

ASX ANNOUNCEMENT

Date: 17 April 2015

Number: 398/170415

HIGH GRADES OF RARE BUT POTENTIALLY ECONOMIC PGM ELEMENTS ASSAYED AT IMPACT'S BROKEN HILL PROJECT

Stand out assay of 4.2 m at 11.8 g/t PGM, 2.6% copper and 0.5% nickel

Assay results which have confirmed the presence of high grade and potentially economic rare platinum group metals (PGM) have been announced by Impact Minerals Limited (ASX:IPT) for its 87%-owned Broken Hill Joint Venture Project in NSW.

The results substantially add to both the mineralised and economic appeal of the Red Hill prospect within the JV area, where robust copper and nickel grades have also been discovered by Impact just 20 kilometres east of the world-class Broken Hill silver-lead-zinc mine.

Impact Managing Director, Dr Mike Jones, said the Red Hill assays revealed the presence of the rare platinum group metals (PGM) osmium, iridium, rhodium and ruthenium, factors which have significantly increased the total grade of PGM in the recently discovered zones of high grade copper-nickel-platinum-palladium-gold mineralisation.

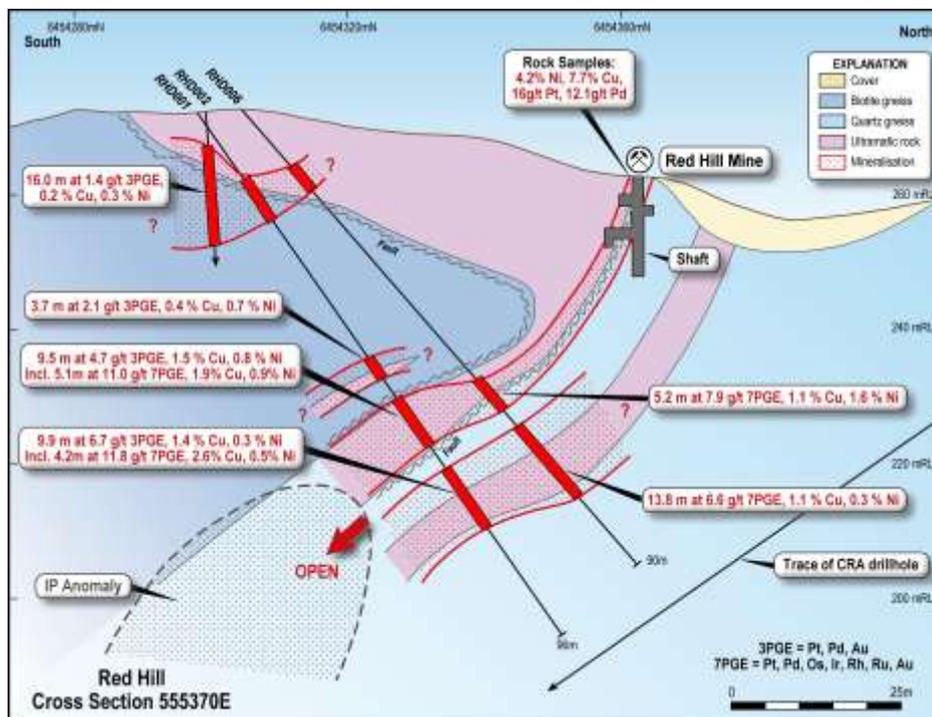


Figure 1. Cross section at the Red Hill Mine (see Figure 3 for location)

Dr Jones said the new assays confirm that Impact's discovery at Red Hill contains some of the highest grades of PGM reported in Australia.

"These newly discovered PGMs have almost doubled the total grade of PGM's within the more nickel-rich Upper Zone of mineralisation that occurs within the 25 to 30 metre thick near-surface layer of Red Hill's copper-nickel-PGM mineralisation (Figure 1)," Dr Jones said.

