

Prospectus

Impact Minerals Limited

ACN 119 062 261

For a renounceable pro rata offer to Eligible Shareholders of approximately 547 million New Shares at an issue price of \$0.011 per New Share on the basis of 1 New Share for every 4 Existing Shares held, together with 1 attaching \$0.02 Listed New Option for every 2 New Shares issued, to raise up to approximately \$6 million before issue costs.

ASX Code: IPT

The Offer is partially underwritten by Mahe Capital Pty Limited for \$3 million.

This Prospectus provides important information about the Company. You should read the entire document including the Entitlement and Acceptance Form. If you have any questions about the New Shares being offered under this Prospectus, or any other matter relating to an investment in the Company, you should consult your professional adviser. An investment in the New Shares offered under this Prospectus is highly speculative.

This Prospectus is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This Prospectus is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act of 1933, as amended, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Important Notice

This Prospectus is dated 26 April 2022 and was lodged with ASIC on that date. Application will be made to ASX for quotation of the New Shares offered under this Prospectus within 7 days of this date.

Neither ASIC, ASX nor any of their respective officers take any responsibility for the contents of this Prospectus or the merits of the investment to which this Prospectus relates. No securities will be allotted or issued on the basis of this Prospectus later than 13 months after the date of this Prospectus.

Nature of this Prospectus

The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the official list of the ASX during the 12 months prior to the issue of this Prospectus. This Prospectus is a 'transaction specific prospectus' to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the 3 months prior to the date of the prospectus. In general terms 'transaction specific prospectuses' are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus contains information only to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in it. It does not include all of the information that would be included in a prospectus for an initial public offer.

Prospectus availability

Eligible Shareholders can obtain a copy of this Prospectus during the Offer period on the Company's website at impactminerals.com.au or by contacting the Company. If you access an electronic copy of this Prospectus, you should ensure that you download and read the entire Prospectus.

The electronic copy of this Prospectus available from the Company's website will not include a personalised Entitlement and Acceptance Form. Eligible Shareholders will only be able to accept the Offer by completing the personalised Entitlement and Acceptance Form which accompanies this Prospectus or by making payment using BPAY® (refer to section 7.8 of this Prospectus for further information).

Foreign jurisdictions

The distribution of this Prospectus in jurisdictions outside Australia and New Zealand may be restricted by law and persons who come into possession of this Prospectus should seek advice on and observe any of these restrictions. Failure to comply with these restrictions may violate securities laws. Applicants who are residents in countries other than Australia should consult their professional advisers as to whether any governmental or other consents are required or whether any other formalities need to be considered and followed. This Prospectus does not constitute an offer in any place in which, or to any person to whom, it should not be lawful to make such an offer.

Disclaimer of representations

No person is authorised to provide any information or make any representation in connection with the Offer which is not contained in this Prospectus.

Forward looking statements

This Prospectus contains forward looking statements that, despite being based on the Company's current expectations about future events, are subject to known and unknown risks, uncertainties and assumptions, many of which are outside the control of the Company and the Directors. These known and unknown risks, uncertainties and assumptions, could cause actual results, performance or achievements to materially differ from future results, performance or achievements expressed or implied by forward-looking statements in this Prospectus. These risks, uncertainties and assumptions include, but are not limited to, the risks outlined in section 6 of this Prospectus. Forward-looking statements include those containing such words as 'anticipate', 'estimate', 'believe', 'should', 'will', 'may' and similar expressions.

Privacy

Please read the privacy information located in section 8.15 of this Prospectus. By submitting an Entitlement and Acceptance Form, you consent to the matters outlined in that section.

Definitions

Certain terms and abbreviations used in this Prospectus have defined meanings which are explained in the Glossary.

Enquiries

If you have any questions please call the Company Secretary on + 61 8 6454 6666 at any time between 8.00am and 5.00pm (WST) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.

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Corporate Directory

Directors

Mr Peter Unsworth	Non-executive Chairman
Dr Michael Jones	Managing Director
Mr Paul Ingram	Non-executive Director
Dr Frank Bierlein	Non-executive Director

Company Secretary

Bernard Crawford

Website

impactminerals.com.au

Registered Office

26 Richardson Street
West Perth WA 6005
Tel: +61 8 6454 6666
Email: info@impactminerals.com.au

Share Registry*

Computershare Investor Services Pty Limited
Tel: 1300 850 505
Fax: +61 (8) 9473 2500
www.computershare.com.au

Lead Manager and Underwriter

Mahe Capital Pty Limited

Auditor*

Hall Chadwick WA Audit Pty Limited

Solicitor to the Offer

Atkinson Corporate Lawyers

*This party is named for informational purposes only and was not involved in the preparation of this Prospectus.

1 TIMETABLE TO THE OFFER

Ex date - Shares trade ex Entitlement (Ex Date)	28 April 2022
Rights trading commences on a deferred settlement basis	
Record date to determine Entitlement (Record Date)	29 April 2022
Prospectus with Entitlement and Acceptance Form dispatched	4 May 2022
Offer opens for receipt of Applications	
Rights trading ends	13 May 2022
Closing date for acceptances	20 May 2022
Announce results of the Offer	27 May 2022
Issue of New Shares and New Options	
Dispatch of shareholding statements	30 May 2022
Normal trading of New Shares and New Options expected to commence	
Last date to issue Shortfall Shares (see section 8.6)	20 August 2022

Note: The Directors may extend the Closing Date by giving at least 3 Business Days' notice to ASX prior to the Closing Date, subject to such date being no later than 3 months after the date of this Prospectus. As such the date the New Shares and New Options are expected to commence trading on ASX may vary.

2 KEY OFFER TERMS AND CAPITAL STRUCTURE

	Underwritten Amount	Full Subscription
Shares currently on issue	2,190,461,586	2,190,461,586
Total unquoted Options currently on issue	207,500,000	207,500,000
New Shares offered under this Prospectus, on a 1 for 4 basis ¹	272,727,273	547,615,397
New Options offered under this Prospectus, being 1 New Option for 2 new Shares issued	136,363,636	273,807,698
Underwriter Options	12,000,000	24,095,077
Issue price per New Share	\$0.011	\$0.011
Amount raised under this Prospectus (before costs) ¹	\$3,000,000	\$6,023,769
Total Shares on issue following the Offer ¹	2,463,188,859	2,738,076,983
Total Options on issue following the Offer ¹	355,863,636	505,402,775

1 This assumes no further Shares or Options are issued prior to the Record Date.

3 CHAIRMAN'S LETTER

Dear Shareholder,

On behalf of Directors I am pleased to offer you the opportunity to participate in a Rights Issue the Company is undertaking to raise approximately \$6 million. The Offer is partially underwritten by Mahe Capital for \$3 million.

The past 18 months has seen a change in Impact's focus from its projects in New South Wales and Queensland to Western Australia. This has been driven by your Company's ability to assemble a large and significant portfolio of prospective, early-stage projects in the south west of Western Australia which is rapidly emerging as a significant mineral province following the discovery of the world class Julimar platinum group metal (PGM)-nickel-copper discovery close to Perth (Chalice Mining Limited ASX:CHN).

These new projects are very poorly explored and yet, based on Impact's 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 metals within its new portfolio.

Impact wants to embark on an ambitious exploration programme to further test the significant number of targets that have already been identified, as well as help generate what will undoubtedly be a large number of new targets as work progresses across the portfolio.

As part of the change in focus Impact has been rationalising its eastern states projects. The Company recently announced a major joint venture with IGO Limited (ASX:IGO) over part of its Broken Hill Project and also now holds shares worth about \$700,000 in two junior exploration companies from the project sales. The Company is actively pursuing commercial outcomes on the remaining projects.

With this rights issue Impact will be fully funded for the next two years and be in a position to rapidly progress its new 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.

Your Directors will be participating in the Rights Issue.

There are risks in investing in the Company, including exploration risks arising from the early stage exploration tenements, usual access and title risks, and ongoing funding of the Company's annual minimum expenditure commitment (as at 31 December 2021, total exploration expenditure commitments on granted tenements held by the Company covering the following 12 month period amounted to approximately \$1.5 Million). See section 6 for details.

I recommend the Offer to you.



Peter Unsworth
Non-executive Chairman
Impact Minerals Limited

4 INVESTMENT OVERVIEW AND KEY RISKS

This information is a selective overview only. Prospective investors should read the Prospectus in full before deciding to invest in New Shares.

