

## ASX ANNOUNCEMENT

Date: 20 February 2020

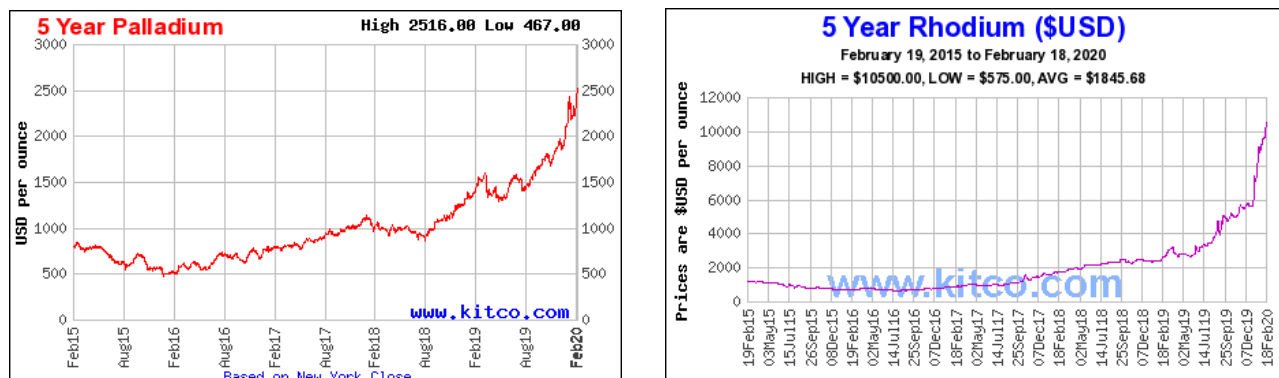
Number: 656/20022020

### IMPACT RAISES \$2.1 MILLION AS RECORD PALLADIUM PRICES ELEVATE BROKEN HILL PROJECT FOR DRILLING

- **\$2.1 million raised via placement to bring Impact's total cash balance to \$3.2 million after costs.**
- **Funds to be used for further exploration work and drilling at two key "high commodity price" projects in New South Wales.**
- **Includes the Broken Hill palladium-platinum group metal (PGM) project where exceptional grades of palladium, rhodium and other PGMs discovered by Impact require follow-up drilling at a time of record PGM prices.**
- **At the Commonwealth project north of Orange along trend from Alkane Resources Limited's Boda discovery, follow-up ground exploration programmes will commence on receipt of rock chip assays due shortly.**
- **The Company's presentation at the current RIU Explorer's conference in Fremantle is also attached and which highlights both these projects.**

Perth-based explorer, Impact Minerals Limited (ASX:IPT) (**Impact** or **Company**) is pleased to announce that it has received firm commitments to raise \$2,100,505 (before costs) via a placement of 233,389,497 ordinary shares (**Shares**) to sophisticated and professional investors at \$0.009 cents per share (**Placement**).

Funds raised from the Placement will be used to fund new drilling at Broken Hill targeting high grade palladium and other platinum group metals at Red Hill, and other prospects, **at a time of record prices for palladium and rhodium** (Figure 1). In addition, follow-up copper-gold focused work at Commonwealth, near Orange and along trend from the Boda discovery, including soil geochemistry surveys and ground geophysics, is also now fully funded and will commence as soon as practicable.



**Figure 1.** Five-year price charts for palladium and rhodium.

The new Shares will be issued under the Company's available placement capacity as follows:

- 101,221,518 Shares pursuant to Listing Rule 7.1
- 132,167,979 Shares pursuant to Listing Rule 7.1A

The Placement is being made at a 10% discount to the closing price of 1 cent per share on Friday 14<sup>th</sup> February. An Appendix 3B for the Shares will be lodged under separate cover. The Shares will be issued on receipt of cleared funds.

Xcel Capital Pty Ltd was Lead Manager for the Placement.

**Impact Minerals Managing Director, Dr Mike Jones:**

“With palladium at a record price of more than US\$2,500 per ounce, and rhodium prices literally exploding above US\$10,000 an ounce in the past week (Figure 1), Impact is pleased to now have the funds to aggressively return to exploration at our unique Broken Hill project. Our previous drilling there has delivered exceptional grades of all six platinum group metals (palladium, platinum, rhodium, ruthenium, osmium and iridium) not to mention gold, nickel and copper as well. We are looking forward to getting the drill bit turning at Red Hill as soon as possible where we returned drill grades of 1.2 metres at 254 g/t palladium and 4.6 g/t rhodium - exceptional PGM grades on a world scale. The Company is also about to commence re-assays of key drill intercepts, for rhodium, which is not routinely assayed for”.

