

ASX ANNOUNCEMENT

27 July 2022

## June 2022 QUARTERLY REPORT

### HIGHLIGHTS

#### 1. Broken Hill, NSW (IPT 100%: IGO earning 75%)

- Deep-penetrating ground EM survey continues at the Broken Hill Joint venture with IGO.

#### 2. Hopetoun, WA (Impact earning 80%)

- Diamond drill programme completed at Hopetoun: 25m wide sulphide bearing shear zone intersected at Silverstar.
- Assays due late July.
- First pass soil geochemistry surveys completed over other priority targets.
- Application for a new exploration licence lodged to cover part of the Jerdacuttup Fault and the southern extension of the Ravensthorpe greenstone belt.

#### 3. Arkun-Beau, WA (IPT 100%)

- Follow-up work including field checking, and rock chip sampling and soil geochemistry survey's completed.
- Land Access Negotiations are ongoing
- Airborne EM survey completed over priority targets.

#### 4. Dinninup, WA (IPT 100%)

- New project acquired which covers 485 sq km located 60 km east of the world-class Greenbushes lithium-tantalum mine.
- No previous exploration except for bauxite.
- Project acquired for \$20,000 cash and 3 million options exercisable at 2.4 cents.
- High-priority targets for nickel-copper-Platinum Group Elements (PGM), lithium-caesium-tantalum (LCT) pegmatites and Rare Earth Elements (REE) identified in a first-pass soil geochemistry survey that tested geophysical targets.
- Very high success rate of anomaly identification validates Impact's targeting methodology.

#### 5. Commonwealth, NSW (IPT 100%)

- Negotiations in progress for a transaction on the project.

### COMPANY DETAILS

Market Cap: A\$20m (0.008 p/s)

Issued Capital: 2,481,370,556

ABN 52 119 062 261

26 Richardson Street  
West Perth  
Western Australia 6005

Phone: +61 (8) 6454 6666

Facsimile: +61 (8) 6454 6670

Email: [info@impactminerals.com.au](mailto:info@impactminerals.com.au)

Website: [impactminerals.com.au](http://impactminerals.com.au)

### DIRECTORS

Mr Peter Unsworth  
Chairman

Dr. Michael Jones  
Managing Director

Mr Paul Ingram  
Non-Executive Director

Dr. Frank Bierlein  
Non-Executive Director

Mr Bernard Crawford  
Company Secretary

## 6. Blackridge, QLD (IPT 100%)

- Project sold to an unrelated private company.
- Terms of the sale are:
  - \$30,000 cash for the outright sale of ML2386 (completed);
  - \$50,000 cash as a non-refundable option fee to purchase three exploration licences EPM26806, EPM27410 and EPM27571 within two years for \$350,000; and
- A 1% gross royalty for all gold produced after the first 5,000 ounces of production.

## 7. Corporate

- 1 (one) for 4 (four) Renounceable Rights Issue at \$0.011 per share completed to raise \$3.2 million (before costs).
- With every two new Shares subscribed for, one free attaching Listed Option was issued with an Exercise Price of \$0.02 and an Expiry Date of 2 June 2024 (ASX: IPTOB).
- All Directors took up their full entitlement.

## OVERVIEW

During the Quarter Impact continued work on its change in strategic focus from eastern Australia to the emerging mineral province of south west Western Australia following the recent Julimar PGE-Ni-Cu discovery (ASX:CHN) and also home to the world class Greenbushes lithium-tantalum mine (Figure 1).

Impact has assembled a significant number of projects in this highly prospective region, both 100% owned, (Arkun-Beau, Dinninup, Mineral Hill and Martup) and in joint venture (Hopetoun, Jumbo, Narryer and Dalgaranga). In addition, the Company is in a joint venture at the Doonia gold project near Kambalda where drill results are awaited (Figure 1). Drill results are also awaited at Hopetoun.

Current work programmes are aimed at defining drill targets at the flagship Arkun-Beau-Jumbo area and progressing interpretations of data at Doonia and Hopetoun. The other projects are also being progressed via compilations of previous work and preliminary interpretations of the surface and bedrock geology to identify areas of interest for follow up exploration.



Figure 1. Location of Impact's projects in Western Australia.

## PROJECT REPORTS

### 1. BROKEN HILL, NSW (IPT 100%: IGO earning 75%)

A large and significant electromagnetic survey has been underway since late January at Impact's Broken Hill project in New South Wales and which is funded by IGO Limited (ASX:IGO). This work is part of a joint venture to explore for nickel-copper-PGM on EL7390 and EL8234 where IGO has the right to earn up to a 75% interest in the two tenements (ASX Release 9<sup>th</sup> November 2021).

