

ASX ANNOUNCEMENT

Date: 4 March 2021

Number: 735/040321

COMPANY UPDATE

- **Apsley porphyry copper-gold prospect, Lachlan Fold Belt: statutory approvals for drill programme received. Drill pad preparation to commence next week.**
- **Plat Central PGM-Cu-Ni prospect, Broken Hill: Interpretation of final drill results in progress.**
- **Arkun PGM-Ni-Cu project, WA: structural interpretation of magnetic data underway.**
- **Doonia gold project, WA: a review of previous data shows strong similarities to the recent discovery at the Burns project (Lefroy Exploration Limited). Exploration to be expedited on grant of tenement expected in April.**

Impact Minerals Limited (ASX:IPT) is pleased to provide an update on its recent activities.

Apsley porphyry copper-gold prospect

Impact has now received the initial statutory approvals for drilling at its 100% owned Apsley prospect in the Lachlan Fold Belt of New South Wales. Here, the company has defined a number of compelling coincident geochemical and geophysical anomalies over a four square kilometre area that are characteristic of those around major alkalic porphyry copper-gold deposits, such as Cadia and North Parkes in the same region (ASX Release 16th February 2021).

Drill pad preparation will commence next week with drilling to start once the rig has finished its current contract elsewhere and expected within a few weeks.

Plat Central PGM-Cu-Ni prospect

Final assays have now been received from the Plat Central prospect at its 100% owned Broken Hill project in New South Wales. Exploration by Impact has defined a number of Kambalda-style channels at the base of the target ultramafic unit that host high grade PGM-Cu-Ni mineralisation. The channels were discovered exclusively by the use of Impact's proprietary geochemical ratio that is a predictor of PGM grade (ASX Release 2nd December 2020).

Interpretation of the assays and the large amount of data generated from the drill programme completed in 2020 is now in progress.

Arkun PGM-Cu-Ni project

An interpretation of regional airborne magnetic data is in progress covering Impact's large 100% owned Arkun project centred about 150 kilometres east of Perth in the emerging PGM-Cu-Ni province of the western Yilgarn Craton (ASX Release 10th June 2020).

The interpretation will be used to define major structures and target host rocks that are prospective for magmatic nickel-copper-PGM sulphide deposits similar to the Julimar discovery (Chalice Mining Ltd ASX:CHN). Follow up field checking and soil geochemistry surveys will be planned over targets identified.

Doonia gold project

Impact's 80% owned Doonia gold project is located 75 kilometres east of the world class St Ives gold mining centre in Western Australia and was identified following a review of the Eastern Goldfields for intrusion-hosted gold deposits in light of the Hemi discovery in the Pilbara where a major gold deposit hosted by felsic intrusions has recently been outlined by De Grey Mining Limited (Figure 1 and ASX Release 17th November 2020).

The Doonia tenement is progressing through the grant process and which is expected to be completed by April.

A further review of the project has been prompted in light of the recent discovery of significant gold-copper mineralisation hosted by a magnetic intrusion at the Burns Project located just 20 km west of Doonia (Lefroy Exploration Limited ASX:LEX).