"Given that the current spot metal prices in Australian dollars per ounce for these metals are rhodium: \$1,506/oz; iridium \$763/oz; osmium \$500/oz and ruthenium \$65/oz, in addition to platinum \$1,528/oz, palladium \$1,015/oz and gold at \$1,581/oz, the rare PGMs at Red Hill may be a significant economic credit to any resource defined at the project."

The drill intercepts from both the Upper and Lower Zones at Red Hill have been upgraded as follows: (Note 3PGM = Platinum-palladium-gold and 7PGM = 3PGM + osmium, iridium, rhodium, ruthenium where assayed (full details in Table 1).

**Upper Zone: 9.5 m at 4.7 g/t 3PGM, 1.5% copper and 0.8% nickel including
5.1 m at 11 g/t 7PGM, 1.9% copper and 0.9% nickel (RHD001) and
5.2 m at 7.9 g/t 7PGM, 1.1% copper and 1.6% nickel (RHD006)**

**Lower Zone: 9.9 m at 6.7 g/t 3PGM, 1.4% copper and 0.3% nickel including
4.2 m at 11.8 g/t 7PGM, 2.6% copper and 0.5% nickel (RHD001) and
13.8 m at 6.6 g/t 7PGM, 1.1% copper and 0.3% nickel (RHD006).**

Osmium and iridium are used in many specialist hard-wearing metal alloys as well as the electronics industry. Rhodium and ruthenium are mostly used together with platinum and palladium, for catalytic converters.

Native gold has also been identified for the first time in the drill core in recently completed petrographic work. This is encouraging for the discovery of further gold at depth where an induced Polarisation (IP) anomaly has been identified (Figure 2).



Figure 2. Native gold in top right corner with pyrite (cream) and chalcocite (grey) in bottom left corner. Gold grain is about 50 microns in dimension. Sample of partly weathered sulphide-quartz vein from 57.6 m down hole in RHD001.

Next Steps

Impact has now identified six targets for further drilling at Red Hill (Targets T1 to T6, Figure 3 and see announcement dated [1st April 2015](#)).

Target T1 contains the newly discovered PGM-copper-nickel mineralisation which is interpreted to dip at a shallow angle to the south, and is close to true width. In addition, the mineralisation may be increasing in width and grade with depth and is in part coincident with an Induced Polarisation (IP) chargeability anomaly identified in a ground geophysical survey (Figures 3 and 4). IP chargeability anomalies may be associated with disseminated sulphides and magnetite.

Follow up drill holes are required at T1 to test the mineralisation along trend and at depth.