A significant conductor modelled to be centred at a depth of about 350 metres below surface and 420 metres long has already been identified at the southern end of the nine kilometre long Moorkai Trend where previous drilling discovered high grade nickel-copper-PGM hosted by massive sulphides.

This conductor is considered prospective for massive sulphide mineralisation based on its discrete dimensions and high conductance and is a priority target for follow-up work (ASX Release 3<sup>rd</sup> March 2022). The survey is ongoing.

Field mapping at surface above the conductor during the Quarter has identified previously unmapped mafic intrusive rocks.

### 2. HOPETOUN, WA (Impact earning 80%)

During the Quarter a diamond drill programme was completed at the Hopetoun project located near the mining centre of Ravensthorpe where Impact is earning an 80% interest (Figure 1 and ASX Release 8<sup>th</sup> December 2021).

The programme tested two copper-gold-silver targets, Top Knotch and Silverstar.

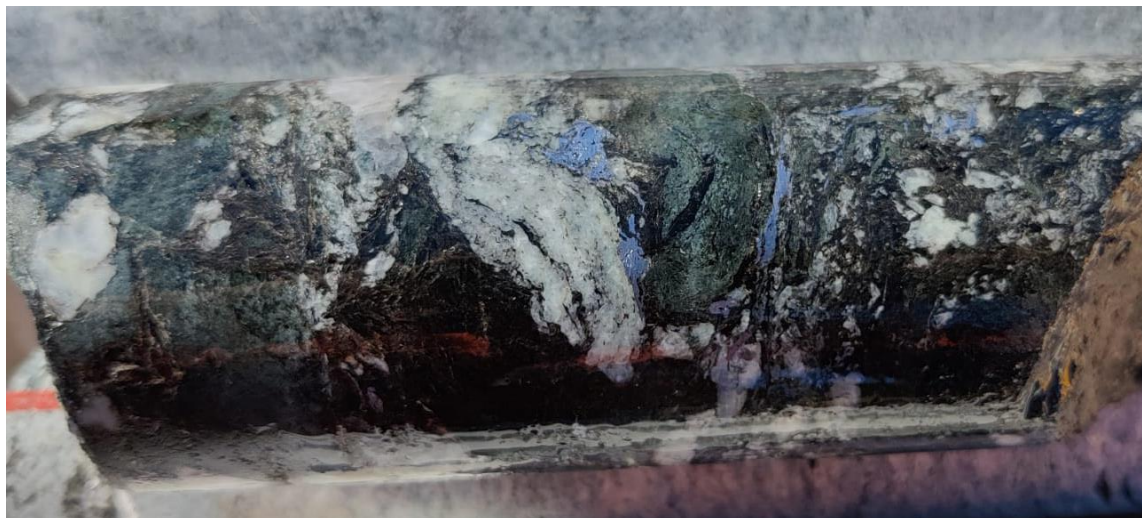
Two drill holes were completed at the Top Knotch prospect and two holes were completed at Silverstar (ASX Release 19<sup>th</sup> April 2022).

At Silverstar, a 25 metre thick (true width) shear zone containing high-temperature alteration minerals with extensive potassium and silica alteration was intersected and which includes a zone up to 50 cm thick with minor disseminated chalcopyrite-pyrrhotite mineralisation in places.

In addition, one narrow zone of deformed quartz veins about 25 cm thick was intersected at 190 metres down hole which contains up to 5% molybdenite together with anomalous bismuth values up to 250 ppm as measured with a handheld XRF instrument (Figure 2).

The Company emphasises that these estimates are based on visual observations only and that chemical assays will be required to determine the absolute amounts of any metals present. Final assays are expected in late July-early August.

All of this is encouraging and follow work including drilling may be required.



**Figure 2.** Large “slugs” of grey-blue molybdenite in a zone of fractured quartz veins with associated biotite (dark brown) and chlorite (green).

