ASX Code: IPT

SEPTEMBER 18, 2023 **CORPORATE RELEASE**

OUTSTANDING AIRBORNE EM ANOMALIES AT THE ARKUN BATTERY METALS PROJECT, WA

- Twenty moderate to strong electromagnetic (EM) conductors identified at the Arkun Battery Metals project in 400 m line-spaced airborne electromagnetic ("AEM") survey data collected by the XCalibur HELITEM time-domain system.
- Several priority anomalies coincide with magnetic and gravity anomalies and Ni Cu PGM-in-soil anomalies.
- Many other anomalies have yet to be soil sampled, and this work is a priority for the next Quarter with a view to a maiden drill programme in Q1 2024.
- Broken Hill update: Xplor programme completed. IGO withdraws from joint venture over the alkaline intrusions. Data synthesis and interpretation in progress of all data collected during Xplor and by IGO. Both BHP and IGO remain interested in the broader Broken Hill project.

Impact Minerals (ASX:IPT) is pleased to announce that it has identified 20 moderate to strong conductors in airborne electromagnetic (AEM) data flown over parts of its 100% owned Arkun Project in the emerging mineral province of southwest Western Australia, a Tier One jurisdiction (Figure 1).

Impact Minerals' Managing Director, Dr. Mike Jones, said, *"These new conductors at Arkun look very promising and significantly increase the potential for the discovery of massive nickel-copper-PGM sulphides. What's particularly exciting is that some conductors have coincident soil geochemistry anomalies. However, with many of them still yet to be soil sampled, we are confident of generating more targets for follow-up work, which will include drilling. With the recent REE soil anomalies identified throughout the project area, including the standout Horseshoe prospect, Arkun continues to emerge as a major project for a wide range of essential battery and strategic minerals."*

The airborne EM survey was completed over seven priority areas, covering only about 15% of the Arkun project, by XCalibur Multiphysics using the HELITEM system at a line spacing of 400 metres (Figure 2).

The 20 conductors were identified using a combination of interpretation of individual lines of EM data by consultants Resource Potentials and by reprocessing of the survey data by Intrepid Geophysics using their proprietary 2.5D AEM inversion algorithm. The 2.5D inversion process provides conductivity models and can image steeply dipping, deep, and near-surface targets.

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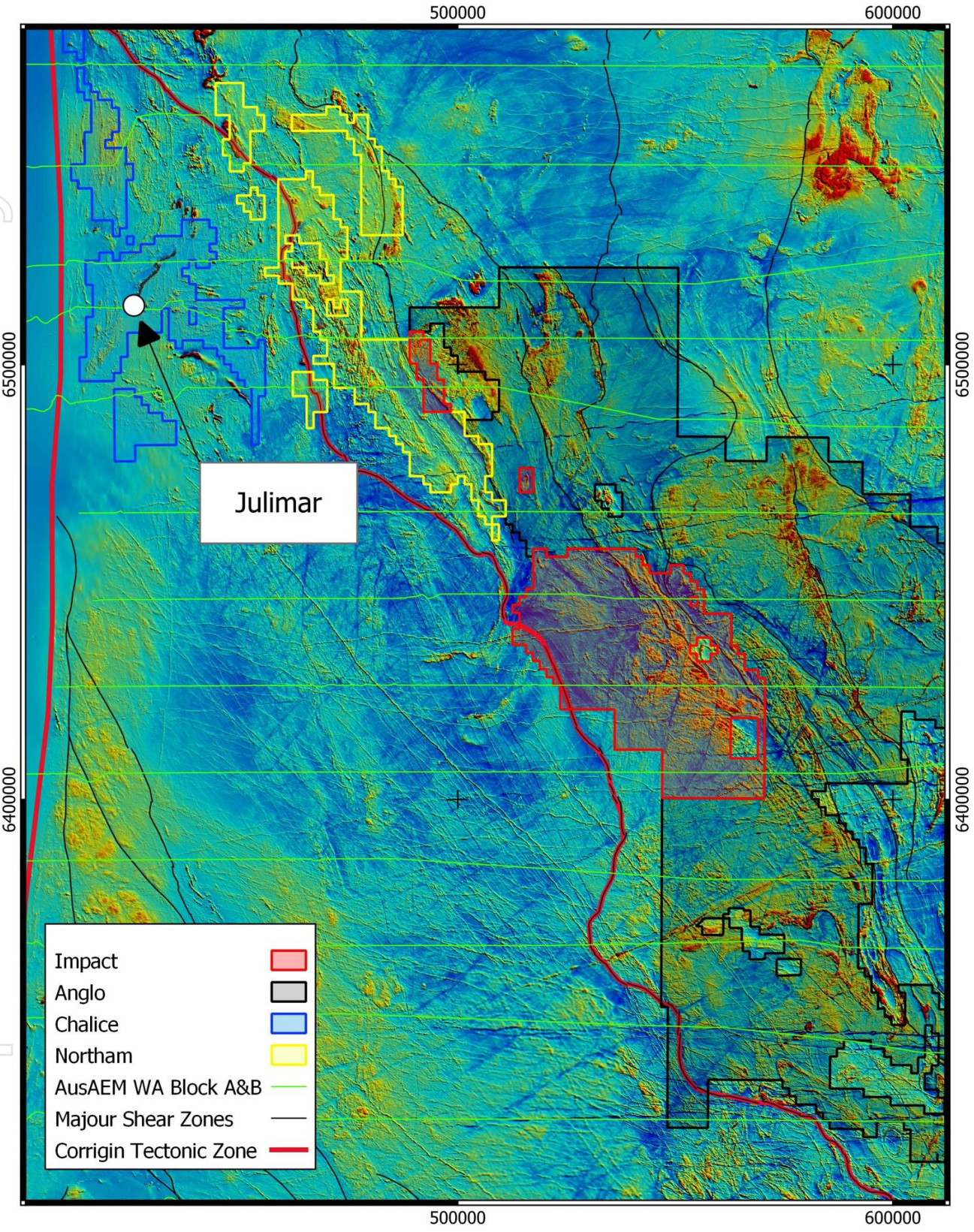


