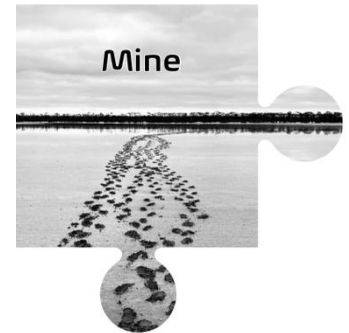


AUGUST 12<sup>th</sup> 2024

CORPORATE RELEASE

## Mining Lease Lodged for the Lake Hope High Purity Alumina Project, WA.

- Mining Lease Application (MLA 63/684) lodged over the West Lake resource.
- Miscellaneous Licence (L63/99) lodged to cover mine infrastructure and haulage road.
- A clear pathway to the grant of the mining lease has been established with two main focus areas going forward:
  - A negotiation protocol for Land Access and Cultural Heritage agreements with the Ngadju peoples which is under review; and
  - Further seasonal flora and fauna surveys.
- Mining studies are underway as part of the Pre-Feasibility Study to provide mining schedules, proposed equipment, site logistics and costs of mining and transport of ore to Kwinana.



Impact Minerals Limited (ASX:IPT) is pleased to announce that it has lodged a Mining Lease Application (MLA63/684) and associated Miscellaneous Licence (L63/99) for the Lake Hope High Purity Alumina (HPA) Project located 500 km east of Perth in Western Australia, (Figures 1 and 2). This is a crucial step in advancing the project towards production as it defines the work required to obtain the statutory approvals needed for the grant of the Mining Lease.

The approvals process, together with the logistics and estimated costs of mining and transporting the Lake Hope mud to the process plant, form one of the four key parts of a Pre-Feasibility Study (PFS) on Lake Hope, which is in progress (Figure 3 and ASX Release July 10<sup>th</sup>, 2024). Impact can take an 80% interest in Playa One Pty Limited, which owns the Lake Hope Project and associated intellectual property, by completing the PFS (ASX Releases March 21<sup>st</sup> 2023 and July 10<sup>th</sup> 2024).

The PFS followed on from a positive Scoping Study, which showed that for a benchmark production of 10,000 tonnes per annum of HPA, the Project has an estimated post-tax Net Present Value (NPV<sub>8</sub>) of about A\$1.3 billion and would potentially be one of the lowest-cost producers of HPA globally (ASX Release November 9<sup>th</sup> 2023).

All material assumptions underpinning the production target and the forecast financial information derived from it in the Scoping Study continue to apply and have not materially changed within the +/-30% parameters (ASX November 9th, 2023).



Impact Minerals Limited Interactive Investor Hub  
Engage with us directly by asking questions, watching video summaries,  
and seeing what other shareholders have to say about this and past  
announcements at our Investor Hub <https://investors.impactminerals.com.au/welcome>

ABN 52 119 062 261  
+61 8 6454 6666  
[info@impactminerals.com.au](mailto:info@impactminerals.com.au)  
[www.impactminerals.com.au](http://www.impactminerals.com.au)