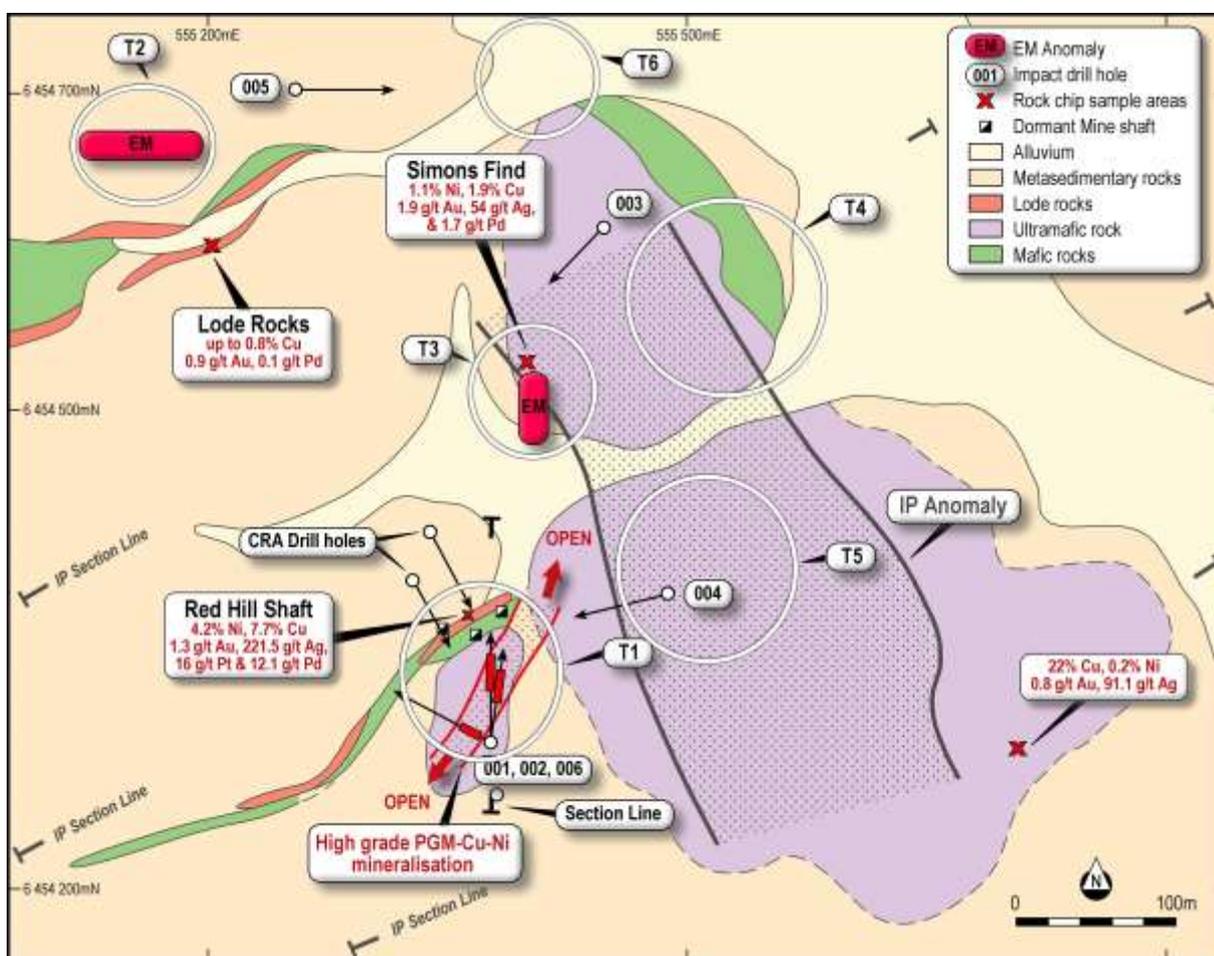


Figure 3. Geology and drill targets at the Red Hill Prospect.

The other five drill targets consist of a ground (T2) and down hole (T3) electromagnetic anomaly, a rock chip geochemical anomaly (T4), an induced polarisation (IP) anomaly (T5) and an airborne magnetic anomaly (T6) [see announcement dated [1st April 2015](#)].

The paperwork for the statutory approvals for a drill programme will be lodged shortly.

About the Broken Hill Joint Venture Project

Exploration Licence E7390 is owned by Golden Cross Resources Limited (GCR) and is the subject of two joint ventures, one between GCR and Impact and one between GCR and Silver City Minerals Limited (ASX:SCI).

Impact has earned 87% of the rights to nickel, platinum and any other metals, occurring in, emanating from, or which are otherwise associated with, mafic or ultramafic complexes. Should Golden Cross dilute to less than a 5% interest in these rights then it has to transfer its interest to Impact for \$1 (one dollar).

Silver City has the rights to base metal, silver and gold mineralisation associated with Broken Hill style mineralisation.

The drill intercepts in RHD001 and RHD006 are the first significant drill intercepts of PGM, nickel and copper within Impact's project area away from the high grade drill intercept of 2 m at 6.1% nickel, 4.5% copper, 10.9 g/t platinum and 23.6 g/t palladium in fresh sulphide discovered some years ago by previous explorers at the Platinum Springs prospect located about 15 km to the north east. There are many strike kilometres of the same ultramafic host rock that contain high grade nickel-copper-PGM rock chip assays similar to those at Platinum Springs and Red Hill and that have never been drilled. These new results at Red Hill confirm Impact's belief that there is potential for a significant discovery near Broken Hill.