Question	Response	Where to find more information												
What is the Offer?	<p>1 New Share for every 4 Existing Shares held on the Record Date at an issue price of \$0.011, with 1 attaching \$0.02 New Listed Option for every 2 New Shares issued.</p> <p>The Offer seeks to issue up to approximately 547 New Shares and 274 New Options to raise up to approximately \$6 million (before costs) if fully subscribed. Up to a further \$5.96 million may be raised if all New Options are exercised.</p> <p>The Offer is partially underwritten by Mahe Capital for \$3 million.</p>	Section 8												
Am I an Eligible Shareholder?	<p>The Offer is made to Eligible Shareholders, being Shareholders who:</p> <ul style="list-style-type: none"> (a) are the registered holder of Shares as at 7.00pm (AEST) on the Record Date; and (b) have a registered address in Australia or New Zealand. <p>Shareholders who are not eligible to participate in the Offer may not participate in the Offer.</p>	Section 8.5												
Can I sell my Entitlements under the Offer?	Yes, the Offer is renounceable meaning Entitlements may be transferred.	Section 7.1												
How will the proceeds of the Offer be used?	<p>The Company will use funds raised under the Offer (together with existing cash on hand):</p> <table> <tr> <th>Use of funds</th><th>Underwritten Amount</th><th>Full Subscription</th></tr> <tr> <td>Arkun Project</td><td>\$840,000</td><td>\$1,500,000</td></tr> <tr> <td>Doonia and Hopetoun Projects</td><td>\$700,000</td><td>\$1,250,000</td></tr> <tr> <td>WA Other Projects</td><td>\$560,000</td><td>\$1,000,000</td></tr> </table>	Use of funds	Underwritten Amount	Full Subscription	Arkun Project	\$840,000	\$1,500,000	Doonia and Hopetoun Projects	\$700,000	\$1,250,000	WA Other Projects	\$560,000	\$1,000,000	Section 5.2
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Arkun Project	\$840,000	\$1,500,000												
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Question	Response	Where to find more information												
	<table> <tr> <td>Broken Hill and Commonwealth</td><td>\$280,000</td><td>\$500,000</td></tr> <tr> <td>Working Capital</td><td>\$313,482</td><td>\$1,276,514</td></tr> <tr> <td>Costs of the Offer</td><td>\$306,518</td><td>\$497,255</td></tr> <tr> <td>Total*</td><td>\$3,000,000</td><td>\$6,023,769</td></tr> </table>	Broken Hill and Commonwealth	\$280,000	\$500,000	Working Capital	\$313,482	\$1,276,514	Costs of the Offer	\$306,518	\$497,255	Total*	\$3,000,000	\$6,023,769	
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Working Capital	\$313,482	\$1,276,514												
Costs of the Offer	\$306,518	\$497,255												
Total*	\$3,000,000	\$6,023,769												
What are the key risks of a subscription under the Offer?	<p>An investment in the Company has risks that you should consider before making a decision to invest. These risks include:</p> <ul style="list-style-type: none"> • Exploration, access and title risks ordinarily associated with early stage exploration tenements with no announced resources. • Risks associated with funding the Company's minimum annual tenement exploration expenditure commitments of approximately \$1.5 million. • Future capital needs and additional funding. The Company recorded a net loss of \$1,083,540 and a net outflow from operating activities of \$567,943 for the half year ending 31 December 2021. As at 31 December 2021, it had approximately \$1.5 Million cash on hand. • The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectively and commercialisation of projects (existing and future). <p>Please carefully consider these risks and the information contained in other sections of this Prospectus before deciding whether or not to apply for New Shares.</p>	Section 6												
Is the Offer underwritten?	The Offer is partially underwritten by Mahe Capital Pty Limited for \$3 million. The underwriting is subject to conditions and terminating events which are typical for an entity in the Company's circumstances.	Section 8.4												

Question	Response	Where to find more information
What will be the effect of the Offer on control of the Company?	<p>The effect of the Offer on control of the Company will vary with the level of Entitlements taken up by Eligible Shareholders and the number of Shortfall Shares placed in the Shortfall Offer.</p> <p>No Shareholder may increase their voting power above 20% as a result of the Offer.</p>	Section 5.5
How do I apply for New Shares and Shortfall Shares under the Offer?	Applications for New Shares and Shortfall Shares can be made by Eligible Shareholders completing the relevant sections of the personalised Entitlement and Acceptance Form and sending it to the Share Registry together with payment by cheque or BPAY in the amount of Entitlement and Shortfall Shares applied for.	Section 7.2
How will the Shortfall Shares be allocated?	<p>Eligible Shareholders can apply for Shortfall Shares.</p> <p>The Directors reserve the right to place any Shortfall Shares at their discretion within 3 months of the Closing Date.</p>	Section 8.6
How can I obtain further advice?	Contact the Company Secretary on +61 8 6454 6666 at any time between 8.00am and 5.00pm (Perth time) Monday to Friday until the Closing Date. Alternatively, consult your broker, accountant or other professional adviser.	
Target Market Determination	In accordance with the design and distribution obligations under the Corporations Act, the Company has determined the target market for the offer of New Options issued under this Prospectus. The Company and the Lead Manager will only distribute this Prospectus to those investors who fall within the target market determination (TMD) as set out on the Company's website (impactminerals.com.au). By making an application under the Offer, you warrant that you have read and understood the TMD and that you fall within the target market set out in the TMD.	

5 PURPOSE AND EFFECT OF THE OFFER

5.1 Introduction

The Company is seeking to raise up to approximately \$6 million before issue costs under the Offer at a price of \$0.011 per Share on the basis of 1 New Share for every 4 Existing Shares held as at the Record Date, with 1 \$0.02 New Listed Option for every 2 New Shares issued.

Shareholders may, in addition to their Entitlement apply for Shortfall Shares.

The Offer is partially underwritten by Mahe Capital Pty Limited for \$3 million.

The Company reserves the right to, subject to the Listing Rules, take oversubscriptions.

5.2 Purpose of the Offer

Funds raised under the Offer will be used for exploration, working capital and to meet the costs of the Offer. At the Company's 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 the Company's Doonia and Hopetoun Projects 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, Dalgara, Dinninup and others, 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.

Specifically, Directors intend to apply the proceeds from the Offer as follows:

Use of funds (\$'000) (approx.)	Underwritten Amount	Full Subscription
Arkun Project	\$840,000	\$1,500,000
Doonia and Hopetoun Projects	\$700,000	\$1,250,000
WA Other Projects	\$560,000	\$1,000,000
Broken Hill and Commonwealth	\$280,000	\$500,000
Working Capital	\$313,482	\$1,276,514
Costs of the Offer	\$306,518	\$497,255
Total use of funds	\$3,000,000	\$6,023,769

Notes:

- 1 This table is a statement of the proposed application of the funds raised as at the date of this Prospectus. As with any budget, intervening events and new circumstances have

the potential to affect the Company's decisions. The Company reserves the right to vary the way funds are applied.

- 2 Funds raised will, in the event less than Full Subscription is received, be allocated firstly towards the costs of the Offer and then proportionally as set out above.
- 3 General working capital is intended to accelerate and/or extend/continue the above initiative as required, and corporate administration and operating costs (including directors' fees, ASX and share registry fees, legal, tax and audit fees, insurance and travel costs).
- 4 See section 10.5 for further details relating to the estimated expenses of the Offer. This assumes that no Entitlement is taken up and the Lead Manager places all Shortfall Shares. The Company has also agreed to issue to the Lead Manager 4 New Options for every \$1 raised under the Offer.

5.3 Statement of financial position

Set out in section 13 is the reviewed Statement of Financial Position of the Company and the Pro-Forma Statement of Financial Position, as at 31 December 2021 and on the basis of the following assumptions:

- (a) the Offer was effective on 31 December 2021;
- (b) the completion of the Placement of 166,666,667 Shares at \$0.012 per Share to raise \$2,000,000 (before costs) as announced to ASX on 11 March 2022;
- (c) no further Shares are issued other than all Shares offered under this Prospectus;
- (d) take up of the Offer assuming Underwritten Amount and Full Subscription are received; and
- (e) (cash) costs of the Offer are approximately \$306,518 and \$497,255 respectively.

The pro-forma Statement of Financial Position has been prepared to provide investors with information on the assets and liabilities of the Company and pro-forma assets and liabilities of the Company set out in section 13. The pro-forma financial information is presented in an abbreviated form, insofar as it does not include all of the disclosures required by Australian Accounting Standards applicable to annual financial statements.

5.4 Effect of the Offer on the Company's securities

Assuming that no further Shares are issued prior to the Record Date, at the close of the Offer the capital structure of the Company will be:

Shares	Underwritten Amount		Full Subscription	
	Number	%	Number	%
Existing Shares	2,190,461,586	88.93	2,190,461,586	80.00
New Shares offered under this Prospectus	272,727,273	11.07	547,615,397	20.00
Total Shares	2,463,188,859	100	2,738,076,983	100

Assuming that no further Options are issued prior to the Record Date, at the close of the Offer, the number of Options on issue will be:

Convertible securities	Underwritten Amount		Full Subscription	
	Number	%	Number	%
Existing Options	207,500,000	58.31	207,500,000	41.06
Options to be offered under the Offer	136,363,636	38.32	273,807,698	54.18
Options issued to the Underwriter	12,000,000	3.37	24,095,077	4.76
Total Options	355,863,636	100	505,402,776	100

5.5 Effect on control

There will be no effect on control of the Company if all Shareholders take up their Entitlement.

(a) Underwriter

As detailed in section 8.4 of this Prospectus, the Underwriter has agreed to underwrite the issue of up to 272,727,273 New Shares under the Offer.

The Underwriter has advised the Company that neither it, nor any of its associates, currently has a relevant in any Shares, and will not as a result of the Offer, have a voting power of 20% or more in the Company.

The Underwriter's relevant interests in the Company following the Offer will depend upon the number of New Shares taken up and the number of New Shares subscribed for by sub-underwriters, although the maximum voting power it will acquire is 11.07%.

(b) Others

As the Offer is renounceable, for the purposes of Listing Rule 7.7.1(c), the Company has appointed Mahe Capital Pty Limited as nominee to arrange for the sale of the entitlements that would have been given to Ineligible Shareholders and to account to them for the net proceeds of the sale. The Company has not appointed a nominee in accordance with section 615 of the Corporations Act, as no person will acquire a relevant interest in 20% or more of the Company's Shares as a result of the Offer.

