



ASX ANNOUNCEMENT

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IMPACT SELLS NON-CORE ASSETS IN BOTSWANA FOR US\$800,000

Impact Minerals Limited (ASX: IPT) is pleased to announce that it has entered into a Sale and Purchase Agreement with Sechaba Natural Resources Pty Ltd (Sechaba) and Shumba Coal Ltd (Shumba) for the sale of four non-core Prospecting Licences in the northern part of the Company's Botswana Uranium Project (Figure 1).

The four licences: PL118/2008, PL120/2008, PL121/2008 and PL097/2010 will be transferred to Sechaba for a total of US\$800,000, consisting of US\$250,000 cash and Consideration Shares equal to US\$550,000 in Shumba - a company listed on the Botswana Stock Exchange.

Impact's Managing Director, Dr Mike Jones said, "The sale of these four non-core assets is an excellent outcome for Impact and is part of our exploration strategy to focus on the discovery of high-grade uranium deposits hosted by Proterozoic sedimentary and basement rocks similar to those in the Athabasca Basin in Canada and the Pine Creek Geosyncline in Australia. The Athabasca region for example produces about 20% of the World's uranium."

Proceeds from the sale will further strengthen the Company's working capital position, and will be put towards the progression of exploration activities at the Red Hills Prospect.

ABOUT THE AGREEMENT

The sale is subject to successful renewal of the Prospecting Rights and Ministerial approval, with the purchase price due and payable in the following tranches:

1. US\$50,000 cash (non-refundable) payable upon execution of the Sale and Purchase Agreement (completed).
2. US\$50,000 cash payable upon the renewal of the Prospecting Rights (expected within 4 months);
3. US\$150,000 cash and \$550,000 in shares in Shumba Coal payable upon the Minister of Mines approving the transfer of the Prospecting Rights (expected within 6 months).

The above conditions are to be fulfilled on or before 30 June 2014, or by such later date as the Parties may agree in writing on or before this date.

Dr Michael G Jones
Managing Director

ABOUT THE BOTSWANA URANIUM PROJECT (IMPACT 100%)

The Botswana Uranium Project comprises an extensive area of about 22,000 sq km of Prospecting Licenses and applications that cover 250 km of the strike extensions of rocks that host many significant uranium deposits throughout southern Africa, including the adjacent uranium deposits owned by A-Cap Resources Ltd at the Lethlakane Project near Francistown, northeast Botswana.

A-Cap Resources has reported a combined Indicated and Inferred Resource of 351 Mlb of uranium oxide at an average grade of 152 ppm at a cut off grade of 100 ppm in deposits hosted by both near-surface calcrete and by Karoo Supergroup sedimentary rocks. A feasibility study on the Letlhakane Project is in progress.

Work by Impact has shown that the Botswana Uranium Project is prospective for four types of uranium deposits:

- Uranium hosted by calcrete and sand in Cainozoic palaeochannels, a style of mineralisation well known in Australia (such as Yeelirrie, >50,000 tonnes U₃O₈) and Namibia (such as Langer Heinrich, >50,000 tonnes U₃O₈);
- Deposits of uranium hosted by Proterozoic sedimentary and basement rocks with geological characteristics similar to those at and around the unconformity and basement-hosted uranium deposits in Proterozoic rocks in the Athabasca Basin (Canada) and the Pine Creek Geosyncline (Australia).

The known deposits of this style are high grade and make attractive exploration targets. The uranium mines of the Athabasca region collectively produce about 20% of the World's uranium. The uranium deposits mined historically, or currently being mined, range in size up to 450 Mlbs U₃O₈ at an average grade of up to 19% eU₃O₈, as at the Cigar Lake Mine.

In addition, drill results at the Red Hills Prospect clearly demonstrate that the alteration minerals and anomalous metal values (for uranium, copper, silver, lead and zinc) are extensive and define the outer part of a halo that is typical of those associated with World Class uranium deposits such as Olympic Dam.

- Deposits hosted by Karoo sedimentary rocks, which host a number of large uranium deposits throughout southern Africa, including at Letlhakane;
- Bulk-tonnage deposits of uranium hosted in leucocratic granite rocks ("alaskite") similar to the Rossing Mine in Namibia.

