



Impact Minerals (ASX: IPT)

Conglomerate Gold Search Moves to Queensland

Impact Minerals (ASX: IPT) has flagged a steady flow of news to emanate from the company's portfolio of 100 per cent-owned gold and base metal projects across Australia.

IMPACT MINERALS IS RUNNING AN AGGRESSIVE exploration program encapsulating drilling for the Commonwealth gold-silver-base metal project in New South Wales, the Clermont epithermal gold project in central Queensland and the Mulga Tank gold and nickel project in Western Australia.

Other work will involve initial bulk sampling from the advanced Blackridge conglomerate gold project in Queensland, over which Impact acquired an option to earn a 95 per cent stake from Rock Solid Holdings Pty Ltd.

The project has a history of about 185,000 ounces of previous gold production from small shafts and related underground workings that are close to Impact's Clermont project.

Impact added an adjacent 100 per cent-owned exploration licence taking the total land area to 91 square kilometres to form the Blackridge gold project.

Impact's interest in conglomerate-hosted gold projects is nothing new and the acquisition of the Blackridge project follows a search the company carried out for such projects located outside of the Pilbara region of Western Australia.

In 2017, Impact picked up Pilbara Exploration Licences considered prospective for Witwatersrand-style conglomerate-hosted gold on the back of the Purdy's Reward discovery by Artemis Resources (ASX: ARV), leading to its Joint Venture with Canadian company Novo Resources Corporation.

Earlier this year, Impact was approached by TSXV-listed Pacton Gold Incorporated, which made the company an offer described to

The Resources Roadhouse by managing director Dr Mike Jones as being, "too good to refuse".

Pacton Gold paid Impact CAD\$350,000 cash and 2.125 million shares in Pacton (a value at the time of \$1.7 million) for 100 per cent of the Pilbara gold project.

Pacton will pay CAD\$500,000 cash for discovery of an Inferred Resource greater than 250,000 ounces of gold and Impact retains a two per cent Net Smelter Return.

While some industry watchers may have been surprised by Impact's recent exchanges, the company remains confident of the potential for the discovery of another major conglomerate-hosted gold deposit in Australia.

"The magnitude of the discovery made by Novo Resources Corporation and Artemis Resources in the Pilbara is still poorly understood by most," Jones lamented.

"The Black Ridge project now gives us some 25 kilometres of strike and about 37 square kilometres of basal conglomerate in Permian-aged rocks.

"There has been previous work done on the project, including drilling, but we feel very strongly—as Novo has shown in the Pilbara, and the reason that we got into the project—that evidence exists of a phenomenon called 'the nugget effect'," Jones said.

"Because the gold is locked up in very coarse nuggets with not much gold in between them, you must get your sample density right, to get an accurate estimate of how much gold is in there.

"This is the struggle that Novo is having.

"We are going to piggy back off the work they have done in the past 12 months, because they have already



made significant breakthroughs in how to sample these deposits.

“Given the advanced nature of our new Blackridge gold project, it is only appropriate that we focus our conglomerate-gold exploration activities there whilst still retaining significant upside in the Pilbara in the form of a valuable shareholding in Pacton, a potential Discovery Bonus and a royalty.”

Blackridge is just one part of the company’s exploration push this year.

A strategic review of its projects identified eleven of the most prospective targets for gold and other metals across its portfolio for drill testing.

The Commonwealth and Clermont projects will be first to undergo treatment, while Mulga Tank and Blackridge will receive attention around September to October.

At Commonwealth, Impact has all statutory approvals in place to commence follow up drilling at the Silica Hill prospect where gold and very high-grade silver intercepts were returned from previously.

Recent drilling at Silica Hill intersected two zones of strong silica-sulphide alteration with anomalous gold and silver values over a combined thickness of more than 200m down hole including a high-grade gold and silver vein within an upper zone indicating significant potential for more veins nearby to the south.

