

JULY 27, 2023

IMPACT MINERALS OBTAINS HERITAGE CLEARANCE FOR THE LAKE HOPE HIGH PURITY ALUMINA DEPOSIT, WA



- Heritage survey completed with the Ngadju Native Title group at the Lake Hope High Purity Alumina Project, Western Australia, in compliance with the new Aboriginal Cultural Heritage Act.
- The survey has provided clearance for ground-disturbing activities over the entire Lake Hope deposit and nearby access tracks.
- The clearance significantly de-risks the Lake Hope project and is a critical component of the work required to lodge a Mining Lease Application, planned for later this Quarter.
- A Scoping Study for the project is being finalised, with metallurgical test work and other studies for the Pre-Feasibility Study underway.

A significant milestone on Impact Minerals Limited's journey to producing High Purity Alumina (HPA) has been achieved with the receipt of heritage clearances across the entire Lake Hope alumina deposit, located 500 km east of Perth in Western Australia (Figure 1).

Impact's Managing Director, Dr Mike Jones, said, "*Impact Minerals acknowledges and would like to thank the Ngadju Native Title Holders and elder's past, present and emerging, for organising and participating in the survey, and we look forward to continuing to work effectively with them in the future. This positive outcome represents another step forward on the pathway to the production of High Purity Alumina, which presents a compelling opportunity for Impact Minerals' shareholders and the broader community of the Ngadju native title holders. The heritage clearance, together with our recently announced maiden Indicated and Inferred Resource of 880,000 tonnes of contained alumina, has significantly de-risked the mining aspect of the project and will allow us to progress with our Mining Lease application later this Quarter confidently.*"

As well as the Ngadju Native Title Holders Impact would also like to thank John Cecchi Heritage Management Consultancy for completing the survey efficiently and safely (Figure 2).

The survey, which comprised both an archaeological field survey and ethnographic consultation with authoritative knowledge holders from the Ngadju Native Title Party, covered the entire Lake Hope alumina resource, which is hosted within two small salt lakes, as well as access tracks to the lake, a water monitoring bore and campsite infrastructure (Figure 3 and ASX Release 19th June 2023).

The work area was assessed as having no Aboriginal artefacts or cultural heritage concerns, which ground-disturbing activities would impact. Under the new *Aboriginal Cultural Heritage Act (2021)*, the survey provides evidence that pending lodgement of a Mining Lease and negotiating a mining agreement with the Ngadju Native Title holders, ground-disturbing activities carried out within the survey area, including the proposed shallow open pit, are exempt from additional Tier 2 or Tier 3 management plans.