5.6 Dilution

Shareholders who do not participate in the Offer will have their holdings diluted. Following is a table which sets out the dilutionary effect, assuming the full amount is raised and no further Shares are issued or Options exercised:

Holder	Holding at Record Date		Entitlement	Holding following the Offer if no Entitlement taken up	
	Number	%		Number	%
1	219,046	0.01%	54,762	219,046	0.008
2	2,190,462	0.10%	547,616	2,190,462	0.080
3	21,904,616	1.00%	5,476,154	21,904,616	0.800
4	219,046,159	10.00%	54,761,540	219,046,159	8.000

6 RISK FACTORS

This section identifies the major risks the Board has identified regarding an investment in the Company. The Company's business is subject to risk factors, both specific to its business activities, and risks of a general nature. Individually, or in combination, these might affect the future operating performance of the Company and the value of an investment in the Company. There can be no guarantee that the Company will achieve its stated objectives or that any forward looking statements will be achieved. An investment in the Company should be considered in light of relevant risks, both general and specific. Each of the risks set out below could, if it eventuates, have a material adverse impact on the Company's prospects, and the market price of the Shares.

The following is not intended to be an exhaustive list of the risk factors to which the Company is exposed.

Before deciding to invest in the Company, potential investors should:

- (a) read the entire Prospectus;
- (b) consider the assumptions underlying any forward looking statements;
- (c) review these factors in light of their personal circumstances; and
- (d) seek professional advice from their accountant, stockbroker, lawyer or other professional adviser before deciding whether to invest.

6.2 Risk specific to the Offer

- (a) Future funding and ability to continue as a going concern

Funds raised from the Offer will be used for the purposes mentioned under section 5.2 of the prospectus. Whilst the Company believes that the Underwritten Amount will be sufficient to carry out certain exploration activities, additional funding will be required to continue both existing and proposed research activities. Raising additional capital may be dilutive to existing Shareholders.

- (b) Dilution

Shareholders who do not take up their Entitlement will have their holding in the Company diluted. Details of dilution are set out in section 5.6 above.

6.3 Specific Investment Risks

- (a) Exploration risks

The Company's tenements are at early stages of exploration with no announced resources. Potential investors should understand that mineral exploration and development are high-risk undertakings.

There can be no assurance that exploration of these tenements, or any other tenements that may be acquired in the future, will result in the discovery of an economic ore deposit. Even if an apparently viable deposit is identified, there is no guarantee that it can be economically exploited.

The future exploration activities of the Company may be affected by a range of factors including geological conditions, limitations on activities due to seasonal

weather patterns, unanticipated operational and technical difficulties, industrial and environmental accidents, native title process, changing government regulations and many other factors beyond the control of the Company.

The success of the Company will also depend upon the Company having access to sufficient development capital, being able to maintain title to its tenements and obtaining all required approvals for its activities. In the event that exploration programmes prove to be unsuccessful this could lead to a diminution in the value of the tenements, a reduction in the cash reserves of the Company and possible relinquishment of the tenements.

(b) Access risk

The Company's access to its projects may be affected by landholder and pastoralist approvals and native title rights and the terms of native title agreements.

While the Company intends to do those things necessary to minimise these risks, it cannot guarantee that the access it has to the projects in which it has an interest will remain unfettered in the future.

(c) Title risk

Interests in exploration licences are governed by state legislation in the relevant jurisdiction. The licences which grant the title to each property are subject to compliance with certain requirements, including lodgement of reports, and compliance with environmental conditions and environmental legislation. Consequently, the Company runs the risk of incurring penalties or loss of title to, or its interest in its licences, if these requirements are not met.

(d) Future capital needs and additional funding

The Company recorded a net loss of \$1,083,540 and net outflows from operating activities of \$567,943 for the half year ending 31 December 2021. At 31 December 2021, the Company had approximately \$1.5 Million cash on hand.

In order to maintain an interest in the exploration tenements in which the Company is involved, the Company is committed to meet the conditions under which the tenements were granted. The timing and amount of exploration expenditure commitments and obligations are subject to the minimum expenditure commitments required in the relevant States.

As at 31 December 2021, total exploration expenditure commitments on granted tenements held by the Company covering the following 12 month period amounted to approximately \$1.5 Million. For the period greater than 12 months to five years, commitments amount to approximately \$9.9 Million. These obligations are also subject to variations by farm-out arrangements, or sale of the relevant tenements.

The Company's ability to raise further capital (equity or debt) within an acceptable time, of a sufficient amount and on terms acceptable to the Company will vary according to a number of factors, including prospectivity of projects (existing and future), the results of exploration, subsequent feasibility studies, development and mining, stock market and industry conditions and the price of relevant commodities and exchange rates.

No assurance can be given that future funding will be available to the Company on favourable terms (or at all). If adequate funds are not available on acceptable terms the Company may not be able to further develop its projects and it may impact on the Company's ability to continue as a going concern.

Additional equity financing, if available, may be dilutive to Shareholders and/or occur at prices lower than the market price. Debt financing, if available, may involve restrictions on financing and operating activities. If the Company is unable to obtain additional financing as needed it may be required to reduce the scope of its exploration operations.

(e) Environmental risk

The Company's operations will be subject to various regulations regarding environmental matters. Development of each of the Company's projects will be dependent on the relevant licences meeting environmental guidelines and gaining approvals by government authorities. Whilst the Company intends to conduct its activities in an environmentally responsible manner, risks arise in relation to compliance with these regulations and approvals.

(f) Joint venture parties, contractors and agents

The Company relies on continuing existing strategic relationships and has formed new relationships with other entities in the mineral exploration industry, including joint venture partners, contractors and agents. There can be no assurance that existing relationships will continue to be maintained or that new ones will be successfully formed and the Company could be materially adversely affected by changes to such relationships or difficulties in forming new ones.

As announced to ASX on 9 November 2021, the Company entered into a farm in agreement (Agreement) with IGO Limited (IGO) (ASX:IGO) whereby IGO can spend \$18 million over 8 years to earn a 75% interest in the Company's Broken Hill nickel-copper-platinum group metals Project in New South Wales. IGO can withdraw from the Agreement prior to the minimum expenditure being reached (\$500,000 in the first year) by paying the lesser amount of either the balance of unspent minimum expenditure or \$200,000. The Company is unable to guarantee that IGO will elect to continue with the Agreement.

Further, the Directors are unable to predict the risk of financial failure or default by a participant in any joint venture to which the Company is, or may become a party, or insolvency or other managerial failure by any of the contractors used by the Company in any of its activities, or insolvency or other managerial failure by any of the other service providers used by the Company for any activity.

(g) COVID

The Company has been able to progress its exploration programs to date broadly in accordance with estimated timeframes despite the impact of COVID, but there is a risk that the Company's estimated exploration timeframes and costs are impacted by COVID-related restrictions or impacts.

(h) Reliance on key personnel and consultants

The Company's success largely depends on the core competencies of its Directors, management and third party consultants and their familiarisation with, and ability to operate in, the exploration industry. The financial performance of the Company and the value of an investment in the Company partly depend on the ability of the Company to retain these key personnel and consultants.

(i) Insurance

The Company, where economically feasible, insures its operations in accordance with industry practice. However, in certain circumstances, the Company's insurance, if obtained, may not be of a nature or level to provide adequate insurance cover. The occurrence of an event that is not covered or fully covered by insurance could have a negative effect on the financial performance of the Company and the value of an investment in the Company.

(j) Speculative Nature of Investment

Any potential investor should be aware that subscribing for Shares involves various risks. The New Shares to be issued pursuant to the Offer carry no guarantees with respect to the payment of dividends, return of capital or market value.

6.4 General Investment Risks

(a) Share Market Investments

It is important to recognise that the price of Shares may rise or fall, and they might trade at prices below or above the Offer Price. There can also be no assurance that an active trading market will develop for the Shares.

Factors affecting the price at which the Shares are traded on ASX could include domestic and international economic conditions. In addition, the prices of many listed entities' securities are affected by factors that might be unrelated to the operating performance of the relevant company. Those fluctuations might adversely affect the price of the Shares.

(b) General Economic Conditions

The Company's operating and financial performance is influenced by a variety of general economic and business conditions including the level of inflation, interest rates and government fiscal, monetary and regulatory policies. Prolonged deterioration in general economic conditions, including an increase in interest rates, could be expected to have a corresponding adverse impact on the Company's operating and financial performance.

(c) Accounting Standards

Australian accounting standards are set by the Australian Accounting Standards Board (AASB) and are outside the Directors' and the Company's control. Changes to accounting standards issued by AASB could materially adversely affect the financial performance and position reported in the Company's financial statements.

(d) **Taxation Risks**

Changes to the rate of taxes imposed on the Company (including in overseas jurisdictions in which the Company operates now or in the future) or tax legislation generally may affect the Company and its Shareholders. In addition, an interpretation of Australian taxation laws by the Australian Taxation Office that differs to the Company's interpretation may lead to an increase in the Company's taxation liabilities and a reduction in Shareholder returns.

Personal tax liabilities are the responsibility of each individual investor. the Company is not responsible either for taxation or penalties incurred by investors.

7 ACTIONS REQUIRED BY ELIGIBLE SHAREHOLDERS

7.1 What you may do

As an Eligible Shareholder, you may:

- (a) subscribe for all or part of your Entitlement (see section 7.2);
- (b) subscribe for all of your Entitlement and apply for Shortfall Shares (see section 7.3);
- (c) sell all of your Entitlement (see section 7.4);
- (d) take up part of your Entitlement and sell the balance on ASX (see section 7.5);
- (e) take up part of your Entitlement and transfer the balance other than on ASX (see section 7.6); or
- (f) allow all or part of your Entitlement to lapse (see section 7.7).

