

4 May 2023

ASX Limited
Market Announcements Platform
Level 4, 20 Bridge Street
SYDNEY NSW 2000

Dear Sir/Madam

IMPACT MINERALS LIMITED – CLARIFICATION ANNOUNCEMENT

The Board of Impact Minerals Limited (ACN 119 062 261) (ASX: IPT) (**IPT**) wishes to clarify the following ASX releases, which contained an administrative oversight:

- an announcement dated 1 May 2023 entitled “*Placement to Raise \$4 Million and Exercise of the Lake Hope Option*” (**Announcement**);
- an Appendix 3B – Proposed Issue of Securities dated 1 May 2023 released at 10:51 am AEST (**Appendix 3B for Consideration**); and
- an Appendix 3B – Proposed Issue of Securities dated 1 May 2023 released at 11:16 am AEST (**Appendix 3B for Deferred Consideration**).

IPT provides the following additional information in respect of the Announcement, which uses the defined terms contained in the Announcement unless otherwise provided in this clarification announcement:

- (a) The Announcement stated the following in respect to the Placement:

The Placement Shares are to be issued under the Company's available placement capacity as follows:

- 68,529,611 Shares pursuant to Listing Rule 7.1; and
- 264,803,722 Shares pursuant to Listing Rule 7.1A.

Impact confirms the above paragraph is deleted and replaced with:

The Placement Shares are to be issued under the Company's available placement capacity pursuant to Listing Rule 7.1.

- (b) The Announcement stated the following in respect of the exercise of the Lake Hope Option:

Under the Terms of the Binding Term Sheet, Impact will now pay to the shareholders of Playa One Limited \$175,000 cash and issue 50 million fully paid ordinary shares (escrowed for 12 months) and 30 million unlisted options exercisable at 1.125c and vesting 12 months from the date of issue and expiring on 1 December 2025.

The 50 million Shares and 30 million unlisted options will be issued under the Company's available Listing Rule 7.1 placement capacity.

The shares and unlisted options will be issued with the Placement Shares.

The other key terms of the acquisition are:

- 1. Upon completion of a PFS, Impact can enter an incorporated joint venture with the Playa One shareholders (through an entity representing them, Playa Two Pty Ltd). If so, it will acquire an immediate 80% interest in Playa One by issuing up to 120 million fully paid ordinary shares capped at a maximum value of \$8 million (based on the 5-day VWAP before the election) to the Playa One Shareholders.*
- 2. Upon completion of a Definitive Feasibility Study (DFS) to be sole-funded by Impact, Impact will issue up to 100 million fully paid ordinary shares capped at a maximum value of \$10 million (based on the 5-day VWAP before the ASX announcement of the completion of the DFS) to the Playa One Shareholders.*

IPT confirms the above paragraphs in the Announcement are deleted and replaced as follows:

Under the Terms of the Binding Term Sheet, for exercise of the option, Impact will now pay to the shareholders of Playa One Pty Ltd \$175,000 cash and issue 30 million fully paid ordinary shares (escrowed for 12 months) and subject to shareholder approval, 20 million fully paid ordinary shares (escrowed for 12 months) and 30 million unlisted options exercisable at 1.125c and vesting 12 months from the date of issue and expiring on 1 December 2025.

The shares component of the option exercise will be issued in two tranches. Tranche 1 of 30 million fully paid ordinary shares will be issued under LR 7.1 at the same time the Placement shares are issued. Tranche 2 of 20 million Shares and the 30 million unlisted options will be issued subject to shareholder approval.

The other key terms of the acquisition are:

- 1. Upon completion of a PFS, Impact can enter an incorporated joint venture with the Playa One shareholders (through an entity representing them, Playa Two Pty Ltd). If so, it will acquire an immediate 80% interest in Playa One by issuing, subject to shareholder approval, up to 120 million fully paid ordinary shares capped at a maximum value of \$8 million (based on the 5-day VWAP*

before the election) to the Playa One Shareholders.

2. *Upon completion of a Definitive Feasibility Study (DFS) to be sole-funded by Impact, subject to shareholder approval, Impact will issue up to 100 million fully paid ordinary shares capped at a maximum value of \$10 million (based on the 5-day VWAP before the ASX announcement of the completion of the DFS) to the Playa One Shareholders.*

- (c) The Announcement stated that the Lake Hope HPA Project is owned by 'Playa One Limited'. References to 'Playa One Limited' are deleted and replaced with 'Playa One Pty Ltd'.
- (d) IPT confirms that the remainder of the Announcement remains unchanged.
- (e) IPT confirms that the above-mentioned changes will not have a different financial impact on the Company than what was set out in the Announcement.
- (f) IPT confirms the cash component of the exercise of the option, namely the \$175,000 has been paid.
- (g) IPT provides the following indicative timetable regarding the above matters:

Date	Item
IPT will issue the Tranche 1 share component of the option - 30 million Impact shares to the Playa One Shareholders	5 May 2023
IPT to hold an extraordinary general meeting, seeking to obtain shareholder approval for all securities that may be issued under the Binding Term Sheet	3 July 2023
If IPT is successful in obtaining shareholder approval, IPT will issue 20 million IPT shares and 30 million unlisted options within 7 days of obtaining such shareholder approval	10 July 2023

Note: *the above timetable is indicative only. The Company reserves the right, subject to the Corporations Act, the ASX Listing Rules and other applicable laws, to vary the dates, without notice.*

- (h) The Appendix 3B for Consideration stated that the 50 million fully paid ordinary shares and 30 million unlisted options would be issued without shareholder approval, which was an administrative error. The Appendix 3B for Consideration (specifically the responses to items 7D.1, 7D.1b and 7D.1b(i)) will be amended to reflect that the 30 million fully paid ordinary shares will be issued without shareholder approval and 20 million fully paid ordinary shares and 30 million unlisted options will be issued subject to shareholder approval.
- (i) The Appendix 3B for Deferred Consideration stated that the 220 million fully paid ordinary shares would be issued without shareholder approval, which was an administrative error. The Appendix 3B for Deferred Consideration (specifically the responses to items 7D.1, 7D.1b and 7D.1b(i)) will be amended to reflect that the 220 million fully paid ordinary shares will be issued subject to shareholder approval.

- (j) IPT will announce updated Appendices 3B in connection with this announcement.

This announcement was approved by order of the board.

Yours faithfully

A handwritten signature in black ink, appearing to read "Michael G Jones", with a horizontal line underneath.

Dr Michael G Jones
Managing Director
Impact Minerals Limited



Impact Investor Hub