Figure 1. Image of regional magnetic data showing the location of the Arkun project along trend from the Julimar/Gonneville Ni-Cu-PGE deposit owned by Chalice Mining Limited (ASX: CHN). Also shown is ground held by private company Northam Mining Ltd, in which Chalice Mining is now earning an interest via a joint venture, and ground held by Anglo American Corporation, which surrounds the Arkun Project on three sides. The green lines are publicly available regional AEM flight lines flown in 2020, including one line over the Gonneville deposit (Figure 7).

Two of the survey areas contain numerous EM conductors that have broadly coincident strong nickel-copper-PGM soil geochemistry anomalies: these include 5 AEM anomalies at the Three Eagles prospect and 6 AEM anomalies at the Starfish complex (Figures 2 and 3; and ASX Release 9 August 2023).

In addition, the EM conductors are commonly coincident either with magnetically quiet areas and/or gravity-highs in regional geophysical data, which together may represent mafic and ultramafic intrusions that are potential hosts for nickel-copper-PGM mineralisation (Figures 2 and 3).

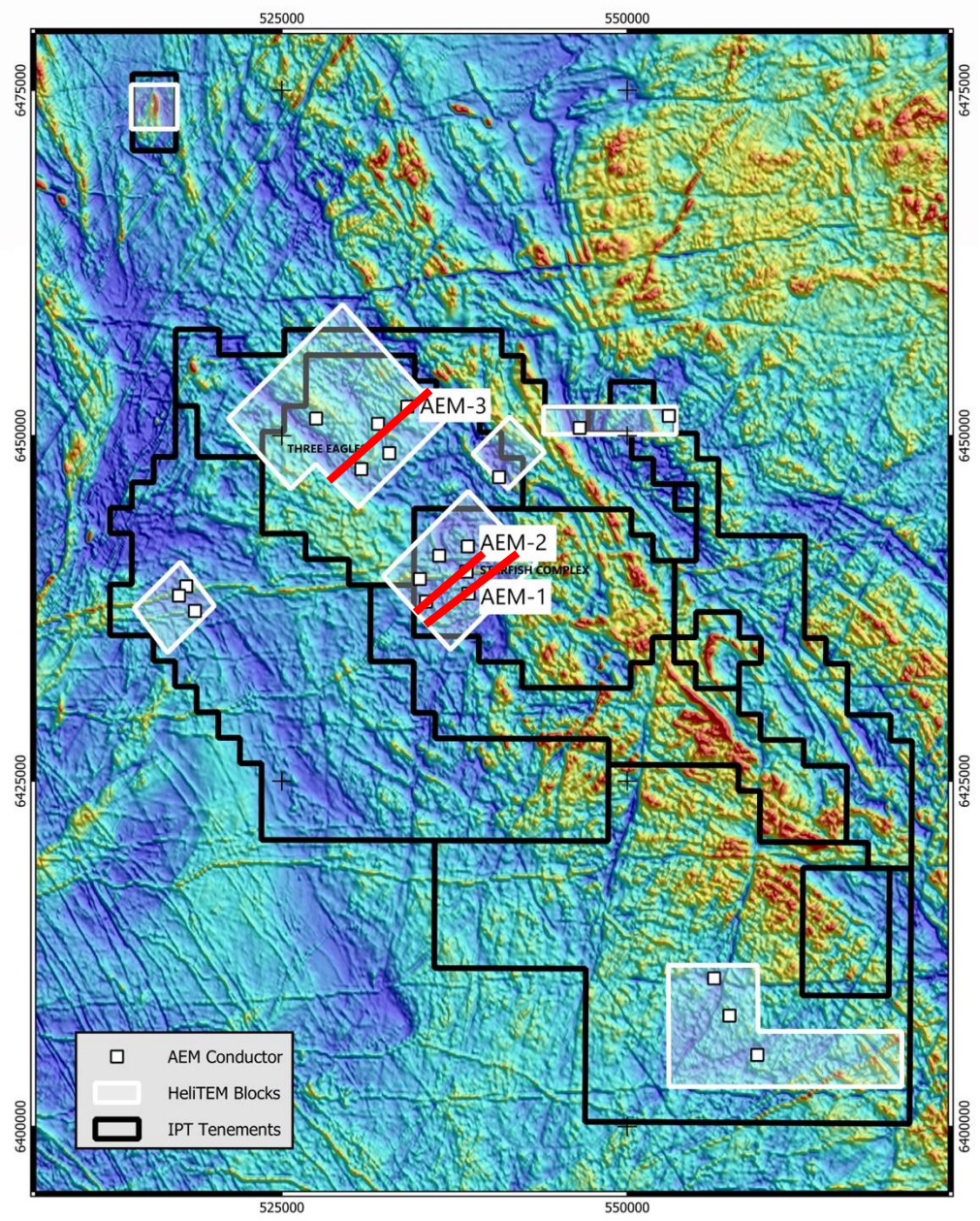


Figure 2. Image of regional magnetic data showing the location of the 7 AEM survey areas showing priority conductors (white squares). Three survey lines (AEM-1, AEM-2 and AEM-3) are shown in detail in Figures 4, 5 and 6.