7.2 Subscribe for all or part of your Entitlement

Applicants should read this Prospectus in its entirety in order to make an informed decision on the prospects of the Company and the rights attaching to the New Shares and attaching New Options offered by this Prospectus before deciding to apply for New Shares. If you do not understand this Prospectus you should consult your stockbroker, accountant or other professional adviser in order to satisfy yourself as to the contents of this Prospectus.

If you wish to subscribe for all or part of your Entitlement, complete the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. The Entitlement and Acceptance Form sets out the number of New Shares and attaching New Options you are entitled to subscribe for.

7.3 Subscribe for all of your Entitlement and apply for Shortfall Shares

Eligible Shareholders who take up their Entitlement in full may, in addition to their Entitlement, apply for Shortfall Shares regardless of the size of their present holding by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. See section 8.6 for details of the manner in which Shortfall Shares will be allocated.

A cheque, bank draft or money order should be used for the application money for your Entitlement and the number of Shortfall Shares you wish to apply for as stated on the Entitlement and Acceptance Form.

Alternatively, if you are paying by BPAY®¹, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY must ensure that payment is received by no later than 5pm AEST on 20 May 2022.

Any refund of application monies will be returned to Applicants as soon as practicable following the issue of all Shortfall Shares.

7.4 Sell all of your Entitlement

Provide instructions to your stockbroker regarding the entitlement you wish to sell on the ASX.

Rights trading will commence on ASX on 28 April 2022. Sale of your Rights must be completed by 13 May 2022 when Rights trading is expected to cease.

7.5 Take up part of your Entitlement and sell the balance on ASX

Please complete the Entitlement and Acceptance Form, which accompanies this Prospectus, by inserting the number of New Shares for which you wish to accept (being less than as specified on the Entitlement and Acceptance Form) and provide instructions to your stockbroker regarding the entitlement you wish to sell on the ASX.

Forward your instructions to your stockbroker together with your cheque for the total amount payable in respect of the New Shares accepted. Your stockbroker will need to ensure that the Appendix E (obtainable through your stockbroker or the Share Registry) reaches the Company's share registry, by 5 pm AEST on 20 May 2022.

Cash will not be accepted and no receipts will be issued.

Rights trading will commence on ASX on 28 April 2022. Sale of your Rights must be completed by 13 May 2022 when Rights trading is expected to cease.

7.6 Take up part of your Entitlement and transfer the balance other than on ASX

If you are a Shareholder and hold Existing Shares on the issuer sponsored sub-register, forward a completed renunciation form (obtainable through your stockbroker or the Share Registry) together with your personalised Entitlement and Acceptance Form completed by the transferee together with a cheque for the appropriate application money to reach the Company's share registry (at the postal address shown below), by 5 pm AEST on 20 May 2022.

If you are a Shareholder and hold Existing Shares registered on CHESS, you should contact your sponsoring broker.

Cash will not be accepted and no receipts will be issued.

7.7 Allow all or part of your Entitlement to lapse

If you are an Eligible Shareholder and do not wish to accept all or part of your Entitlement, you are not obliged to do anything.

If you take no action, your Entitlement will lapse. You will receive no benefit or New Shares and your Entitlement will become Shortfall Shares.

¹ Registered to BPAY Pty Ltd ABN 69 079 137 518

The number of Existing Shares you hold as at the Record Date and the rights attached to those Existing Shares will not be affected if you choose not to accept any of your Entitlement.

7.8 Payment methods

BPAY

If you are paying by BPAY, refer to your personalised instructions on your Entitlement and Acceptance Form. Shareholders who wish to pay by BPAY do not need to complete and return the Entitlement and Acceptance Form; however must ensure that payment is received by no later than 5.00pm AEST on the Closing Date.

You should be aware that your own financial institution may implement earlier cut-off times with regard to electronic payment, and you should therefore take this into consideration when making payment. It is your responsibility to ensure that funds submitted through BPAY are received by 5.00pm AEST on the Closing Date.

If you have more than one shareholding and consequently receive more than one Entitlement and Acceptance Form, when taking up your Entitlement in respect of one of those shareholdings only use the Customer Reference Number specific to that shareholding as set out in the applicable Entitlement and Acceptance Form. Do not use the same Customer Reference Number for more than one of your shareholdings. This can result in your application monies being applied to your Entitlement in respect of only one of your shareholdings (with the result that any application in respect of your remaining shareholdings will not be recognised as valid).

The Company shall not be responsible for any postal or delivery delays or delay in the receipt of the BPAY payment.

Cheque, bank draft or money order

Alternatively, if you are paying by cheque, bank draft or money order, the completed Entitlement and Acceptance Form must be accompanied by a cheque, bank draft or money order made payable to 'Impact Minerals Limited' and crossed 'Not Negotiable' for the appropriate application money in Australian dollars calculated at \$0.011 per New Share accepted. Your cheque, bank draft or money order must be paid in Australian currency and be drawn on an Australian branch of an Australian financial institution. The Company will present the cheque or bank draft on the day of receipt of the Entitlement and Acceptance Form. You must ensure that your cheque account has sufficient funds to cover your payment, as your cheque will be presented for payment on receipt. If your bank dishonours your cheque your application will be rejected. Dishonoured cheques will not be represented.

If the amount of your cheque(s), bank draft(s) or money order(s) for application money (or the amount for which those cheque(s) or bank draft(s) clear in time for allocation) is insufficient to pay for the number of New Shares you have applied for in your Entitlement and Acceptance Form, you may be taken to have applied for such lower number of New Shares as your cleared application money will pay for (and to have specified that number of New Shares in your Entitlement and Acceptance Form) or your Application may be rejected.

The Entitlement and Acceptance Form must be received by the Registry at the following addresses by no later than 5.00pm (AEST) on the Closing Date:

By Post To:

Impact Minerals Limited
C/- Computershare Investor Services Pty Limited
GPO Box 505
Melbourne Victoria 3001

7.9 Entitlement and Acceptance Form is binding

Receipt of a completed and lodged Entitlement and Acceptance Form together with a cheque, bank draft or money order for the application monies, or by making a payment in respect of an Application by BPAY, constitutes a binding offer to acquire New Shares on the terms and conditions set out in this Prospectus and, once lodged, cannot be withdrawn.

By completing and returning your Entitlement and Acceptance Form with the requisite application monies, or by making a payment in respect of an Application by BPAY, you will be deemed to have represented that you are an Eligible Shareholder. In addition, you will also be deemed to have represented and warranted on behalf of yourself or each person on whose account you are acting that the law in your place of residence and/or where you have been given the Prospectus, does not prohibit you from being given the Prospectus and that you:

- (a) agree to be bound by the terms of the Offer;
- (b) declare that all details and statements in the Entitlement and Acceptance Form are complete and accurate;
- (c) declare that you are over 18 years of age and have full legal capacity and power to perform all your rights and obligations under the Entitlement and Acceptance Form;
- (d) authorise the Company and its respective officers or agents, to do anything on your behalf necessary for the New Shares and New Options to be issued to you, including to act on instructions of the Company's share registry upon using the contact details set out in the Entitlement and Acceptance Form;
- (e) declare that you are the current registered holder of Shares and are an Australian or New Zealand resident, and you are not in the United States or a US Person, or acting for the account or benefit of a US Person;
- (f) acknowledge that the information contained in, or accompanying, the Prospectus is not investment or financial product advice or a recommendation that New Shares are suitable for you given your investment objectives, financial situation or particular needs; and
- (g) acknowledge that the New Shares have not, and will not be, registered under the securities laws in any other jurisdictions outside Australia and New Zealand and accordingly, the New Shares may not be offered, sold or otherwise transferred except in accordance with an available exemption from, or in a transaction not subject to, the registration requirements of applicable securities laws in particular the US Securities Act.

The Entitlement and Acceptance Form does not need to be signed to be a valid application. An Application will be deemed to have been accepted by the Company upon the issue of the New Shares and New Options.

If the Entitlement and Acceptance Form is not completed correctly or if the accompanying payment of the application monies is for the wrong amount, it may still be treated as a valid application for New Shares. The Directors' decision whether to treat an acceptance as valid and how to construe, amend or complete the Entitlement and Acceptance Form is final. However, an Applicant will not be treated as having applied for more Shares than is indicated by the amount of the application monies received by the Company.

8 DETAILS OF THE OFFER

8.1 Shares offered for subscription

By this Prospectus the Company makes a renounceable pro rata offer to Eligible Shareholders on the basis of 1 New Share for every 4 Existing Shares held as at the Record Date at a price of \$0.011 per New Share, with 1 \$0.02 New Listed Option for every 2 New Shares issued, to raise up to approximately \$6 million before issue costs. Fractional entitlements will be rounded down to the nearest whole number.

The Offer is only open to Eligible Shareholders. The Company reserves the right to reject any application that it believes comes from a person who is not an Eligible Shareholder.

Details of how to apply for New Shares are set out at section 7.

All New Shares offered under this Prospectus will rank equally with Existing Shares. The rights and liabilities of the New Shares offered under this Prospectus are summarised in section 9. The rights and Liabilities of the New Options are summarised in section 9.2

8.2 Minimum subscription

As the Offer is partially underwritten, there is no minimum subscription.

8.3 Acceptances

This Offer may be accepted in whole or in part prior to the Closing Date subject to the rights of the Company to extend the Offer period or close the Offer early.

Instructions for accepting your Entitlement are set out in section 7 and on the Entitlement and Acceptance Form which accompanies this Prospectus.

