impact. MINERALS

Excellence in Exploration

ASX Code: IPT

ASX ANNOUNCEMENT

Date: 31 October 2018
No. 610/311018

SEPTEMBER 2018 QUARTERLY REPORT

1. BLACKRIDGE GOLD PROJECT (IPT 100% and option for 95%)

- Approximately 8.5 tonnes of samples collected covering the likely range of ore processing properties. Majority of samples successfully wet processed.
- Purchase of 100% of ML2386 for $30,000 and replacement of bonds of $7,000 which covers 500 metres of prospective unconformity at surface.
- Further bulk sampling programmes to commence as soon as practicable.
- Scientific research confirms gold mineralisation comprises hydrothermal fine gold as well as larger nuggets suggesting conventional resource calculations may be possible.

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

- Assays from four diamond drill holes at Main Shaft confirm significant extensions to near the surface, high grade massive sulphide unit both along trend and at depth:

  Hole 084 returned:
  5.7 metres at 3.8 g/t gold, 347 g/t silver, 10.8% zinc and 3.7% lead from 52.1 metres down hole; *including* 0.7 metres at 15.6 g/t gold, 245 g/t silver, 8.6% zinc and 1.9% lead;
  ***and* 0.5 metres at 4.9 g/t gold, 917 g/t silver, 10.2% zinc and 4.6% lead from 56.9 metres.**

  Hole 082 returned:
  4 metres at 3.3 g/t gold 129 g/t silver, 7% zinc and 1.9% lead from 96.4 metres down hole;
  ***including* 2.1 metres at 5.1 g/t gold, 239 g/t silver, 12.8% zinc and 3.5% lead.**

  Hole 083 returned:
  2.6 metres at 7.9 g/t gold, 164 g/t silver, 5.3% zinc and 3.1% lead from 96.9 metres down hole.

  Hole 085 returned:
  1.7 metres at 1.8 g/t gold 72 g/t silver 1.5% zinc 0.5% lead from 49.3 metres down hole in a **historically poorly drilled area within 30 metres of surface.**

Market Cap
A$15.8 m (0.012 p/s)

Issued Capital
1,321,679,789

Listed Options
499,910,556
IPTOA

Directors
Peter Unsworth
Chairman

Dr Michael Jones
Managing Director

Paul Ingram
Non-Executive Director

Markus Elsasser
Non-Executive Director

Eamon Hannon
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- In addition Hole 083 intersected a narrow high grade massive sulphide unit about 30 metres below the Main Shaft unit and confirms the discovery of a second massive sulphide unit that is at least 100 metres by 150 metres in dimension and is untested at depth.

  The second massive sulphide unit returned:
  1 metre at 3.1 g/t gold, 57 g/t silver, 9.4% zinc and 4.3% lead from 143 metres down hole; including 0.3 metres at 0.8 g/t gold, 150 g/t silver, 30.2% zinc and 13.6% lead.

- Assays from two diamond holes at Commonwealth South confirm extensions of mineralisation at depth and final assays are still awaited.

- Assays from two diamond drill holes at Silica Hill confirm extensions to gold and silver mineralisation for 200 metres to the east. Mineralisation open down plunge.

3. CLERMONT GOLD PROJECT, QUEENSLAND (IPT 100%)

- Drill programme completed. Interpretation of results in progress by respected consultant Dr Gregg Morrison.

4. MULGA TANK PROJECT (IPT 100%)

- Reconnaissance drill programme completed. Results under review.

5. PILBARA GOLD PROJECT

- Sale of tenements to Pacton Gold completed.

6. CORPORATE

- Cash at September 30th $2.7 million.

1. BLACKRIDGE GOLD PROJECT (IPT 100% and option for 95%)

1.1 Bulk Sampling

During the Quarter a first pass programme of bulk samples weighing about 8.5 tonnes in total was collected from Impact's Blackridge conglomerate-hosted gold project located about 30 km north of Clermont in central Queensland (Figures 1, 2 and 3).

The samples were collected at or near the gold-bearing contact (unconformity) between an upper younger unit of Permian conglomerates and a lower unit of schist, part of the older Anakie Metamorphic Group (Figure 1).

Figure 1. Outcrop of free-digging conglomerate. Unconformity at base of cliff.

The samples were chosen on the basis of the presence of gold nuggets discovered by prospectors and also for their rock mechanics properties to help determine likely processing routes for larger sampling programmes. Three main sample types have been identified: free digging samples; hard indurated (solid) rock; and clay-rich samples.

The majority of the samples comprise free digging material of friable conglomerate and it is evident that large volumes of this material are present on Impact's licences. These samples were wet processed in a facility in Queensland and the initial results reported on October 23rd 2018. Further consideration will be given to the other sample types in due course.

Work by companies such as Novo Resources Corporation in the emerging conglomerate-hosted gold province of the Pilbara region of Western Australia, has shown that very large samples may need to be processed in order to overcome the signficant "nugget effect' that is a major factor in the exploration for this style of deposit. Impact has shown that the nugget effect was an important factor in previous exploration drilling at Blackridge (ASX Release May 29th 2018).

Figure 2. Examples of Sample Sites at Blackridge including samples taken from previous workings.

1.2 Purchase of Granted Mining Lease ML2386

During the Quarter Impact also acquired a 100% interest in Mining Lease ML2386 that covers about 500 metres of the gold-bearing unconformity at Blackridge (Figures 4 and 5).

The Mining Lease, which is fully granted and was acquired from a local prospector for a cash payment of $30,000 and replacement of environmental bonds of approximately $7,000. Ministerial consent for the purchase was recently received and the lease is now registered in Impact's name.

The granted Lease is an excellent strategic acquisition as it allows immediate access for large bulk samples, a key factor in determining grade in conglomerate-hosted gold deposits.

A test work programme is being designed which in the first instance will comprise trenching to expose and map the unconformity throughout the Lease. Samples from these trenches will be processed accordingly to determine the gold content. This will be an important first step in the search for a mineable resource at Blackridge.

1.3 Evidence for Hydrothermal Gold at Blackridge

Previous exploration work by Denison Resources Limited (Herbert, 1989: Geology and Gold Potential, Blackridge, Clermont, Queensland #CR20347) which included extensive RC drilling, opening up of some of the underground workings, bulk testing, mineralogy, geochemistry and isotope analysis suggested that some of the gold at Blackridge may be related to a delicate interplay between sedimentary and hydrothermal processes.

A similar phenomenon has recently been proposed for some of the gold in conglomerates in the Pilbara (unpublished public presentation by researchers working for Novo Resources Corporation).

A detailed study of Blackridge was completed in the mid 1990's by researchers from James Cook University in Queensland who showed that some of the gold mineralisation had indeed been derived from hydrothermal fluids and were not transported nuggets. In particular it was documented that major faults and veins of iron carbonate (siderite) were closely associated with the gold and that the gold had been precipitated from hot fluids (Zhou et al Journal of Economic Geology Volume 89 pp 1469-1491).