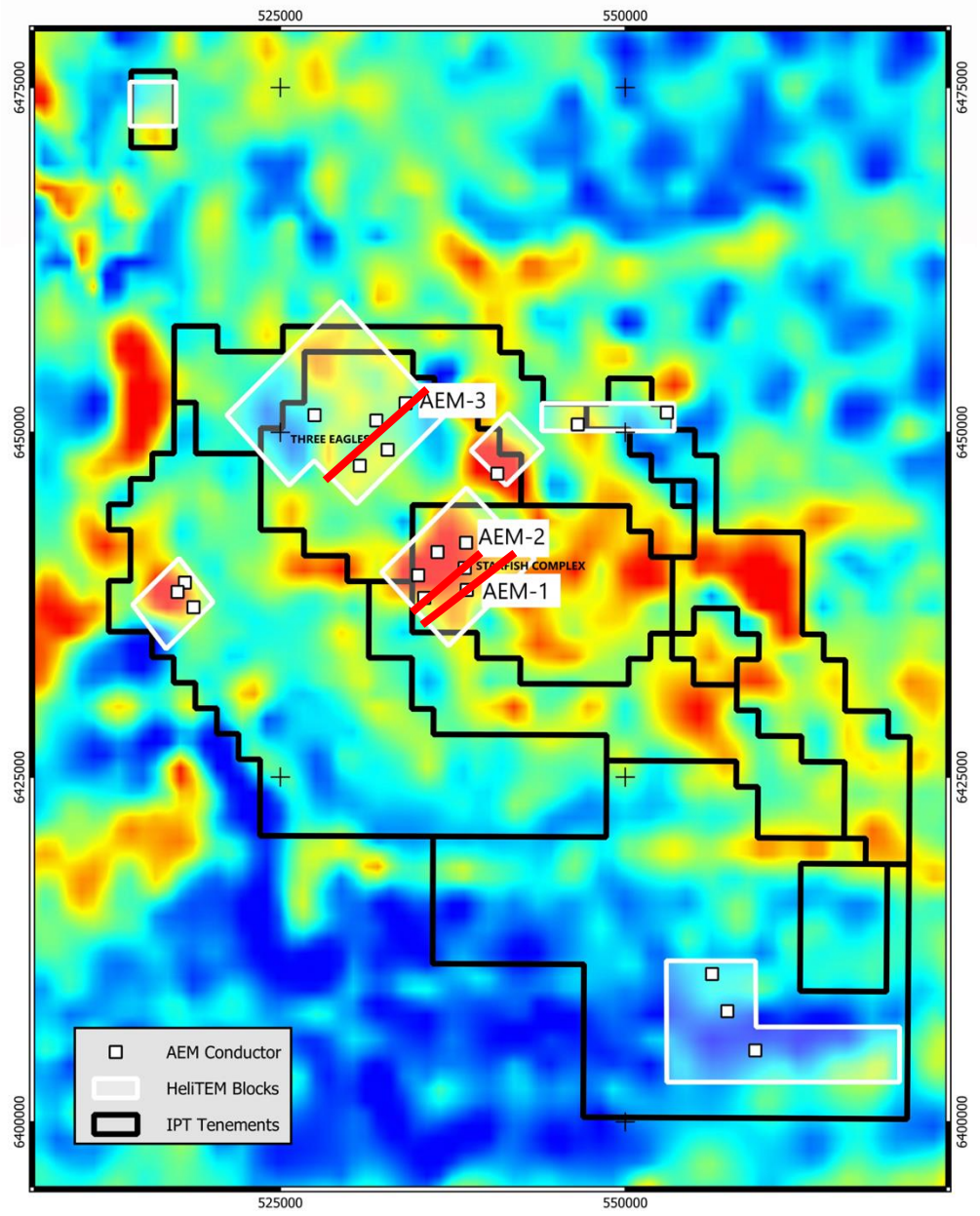


Figure 3. Image of regional gravity data showing the location of the 7 AEM survey areas showing priority conductors (white squares). Note the Starfish Complex is associated with a strong gravity anomaly. Three survey lines (AEM-1, AEM-2 and AEM-3) are detailed in Figures 4, 5 and 6.

THREE PRIORITY CONDUCTORS

Three prominent conductors that are priority areas for follow-up work have been identified in the 2.5D inversions and are shown here as examples.

At the Starfish Complex, a strong north-easterly dipping conductor and a weaker south-westerly dipping conductor have been defined in an area with mapped mafic and ultramafic rocks that are variably intruded by granites (Figure 4). The area is also coincident with the edge of a gravity high (AEM-1 Figure 3).

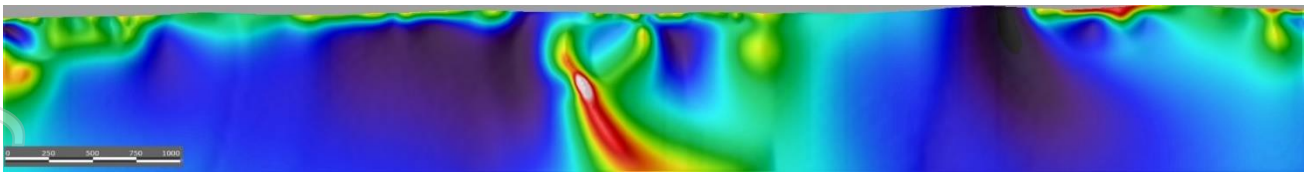


Figure 4. Line 50110. AEM-1 (Figures 3 and 4). Reprocessed 2.5D inversion highlighting strong, steeply dipping deep conductor, which occurs on a gravity high. This area also has elevated Ni-Cu-PGM-in-soil anomalies (ASX Release August 9th 2023).

A second prominent, isolated conductor is also present at Starfish and coincides with a strong gravity high and Ni-Cu-PGE-in-soil anomalies (Figure 5).