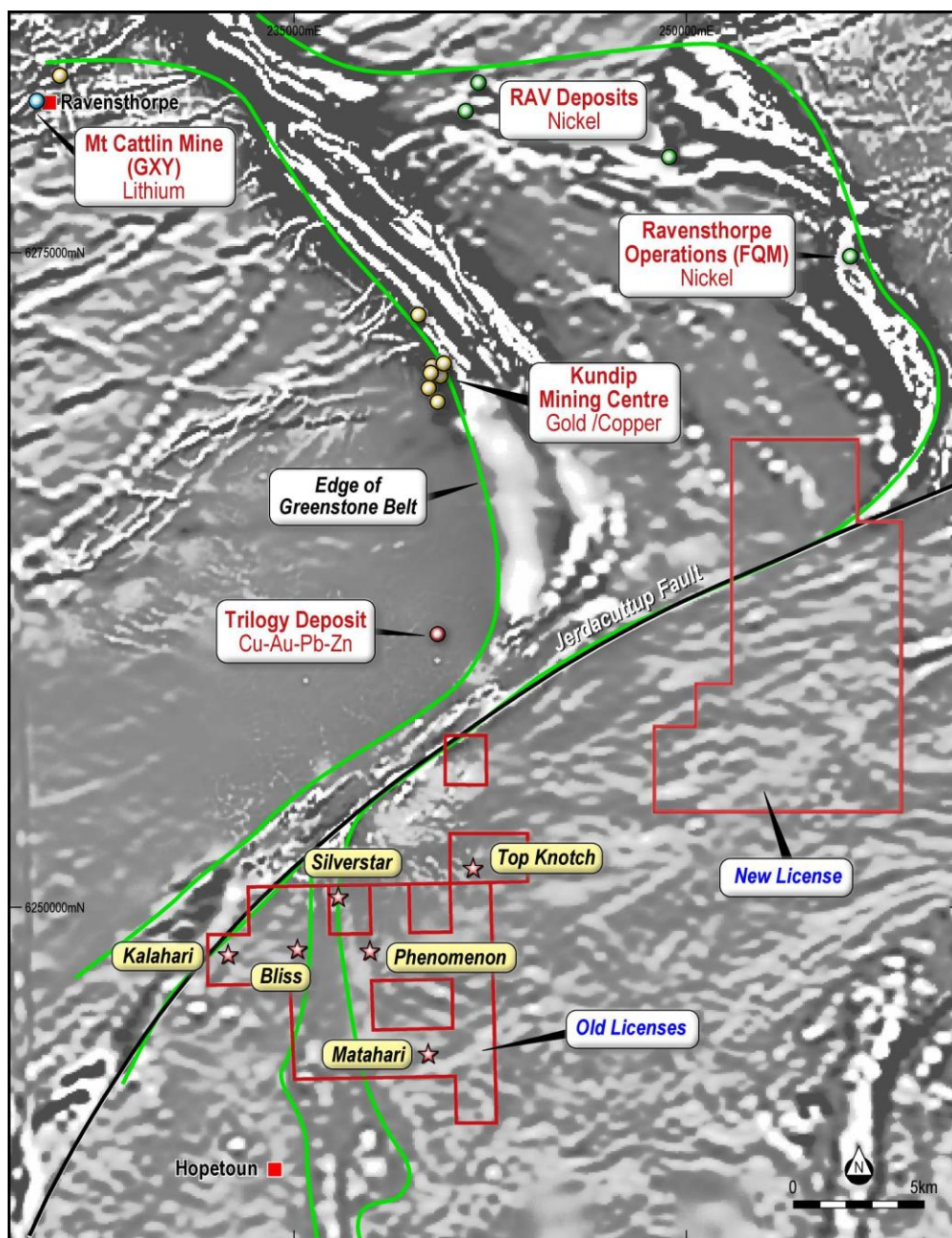
The Hopetoun area has received very little exploration because of a perception that much of the area is underlain by barren Proterozoic gneisses. In addition, there is extensive younger cover which has hindered previous explorers.

However, a review of the regional airborne magnetic data over the area suggests that much of the gneiss terrane may be an extension of the Ravensthorpe greenstone belt to the north which contains numerous mines and deposits of lithium (Mt Cattlin mine, Allkem Limited, ASX:AKE), nickel sulphide (the dormant RAV 8 mine and associated deposits), copper-gold (including the Kundip historic mining centre, Medallion Metals Ltd ASX:MM8), zinc-lead-copper (Trilogy deposit, ASX:MM8) as well as nickel laterite (First Quantum Minerals Limited, TSX:FM).

Accordingly Impact has applied for a new exploration licence that is underlain by the Munglinup Greiss, as well as an extension of the Ravensthorpe greenstone belt and associated Jerdacuttup Fault. This will also form part of the Hopetoun Joint Venture (Figure 3)

In addition, outcrops of pegmatite veins with possible spodumene and apatite crystals were identified at the Kalahari Prospect (ASX Release 19<sup>th</sup> April 2022).