This is an important factor in exploration for this style of deposit and a cornerstone to Impact's forward programme. In particular it suggests that the gold at Blackridge may have a more predictable distribution and allow resources and reserves to be calculated in a straightforward manner.

ABOUT THE BLACKRIDGE PROJECT

The Blackridge Project is an advanced conglomerate-hosted gold project that covers the historic Blackridge and Springs mining camps which produced about 185,000 ounces of gold from 1879 to the early 1900's from surface down to depths of about 70 metres in small shafts and related underground workings (Figure 4).

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

Impact's project covers 91 square kilometres and comprises one 100% owned Exploration Permit (E28806) and one Exploration Permit (E26066) and four Mining Lease applications (ML 100158, 59, 60 and 61) for which Impact has an option to buy 95% from Rock Solid Holdings Pty Limited (Figures 4 and 5; ASX Release May 29th 2018).

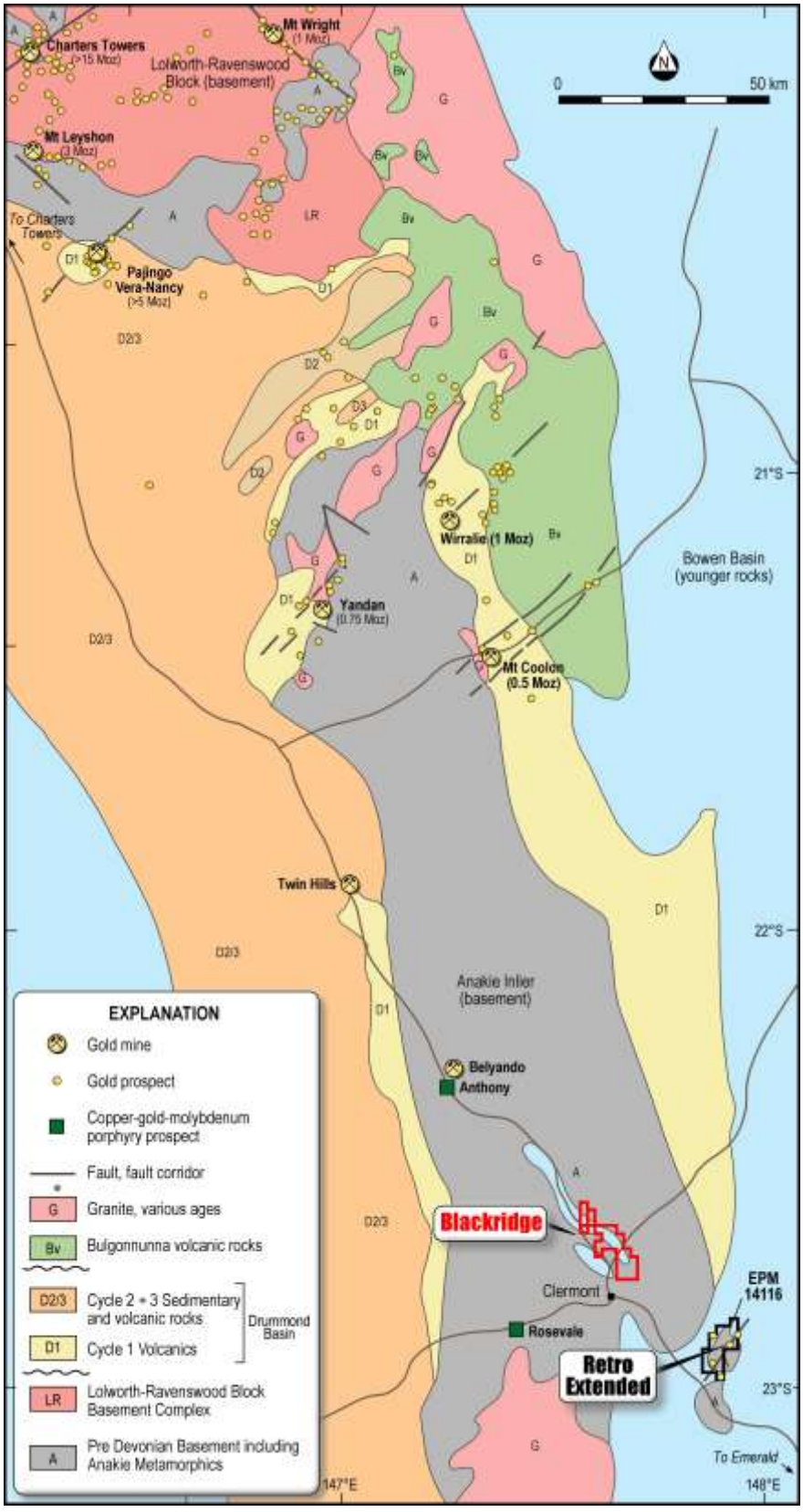

Figure 3. Location of the Blackridge and Clermont/Retro Projects in central Queensland.

In addition, the project also includes the newly acquired Mining Lease ML2836 which lies in the centre of the project area (Figure 5 and ASX Release 31 August 2018)).