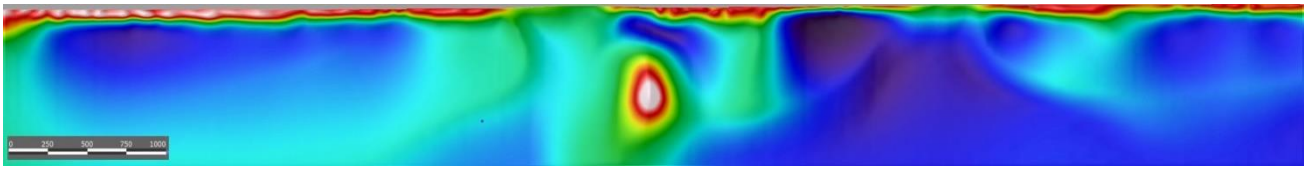


Figure 5. Line 50040. AEM-2 (Figures 3 and 4). Reprocessed 2.5D inversion highlighting a single strong deep conductor centred on a gravity high and Ni-Cu-PGM-in soil anomalies (ASX Release August 9th 2023).

In the Three Eagles area, a single prominent conductor is evident at the north-eastern end of the survey line (Figure 6). This coincides with strong magnetic linear units that may be mafic rocks and which are also adjacent to a significant NW-SE trending structure visible in the magnetic data. This area has yet to be soil sampled.

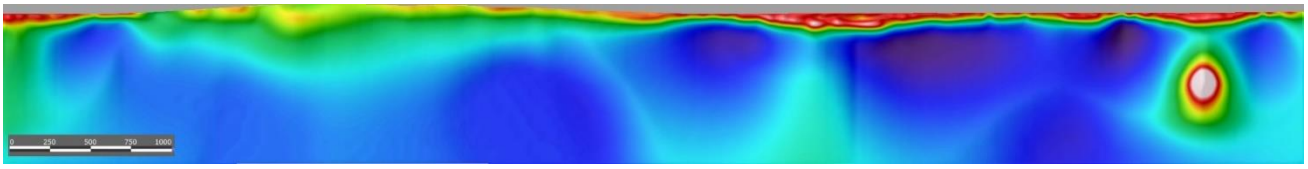


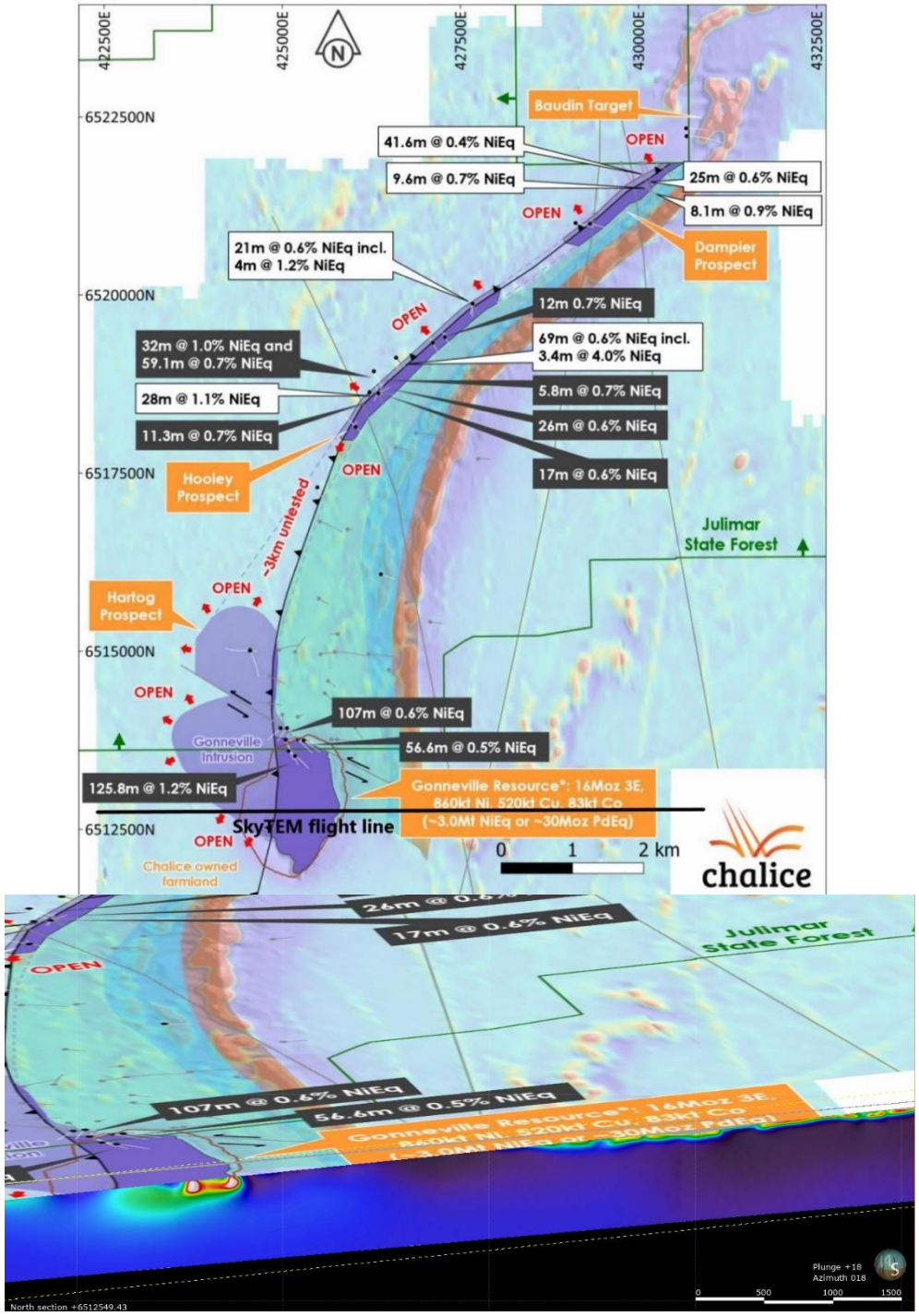
Figure 6. Line 20230. AEM-3 (Figures 3 and 4). Reprocessed 2.5D inversion highlighting strong deep conductor centred on a strong major magnetic lineament and steep moderate to low gravity gradient.