Impact made four modest uranium discoveries on its Botswana Uranium Project during its 2010 drill programme at Lekobolo, Morolane and Mosolotsane in Karoo rocks and at Moiyabana in Proterozoic basement rocks.

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 December 2004 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.

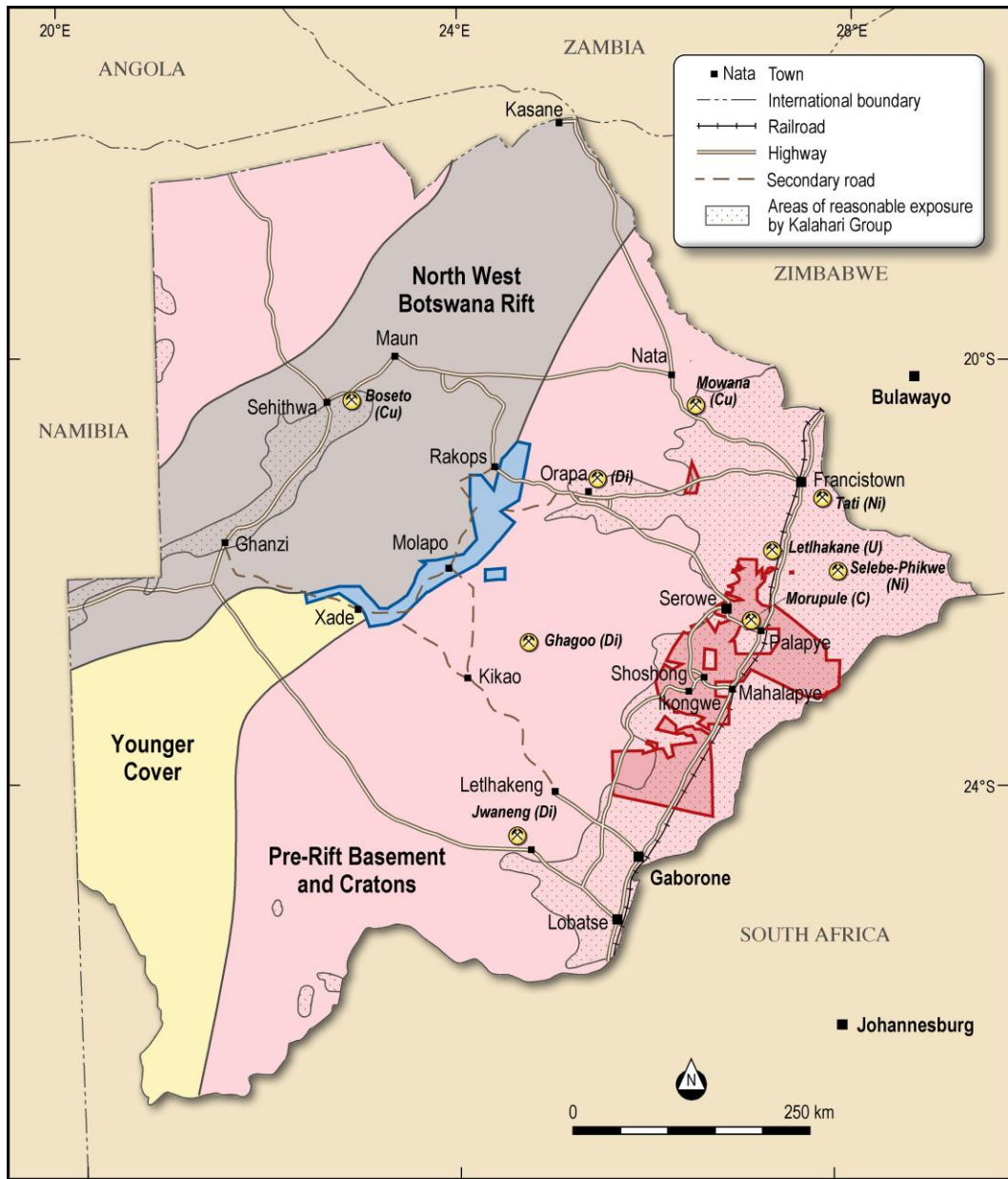


Figure 1. Location of Xade Cu-Ni-PGE Project and Botswana Uranium Project

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