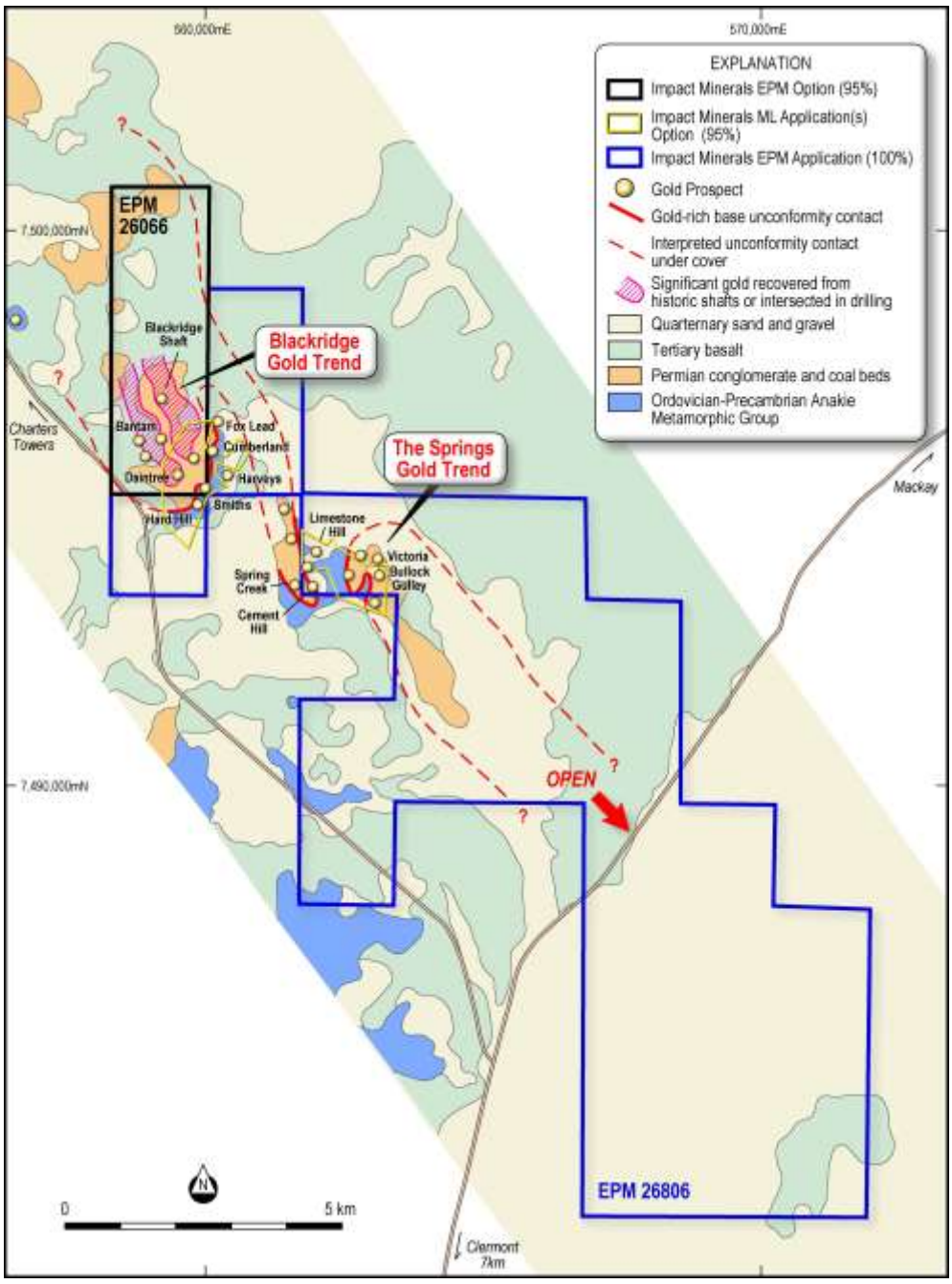

Figure 4. Location and geology of the Blackridge Project.

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

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

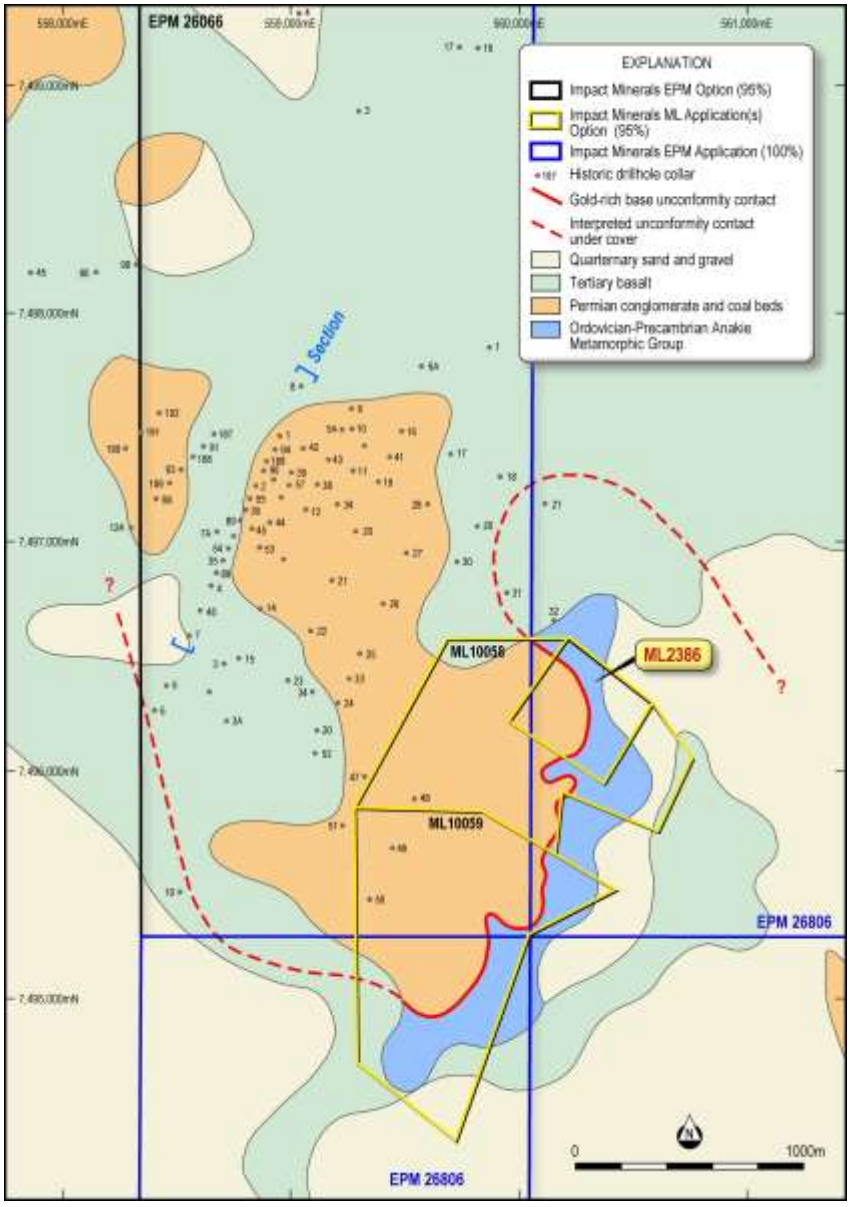

Figure 5. Location and geology of the Blackridge mining centre showing ML2386. Impact also has an option to purchase 95% of the two mining lease applications MLA10058 and 10059. Also shown are the collar locations of previous drill holes. This data is being compiled.

The basal conglomerates at the unconformity are reported to contain most of the gold. Average mining grades at Blackridge were between 10 g/t and 20 g/t gold with higher grades of up to 10 ounces per tonne (320 g/t) gold in places, for example at the Bantam shaft (Figure 3) as recorded by Lionel Ball of the Geological Survey of Queensland. Ball completed detailed studies of the gold field at Blackridge in a report published in 1905 (Geological Survey of Queensland Publication No. 201: publically available).