For comparison, a case study of the Julimar intrusion that hosts the Gonneville discovery is shown in Figure 7.

Figure 7. 2.5D Inversion Case Study Over the Gonneville deposit

The Intrepid 2.5D AEM inversion was completed for a single survey line of regional government airborne EM data (SkyTEM system) flown directly over the Gonneville nickel-copper-PGM deposit at the southern end of the Julimar Complex (Figure 1). A significant conductor is directly associated with the intrusion and the resource and is of a similar size and strength to some of those at Arkun.

Plan Map of the Julimar Intrusion showing the Gonneville deposit and the location of the AEM Survey Line (from https://chalicemining.com/exploration-projects/julimar/



3D view of the 2.5D Inversion of the SkyTEM survey line showing a significant conductor directly associated with the mineralised part of the Gonneville intrusion (this work).

NEXT STEPS

Follow-up field checking and rock chip sampling will commence in early October, together with infill and new soil geochemistry surveys. Access is dependent on the current harvest season. The aim is to define drill targets for a maiden drill programme at Arkun in Q1 2024.

The follow-up work will also include the areas identified for REE mineralisation (ASX Release June 1st 2023) and lithium pegmatites (ASX Release August 18th 2022, and September 21st 2021).

About the Airborne Electromagnetic Survey at Arkun

The Arkun survey, carried out by XCalibur Multiphysics, consisted of 921.4 line kilometres at 400m line spacing over seven priority areas. Data were acquired using a HELITEM2 electromagnetic system supplemented by a high-sensitivity cesium magnetometer.

The HELITEM2 system comprises a 40-metre-long cable attached between the helicopter and the transmitter loop, which, when in flight, is about 35 m below the helicopter (Figure 8). The receiver platform and the receiver coil are located at the centre of the 35 m diameter transmitter loop. The real-time navigation GPS antenna is on the tail boom of the helicopter. The barometric altimeter, radar altimeter, laser altimeter and data recorder are all installed in the helicopter. GPS antennae are attached to the transmitter loop to give positional information and transmitter orientation. An IMU is mounted on the front of the transmitter loop to measure receiver pitch, roll and yaw.