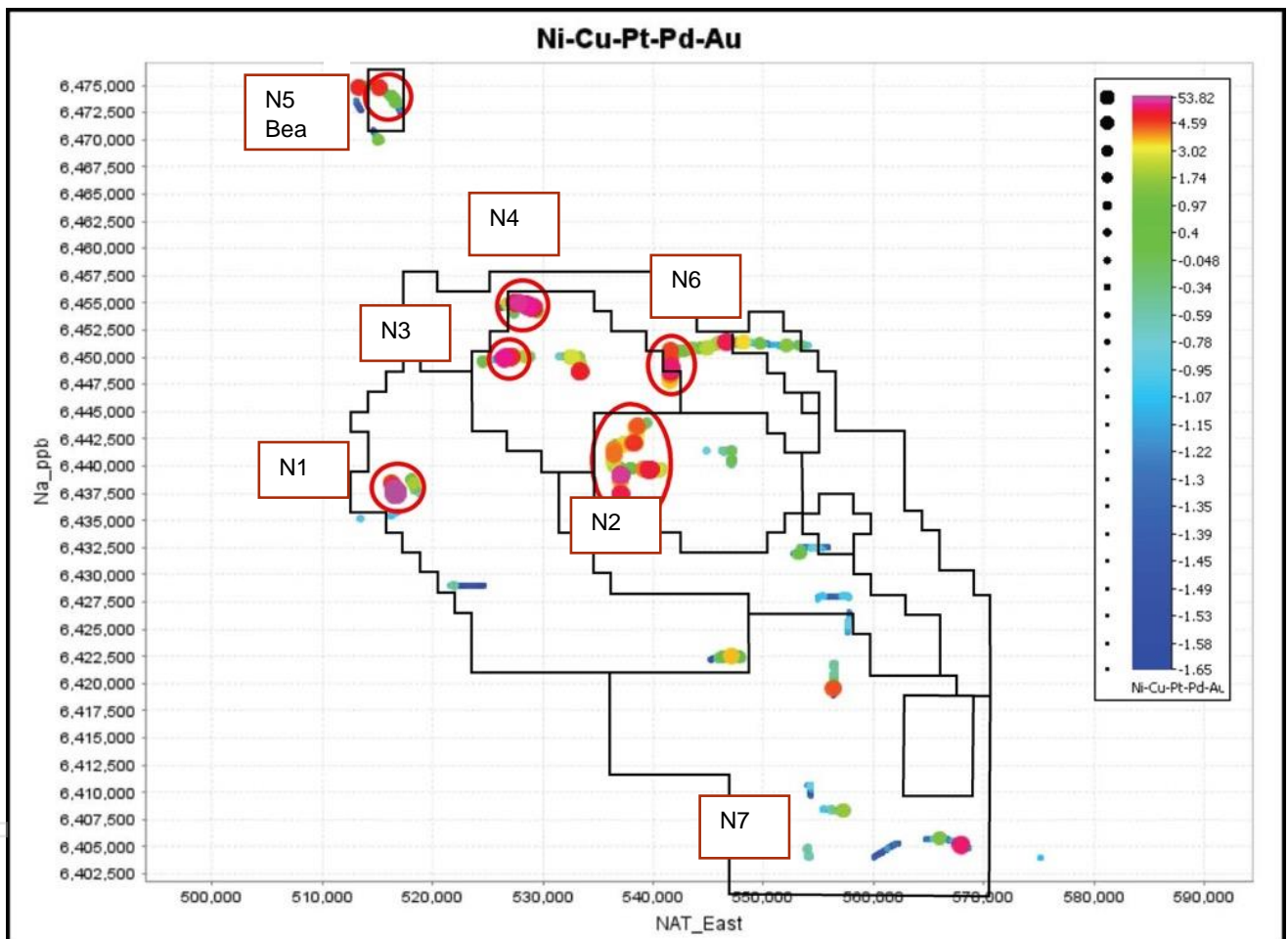




**Figure 3.** Image of airborne magnetic data over the Ravensthorpe-Hopetoun area showing the interpreted extension of the Ravensthorpe greenstone belt south of the Jerdacuttup Fault together with the licences in the Hopetoun Joint Venture. The new licence is EL74/730.

### 3. ARKUN Ni-Cu-PGM, WA (IPT 100%)

During the Quarter an airborne EM survey was completed over 7 priority areas at Impact's 100% owned Arkun-Beau project area at a broad line spacing of 400 metres between survey lines. Six of these areas were previously identified in proprietary geophysical data and returned strong soil geochemical responses (N1 to N6) (ASX Release 21<sup>st</sup> September 2021). One further area with a strong geophysical response but limited soil geochemistry response was also surveyed (N7; Figure 4).



**Figure 4.** Location of 7 priority targets for Ni-Cu-PGM-Au at the Arkun project and the focus of the recently completed airborne EM survey.