8.4 Underwriting

The Underwriter has agreed to underwrite the issue of 272,727,273 Shares (**Underwritten Securities**) in accordance with an underwriting agreement dated 26 April 2022 (**Underwriting Agreement**). The Underwriter will be paid the following fees:

- (a) A lead manager's fee of \$60,000. The Underwriter has the right to have this fee satisfied through the issue of Shares on the same terms as under the Offer;
- (b) 4 New Options for every \$1 raised under this Prospectus;
- (c) A management fee of 1% of the total amount raised under the Offer. The Underwriter has the right to have this fee satisfied through the issue of Shares on the same terms as under the Offer;
- (d) An underwriting fee of 5% of the Underwritten Amount; and

- (e) A placement fee of 5% of any Shortfall and other securities placed by the Underwriter beyond the Underwritten Amount.

The Underwriter will, in the event the Underwriting Agreement is terminated in certain circumstances, be entitled to a termination fee of \$30,000.

The Company will also be required to reimburse the Underwriter for all of the reasonable costs incurred by the Underwriter in relation to the Offer.

The underwriting of the Offer is conditional upon the satisfaction or waiver by the Underwriter of the certain conditions ordinarily found in an agreement of this type, including that:

- (a) the Underwriter being satisfied with the due diligence investigations by the Company in relation to the Offer; and
- (b) the Company's solicitors providing the Underwriter with a legal sign off letter in relation to the due diligence investigations.

In accordance with the Underwriting Agreement and as is customary with these types of arrangements:

- (a) the Company has (subject to certain limitations, including where the loss arises through the Underwriter performing its underwriting obligation) agreed to indemnify the Underwriter, its officers, employees, advisers and related bodies corporate, and the officers, employees and advisers of any of its related bodies corporate against losses suffered or incurred in connection with the Offer;
- (b) the Company and the Underwriter have given representations, warranties and undertakings in connection with (among other things) the conduct of the Offer;
- (c) the Underwriter may (in certain circumstances, including having regard to the materiality of the relevant event) terminate the Underwriting Agreement and be released from their obligations under it on the occurrence of certain events, including (but not limited to) where:
 - (i) (Indices fall): the S&P ASX 200 Index is at any time after the date of the Underwriting Agreement 7% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
 - (ii) (Commodities): the price of COMEX gold or NYMEX WTI crude is at any time after the date of the Underwriting Agreement 7% or more below its respective level as at the close of business on the Business Day prior to the date of the Underwriting Agreement;
 - (iii) (Price): the Price is greater than the volume weighted average price of Shares calculated over three consecutive trading days after the date of the Underwriting Agreement;
 - (iv) (Misleading Announcement): it transpires that the Company has made a statement via the ASX that is misleading or deceptive or likely to mislead or deceive.
 - (v) (Adverse change): an event occurs which gives rise to a Material Adverse Effect or any adverse change or any development including a likely Material

Adverse Effect after the date of the Underwriting Agreement in the assets, liabilities, financial position, trading results, profits, forecasts, losses, prospects, business or operations of any Relevant Company including, without limitation, if any forecast in the Prospectus becomes incapable of being met or in the Underwriter's reasonable opinion, unlikely to be met in the projected time. Material Adverse Event means:

- (A) a material adverse effect on the outcome of the Offer or on the subsequent market for the Underwritten Securities (including, without limitation, matters likely to have a material adverse effect on a decision of an investor to invest in Underwritten Securities); or
 - (B) a material adverse effect on the assets, condition, trading or financial position and performance, profits and losses, results, prospects, business or operations of the Company and its Subsidiaries either individually or taken as a whole;
- (vi) (Board and senior management composition): there is a change in the composition of the Board or a change in the senior management of the Company before the date of issue of the Underwritten Securities without the prior written consent of the Underwriter, such consent not to be unreasonably withheld;
 - (vii) (Change in shareholdings): there is a material change in the major or controlling shareholdings of a Relevant Company (other than as a result of the Offer or a matter disclosed in the Prospectus) or a takeover offer or scheme of arrangement pursuant to Chapter 5 or 6 of the Corporations Act is publicly announced in relation to a Relevant Company;
 - (viii) (Market Conditions): a suspension or material limitation in trading generally on ASX occurs or any material adverse change or disruption occurs in the existing financial markets, political or economic conditions of Australia, Japan, the United Kingdom, the United States of America or other international financial markets.

For the purposes of section 706 of the Corporations Act, the Company offers the Underwriter four New Options for every \$1 raised under this Prospectus. This offer may only be accepted by the Underwriter or (subject to the Corporations Act and Listing Rules) its nominees by completing a personalised application form which accompanies this Prospectus. The Company relies upon its 15% capacity under Listing Rule 7.1 to issue these New Options to the Underwriter and its nominees.

8.5 Entitlement to Offer

The Offer is made to Eligible Shareholders, who are those Shareholders that:

- (a) are the registered holder of Shares as at 7.00pm (AEST) on the Record Date; and
- (b) have a registered address in Australia or New Zealand.

8.6 Shortfall

Any New Shares not applied for under the Offer will become Shortfall Shares. The Directors reserve the right to issue any Shortfall Shares at their discretion within 3 months after the Closing Date (**Shortfall Offer**).

The Shortfall Offer is, to the extent it is made in Australia, made under this Prospectus. To the extent the Shortfall Offer is made outside Australia, the Shortfall Offer is made without disclosure, a prospectus, lodgement, filing or registration, or other requirements of any applicable securities law, and only in circumstances where it is lawful to do so (such as to institutional or sophisticated investors).

Eligible Shareholders may apply for Shortfall Shares by completing the accompanying Entitlement and Acceptance Form in accordance with the instructions set out on that form. Other investors who are not Eligible Shareholders may apply for Shortfall Shares using the Shortfall Application Form attached to this Prospectus. Persons outside Australia doing so represent to the Company that they can apply for Shortfall Shares in circumstances which do not require the offer for Shortfall Shares or this Prospectus to be registered.

It is possible that there may be no Shortfall Shares available for issue.

Subject to the above, the Directors reserve the right at their absolute discretion and subject to the Corporations Act and Listing Rules, to:

- (a) issue Shortfall Shares at their discretion by applying a policy of allocating Shortfall Shares in a manner that is in the Company's best interests; and
- (b) to reject any application for Shortfall Shares or to issue a lesser number of Shortfall Shares than that applied for.

It is an express term of the Shortfall Offer that applicants for Shortfall Shares will be bound to accept a lesser number of Shortfall Shares allocated to them than applied for. If a lesser number is allocated, excess application money will be refunded without interest as soon as practicable after the Closing Date.

8.7 New Zealand Shareholders

The Offer contained in this Prospectus to Eligible Shareholders with registered addresses in New Zealand is made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2013 (New Zealand). Members of the public in New Zealand who are not existing Shareholders on the Record Date are not entitled to apply for any New Shares. This Prospectus has not been registered, filed or approved by any New Zealand regulatory authority. This Prospectus is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

8.8 Treatment of Ineligible Shareholders and sale for Ineligible Shareholders' Entitlement

Given the small number of Ineligible Shareholders and the cost of complying with applicable regulations outside Australia and New Zealand, the Company has decided that it would be unreasonable to extend the Offer to Ineligible Shareholders. The Prospectus will not be sent to those Shareholders.

This Prospectus does not constitute an offer of securities in any jurisdiction where, or to any person to whom, it would not be lawful to issue the Prospectus or make the Offer. No action

has been taken to register or qualify the New Shares or the Offer or otherwise to permit an offering of the New Shares in any jurisdiction other than as set out in this section.

This document is not for publication or distribution, directly or indirectly, in or into the United States of America (including its territories and possessions, any state of the US and the District of Columbia). This document is not an offer of securities for sale into the United States or to, or for the account or benefit of, US Persons. The securities referred to herein have not been and will not be registered under the US Securities Act, and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons. No public offering of securities is being made in the United States.

Recipients may not send or otherwise distribute this Prospectus or the Entitlement and Acceptance Form to any person outside Australia or New Zealand (other than to Eligible Shareholders).

For the purposes of Listing Rule 7.7.1(c), the Company has appointed the Underwriter as nominee to arrange for the sale of the Non-Eligible Foreign Shareholders' Entitlements and to account to them for the net proceeds of the sale.

The proceeds of sale (in Australian dollars) will be distributed to the Non-Eligible Foreign Shareholders for whose benefits the Rights have been sold in proportion to their shareholdings as at the Record Date (after deducting the costs of the sale).

8.9 Beneficial holders, nominees, trustees and custodians

The foreign selling restrictions under the Offer summarised in section 8.8 of this Prospectus apply to the underlying beneficial holder. Nominees, trustees and custodians must not apply on behalf of any beneficial holder that would not itself be an Eligible Shareholder. Shareholders who are nominees, trustees or custodians are advised to seek independent advice as to how they should proceed. Shareholders who hold Shares on behalf of persons whose registered address is not in Australia or New Zealand are responsible for ensuring that applying for New Shares does not breach securities laws in the relevant overseas jurisdictions.

Nominees and custodians that hold Shares should note that the Offer is available only to Eligible Shareholders. The Company is not required to determine whether or not any registered holder is acting as a nominee or the identity or residence of any beneficial owners of securities. If any nominee or custodian is acting on behalf of a foreign person, that holder, in dealing with its beneficiary, will need to assess whether indirect participation by the beneficiary in the Offer is compatible with applicable foreign laws.

8.10 Allotment and application money

New Shares will be issued only after all application money has been received and ASX has granted permission for the New Shares to be quoted. It is expected that New Shares will be issued on 27 May 2022 and normal trading of the New Shares on ASX is expected to commence on 30 May 2022.

All application monies will be deposited into a separate bank account of the Company and held in trust for Applicants until the Shares are issued or application monies returned. Any interest that accrues will be retained by the Company and will not be paid to Applicants.

