Silica Hill Rhyolite (Figure 6). This anomaly is the strongest and largest IP chargeability anomaly identified so far in the Commonwealth Project. Such anomalies may be caused by disseminated sulphides.
3. A moderate IP **conductivity** anomaly of similar magnitude and strength to that related to the massive sulphide mineralization at Main Shaft (Figures 5 and 6)

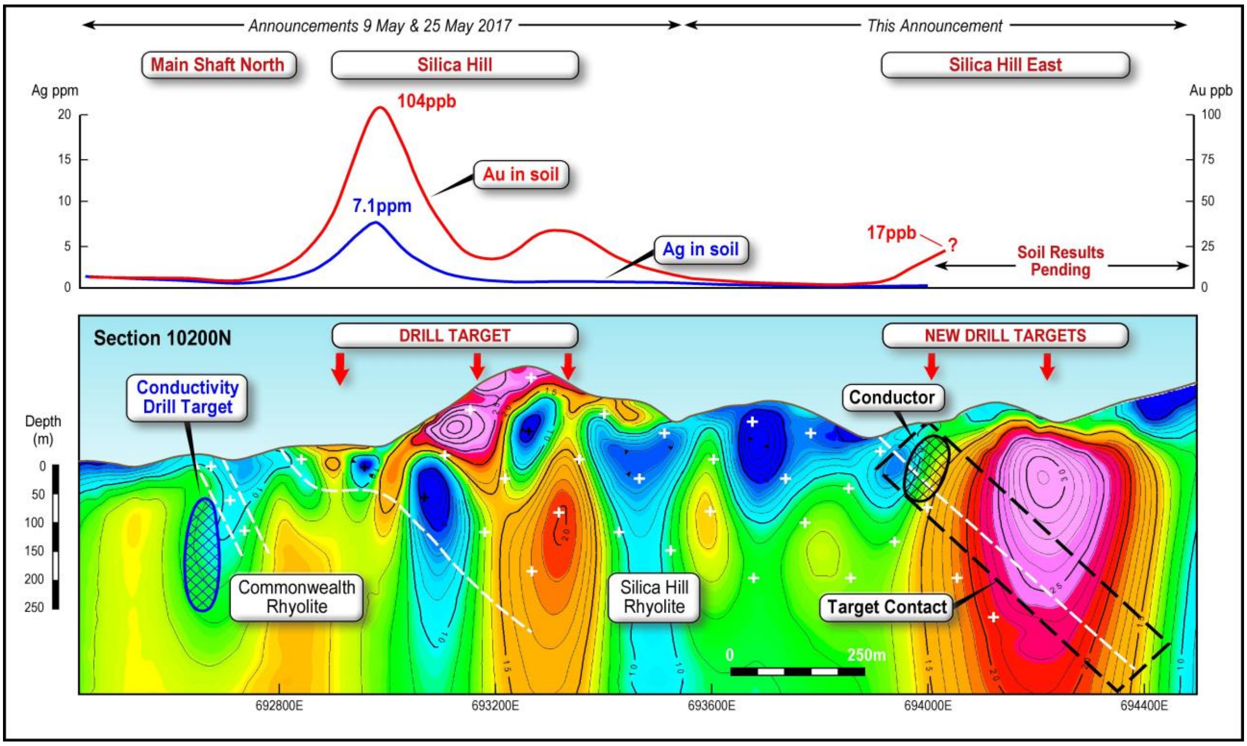


Figure 6. Section Line 10,200 mN (Figure 7) showing IP chargeability data from Main Shaft North to Silica Hill East. Note the size and strength of the Silica Hill East anomaly and increasing gold-in-soil response over the target contact and associated conductor.

1.4 Two 5 kilometre long trends newly identified as Prospective for High Grade Gold-Silver Deposits

Two new 5 kilometre long trends that are very prospective for further discoveries of high grade gold-silver-base metal mineralisation similar to that discovered at Commonwealth-Silica Hill were identified during the Quarter (Figures 7, 8 and 9).

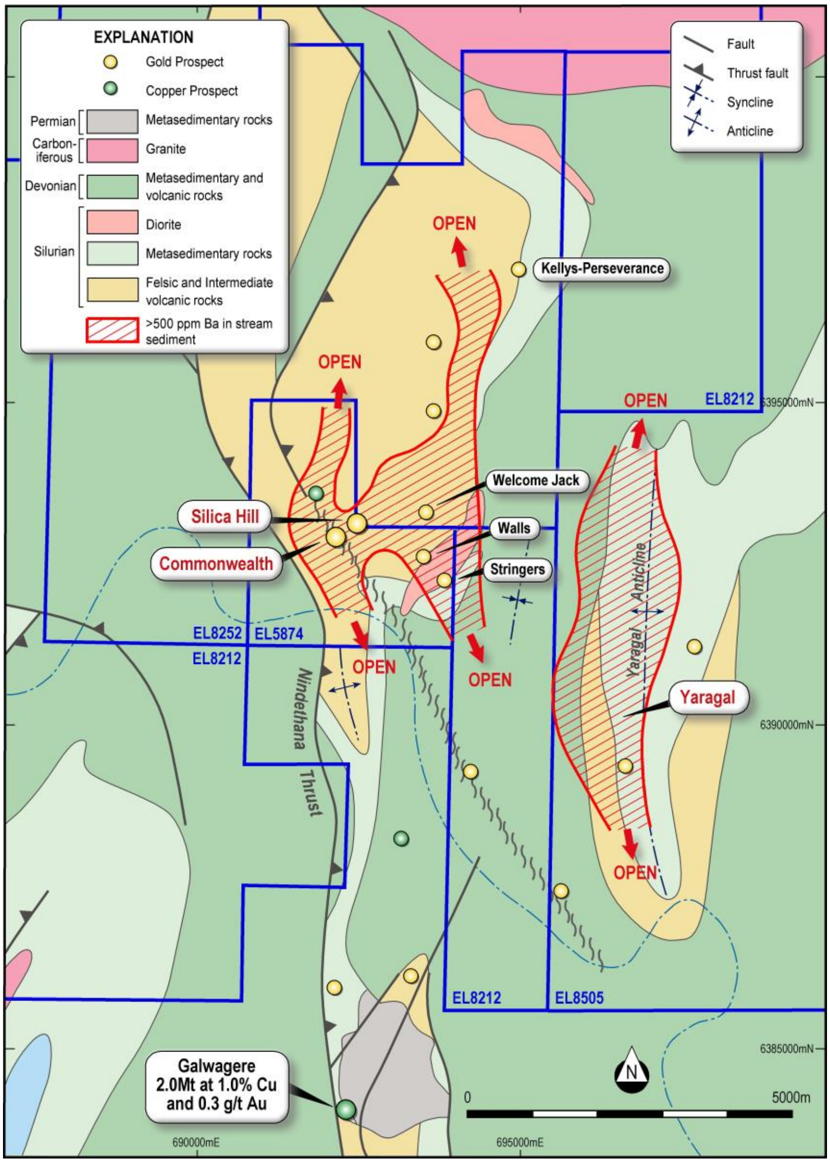


Figure 7. Barium Trends at Commonwealth.
The two newly identified trends are:
A. 5 km north of the Commonwealth-Welcome Jack area; and
B. the Yaragal area along the western limb of the Yaragal anticline. This area contains the same rocks as at Commonwealth-Silica Hill repeated by large regional folds.

The prospective trends have been recognised as significant following the identification in new drill assay data of extensive barium as an important pathfinder and indicator element directly associated with the Commonwealth-Silica Hill mineralisation. This has lead to a new interpretation of the barium results from both Impact's soil geochemistry database and also the Geological Survey of New South Wales regional stream sediment geochemistry database.

Barium is significant because it is an important accessory element and can be used as a vector to, and direct indicator of, ore in gold-rich VMS (volcanogenic massive sulphide) deposits such as Eskay Creek in Canada (4 million ounces of gold and 150 million ounces of silver) which Impact's work has now shown to have many similarities with the mineralisation at Commonwealth-Silica Hill.

1.4.1 Barium in Drill Assays from Massive Sulphide at the Commonwealth Deposit

In Impact's 2016 drill programme a very high grade 7 metre thick intercept of massive sulphide was returned in Hole CMIPT31. Recent petrographic work identified barite as a significant component of the mineralisation and accordingly the samples were re-submitted for assay. Barium mostly occurs as barite (barium sulphate) which is very resistive and which requires an (expensive) XRF fusion assay to accurately determine the quantity present.

Assays of up to 1 metre at 17.7% barium were returned within a thicker intercept of 7 metres at 9.0% barium. Accordingly the entire massive sulphide intercept is:

7 metres at 6.3 g/t gold, 496 g/t silver (15.9 ounces), 7.2% zinc, 2.9% lead, 0.2% copper (17.7 g/t gold equivalent) and 9.0% barium from 91 metres

including **3 metres at 10.6 g/t gold, 571 g/t silver (18.4 ounces), 7.8% zinc, 2.1% lead, 0.2% copper (23.0 g/t gold equivalent) and 14.9% barium from 92 metres** and also

including **1 metre at 2.5 g/t gold, 979 g/t silver (31.5 ounces), 8.3% zinc, 4.4% lead, 0.1% copper (21.4 g/t gold equivalent) and 7.9% barium from 95 metres.**

There is a strong correlation between high grade gold and high grade barium.

Sporadic assays from drill holes completed by previous explorers also indicate high-grade barium in places and it is clearly present throughout the massive sulphide mineralisation. It is also a minor component in the surrounding disseminated mineralisation and also within the high-grade gold-silver mineralisation at Silica Hill.

The recognition of extensive barite intimately associated with ore is a further compelling similarity between Commonwealth-Silica Hill and Eskay Creek as well as the nature of the host rock, the style of mineralisation, the contained commodity and pathfinder metals and the high grades of individual units and veins of commodity metals.

1.4.2 Soil Geochemistry Data

A review of Impact's soil geochemistry data has identified significant barium anomalies over Commonwealth-Silica Hill, the southern part of the Doughnut Prospect, west of the Welcome Jack Trend and the Stringers Prospect (Figure 8).

At the Walls and Stringers Prospects previous rock chip results also show a close association between barium and gold-silver-base metal mineralisation (see table below). Impact has completed one drill hole at Walls which returned 20 m at 0.5 g/t gold and 27 g/t silver including 1 metre at 2.9 g/t gold, 144 g/t silver and 1.1% zinc equivalent from 55 metres with follow up drilling required (see announcement 30 June 2016). Barium was not assayed by XRF fusion and therefore correlation to the mineralised intercept is not possible at present.