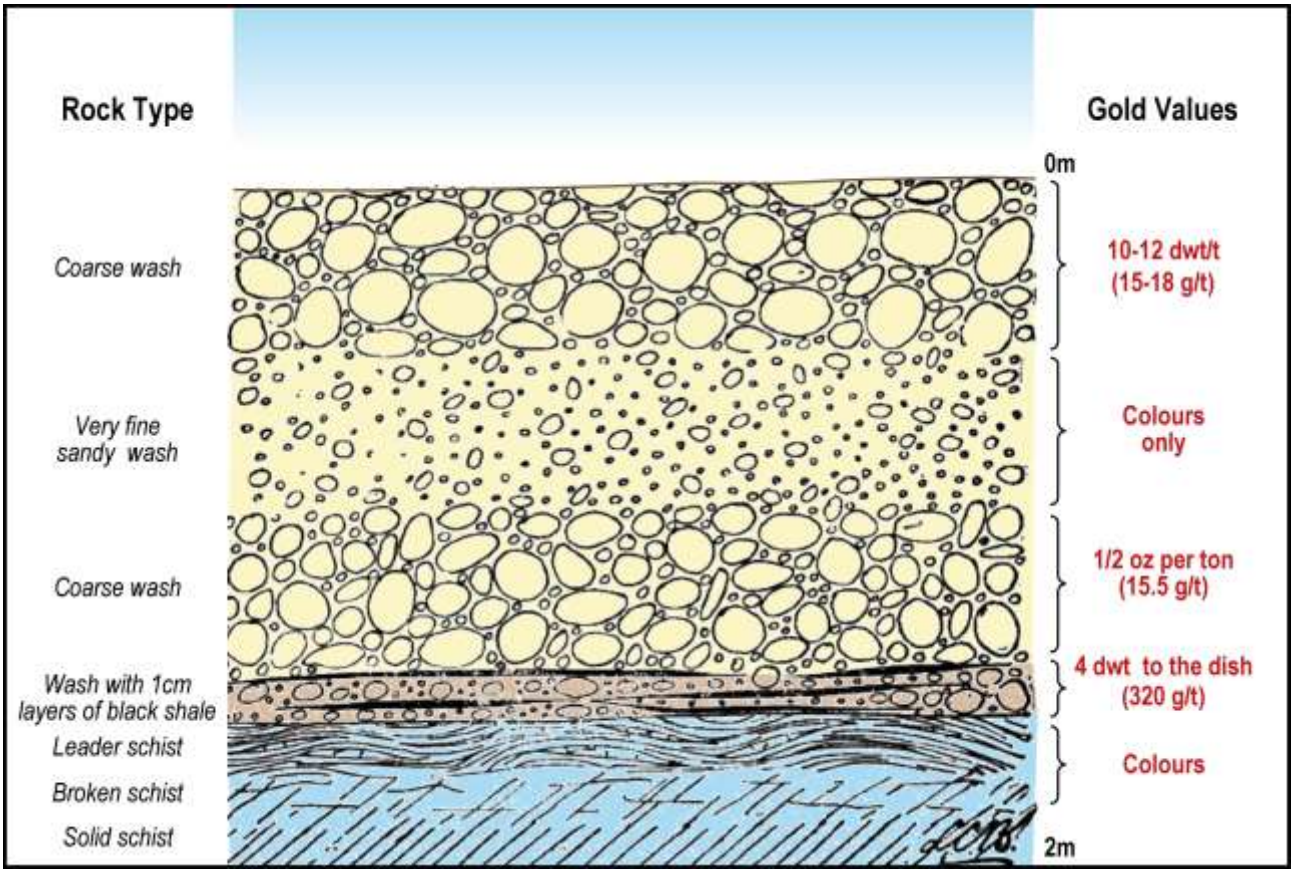

Figure 6. Section from the Bantam shaft at Blackridge (from Ball, 1905 Geol Surv. Qld Publ. 201). The section covers the basal two metres of a shaft about 70 metres deep.

Figure 6 is a coloured reproduction of a figure from Ball's report showing the distribution of gold within the basal six feet (1.8 metres) of sedimentary rock at the Bantam shaft (Figure 3). There are high grades of gold throughout the sequence with very high grades of up to 10 ounces per tonne in the basal conglomerate "wash" which also contains narrow units of black shale.

Progress has also been made on the grant of the four MLA's under option from Rock Solid Holdings Pty Ltd as well as the Compensation Agreement with the landowner. Native Title negotiations are also underway. Work will commence on these Leases and the Exploration Licences as soon as these arrangements are completed.

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

High grade assay results from the eight diamond drill holes completed at Impact Minerals Limited's (ASX:IPT) 100% owned Commonwealth Project located 100 km north of Orange in New South Wales, have confirmed significant extensions to the mineralisation at the Main Shaft, Silica Hill and Commonwealth South Prospects and importantly have identified a second massive sulphide body below Main Shaft (ASX Release September 18th 2018).

The mineralisation at all Prospects is still open along trend and at depth and further drilling is required.