8.11 Quotation

The Company will apply to ASX within 7 days after the date of this Prospectus for quotation of the New Shares and New Options offered by this Prospectus on ASX. If ASX does not grant permission for the quotation of the New Shares offered under this Prospectus within 3 months after the date of this Prospectus, or such longer period as modified by ASIC, none of the New Shares offered by this Prospectus will be allotted or issued. In these circumstances, all Applications will be dealt with in accordance with the Corporations Act including the return of all application monies without interest.

A decision by ASX to grant official quotation of the New Shares is not to be taken in any way as an indication of ASX's view as to the merits of the Company or of the New Shares.

Quotation, if granted, of the New Shares and New Options offered by this Prospectus will commence as soon as practicable after statements of holdings of the New Shares are dispatched.

8.12 Market prices of Existing Shares on ASX

The highest and lowest market sale price of the Existing Shares, which are on the same terms and conditions as the New Shares being offered under this Prospectus, during the 3 months immediately preceding the lodgement of this Prospectus with the ASIC, and the last market sale price on the date before the lodgement date of this Prospectus, are set out below.

	3 month high	3 month low	Last market sale price
Price (\$)	\$0.017	\$0.011	\$0.015
Date	20, 21 and 22 April 2022	25, 28 February 2022, 1, 15, 16, 17, 18, 21, 22, 23 March 2022	22 April 2022

8.13 CHESS

The Company participates in the Clearing House Electronic Subregister System (**CHESS**). CHESS is operated by ASX Settlement Pty Ltd (**ASPL**), a wholly owned subsidiary of ASX.

Under CHESS, the Company does not issue certificates to investors. Instead, security holders will receive a statement of their holdings in the Company, including New Shares and New Options issued under this Prospectus. If an investor is broker sponsored, ASPL will send a CHESS statement.

The CHESS statement will set out the number of New Shares issued under this Prospectus, provide details of your holder identification number and give the participation identification number of the sponsor.

If you are registered on the issuer sponsored sub register, your statement will be dispatched by the Company's share registrar and will contain the number of New Shares and New Options issued to you under this Prospectus and your security holder reference number.

A CHESS statement or issuer sponsored statement will routinely be sent to Shareholders at the end of any calendar month during which the balance of their shareholding changes.

Shareholders may request a statement at any other time, however, a charge may be made for additional statements.

8.14 Taxation and duty implications

The Directors do not consider that it is appropriate to give Shareholders advice regarding the taxation consequences of the Company conducting the Offer or Shareholders applying for New Shares under this Prospectus, as it is not possible to provide a comprehensive summary of the possible taxation positions of Shareholders. The Company, its advisers and officers, do not accept any responsibility or liability for any taxation consequences to Shareholders in the Offer. Shareholders should, therefore, consult their own professional tax adviser in connection with the taxation implications of the Offer.

No brokerage or stamp duty is payable by Applicants in respect of Applications for New Shares under this Prospectus.

8.15 Privacy

The Company collects information about each Applicant provided on an Entitlement and Acceptance Form for the purposes of processing the Application and, if the Application is successful, to administer the Applicant's security holding in the Company.

By submitting an Entitlement and Acceptance Form, each Applicant agrees that the Company may use the information provided by an Applicant on the Entitlement and Acceptance Form for the purposes set out in this privacy disclosure statement and may disclose it for those purposes to the Share Registry, the Company's related body corporates, agents, contractors and third party service providers, including mailing houses and professional advisers, and to ASX and regulatory authorities.

The Corporations Act requires the Company to include information about the Shareholder (including name, address and details of the Shares held) in its public register. The information contained in the Company's public register must remain there even if that person ceases to be a Shareholder. Information contained in the Company's register is also used to facilitate distribution payments and corporate communications (including the Company's financial results, annual reports and other information that the Company may wish to communicate to its security holders) and compliance by the Company with legal and regulatory requirements.

If you do not provide the information required on the Entitlement and Acceptance Form, the Company may not be able to accept or process your Application. An Applicant has the right to gain access to the information that the Company holds about that person subject to certain exceptions under law. A fee may be charged for access. Such requests must be made in writing to the Company's registered office.

8.16 Enquiries

Any queries regarding the Offer or Entitlement and Acceptance Form should be directed to the Company Secretary on +61 8 6454 6666.

You can also contact your stockbroker or professional adviser with any queries in relation to the Offer.

9 RIGHTS AND LIABILITIES ATTACHING TO SECURITIES

9.1 Rights and liability attaching to the New Shares

Full details of the rights and liabilities attaching to the New Shares are:

- detailed in the Constitution, a copy of which can be inspected, free of charge, at the registered office of the Company during normal business hours; and
- in certain circumstances, regulated by the Corporations Act, the Listing Rules and the general law.

The following is a summary of the more significant rights and liabilities attaching to the New Shares. This summary is not exhaustive and does not constitute a definitive statement of the rights and liabilities of Shareholders. To obtain such a statement, persons should seek independent legal advice.

(a) Voting rights

Subject to any rights or restrictions for the time being attached to any class or classes of shares, at a general meeting of members every member has one vote on a show of hands and one vote per Share on a poll. Voting may be in person or by proxy, attorney or representative.

(b) Dividends

Except as otherwise required by the Corporations Act and to the terms on which shares are on issue and the rights and restrictions attaching to shares, the Directors may from time to time:

- declare dividends (whether final or interim) to be paid to members on such terms, including the amount and the time for and the method of payment, as the Directors think fit; or
- determine that a dividend is payable, fix the amount and time for payment.

(c) Future issues of securities

Subject to the Corporations Act and the Listing Rules, the Directors may issue, grant options over, or otherwise dispose of unissued shares in the Company at the times and on the terms that the Directors think proper and a share may be issued with preferential or special rights.

(d) Transfer of Shares

A Shareholder may transfer Shares by a market transfer in accordance with any computerised or electronic system established or recognised by ASX for the purpose of facilitating transfers in Shares or by an instrument in writing in a form approved by ASX or the Board.

(e) Meetings and notices

Each Shareholder is entitled to receive notice of, and to attend, general meetings for the Company and to receive all notices, accounts and other documents required to be sent to shareholders under the Constitution, the Corporations Act or the Listing Rules.

Shareholders may requisition meetings in accordance with the Corporations Act.

(f) Liquidation rights

The Company has one class of share on issue, ordinary shares. Each ordinary Share ranks equally in the event of liquidation.

(g) Variation of rights

Subject to the Corporations Act and Listing Rules, the rights attached to the Shares may be varied in accordance with the Corporations Act

(h) Election of directors

At every annual general meeting one third of the Directors (rounded up to the nearest whole number) must retire from office. Any Director who would have held office for more than 3 years if that Director remains in office until the next general meeting must retire. These retirement rules do not apply to certain appointments including the managing director.

(i) Indemnities

To the extent permitted by law the Company must indemnify each past and present Director and secretary against any liability incurred by that person as an officer of the Company and any legal costs incurred in defending an action in respect of such liability.

(j) Winding up

Subject to the Corporations Act, the ASX Listing Rules and any rights or restrictions attached to a class of shares, on a winding up of the Company any surplus must be divided among the shareholders of the Company.

(k) Shareholder liability

As the Shares offered under the Prospectus are fully paid Shares, they are not subject to any calls for money by the Directors and will therefore not become liable for forfeiture.

(l) Alteration to the Constitution

The Constitution can only be amended by a special resolution passed by at least three quarters of shareholders present and voting at the general meeting. At least 28 days written notice specifying the intention to propose the resolution as a special resolution must be given.

(m) Listing Rules

The Company has been admitted to trading on the Official List of ASX. Accordingly, despite anything in the Constitution, if the Listing Rules prohibit an act being done, the act must not be done. Nothing in the Constitution prevents an act being done that the Listing Rules require to be done. If the Listing Rules require an act to be done or not to be done, authority is given for that act to be done or not to be done (as the case may be). If the Listing Rules require the Constitution to contain a provision and it does not contain such a provision, the Constitution is deemed to contain that provision. If the Listing Rules require the Constitution not to contain a provision and it contains such a provision, the Constitution is deemed not to contain that provision. If a provision of the Constitution is or becomes inconsistent with the Listing Rules, the Constitution is deemed not to contain that provision to the extent of the inconsistency.

9.2 Rights and liability attaching to the New Options

The New Options offered under this Prospectus are subject to the following terms:

- (a) Each New Option entitles the holder to be issued one Share.
- (b) The exercise price of the New Options is \$0.02 each.
- (c) The expiry date of the New Options is 2 years from issue.
- (d) The New Options may be exercised at any time prior to the expiry date, in whole or in part, upon payment of the exercise price per Option.
- (e) The Company currently intends to apply for quotation of the New Options on the official list of the ASX. Quotation of the New Options is not guaranteed or automatic but will depend on ASX exercising its discretion under the Listing Rules.
- (f) The New Options are freely transferable subject to any restriction or escrow arrangements imposed by the Corporations Act and the ASX Listing Rules.
- (g) The holder of a New Option may not exercise less than 100,000 Options at any one time unless the holder has less than 100,000 Options in which event the Holder must exercise all of the Options together.
- (h) The Company will provide to each New Option holder a notice that is to be completed when exercising the Options (Notice of Exercise). The New Options may be exercised by the Option holder by completing the Notice of Exercise and forwarding the same to the Share Registry to be received prior to the expiry date. The Notice of Exercise must state the number of New Options exercised, the consequent number of Shares to be issued and the identity of the proposed subscribers. The Notice of Exercise by an Option holder must be accompanied by payment in full for the relevant number of Shares being subscribed, being an amount of the exercise price per Share.
- (i) Subject to the Listing Rules, the Company will issue Shares upon exercise of the New Options within 15 business days of receipt of a completed Notice of Exercise and full subscription payment.
- (j) All Shares issued upon the exercise of the New Options will rank equally in all respects with the Company's then issued Shares. The Company must apply to the ASX in

accordance with the Listing Rules for all Shares pursuant to the exercise of the New Options to be admitted to quotation.