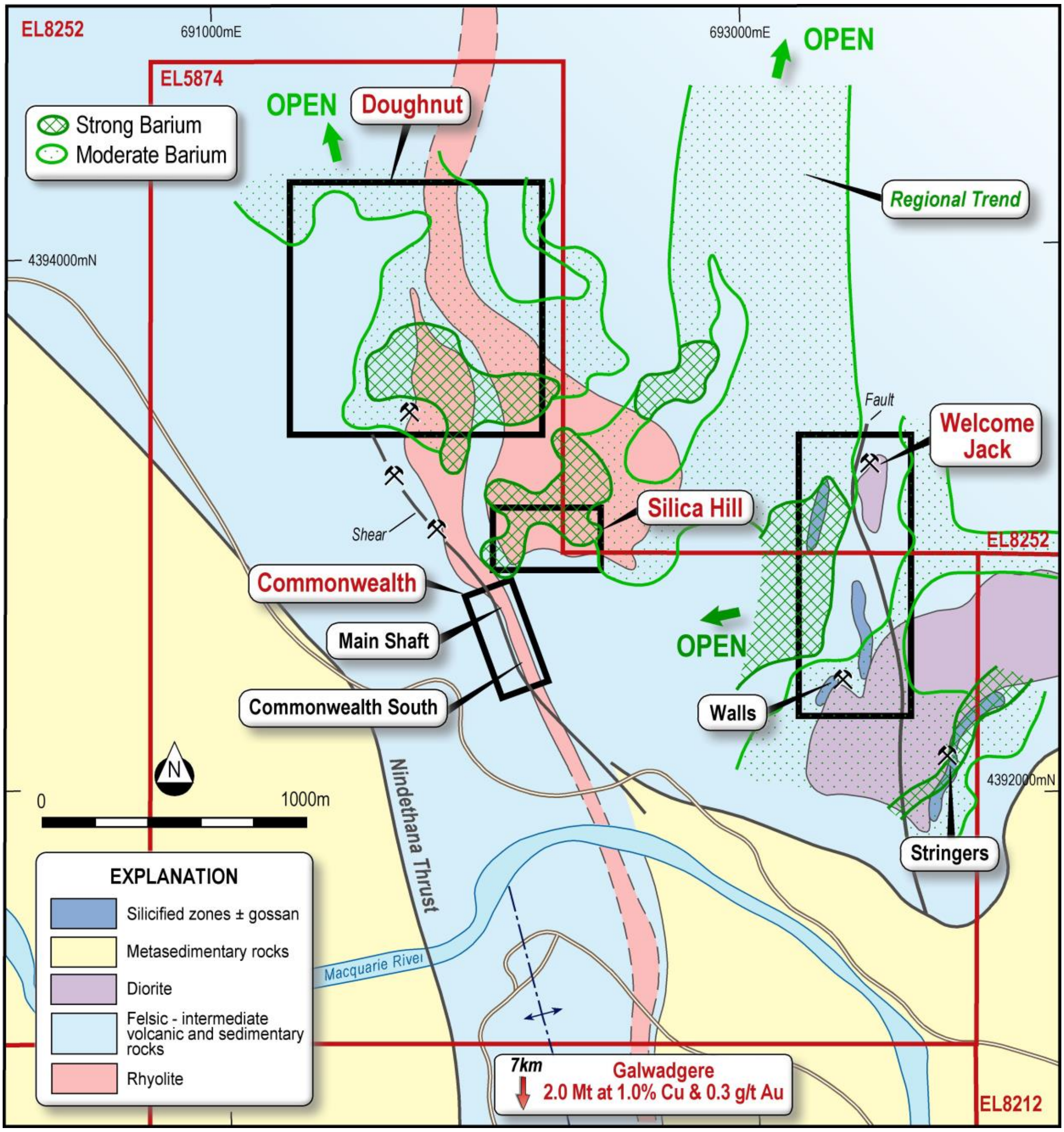


Figure 8. Barium-in-soil anomalies in the central Commonwealth area.

Sample#	Prospect	Au g/t	Ag g/t	Cu ppm	Pb ppm	Zn ppm	Ba %
Y120	Stringers	0.6	38	1550	6400	500	7.65
Y125	Stringers	2.3	1100	26500	13300	6400	0.16
Y126	Stringers	0.65	23	1050	8800	57000	0.4
Y130	Stringers	0.35	6	5500	1750	2500	0.04
Y131	Stringers	0.3	1	290	6800	770	4.05
Y145	Stringers	1.3	16	3400	19500	2400	1.95
Y121	Walls	2.1	40	290	8550	2200	0.54
Y124	Walls	15	600	360	1130	30	0.05

Accordingly these areas warrant further exploration for massive sulphide deposits. Follow up drilling at Welcome Jack and Walls is planned as part of the next drill programme at Commonwealth together with field checking at Stringers.

In addition to the areas of strong barium anomalism, lower grade barium occurs over several square kilometres centred on the Silica Hill area (Figure 8) and is commonly associated with silica-pyrite alteration. This association further confirms to Impact that the entire area is part of one very large hydrothermal system.

1.4.3 Regional Stream Sediment Geochemistry

Stream sediment geochemistry data for barium (NSW Government) clearly identifies the central part of the Commonwealth Project as being highly anomalous in barium on a regional scale (Figure 9).

The two 5 km trends clearly visible in the data are the northern extension of the Welcome Jack and to a lesser extent the Commonwealth-Silica Hill area and a newly identified area 3 km to the east called the Yaragal Prospect (Figures 7, 8 and 9).

The trend north of Welcome Jack is associated with several old gold workings and ends at the dormant Kellys-Perseverance workings which have a recorded production 818 ounces of gold from 714 tonnes of ore. Face sampling of the mine in the 1970's at a depth of 8 metres below surface returned up to 3 m at 22 g/t gold. This has not been properly followed up.

The second trend covers the western limb of the Yaragal Anticline. It is evident that this area is a fold-repetition of the same rocks as those around the Commonwealth-Silica Hill area. The presence of barium over such a large strike extent is again evidence of a major regional hydrothermal system.

Both trends are priority areas for follow up work.

A third significant area of anomalous barium is also evident in the regional stream sediment data (Figure 9). This is directly associated with the very large North Parkes porphyry copper-gold camp where barite also occurs as an accessory mineral. North Parkes is currently in production with resources of 480 Mt at 0.56% copper and 0.18 g/t gold. The host intrusions at North Parkes are of a similar age to the volcanic rocks at Commonwealth.

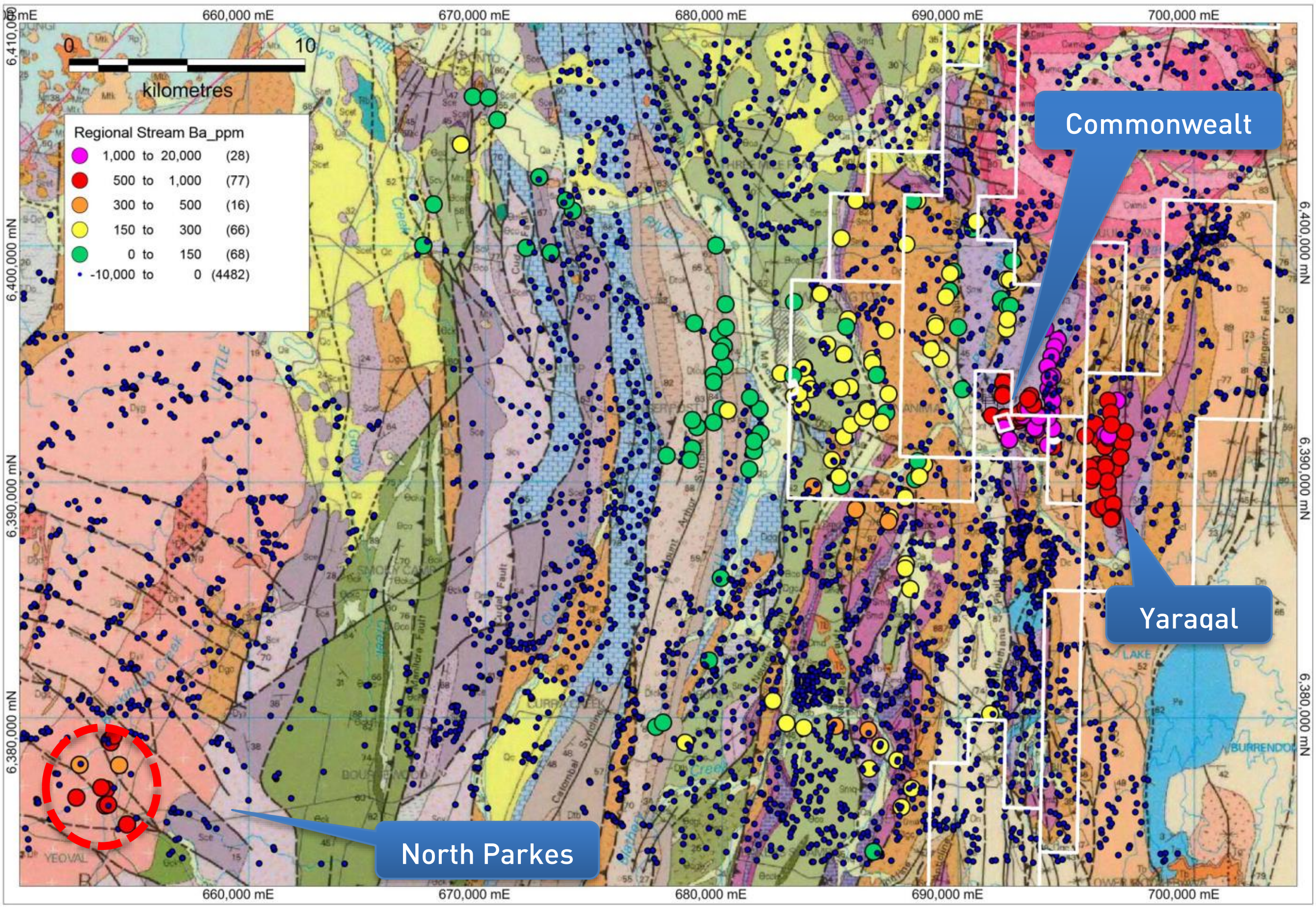


Figure 9. NSW stream sediment geochemistry assays for barium shown as point data over the regional geology map. Impact's licences are shown in white. Three areas stand out: Commonwealth, Yaragal and an area centred on the North Parkes-endeavour porphyry copper deposits.

Impact's view is that this confirms the potential, as suggested previously, that a porphyry copper-gold system may be present at depth below, and is driving the entire mineralised gold-rich VMS system, in the Commonwealth-Silica Hill-Welcome Jack area.

1.5 The Nature of the Mineralisation at Commonwealth –Silica Hill

Impact has amassed a considerable amount of geological data on the nature of the mineralised system at Commonwealth-Silica Hill and surrounding areas over the past two years.

All of this work, summarised below, has shown that the mineralisation belongs to a class of deposits known as **"gold-rich VMS systems"**, a style that has only been widely recognised in the past 20 years.

The type-deposit of the gold-rich VMS systems is the well known Eskay Creek deposit in British Columbia, Canada which was mined mostly during the early 2000's. The deposit contained over 4 million ounces of gold and 180 million ounces of silver and contained numerous very gold and silver rich ore shoots as shown in Figure 10 over a vertical extent of at least 700 metres.

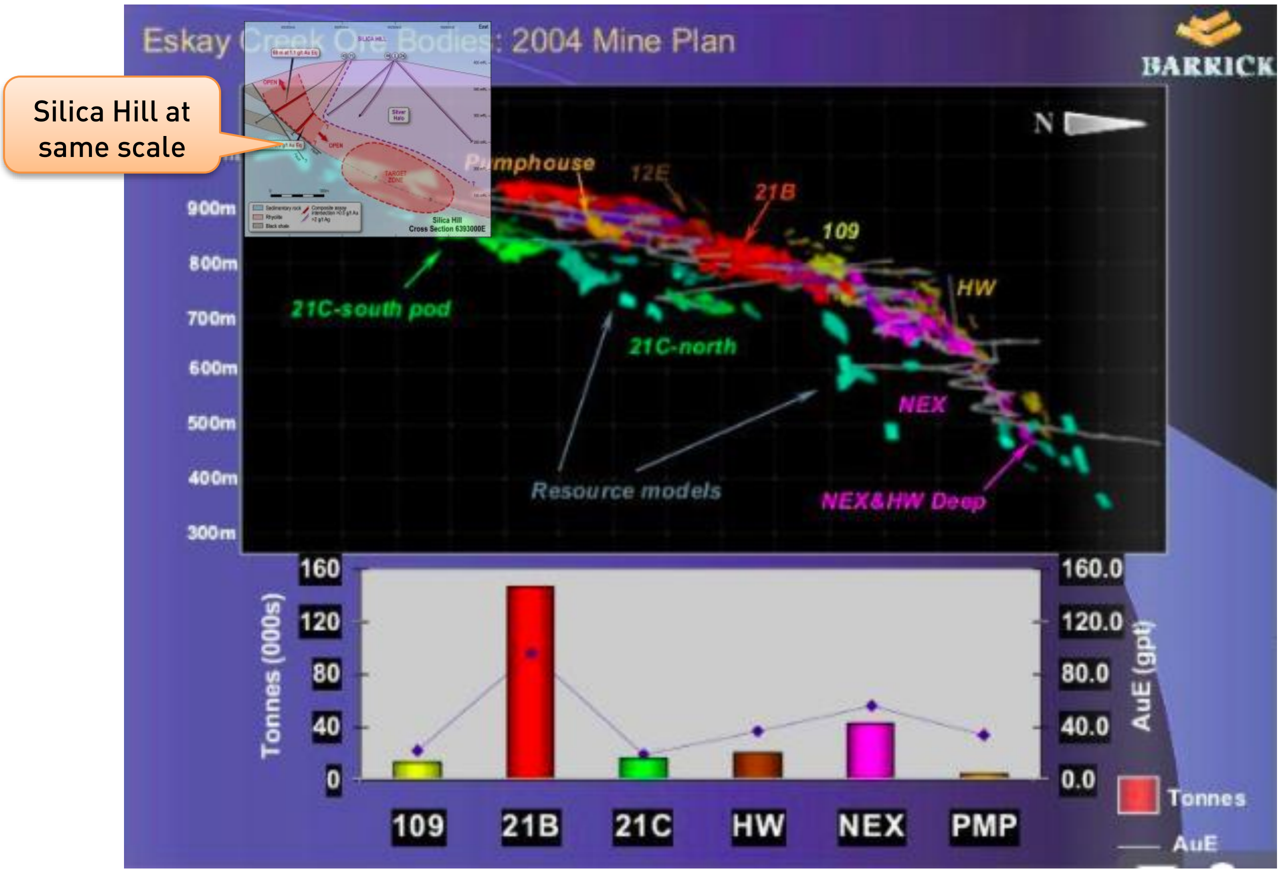


Figure 10. Long section of the Eskay Creek gold mine showing the principal ore shoots (eg 21B, NEX etc) coloured by gold equivalent grade. The graph shows the tonnes and gold equivalent grade of each of the shoots. Also shown for comparison at the same scale in the top left hand corner is the cross section of Silica Hill (image is slightly transparent in order to show the upper most Eskay Creek ore shoots).

