

ASX ANNOUNCEMENT

Date: 8 August 2022

IMPACT TO SELL A 75% INTEREST IN THE COMMONWEALTH PROJECT, NEW SOUTH WALES

Impact Minerals Limited (ASX:IPT) is pleased to announce that it has agreed terms for the sale of a 75% interest in its 100% owned Commonwealth Project in the Lachlan copper-gold province of New South Wales (Figure 1).

The principal terms of the sale, which is to Burrendong Minerals Limited (**Burrendong**), an unrelated public company looking to list on the ASX, are:

1. A non-refundable option fee of \$25,000 for an eight-week Exclusivity Period to complete a Share Purchase Agreement (**SPA**) and Joint Venture Agreement (**JVA**). The Exclusivity Period can be extended by Burrendong for a further eight weeks for a second non-refundable payment of \$25,000.
2. On execution of the SPA Impact to receive a non-refundable payment of \$250,000 cash.
3. Following execution of the SPA Burrendong will have nine months to complete a listing on the ASX.
4. Upon listing Impact will receive a further \$250,000 cash, a 19.9% interest in the newly listed company and will also retain a 25% interest in the project.
5. The project will then operate under an Incorporated Joint Venture with Burrendong to sole fund exploration until the earlier of the first \$5 million of expenditure or a Decision to Mine.
6. Normal dilution clauses will subsequently apply and if Impact reduces to less than a 10% interest it will convert to a royalty of 2% NSR.
7. Impact shareholders will be entitled to a priority right to subscribe for up to \$3,000,000 worth of shares.
8. Impact will have the right to nominate a Director to the Board of Burrendong.
9. Upon listing, Burrendong has the right to purchase Impact's interest in the project at a price to be agreed between the parties or at a price determined by an independent third-party valuation.

Impact Minerals Limited's Managing Director Dr Mike Jones said *"The sale of a 75% interest in our long-held Commonwealth Project in New South Wales is a very good outcome for the company and its shareholders. It allows us to continue our strategic change in focus to the large and prospective portfolio of battery and strategic metals projects in Western Australia which we have put together over the past 18 months and in addition also gives Impact considerable exposure to the upside potential of the Commonwealth project into which we have invested financial and considerable intellectual capital.*

We continue to believe that the project has a great future and we look forward to working with Burrendong to move the project forward upon listing".

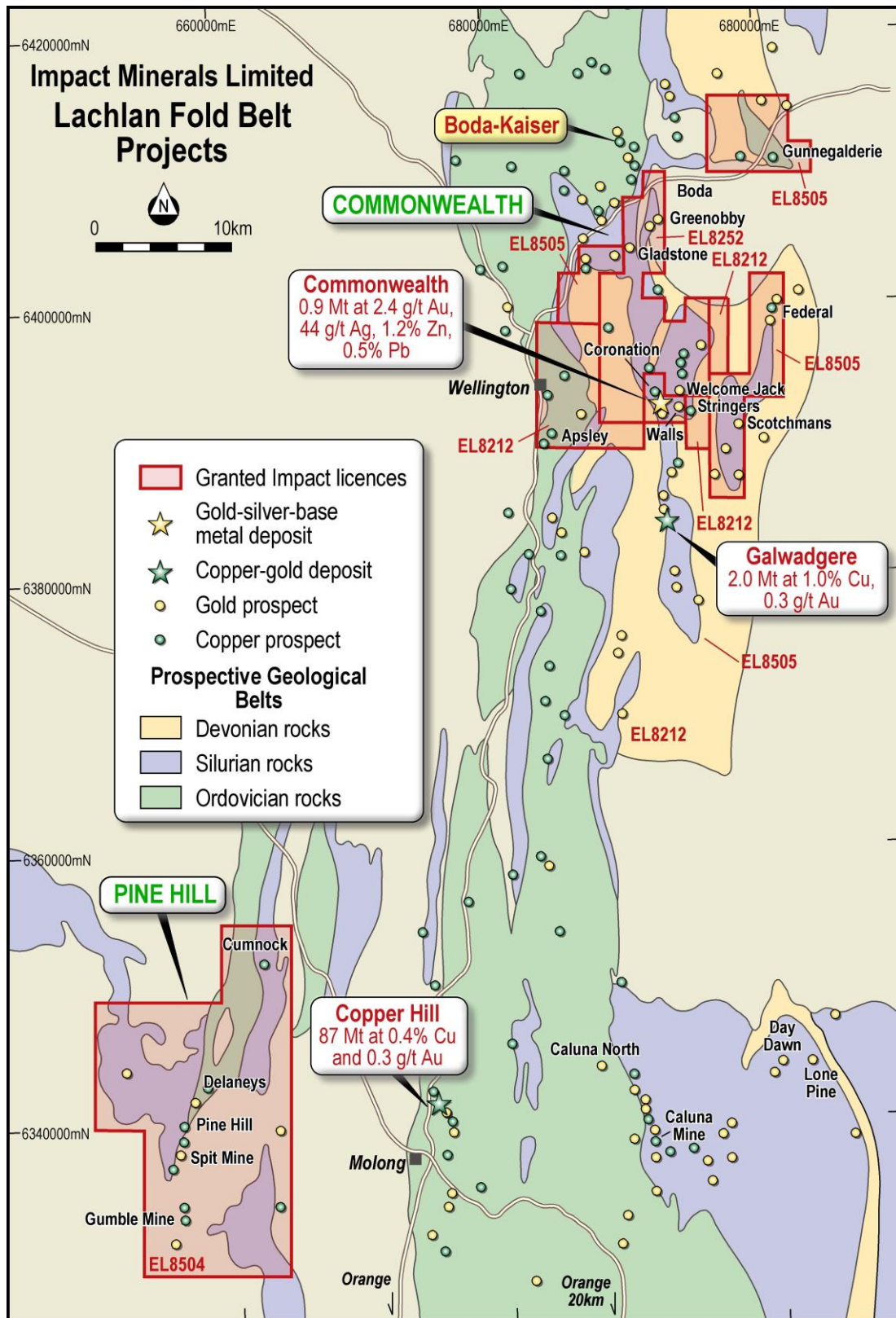


Figure 1. Location and geology of the Commonwealth Project, Lachlan gold-copper Province, NSW.