“With this new funding, Impact is also now in a position to push forward with follow-up work on our exciting Commonwealth project targets along trend and close to the recent Boda discovery in the copper-gold rich Lachlan Fold Belt, currently one of the hottest exploration footprints in Australia. We will have boots on the ground there shortly to complete soil geochemistry surveys and subsequently ground geophysical surveys to define targets for drilling later in the year.

“The capital raising was very well supported and included continuing strong support from our major German shareholder. We thank all shareholders for their support”.

**About the Broken Hill Project**

The new 2020 campaign will build on previous work by Impact and others in the Broken Hill area which discovered some of the highest grades of all six Platinum Group Metals (PGM: platinum, palladium, rhodium, osmium, ruthenium, iridium) in Australia, together with exceptional nickel-copper grades along a 40 km long belt southeast of Broken Hill (Figure 2). Three key prospects for follow-up work including drilling, have been identified.

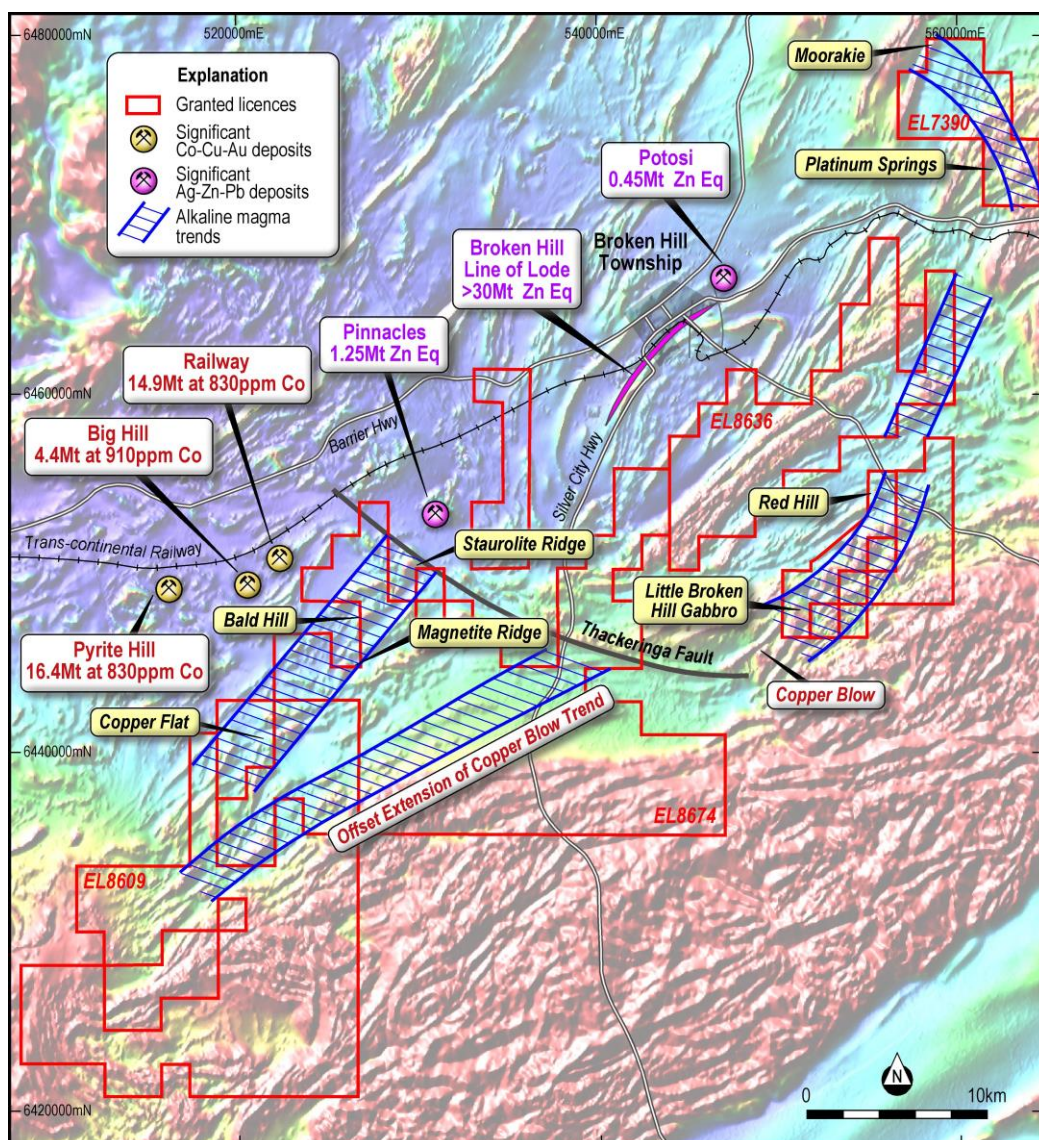
At Red Hill, exceptional grades were returned from drilling by Impact including a stand-out intercept of: **1.2 metres at 254 g/t (9.5 ounces) palladium, 10.4 g/t platinum, 10.9 g/t gold, 7.4% nickel, 1.8% copper, 19 g/t silver, 0.5% cobalt, 4.6 g/t rhodium, 7.2 g/t iridium, 5.6 g/t osmium and 3.1 g/t ruthenium** (ASX Announcement 26<sup>th</sup> October 2015).

