ASX ANNOUNCEMENT

Date: 28 July 2016 No. 478/280716

JUNE 2016 QUARTERLY REPORT
SUMMARY

1. COMMONWEALTH AU-AG-BASE METAL PROJECT, N.S.W. (Impact 100%)

- Ongoing 4,000 m drill programme testing for extensions to the Commonwealth deposit and other new target areas.

Commonwealth Deposit

- High grade extension of massive sulphide intersected 30 metres down plunge of the Commonwealth resource at Main Shaft returns:

  7 metres at 6.3 g/t gold, 496 g/t silver (15.9 ounces), 7.2% zinc, 2.9% lead and 0.2% copper (17.7 g/t gold equivalent) from 91 m;
  including **3 metres at 10.6 g/t gold, 571 g/t silver (18.4 ounces), 7.8% zinc, 2.1% lead and 0.2% copper (23.0 g/t gold equivalent) 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 and 0.1% copper (21.4 g/t gold equivalent) from 95 metres.**

- Further high grade and robust intersections at Commonwealth South extend deposit 15 metres up dip and 40 metres down plunge and along trend including:

  2.6 metres at 10.3 g/t gold, 55.7 g/t silver (1.8 ounces), 2.5% zinc and 0.9% lead (12.6 g/t gold equivalent) from 88.1 metres
  including **0.9 metres at 23.3 g/t gold, 94.6 g/t silver (3 ounces), 3.6% zinc and 1.6% lead (27.1 g/t gold equivalent)**

- Assay results confirm Impact's interpretation that high grade mineralisation remains open down plunge with further drilling required.

- These results clearly demonstrate the potential for a material increase to the Inferred Resource at Commonwealth.

Market Cap
A$23.7m (0.03 p/s)

Issued Capital
788,771,085

Directors
Peter Unsworth
Chairman

Dr Michael Jones
Managing Director

Paul Ingram
Non-Executive Director

Markus Elsasser
Non-Executive Director

Felicity Gooding
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Silica Hill

- Three new drill targets identified from drill assays and breakthrough in understanding of the controls on high grade mineralisation.
- Two targets to be tested as part of ongoing drill programme and both close to previous drill intercept of 20 metres at 44 g/t silver.
- Target 1 lies beneath new near surface thick drill intercept of:
  39 metres at 0.3 g/t gold and 16 g/t slver (0.6 g/t gold equivalent) from 5 metres
  including **7 metres at 0.4 g/t gold and 26 g/t silver (0.7 g/t gold equivalent) from 37 metres.**
- Target 2 is a structural target at the lower contact of the Silica Hill rhyolite.
- High grade silver mineralization at Silica Hill and Main Shaft likely to be part of the same system. Structures that link the two are priority areas for further follow up.

20 Metre Thick Silver-Gold Zone at the Walls Prospect

- Maiden drill hole at the Walls Prospect on the Welcome Jack Trend located 1.2 km east of Commonwealth identifies potential for new near surface resources and returns:

  20 m at 0.5 g/t gold and 27 g/t silver (1 g/t gold equivalent) from 55 m
  including **12 m at 0.7 g/t gold and 42 g/t (one and a half ounces) of silver (1.3 g/t gold equivalent)**
  including **1 m at 2.9 g/t gold and 144 g/t silver and 1.1% zinc (5.7 g/t gold equivalent)**
- Further drilling required along trend and at depth to be undertaken in the current programme.

Further Drilling in Progress

- Drilling is still in progress with assay results expected from Silica Hill, Commonwealth South and Doughnut.

2. BROKEN HILL PGM-NI-CU PROJECT, N.S.W. (IMPACT 100%)
   - Final maps and reports received for Platinum Springs and Little Darling Creek.
   - Follow up drill programme designed for Red Hill.
3. MULGA TANK NI-CU-PGE PROJECT, W.A. (IMPACT 100%)
   - $150,000 co-fund drilling award granted as part of the WA Government's Exploration Incentive Scheme.
   - A review and synthesis of previous drill hole assay data was continued.
4. CORPORATE
   - $1.92 million raised via a Share Purchase Plan and placement at 2.4 cents per share.
   - Cash of $3.9 million at June 30th.

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

The Commonwealth Project comprises three 100% owned exploration licences that cover about 315 sq km of the highly prospective Lachlan Fold Belt about 100 km north of Orange in NSW. The belt is host to many major gold-silver-copper mines including the Cadia-Ridgeway deposits that contain at least 25 million ounces of gold and 5 million tonnes of copper (Figure 1).

A significant amount of work was completed during the Quarter as part of a major drill programme of up to 4,000 m of RC and diamond drilling to test a number of geophysical and geochemical targets at the Commonwealth deposit, as well as at the Welcome Jack, Silica Hill and Doughnut Prospects (Figure 2).

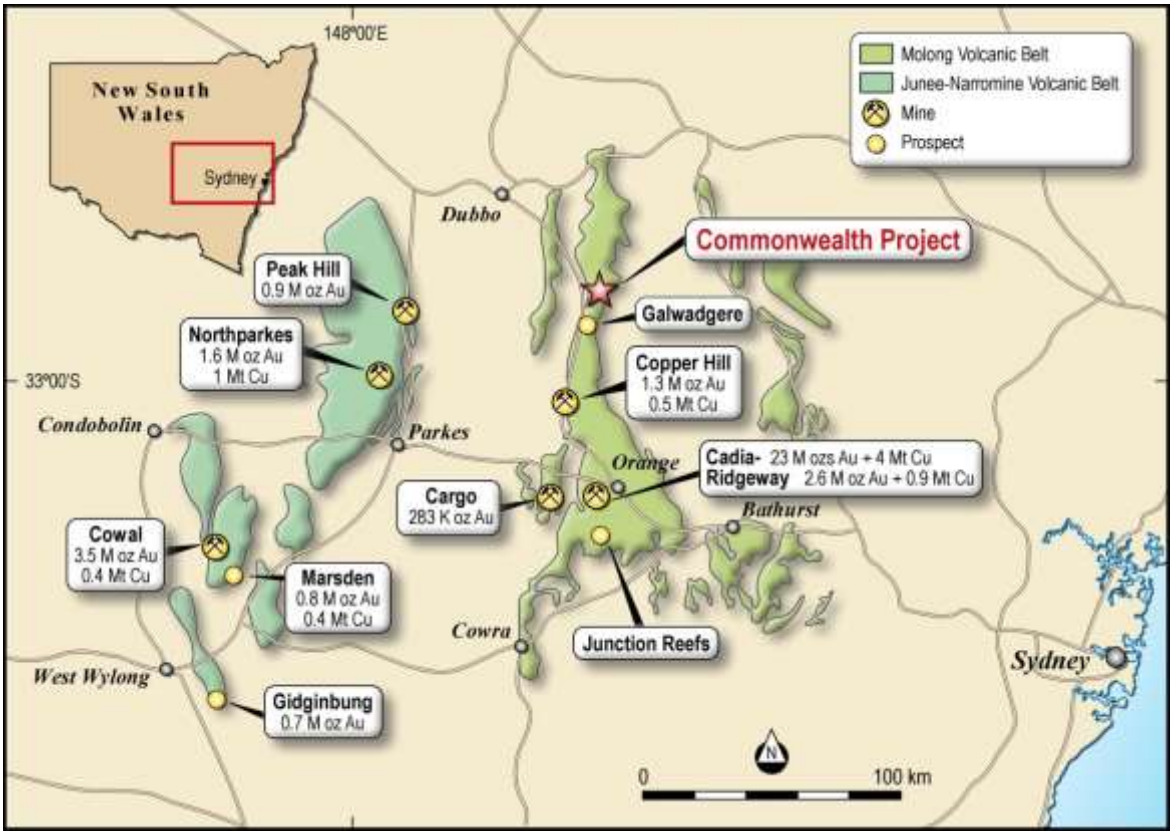

Figure 1. Location of the Commonwealth Project within the Lachlan Fold Belt of NSW, home to many significant gold and copper mines.

The programme, which is ongoing, has successfully identified significant extensions to the Commonwealth gold-silver-base metal deposit at both Main Shaft and Commonwealth South (Figure 2). In addition the potential for further near surface resources has been established at the Walls Prospect (Figure 2).