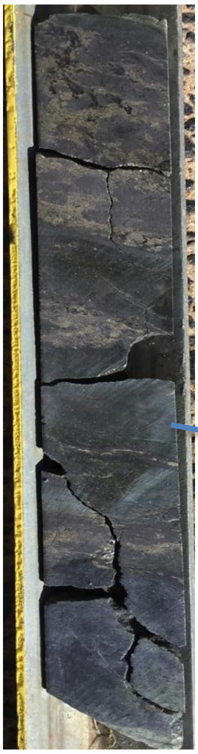
All of Impact's work shows that there are compelling similarities specifically to Eskay Creek in terms of the nature of the host rock, the style of mineralisation, the contained commodity and pathfinder metals and the high grades of individual units and veins of commodity metals.

Figure 10 also shows the depth of drilling to date at Silica Hill at the same scale as the Eskay Creek deposit for comparison. It is evident that there is scope for a significant discovery with further drilling.

Evidence for a Feeder Zone at Silica Hill

The features that suggest the possible presence of a feeder zone at Silica Hill include the following, all of which are seen associated with feeder zones at Eskay Creek:

1. a strong gold-silver-barium-in soil anomaly that extends for one kilometre north east from the high grade gold-silver mineralisation discovered at Silica Hill towards the upper contact. This anomaly has not been drilled.
2. a very well developed alteration mineral assemblage that shows very clear timing relationships of early silica-pyrite-K feldspar progressively overprinted by sericite and then chlorite. At Eskay Creek chlorite specifically occurs in feeder zones and veins within rhyolite (Figure11).
3. The highest-grade gold and silver veins discovered by Impact at Silica Hill have extensive chlorite within them and in the surrounding host rock e.g. **0.9 metres at 23 g/t gold and 1,100 g/t silver and 1 metre at 12.2 g/t gold and 680 g/t silver in CMIPT 046;** (Figure 11 and announcement 22 February 2017).



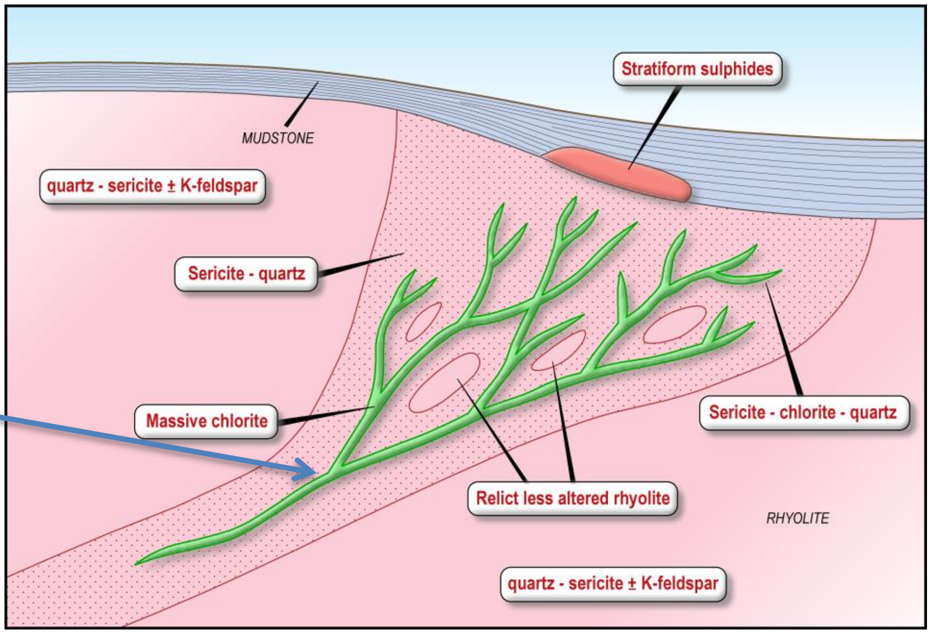


Figure 11. Conceptual model of feeder zone and related massive sulphide from published scientific papers on Eskay Creek. Also shown is drill core and the interpreted position of a "feeder vein" at Silica Hill with strong chlorite (dark green) alteration in the high grade sulphide intercept in CMIPT011 of **0.9 metres at 2.4 g/t gold and 3,146 g/t silver**).

All of this evidence, which is based on detailed research and development completed by Impact over the past few years, supports the feeder zone model and these concepts will be further tested in the upcoming drill programme.

The work done by Impact in reaching this conclusion has included the following:

- detailed field mapping and logging of diamond core to identify the principal rock types and the nature of the original submarine volcanic environment;
- petrographic studies of the mineralisation and host rock units to determine their relative timing relationships;
- detailed structural analysis of outcrops and diamond core to help identify the structural controls on mineralisation;
- geochemical studies that have helped define a halo of specific alteration minerals around the mineralisation and which are providing vectors to ore. These minerals include chlorite, sericite, K-feldspar and barite amongst others. The studies have included interpretation of handheld pXRF data taken on every metre sample of RC drilling and every 0.5 metres on diamond core; chemical analyses for multi-element data (up to 61 elements) for every mineralised sample and every 10 metres away from mineralisation and multispectral analysis to identify specific minerals on four key drill holes; and
- independent reviews from several well respected consultants.

2. BROKEN HILL PGM-Ni-Cu PROJECT (Impact 100%)

2.1 VTEM Survey

During the Quarter results were received from a helicopter-borne VTEM survey completed over the Rockwell to Little Broken Hill Trend and the Little Darling Creek Prospect within Impact's 100% owned Broken Hill Project in New South Wales (Figure 12).

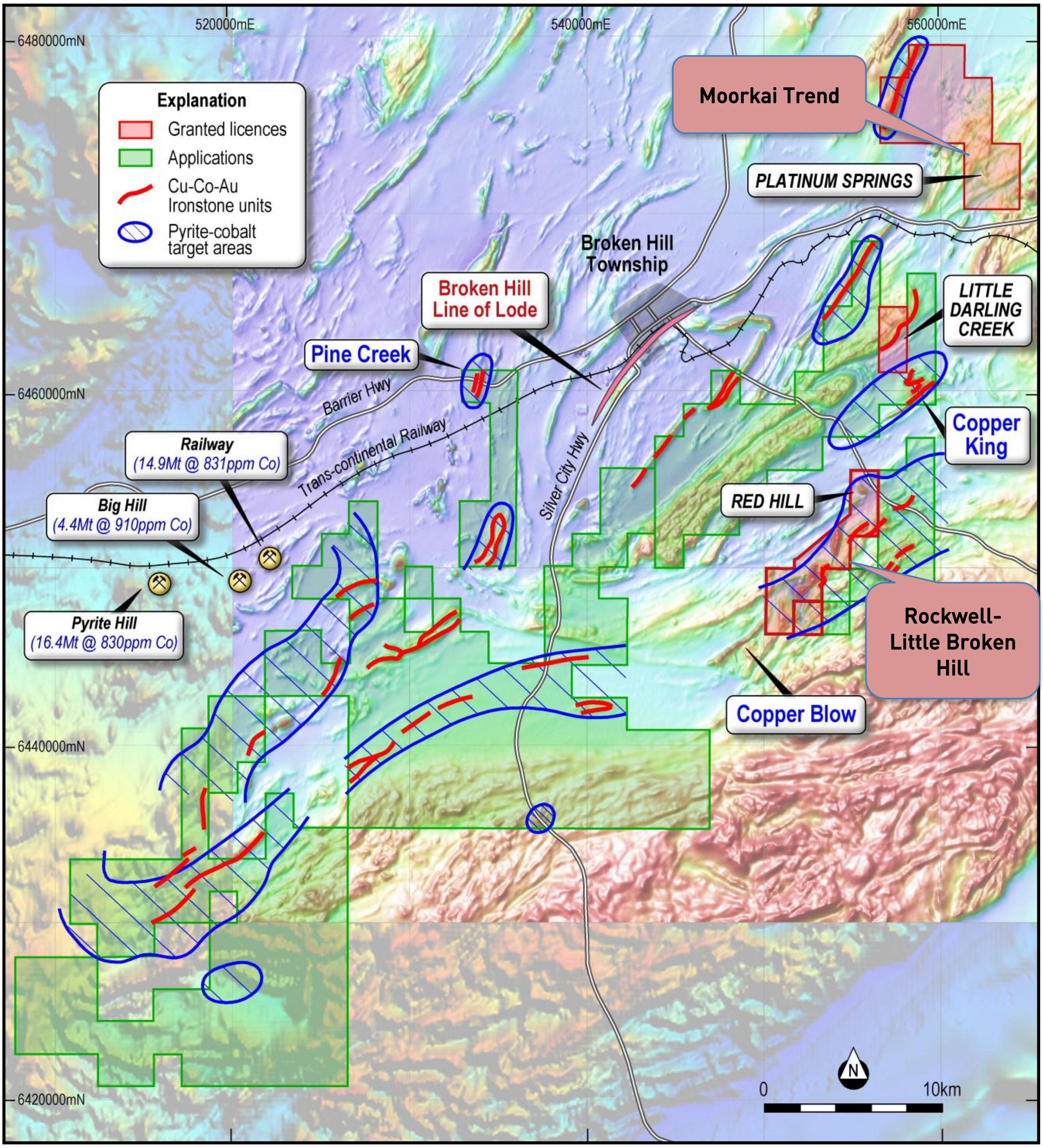


Figure 12. Image of magnetic data showing Impact's tenements at Broken Hill and key prospects.

Anomalies that warrant further exploration were identified in both the EM data and also in Induced Polarisation data. The Induced Polarisation parameter is a calculated value based on the decay of the inductive current used in the VTEM survey. IP anomalies are commonly caused by disseminated sulphides although other sources are possible.

Rockwell-Little Broken Hill Trend

Eight areas for follow up exploration for high grade deposits of nickel-copper-platinum group metals (PGM)-cobalt were identified at in the EM data along the Rockwell-Little Broken Hill Trend. These areas are within or at the margins of an mafic-ultramafic complex interpreted from regional magnetic and gravity data to be about 8 kilometres long and up to 750 metres wide (Figure 13).

The eight areas contain numerous clusters of conductors of varying strength that are consistent with the expected response for the style of very high grade nickel-copper-PGM sulphide mineralisation being explored for and as have been discovered by Impact at the Red Hill and Platinum Springs Prospects to the north (Figures 12 and 13).

At Red Hill exceptional grades have been returned from drilling including a stand out intercept of **1.2 metres at 283 g/t (9.1 ounces)** platinum equivalent comprising 10.4 g/t gold, 254 g/t (9.5 ounces) palladium, 7.4 % nickel, 1.8% copper, 19 g/t silver and 0.5% cobalt in vein hosted sulphide (see announcements dated 3rd February 2016 and 23rd October 2015).

The processed IP data has highlighted two main areas of interest in the centre and northern parts of the Rockwell-Little Broken Hill Trend, a mafic-ultramafic complex interpreted from regional magnetic and gravity data to be about 8 kilometres long and up to 750 metres wide (Figure 13).

Linear anomalies in the IP data occur along the margins of the ultramafic-mafic complex and also at high angles to it. Four specific IP anomalies are coincident with areas identified in the EM data and this is encouraging for the definition of targets for both massive sulphide and disseminated sulphide (Figure 13).