- (k) There are no participating rights or entitlements inherent in the New Options and the holders will not be entitled to participate in new issues or pro-rata issues of capital to Shareholders during the term of the New Options. Thereby, the Option holder has no rights to a change in:
 - (i) the exercise price of the New Option; or
 - (ii) period of exercise of the New Option; or
 - (iii) except in the event of a Bonus Issue (defined below), a change to the number of underlying securities over which the Option can be exercised.
- (l) The Company may ensure, for the purposes of determining entitlements to any issue, that the New Option holder will be notified of a proposed issue after the issue is announced. This will give New Option holders the opportunity to exercise their Options prior to the date for determining entitlements to participate in such issues.
- (m) If from time to time on or prior to the Expiry Date the Company makes a bonus issue of securities to holders of Shares in the Company (Bonus Issue), then upon exercise of his or her New Options a holder will be entitled to have issued to him or her (in addition to the Shares which he or she is otherwise entitled to have issued to him or her upon such exercise) the number of securities which would have been issued to him or her under that Bonus Issue if the New Options had been exercised before the record date for the Bonus Issue.
- (n) In the event of any reconstruction (including consolidation, subdivisions, reduction or return) of the authorised or issued capital of the Company, all rights of the Option holder shall be reconstructed (as appropriate) in accordance with the ASX Listing Rules.

10 ADDITIONAL INFORMATION

10.1 Continuous disclosure obligations

The Company is a 'disclosing entity' (as defined in section 111AC of the Corporations Act) for the purposes of section 713 of the Corporations Act and, as such, is subject to regular reporting and disclosure obligations. Specifically, like all listed companies, the Company is required to continuously disclose any information it has to the market which a reasonable person would expect to have a material effect on the price or the value of the Company's securities. The New Shares which will be issued pursuant to this Prospectus are in the same class of Shares that have been quoted on the Official List during the 12 months prior to the issue of this Prospectus.

This Prospectus is a "transaction specific prospectus" to which the special content rules under section 713 of the Corporations Act apply. That provision allows the issue of a more concise prospectus in relation to an offer of securities in a class which has been continuously quoted by ASX in the three months prior to the date of the prospectus. In general terms "transaction specific prospectuses" are only required to contain information in relation to the effect of the issue of New Shares on the Company and the rights attaching to the New Shares. It is not

necessary to include general information in relation to all of the assets and liabilities, financial position, profits and losses or prospects of the issuing company.

This Prospectus is intended to be read in conjunction with the publicly available information in relation to the Company which has been notified to ASX and does not include all of the information that would be included in a prospectus for an initial public offering of securities in an entity that is not already listed on a stock exchange. Investors should therefore have regard to the other publicly available information in relation to the Company before making a decision whether or not to invest.

Having taken such precautions and having made such enquires as are reasonable, the Company believes that it has complied with the general and specific requirements of ASX as applicable from time to time throughout the period from lodgement of the Company's annual financial statements of the Company for the financial year ended 30 June 2021 to the issue of this Prospectus which required the Company to notify ASX of information about specified events or matters as they arise for the purpose of ASX making that information available to the securities exchange conducted by ASX.

The Company confirms that, to the extent to which it is reasonable for investors and their professional advisers to expect to find the information in this Prospectus, there is no information

- (a) that has been excluded from a continuous disclosure notice in accordance with ASX Listing Rules; and
- (b) is information that investors and their professional advisers would reasonably require for the purpose of making an informed assessment of:
 - (i) the assets and liabilities, financial position and performance, profits and losses and prospects of the Company; and
 - (ii) the rights and liabilities attaching to New Shares.

Information that is already in the public domain has not been reported in this Prospectus other than that which is considered necessary to make this Prospectus complete.

The Company, as a disclosing entity under the Corporations Act states that:

- (a) it is subject to regular reporting and disclosure obligations;
- (b) copies of documents lodged with the ASIC in relation to the Company (not being documents referred to in section 1274(2)(a) of the Corporations Act) may be obtained from, or inspected at, the offices of the ASIC; and
- (c) it will provide a copy of each of the following documents, free of charge, to any person on request between the date of issue of this Prospectus and the Closing Date:
 - (i) the annual financial statements of the Company for the financial year ended 30 June 2021 being the last financial statements for a financial year, of the Company lodged with the ASIC before the issue of this Prospectus;
 - (ii) the half-year financial report lodged with ASIC by the Company for the half year ending 31 December 2021; and
 - (iii) any continuous disclosure notices given by the Company after the lodgement of the financial statements referred to in paragraph (i) and before the lodgement of this Prospectus with ASIC.

Copies of all documents lodged with the ASIC in relation to the Company can be obtained free of charge from the Company's registered office during normal office hours or from asx.com.au.

The Company has lodged the following announcements with ASX since its 2021 annual report was lodged with ASX on 29 October 2021:

Date	Announcement
22 Apr 2022	Notification regarding unquoted securities - IPT
22 Apr 2022	New Project for Battery and Strategic Metals in WA
21 Apr 2022	Notification regarding unquoted securities - IPT
20 Apr 2022	Company Update - Amended
19 Apr 2022	Company Update - Lithium Identified at Hopetoun Project
7 Apr 2022	Battery Minerals Conference Presentation
24 Mar 2022	Company Presentation - Mining and Minerals Conference
23 Mar 2022	Diamond Drill Programme Underway at the Hopetoun Project
16 Mar 2022	Section 708A Cleansing Notice
16 Mar 2022	Notification regarding unquoted securities - IPT
16 Mar 2022	Application for quotation of securities - IPT
11 Mar 2022	Half Yearly Report and Accounts
11 Mar 2022	Proposed issue of securities - IPT
11 Mar 2022	Placement Raises \$2 Million
9 Mar 2022	Trading Halt
8 Mar 2022	Outstanding Soil Geochemistry Results for Jumbo Project
3 Mar 2022	Large Strong EM Conductor Identified at Platinum Springs
1 Feb 2022	Appendix 3Z - Elsasser
31 Jan 2022	Quarterly Activities/Appendix 5B Cash Flow Report
28 Jan 2022	Retirement of Director
27 Jan 2022	2022 Exploration Programmes Underway
21 Dec 2021	Company Update - Drill Programmes

Date	Announcement
8 Dec 2021	Impact Significantly Expands its WA Projects
7 Dec 2021	Appendix 3Y x 5
6 Dec 2021	Notification regarding unquoted securities - IPT
1 Dec 2021	Appendix 3Y x 4
1 Dec 2021	Notification of cessation of securities - IPT
30 Nov 2021	Results of Annual General Meeting
30 Nov 2021	Terms of Director Options
30 Nov 2021	2021 AGM Presentation
11 Nov 2021	Noosa Mining Conference Investor Presentation
9 Nov 2021	IGO to Farm In to the Broken Hill Ni-Cu-PGM Project
29 Oct 2021	Proposed issue of securities - IPT
29 Oct 2021	Letter to Shareholders

ASX maintains files containing publicly available information for all listed companies. The Company's file is available for inspection at ASX during normal office hours or from www.asx.com.au.

10.2 Directors' interests

As at the date of this Prospectus the Directors have a relevant interest in securities of the Company and remuneration as set out below.

	Annual Remuneration (30 June 2021)	Shares	Options	Entitlement
Peter Unsworth	61,583	15,994,098	35,000,000	3,998,525
Michael Jones	246,879	7,715,052	71,000,000	1,928,763
Paul Ingram	31,300	580,680	20,000,000	145,170
Frank Bierlein (appointed 13 October 2021)	Nil	Nil	8,000,000	Nil

Notes:

- 1 The Chairman and non-executive Directors are currently entitled to annual directors' fees of \$65,297 and \$36,164 (inclusive of statutory superannuation) respectively.

Further details of the Directors' remuneration is set out in the Company's 2021 annual report.

The Constitution provides that the Directors may be paid for their services as Directors. Non-executive directors may only be paid a sum not exceeding such fixed sum per annum as may be determined by the Company in general meeting, to be divided among the non-executive directors and in default of agreement then in equal shares.

The Company also pays premiums to insure all of the Directors against liabilities for costs and expenses incurred by them in defending legal proceedings arising from their conduct whilst acting in the capacity as a Director of the Company.

Other than as set out above or elsewhere in this Prospectus, no Director or proposed Director holds at the date of this Prospectus, or held at any time during the last 2 years before the date of lodgement of this Prospectus with ASIC, any interest in:

- (a) the formation or promotion of the Company; or
- (b) any property acquired or proposed to be acquired by the Company in connection with its formation or promotion of the Company or the Offer; or
- (c) the Offer,

and no amounts have been paid or agreed to be paid and no benefits have been given or agreed to be given:

- (d) to a Director or proposed Director or to any firm which any such Director is a partner, to induce him or her to become, or to qualify as, a Director; or
- (e) for services provided by a Director or proposed Director or to any firm which any such Director is a partner, in connection with the formation or promotion of the Company or the Offer.

