

ASX ANNOUNCEMENT

Date: 26 April 2022

RENOUNCEABLE RIGHTS ISSUE TO RAISE UP TO \$6 MILLION

- **1 (one) for 4 (four) Renounceable Rights Issue to raise up to \$6 million.**
- **Attractively priced at \$0.011 per share.**
- **Discount of 27% to the last price of \$0.015 and 19% to the 30 day VWAP of \$0.0136.**
- **With every two New Shares, shareholders receive one free attaching New Option.**
- **New Options have an Exercise Price of \$0.02, term of two years and will be listed.**
- **Shareholders who are registered by 7 pm EST on April 29th 2022 with an address in Australia or New Zealand are eligible to apply, with Shares purchased up to April 27th 2022 eligible to participate.**
- **Shareholders can trade their rights and apply for additional shares and options.**
- **All Directors will take up their full entitlement.**
- **Partially underwritten for \$3 million.**
- **Funds to be used mostly to complete early-stage exploration programmes across Impact's newly assembled project portfolio for strategic and battery metals in Western Australia.**

Impact Minerals Limited (ASX:IPT) (**Company**) is pleased to announce that it is undertaking a 1 (one) for 4 (four) renounceable rights issue (**Rights Issue**) at \$0.011 per share to raise up to approximately \$6 million (before costs). For every 2 (two) new shares subscribed, eligible shareholders will receive 1 (one) free attaching listed New Option with an exercise price of \$0.02 and term of two years. The Company will apply for the quotation of the New Shares and the New Options on the ASX.

The rights issue price represents a discount of:

- 27% to the Company's last traded price of \$0.015 on the ASX; and
- 19% to the Company's 30 day VWAP of \$0.0136.

The Rights Issue is partially underwritten to \$3 million by Lead Manager and Underwriter Mahe Capital Pty Ltd (ACN 634 087 684) (AFSL 517246) ("Mahe Capital").

Impact's Chairman Mr Peter Unsworth said:

"The past 18 months has seen a significant change in Impact's focus from its projects in New South Wales and Queensland to Western Australia. This has been driven by Impact's technical team who have rapidly assembled a large and significant portfolio of very prospective early stage projects in the emerging mineral province of south west Western Australia following the discovery of the world class Julimar platinum group metal (PGM)-nickel-copper discovery close to Perth (Chalice Mining NL)."

"These new projects are very poorly explored and yet, based on our early assessment and initial results, have significant potential for the discovery of a wide range of strategic and battery metals that are vital to the on-going move away from fossil fuels as the predominant supplier of global energy demand. In particular these metals include nickel, copper, PGM's, lithium and rare earth elements (REE) and we are very pleased that the company's early work has indicated the presence of all of these on its new portfolio" Mr Unsworth said.

"With this rights issue Impact will be funded for two to three years and be able to rapidly embark on an ambitious programme of exploration to generate and test by drilling a significant number of targets that have already been identified as well as help generate what will undoubtedly be a large number of other targets as work progresses across the portfolio".

"The company is very excited about the potential of these projects and accordingly wishes to invite all current shareholders via this rights issue to participate in what we hope will be a very exciting time over the next 12 to 24 months".

"I am also pleased to announce that your Directors will be taking up their full entitlements in the issue and we look forward to sharing the journey together".

The Rights Issue is open to all eligible shareholders who have a registered address within Australia or New Zealand, and who hold Shares on the Record Date of 29th April 2022 (7 pm EST). The Rights Issue will close on 20 May 2022 (unless extended), and eligible shareholders can apply for shortfall in excess of their entitlement. Shareholders can also trade their rights from 28 April 2022.

Funds raised will be used to enable the Company to complete early-stage exploration programmes across Impact's project portfolio. At the flagship Arkun Project, a major airborne electromagnetic (EM) survey is planned for mid-year together with extensive follow up soil geochemistry and ground geophysical surveys to define drill targets to be tested in late 2022 and 2023.

At Doonia and Hopetoun, recently completed drill programmes have delivered encouraging results and further drilling together with soil geochemistry surveys will be completed this year.

Impact's other WA projects including Jumbo, Narryer, Dalgaranga, Dinninup, are all early-stage projects that require extensive soil geochemistry ground geophysical surveys to identify areas for follow up work including drilling. These will also be progressed in 2022.

At Broken Hill and Commonwealth, statutory expenditures will be maintained whilst commercial outcomes for the projects are investigated.

All Directors intend to take up their full entitlement in the Rights Issue.

All New Shares issued will rank equally with existing shares on issue and the Company will apply for quotation of the New Shares and Options. A prospectus in relation to the Rights Issue was lodged with ASIC on 26 April 2022 and, together with a personalised Entitlement and Acceptance Form, will be sent to eligible shareholders shortly after the Record Date.

Eligible shareholders should consider the prospectus in deciding whether to acquire securities under the Rights Issue and will need to follow the instructions on the Entitlement and Acceptance Form that will accompany the prospectus.

The following are indicative dates for the Rights Issue:

Lodgement of Prospectus with ASIC	26 April 2022
Lodgement of Prospectus and Appendix 3B with ASX	26 April 2022
Ex entitlement date	28 April 2022
Rights trading commences on a deferred settlement basis	28 April 2022
Record Date for determining Entitlements (7:00pm EST)	29 April 2022
Prospectus and personalised Entitlement and Acceptance Forms sent out to Eligible Shareholders	4 May 2022
Rights trading ends	13 May 2022
Closing date of entitlement issue (5:00pm EST) *	20 May 2022
Results of the Offer announced	27 May 2022
Issue of New Shares and New Options	
Trading commences for New Shares and New Options	30 May 2022

*The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date. As such the date the Shares and Options are expected to commence trading on ASX may vary.

If you have any queries concerning the Entitlement Offer, please contact the Company Secretary on +61 (08) 6454 6666.

Dr Mike Jones
Managing Director