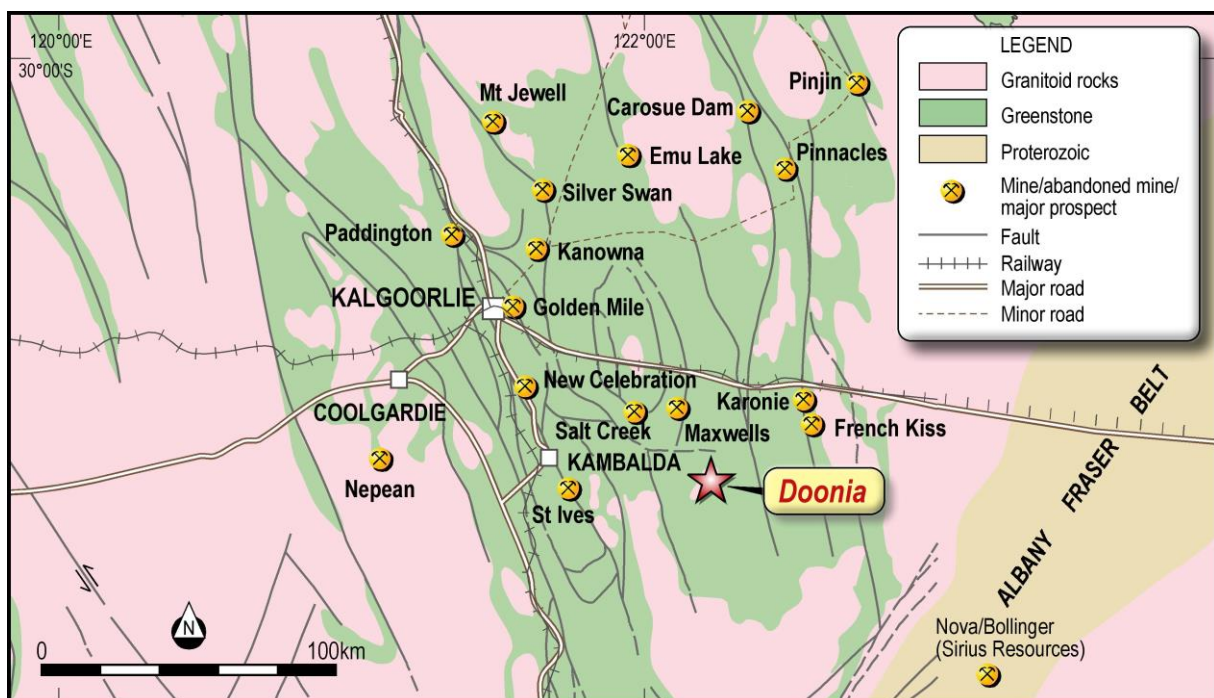


Figure 1. Location of the Doonia Project in the Eastern Goldfields of Western Australia.

The Burns project area was first identified as part of the same regional exploration programme by WMC Resources Limited that identified Doonia. Both areas were subject to broad spaced aircore drilling but despite modest gold anomalism being returned in places, further work was not recommended.

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

There are also two strong geological similarities between Doonia and Burns.

Firstly, in regional magnetic data they are both characterised by similar sized modest positive magnetic anomalies (Figure 2). At Burns the magnetic response is at least in part directly associated with magnetite alteration related to the gold-copper mineralisation. The source of the magnetic anomaly at Doonia is unknown.

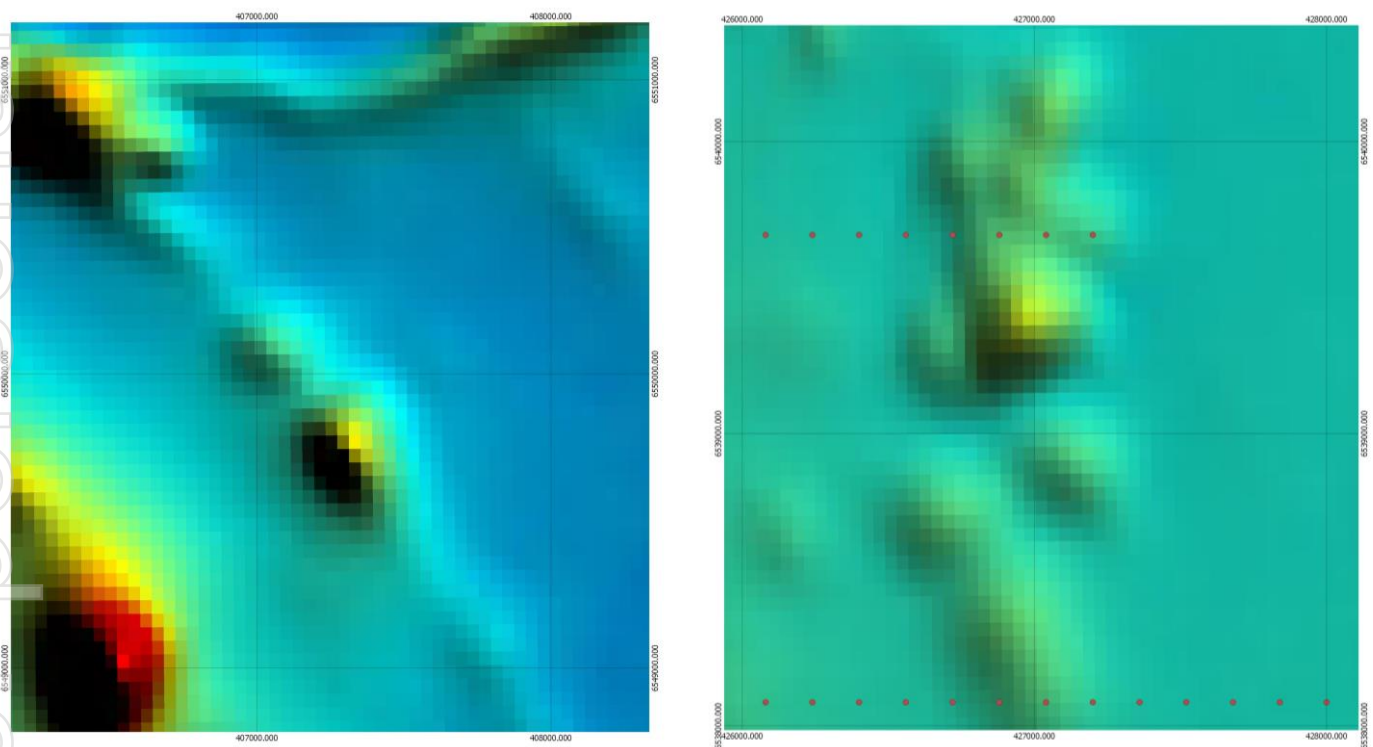


Figure 2. Regional magnetic data over the Burns prospect (left) and Doonia project (right) at the same scale.