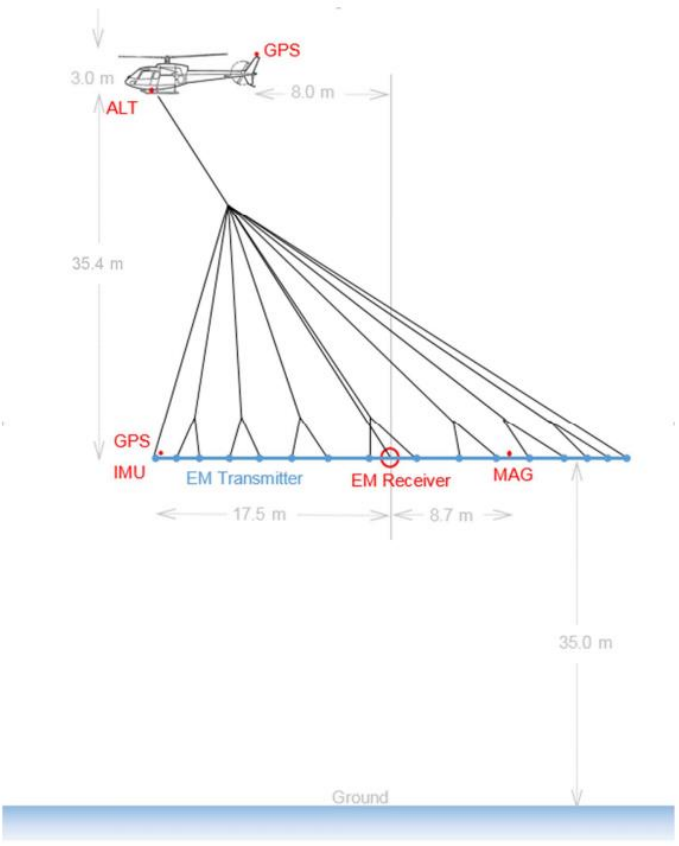


Figure 8: Geometry of the HELITEM system

BROKEN HILL PROJECT UPDATE

Impact's Quarterly report for June (ASX Release July 31st 2023) noted that funding under the BHP Xplor programme ended on June 30th 2023.

BHP Xplor, an accelerator program introduced by BHP in August 2022, is designed to help provide participants with the opportunity to accelerate their growth and the potential to establish a long-term partnership with BHP and its global network of partners. Impact was one of seven companies selected globally to be part of the first cohort of the Xplor programme (ASX Release January 17th 2023).

Impact believes there is significant untapped exploration potential at Broken Hill for copper mineralisation. It has been working with world-renowned geologist Prof. Tony Crawford on a new model for copper associated with mafic intrusions that are part of the Broken Hill Group rocks.

As part of the Xplor programme, extensive field checking and rock chip sampling of mafic intrusions throughout the Broken Hill stratigraphy has been completed. About 600 rock chip samples were submitted for comprehensive major and trace element whole-rock geochemistry to help establish the provenance and metal-carrying potential of the mafic rocks. Final assays were only recently received, and all the data is now being interpreted.

In addition, two geophysical surveys were completed as case studies over known zinc-lead-silver-copper mineralisation at Impact's Dora East prospect: a ground SAM survey and a ground AMT survey. The surveys were designed to validate the potential of both the SAM and MT methods to identify massive and disseminated sulphide mineralisation that can not be detected by EM methods (e.g. sphalerite, galena, etc.) with a view to considering airborne surveys using those methods.

In addition, and for the first time in the Broken Hill region, a regional magneto-telluric (MT) survey designed to elucidate the deep structure under Broken Hill was also recently completed as part of the Xplor programme. This data is currently being processed and interpreted. All the data collected for the Xplor program will be synthesised and analysed over the next few months.

Once complete, this work will be presented to BHP, who remain interested in the Broken Hill project. There are no ongoing confidentiality conditions to the data Impact has collected, and the company is free to do as it wishes.

In addition, Impact is also integrating the work completed by IGO Limited (ASX:IGO), who have now withdrawn from the joint venture over the late-stage, nickel-copper-PGM-bearing alkaline intrusions prospective at Broken Hill (ASX Release November 16th 2022). The joint venture area comprised a small portion of the Broken Hill project area.

This follows the return of no significant drill results in one diamond drill hole drilled to test a prominent ground Em anomaly at the southern end of the Moorkai Trend (ASX Release 16th November 2022). IGO has expressed interest in the broader Broken Hill area, and Impact will also present its new findings on the area to them in due course.

COMPLIANCE STATEMENT

This report contains new Exploration Results for airborne electromagnetic results across the Arkun Project.

Dr. Michael G. Jones
Managing Director

Competent Person's 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 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.