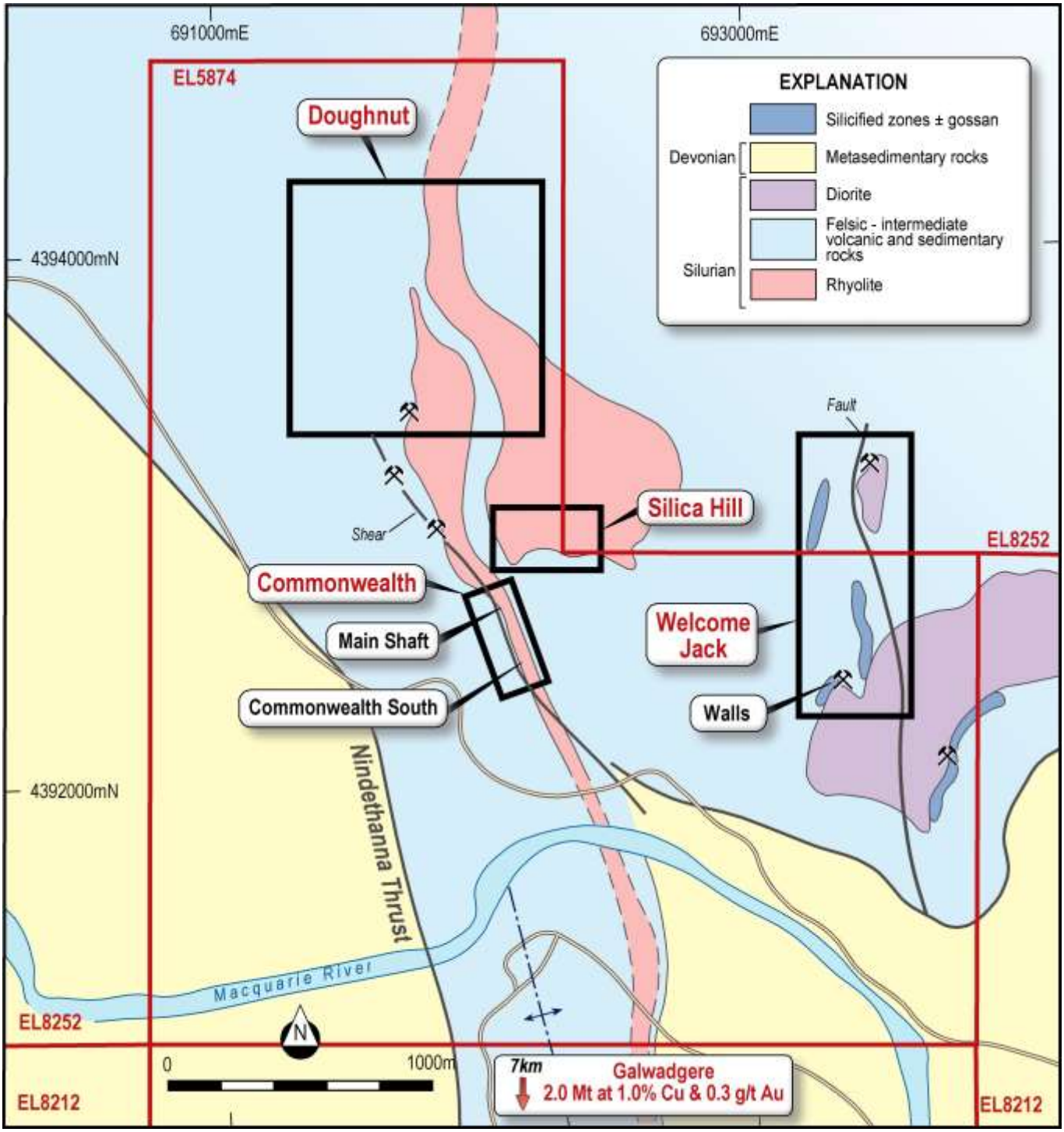

Figure 2. Geology and location of the four priority prospects at the Commonwealth Project: Commonwealth, Silica Hill, Welcome Jack Trend and Doughnut. The Commonwealth Prospect contains the Commonwealth deposit that has two connected parts, Main Shaft and Commonwealth South.

1.1 Extensions to the Commonwealth Deposit

Assays for three drill holes designed to test for extensions to the Commonwealth deposit have confirmed further high grade gold, silver and base metal mineralisation down plunge and along trend. Tables 1 and 2 summarise the programme and significant intercepts.

A very high grade drill intercept of massive sulphide at Main Shaft and other high grade intercepts from Commonwealth South have extended the Commonwealth deposit for at least 30 to 40 metres along trend, up dip and down plunge to the south. The mineralisation is still open. These results, and the extension of the massive sulphide in particular, indicate the potential to materially increase the Inferred Resource at Commonwealth.

Main Shaft

At Main Shaft, drill hole CMIPT031 targeted an EM conductor interpreted from a previous downhole survey and intersected a 7 metre thick zone of massive sulphide mineralisation with exceptional silver grades (Figures 3, 4 and 5).

Figure 3. RC drill chips from CMIPT031 showing massive sulphide from 91 to 98 m.

CMIPT031 returned:
7 metres at 6.3 g/t gold, 496 g/t silver (15.9 ounces), 7.2% zinc, 2.9% lead and 0.2% copper (17.7 g/t gold equivalent) 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 and 0.2% copper (23.0 g/t gold equivalent) 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 and 0.1% copper (21.4 g/t gold equivalent) from 95 metres.**

The hole is 30 metres down dip and plunge from the nearest drill hole and the mineralisation is open to the south east, down plunge. Further drilling is required.

The EM plate is modelled to extend at least a further 20 metres down plunge and this is likely to be the limit of detection for the previous EM survey. A new down hole EM survey of CMIPT031 is required and will be completed towards the end of the drill programme.

Commonwealth South

At Commonwealth South two diamond holes targeted extensions to the deposit along trend and down dip and one diamond hole was drilled close to a previous high grade intercept in RC hole CMIPT017 to better understand the controls on the high grade mineralization (intercept of 4 m at 41.8 g/t gold, 62 g/t silver, 3.8% zinc and 1.6% lead – see announcement dated 22nd September 2014).

Hole CMIPT022, drilled down plunge to previous mineralisation was designed to test a small downhole EM conductor. No source for the conductor was found. However, the hole returned a thick mineralised intercept of:

13.6 metres at 2.1 g/t gold, 21 g/t silver, 0.4% zinc and 0.2% lead (2.6 g/t gold equivalent) from 68.7 metres

including **0.6 metres at 10.8 g/t gold, 44 g/t silver (1.5 ounces), 2.5% zinc and 1% lead (12.4 g/t gold equivalent).**

This is a significant intercept and has extended Commonwealth South mineralisation for 30 metres along trend to the south and helped confirm the south plunge to the mineralisation (Figures 4 and 5).

A down hole EM survey is required to determine the significance and possible location of the EM conductor. This will be completed towards the end of the drill programme.

Hole CMIPT025 which was drilled up plunge and close to CMIPT017 returned:

2.6 metres at 10.3 g/t gold, 55.7 g/t silver (1.8 ounces), 2.5% zinc and 0.9% lead (12.6 g/t gold equivalent) from 88.1 metres

including **0.9 metres at 23.3 g/t gold, 94.6 g/t silver (3 ounces), 3.6% zinc and 1.6% lead (27.1 g/t gold equivalent)**

All of these drill results support Impact's interpretation that the Commonwealth deposit is controlled by south plunging high grade shoots that are open along trend and at depth (Figure 5). A detailed structural interpretation is in progress to better understand the orientation of the high grade shoots at depth.