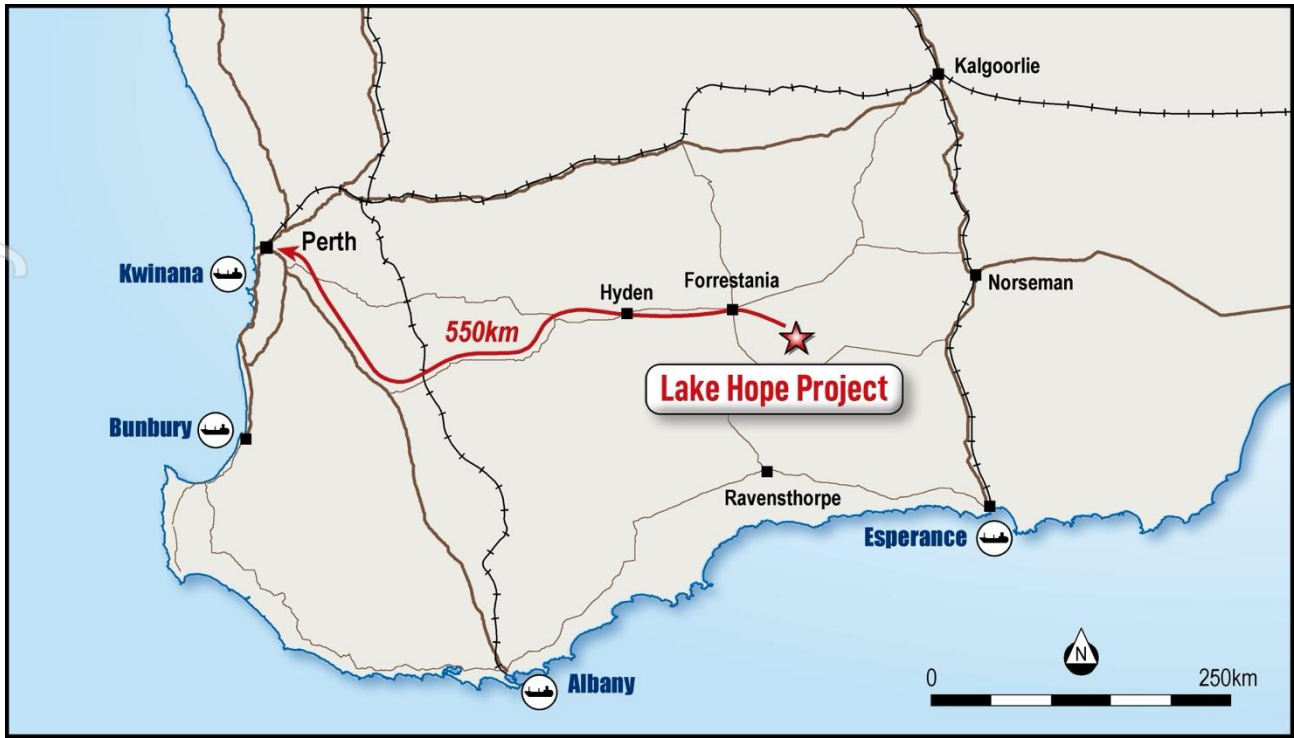


Figure 1. Location of the Lake Hope Project and proposed haul route to Kwinana.