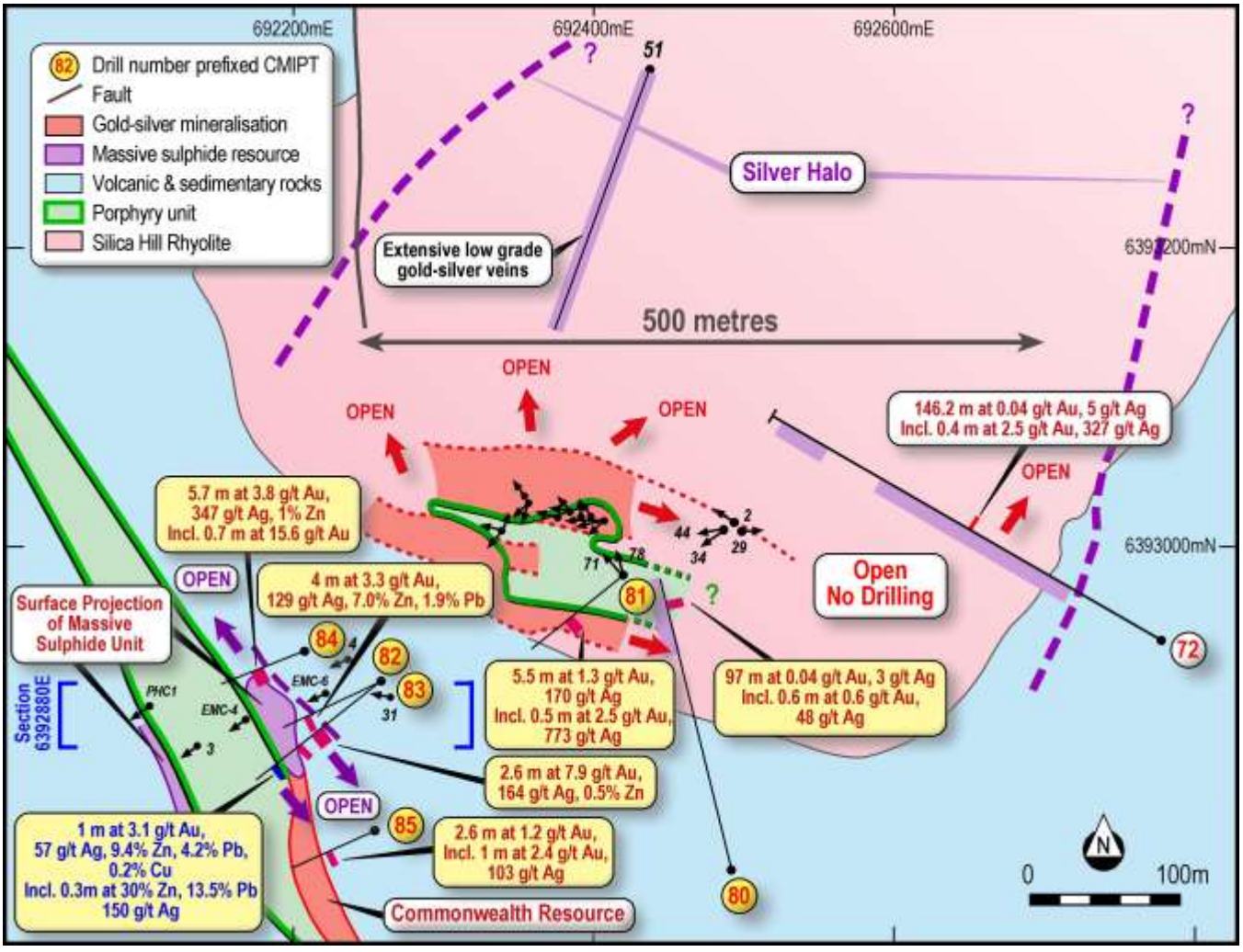

Figure 7. Location of new drill assays at Main Shaft and Silica Hill (yellow labels). The Main Shaft Prospect covers the area labelled "Massive Sulphide Resource"**.** The Silica Hill Prospect is in the centre of the map. The Commonwealth South Prospect lies just south of the map.

Main Shaft Massive Sulphide Unit

At **Main Shaft** four diamond drill holes were completed to test for extensions at depth and along trend from the previously identified gold and silver-rich massive sulphide lens[1].

All four holes intersected varying widths of massive and/or semi-massive sulphide mineralisation at the upper eastern contact of the Commonwealth porphyry. The second massive sulphide unit, which was intersected in one hole in this programme, lies immediately below the lower western contact of the Commonwealth porphyry (Figures 7 and 8). The other 3 holes did not penetrate to the lower contact.

Drill hole locations are shown in Figure 7 and other details are given in the tables at the end of this report.

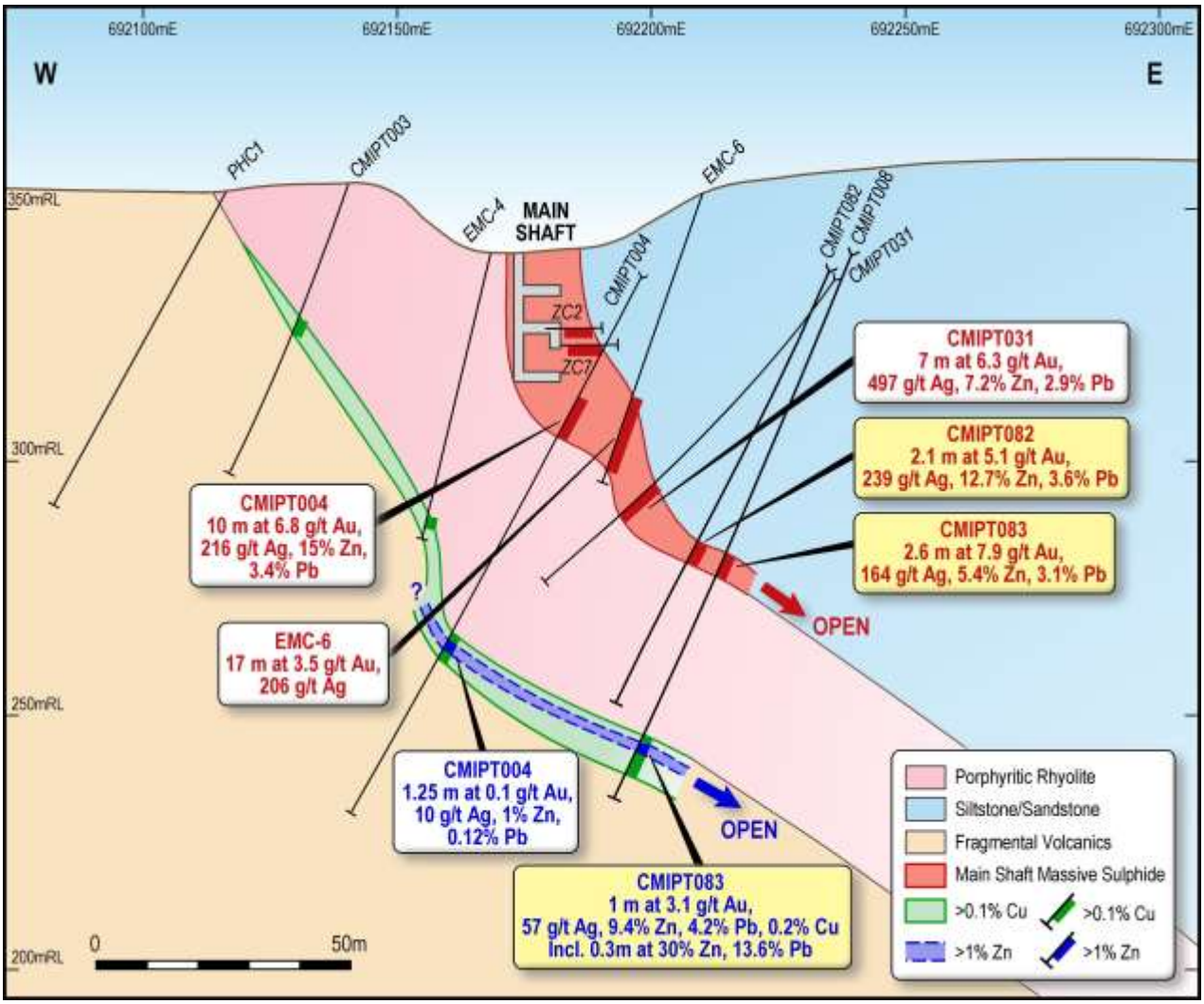

Figure 8. Cross section showing the upper and lower massive sulphide units at Main Shaft (see Figure 7 for section location). Both lenses are open at depth.

Hole **CMIPT084** was drilled 15 metres north of the massive sulphide lens[2,3] and intersected 5.7 metres true width of massive sulphide from 52.1 metres down hole at the hanging wall contact of the Commonwealth porphyry unit (Figures 7 and 8). Figure 9 shows the pyrite-rich and sphalerite-rich styles of mineralisation for comparison.