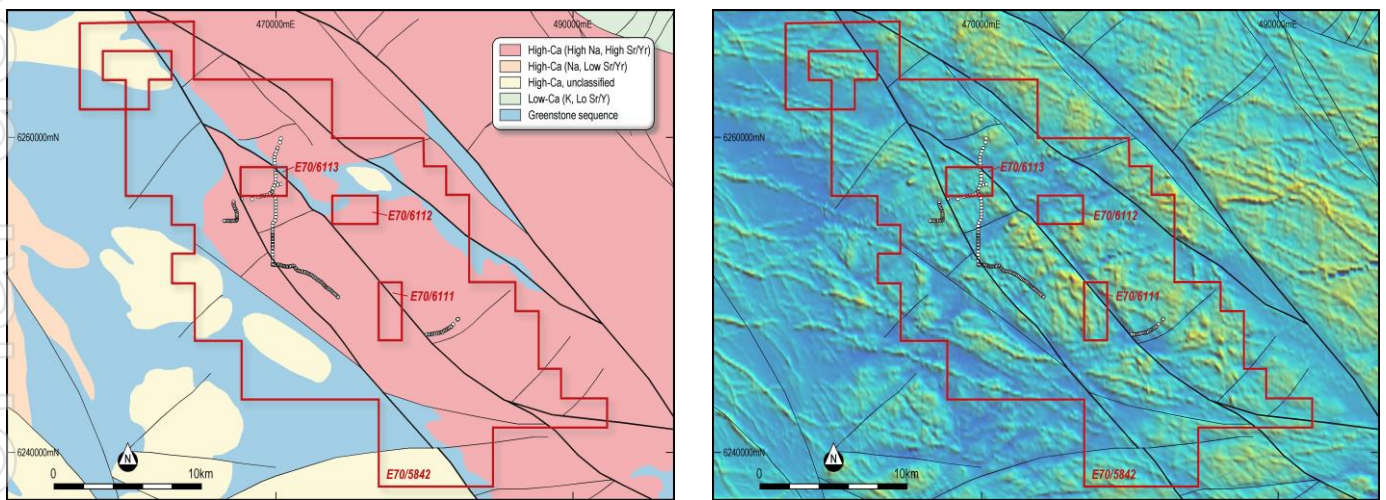
Processing of the data will commence shortly with final data expected in the September Quarter.

In addition, Land Access Agreements have been completed with numerous landowners at Arkun and which allow access for soil geochemistry and ground geophysical surveys. Although access is now hampered in a number of areas by active farming and seeding in the region, follow up soil geochemistry surveys were completed on five priority areas including with the Beau area. Samples were taken on a nominal 400 m by 400 m or 200 m grid spacing with results expected in August.

## 4. DINNINUP PROJECT

During the Quarter Impact acquired a new project Dinninup, which comprises 4 exploration licences covering about 485 square kilometres (Figure 5; E70/5842, E70/6111, E70/6112 and E70/6113) (ASX Release 22<sup>nd</sup> April 2022).

The project was brought to Impact's attention by an unrelated private group (Fiddler's Creek Mining Company Pty Ltd). As consideration for a 100% interest in the project, Impact has paid \$20,000 cash to the vendor, and issued 3 million unlisted options exercisable at 2.4 cents expiring on 31 October 2025.



**Figure 5.** Geology of (left) and magnetic data (right) of the Dinninup Project showing major structures and the location of the soil geochemistry traverses.

The area is underlain by a variety of Archaean-aged granites and high-grade metamorphic rocks including gneisses that are cross-cut by numerous, mostly northwest trending faults and shear zones, as well as younger west-northwest trending Proterozoic dykes (Figure 5).

As part of the due diligence process, Impact utilised prospecting geophysical data to identify a number of areas of interest for follow up and which were close to a major access road that traverses the project area. Soil geochemistry samples were taken mostly at about 100 metre spacings at the side of the road over a distance of about 20 kilometres (Figure 5).

This length of traverse has allowed samples to be taken in areas of “background” in order to establish the relative anomalism of the various metals above background.



