



Drilling set to make an Impact

History suggests Impact Minerals Ltd will taste some sort of success from the current drilling programme at its Commonwealth gold project in New South Wales.

Impact pulled the trigger on a new campaign at Commonwealth, about 95km north of Orange, early last month after identifying several new drill targets at the project's four main prospects – Commonwealth, Silica Hill, Welcome Jack and Doughnut.

About 10-15 of the 40-odd drill targets will be tested initially and, according to Impact managing director Mike Jones, each one of them has the potential to lead to a major discovery in the Lachlan Fold Belt.

Jones continues to be amazed at the success his company has enjoyed in NSW over the last 12-18 months, particularly the geophysical work at Commonwealth that generated the new drill targets.

"One of the things that's really struck us about this project over the three years we've had it is every time we do something and spend money on it, we seem to get really good results back," Jones told **Paydirt**.

"Every geochem survey and every geophysical survey has done nothing but add new targets and added to the ones that we've already got. That is an extraordinarily unusual situation and indicates to us that, in fact, the four prospects could actually be part of one major system covering many square kilometres.

"If that's correct, then really it's got the hallmarks of a major system and hopefully a major discovery to go with it."

Up to 3,000m of RC and diamond drilling will be completed over the next few months in one of the biggest programmes to be undertaken in that particular catchment of the Lachlan Fold Belt in recent times.

Jones said initial groundwork had indicated the mineralisation at Commonwealth was being driven by a porphyry copper system similar to the one which hosts Newcrest Mining Ltd's Cadia-Ridgeway operations.

"NSW, whilst having a long history of mining and exploration, in many areas it's very poorly explored," Jones said.

"We've found that going to two of the



A new drilling campaign has started at Commonwealth

major mining provinces – Broken Hill and also the Lachlan Fold Belt – we've been really quite amazed how little work has been done. Certainly there's not been the type of rigorous detailed groundwork in some of these areas to actually make a breakthrough.

"It's not like there's still orebodies outcropping on surface, big ones at least, but we need to do all the right work to identify the targets."

Impact closed a \$1 million share purchase plan shortly after punching the first hole in the ground at Commonwealth, all but ensuring the Perth-based explorer will be funded to complete the proposed drilling programme.

Funds spent during the current campaign are likely to see the company meet its \$2.5 million expenditure target as part of its agreement with Squadron Resources Pty Ltd, the private investment arm of Andrew and Nicola Forrest's Minderoo Group, to potentially JV into Commonwealth and Impact's other NSW project at Broken Hill later this year.

Squadron, at its sole discretion, can invest a further \$1 million into either project, or both, to earn a 19.9% interest af-

ter Impact has reached the \$2.5 million expenditure target, most likely in the September quarter when the drill rigs are dispatched to Broken Hill.

Impact intersected some of the highest reported drill assays for PGMs in Australia at Broken Hill during last year's programme, headlined by a standout intercept of 1.2m @ 10.4 g/t platinum, 10.9 g/t gold, 294 g/t palladium, 4.6 g/t rhodium, 7.2 g/t iridium, 5.6 g/t osmium, 3.1 g/t ruthenium, 7.4% nickel, 1.8% copper and 19 g/t silver at the Red Hill prospect.

"We generated some spectacular drill results over the last quarter of 2015 and at the moment we're compiling all that information – we generated a huge amount – with a view to a follow-up drill programme to start in Q3 this year after we've finished at Commonwealth," Jones said.

"Unfortunately, we don't quite have the resources to run two programmes at once, but we're certainly excited about heading back out to Broken Hill and following up on those outstanding results."

Impact's standing in NSW continues to rise, with the company recently named as one of four finalists for the NSW Minerals Council's annual Explorer of the Year award.

With a heavy focus on NSW for at least the next two quarters and a dwindling nickel price, Impact has put its Mulga Tank project in Western Australia on the backburner and started the search for a potential JV partner.

Jones said a major discovery by fellow junior St George Mining Ltd at one of its nearby nickel-gold projects would provide a massive boost for his company, let alone the wider resources industry.

"I've said it before and I keep saying it – what the market needs right now is another Sandfire [Resources NL, De-Grussa] or another Sirius [Resources NL, Nova]," Jones said.

"We hope it's going to be us, but there are actually a lot of people out there doing some great work and I think if we get a nice, big discovery it will put a real rocket under this recovery we're starting to see."

– Michael Washbourne