The Rockwell-Little Broken Hill complex lies south of a major shear zone that separates it from the Red Hill Prospect in an area that has been very poorly explored because of extensive shallow alluvial cover. Limited shallow RAB drilling to depths of less than 20 metres has identified near surface anomalous nickel-copper-platinum-palladium-gold in several places.

At Rockwell a coherent near-surface geochemical anomaly one kilometre long and 150 metres wide has been defined in shallow 2 metre deep drill holes along the north western margin of the complex with results of up to 0.1% nickel, 0.1% copper and 0.5 g/t PGM over a one metre thick intercept (Figure 13).

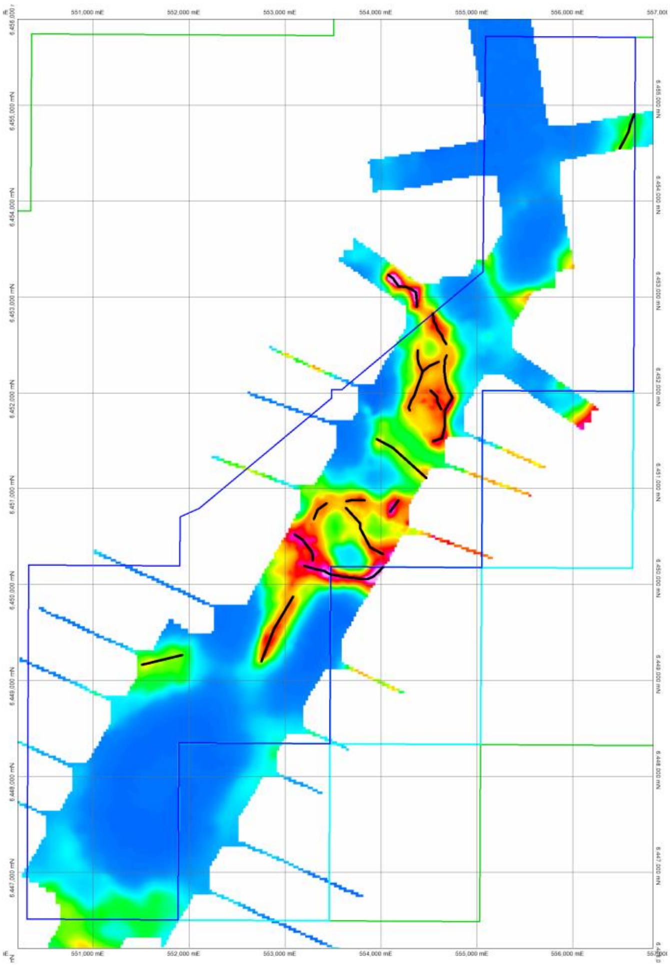
In the Little Broken Hill area two widely spaced shallow RAB holes returned a maximum intercept of 7 metres at 0.3% nickel, 0.1% copper, 0.02% cobalt and 0.04 g/t Pt+Pd+Au from 12 metres depth.

There has been no drilling at depth along the entire trend.

The geometry and nature of the mafic-ultramafic host rocks along the Rockwell-Little Broken Hill trend is similar to that of the Sally Malay-Savannah deposit in northern Western Australia (approx. 20 Mt at 1.7% nickel, 0.7% copper and 0.1% cobalt) and Figure 13 also shows the geology of this area for comparison. The size of the surface expression of Sally Malay is also shown for comparison at the same scale.

It is evident that considerable scope exists to discover a significant nickel-copper-PGM-cobalt deposit in this area.

.



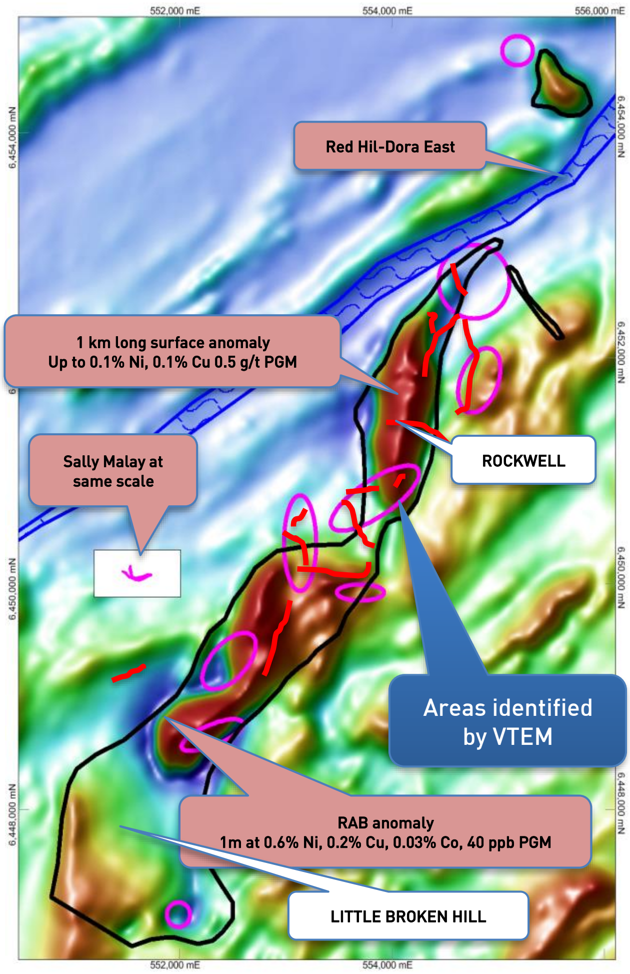
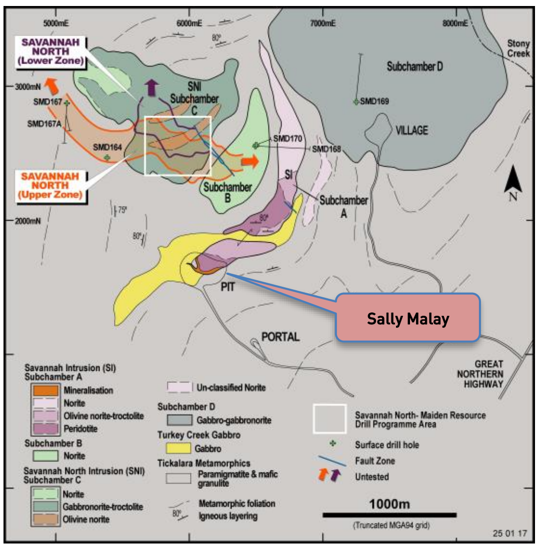
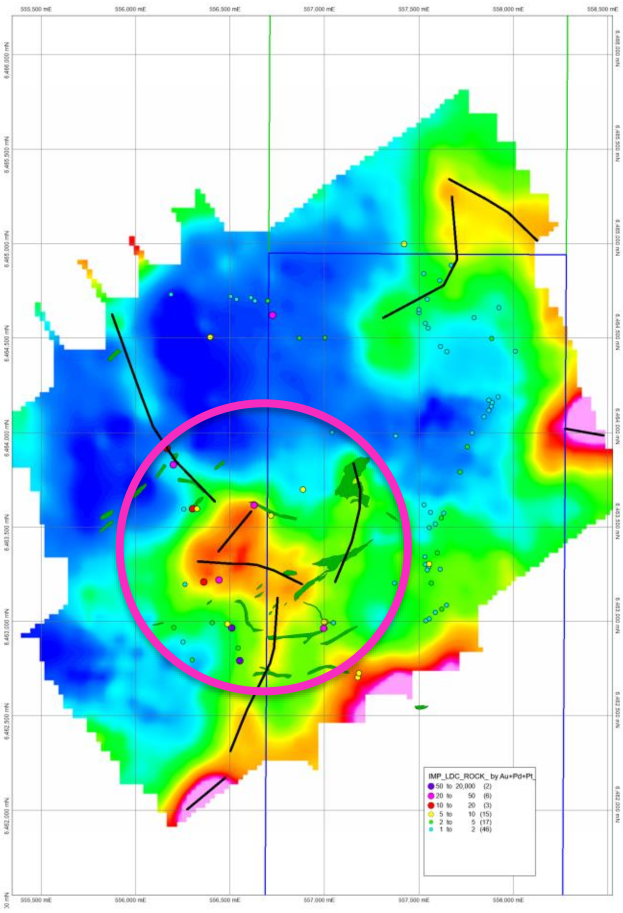


Figure 13. Processed IP data (top left) showing interpreted IP trends. In the top right the IP trends are shown in red over the magnetic data with the areas for follow up work identified in the EM data (pink). The outline of the mafic-ultramafic complex is shown in black. The geology and size of the Sally Malay orebody are shown for comparison.



Geology of the Sally Malay area at same scale

Little Darling Creek



At Little Darling Creek the processed IP data has identified a prominent anomaly close to and in the centre of numerous outcrops of ultramafic rocks that are highly anomalous in nickel, copper and platinum group metals. Several small mine shafts and previous drilling attest to local high grades.

Detailed field checking and rock chip sampling has recently shown that the area of the IP anomaly contains numerous small outcrops of ultramafic rocks not recognised by previous explorers. The rock chip samples are anomalous in gold, platinum and palladium with two stand-out results of 5 g/t palladium and 4.5 g/t platinum (Figure 14).

The IP anomaly may represent disseminated sulphides within ultramafic rocks hidden below surface.

A ground IP survey is now required to identify specific drill targets.

Figure 14. Processed IP data for Little Darling Creek.

Next Steps

Further interpretation and modelling of the VTEM data is in progress and follow up ground work will commence once completed. This work will include field checking, surface geochemical sampling and ground geophysical surveys where required to identify targets for drilling. Any targets identified will be drill tested together with follow up drilling at Red Hill.

A third area to the north, the Moorkai Trend, was not flown because of landowner concerns with stock animals and will be flown later in the year.

2.2 Cobalt-Copper-Gold Potential of the Broken Hill Project

Whilst Impact Minerals Limited (ASX:IPT) remains firmly focussed on the discovery of high grade nickel-copper-platinum group metal (PGM) cobalt mineralisation at its 100% owned Broken Hill Project in New South Wales, a recent review highlighted the significant potential for two styles of stand alone cobalt deposits (Figure 12 and see announcement 3rd March 2017).

Further review and synthesis of previous exploration data has now shown the potential for the two styles of stand alone cobalt deposits to also host copper and gold. The two styles are:

1. Thackaringa style pyrite-cobalt deposits similar to the Thackaringa Cobalt deposits now being considered for development (three deposits totalling 33 Mt at 0.08% cobalt, Figure 19); and
2. Ironstone related copper-cobalt-gold deposits similar, for example, to the large deposits at Starra (Selwyn) and Ernest Henry in the Mt Isa region of Queensland.

The review has confirmed that there has been little systematic exploration for either of these two deposit styles throughout Impact's significant tenement holding in the Broken Hill region which cover some 727 square kilometres and about 100 kilometres of strike extent south of the Broken Hill Mine (Figure 12).

In particular it is evident that very few soil, rock chip and drill samples have been assayed for gold even though it has long been known to be associated with both styles of mineralisation. For example at the Copper Blow Prospect (near to but **not on** Impact's tenements, Figure 12) historic drilling returned intercepts of up to 11.8 metres at 6.7% copper, 1.9 g/t gold and 13 g/t silver in ironstone.

However, where more detailed work has been done by previous explorers, significant results have always been returned and which have not been properly followed up. Two prospects on Impact's tenement holdings, Pine Creek and Copper King serve as examples for the Thackaringa style and ironstone-style deposits respectively.

Thackaringa Style Deposits: Pine Creek

The Pine Creek Prospect is located 10 km west of Broken Hill and occurs in the same rocks that host the Thackaringa deposits some 30 km to the south (Figure 12). Exploration in the 1980's identified two north-south trending units of felsic gneiss with extensive disseminated pyrite.

Two drill holes intersected the western gneiss unit and intersected extensive pyrite (5-20%) with cobalt grades from 0.02% to 0.15% over at least 122 m and ended in mineralisation (Figure 15).

Assay results returned: **92 metres of 0.04% cobalt** (true thickness of about 45 metres, Figure 15).

Of note, a 20 metre thick intercept of low grade gold occurs in the last 20 metres of the hole and is also open at depth and associated with an increase in magnetite content (Figure 15). The best intercept in the hole is 10 metres at 0.1 g/t gold and this is considered significant and worthy of follow up.