## Soil Geochemistry Results

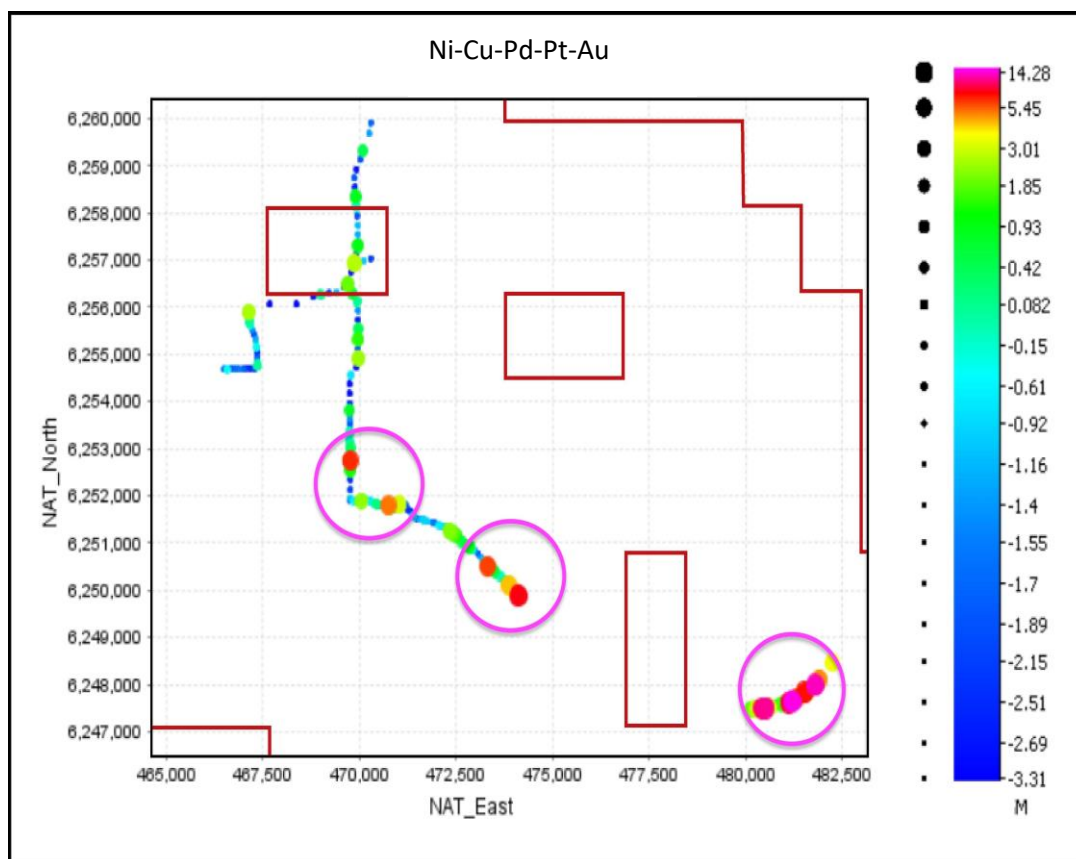
The results of the soil geochemistry survey are presented as additive Z scores in Figures 6,7 and 8. Further details about the soil survey and the calculation of Z Scores can be found in the ASX Release dated 22<sup>nd</sup> April 2022.

Nine new targets have been identified at Dinninup as follows:

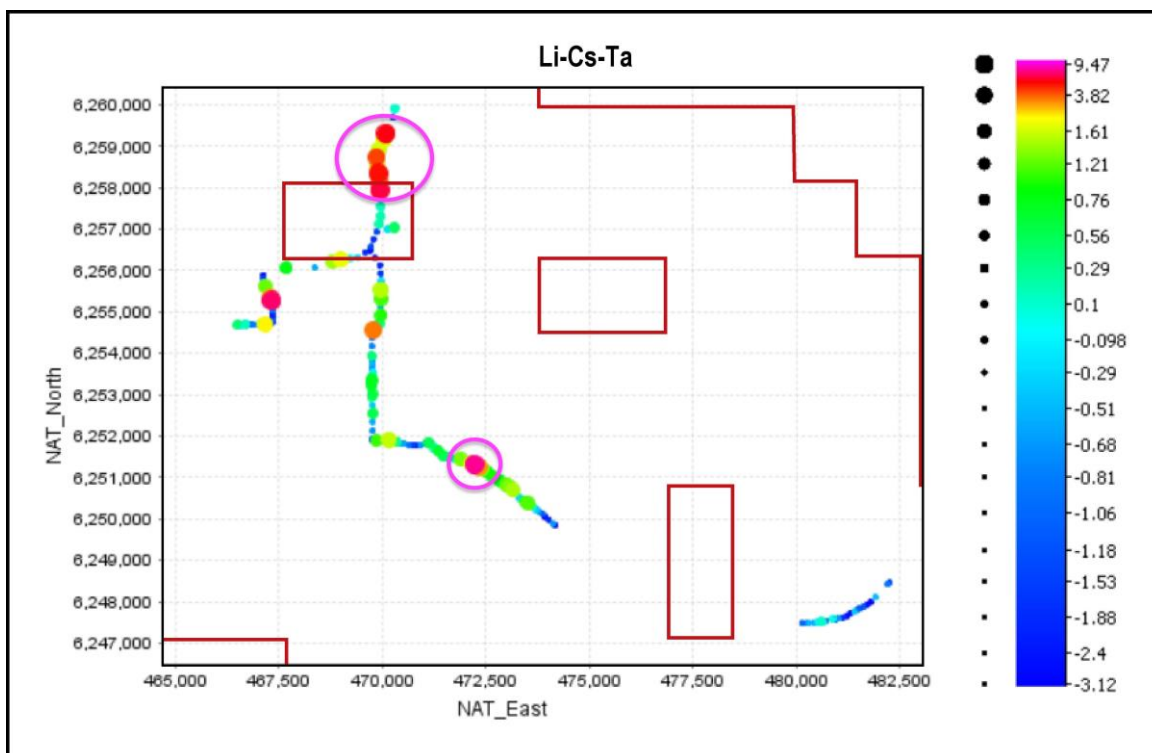
**Nickel-copper-Platinum Group Elements-Gold** (Figure 6): three new priority targets identified. The easternmost target has a significant response, and which covers an area of several hundred metres across trend. This anomaly is coincident with a series of Proterozoic dykes which may be a potential host for this style of mineralisation.