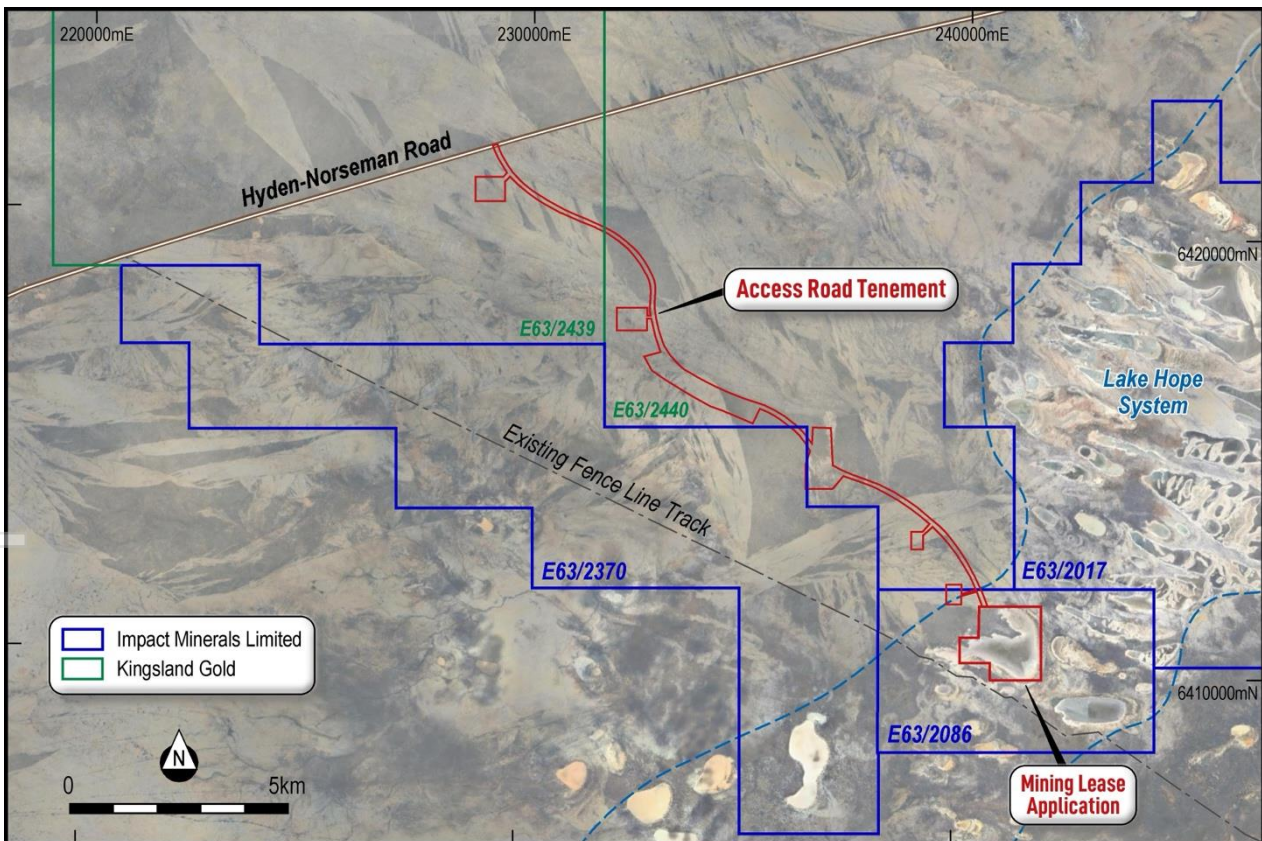


Figure 2. Location of the Mining Lease and Miscellaneous Licence Applications at Lake Hope.

Exploration licences under Impact’s control are shown in blue. An access agreement will be required with Kingsland Minerals Limited who the green tenements. Initial discussions for this have been very positive.

Impact Minerals' Managing Director, Dr Mike Jones, said, "We are very pleased to have lodged Impact's first-ever mining lease, a major step in our goal to bring the Lake Hope High Purity Alumina project into production. The application covers West Lake and sufficient material for at least the first 15 years of our proposed production. It also offers a more direct haulage route to the Norseman-Hyden road than existing tracks, potentially saving millions of dollars in road construction costs.

The Application also clearly sets a path towards gaining the statutory approvals required for the grant of the Mining Lease. In particular, this will require engaging in a well-defined negotiation process with the Ngadju Aboriginal people, the traditional custodians of the land around Lake Hope and further seasonal flora and fauna surveys in and around the proposed mine infrastructure. We will progress on both these critical paths in the next Quarter.

All this work at what will be the Lake Hope Mine is one piece of the large jigsaw puzzle that comprises the Pre-Feasibility Study, and we continue to make progress with the other key pieces: the process plant, test work, product offtake, and marketing. We are working towards completing the PFS by the end of the year and set ourselves up for significant strides towards production and offtake in 2025."

Figure 2 shows the location of the Mining Lease and Miscellaneous Licence in detail. The Miscellaneous Licence covers the required infrastructure for the mine including the haul road, areas identified as likely sources of road construction material, an area for stockpiling ore, and the temporary mine buildings needed. The Lease and Licence have been applied for in the name of Playa One Pty Ltd.

### **Progress on the Pre-Feasibility Study**

Significant progress is being made on the four main parts of the PFS for Lake Hope: the proposed mine at the lake itself, test work to optimize the metallurgical process, the associated planned full scale 10,000 tonnes per annum process plant, and marketing, product development and offtake agreements for the final HPA products (Figure 3 and ASX Release July 10<sup>th</sup> 2024).