Of interest, CRA Exploration completed two diamond drill holes under the Red Hill workings in 1969 with no significant results (Figures 1 and 2). However, these holes were drilled from north to south, and detailed work by Impact has now demonstrated that these holes were drilled parallel to and below the mineralised zone (Figure 2).

Dr Michael G Jones Managing Director

The review of exploration activities and results contained 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.

Table 1. Significant assay drill intercept results and cut off grades

Hole ID	From	To	Interval	Cu	Ni	Pt	Pd	Au	Ag	3PGE	Au	Pd	Pt	Os	Ir	Rh	Ru	7PGE
RHD001	12.9	19.5	6.6	0.12	0.11	1.5	2.3	0.1	1.9	1								
	46.0	78.0	32.0	0.97	0.45	1.5	2.3	0.1	10.6	3.9								
<i>including</i>	46.0	49.7	3.7	0.44	0.65	0.5	1.6	0	3	2.1								
<i>and</i>	53.7	55.6	1.9	2.01	1.19	1.1	3.4	0.2	15.9	4.7								
<i>including</i>	53.7	63.2	9.5	1.53	0.79	2.2	2.4	0.1	13.6	4.7								
<i>also including</i>	57.3	62.4	5.1	1.9	0.88	3.2	2.9	0.2	17.6	6.2	0.2	3.3	3.7	1.1	1.2	0.9	0.5	11
<i>including</i>	67.0	76.9	9.9	1.44	0.3	2.5	3.9	0.3	19.2	6.7								
<i>also including</i>	71.6	75.8	4.2	2.59	0.49	4.9	5.4	0.4	0	10.6	0.34	5.11	4.35	0.58	0.70	0.51	0.27	11.85
RHD002	10.0	26.0	16.0	0.18	0.27				2.2	1.4								
<i>including</i>	16.0	21.5	5.5	0.31	0.37	4.9	5.4	0.4	4.1	2.7								
<i>also including</i>	16.0	19.2	3.2								0.16	2.17	1.25	0.08	0.10	0.09	0.04	3.89
<i>also including</i>	24.3	25.0	0.7	0.12	0.12	4.9	5.4	0.4	3.5	2.5								
	52.0	77.5	25.5	0.84	0.56	0.5	1.6	0	7	4.3								
<i>including</i>	54.2	59.4	5.2	1.14	1.57	4.9	5.4	0.4	7.2	3.45	0.17	3.89	0.78	1.03	1.17	0.93	0.65	7.87
<i>including</i>	63.2	77.0	13.8	1.07	0.34	4.9	5.4	0.4	9.9	6.34	0.37	3.68	1.99	0.14	0.17	0.14	0.07	6.55

Table 2. Drill Hole Summary

Collar ID	Prospect	Drill type	Easting	Northing	Dip	Azimuth	Depth
RHD001	Red Hill Mine	Diamond	555379	6454298	-55	10	94.5
RHD002	Red Hill Mine IP	Diamond	555372	6454303	-75	300	243.5
RHD003	Simons Find	Diamond	555431	6454598	-80	225	220
RHD004	Central IP	Diamond	555517	6454391	-60	255	170
RHD005	Northern EM	Diamond	555250	6454700	-60	90	131.2
RHD006	Red Hill Mine	Diamond	555377	6454301	-50	0	103.1