These are very encouraging results and may indicate the possibility of a large cobalt resource similar to Big Hill-Pyrite Hill in the area that may also have significant gold credits. The airborne magnetic data indicates two sub-parallel zones of interest that extend for at least one kilometre along trend on Impact's licence. In addition IP and EM data completed by the previous explorers identified many anomalies for disseminated and massive sulphide targets that have not been followed up or drilled.

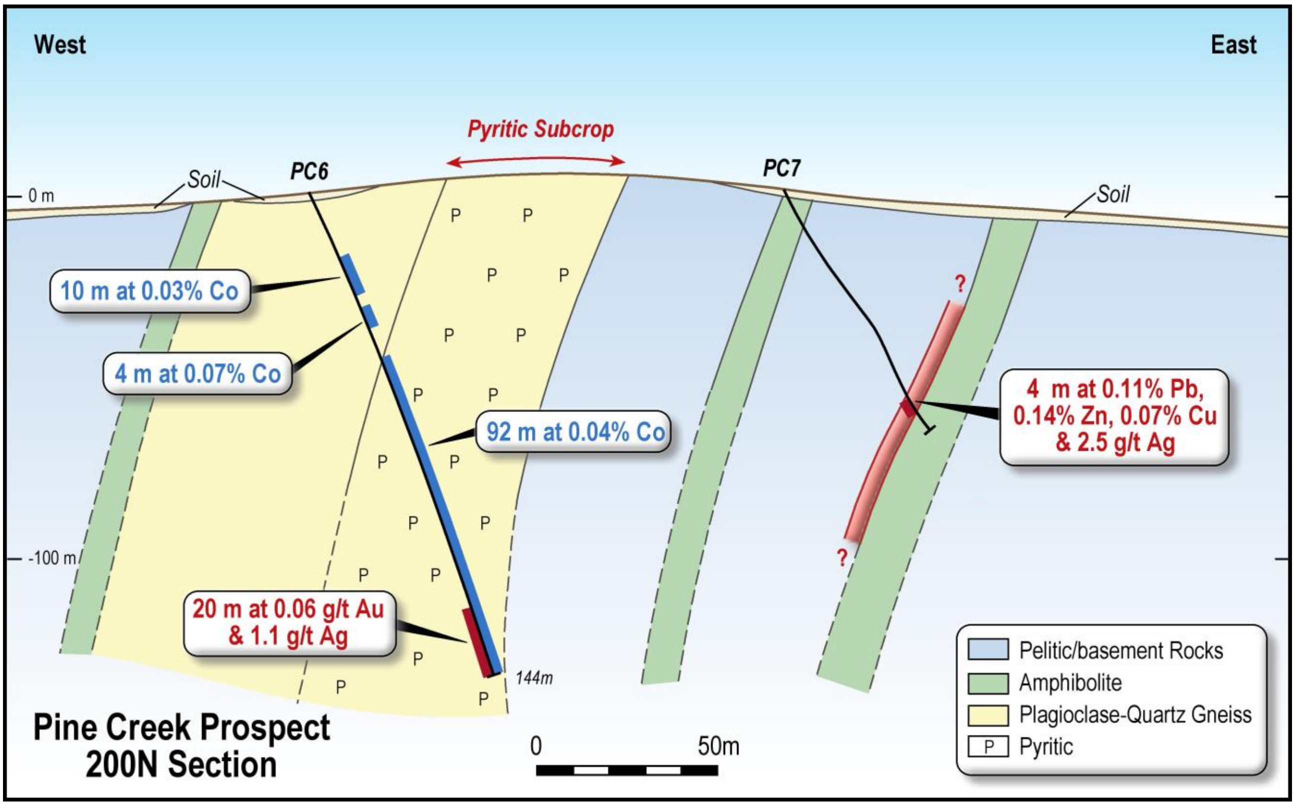


Figure 15. Geology and significant drill results of the Pine Creek Project. Note the mineralisation is open at depth.

Copper King

The Copper King area is a series of historic copper occurrences and workings located in the east of Impact's tenements (Figure 12). Previous work has identified an anomalous copper-cobalt-gold trend up to 3.5 kilometres long which is in part defined by variably magnetic ironstone units. However the focus was mainly on copper exploration and assays for both gold and cobalt are minimal.

Gold is mostly reported in rock chip samples with values reported of up to 0.75 g/t gold. Soil samples and drill samples were not assayed for gold. Rock chip samples for cobalt range up to 0.13% cobalt but there are no drill hole assays.

Three trenches dug in 2012 across parts of the trend near old workings returned up to:

23 metres at 1.5% copper and 4 g/t silver including 1.5 metres at 3.2% copper.

The shafts and workings were extensively sampled with good grades and returned up to 3.3% copper, 1.2% lead, 1.2% zinc and 40 g/t silver. This data and limited shallow drilling was used to define a small non-JORC compliant resource estimate for copper. Gold and cobalt were not assayed.

The work done by previous explorers at these and other prospects has often been piecemeal and poorly conceived and executed. There is clear scope within Impact's licences to make multiple discoveries of deposits of copper-cobalt-gold.

Other Targets

Magnetic ironstones that are potential hosts for cobalt-copper-gold mineralisation are identifiable in the regional airborne magnetic data. An interpretation of this data and regional geological maps shows that there are many strike kilometres of prospective ironstones within Impact's ground (Figure 19). In addition there are large tracts of ground that may contain the same rocks prospective for the Thackaringa style of pyrite-cobalt-gold deposits (Figure 12).

Next Steps

Impact remains firmly focussed on its exploration for deposits of high grade nickel-copper-PGM at Broken Hill and follow up work for this style of deposit will be a priority, in particular follow up field work in the eight areas identified by the VTEM survey in the Rockwell-Little Broken Hill Trend (see announcement 3rd May 2017).

However the ongoing review of previous exploration data continues to reveal the potential for other styles of mineralisation including cobalt-copper-gold and silver-lead-zinc, all of which deserve further work.

Accordingly Impact is considering various options to fund exploration for these other styles of deposit.

Impact has also discovered highgrade silver-lead-zinc at the Dora Prospect near Red Hill where drill hole RHD018 returned:

5 metres at 10% zinc, 0.8% lead and 40 g/t silver including:
1 metre at 26.8% zinc, 2.8% lead and 133 g/t (4 ounces) silver; and
1 metre at 21.4% zinc, 0.8% lead and 31 g/t (1 ounce) silver.

2.3 About the Broken Hill Project

The Broken Hill Project comprises three granted exploration licences (EL7390, EL8234 and EL8609) and two exploration licence applications (ELA5193 and ELA5265) that cover 727 square kilometres of rocks prospective for two distinct styles of mineralistion:

1. PGE-copper-nickel associated with ultramafic rocks; and
2. Zinc-lead-silver in "Broken Hill-style" deposits hosted mostly by metasedimentary rocks and amphibolites.

Impact owns 100% of four of the licences. Under previous owners, the mineral rights for the fifth licence, EL7390, were split in the early 2000's into the two different styles of mineralisation and Impact is now entitled to:

- 100% of the PGE-copper-nickel mineralisation; and
- 80% of the zinc-lead-silver Broken Hill-style mineralisation in EL7390 in joint venture with Silver City Minerals Limited (ASX: SCI). Impact will free-carry Silver City's 20% interest to a Decision to Mine.

Golden Cross has a 1% gross production royalty on all metals to which Impact has rights for. Impact, at its election, also has the right to buy back the royalty for $1.5 million at anytime up to a Decision to Mine, or leave the royalty uncapped during any production.

3. MULGA TANK (IMPACT 100%)

Impact owns 100% of the Mulga Tank Project that covers about 509 sq km of the Minigwal greenstone belt located 200 km north east of Kalgoorlie in Western Australia. The project is prospective for gold and nickel deposits.

Impact discovered high tenor nickel and copper sulphides at the Mulga Tank Dunite in its maiden drill programme (see announcement 29 January 2014).

Three styles of nickel-copper mineralisation were identified:

1. Extensive disseminated nickel in the Mulga Tank Dunite with assays of:
   2 m at 1.3% nickel including 1 m at 2% nickel and multiple 0.5 m thick zones of 0.5% to 1.2% nickel within an intercept of 115 m at 0.3% nickel;
   Other thick intercepts including 21 m at 0.4% nickel and 59 m at 0.3% nickel.

2. High tenor veins at the base of the Mulga Tank Dunite with assays of:
   0.25 m at 3.8% nickel, 0.7% copper and 0.7 g/t PGE and 0.3 m at 0.7% nickel; and

3. High tenor nickel sulphide in multiple komatiites in a flow channel in the upper part of the dunite with assays of:
   0.75 m at 0.85% nickel, 0.35% copper and 0.28 g/t PGE (Pt+Pd+Au); and
   6.7 m at 0.5% nickel.

The style of mineralisation and the nature of the rocks are similar to those that host the significant nickel deposits at Perseverance (1 Mt of contained nickel) and Mt Keith (→2 Mt of contained nickel) near Leinster in WA). In addition the project area occurs in the same geological terrain as the recently discovered Gruyere deposit of more than 5 million ounces of gold. The Mulga Tank project has been poorly explored for gold and this will also be a focus of the forward programme.

During the Quarter, 20 targets for gold and 16 targets for nickel were identified. Many of these targets are drill-ready and Impact is considering its options to fund this work.

4. CORPORATE

During the Quarter applications for $1,073,970 were received from a Share Purchase Plan (SPP) to existing Shareholders and the offer of the shortfall to the SPP which was announced on 11 May 2017.

Under the SPP, each Eligible Shareholder was entitled to subscribe for up to $15,000 of new fully paid ordinary shares (New Shares) at an issue price of 1.8 cents per New Share without incurring brokerage or other transaction costs. Eligible Shareholders were also offered three free attaching listed options (Free Attaching Options) exercisable at $0.04 with an expiry date of 15 June 2020 for every two New Shares subscribed for.

Any New Shares and Free Attaching Options (offer Securities) not subscribed for under the SPP Offer formed the Shortfall Offer. Any individual eligible under all applicable securities laws to receive an offer under the Shortfall Offer was eligible to apply for the Shortfall Offer.

The Company received applications for a total of 34,601,161 New Shares under the SPP (with 51,901,742 Free Attaching Options to raise $622,820 and applications for a total of 25,063,890 New Shares under the Shortfall Offer (with 37,595,835 Free Attaching Options) to raise $451,150.

The issue of the Offer Securities was approved by shareholders at a General Meeting held on 20th June 2017 and the Offer Securities were issued on Wednesday 21 June 2017.

The Company has up to 3 months to place the remaining Offer Securities.

The cash balance at the end of June was $1.9 million.

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 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mike Jones has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

The information in this report which relates to Mineral Resources is based upon information compiled by Ian Glacken, who is a Fellow of the Australasian Institute of Mining and Metallurgy. Ian Glacken is an employee of Optiro Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit 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 Reposting of Exploration Results, Mineral resources and Ore Reserves. Ian Glacken consents to the the inclusion in the release of a summary based upon his information in the form and context in which it appears.