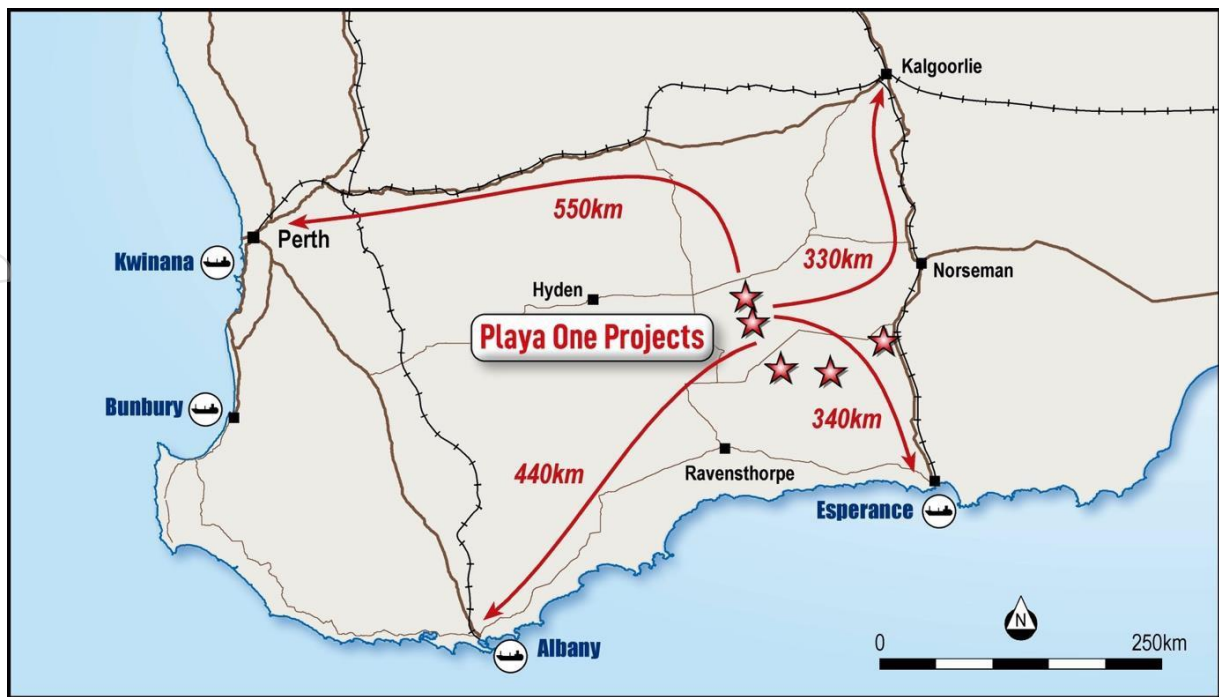


Figure 1. Location of the Lake Hope Project (northernmost red star). Lake Hope is one of five exploration licences owned by Playa One Pty Limited, in which Impact has the right to earn an 80% interest. (ASX Release March 21st 2023)



Figure 2. Survey participants, which include the Ngadju Native Title Holders and archaeologist and anthropologist consultants from JCHMC.

Impact will conduct further consultation and surveys for any additional work areas required to develop the Project and aims to develop the Lake Hope Alumina Project collaboratively and respectfully with all traditional owners and native title parties.