APPENDIX 1 - SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
<p>Sampling techniques</p>	<p><i>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.</i></p> <hr/> <p><i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used</i></p> <hr/> <p><i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information</i></p>	<p>Rock Chip Samples Random rock samples were taken at surface which represented favourable geology and alteration to known mineralisation in the region. Samples are variably weathered.</p> <p>Soil Samples Soil samples were taken at 50 m intervals from a hole 15-20 deep and sieved to -2mm to collect about 250 g of material.</p> <p>Diamond Drilling Diamond drilling was used to produce drill core either with a diameter of 63.5 mm (HQ) or 47.6 mm (NQ). A handheld XRF instrument was used to analyse the drill core at 50 cm intervals.</p> <hr/> <p>Rock Chip Samples Representative rock chip samples at each sample site weigh between 0.8 and 1.2 kg. Soil samples are taken at a consistent depth below surface and sieved.</p> <p>Soil Samples and Drill Samples Sample representivity was ensured by a combination of Company Procedures regarding quality control (QC) and quality assurance / testing (QA). Examples of QC include (but are not limited to), daily workplace and equipment inspections, as well as drilling and sampling procedures. Examples of QA include (but are not limited to) collection of "field duplicates", the use of certified standards and blank samples approximately every 50 samples.</p> <hr/> <p>Rock Chip and Diamond Drill Samples Rock samples and split diamond core were sent to Intertek Adelaide where they were crushed, dried and pulverised (total prep) to produce a 25-30 g sub-sample for analysis by four acid digest with an ICP/AES finish for ore grade base metal samples and either lead collection or nickel sulphide fire assay with AAS or MS finish for gold and the PGMs. Weathered samples contained gossanous sulphide material. Soil samples were sent to SGS Perth for analysis by the MMI digest. The XRF data is qualitative only. A comparison between the XRF results and wet chemical assay data will be completed on receipt of final results.</p>
<p>Drilling techniques</p>	<p><i>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).</i></p>	<p>Diamond Drilling comprises NQ (47.6 mm diameter) and HQ (63.5 mm diameter) sized core. Impact diamond core is triple tube and is oriented. Historical diamond core was not oriented.</p>
<p>Drill sample recovery</p>	<p><i>Method of recording and assessing core and chip sample recoveries and results assessed</i></p> <hr/> <p><i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i></p>	<p>Diamond core recoveries for all holes are logged and recorded. Recoveries are estimated to be approximately >97% for the Red Hill Prospect. No significant core loss or sample recovery problems are observed in the drill core.</p> <hr/> <p>Diamond core is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the driller.</p>

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	No sample bias has been established.
Logging	<i>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.</i>	Geological logging of samples followed company and industry common practice. Qualitative logging of samples included (but not limited to); lithology, mineralogy, alteration, veining and weathering. Diamond core logging included additional fields such as structure and geotechnical parameters. Magnetic Susceptibility measurements were taken for each 0.5 m diamond core interval. For diamond core, information on structure type, dip, dip direction, texture, shape and fill material has been recorded in the logs. RQD data has been recorded on selected diamond holes. Handheld XRF analysis was completed at 50 cm intervals on diamond core.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	All logging is quantitative, based on visual field estimates. Systematic photography of the diamond core in the wet and dry form was completed.
	<i>The total length and percentage of the relevant intersections logged</i>	All diamond drill holes were logged in full. Detailed diamond core logging, with digital capture was conducted for 100% of the core by Impact's on-site geologist.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	All core samples were sampled by half core. Selected intervals of quarter core will be selected for check assays if required.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	No RC drilling results are reported.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	Company procedures were followed to ensure sub-sampling adequacy and consistency. These included (but were not limited to) daily work place inspections of sampling equipment and practices, as well as sub-sample duplicates ("field duplicates").
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Laboratory QC procedures for rock sample and diamond drill core assays involve the use of internal certified reference material as assay standards, along with blanks, duplicates and replicates.
	<i>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.</i>	Rock and Soil Samples Field duplicates were taken at selected sample sites.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	Diamond Core Samples Quarter core duplicate samples are taken randomly every 50 samples. Sample sizes at Red Hill are considered adequate due to mineralisation style.
Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	An industry standard fire assay technique for samples using lead collection with an Atomic Absorption Spectrometry (AAS) finish was used for gold and aqua regia digest for base metals and silver.