JORC Code, 2012 Edition – Table 1

Section 1 Sampling Techniques and Data

Criteria	JORC Code explanation	Commentary
Sampling techniques	• *Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.* • *Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used.* • *Aspects of the determination of mineralisation that are Material to the Public Report.* • *Description of 'industry standard' work*	• *The airborne EM survey was flown at 400 m line spacing over 7 areas of interest within the Arkun project area.*
Drilling techniques	• *Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	N/A
Drill sample recovery	• *Method of recording and assessing core and chip sample recoveries and results assessed.* • *Measures taken to maximise sample recovery and ensure representative nature of the samples.* • *Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.*	• *N/A* • *The survey was completed on a grid to ensure representative sampling.* • *It is not possible to determine sample bias at this stage. However EM surveys are subject to poor results if the orientation of the target sulphide orebody is not oriented to couple-well with the survey parameters.*
Logging	• *Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.* • *Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.* • *The total length and percentage of the relevant intersections logged.*	• *N/A*

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	• *If core, whether cut or sawn and whether quarter, half or all core taken.* • *If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.* • *For all sample types, the nature, quality and appropriateness of the sample preparation technique.* • *Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.* • *Measures taken to ensure that the sampling is representative of the in-situ material collected, including for instance results for field duplicate/second-half sampling.* • *Whether sample sizes are appropriate to the grain size of the material being sampled.*	• *N/A* • *N/A* • *The size and line spacing of the geophysical survey is appropriate for first pass exploration.* • *Standard QC procedures are used by XCalibur Geophysics to determine data is of suitable quality..* • *N/A* • *Line spacing is appropriate.*
Quality of assay data and laboratory tests	• *The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.* • *For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.* • *Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.*	• *N/A*
Verification of sampling and assaying	• *The verification of significant intersections by either independent or alternative company personnel.* • *The use of twinned holes.* • *Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.* • *Discuss any adjustment to assay data.*	• *The results have not been verified by independent or alternative companies. This is not required at this stage of exploration.* • *N/A.* • *There are no adjustments to the geophysical data apart from normal noise removal..*
Location of data points	• *Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.* • *Specification of the grid system used.* • *Quality and adequacy of topographic control.*	• *Airborne DGPS* • *Datum is MGA 2020 Zone 51 South* • *Topographic control on RL is adequate for exploration results*
Data spacing and distribution	• *Data spacing for reporting of Exploration Results.* • *Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.* • *Whether sample compositing has been applied.*	• *N/A* • *N/A* • *N/A* • *There was no sample compositing.*

Criteria	JORC Code explanation	Commentary
Orientation of data in relation to geological structure	• *Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.* • *If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.*	• *The survey was flown at 90 degrees to the stratigraphy where possible.* • *N/A*
Sample security	• *The measures taken to ensure sample security.*	• *N/A*
Audits or reviews	• *The results of any audits or reviews of sampling techniques and data.*	• *At this stage of exploration a review of the sampling techniques and data by an external party is not warranted.*

Section 2 Reporting of Exploration Results

Criteria listed in the preceding section also apply to this section.

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	• *Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.* • *The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.*	• *The Arkun-Beau-Jumbo Project currently comprises 9 exploration licences covering about 2,100 km2. The tenements are held 100% by Aurigen Pty Ltd a 100% owned subsidiary of Impact Minerals Limited. Impact has signed Land Access agreements in place with the various Native Title claimants that cover the area and with selected landowners. No known impediment to exploration is known*
Exploration done by other parties	• *Acknowledgment and appraisal of exploration by other parties.*	• *Nil*
Geology	• *Deposit type, geological setting and style of mineralisation.*	• *Magmatic nickel sulphide*
Drill hole Information	• *A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes:* • *easting and northing of the drill hole collar* • *elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar* • *dip and azimuth of the hole* • *down hole length and interception depth* • *hole length.* • *If the exclusion of this information is justified on the basis that the information is not Material and this exclusion does not detract from the understanding of the report, the Competent Person should clearly explain why this is the case.*	• *N/A*
Data aggregation methods	• *In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.* • *Where aggregate intercepts incorporate short lengths of high-grade results and longer lengths of low-grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.* • *The assumptions used for any reporting of metal equivalent values should be clearly stated.*	• *N/A*

Criteria	JORC Code explanation	Commentary
Relationship between mineralisation widths and intercept lengths	• *These relationships are particularly important in the reporting of Exploration Results.* • *If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported.* • *If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').*	• *N/A*
Diagrams	• *Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.*	• *A map showing tenement locations has been included* • *Maps showing exploration results are provided*
Balanced reporting	• *Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.*	• *N/A*
Other substantive exploration data	• *Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.*	• *N/A*
Further work	• *The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling).* • *Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive.*	• *Follow up soil geochemistry surveys and field checking is required..*