**Lithium-caesium-tantalum** (Figure 7): two new priority targets identified with one area covering at least several hundred metres.

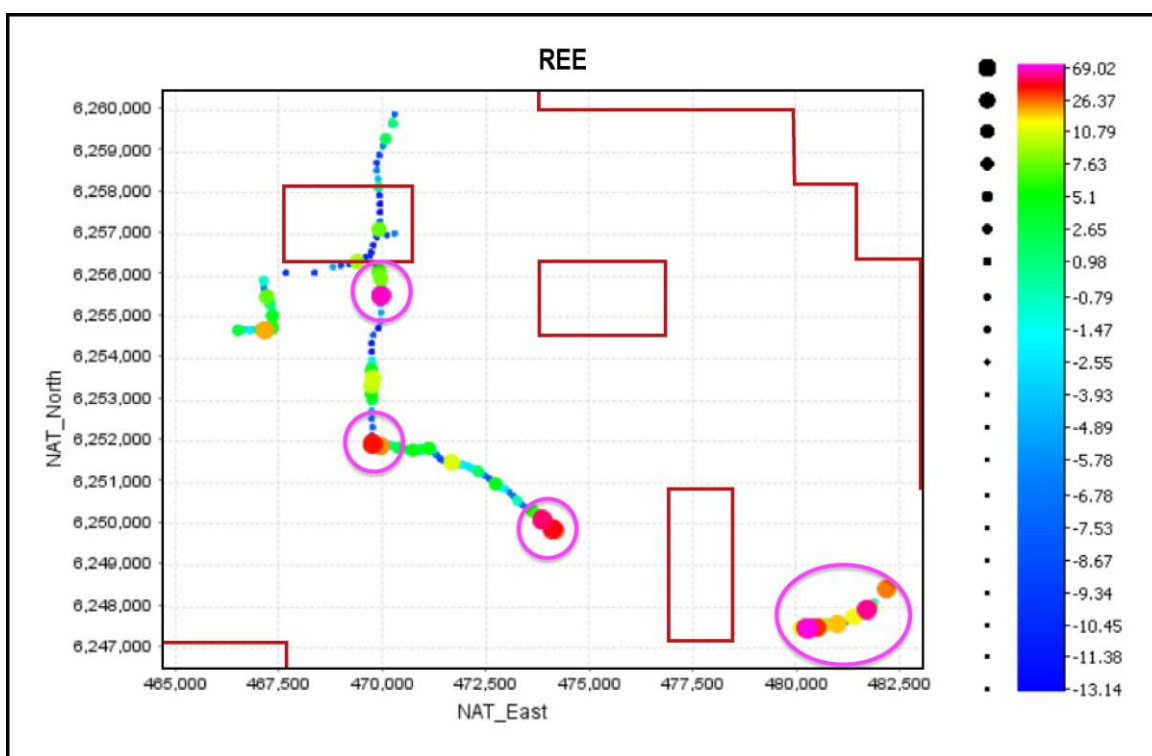
**Rare Earth Elements** (Figure 8): four new priority targets identified with numerous other lower priority areas also warranting follow-up.



**Figure 6.** Additive Z scores for Ni-Cu-Pd-Pt-Au across the Dinninup project area. Three priority areas for follow-up work are highlighted



**Figure 7.** Additive Z scores for Li-Cs-Ta across the Dinninup project area. Two priority areas for follow up work are highlighted.



**Figure 8.** Additive Z scores for all REE across the Dinninup project area. Four priority areas for follow up work are highlighted. Note that there are several other areas with strong responses which will also require follow-up work.

## Next Steps

The results of Impact's first ever soil geochemistry programme at Dinninup, as at the Company's other projects in the region, Arkun, Beau and Jumbo, have outlined a number of areas for follow-up work for nickel-copper-PGM mineralisation, LCT pegmatites and REE. These results further confirm the prospectivity of this poorly explored part of the emerging mineral province of south west Western Australia.

First pass follow-up field checking, and sampling will commence next Quarter, with the aim of prioritising areas for more detailed soil geochemistry and ground geophysics that will extend away from the roads and into the surrounding paddocks. This work will dovetail with continuing on-ground follow-up work at Arkun and Jumbo.

In order to explore in the paddocks, land access agreements will be required with the relevant landowners and this process has been initiated.

## 5. COMMONWEALTH PROJECT (IPT 100%)

Impact has received several unsolicited approaches to evaluate its Commonwealth project which covers about 715 sq km in the Lachlan Fold Belt of central New South Wales and which is prospective for porphyry copper-gold deposits, as well as volcanogenic massive sulphide deposits.