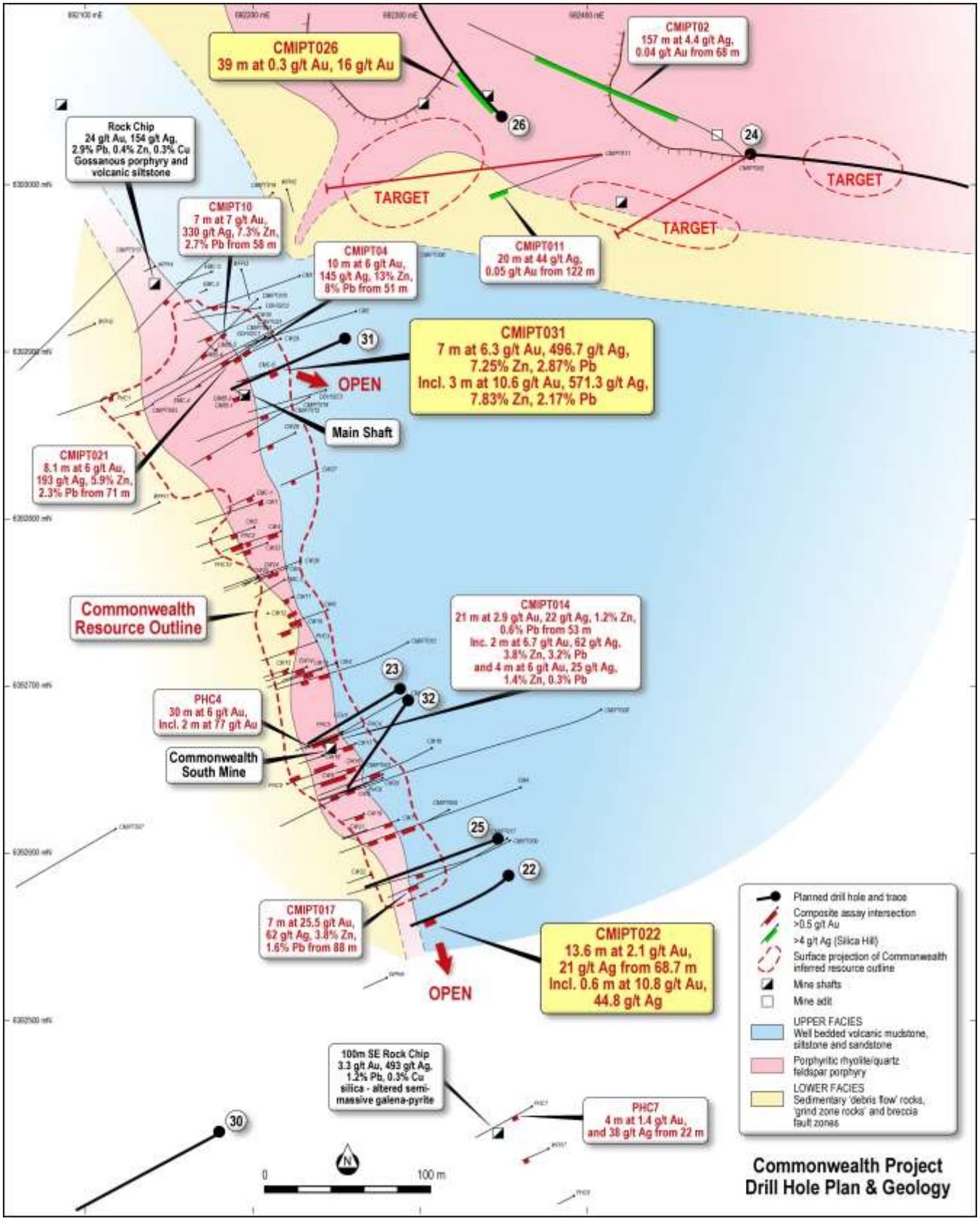

Figure 4. Drill plan at Commonwealth with the location of the recent drill holes (black bold) including significant intercepts at CMIPT022 and CMIPT031.

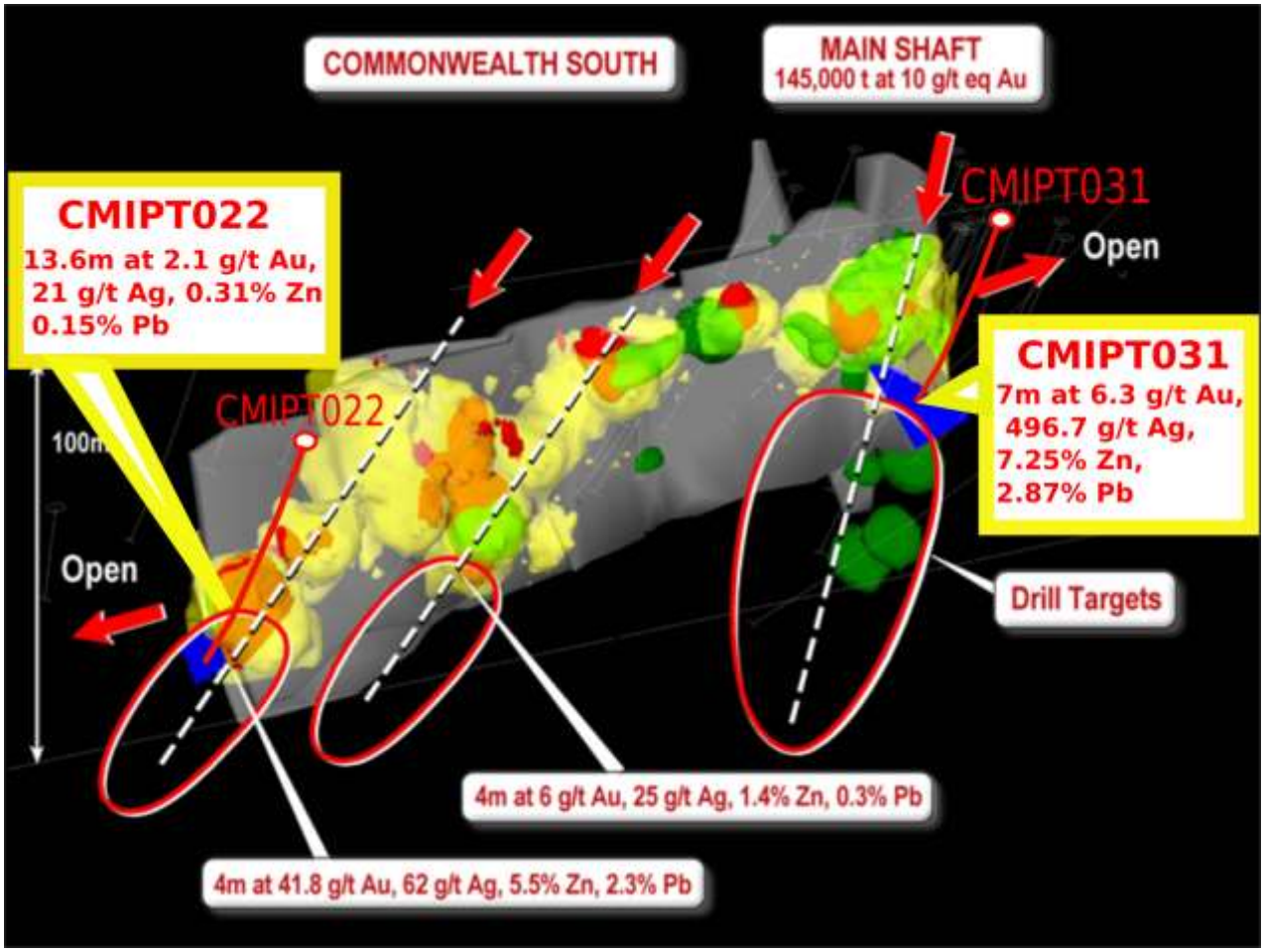

Figure 5. 3D view looking to the north west of the Commonwealth resource (grey outline) and showing: grade shells for gold (yellow = 1g/t, red/orange = 2 g/t) and copper (green = 500 ppm copper) from drill assay data; interpreted EM conductors (blue rectangles) and interpreted ore shoots (dashed lines). Recent drill holes CMIPT022 and CMIPT031 indicate mineralisation is open down plunge in at least 2 areas

The current Inferred Resource at Commonwealth (Main Shaft and Commonwealth South), prepared in accordance with the JORC 2012 Code by independent resource consultants Optiro at a 0.5 g/t gold cut off, is:

720,000 tonnes at 4.5 g/t gold equivalent for a contained 110,000 gold equivalent ounces comprising 2.8 g/t gold, 48 g/t silver, 1.5% zinc, 0.6% lead and 0.1% copper;
including the high grade resource at Main Shaft:
145,000 tonnes at 9.3 g/t gold equivalent for a contained 47,000 gold equivalent ounces comprising 4.3 g/t gold, 142 g/t silver, 4.8% zinc, 1.7% lead and 0.2% copper.

This massive sulphide lens at Main Shaft demonstrates the high grade nature of such deposits that are the principal target for Impact's exploration programme at the Commonwealth area.

The above drill results at Commonwealth indicate that a further intensive and close spaced drill programme is now required to continue to expand the resource.

1.2 Silica Hill

Three new drill targets have been identified at Silica Hill following the recognition by Impact of two important controls to the higher grade mineralisation in the Silica Hill-Commonwealth deposit area together with assays from recent drill holes (Figures 4 and 6). Two of the targets will be drilled as part of the current programme with the third area likely to require a new drill permit from the NSW Department of Mines.

The two controls on higher grade gold, silver and base metal mineralisation are:

1. where black shale units intersect the main rhyolite unit at the Commonwealth deposit; and
2. where variably oriented faults cross-cut both the lower contact of the Silica Hill rhyolite and the upper and lower contacts of the Commonwealth rhyolite.