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	No geophysical tools were used to determine material element concentrations. A handheld XRF was used for qualitative analysis only.
	<i>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.</i>	<p>Rock Chip Samples For the rock chips, quality control procedures for assays were followed via internal laboratory protocols. Accuracy and precision are within acceptable limits.</p> <p>Diamond Drill Samples Reference standards and blanks are routinely inserted into every batch of samples at a rate of 1 in every 50 samples.</p>
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	The results have not been verified by independent or alternative companies. This is not required at this stage of exploration.
	<i>The use of twinned holes.</i>	No drilling results are reported.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Primary assay data for rock chips has been entered into standard Excel templates for plotting in Mapinfo. All historical drill data has been entered digitally by previous explorers and verified internally by Impact.
	<i>Discuss any adjustment to assay data.</i>	There are no adjustments to the assay data.
Location of data points	<i>Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Sample locations and drill holes were located by hand held GPS.
	<i>Specification of the grid system used.</i>	The grid system for Broken Hill is MGA_GDA94, Zone 54.
	<i>Quality and adequacy of topographic control.</i>	Standard government topographic maps have been used for topographic validation. For the diamond holes, down-hole single shot surveys were conducted by the drilling contractor. Surveys were conducted at 15 m, 30 m and then approximately every 30 m down-hole.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	Sample spacing for the soil survey was on a 50 m by 50 m grid. Reconnaissance drill spacing is approximately 200 m.
	<i>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.</i>	Estimations of grade and tonnes have not yet been made.
	<i>Whether sample compositing has been applied.</i>	Sample compositing has not been applied.
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	Not relevant to soil and rock chip results. The orientation of mineralisation in RHD001 yet to be determined.

Criteria	JORC Code explanation	Commentary
	<i>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.</i>	Not relevant to soil and rock chip results or early stage exploration drill results.
Sample security	<i>The measures taken to ensure sample security.</i>	Chain of custody is managed by Impact Minerals Ltd. Samples for Broken Hill are delivered by Impact Minerals Ltd by courier who transports them to the laboratory for prep and assay. Whilst in storage, they are kept in a locked yard. Tracking sheets have been set up to track the progress of batches of samples.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	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	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 Broken Hill Project currently comprises 1 exploration licences covering 100 km ² . The tenement is held 100% by Golden Cross Resources Ltd. Impact Minerals Limited is earning 80% of the nickel-copper-PGE rights in the licence from Golden Cross. No aboriginal sites or places have been declared or recorded over the licence area. There are no national parks over the license area.
	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 tenement is in good standing with no known impediments.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	There has been no significant previous work at this prospect.
Geology	Deposit type, geological setting and style of mineralisation.	Nickel-copper-PGE sulphide mineralisation associated with an ultramafic intrusion.
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: <ul style="list-style-type: none"> • 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. 	See Table in text.
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.	All reported assays have been length weighted. No top cuts have been applied. A cut-off of approximately 0.1% Cu, 0.4% Cu and 1.0% Cu has been applied for reporting of exploration results.

Criteria	JORC Code explanation	Commentary
	<p>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.</p>	<p>High grade massive sulphide intervals internal to broader zones of disseminated sulphide mineralisation are reported as included intervals.</p>
	<p>The assumptions used for any reporting of metal equivalent values should be clearly stated.</p>	<p>No metal equivalents have been reported.</p>
<p>Relationship between mineralisation widths and intercept lengths</p>	<p>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').</p>	<p>The orientation of mineralisation in RHD001 is yet to be determined.</p>
<p>Diagrams</p>	<p>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.</p>	<p>Refer to Figures in body of text.</p>
<p>Balanced reporting</p>	<p>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.</p>	<p>All results reported are representative</p>
<p>Other substantive exploration data</p>	<p>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.</p>	<p>Assessment of other substantive exploration data is not yet complete however considered immaterial at this stage.</p>
<p>Further work</p>	<p>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</p>	<p>Follow up work programmes will be subject to interpretation of results which is ongoing.</p>