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%
EL8505	Granted	-	100%
ELA5344	Application	-	-
Broken Hill, NSW			
EL7390	Granted	100%	100%
EL8234	Granted	100%	100%
ELA5193	Application	-	-
ELA5265	Application	-	-
EL8609	Granted	-	100%
Mulga Tank,WA			
E39/988	Granted	100%	100%
E39/1072	Granted	100%	100%
E39/1439	Granted	100%	100%
E39/1440	Granted	100%	100%
E39/1441	Granted	100%	100%
E39/1442	Granted	100%	100%
E39/1513	Granted	100%	100%
E39/1761	Granted	100%	100%
E39/1766	Granted	100%	100%
E39/1767	Granted	100%	100%
E39/1768	Granted	100%	100%
E39/1997	Application	-	-
E39/2018	Application	-	-
E39/2019	Application	-	-
E39/2022	Application	-	-
Clermont, Qld			
EPM14116	Granted	100%	100%

BROKEN HILL APPENDIX 1 - SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	**Rock Chip Samples** Random rock samples were taken at surface which represented favourable geology and alteration to known mineralisation in the region. Samples are variably weathered. **Soil Samples** Soil samples were taken at 50 m intervals from a hole 15-20 deep and sieved to -2mm to collect about 250 g of material. **Diamond Drilling** Diamond drilling was used to produce drill core either with a diameter of 63.5 mm (HQ) or 47.6 mm (NQ). A handheld XRF instrument was used to analyse the drill core at 50 cm intervals.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	**Rock Chip Samples** Representative rock chip samples at each sample site weigh between 0.8 and 1.2 kg. Soil samples are taken at a consistent depth below surface and sieved. **Soil Samples and Drill Samples** Sample representivity was ensured by a combination of Company Procedures regarding quality control (QC) and quality assurance / testing (QA). Examples of QC include (but are not limited to), daily workplace and equipment inspections, as well as drilling and sampling procedures. Examples of QA include (but are not limited to) collection of "field duplicates", the use of certified standards and blank samples approximately every 50 samples.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information	**Rock Chip and Diamond Drill Samples** Rock samples and split diamond core were sent to Intertek Adelaide where they were crushed, dried and pulverised (total prep) to produce a 25-30 g sub-sample for analysis by four acid digest with an ICP/AES finish for ore grade base metal samples and either lead collection or nickel sulphide fire assay with AAS or MS finish for gold and the PGMs. Weathered samples contained gossanous sulphide material. Soil samples were sent to SGS Perth for analysis by the MMI digest. The XRF data is qualitative only. A comparison between the XRF results and wet chemical assay data will be completed on receipt of final results.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond Drilling comprises NQ (47.6 mm diameter) and HQ (63.5 mm diameter) sized core. Impact diamond core is triple tube and is oriented. Historical diamond core was not oriented.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Diamond core recoveries for all holes are logged and recorded. Recoveries are estimated to be approximately >97% for the Red Hill Prospect. No significant core loss or sample recovery problems are observed in the drill core.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the driller.

Criteria	JORC Code explanation	Commentary
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No sample bias has been established.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Geological logging of samples followed company and industry common practice. Qualitative logging of samples included (but not limited to); lithology, mineralogy, alteration, veining and weathering. Diamond core logging included additional fields such as structure and geotechnical parameters. Magnetic Susceptibility measurements were taken for each 0.5 m diamond core interval. For diamond core, information on structure type, dip, dip direction, texture, shape and fill material has been recorded in the logs. RQD data has been recorded on selected diamond holes. Handheld XRF analysis was completed at 50 cm intervals on diamond core.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	All logging is quantitative, based on visual field estimates. Systematic photography of the diamond core in the wet and dry form was completed.
	The total length and percentage of the relevant intersections logged	All diamond drill holes were logged in full. Detailed diamond core logging, with digital capture was conducted for 100% of the core by Impact's on-site geologist.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	All core samples were sampled by half core. Selected intervals of quarter core will be selected for check assays if required.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	No RC drilling results are reported.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Company procedures were followed to ensure sub-sampling adequacy and consistency. These included (but were not limited to) daily work place inspections of sampling equipment and practices, as well as sub-sample duplicates ("field duplicates").
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Laboratory QC procedures for rock sample and diamond drill core assays involve the use of internal certified reference material as assay standards, along with blanks, duplicates and replicates.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	**Rock and Soil Samples** Field duplicates were taken at selected sample sites.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	**Diamond Core Samples** Quarter core duplicate samples are taken randomly every 50 samples. Sample sizes at Red Hill are considered adequate due to mineralisation style.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	An industry standard fire assay technique for samples using lead collection with an Atomic Absorption Spectrometry (AAS) finish was used for gold and aqua regia digest for base metals and silver.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were used to determine material element concentrations. A handheld XRF was used for qualitative analysis only.

Criteria	JORC Code explanation	Commentary
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	**Rock Chip Samples** For the rock chips, quality control procedures for assays were followed via internal laboratory protocols. Accuracy and precision are within acceptable limits. **Diamond Drill Samples** Reference standards and blanks are routinely inserted into every batch of samples at a rate of 1 in every 50 samples.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The results have not been verified by independent or alternative companies. This is not required at this stage of exploration.
	The use of twinned holes.	No drilling results are reported.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary assay data for rock chips has been entered into standard Excel templates for plotting in Mapinfo. All historical drill data has been entered digitally by previous explorers and verified internally by Impact.
	Discuss any adjustment to assay data.	There are no adjustments to the assay data.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Sample locations and drill holes were located by hand held GPS.
	Specification of the grid system used.	The grid system for Broken Hill is MGA_GDA94, Zone 54.
	Quality and adequacy of topographic control.	Standard government topographic maps have been used for topographic validation. For the diamond holes, down-hole single shot surveys were conducted by the drilling contractor. Surveys were conducted at 15 m, 30 m and then approximately every 30 m down-hole.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Sample spacing for the soil survey was on a 50 m by 50 m grid. Reconnaissance drill spacing is approximately 200 m.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Estimations of grade and tonnes have not yet been made.
	Whether sample compositing has been applied.	Sample compositing has not been applied.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Not relevant to soil and rock chip results. The orientation of mineralisation in RHD001 yet to be determined.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Not relevant to soil and rock chip results or early stage exploration drill results.
Sample security	*The measures taken to ensure sample security.*	Chain of custody is managed by Impact Minerals Ltd. Samples for Broken Hill are delivered by Impact Minerals Ltd by courier who transports them to the laboratory for prep and assay. Whilst in storage, they are kept in a locked yard. Tracking sheets have been set up to track the progress of batches of samples.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	At this stage of exploration a review of the sampling techniques and data by an external party is not warranted.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The Broken Hill Project currently comprises 1 exploration licences covering 100 km^2. The tenement is held 100% by Golden Cross Resources Ltd. Impact Minerals Limited is earning 80% of the nickel-copper-PGE rights in the licence from Golden Cross. No aboriginal sites or places have been declared or recorded over the licence area. There are no national parks over the license area.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement is in good standing with no known impediments.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	There has been no significant previous work at this prospect.
Geology	Deposit type, geological setting and style of mineralisation.	Nickel-copper-PGE sulphide mineralisation associated with an ultramafic intrusion.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length.	See Table in text.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	All reported assays have been length weighted. No top cuts have been applied. A cut-off of approximately 0.1% Cu, 0.4% Cu and 1.0% Cu has been applied for reporting of exploration results.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	High grade massive sulphide intervals internal to broader zones of disseminated sulphide mineralisation are reported as included intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents have been reported.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	The orientation of mineralisation in RHD001 is yet to be determined.

Criteria	JORC Code explanation	Commentary
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figures in body of text.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All results reported are representative
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Assessment of other substantive exploration data is not yet complete however considered immaterial at this stage.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive	Follow up work programmes will be subject to interpretation of results which is ongoing.

COMMONWEALTH APPENDIX 1 - SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	**Rock chip samples** Random grab samples were taken at surface which represented favourable geology and alteration to known mineralisation in the region. Samples are variably weathered. **Soil Samples** About 250g of soil was taken from 15-20cm below surface and sieved to - 2mm size. Samples put in plastic snap seal bags. Samples were subsequently sieved to -250 micron at SGS Laboratories for assay by aqua regia digest. **RC Drilling** Reverse Circulation (RC) percussion drilling was used to produce a 1m bulk sample (~25kg) which was collected in plastic bags and representative 1m split samples (12.5%, or nominally 3kg) were collected using a riffle splitter and placed in a calico bag. The cyclone was cleaned out with compressed air at the end of each hole and periodically during the drilling. Holes were drilled to optimally intercept interpreted mineralised zones. **Diamond Drilling** Diamond drilling was used to produce drill core either with a diameter of 63.5 mm (HQ) or 47.6 mm (NQ).

Criteria	JORC Code explanation	Commentary
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	**Rock chip samples** Representative samples at each sample site weigh between 0.8 and 1.2 kg. Sample sites were chosen due to historic rock and soil assay results and the geophysical surveys conducted on the Commonwealth Project. Historic rock sample methods are unknown but are considered immaterial. **Soil Samples and Drill Samples** Sample representivity was ensured by a combination of Company Procedures regarding quality control (QC) and quality assurance / testing (QA). Examples of QC include (but are not limited to), daily workplace and equipment inspections, as well as drilling and sampling procedures. Examples of QA include (but are not limited to) collection of "field duplicates", the use of certified standards and blank samples approximately every 50 samples
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information	**Rock chip samples** Rock samples were sent to SGS Perth where they were crushed, dried and pulverised (total prep) to produce a 25-30 g sub-samples for analysis initially by Aqua Regia digest with ICP-MS finish for base metals then by four acid digest with an ICP/AES finish for ore grade base metal samples and lead collection fire assay with AAS finish for gold. **Soil Samples** Soil samples were sent to ACME Laboratories in Vancouver for analysis by aqua regia digest or to SGS Laboratories in Perth for analysis by the MMI digest. **RC and diamond drill samples** RC samples and cut samples of core were submitted to ALS in Orange, NSW. Laboratory sample preparation involved: sample crushed to 70% less than 2mm, riffle/rotary split off 1 kg, pulverise split to >85% passing 75 microns. RC samples analysed by MEICP41 or MEOG46 for ore grade samples, aqua regia digest with ICP OES analysis and AA24 fire assay with AAS finish. Historical diamond and RC samples were sent to Fox Anamet, Brookvale NSW where gold was determined by fire assay, base metals by DCP and AAS methods. Weathered samples contained gossanous sulphide material and fresh samples containing visible pyrite, galena, sphalerite and chalcopyrite.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond drilling accounts for about 50 % of the drilling and comprises NQ (47.6 mm diameter) and HQ (63.5 mm diameter) sized core. Impact diamond core is triple tube and is oriented. Historical diamond core was not oriented. RC drilling accounts for about 50% of the drilling and comprises 4 inch hammer.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Diamond core recoveries for all holes are logged and recorded. Recoveries are estimated to be approximately >97% for the Commonwealth Project. No significant core loss or sample recovery problems are observed in the drill core or historic reports. RC samples were visually checked for recovery, moisture and contamination.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the driller. The RC samples are collected by plastic bag directly from the rig-mounted cyclone and laid directly on the ground in rows of 10. The drill cyclone and sample buckets are cleaned between rod-changes and after each hole to minimise down-hole and/or cross contamination.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No sample bias has been established.

Criteria	JORC Code explanation	Commentary
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Geological logging of samples followed company and industry common practice. Qualitative logging of samples included (but not limited to); lithology, mineralogy, alteration, veining and weathering. Diamond core logging included additional fields such as structure and geotechnical parameters. Magnetic Susceptibility measurements were taken for each 1m RC sample and each 1m diamond core interval. For diamond core, information on structure type, dip, dip direction, texture, shape and fill material has been recorded in the logs. RQD data has been recorded on selected diamond holes. Handheld XRF analysis was completed at 50 cm and 1 m intervals on diamond core and for every metre for RC samples.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	All logging is quantitative, based on visual field estimates. Systematic photography of the diamond core in the wet and dry form was completed. Chip trays with representative 1m RC samples were collected and photographed then stored for future reference.
	The total length and percentage of the relevant intersections logged	All diamond drill holes were logged in full. All RC chips samples were geologically logged by Impact's on-site geologist on a 1m basis, with digital capture in the field. Detailed diamond core logging, with digital capture was conducted for 100% of the core by Impact's on-site geologist.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	All core samples were sampled by half core. Selected intervals of quarter core will be selected for check assays if required.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC samples were split using a riffle splitter.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Company procedures were followed to ensure sub-sampling adequacy and consistency. These included (but were not limited to), daily work place inspections of sampling equipment and practices, as well as sub-sample duplicates ("field duplicates").
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Laboratory QC procedures for rock sample assays involve the use of internal certified reference material as assay standards, along with blanks, duplicates and replicates. The QC procedure for historical diamond and RC samples is unknown but is assumed to have been minimal; however, the impact of historical samples has been somewhat mitigated by recent drilling.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Sample duplicates from the historical drilling were taken from selected intervals and compared to the original assay. Quarter core was taken for diamond samples and riffle resplits for RC samples.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The samples sizes at Commonwealth are considered appropriate since gold has been identified as predominantly fine-grained by thin section analysis which would indicate the nugget effect is minimal.