This is an important breakthrough for Impact and is helping drive a reinterpretation of the controls on the mineralisation throughout the Commonwealth area.

Target 1

At Silica Hill, Hole CMIPT026 was drilled in this programme to test coincident gold-silver soil geochemistry and Induced Polarisation geophysical anomalies and returned:

39 metres at 0.3 g/t gold and 16 g/t (half an ounce) silver (0.6 g/t gold equivalent) from 5 metres
***including* 7 metres at 0.6 g/t gold and 8 g/t silver from 16 metres**
***and also including* 7 metres at 0.4 g/t gold and 26 g/t silver (0.7 g/t gold equivalent) from 37 metres** (Figures 4 and 6).

This near surface intercept is exceptionally thick and is interpreted to represent a steeply dipping zone of gold-and-silver-mineralised structures.

Further drilling is required down dip below this zone and in particular where it intersects the lower contact of the Silica Hill rhyolite. This target will be tested in the current programme.

The target is also interpreted to be a location where black shales (identified in previous Hole CMIPT006) may intersect the lower contact of the Silica Hill rhyolite (Figure 6). It is also close to Impact's previous drill intercept of 20 m at 44 g/t silver (1.5 ounces) from 122 metres in CMIPT011 (Figures 4 and 6). In this hole the silver mineralisation occurs immediately below the Silica Hill rhyolite.

CMIPT026 also intersected a 10 cm thick sulphide vein in altered volcanic rocks at 164 metres down hole which returned very high grades of up to 400 g/t silver with the hand held pXRF instrument (Figure 7).

An assay of a 0.7 metre intercept that includes this vein returned:

0.04 g/t gold, 57.6 ppm silver, 120 ppm copper, 488 ppm zinc and 230 ppm lead.

This is encouraging for the discovery of thicker veins of this style of mineralisation close to the footwall contact of the Silica Hill rhyolite.

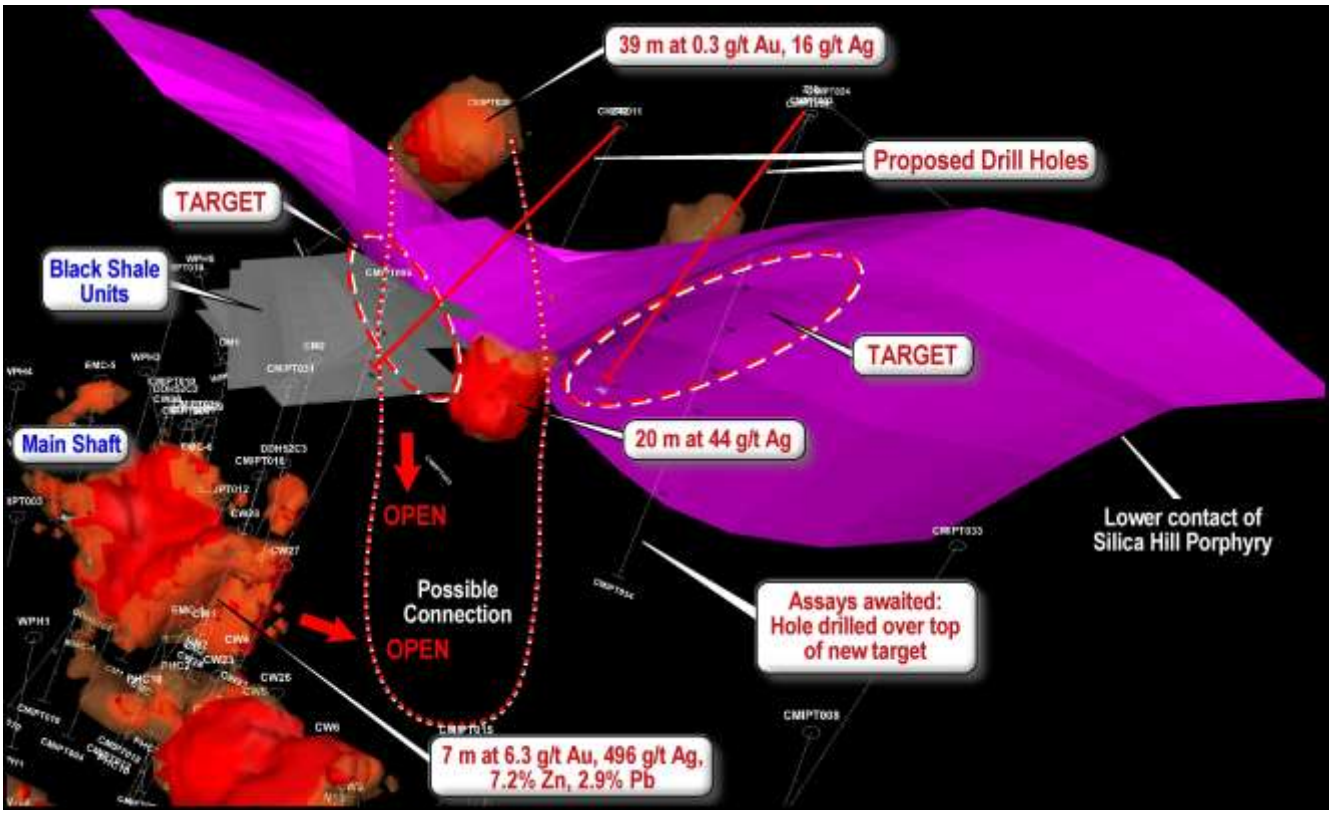

Figure 6. 3D view of the Main Shaft-Silica Hill area looking north east and showing the two targets to be drill tested. A possible target at depth is shown where the mineralisation at Silica Hill may link with Main Shaft.

Figure 7. High grade silver-pyrite vein from CMIPT026. The vein contains up to 400 g/t silver as measured with the handheld XRF instrument.

Target 2

Hole CMIPT034 was drilled to test an IP anomaly along trend from CMIPT011 and assays are still awaited. The hole intersected the lower contact of the Silica Hill rhyolite much closer to surface than anticipated at 60 metres down hole. Accordingly there is a marked deflection or jog in the contact of the porphyry at this position and it is likely that Hole 034 was drilled over the top of the target area. A second hole is required to test this possibility.

A fault zone up to several metres wide and containing anomalous arsenic and copper readings in the hand held XRF instrument was intersected at about 208 metres down hole. Poor ground conditions resulted in the hole being stopped at 223 metres.

Target 3

CMIPT024 was drilled to test a strong IP anomaly with a coincident gold-silver-arsenic mercury-molybdenum-thallium-in soil geochemistry.

The entire hole intersected extensive silica-iron sulphide altered rhyolite and there were no significant assays. Accordingly no explanation for the soil anomaly was found. However, the prospective lower contact of the rhyolite was not intersected and the intersection of the IP anomaly with the lower contact is a prime target that remains to be tested.

The target may not be accessible from the current drill pads and further drill permits may be required before the area can be drill tested. This will be reassessed contingent on the results of drilling at Targets 1 and 2.

Connection between mineralisation at Main Shaft and Silica Hill

Ongoing studies by Impact now suggest that the mineralisation at Silica Hill and Main Shaft may be linked at depth. There is a clear overlap in the nature and style of mineralisation, in particular silver, as well as the alteration minerals between the two prospects. Areas where the two styles of mineralisation connect will be priority target areas.

2.3 Drill Results at the Welcome Jack Trend

The maiden drill hole at the Walls Prospect located 1.2 km east of Commonwealth has identified a 20 metre thick zone (true width) of gold and silver mineralisation. The Walls prospect occurs at the southern end of the Welcome Jack Trend over a strike length of at least one kilometre and has never been drill tested (Figures 2 and 9).