Secondly, the Burns mineralisation is characterised by a metal association of copper-molybdenum-silver-bismuth-tellurium-arsenic. Of these metals, only copper-bismuth-arsenic were assayed for in the previous soil geochemistry data at Doonia, but together with other metals assayed for, Impact identified a very distinct and coherent zoned geochemical anomaly that was not recognised by WMC (Figures 3 and 4).

A core area of gold+bismuth 2,500 metres long and up to 1,000 metres wide occurs in the centre of the project area and is surrounded by a larger, (albeit partly discontinuous) halo of arsenic+antimony (Figures 3 and 4).

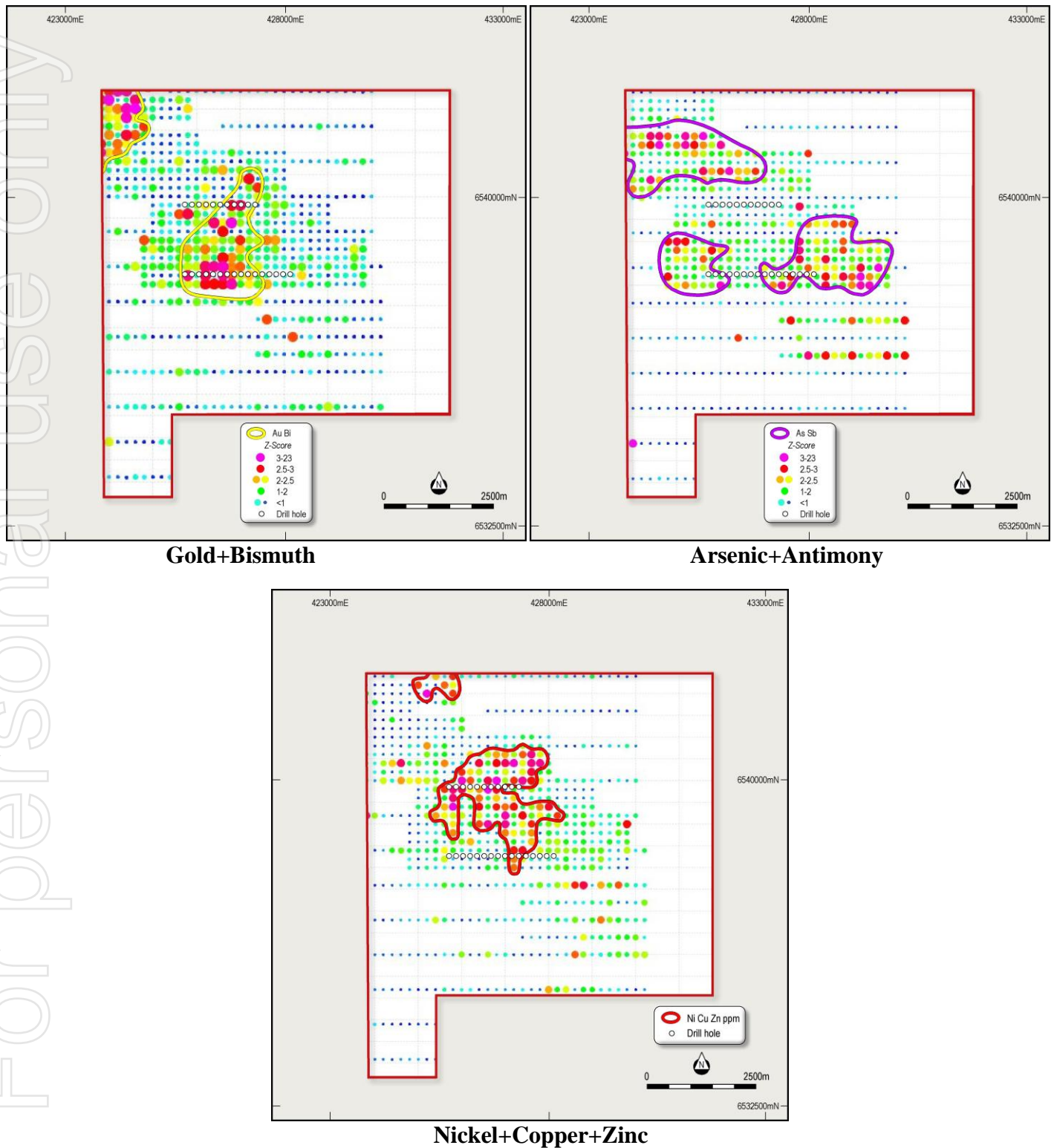


Figure 3. Images of the additive Z-Scores for gold+bismuth, arsenic+antimony and nickel+copper+zinc. Note that the entire central zoned anomaly extends over several square kilometres.