Hole 84 has returned:
5.7 metres at 3.8 g/t gold, 347 g/t silver, 10.8% zinc and 3.7% lead from 52.1 metres down hole;
including **0.7 metres at 15.6 g/t gold, 245 g/t silver, 8.6% zinc and 1.9% lead from 52.5 metres;**
and **0.5 metres at 4.9 g/t gold 917 g/t silver 10.2% zinc and 4.6% lead from 56.9 metres down hole.**

This has extended the massive sulphide lens at Main Shaft for 15 to 20 metres along trend to the north and importantly for any future mining operation, the mineralisation is within 30 metres of surface.

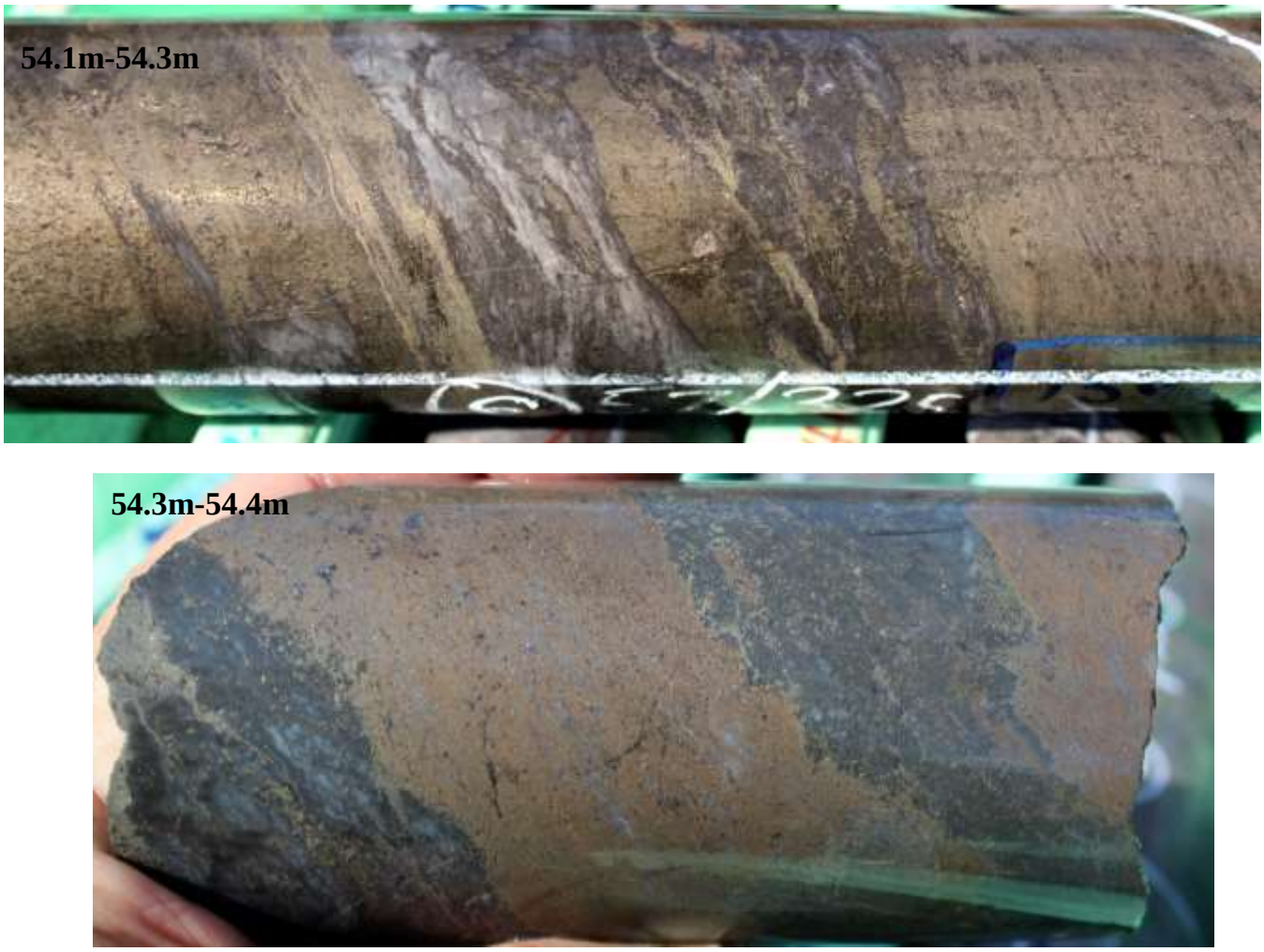

Figure 9. Hole CMIPT084: Photographs of end-member styles of massive sulphide mineralisation: massive pyrite (bronze colour) with fine grained sphalerite and galena (upper) and massive sphalerite (red-brown) with galena (silver grey) (lower). Similar styles of mineralisation occur in all four drill holes at Main Shaft.

Hole **CMIPT082** was drilled 20 metres down dip from previous high grade drill intercepts[3] and intersected two metres true width of semi-massive sulphide with surrounding disseminated sulphide (Figure 8).

Hole 082 has returned:
4 metres at 3.3 g/t gold, 129 g/t silver, 7% zinc and 1.9% lead from 96.4 metres down hole;
including **2.1 metres at 5.1 g/t gold, 239 g/t silver, 12.8% zinc and 3.5% lead from 98 m down hole.**

Hole **CMIPT083** was drilled 20 metres along trend from Hole 082 and intersected 2.6 metres true width of semi-massive sulphide.

Hole 083 has returned:
2.6 metres at 7.9 g/t gold, 164 g/t silver, 5.3% zinc and 3.1% lead from 96.9 metres down hole.

Importantly, these intercepts all indicate the upper massive sulphide unit at Main Shaft extends from surface to a depth of about 100 metres and is still open below and to the south (Figures 7 and 8).

Hole **CMIPT085** was drilled in an area of little drilling about 70 metres along trend to the south of the massive sulphide lens at Main Shaft (Figure 7). This hole intersected 1.5 metres true width of brecciated massive sulphide and is the first indication of massive sulphide in this area. This is encouraging as it suggests there is potential here for further near surface mineralisation.

Hole 085 has returned:
1.7 metres at 1.8 g/t gold, 72 g/t silver, 1.5% zinc and 0.5% lead from 49.3 metres down hole.

Second Massive Sulphide Unit

In addition to the intercept of the massive sulphide unit at Main Shaft, Hole CMIPT083 also intersected a 20 metre thick zone of alteration and patchy sulphide mineralisation from 130 metres down hole below the Commonwealth porphyry (Figure 8).

Within the zone is a one metre thick zone of brecciated massive sulphide comprised mostly of sphalerite with patches of chalcopyrite (Figure 10).