Walls Prospect

The first exploration drill hole CMIPT027 has returned a very encouraging thick and robust intercept of (Figure 8):

20 m at 0.5 g/t gold and 27 g/t silver (1 g/t gold equivalent) from 55 metres down hole:
including **12 m at 0.7 g/t gold and 42 g/t (one and a half ounces) of silver (1.3 g/t gold equivalent)**
including **1 m at 2.9 g/t gold and 144 g/t silver and 1.1% zinc (5.7 g/t gold equivalent).**

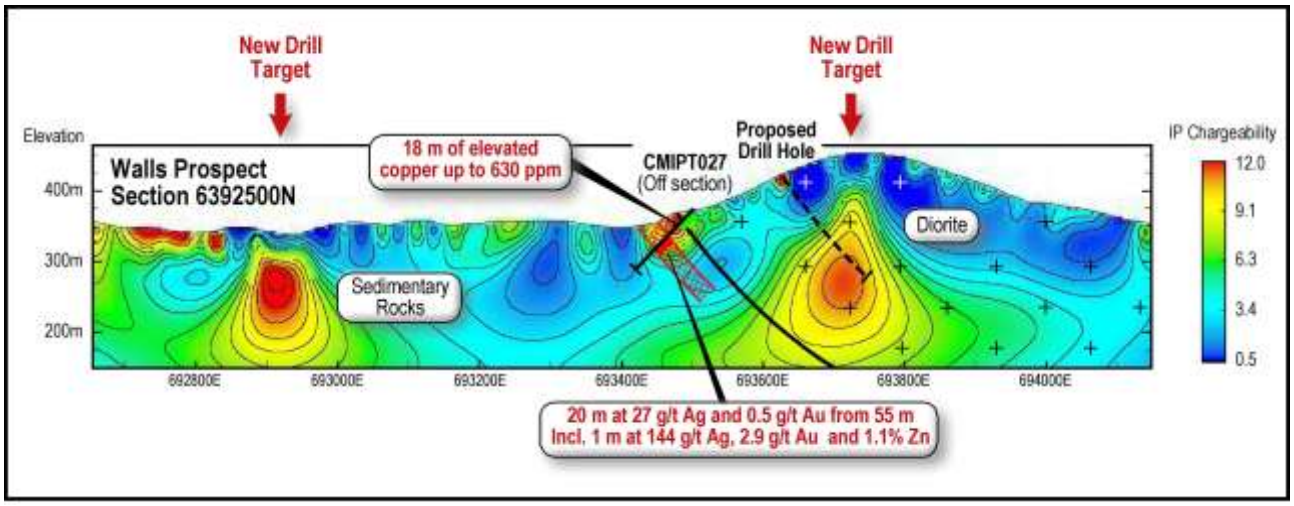

Figure 8. Cross section through the Walls Prospect with drill results and IP anomalies.

This 20 m thick zone of silver-gold mineralisation at about 50 m from surface is interpreted to be the down dip extension of high grade veins mined at surface where previous explorers returned rock chip assays up to 15 g/t gold and 600 g/t silver (see announcement dated 26th April 2016). The maiden drill result is highly encouraging for the discovery of further high grade gold-silver mineralisation and indicates the potential for near surface open pitable resources at Walls.

The mineralised zone occurs within sedimentary rocks immediately below the contact with an overlying diorite intrusion that is marked by an eight metre thick zone of anomalous copper mineralisation of up to 600 ppm (Figure 5). The zone is also partly coincident with a near surface Induced Polarisation anomaly and confirms again the high degree of correlation between IP anomalies and disseminated sulphide mineralisation at the Commonwealth Project (see announcement dated 5th May 2016).

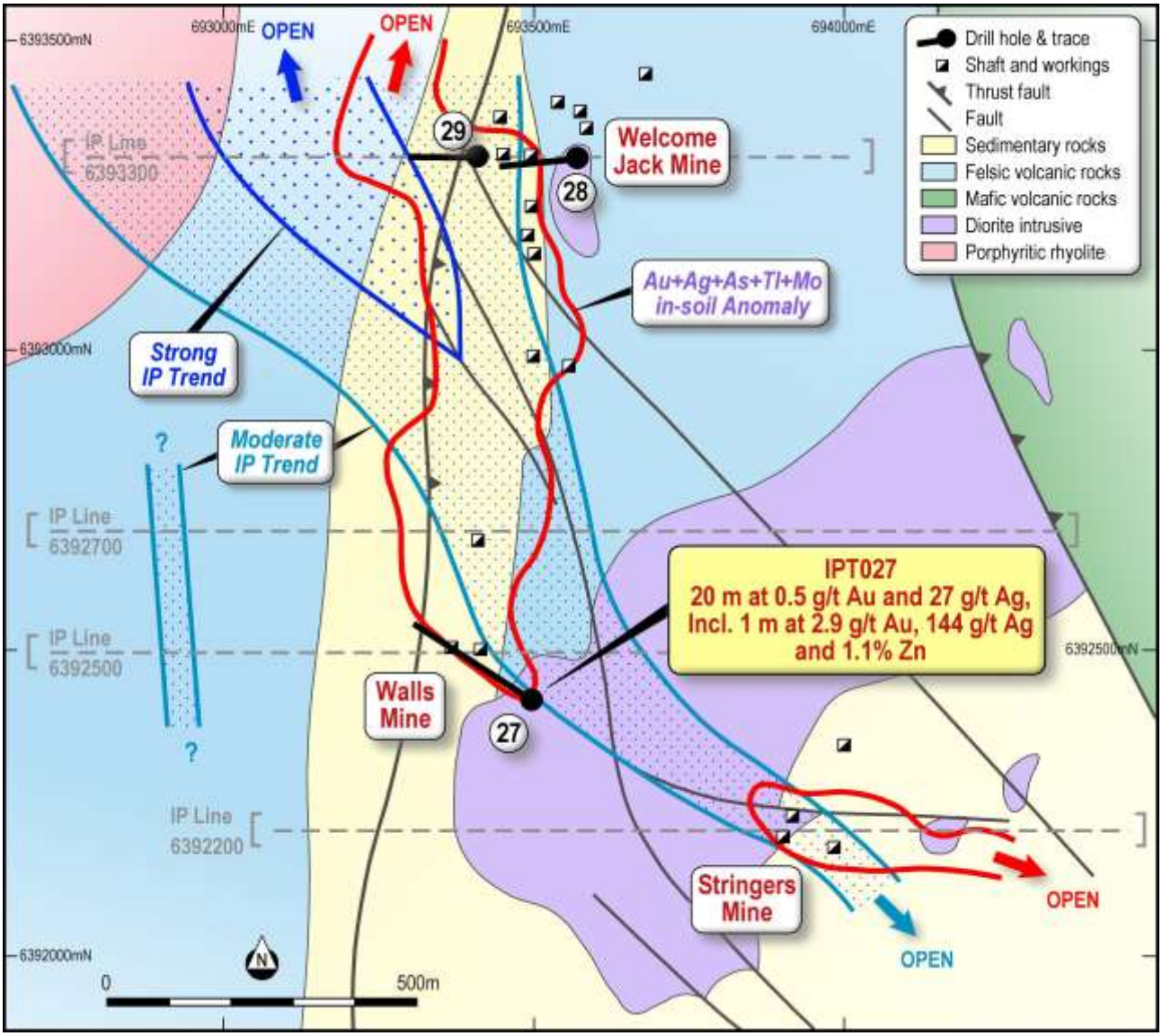

Figure 9. Cross section through the Walls prospect with drill results and IP anomalies.

Welcome Jack Mines

An RC drill hole, CMIPT028 has also been completed at the north eastern edge of the Welcome Jack Trend to test beneath old workings (Figure 9).

The drill hole entered a void that is likely to be the old workings and accordingly no significant results were returned. A 15 metre thick zone of weak gold anomalism associated with pyrite and lesser arsenopyrite occurs at about 140 metres depth and is coincident with the edges of an IP anomaly centred about 250 metres to the west (Figure 9). This anomaly will be tested by drill hole CMIPT029 for which the RC pre-collar has been completed. The hole will be completed by diamond drilling as part of the current programme.

A further drill hole below CMIPT028 will also be required to test beneath the mined extent of the vein system.

About the Commonwealth Mineral Resource Estimate

The Inferred Resource at Commonwealth, prepared in accordance with the JORC 2012 Code by independent resource consultants Optiro at a 0.5 g/t gold cut off, is:

720,000 tonnes at 4.5 g/t gold equivalent for a contained 110,000 gold equivalent ounces comprising 2.8 g/t gold, 48 g/t silver, 1.5% zinc, 0.6% lead and 0.1% copper.

The resource, which is open along trend and at depth, contains both massive sulphide mineralisation at the Main Shaft prospect and disseminated, vein and lesser massive sulphide mineralization at the Commonwealth South prospect. It extends from surface to an average depth of 90 m, has a strike length of 400 m and is up to 25 m thick.

A separate Inferred Mineral Resource (included within the overall resource) has also been 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 9.3 g/t gold equivalent for a contained 47,000 gold equivalent ounces comprising 4.3 g/t gold, 142 g/t silver, 4.8% zinc, 1.7% lead and 0.2% copper.