Criteria	JORC Code explanation	Commentary
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	An industry standard fire assay technique for samples using lead collection with an Atomic Absorption Spectrometry (AAS) finish was used for gold and aqua regia digest for base metals and silver. The quality of historical drill sample assays is unknown; however it is reasonable to assume that core samples were representative of the mineralisation.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were used to determine material element concentrations. A handheld XRF was used for qualitative analysis only.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	For the rock chips, quality control procedures for assays were followed via internal laboratory protocols. Accuracy and precision are within acceptable limits. Reference standards and blanks are routinely inserted into every batch of samples at a rate of 1 in every 25 samples in the Impact drilling. Impact's inserted standards in general showed results within expected ranges. The calculated means for Lab standards are very close to expected for the majority of standards and are within industry expectations. Laboratoy repeat checks and original samples correlated very well. There is minimal quality control of historical drill sample assays. Twin holes have been drilled to verify historical drilling. The QAQC results indicate that the assays used for resource estimation are a fair representation of the material that has been sampled.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant intersections from drilling have not been verified by independent or alternative companies or by Impact.
	The use of twinned holes.	Two twin diamond holes versus historic RC holes have been drilled at Commonwealth South and Main Shaft.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary assay data for rock chips has been entered into standard Excel templates for plotting in Mapinfo and Target. All historical drill data has been entered digitally by previous explorers and verified internally by Impact.
	Discuss any adjustment to assay data.	No significant adjustments have been required.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Recent drill holes have been located by DGPS. Historical drill holes and mine shafts have been verified by DGPS.
	Specification of the grid system used.	The grid system for Commonwealth is MGA_GDA94, Zone 55.
	Quality and adequacy of topographic control.	Standard government topographic maps have been used for topographic validation. The DGPS is considered sufficiently accurate for elevation data. For the diamond holes, down-hole single shot surveys were conducted by the drilling contractor. Surveys were conducted at 6m, 18, 30m and then approximately every 30m down-hole. For the RC drill holes, downhole dip surveys were taken at approximately 30m intervals and at the bottom of the hole.

Criteria	JORC Code explanation	Commentary
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	Drill spacing of drill holes ranges between 10 and 30 m which is considered adequate for Exploration Results.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Spacing of drill holes ranges between 10 m and 50 m on section and are considered adequate for Mineral Resource estimation procedures.
	Whether sample compositing has been applied.	Sample compositing has been applied for quoting drill composite results only.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	Drilling is oriented sub-perpendicular to the mineralised trend and stratigraphic contacts as determined by field data and cross section interpretation.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No significant sample bias has been identified from drilling due to the optimum drill orientation described above. Where present, sample bias will be reported.
Sample security	*The measures taken to ensure sample security.*	For rock samples, chain of custody is managed by Impact Minerals Ltd. Samples for Commonwealth are delivered by Impact Minerals Ltd personnel to ALS in Orange, NSW or to SGS Perth for prep and assay. Whilst in storage, they are kept in a locked yard. Tracking sheets have been set up to track the progress of batches of samples. Security of historic drill samples is unknown however is considered immaterial.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	A review of the sampling techniques and data both of historic drill holes and of Impact's procedures has been completed by Optiro Consultants of Perth, WA.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	*Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.*	The Commonwealth Project currently comprises 3 exploration licences covering 315 km^2. The tenements are held 100% by Endeavour Minerals Pty Ltd, a subsidiary company of Impact Minerals Limited. No aboriginal sites or places have been declared or recorded in areas where Impact is currently exploring. There are no national parks over the license area.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements are in good standing with no known impediments.
Exploration done by other parties	*Acknowledgment and appraisal of exploration by other parties.*	A total of 66 drillholes have been completed over 300 m strike between the Commonwealth main shaft and Commonwealth South by previous explorers to an average depth of 53 m.

Criteria	JORC Code explanation	Commentary
Geology	*Deposit type, geological setting and style of mineralisation.*	The Commonwealth and Commonwealth South deposits are considered gold-rich volcanic hosted massive sulphide (VMS) deposits that occur at and below the contact with a porphyritic rhyolite and overlying volcanic sedimentary rocks. The mineralisation may have been overprinted by epithermal mineralisation.
Drill hole Information	*A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.*	See Table in text.
Data aggregation methods	*In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.*	All reported assays have been length weighted. No top cuts have been applied in the reporting of the drill assays. A nominal cut-off of approximately 0.5 g/t Au has been applied.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	High grade massive sulphide intervals internal to broader zones of disseminated sulphide mineralisation are reported as included intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	Gold equivalent values have been used in the long section and in the resource calculation. Australian metal prices used for the gold equivalent were $1,580/oz gold, $22/oz silver, $2,740/t zinc, $2,396/t lead and $7,320/t copper. Given the high grade results, it is assumed that very high recoveries will be achieved. However no metallurgical studies have been completed to verify this. Such studies will be done as and when appropriate.
Relationship between mineralisation widths and intercept lengths	*These relationships are particularly important in the reporting of Exploration Results.* *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	Historical drill holes to date have been sub-perpendicular to the mineralised trend and stratigraphy so intervals are close to true width or otherwise stated.
Diagrams	*Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	Refer to Figures in body of text.
Balanced reporting	*Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	All results reported are representative

Criteria	JORC Code explanation	Commentary
Other substantive exploration data	*Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	Assessment of other substantive exploration data is not yet complete however, it is not considered material at this stage to a Mineral Resource Estimate.
Further work	*The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive*	Follow up work programmes will be subject to interpretation of recent and historic results which is ongoing.

SECTION 3 ESTIMATION AND REPORTING OF MINERAL RESOURCES

Criteria	JORC Code explanation	Commentary
Database integrity	*Measures taken to ensure that data has not been corrupted by, for example, transcription or keying errors, between its initial collection and its use for Mineral Resource estimation purposes.*	A visual comparison is completed between assay results and original logs (if hand drawn/logged) and detailed print outs and down hole logs for each hole. All errors are corrected.
	Data validation procedures used.	Impact's database has industry standard protocols to ensure that only valid data is accepted. For example, only geological codes that form part of the Impact logging code system can be accepted into the database.
Site visits	*Comment on any site visits undertaken by the Competent Person and the outcome of those visits.* *If no site visits have been undertaken indicate why this is the case.*	The geology competent person, Dr Mike Jones has been with Impact since its inception and is closely involved in the Commonwealth project. He was present during a significant part of the drill programme and helped supervise the geological interpretation of the deposit. The majority of the work was compiled by Mr Leo Horn who is also a Competent Person for the reporting of Exploration Results and has been responsible for all aspects of the exploration programmes at the Commonwealth Project.
Geological interpretation	*Confidence in (or conversely, the uncertainty of) the geological interpretation of the mineral deposit.*	There is a high level of confidence in the geological interpretation due to the historical operating experience and the readily identifiable stratigraphic control on mineralisation. Wireframes are used to constrain the estimation and are based on drill hole intercepts and geological boundaries. All wireframes are constructed to 0.5 g/t Au cut-off grades for shape consistency.
	Nature of the data used and of any assumptions made.	The mineralisation is generally quite consistent and drill intercepts clearly define the shape of the mineralised body with limited options for large scale alternate interpretations.
	The effect, if any, of alternative interpretations on Mineral Resource estimation.	The controls on and interpretation of mineralisation is relatively straightforward and no alternative interpretations have been considered.

Criteria	JORC Code explanation	Commentary
	The use of geology in guiding and controlling Mineral Resource estimation.	Wireframes are used to constrain the estimation and are based on drill hole intercepts and geological boundaries.
	The factors affecting continuity both of grade and geology.	Wireframes are constructed to 0.5 g/t Au cut-off grade for shape consistency.
Dimensions	*The extent and variability of the Mineral Resource expressed as length (along strike or otherwise), plan width, and depth below surface to the upper and lower limits of the Mineral Resource*	The mineral resource at Commonwealth comprises two main areas, being Main Shaft and Commonwealth South, which have a total strike length of 400 m and extend vertically for approximately 120 m below surface. Main Shaft has been historically mined from surface to 40 m below surface.
Estimation and modelling techniques	*The nature and appropriateness of the estimation technique(s) applied and key assumptions, including treatment of extreme grade values, domaining, interpolation parameters and maximum distance of extrapolation from data points. If a computer assisted estimation method was chosen include a description of computer software and parameters used.*	Grade estimation using Ordinary Kriging (OK) was completed using Datamine software for six elements; Au, Ag, Cu, Pb, Zn and As. Drill grid spacing was between 10 m and 30 m. Variogram orientations were largely controlled by the strike of mineralisation and downhole variography. Variograms for estimation were determined individually for each element. Other estimation parameters, such as search distance, minimum and maximum sample numbers was derived from KNA. Search distances varied depending on the element being estimated.
	The availability of check estimates, previous estimates and/or mine production records and whether the Mineral Resource estimate takes appropriate account of such data.	There has been no previous resource estimation on the Commonwealth Project, hence no comparisons are available. The resource model has not been compared to any reconciliation data.
	The assumptions made regarding recovery of by-products.	No assumptions have been made regarding recovery of any by-products.
	Estimation of deleterious elements or other non-grade variables of economic significance (e.g. sulphur for acid mine drainage characterisation).	Arsenic was the only deleterious element estimated.
	In the case of block model interpolation, the block size in relation to the average sample spacing and the search employed.	The block model dimensions and parameters were based on the geological boundaries and average drill grid spacing. Sub-blocks were used to ensure that the block model honoured the domain geometries and volume. Block estimates were controlled by the original parent block dimensions. The individual parent block dimensions were 5 mE by 15 mN by 10 mRL, with sub-blocking allowed. Estimation into parent blocks used a discretisation of 5 (X points) by 10 (Y points) by 8 (Z points) to better represent estimated block volumes.
	Any assumptions behind modelling of selective mining units.	No selective mining units were modelled in this estimate. It is assumed that the SMU is equal to the block model parent cell or smaller.
	Any assumptions about correlation between variables.	Multi-element analysis was conducted on the composites. There was a strong correlation between silver and lead and between lead and zinc.
	Description of how the geological interpretation was used to control the resource estimates.	Drillhole sample data was flagged using domain codes generated from three dimensional mineralisation domains. Sample data was composited to a one metre downhole length. Mineralisation domains were treated as hard boundaries in the estimation process.

Criteria	JORC Code explanation	Commentary
	Discussion of basis for using or not using grade cutting or capping.	Top cuts were established by investigating univariate statistics and histograms of sample values. A top cut level was selected if it affected outliers, reduced the sample variance and did not materially change the mean value.
	The process of validation, the checking process used, the comparison of model data to drillhole data, and use of reconciliation data if available.	Model validation was carried out using visual comparisons between composites and estimated blocks, checks for negative or absent grades, and statistical comparison against the input drillhole data and graphical profile (swath) plots.
Moisture	*Whether the tonnages are estimated on a dry basis or with natural moisture, and the method of determination of the moisture content.*	Tonnages are estimated on a dry basis.
Cut-off parameters	*The basis of the adopted cut-off grade(s) or quality parameters applied*	The resource model is modelled to a nominal wireframe cut-off grade of 0.5 g/t Au with a minimum width of 1 m to encapsulate the entire mineralised body. The edges of the resource shapes may be narrower than potential minimum mining widths, which suggests that a small proportion of the shape is unlikely to be mineable; however the inclusion of these zones adds to the orebody continuity and the ore/waste discrimination of the Reserve process.
Mining factors or assumptions	*Assumptions made regarding possible mining methods, minimum mining dimensions and internal (or, if applicable, external) mining dilution. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential mining methods, but the assumptions made regarding mining methods and parameters when estimating Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the mining assumptions made.*	No minimum mining assumptions were made during the resource wire framing or estimation process. Mining parameters, including minimum width assumptions, will be applied during the conversion to Ore Reserves.
Metallurgical factors or assumptions	*The basis for assumptions or predictions regarding metallurgical amenability. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider potential metallurgical methods, but the assumptions regarding metallurgical treatment processes and parameters made when reporting Mineral Resources may not always be rigorous. Where this is the case, this should be reported with an explanation of the basis of the metallurgical assumptions made.*	No metallurgical factors or assumptions are made during the resource estimation process as this will be addressed during conversion to Ore Reserve. The resource block model has been populated with multi-element data which is required for the metallurgical analysis during the Ore Reserve process.

