



Impact Minerals (ASX: IPT)

Impact Minerals builds confidence on high-grade exploration success

Depending on your glass-half-empty-half-full perceptions, a time frame of six months can seem an eternity or an instant, depending, of course, if you are willing to take control and make things happen.

FOR PERTH-BASED MULTI-COMMODITY-FOCUSED EXPLORATION play Impact Minerals (ASX: IPT) the past six months has gone by in a flash.

The Roadhouse last visited Impact Minerals in October 2014, as it was preparing a maiden drilling program for the Broken Hill Joint Venture nickel-copper-PGE project, in New South Wales, where it had just earned a 51% interest in the rights to nickel-copper-PGE mineralisation from Golden Cross Resources (ASX: GCR).

In March, Impact's interest increased to 87% on the back of the discovery of high-grade copper-nickel-PGM at the Red Hill prospect.

An exciting development at Red Hill has been further assays of drill core confirming the presence of high-grade and potentially economic platinum group metals (PGM), including the rare PGMs osmium, iridium, rhodium and ruthenium, which Impact believes has increased both the mineralised and economic appeal of the prospect.

Drill intercepts from the Upper and Lower Zones at Red Hill upgraded to: (Note 3PGM = platinum-palladium-gold and 7PGM = 3PGM + osmium, iridium, rhodium, ruthenium where assayed)

Upper Zone:

- 9.5 metres at 9 g/t platinum equivalent (4.7 grams per tonne 3PGM, 1.5% copper and 0.8% nickel), including 5.1m at 15 g/t platinum equivalent (11g/t 7PGM, 1.9% copper and 0.9% nickel in RHD001); and
- 5.2m at 12.7 g/t platinum equivalent (7.9g/t 7PGM, 1.1% copper and 1.6% nickel in RHD006).

Lower Zone:

- 9.9m at 9 g/t platinum equivalent (6.7g/t 3PGM, 1.4% copper and 0.3% nickel, including 4.2m at 15 g/t platinum equivalent (11.8g/t 7PGM, 2.6% copper and 0.5% nickel in RHD001); and
- 13.8m at 8.1 g/t platinum equivalent (6.6g/t 7PGM, 1.1% copper and 0.3% nickel in RHD006).

The market reaction to the improved drilling assays clearly demonstrated an appetite for good news from the exploration sector with the company's share price jumping a healthy 60% with approximately 1.3 million shares changing hands over a four day period.

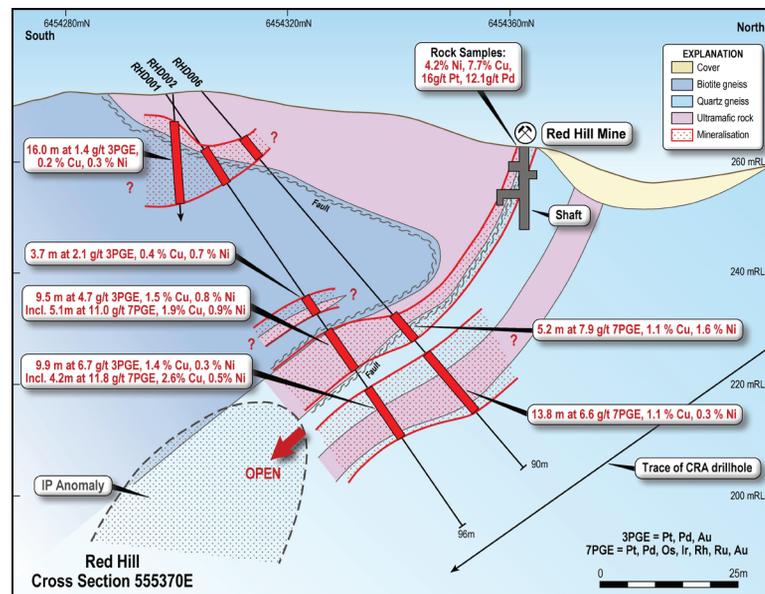
The investment community was obviously impressed with Impact's claim the assays confirmed Red Hill contains some of the highest grades

of PGM ever reported in Australia with the rare PGMs almost doubling the total grade of PGM's within the Broken Hill mineralised zones.

The market reaction was hardly surprising when you consider the approximate current spot metal prices in Australian dollars per ounce for these metals are rhodium: \$1,506 per ounce; iridium \$763 per ounce; osmium \$500 per ounce and ruthenium \$65 per ounce, in addition to platinum \$1,528 per ounce, palladium \$1,015 per ounce and gold at \$1,581 per ounce.

The market attention for the Broken Hill announcement, however, was not the only time Impact has turned investor heads this year.

At our last meeting Impact had just completed a maiden drilling program at its 100%-owned Commonwealth gold, silver and base metals project, located 100 kilometres north of the



major mining centre of Orange, also in NSW.