The Commonwealth deposit comprises two areas, Main Shaft and Commonwealth South. The mineralisation at Main Shaft is typical of a volcanogenic massive sulphide (VMS) type system, containing high grade gold, silver, zinc, lead and copper mineralisation which occurs at the upper contact of a rhyolite unit with the overlying volcanic sedimentary rocks. Mineralisation at Commonwealth South occurs at both the upper and lower contacts of the rhyolite and is dominated by 1-50 mm thick stringers and disseminations of sulphide, often associated with intense brecciation and faulting of the rhyolite.

The Commonwealth Resource strike length is 400 m and it is open along trend in particular to the south. The mineralisation has been defined to a maximum depth of 150 m and is still open.

Twenty one new holes were drilled by Impact in 2014. The total number of holes into the Commonwealth project is 108, comprising 49 reverse circulation (RC) holes, 45 diamond holes, 10 underground channel samples and four underground drill holes. Of these holes, 52 intersected the mineralisation wireframe and were used in the estimation. Although some of the holes are from previous explorers, Impact has twinned some of the higher grade intersections and these have largely confirmed the grades and widths.

Quality control measures employed during Impact's drill programme included the use of certified standards (1% of total sample population), field duplicates (2% of total sample population) and blanks (2% of total sample population). No previous quality assurance/quality control (QAQC) has been carried out at the Commonwealth Project. Analysis of the standards and blanks showed acceptable to good levels of accuracy in the

assaying and little contamination. The duplicate samples matched the originals with a high degree of precision.

The drill hole database was reviewed and validated by Optiro. Three-dimensional solid wireframes were constructed from sectional interpretations of the mineralisation using a nominal 0.5 g/t gold cut-off grade. Drill hole intercepts were composited downhole to 1 m lengths and gold, silver, copper, zinc, lead and arsenic grade estimation was carried out using ordinary kriging with hard boundaries.

Three search passes, with increasing search distances and decreasing minimum sample numbers, were employed to fully inform the model. Less than 1% of blocks were not filled in the first three passes. Further estimation passes were run to assign mean grades to un-estimated blocks.

The Commonwealth Mineral Resource estimate has been classified as an Inferred Mineral Resource in accordance with the guidelines of the Australasian Code for the Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code, 2012). Mineral Resources have been classified on the basis of confidence in geological and grade continuity, geological modelling confidence, grade continuity and limited QAQC. No Measured or Indicated Mineral Resources have been defined.

The Mineral Resource estimate for the Commonwealth Project has been reported above a 0.5 ppm gold cut-off grade. The estimate has been depleted for previous historic mining. Grades have been reported as individual elements (gold, silver, zinc, lead and copper) and, in addition, a gold-equivalent grade has been defined. This has used the following Australian dollar commodity prices:

Gold $1588/ oz; Silver $19.55/ oz; Copper $2.87/lb; Lead $1.03/lb; Zinc $1.10/lb.

There has been no metallurgical testing of the Commonwealth mineralisation to date so no metallurgical recoveries have been incorporated into the gold equivalent calculation. This is commensurate with the classification of the Commonwealth prospect as an Inferred Mineral Resource.

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

During the Quarter work at Broken Hill progressed on three fronts:

1. Design of follow-up drill programmes at Red Hill for PGM-copper-nickel mineralization and at Dora East for zinc-lead-silver mineralization.

   At the Red Hill prospect, Impact has discovered some of the highest reported drill assays in Australia for platinum group metals with a standout intercept in RHD012 of:

   1.2 metres (true width) at:

   10.4 g/t platinum, 10.9 g/t gold, 294 g/t (9.5 ounces) palladium, 4.6 g/t rhodium, 7.2 g/t iridium, 5.6 g/t osmium and 3.1 g/t ruthenium, 7.4% nickel, 1.8% copper and 19 g/t silver.

2. Synthesis and interpretation of recently completed soil and rock chip sampling surveys and geological mapping at the Platinum Springs and Little Darling Creek prospects to identify target areas for further work.
3. Synthesis and interpretation of previous exploration data within two new exploration licence applications has commenced.

Full details of these drill results can be found in Impact's previous ASX announcements 3 February 2016, 8 December 2015 and 23 October 2015.

About the Broken Hill Project (see also announcement dated 23rd October 2015)

The Broken Hill Project comprises two granted exploration licences (EL7390 and EL8234) and two exploration licence applications (ELA5793 and ELA5265) that cover 517 square kilometres of rocks prospective for two distinct styles of mineralistion (Figure 10).

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 three of the licences. The mineral rights for the fourth licence, EL7390, were split in the early 2000's into the two different styles of mineralisation. Impact recently acquired EL7390 from Golden Cross Resources Limited and this entitles Impact 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.

The Broken Hill and Commonwealth Projects are both part of the investment agreement between Impact Minerals and Squadron Resources Pty Ltd, part of the Minderoo Group

which represents the philanthropic and business interests of Andrew and Nicola Forrest (see announcement 17 July 2015).

As part of the investment agreement, Squadron at its sole discretion, can invest a further A$1 million into either or both the Commonwealth and Broken Hill platinum projects, to earn a 19.9% interest after Impact has spent a combined total of $2.5 million on the two projects.

At Broken Hill, Squadron Resources Pty Limited only has the right to invest $1 million for a 19.9% interest in the nickel-copper-PGE rights on EL7390 and a 19.9% interest in EL8234. Squadron is not liable for any payment of the royalty to Golden Cross.

It is anticipated that Impact will shortly meet the $2.5 million expenditure target.

Squadron Resources Pty Limited does not have the right to earn into the Broken Hill style mineralisation on EL7390 and Impact's licences ELA5793 and ELA5265 are excluded from the Squadron transaction.

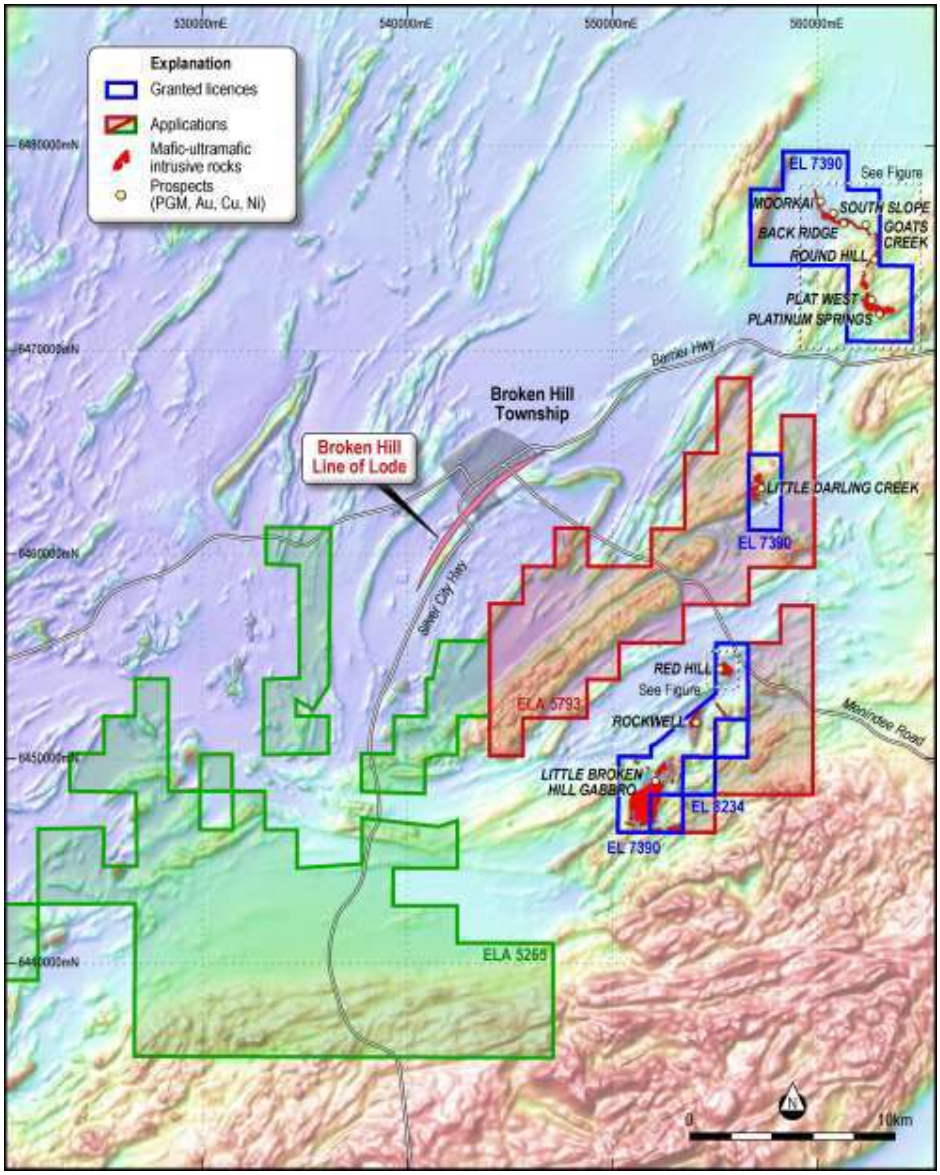

Figure 10. Impact's licences in the Broken Hill Project covering 517 square kilometres

3. MULGA TANK (Impact 100%)

During the Quarter, Impact was awarded $150,000 by the West Australian Government Exploration Incentive Scheme to drill test a number of targets at the Company's 100% owned Mulga Tank gold and nickel project located 200 km east of Kalgoorlie (Figure 11).