### **The Mine**

The following work is in progress.

1. A Negotiation Protocol has been received from the Prescribed Body Corporate (PBC) for the Ngadju Aboriginal peoples for Impact's review. This protocol will set the framework for negotiations to achieve a Land Access Agreement and a cultural heritage management plan for the mine. An initial meeting with the PBC will be arranged following the review.
2. Mining studies are underway as part of the PFS to provide detailed mining schedules, proposed equipment, site logistics and costs of mining and transport of ore to Kwinana.
3. H and S Resource Consultants are interpreting drill assay data to help upgrade a significant portion of the previously defined Indicated Resource to a Measured Resource. This will allow a maiden Proven Reserve to be declared with further mining and economic studies.
4. Quotes are being sought for the seasonal flora and fauna surveys that will be required along the haul road and proposed gravel pits. In addition, further Heritage Surveys will be needed along the same infrastructure and will likely occur next year as discussions with the Ngadju peoples and the statutory approvals process progress.



**Figure 3.** The four pieces of the Lake Hope Pre-Feasibility Study Jigsaw Puzzle.

### The Process Plant

1. Kwinana has been selected as the best location for the processing plant following a rigorous study of the available options. This is a key outcome of the PFS, and the decision was driven by the ready availability of the various chemical reagents needed for the process plant compared to the transport cost to get reagents to Kalgoorlie, which was the basis of the Scoping Study (ASX Release November 9<sup>th</sup> 2023). The savings in operating costs far outweigh the marginal extra cost of transporting ore to Kwinana rather than Kalgoorlie.
2. Discussions are underway with potential suppliers of the input reagents required for the process and potential buyers of the associated fertiliser and acid by-products. Indications are that both the required inputs and by-product outputs can be provided “at the gate” in Kwinana. This is a significant strategic advantage for the project that minimises the requirement for many minor capital items, and leads to savings in operating costs.
3. A block of land has been identified as suitable for the plant, and discussions are underway to secure it when appropriate.
4. CPC Engineering has been commissioned to undertake design engineering studies and provide estimates of the capital and operating costs for a process plant to produce 10,000 tonnes per annum of HPA. These costs will be used in the PFS. CPC’s work will build on extensive Process Flow Design and Mass Flow Balance calculations recently completed by Strategic Metallurgy.

## Test Work

1. Metallurgical test work is progressing well, and production of HPA samples is underway. Work is progressing on both the sulphate process and low temperature leach process (LTL) and now includes further mass flow balance and process flow design work with a particular focus on acid usage and regeneration at the back end of the processes (ASX Releases 19<sup>th</sup> February 2024 and 27<sup>th</sup> February 2024). In addition, further test work has been completed on the fertiliser by-product to help determine likely demand and pricing.
2. Detailed discussions are in progress regarding the design and construction of a pilot plant that will produce HPA of consistent quality for potential offtake partners.

## Marketing and Offtake

1. Early-stage discussions have been held with existing ceramic and alumina producers in Europe and the USA to explore potential synergies.
2. Impact is assembling a marketing team to engage with potential customers further and provide feedback on the specifications required for end-user products.

Recent ASX releases by Alpha HPA Limited (ASX:A4N), a leader in the HPA industry, show there is significant global demand for a wide range of HPA products of much more than the 10,000 tonnes per annum Alpha plans to produce from their full-scale plant to be built over the next two years. Alpha recently received significant funding of \$400 million, a total capex of \$500 million, for building this plant from the Australian government. The funding comprises low-interest loans and demonstrates the ongoing federal (and state) support for critical minerals and downstream processing, in which Impact intends to participate. The Lake Hope Scoping study had an estimated capital cost of \$250 million (+/- 30%) (ASX Release November 9<sup>th</sup> 2023).

## COMPLIANCE STATEMENT

This report contains no new Exploration Results.

Dr Michael G Jones  
Managing Director

Authorised by the Board of Impact Minerals Limited