The upper zone in Hole CMIPT72 returned:

- » 46 metres at 0.04 grams per tonne gold and 5g/t silver from 200m downhole, including 0.4m at 2.5g/t gold and 327g/t silver from 257.2m.

The lower zone returned:

- » 67m at 0.3g/t gold and 1g/t silver from 402m downhole.

“Silica Hill is a significant discovery we have had over the past few years at Commonwealth where there is an existing Resource” Jones said.

“Silica is a form of quartz and the project is called Silica Hill because this

is a very large lump of resistive quartz and sulphide—it is one of the largest alteration systems I have seen, and we encountered some very high-grade veins close to surface and we are going to be drilling, at depth, below those.”

There is currently a modest Inferred Resource of good grade near surface in place at Commonwealth of 720,000 tonnes at 2.8g/t gold, 48g/t silver, 1.5 per cent zinc and 0.6 per cent lead.

Impact is keen to get in and demonstrate there are more tonnes to add to Silica Hill.

Another aspect to Silica Hill is that it hosts several unusual red minerals collectively called ruby silver and it is the only deposit in Australia that has it, certainly at the sort of quantities demonstrated to date.

Ruby silver is an extremely unusual mineral that is found in many epithermal systems around the world—ones that have some bonanza grades.

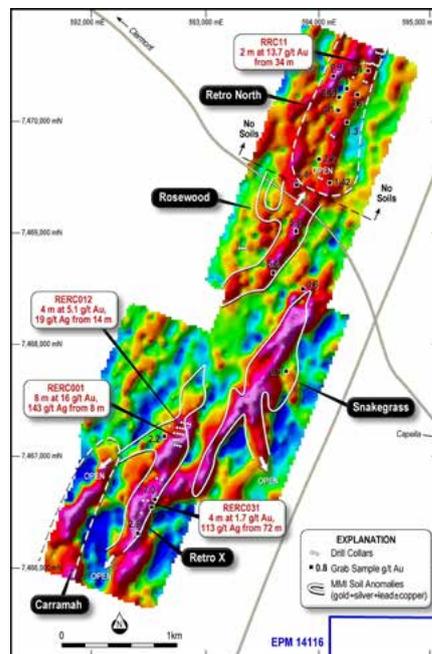
“We have intersected hints of some really good gold where the ruby silver is present, such as one metre at 21 grams per tonne, but we are also getting very high-grades of silver of 680 to 1000 grams per tonne,” Jones said.

“They were our discovery holes, but in the latest drilling we encountered around the 4000 to 6000 grams per tonne mark.

“Admittedly, these were over narrow veins, but it is indicating this system is producing bonanza results in places.”

Impact’s exploration interest at the Clermont project in the prolific epithermal gold-silver belt of the Drummond Basin was reinvigorated following a strategic review of the project.

An IP survey identified targets for drill testing after completion of the Commonwealth drilling over two key prospects, Retro and Retro-Extended, at the northern end of the Retro Fault System, a 10 km trend of gold-silver and base metal mineralisation.



“We have actually had this project for 12 years,” Jones explained.

“We have hung on to it through thick and thin, and we are finally in a position where we have the cash on hand to give it the attention we have always considered it deserved.

“The recent IP work we completed on Retro is a very good method of identifying quartz veins.

“What we thought was a discontinuous set of veins turns out to be quite a major zone of multiple veins spread out over six kilometres.

“There are multiple drill intercepts recorded that all need to be followed up and we have a major drill program ready to commence. Its going to be an exciting six months!”

The Short Story

IMPACT MINERALS (ASX: IPT)

HEAD OFFICE

26 Richardson Street
West Perth WA 6005

Phone: +61 (8) 6454 6666

Email: info@impactminerals.com.au
Web: www.impactminerals.com.au

DIRECTORS

Peter Unsworth, Dr Mike Jones, Paul Ingram,
Markus Elsasser, Eamon Hannon