Impact discovered high tenor nickel and copper sulphides at the Mulga Tank Dunite in its maiden drill programme in 2013 (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 (Figure 11).

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 (Figure 11). The Mulga Tank project has been poorly explored for gold and this will also be a focus of the forward programme.

In 2015 Impact completed an airborne magnetic and radiometric survey over the entire project area, an innovative combined airborne and ground electrical survey as well as a large soil geochemistry survey over key target areas.

This new data will be used to identify specific targets for drilling using the newly awarded funds.

Impact would like to thank its Chief Operating Officer, Leo Horn, and geologist, Jason Ashby, for their contribution to the award application process.

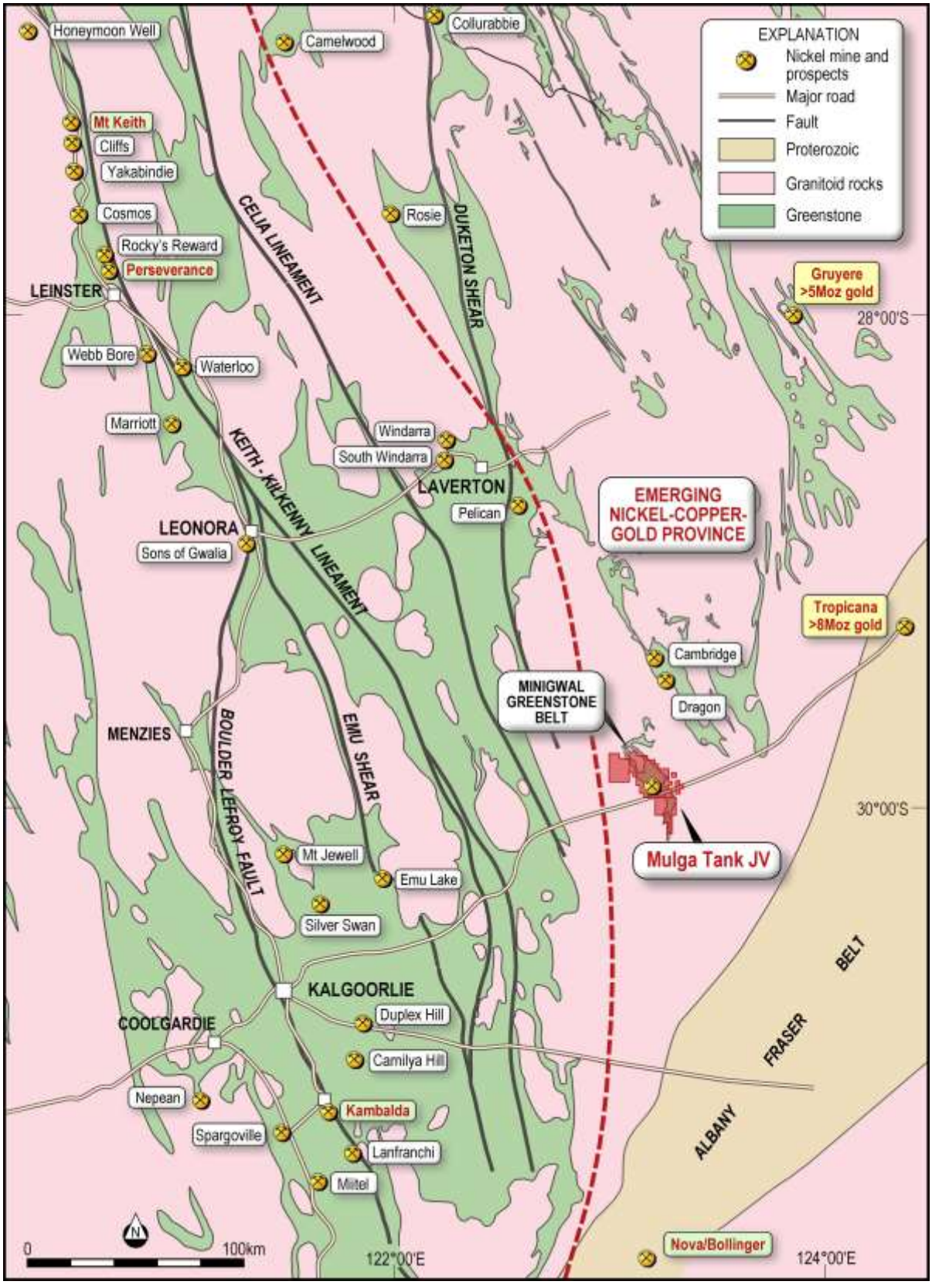

Figure 11. Location of the Mulga Tank Project and significant nickel sulphide mines and prospects including Perseverance and Rocky's Reward and with new nickel-copper-PGE discoveries in the emerging nickel-copper province to the east.

4. CORPORATE

4.1 Share Purchase Plan and Placement

During the Quarter Impact raised funds of $1.922 million via a Share Purchase Plan (SPP) and placement and accordingly issued 80,091,684 shares.

Under the SPP each Eligible Shareholder was entitled to subscribe for up to $15,000 of new fully paid ordinary shares at an issue price of 2.4 cents per share without incurring brokerage or other transaction costs.

The SPP was underwritten to the amount of $1,000,000 by Patersons Securities Limited.

A total of 45,166,683 new shares were applied for to raise $1,084,000. In addition a further $838,200 was raised via a placement of 34,833,333 shares to professional and sophisticated investors also at 2.4 cents per share.

The placement was also managed by Patersons Securities Limited.

4.2 Cash

The cash balance at the end of the Quarter was $3.9 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.

Table 1. Summary of Drill Intercepts from Current Drill Programme.

Hole Id	From	To	Interval	Au	Ag	Zn	Pb	Cu	Au Equ g/t*	Cutoff	Prospect
CMIPT022	68.7	82.3	13.6	2.08	21.38	0.41	0.15	NSA	2.57	1 g/t Au	Commonwealth South
including	68.7	69.3	0.6	10.80	44.80	2.52	0.95	0.10	12.35	5 g/t Au	
also including	74	75	1	5.34	22.00	0.15	0.04	NSA	5.72	5 g/t Au	
CMIPT024	142	150	8	0.18	6.60	0.02	NSA	NSA	0.28	0.1 g/t Au	Silica Hill
CMIPT025	88.15	90.8	2.65	10.31	55.66	2.49	0.89	0.05	12.62	1g/t Au	Commonwealth South
including	89.2	90.1	0.9	23.30	94.60	3.55	1.64	0.09	26.97	20g/t Au	
CMIPT026	5	44	39	0.33	16.00	0.03	NSA	NSA	0.56	0.1 g/t Au	Silica Hill
including	5	9	4	0.17	24.60	NSA	NSA	NSA	0.50	20 g/t Ag	
also including	16	23	7	0.65	8.09	0.05	0.01	NSA	0.78	0.5 g/t Au	
also including	37	44	7	0.37	25.80	0.02	NSA	NSA	0.73	30 g/t Ag	
CMIPT027	55	75	20	0.50	27.30	0.11	0.05	NSA	0.94	0.1 g/t Au	Walls Mine
including	55	67	12	0.68	41.80	0.17	0.08	NSA	1.35	10 g/t Ag	
including	57	58	1	2.89	144.00	1.07	0.50	0.10	5.63	1 g/t Ag	
CMIPT028	142	147	15	*Elevated Au from 10 to 36 ppb*							Welcome Jack
CMIPT031	91	98	7	6.32	496.68	7.25	2.87	0.18	17.69	1 g/t Au	Main Shaft EM
including	92	95	3	10.61	571.33	7.83	2.17	0.22	23.02	10 g/t Au	
including	95	96	1	2.52	979.00	8.25	4.42	0.14	21.40	800g/t Ag	

Table 2. Drill holes completed in current programme.