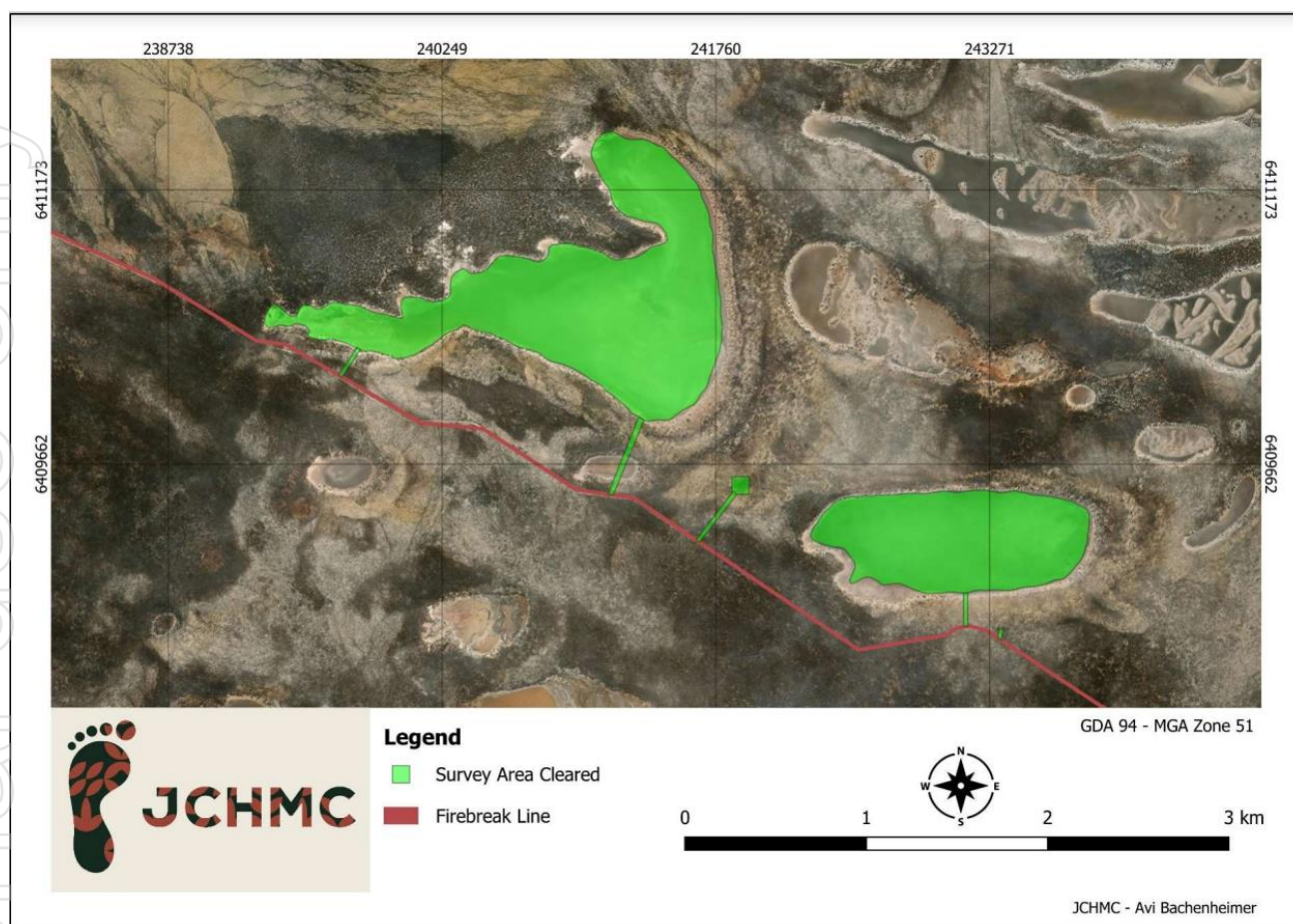


Figure 3. Location of areas with Heritage Clearance. The Lake Hope alumina deposit lies within the two salt lakes (East Lake and West Lake).

With the receipt of heritage clearance, Impact will now lodge Programme of Work Applications for bulk sample test pitting, geotechnical drilling, water monitoring bore drilling and other works associated with the Pre-Feasibility Study (PFS) currently in progress (ASX Release 6th April 2023). Metallurgical test work, a critical part of the PFS work, is also well underway, with initial results due towards the end of 2023.

In addition, a Scoping Study is nearing completion, based on the maiden Mineral Resource Estimate of 3.5 million tonnes at 25.1% alumina (Al_2O_3) for a contained 880,000 tonnes of alumina. About 88% of the resource, or about 775,000 tonnes of alumina, is in the higher confidence Indicated Resource category. Current benchmark prices for 4N (99.99%) High Purity Alumina, a processed form of alumina, are about \$US 20,000 per tonne.

The information in this announcement that relates to the Mineral Resource for the Lake Hope Project is based on information announced to the ASX on 19th June 2023. The Company confirms that it is not aware of any new information or data that materially affects the information included in the relevant market announcement, and that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply.

About the Lake Hope Project

The Lake Hope deposit comprises globally unique high-grade aluminium clay minerals in the top few metres of a playa lake, which have unique physical and chemical properties that allow for low-cost mining and offsite metallurgical processing to produce High Purity Alumina via a novel and cost-disruptive acid leaching process.

The broader Lake Hope Project covers numerous salt lakes between Hyden and Norseman in the Tier 1 jurisdiction of Western Australia. It comprises one granted exploration licence (E63/2086), covering the Lake Hope deposit already discovered, together with five further exploration licence applications (ELA63/2317, 2318 and 2319, and ELA74/673 and 764) which are poorly explored. The tenements cover about 238 km² and are all 100% owned by Playa One Pty Limited.

Impact has the right to earn an interest in the company Playa One Pty Limited as follows (ASX Releases 1st and 4th May 2023):

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 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.
3. Playa One shareholders will be free-carried to a Decision to Mine. Impact will maintain all Playa One tenements in good standing during this time.
4. If a Decision to Mine is made, the Playa One Shareholders may contribute to mine development costs or be diluted. If their interest falls below 7.5%, it will convert to a 2% net smelter royalty.

Preliminary economic studies indicate that the production of HPA and related products from Lake Hope will be cost-competitive with current producers and other developers in Australia and globally.

COMPLIANCE STATEMENT

This report contains no new Exploration Results.

Dr Michael G Jones
Managing Director

Competent Person Statement

The review of exploration activities and results 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.