Figure 10. Hole CMIPT083: massive and brecciated massive sphalerite (red-brown) with lesser galena. Up to 3% chalcopyrite (yellow) is present in places.

In this zone Hole 083 returned:
1 metre at 3.1 g/t gold, 57 g/t silver, 9.4% zinc, 4.3% lead and 0.3% copper from 143 metres down hole. This includes a narrow zone of massive high grade sphalerite which returned 0.3 metres at 0.8 g/t gold, 150 g/t silver, 30.2% zinc and 13.6% lead.

The massive sulphide unit is the first confirmed presence of a high grade gold-rich massive sulphide unit below the Commonwealth porphyry. It occurs within a copper-rich mineralised horizon that is up to 50 metres thick and has been intersected in 12 previous drill holes.

The previous drill holes contain higher grade intercepts in places which are interpreted to be along-trend continuations of Hole 083.

For example Hole CMIPT006 returned 31 metres at 0.13% copper and 5 g/t silver including
1 metre at 1% copper, 1.1% zinc, 0.4% lead, 34 g/t silver and 0.4 g/t gold; and
Hole CMIPT050 returned 49 metres at 0.1% copper including
0.8 metres at 2.5% copper, 4% zinc, 0.5% lead, 39 g/t silver and 0.2 g/t gold.[2,3,4]

The results suggest the massive sulphide unit is increasing in grade, gold content and potentially thickness with depth (Figure 8).

All of this indicates significant exploration potential for another thicker massive sulphide unit down plunge and below the level of current drilling (Figures 7 and 8).

Silica Hill

At **Silica Hill** two diamond drill holes were completed to test down dip and along-trend extensions to the previously discovered high grade gold and silver mineralisation[4,5].

Hole **CMIPT081** was drilled 65 metres along trend from previous high grade drill intercepts[4,5] and intersected an eight metre thick true width zone of disseminated and wispy bands of up to 20% pyrite in places from 202 metres down hole. A stronger mineralised zone about five metres thick was intersected from 212 metres down hole.

Hole 081 has returned:
5.5 metres at 1.3 g/t gold and 170 g/t silver from 212 metres down hole
including 0.5 metres at 2.5 g/t gold and 773 g/t silver.

Hole **CMIPT080** was drilled 125 metres along trend from Hole 081 and intersected a 24 metre thick true width zone of patchy to pervasive silica-sericite-sulphide alteration with disseminated and narrow veins of pyrite with trace pathfinder metals arsenic, zinc and lead from 317 metres down hole. This includes a 0.5 metre thick quartz sulphide vein with visible silver minerals at 317.5 metres down hole.

Hole 080 returned a broad alteration zone of 93 metres at 0.04 g/t gold and 3 g/t silver with a narrow zone of 0.6 metres at 0.6 g/t gold and 48 g/t silver.

Both of these holes demonstrate a continuation of the Silica Hill mineralised system for at least 200 metres along trend. However the zone is narrower than previous drill holes to the west (Figure 7).

The mineralisation is open at depth, in particular to the west, and this is a key target for follow up drilling. The mineralisation at Silica Hill is still open in all directions and further deeper drilling is required.

Commonwealth South

At Commonwealth South, located 400 metres south of Main Shaft, the two diamond drill holes tested the down plunge extension of a previous high grade drill intercept of 7 metres at 25.5 g/t gold, 62 g/t silver, 3.8% zinc and 1.6% lead in Hole CMIPT017[6].

Hole CMIPT086 intersected 2.5 metres of semi-massive pyrite and zinc sulphide with lesser lead sulphide in an 8 metre thick zone of disseminated and vein-hosted sulphide from about 96 metres down hole.

Hole CMIPT087 intersected about 10 metres of vein and stringer mineralisation with narrow zones of semi-massive sulphide from about 96 metres down hole.

In addition both holes intersected a second zone of disseminated sulphide and stringer vein mineralisation deeper in the drill holes, below the porphyry unit. This is encouraging.

The mineralisation is dominated by thicker layers of pyrite interlayered with up to 15% fine grained zinc sulphide (sphalerite) and up to 5% lead sulphide (galena). In a few places there are also zones with thick layers of sphalerite with lesser galena and pyrite.

Assays from these final two holes are due shortly, following a delay in the laboratory.

All eight diamond drill holes successfully intersected mineralisation in the drill programme.

DISCUSSION AND NEXT STEPS

All of these results indicate the potential to increase the Inferred Resources at Commonwealth both for the overall resource, which extends from Main Shaft to Commonweath South, and for the higher grade massive sulphide resource within it, at Main Shaft (Figure 7).

The Inferred Resource was prepared in accordance with the JORC 2012 Code by independent resource consultants Optiro[2]. At a 0.5 g/t gold cut off the entire Inferred Resource is:

720,000 tonnes at 2.8 g/t gold, 48 g/t silver, 1.5% zinc, 0.6% lead and 0.1% copper.

The resource extends from surface to an average depth of 90 metres, has a strike length of 400 metres and is up to 25 metres thick.

A separate Inferred Resource (included within the overall resource) was also calculated for the massive sulphide lens at Main Shaft alone to demonstrate the high grade nature of such deposits that are the principal target for Impact's exploration programme. The Main Shaft Inferred Resource is:

145,000 tonnes at 4.3 g/t gold, 142 g/t silver, 4.8% zinc, 1.7% lead and 0.2% copper.

Upon receipt of the final assays a detailed synthesis and interpretation of all data collected will be commenced with a view to a resource upgrade by Q1 2019. In addition further drilling is required at all prospects. Impact will look to drill these areas in 2019.

Previous Exploration Results and Mineral Resource Estimates have been reported to the ASX in a large number of announcements over the past few years. The significant announcements referred to and numbered in this report are:

1. 6 August 2018 – ASX Release "*Further massive sulphide mineralisation at Commonwealth, NSW"*
2. 19 February 2015 – ASX release *"Maiden high grade resource at Commonwealth, NSW."*
3. 30 June 2016 – ASX release *"High grade extensions to the Commonwealth Deposit."*
4. 28 March 2018 – ASX release *"Further evidence of large mineralised system at Silica Hill."*
5. 13 February 2018 – ASX release *"High grade silver intersected at Silica Hill."*
6. 22 September 2014 – ASX release *"Bonanza gold grades at Commonwealth South."*

Details on these previous results can also be found in the Appendix.

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

3. CLERMONT GOLD PROJECT, QUEENSLAND (IPT 100%)

A drill programme to test five target areas for vein-hosted gold mineralisation at the Clermont Project located 30 km south of the town of Clermont in central Queensland was completed during the Quarter.

The project is located in the southern part of the Drummond Basin in Central Queensland, a prolific epithermal gold-silver belt which hosts several world class gold deposits such as Pajingo (Vera-Nancy) (>5 Moz), Mt Leyshon (>3 Moz) and Mt Wright (>1 Moz) (Figure 3).