Criteria	JORC Code explanation	Commentary
Environmental factors or assumptions	*Assumptions made regarding possible waste and process residue disposal options. It is always necessary as part of the process of determining reasonable prospects for eventual economic extraction to consider the potential environmental impacts of the mining and processing operation. While at this stage the determination of potential environmental impacts, particularly for a greenfields project, may not always be well advanced, the status of early consideration of these potential environmental impacts should be reported. Where these aspects have not been considered this should be reported with an explanation of the environmental assumptions made*	The Commonwealth Project is a historic brown-fields mine with a 20 year operating history. No environmental factors or assumptions are made during the resource estimation process.
Bulk density	*Whether assumed or determined. If assumed, the basis for the assumptions. If determined, the method used, whether wet or dry, the frequency of the measurements, the nature, size and representativeness of the samples.*	Bulk density (specific gravity) measurements are taken using conventional weight in air vs weight in water methodology.
	The bulk density for bulk material must have been measured by methods that adequately account for void spaces (vugs, porosity, etc), moisture and differences between rock and alteration zones within the deposit,	All drill core within the mineralisation is in fresh rock and solid, so no coatings are applied to reduce water penetration.
	Discuss assumptions for bulk density estimates used in the evaluation process of the different materials.	A zinc grade vs. density regression formula was used to assign specific gravity (SG) values to the block model. The regression formula of "SG = (0.0815*Zn%)+2.67" was used.
Classification	*The basis for the classification of the Mineral Resources into varying confidence categories*	Classification of the resource models is based primarily on drill density and geological understanding, in conjunction with increased confidence from areas of historic mining.
	Whether appropriate account has been taken of all relevant factors (i.e. relative confidence in tonnage/grade estimations, reliability of input data, confidence in continuity of geology and metal values, quality, quantity and distribution of the data).	The classification takes into account the relative contributions of geological and data quality and confidence, as well as grade confidence and continuity.
	Whether the result appropriately reflects the Competent Person's view of the deposit.	The classification reflects the view of the Competent Person.
Audits or reviews	*The results of any audits or reviews of Mineral Resource estimates.*	This is the maiden Mineral Resource estimate, therefore no audits or reviews have been carried out.
Discussion of relative accuracy/confidence	*Where appropriate a statement of the relative accuracy and confidence level in the Mineral Resource estimate using an approach or procedure deemed appropriate by the Competent Person. For example, the application of statistical or geostatistical procedures to quantify the relative accuracy of the resource within stated confidence limits, or, if such an approach is not deemed appropriate, a qualitative discussion of the factors that could affect the relative accuracy and confidence of the estimate*	The relative accuracy of the Mineral Resource estimate is reflected in the reporting of the Mineral Resource as per the guidelines of the 2012 JORC Code. The statement relates to global estimates of tonnes and grade.

Criteria	JORC Code explanation	Commentary
	The statement should specify whether it relates to global or local estimates, and, if local, state the relevant tonnages, which should be relevant to technical and economic evaluation. Documentation should include assumptions made and the procedures used	The estimate is considered to be relevant to a global report of tonnage and grade.
	These statements of relative accuracy and confidence of the estimate should be compared with production data, where available	The resulting estimates are supported by limited historical production.

MULGA TANK APPENDIX 1 - SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	The soil samples were taken at a depth of 15 – 20 cm below surface and sieved to -2mm mesh size. The targets at Mulga Tank have been drilled by Reverse Circulation (RC) and diamond drill holes (DD). Eight holes for 3,025 m were completed. A hand held Olympus XRF machine was used to take multi-element readings on the samples bags from the RC drill pre-collars (I reading every I metre) and at 25 cm to 50 cm intervals on the diamond core. These readings are a guide only and do not constitute an accurate or precise assay. Impact has conducted a number of quality control experiments to determine the optimal reading time and number of readings per sample site. A correlation of these readings against the assay data suggests that at values greater than 1% nickel, the XRF analyser gives a good approximation to the chemical assay value. Drill holes were oriented to intersect the dip of electromagnetic conductors as interpreted by Impact's consultants Newexco.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	RC samples have been collected by riffle splitter. Diamond core was used to obtain high quality samples that were logged for lithological, structural, alteration and other attributes. Sampling was carried out under Impact Minerals Ltd protocols and QAQC procedures as per industry best practice. A combination of mapping, soil geochemistry, airborne magnetic data and ground EM surveys identified the Mulga Tank target.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information	Diamond core is mostly NQ2 size, sampled on geological intervals cut into half core to give sample weights under 3 kg. Reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised. Samples were crushed, dried and pulverised (total prep) to produce a sub-sample for analysis by four acid digest with an ICP/OES finish for base metals and lead collection fire assay with AAS finish for precious metals. The main sulphide types are expected to be pentlandite and chalcopyrite, with pyrite, and minor sphalerite. Non-sulphide nickel species in weathered and transitional material have not yet been identified.

Criteria	JORC Code explanation	Commentary
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	Diamond drilling accounts for 75 % of the drilling and comprises HQ and NQ2 sized core. Pre-collar depths range from 50 m to about 150 m and hole depths range from 300 m to 570 m. The core was oriented using a down-hole orientation tool at the end of every run with 70% of orientations rated as "good". RC drilling in the pre-collar accounts for 20 % of the total drilling and comprises 140 mm diameter face sampling hammer drilling.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	Diamond core and RC recoveries are logged and recorded in the database. Overall recoveries are >95% for Mulga Tank and there are no core loss issues or significant sample recovery problems.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	Diamond core at Mulga Tank is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the drillers. RC samples were visually checked for recovery, moisture and contamination.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No sample bias has been established because an insufficient number of samples have been assayed.
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape and fill material is stored in the structure table of the database.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	Logging of diamond core and RC samples at Mulga Tank recorded lithology, mineralogy, mineralisation, structural (DDH only), weathering, colour and other features of the samples. Core was photographed in both dry and wet form.
	The total length and percentage of the relevant intersections logged	All drillholes were logged in full, apart from rock roller diamond hole pre-collar intervals of between about 50 m and 70 m depth.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Core for Mulga Tank was cut in half onsite using an automatic core saw. All samples were collected from the same side of the core.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	RC samples were split using a riffle splitter.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	The sample preparation of diamond core for Mulga Tank follows industry best practice in sample preparation involving oven drying, coarse crushing of the half core sample down to ~10 mm followed by pulverisation of the entire sample (total prep) using Essa LM5 grinding mills to a grind size of 85% passing 75 micron. The sample preparation for RC samples is identical, without the coarse crush stage.
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Field QC procedures involve the use of certified reference material as assay standards, along with blanks, duplicates and barren washes. The insertion rate of these averaged 1:50.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	Field duplicates are done every 50 samples.

Criteria	JORC Code explanation	Commentary
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The sample sizes are considered to be appropriate to correctly represent the sulphide mineralisation at Mulga Tank based on the disseminated style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and percent value assay ranges for the primary elements.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	See optiro. An industry standard fire assay technique using lead collection with an Atomic Absorption Spectrometry (AAS) finish was used for Au, Ag, Pt, Pd.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	No geophysical tools were used to determine material element concentrations.
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Quality control procedures for assays are as per Impact Minerals protocols. Accuracy and precision are within acceptable limits.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant intersections have yet to be returned and therefore verification is not required.
	The use of twinned holes.	No twin holes have been drilled at Mulga Tank.
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary data was collected using a set of standard Excel templates on Toughbook laptop computers using lookup codes. The information was sent to IOGlobal/Reflex for validation and compilation into a SQL database server.
	Discuss any adjustment to assay data.	
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill holes and soil sample sites were located by hand held GPS. Down-hole surveys used single shot readings have been completed during drilling at least at 50 m intervals.
	Specification of the grid system used.	The grid system for Mulga Tank is MGA_GDA94, Zone 51.
	Quality and adequacy of topographic control.	Standard government topographic maps and hand held GPS have been used for topographic control. The land surface is flat and increased accuracy and precision for topographic contours is not required at this stage.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	This is a first pass reconnaissance drill programme designed to test geochemical and geophysical anomalies. Drill spacing is adequate for that and will change according to on-going results.
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	This is a first pass reconnaissance drill programme designed to test geochemical and geophysical anomalies. Drill spacing is adequate for that and will change according to on-going results.
	Whether sample compositing has been applied.	Samples will be composited to one metre lengths and adjusted where necessary to ensure that no residual sample lengths have been excluded (best fit).
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The targets have been drilled sub-perpendicular to mineralisation within the stratigraphy, but subparallel to the orientation of some veins in the mineralised trend. Structural logging based on oriented core to determine the controls on mineralisation are on-going.

Criteria	JORC Code explanation	Commentary
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	No orientation based sampling bias has been identified at Mulga Tank in the data at this point, although the vertical sulphide veins may cause hole orientations to be changed in future drill programmes.
Sample security	*The measures taken to ensure sample security.*	Chain of custody is managed by Impact Minerals Ltd. Samples for Mulga Tank are stored on site and delivered by Impact Minerals Ltd personnel to Kalgoorlie for initial sample preparation by Genalysis who then transport the samples to Perth for assay. Whilst in storage, they are kept in a locked yard. Tracking sheets have been set up to track the progress of batches of samples.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	At this stage of exploration a review of the sampling techniques and data by an external party is not warranted. An internal review of the sampling techniques and data will be completed at the end of the current programme.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The Mulga Tank Project comprises 13 exploration licences covering 425 km^2. Mulga Tank is located wholly within Exploration Licence E39/988. Impact Minerals Ltd (IPT) has a 20% interest in the tenement with Golden Cross Resources Limited (GCR: 80%). There is no Native Title Claim over the licence.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement is in good standing with no known impediments. IPT has the right to earn 70% ownership with $1.9M expenditure commitment before November 2017.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Limited bedrock-cover interface percussion drilling completed by previous explorers focused on the southern contact of 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. A total of 28 RC and 4 diamond holes were completed.
Geology	Deposit type, geological setting and style of mineralisation.	Mulga Tank is interpreted as an ultramafic hosted primary magmatic nickel sulphide deposit, similar in style to the Perseverance and Rocky's Reward nickel mines at Leinster in Western Australia. The Mulga Tank Dunite is also similar to the unit that hosts the Mount Keith disseminated nickel sulphide deposit. There are two prospective units (Upper and Lower) that host the initial sulphide intersections at a depth of 300 and 350 metres vertically (respectively).
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length.	Refer to Table 2 in body of text. Further details are not material for this early stage of exploration.

Criteria	JORC Code explanation	Commentary
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	All reported assays have been length weighted. No top outs have been applied. A nominal cut-off of 0.3% to 0.5% nickel has been applied.
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	High grade massive sulphide intervals internal to broader zones of sulphide mineralisation are reported as included intervals.
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	The Mulga Tank deposit is a flat lying ultramafic sill. Holes to date have been sub-vertical and whilst this is perpendicular to stratigraphy, steeply dipping sulphide veins are at a sub-optimal orientation to the drillhole.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figures in body of text.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All results reported are representative
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	The drill targets at Mulga Tank have been ranked on the basis of soil geochemistry and ground EM results. Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure table of the database.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive	Follow up work programmes will be subject to interpretation of assay results which is ongoing.

+Rule 5.5

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	**Quarter ended ("current quarter")**
52 119 062 261	30 JUNE 2017

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	(340)	(3,044)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(61)	(364)
	(e) administration and corporate costs	(74)	(682)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	4	24
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	-	1,074
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(471)**	**(2,992)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	-	(4)
	(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)	-	-
	(c) investments	-	-
	(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)	-	-
2.6	**Net cash from / (used in) investing activities**	**-**	**(4)**

3.	**Cash flows from financing activities**		
3.1	Proceeds from issues of shares	1,074	1,074
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	(91)	(91)
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**	**983**	**983**

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	1,405	3,930
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(471)	(2,992)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	-	(4)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	983	983
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**1,917**	**1,917**

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	1,917	1,405
5.2	Call deposits	-	-
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)**	**1,917**	**1,405**

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	100
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

8.	**Financing facilities available** *Add notes as necessary for an understanding of the position*	**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.

9.	**Estimated cash outflows for next quarter**	**$A'000**
9.1	Exploration and evaluation	550
9.2	Development	-
9.3	Production	-
9.4	Staff costs	80
9.5	Administration and corporate costs	180
9.6	Other (provide details if material)	
9.7	**Total estimated cash outflows**	**810**

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	E39/1632 (WA) E39/1633 (WA)	Relinquished Relinquished	100% 100%	- -
10.2	Interests in mining tenements and petroleum tenements acquired or increased	EL8609 (NSW)	Granted	-	100%

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: .... Date: 31 July 2017
(~~Director~~/Company Secretary)

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.