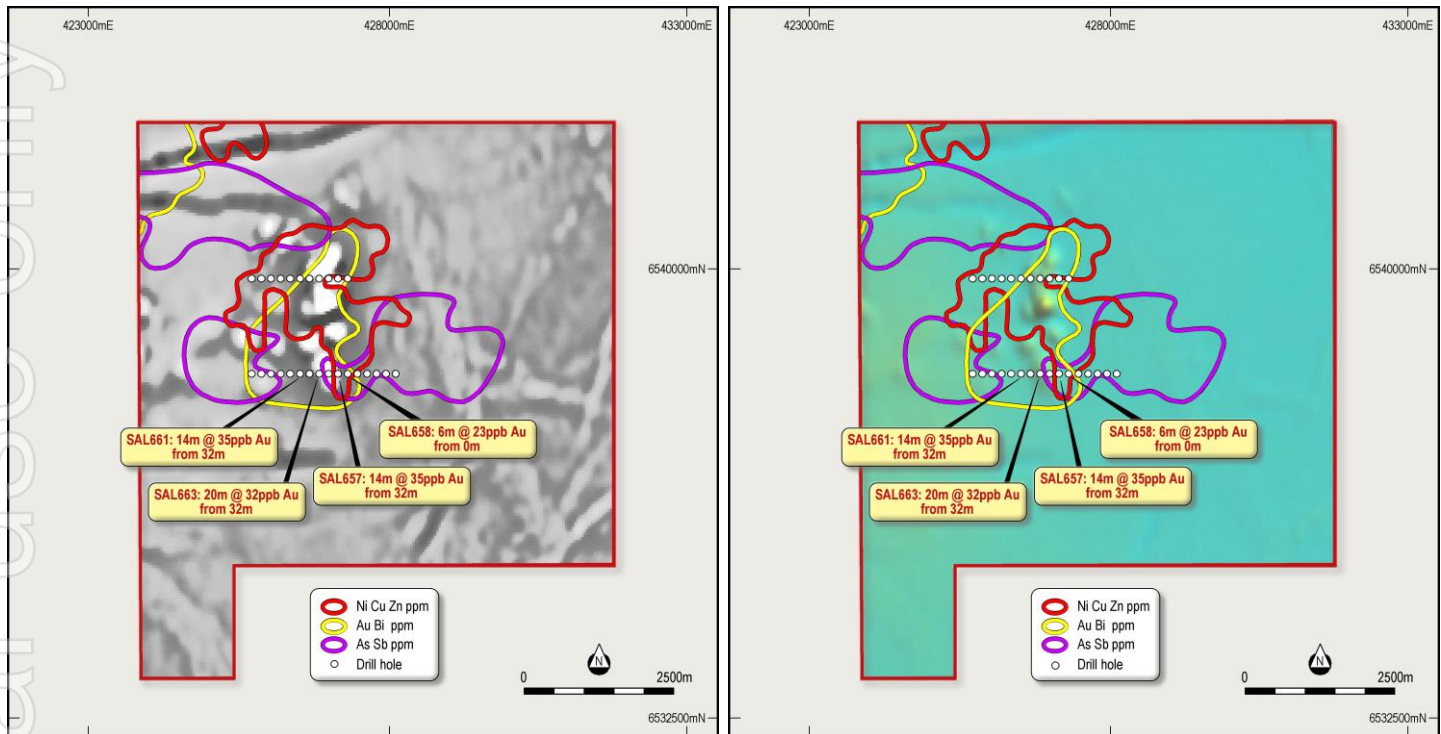


Figure 4. Images of regional magnetic data showing the zoned soil geochemistry pattern with a core of gold+bismuth and an outer halo of arsenic+antimony centred over numerous magnetic anomalies. The left hand image shows a vertical derivative of the magnetic data and the right hand image a total magnetic intensity image. The nickel+copper+zinc anomaly is well developed over the magnetic anomalies and may reflect a buried intrusion.

The gold+bismuth zone overlies the numerous small magnetic anomalies visible in the regional magnetic data and which are also coincident with a nickel+copper+zinc-in soil anomaly that covers an area of about 2,500 metres by 2,000 metres (Figures 3 and 4).

These results are interpreted to be potentially related to a gold-bismuth mineralised system associated with a differentiated mafic to felsic intrusion. The system covers a large area and clearly has scale. A second gold+bismuth anomaly is also present in the north west corner of the project area.

Impact intends to expedite exploration at Doonia upon grant of the tenement.

COMPLIANCE STATEMENT

This report contains no new Exploration Results.

Dr Mike 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.