Impact Collar ID	Easting^	Northing^	Planned Depth	Dip	Azimuth	Elevation	RC Metres Drilled	Diamond Metres Drilled	Prospect
CMIPT022	692348	6392583	110	-59	240	364		134.3	Commonwealth South EM
CMIPT023	692298	6392696	180	-68	250	351		126.4	Commonwealth South
CMIPT024	692501	6393012	200	-45	95	406	151.8	63.8	Silica Hill IP East
CMIPT025	692354	6392611	110	-45	240	370		125.7	Commonwealth South
CMIPT026	692354	6393041	200	-45	325	402	120	86.5	Silica Hill Gravity Geochem
CMIPT027	693500	6392470	120	-55	285	374	120		Walls
CMIPT028	693538	6393321	250	-55	270	498	159	TBC	Welcome Jack
CMIPT029	393400	6393300	350	-50	270	563	151	TBC	Welcome Jack
CMIPT030	692180	6392430	200	-60	275	318.3	105	144.3	South Western Gravity
CMIPT031	692251	6392911	120	-65	243	354.5	120		Main Shaft EM
CMIPT032	692307	6392663	140	-65	210	351	142		Commonwealth South - south plunge
CMIPT033	692496	6392791	180	-65	270	340	135	51.6	Banana Gravity anomaly
CMIPT034	692492	6393013	230	-52	230	410	223.1		Silica Hill IP West
CMIPT035	692456	6393717	320	-55	285	602	99	9	Zinc Donut IP
CMIPT036	691910	6393591	130	-67	205	514	130		Zinc Donut Tonalite
CMIPT037	691743	6393592	120	-75	205	459	140		Zinc Donut Pear Gravity
CMIPT038	692060	6393888	180	-45	70	411	150		Zinc Donut Central IP
CMIPT039	692105	6392739	200	-45	245		159		Western Trend IP
CMIPT040	692456	6393717	320	-55	285	602		66	Zinc Donut IP
CMIPT041	692348	6392583	140	-66	240	364	140		Commonwealth South EM

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.
	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 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.*	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.
	If no site visits have been undertaken indicate why this is the case.	
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, 01/05/2013

Name of entity

IMPACT MINERALS LIMITED

ABN	Quarter ended ("current quarter")
52 119 062 261	30 June 2016

Consolidated statement of cash flows

		Current quarter $A'000	Year to date (12 months) $A'000
Cash flows related to operating activities			
1.1	Receipts from product sales and related debtors	-	-
1.2	Payments for (a) exploration & evaluation	(773)	(3,183)
	(b) development	-	-
	(c) production	-	-
	(d) administration	(258)	(1,412)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4	50
1.5	Interest and other costs of finance paid	-	-
1.6	Income taxes paid	-	-
1.7	Other (R&D Tax Concession)	-	1,205
	Net Operating Cash Flows	(1,027)	(3,340)
	Cash flows related to investing activities		
1.8	Payment for purchases of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.9	Proceeds from sale of: (a) prospects	-	-
	(b) equity investments	-	-
	(c) other fixed assets	-	-
1.10	Loans to other entities	-	-
1.11	Loans repaid by other entities	-	-
1.12	Other (provide details if material)	-	-
	Net investing cash flows	-	-
1.13	Total operating and investing cash flows (carried forward)	(1,027)	(3,340)

+ See chapter 19 for defined terms.

1.13	Total operating and investing cash flows (brought forward)	(1,027)	(3,340)
	Cash flows related to financing activities		
1.14	Proceeds from issues of shares, options, etc.	1,922	4,890
1.15	Proceeds from sale of forfeited shares	-	-
1.16	Proceeds from borrowings	-	2,000
1.17	Repayment of borrowings	-	-
1.18	Dividends paid	-	-
1.19	Other (Share Issue Costs)	(81)	(191)
	Net financing cash flows	1,841	6,699
	Net increase (decrease) in cash held	814	3,359
1.20	Cash at beginning of quarter/year to date	3,116	571
1.21	Exchange rate adjustments to item 1.20		-
1.22	**Cash at end of quarter**	3,930	3,930

Payments to directors of the entity, associates of the directors, related entities of the entity and associates of the related entities

		Current quarter $A'000
1.23	Aggregate amount of payments to the parties included in item 1.2	87
1.24	Aggregate amount of loans to the parties included in item 1.10	-

1.25 Explanation necessary for an understanding of the transactions

Directors fees, salary payment and superannuation.

Non-cash financing and investing activities

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

2.2 Details of outlays made by other entities to establish or increase their share in projects in which the reporting entity has an interest

+ See chapter 19 for defined terms.

Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available $A'000	Amount used $A'000
3.1	Loan facilities (Squadron Convertible Note)	2,000,000	2,000,000
3.2	Credit standby arrangements		

Estimated cash outflows for next quarter

		$A'000
4.1	Exploration and evaluation	700
4.2	Development	
4.3	Production	
4.4	Administration	200
	Total	**900**

Reconciliation of cash

Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.		Current quarter $A'000	Previous quarter $A'000
5.1	Cash on hand and at bank	3,930	3,116
5.2	Deposits at call	-	-
5.3	Bank overdraft	-	-
5.4	Other (provide details)	-	-
	Total: cash at end of quarter (item 1.22)	**3,930**	**3,116**

Changes in interests in mining tenements and petroleum tenements

		Tenement reference and location	Nature of interest (note (2))	Interest at beginning of quarter	Interest at end of quarter
6.1	Interests in mining tenements and petroleum tenements relinquished, reduced or lapsed				
6.2	Interests in mining tenements and petroleum tenements acquired or increased				

+ See chapter 19 for defined terms.

Issued and quoted securities at end of current quarter

Description includes rate of interest and any redemption or conversion rights together with prices and dates.

		Total number	Number quoted	Issue price per security (see note 3) (cents)	Amount paid up per security (see note 3) (cents)
7.1	**Preference** +**securities** *(description)*	-	-		
7.2	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs, redemptions	- -	- -		
7.3	+**Ordinary securities**	788,771,085	788,771,085		
7.4	Changes during quarter (a) Increases through issues (b) Decreases through returns of capital, buy-backs	80,091,684 -	80,091,684 -	$0.024	
7.5	+**Convertible debt securities** (*description)*	2,000,000	-	*$1.00*	*$1.00*
7.6	Changes during quarter (a) Increases through issues (b) Decreases through securities matured, converted	- -	- -		
7.7	**Options** *(description and conversion factor)*			*Exercise price*	*Expiry date*
		12,400,000	-	*$0.10*	*30 Nov 2016*
		45,000,000	-	*$0.0325*	*7 Aug 2018*
		27,000,000	-	*$0.0367*	*29 Sep 2018*
		15,500,000	-	*$0.045*	*29 Sep 2019*
		15,500,000	-	*$0.07*	*29 Sep 2020*
		26,428,572	-	*$0.0325*	*21 Oct 2018*
7.8	Issued during quarter			*Exercise price*	*Expiry date*
		1,000,000	-	*$0.0367*	*29 Sep 2018*
		3,000,000	-	*$0.045*	*29 Sep 2019*
		3,000,000	-	*$0.07*	*29 Sep 2020*
7.9	Exercised during quarter				
7.10	Expired during quarter			*Exercise price*	*Expiry date*
		3,050,000	-	*$0.10*	*30 Nov 2016*
		2,000,000	-	*$0.0367*	*29 Sep 2018*
		1,500,000	-	*$0.045*	*29 Sep 2019*
		1,500,000	-	*$0.07*	*29 Sep 2020 (all options lapsed)*
7.11	**Debentures** *(totals only)*				
7.12	**Unsecured notes** *(totals only)*				

+ See chapter 19 for defined terms.

Compliance statement

1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act or other standards acceptable to ASX (see note 5).

2 This statement does /~~does not~~* *(delete one)* give a true and fair view of the matters disclosed.

Sign here: ..... Date: 28 July 2016
(~~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 wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.

2 The "Nature of interest" (items 6.1 and 6.2) includes options in respect of interests in mining tenements and petroleum tenements acquired, exercised or lapsed during the reporting period. If the entity is involved in a joint venture agreement and there are conditions precedent which will change its percentage interest in a mining tenement or petroleum tenement, it should disclose the change of percentage interest and conditions precedent in the list required for items 6.1 and 6.2.

3 **Issued and quoted securities** The issue price and amount paid up is not required in items 7.1 and 7.3 for fully paid securities.

4 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.

5 **Accounting Standards** ASX will accept, for example, the use of International Financial Reporting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.

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