About the Commonwealth Project

The Commonwealth Project (100% Impact) comprises over 500 square kilometres located in the northern part of the Lachlan Fold Belt in New South Wales about 100 km north of Orange (Figure 1). The Lachlan Fold Belt is renowned for three types of world class deposits including:

1. Porphyry copper-gold such as Cadia-Ridgeway just south of Orange (25.6 M oz Au and 4.9 Mt Cu);
2. Epithermal gold such as Cowal 35 km north of West Wyalong (4.0 M ozs Au); and
3. Volcanogenic Massive Sulphide (VMS) such as Woodlawn 50 km northeast of Canberra (21 Mt at 8.1% Zn, 1.7% Cu, 3.1% Pb, 0.5 g/t Au and 66 g/t Ag).

Work by Impact has shown the Commonwealth deposit to be a high sulphidation, gold-rich VMS deposit, a deposit style only recognised in the past 25 years, and with striking similarities to the world class Eskay Creek VMS Deposit in Canada.

Impact's work defined Inferred Resources with **88,800 ounces of contained gold, and 3,300,000 ounces of contained silver with significant zinc and lead credits**, all within 250 metres of surface and with potential for bulk open pit mining. All Resources are open at depth and along trend (ASX Release 22nd August 2019).

The Mineral Resources at Commonwealth and Silica Hill were prepared in accordance with the JORC 2012 Code by independent resource consultants Optiro and followed several drill programmes across the project area by Impact and previous explorers.

The Inferred Resource for the Commonwealth deposit at a cut-off of 0.5 g/t gold is:

COMMONWEALTH (MAIN SHAFT TO COMMONWEALTH SOUTH)								
Resource Classification Cut-off 0.5 g/t gold	Tonnes	Gold (g/t)	Contained gold (oz)	Silver (g/t)	Contained silver (oz)	Zinc (%)	Lead (%)	Copper (%)
Inferred	912,000	2.4	70,800	44	1,300,000	1.20%	0.50%	0.08

At Silica Hill the maiden Inferred Resource discovered by Impact at a 50 g/t silver cut-off is:

SILICA HILL						
Resource Classification Cut-off 50 g/t silver	Lode	Tonnes (t)	Silver (g/t)	Contained silver (oz)	Gold (g/t)	Contained gold (oz)
Inferred	North	397,000	89	1,136,000	1	12,900
	South	313,000	87	871,000	0.5	5,100
	TOTAL	710,000	88	2,007,000	0.8	18,000

COMPLIANCE STATEMENT

All drill results and other relevant Exploration Results for the resources quoted have been previously reported to the ASX in a large number of reports since 2012.

Key announcements include:

1. September 22nd 2014: Bonanza Gold Grades at Commonwealth South.
2. October 22nd 2014: Assays Confirm 1 km² High Grade Gold-Silver project at Commonwealth, NSW.
3. February 19th 2015: Maiden High Grade Resource at Commonwealth, NSW.
4. September 2nd 2016: Bonanza Silver Grades at Silica Hill.
5. February 21st 2017: Silica Hill and Commonwealth Continue to Expand.
6. December 12th 2017: Significant Extensions to Mineralisation at Silica Hill, Commonwealth Project, NSW.
7. September 18th 2018: High Grade Gold Mineralisation and Second Massive Sulphide Unit Confirmed at Commonwealth.
8. November 30th 2018: Further High Grade Mineralisation Confirmed at Commonwealth South.

Other relevant reports are:

June 30th 2016: High Grade Extensions to the Commonwealth Deposit.

August 8th 2016: 75 Metre Thick Zone of Gold-Silver-Base Metal Mineralisation Discovered at Silica Hill.

September 13th 2016: High Grade Gold and Silver at Silica Hill.

February 22nd 2017: Silica Hill and Commonwealth Continue to Expand.

July 20th 2017: Best Results to Date at the Silica Hill Prospect, Commonwealth Project, NSW.

August 25th 2017: Silica Hill Continues to Grow.

The company confirms that it is not aware of any new information or data that materially affects the conclusions of the previous market announcements

Dr Mike Jones

Managing Director

Competent Person's Statement

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

Excellence in Exploration

The information in this report which relates to Mineral Resources at Commonwealth-Main Shaft is based upon information compiled by Susan Havlin, who is a Member of the Australasian Institute of Mining and Metallurgy. Susan Havlin is an employee of Optiro Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which she 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. Susan Havlin consents to the inclusion in the release of a summary based upon her information in the form and context in which it appears.

The information in this report which relates to Mineral Resources at Silica Hill is based upon information compiled by Kahan Cervoj, who is a Member of the Australasian Institute of Mining and Metallurgy. Kahan Cervoj is an employee of Optiro Pty Ltd and has sufficient experience which is relevant to the style of mineralisation and type of deposit under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves. Kahan Cervoj consents to the inclusion in the release of a summary based upon his information in the form and context in which it appears.

The information in this report that relates to the Mineral Resources at Commonwealth Main Shaft and Silica Hill is based on information announced to the ASX on 22nd August 2019. The Company confirms that it is not aware of any new information or data that materially effects the information included in the original market announcement and, in the case of estimates of Minerals Resources that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented, have not been materially modified from the original market announcement.

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