Advanced negotiations are in progress with one party but the Company emphasises that there is no guarantee that a transaction will be successfully concluded.

## 6. BLACKRIDGE GOLD PROJECT, QUEENSLAND (IPT 100%)

During the Quarter Impact agreed to the sale of its Blackridge gold project in Queensland to an unlisted private company. The project comprises one small mining lease and three exploration licences covering about 142 sq kilometres.

The terms of the sale are:

1. \$30,000 cash for the outright sale of ML2386 (completed).
2. \$50,000 cash as a non-refundable option fee to purchase Impact's 100% owned subsidiary company Blackridge Exploration Pty Ltd within two years for a further \$350,000. Blackridge holds three exploration licences: EPM26806, EPM27410 and EPM27571.
3. A 1% NSR royalty for all gold produced after the first 5,000 ounces of production.

## 7. CORPORATE

### Financial Commentary

The Quarterly Cashflow Report (Appendix 5B) for the current period provides an overview of the Company's financial activities.

Cash exploration expenditure for the period was \$0.84 million. Corporate and other expenditure amounted to \$194,000. The total amount paid to directors of the entity and their associates in the period (item 6.1 of the Appendix 5B) was \$96,000 and includes salary, directors' fees and superannuation.

Cash at June 30<sup>th</sup> was \$3.8 million.

### Rights Renounceable Rights Issue

During the Quarter Impact completed a Renounceable Rights Issue (**Issue**) and raised \$3.2 Million (before costs). The Company was issued 290,908,970 new fully paid ordinary shares (**Shares**) and 158,254,389 new listed options exercisable at \$0.02, with an expiry date of 2 June 2024 (**Options**). The Options are quoted under the ASX code IPTOB.

Impact's Directors took up, all of their entitlements.

Mahe Capital Pty Ltd advised Impact Minerals on the Issue and acted as Lead Manager and Underwriter to the capital raising.

**Dr Michael G Jones**

**Managing Director**

### Competent Persons Statement

#### Exploration Results

*The review of exploration activities and results contained in this report is based on information compiled by Dr Mike Jones, a Member of the Australian Institute of Geoscientists. He is a director of the Company and works for Impact Minerals Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Dr Jones has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.*

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



## Tenement Information in accordance with Listing Rule 5.3.3

Project / Tenement ID	Status	IPT Interest at start of quarter	IPT Interest at end of quarter
<b>Commonwealth, NSW</b>			
EL5874	Granted	100%	100%
EL8212	Granted	100%	100%
EL8252	Granted	100%	100%
EL8504	Granted	100%	100%
EL8505	Granted	100%	100%
<b>Broken Hill, NSW</b>			
EL7390	Granted	100%	100%
EL8234	Granted	100%	100%
EL8636	Granted	100%	100%
EL8674	Granted	100%	100%
EL8609	Granted	100%	100%
EL9036	Granted	100%	100%
EL9037	Granted	100%	100%
EL9115	Granted	100%	100%
EL9294	Granted	100%	100%
EL9384	Granted	100%	100%
<b>Black Ridge, Qld</b>			
EPM26806	Under options to buy	100%	100%
ML2386	Sold	100%	-
EPM27571	Under options to buy	100%	100%
EPM27410	Under options to buy	100%	100%
<b>Arkun, WA</b>			
E70/5424	Granted	100%	100%
E70/5430	Granted	100%	100%
E70/5431	Granted	100%	100%
E70/5432	Granted	100%	100%
E70/5433	Granted	100%	100%
E70/5434	Granted	100%	100%
E70/5490	Granted	100%	100%
E70/5504	Granted	100%	100%
E70/5505	Granted	100%	100%
E70/5816	Granted	100%	100%

Project / Tenement ID	Status	IPT Interest at start of quarter	IPT Interest at end of quarter
<b>Doonia, WA</b>			
E15/1790	Granted	80%	80%
<b>Jumbo, WA</b>			
E70/5852	Granted	-	80%
<b>Dalgaranga, WA</b>			
E59/2620	Granted	-	80%
<b>Narryer, WA</b>			
E52/3967	Granted	-	80%
E52/3985	Granted	-	80%
<b>Hopetoun, WA</b>			
E74/563	Earning In	-	-
EL74/730	Application	-	-
E74/679	Earning In	-	-
<b>Dinninup, WA</b>			
E70/5842	Granted	100%	100%
E70/6111	Application	-	-
E70/6112	Application	-	-
E70/6113	Application	-	-
<b>Martup, WA</b>			
E70/5761	Granted	100%	100%
<b>Mineral Hill, WA</b>			
E70/5780	Granted	100%	100%