The five target areas being drill tested were identified on the basis of anomalous soil and rock chip geochemistry and Induced Polarisation ground geophysical anomalies together with previous drill results where available (see ASX Release July 18th 2018).

Assays are still being received and interpreted by respected epithermal and porphyry mineralisation specialist Dr Gregg Morrison. Final interpretations are expected to be completed in November.

4. MULGA TANK PROJECT (IPT 100%)

A reconnaissance aircore drill programme was completed during the Quarter at Impact Minerals Limited's Mulga Tank project located 200 km north east of Kalgoorlie in Western Australia.

The programme tested five targets for gold and nickel-copper-cobalt mineralisation hosted in Archaean greenstones and as identified in magnetic and gravity data together with anomalous drill results from previous explorers and work completed by Impact.

This work has shown that the style of mineralisation and the nature of the rocks in the greenstone belt 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 (Figure 1). 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.

Poor drilling conditions were encountered in a number of areas and each target area was only tested by a few drill holes and the nickel targets were not effectively tested. No significant gold results were returned and the project is being reviewed.

5. COMPLETION OF SALE OF PILBARA GOLD PROJECT TO PACTON GOLD INC

The Share Sale Agreement for sale of the Company's Pilbara gold project to Pacton Gold Incorporated as announced to the ASX on May 29th 2018 was completed during the Quarter.

Under the terms of the Share Sale Agreement, Pacton has purchased a 100% ownership interest in Impact's wholly owned subsidiary Drummond East Pty Limited which holds seven 100% owned granted Exploration Licences in the Pilbara region of Western Australia (E45/4971-72-73; E46/1171-72; and E46/1188-89).

The total consideration to be paid by Pacton to Impact for the purchase was CAD$350,000 and 2,125,000 common shares of Pacton. In addition a payment of CAD$500,000 is due if an Inferred Resource of 250,000 ounces or greater is discovered on the licences.

Impact will return a 2% NSR with Pacton retaining the right to buy back 1% of the royalty for CAD$500,000 at anytime.

Impact also will provide on-going technical advice to Pacton's team and looks forward to working with them as exploration in the Pilbara progresses. Pacton has a strong business plan for its exploration in the Pilbara and is well funded following a recent CAD$5.5 million raising including CAD$2 million from Eric Sprott, a major direct and indirect shareholder in Novo Resources Corporation.

6. CORPORATE

Cash at September 30th was $2.7 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). Dr Jones has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

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

Tenement Information in accordance with Listing Rule 5.3.3

Project / Tenement ID	Status	IPT Interest at start of quarter	IPT Interest at end of quarter
Commonwealth, NSW			
EL5874	Granted	100%	100%
EL8212	Granted	100%	100%
EL8252	Granted	100%	100%
EL8504	Granted	100%	100%
EL8505	Granted	100%	100%
EL8632	Granted	100%	100%
Broken Hill, NSW			
EL7390	Granted	100%	100%
EL8234	Granted	100%	100%
EL8636	Granted	100%	100%
EL8674	Granted	100%	100%
EL8609	Granted	100%	100%
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	Granted	100%	100%
E39/2018	Granted	100%	100%
E39/2019	Granted	100%	100%
E39/2022	Granted	100%	100%
E39/2065	Granted	100%	100%
Clermont, Qld			
EPM14116	Granted	100%	100%
Blackridge, Qld			
EPM26806	Application	-	-
ML2386	Granted	-	100%

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).
	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.

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 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.
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.

Criteria	JORC Code explanation	Commentary
	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.
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.

Criteria	JORC Code explanation	Commentary
	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.
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.
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.

Criteria	JORC Code explanation	Commentary
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
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.
	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.

Criteria	JORC Code explanation	Commentary
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.
	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.

Criteria	JORC Code explanation	Commentary
	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.

Criteria	JORC Code explanation	Commentary
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.
	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.

+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 SEPTEMBER 2018

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
1.	**Cash flows from operating activities**		
1.1	Receipts from customers		
1.2	Payments for		
	(a) exploration & evaluation	(1,343)	(1,343)
	(b) development	-	-
	(c) production	-	-
	(d) staff costs	(82)	(82)
	(e) administration and corporate costs	(248)	(248)
1.3	Dividends received (see note 3)	-	-
1.4	Interest received	11	11
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Research and development refunds	645	645
1.8	Other (provide details if material)	-	-
1.9	**Net cash from / (used in) operating activities**	**(1,017)**	**(1,017)**

2.	**Cash flows from investing activities**		
2.1	Payments to acquire:		
	(a) property, plant and equipment	(81)	(81)
	(b) tenements (see item 10)	-	-
	(c) investments	-	-
	(d) other non-current assets	-	-

Consolidated statement of cash flows		**Current quarter $A'000**	**Year to date (3 months) $A'000**
2.2	Proceeds from the disposal of:		
	(a) property, plant and equipment	-	-
	(b) tenements (see item 10)	341	341
	(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**	**260**	**260**

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

4.	**Net increase / (decrease) in cash and cash equivalents for the period**		
4.1	Cash and cash equivalents at beginning of period	3,514	3,514
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,017)	(1,017)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	260	260
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	-
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	**Cash and cash equivalents at end of period**	**2,757**	**2,757**

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	857	514
5.2	Call deposits	1,900	3,000
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	**Cash and cash equivalents at end of quarter (should equal item 4.6 above)**	**2,757**	**3,514**

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	106
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	400
9.2	Development	-
9.3	Production	-
9.4	Staff costs	100
9.5	Administration and corporate costs	150
9.6	Other (provide details if material)	
9.7	**Total estimated cash outflows**	**650**

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	E45/4971 (WA) (1)	Disposed	100%	-
		E45/4972 (WA) (1)	Disposed	100%	-
		E45/4973 (WA) (1)	Disposed	100%	-
		E46/1171 (WA) (1)	Disposed	100%	-
		E46/1172 (WA) (1)	Disposed	100%	-
		E46/1188 (WA) (1)	Disposed	100%	-
		E46/1189 (WA) (1)	Disposed	100%	-
10.2	Interests in mining tenements and petroleum tenements acquired or increased	E39/2065 (WA)	Application	-	-
		EPM 26967 (QLD)	Application	-	-
		EPM 26968 (QLD)	Application	-	-
		EPM 26969 (QLD)	Application	-	-
		EPM 26970 (QLD)	Application	-	-

Note: (1): On 16 August 2018, the Company announced that it had completed a Share Sale Agreement for the sale of its Pilbara gold project to Pacton Gold Inc. (Pacton). Pacton purchased 100% of the Company's wholly owned subsidiary Drummond East Pty Ltd which is the holder of the seven exploration licences. The amount at 2.2(b) represents part of the cash consideration for the sale (refer ASX release dated 16 August 2018).

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 October 2018
(~~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.