In February this year, Impact released a JORC 2012 Code-compliant maiden Inferred Resource at Commonwealth of 720,000 tonnes at 4.7 grams per tonne gold equivalent for a contained 110,000 gold equivalent ounces comprising 2.8g/t gold, 48g/t silver, 1.5% zinc, 0.6% lead and 0.1% copper using a 0.5g/t gold cut off.

The resource is open along trend and at depth and Impact is of the opinion further drilling could rapidly increase the size and grade of this deposit.

The resource also contains a lens of high-grade massive sulphide mineralisation at the Main Shaft prospect and Impact has calculated a separate Inferred Mineral Resource for this of 145,000 tonnes at 10g/t gold equivalent for a contained 47,000 gold equivalent ounces comprising 4.3g/t gold, 142g/t silver, 4.8% zinc, 1.7% lead and 0.2% copper to demonstrate the high-grade nature of the type of deposit its exploration program is targeting.

Impact's confidence of discovering new gold-rich massive sulphide lenses stem from results such as 4m at 41g/t gold, 93g/t silver, 5.5% zinc and 2.3% lead at the edge of the current resource which have not been closed off.

Impact was also watching its Mulga Tank project, located on the Minigwal greenstone belt in the eastern part of the Yilgarn Craton in Western Australia, where it had identified priority target areas for nickel-copper and copper-gold deposits.

Impact recently purchased the remaining seven exploration licences in the Mulga Tank project that were in JV with Golden Cross for \$275,000 in cash taking a 100% interest in all 13 licences within the project area.

The company has discovered three styles of nickel sulphide mineralisation at Mulga Tank with drilling encountering high tenor veins at the base of the Mulga Tank dunite: 0.25m at

3.8per cent nickel, 0.7% copper and 0.7g/t PGE and 0.3m at 0.7% nickel.

The drilling also hit high tenor nickel sulphide in multiple komatiites returning results of: 0.75m at 0.85% nickel, 0.35% copper and 0.28 g/t PGE (Pt+Pd+Au); and 6.7 m at 0.5% nickel.

Extensive disseminated nickel was identified in the Mulga Tank Dunite with drill results of: 2m at 1.3% nickel, including 1m at 2% nickel and multiple zones of 0.5m at 0.5% to 1.2% nickel within an intercept of 115m at 0.3% nickel.

"Every dollar we have put into our three projects has been paid back with increasingly better results," Impact Minerals managing director Dr Mike Jones told The Resources Roadhouse.

"It's not often you see that, and so all three of these projects are still well and truly alive – and each one of them demonstrates huge potential."

Jones puts Impact's recent exploration success down to the fact the company is out on the ground and not sitting in the office ruminating over its next move.

"The projects are telling us we are on good ground," he said.

"Telling us we are in the right areas, we just have to buckle down and do the work to prove them up.

"The Board's position has always been to keep pushing ahead, judiciously spending money of course – but we have been determined to continue with our exploration activities."

Impact has a drill program planned soon for Broken Hill focusing on six targets with the aim of extending the known mineralisation.

One of those targets is around the known mineralisation and the other five have been identified around the edge of the host intrusion.

Impact is confident this round of drilling at Broken Hill will determine the extent of the mineralisation of the deposit, and hopefully provide indications of further mineralisation.

At Commonwealth, the company aims to follow-up the high-grade inter-

sections it encountered whilst drilling out the current Resource.

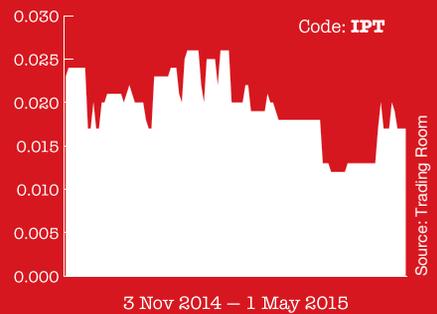
"The purpose of the two programs is to really open up both deposits and to establish whether or not we really are on to something substantial," Jones continued.

"We are really excited about the potential, however the truth – as they say – is always at the end of the drill bit and that is what we are waiting to see.

"We have lots of activities planned for the next six months and if the trends we have established at Broken Hill and Commonwealth continue this could – fingers crossed – be the year we find 'the big one'." 🍀

The Short Story

Impact Minerals Limited (ASX: IPT)



HEAD OFFICE

26 Richardson Street
West Perth WA 6005

Ph: +61 (8) 6454 6666

Fax: +61 (8) 6454 6667

Email: info@impactminerals.com.au

Website: www.impactminerals.com.au

DIRECTORS and MANAGEMENT

Peter Unsworth, Dr Mike Jones, Paul Ingram,
Dr Markus Elsasser, James Cooper-Jones, Leo Horn

MAJOR SHAREHOLDERS

| | |
|-------------------|-----|
| Bunnenberg Family | 31% |
| Directors | 11% |
| Top 20 | 58% |
| Top 50 | 69% |