10.3 Interests of promoters and named persons

Except as disclosed in this Prospectus, no expert, promoter or any other person named in this Prospectus as performing a function in a professional advisory or other capacity in connection with the preparation or distribution of the Prospectus, nor any firm in which any of those persons is or was a partner nor any company in which any of those persons is or was associated with, has now, or has had, in the 2 year period ending on the date of this Prospectus, any interest in:

- (a) the formation or promotion of the Company; or
- (b) property acquired or proposed to be acquired by the Company in connection with its formation or promotion or the Offer; or
- (c) the Offer.

Hall Chadwick WA Audit Pty Limited has acted as auditor for the Company's half year accounts for the period ending 31 December 2021. In respect of this work, Hall Chadwick WA Audit Pty Limited was paid approximately \$13,500. Hall Chadwick WA Audit Pty Limited has received \$34,498 for services to the Company in the 2 years prior to the date of this Prospectus.

Mahe Capital Pty Limited has acted as lead manager and underwriter to the Offer. The fees to be paid for this service are set out in section 8.4. Mahe Capital Pty Limited has not received any fees for services to the Company in the 2 years prior to the date of this Prospectus.

Atkinson Corporate Lawyers has acted as solicitor to the Offer. In respect of this work, the Company will pay approximately \$10,000 exclusive of GST. Subsequently fees will be paid in accordance with normal hourly rates. Atkinson Corporate Lawyers has not received any fees for services to the Company in the 2 years prior to the date of this Prospectus.

10.4 Consents

Each of the persons referred to in this section:

- (a) has given and has not, before the date of lodgement of this Prospectus with ASIC withdrawn their written consent:
 - (i) to be named in the Prospectus in the form and context which it is named; and
 - (ii) where applicable, to the inclusion in this Prospectus of the statement(s) and/or reports (if any) by that person in the form and context in which it appears in this Prospectus;
- (b) has not caused or authorised the issue of this Prospectus;
- (c) has not made any statement in this Prospectus or any statement on which a statement in this Prospectus is based, other than specified below;
- (d) to the maximum extent permitted by law, expressly disclaims all liability in respect of, makes no representation regarding, and takes no responsibility for, any part of this Prospectus, other than the references to their name and the statement(s) and/or report(s) (if any) specified below and included in this Prospectus with the consent of that person.

Name	Role
Mahe Capital Pty Limited	Lead Manager and Underwriter
Atkinson Corporate Lawyers	Lawyer
Hall Chadwick WA Audit Pty Limited	Auditor

10.5 Expenses of the Offer

The total (cash) expenses of the Offer (assuming the full amount is raised and no further Shares are issued or Options exercised) are estimated to be up to \$497,255, consisting of the following:

Cost ¹ (\$)	Underwritten Amount	Full Subscription
Legal fees	10,000	10,000
ASX and ASIC fees	26,518	35,830
Capital raising fees	240,000	421,425
Printing, postage and other expenses	30,000	30,000
Total	306,518	497,255

1 These expenses have or will be paid by the Company.

2 This assumes that no Entitlement is taken up and the Lead Manager places all Shortfall Shares. The Company has also agreed to issue to the Lead Manager 4 New Options for every \$1 raised under the Offer.

10.6 Litigation

As at the date of this Prospectus, the Company is not involved in any other legal proceedings of a material nature and the Directors are not aware of any other legal proceedings pending or threatened against the Company.

11 DIRECTORS' RESPONSIBILITY AND CONSENT

Each Director has consented to the lodgement of this Prospectus with the ASIC and has not withdrawn that consent.

Dated: 26 April 2022

A handwritten signature in black ink, appearing to read 'Michael Jones', with a horizontal line drawn underneath the signature.

.....
Signed for and on behalf of Impact Minerals Limited
By Dr Mike Jones
Managing Director
Impact Minerals Limited

12 GLOSSARY

Where the following terms are used in this Prospectus they have the following meanings:

\$, A\$ or Dollars	Australian dollars unless otherwise stated.
AEST	Australian Eastern Standard Time
Applicant	a person who submits a valid Entitlement and Acceptance Form pursuant to this Prospectus.
Application	a valid application made on an Entitlement and Acceptance Form to subscribe for New Shares pursuant to this Prospectus.
ASIC	the Australian Securities & Investments Commission.
ASX	ASX Limited ACN 008 624 691 and where the context permits the Australian Securities Exchange operated by ASX Limited.
Board	the board of Directors.
Business Day	Monday to Friday inclusive, except any day that ASX declares is not a business day.
Closing Date	the date set out in section 1.
Company or IPT	Impact Minerals Limited (ACN 119 062 261).
Constitution	the constitution of the Company.
Corporations Act	the <i>Corporations Act 2001</i> (Cth).
Director	a director of the Company.
Eligible Shareholders	a Shareholder as at the Record Date with a registered address in Australia or New Zealand.
Entitlement or Right	a Shareholder's entitlement to subscribe for New Shares offered by this Prospectus.
Entitlement and Acceptance Form	the personalised entitlement and acceptance form attached to this Prospectus.
Ex Date	the date set out in section 1.
Existing Share	a Share issued as at 5.00pm (AEST) on the Record Date.
Full Subscription	\$6,023,769 before costs.

Ineligible Shareholder	a Shareholder who is not an Eligible Shareholder.
Listing Rules	the listing rules of the ASX.
New Option	means an Option on the terms set out in section 9.2 and offered under this Prospectus.
New Shares	Shares issued pursuant to this Prospectus.
Offer	an offer made under this Prospectus to subscribe for New Shares.
Official List	the official list of the ASX.
Opening Date	the date set out in section 1.
Option	an option to be issued a Share.
Prospectus	this Prospectus and includes the electronic prospectus.
Record Date	the date set out in section 1.
Share	a fully paid ordinary share in the Company.
Share Registry	Computershare Investor Services Pty Limited.
Shareholder	the registered holder of Shares in the Company.
Shortfall Offer	has the meaning given in section 8.6.
Shortfall Shares	New Shares applied for in excess of Entitlement.
Underwriting Agreement	has the meaning given in section 8.4.
Underwritten Amount	means \$3,000,000.
Underwritten Securities	has the meaning given in section 8.4.
US person	has the meaning given to that term in Regulation S under the US Securities Act.
US Securities Act	the <i>United States Securities Act of 1933</i> , as amended.

13 PRO FORMA STATEMENT OF FINANCIAL POSITION

	Reviewed 31-Dec-21	Pro Forma Adjustment ^(a)	Pro Forma 31-Dec-21	Pro Forma 31-Dec-21 ^(b) (Underwritten Amount)	Pro Forma 31-Dec-21 ^(c) (Full Subscription)
	\$	\$	\$	\$	\$
Current Assets					
Cash and cash equivalents	1,479,003	1,856,397	3,335,400	6,028,882	8,861,914
Trade and other receivables	94,889	-	94,889	94,889	94,889
Other current assets	27,049	-	27,049	27,049	27,049
Total Current assets	1,600,941	1,856,397	3,457,338	6,150,820	8,983,852
Non-Current Assets					
Financial assets	562,500	-	562,500	562,500	562,500
Property, plant and equipment	22,281	-	22,281	22,281	22,281
Exploration expenditure	13,490,809	-	13,490,809	13,490,809	13,490,809
Other non-current assets	277,555	-	277,555	277,555	277,555
Total Non-Current Assets	14,353,145	-	14,353,145	14,353,145	14,353,145
TOTAL ASSETS	15,954,086	1,856,397	17,810,483	20,503,965	23,336,997

	Reviewed 31-Dec-21	Pro Forma Adjustment ^(a)	Pro Forma 31-Dec-21	Pro Forma 31-Dec-21 ^(b) (Underwritten Amount)	Pro Forma 31-Dec-21 ^(c) (Full Subscription)
	\$	\$	\$	\$	\$
Current Liabilities					
Trade and other payables	324,010	-	324,010	324,010	324,010
Short-term provisions	132,340	-	132,340	132,340	132,340
Total Current Liabilities	456,350	-	456,350	456,350	456,350
TOTAL LIABILITIES	456,350	-	456,350	456,350	456,350
NET ASSETS	15,497,736	1,856,397	17,354,133	20,047,615	22,880,647
EQUITY					
Issued capital	53,787,639	1,856,397	55,644,036	58,337,518	61,170,550
Option reserve	1,330,196	-	1,330,196	1,330,196	1,330,196
Financial asset reserve	412,500	-		412,500	412,500
Transactions with non-controlling interest	(1,161,069)	-	(1,161,069)	(1,161,069)	(1,161,069)
Accumulated losses	(38,871,530)	-	(38,871,530)	(38,871,530)	(38,871,530)
TOTAL EQUITY	15,497,736	1,856,397	17,354,133	20,047,615	22,880,647

Basis of Preparation

The pro forma balance sheet has been prepared on a going concern basis, which contemplates the continuity of normal business activity and the realisation of assets and settlement of liabilities in the normal course of business.

The pro forma statement of financial position is based on the unaudited financial position as at 30 June 2021 and is adjusted to reflect the following:

- (a) the completion of the Placement of 166,666,667 Shares at 1.2 cents per share to raise \$2,000,000 (before costs) as announced to ASX on 11 March 2022;
- (b) the Entitlement Offer is only subscribed to the Underwritten Amount and \$3,000,000 is raised by the issue of 272,727,273 Shares at \$0.011 per Share;
- (c) the Entitlement Offer is fully subscribed and \$6,023,769 is raised by the issue of 547,615,397 Shares at \$0.011 per Share; and
- (d) the cost of the Offers is approximately \$306,518 and \$497,255 respectively.

Other than as specified above and in the ordinary course of business, there have been no other material changes to the Company's financial position between 31 December 2021 and the date of this Prospectus.