A total of 12 out of 13 of Impact's drill holes at Red Hill returned robust widths and grades of similar mineralisation within 70 metres of surface. The mineralisation is open along trend and at depth and follow-up drilling to test for extensions to this remarkable mineralisation is being planned.

At Platinum Springs, drilling by Impact returned a very high grade intercept of magmatic massive sulphide mineralisation that returned:

**0.6 metres at 11.5 g/t platinum, 25.6 g/t palladium, 1.4 g/t gold, 7.6% copper, 7.4% nickel and 44.3 g/t silver, 1.3 g/t rhodium, 1.7 g/t iridium, 2.0 g/t osmium and 0.8 g/t ruthenium**  
(ASX Announcements 3<sup>rd</sup> February 2016 and 31<sup>st</sup> March 2016).

Platinum Springs lies at the southern end of the Moorkai Trend and is the only prospect to have been explored in detail. Exceptional high-grade rock chip samples have been returned from numerous prospects between the Platinum Springs and Moorkai Prospects, a distance of about 9 km along the Moorkai Trend. There has been limited follow-up exploration (Figure 3).

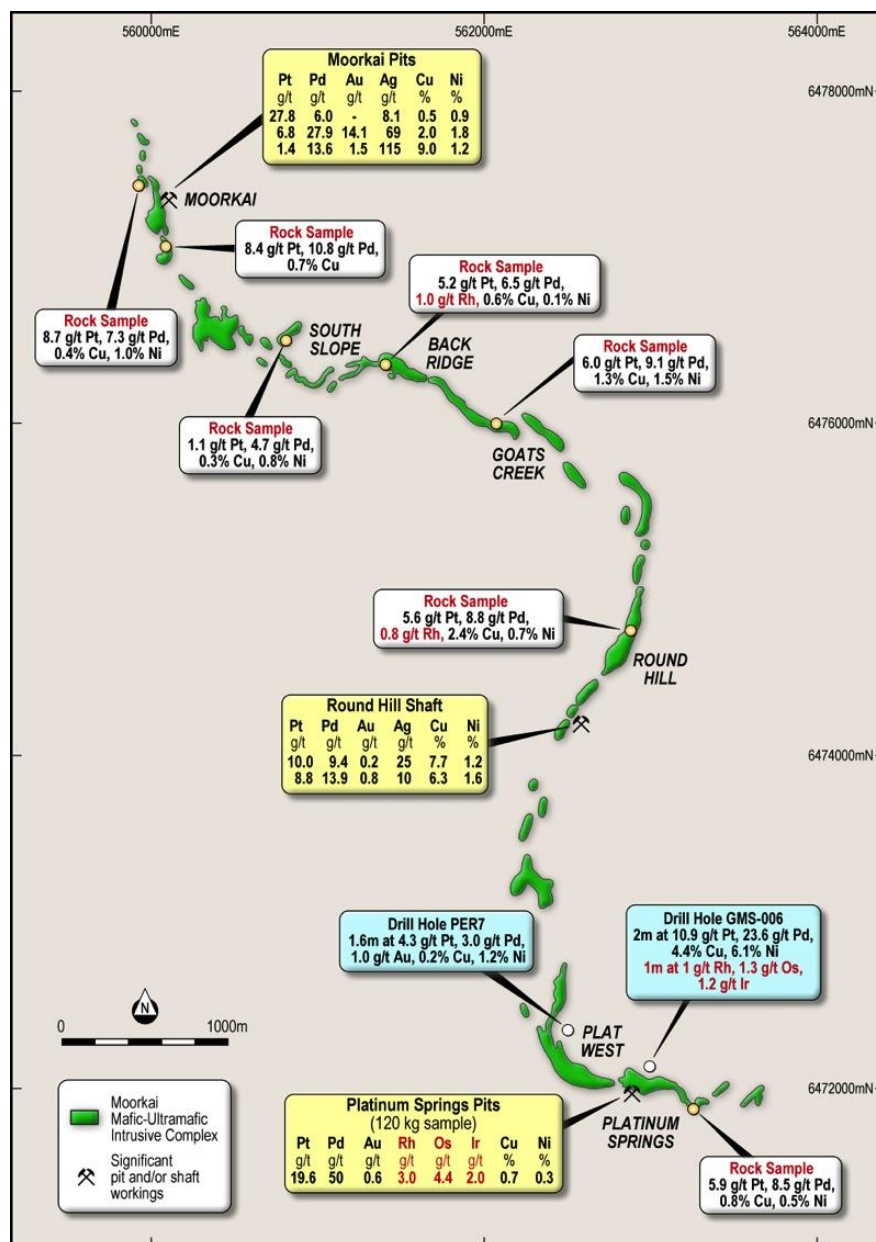


**Figure 2.** Location of magmatic trends prospective for nickel-copper-PGE in the Broken Hill area.



At Little Broken Hill, a mafic-ultramafic intrusive complex extends over 7 very poorly explored kilometres and yet contains numerous soil geochemistry, RAB drill hole, VTEM and rock chip anomalies that are priority areas for follow-up work (ASX Announcement 13<sup>th</sup> December 2018). Field checking of these areas will commence shortly.

In addition, other belts of mafic-ultramafic rocks with anomalous PGM's have also been recognised for the first time by Impact Minerals - and these too, are very under explored (Figure 3).

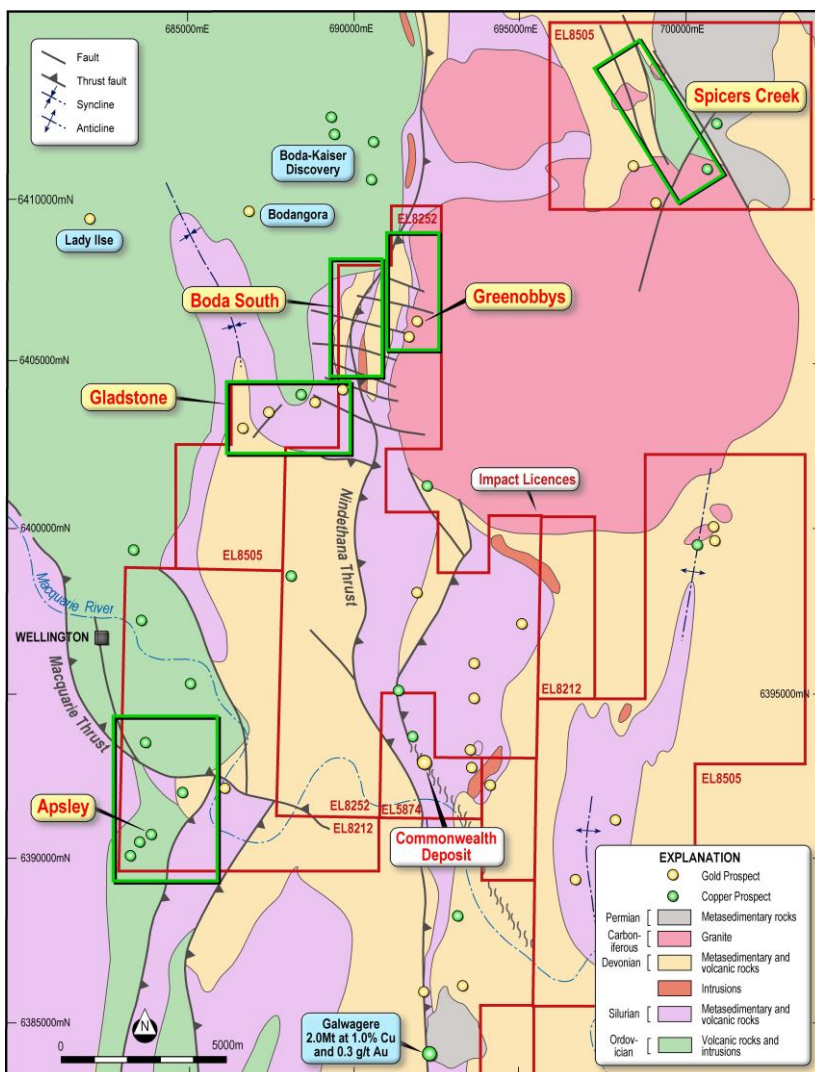


**Figure 3.** Rock chip samples and previous drill results from the Moorkai Intrusive Complex.

## About the Commonwealth Project

At Impact's **Commonwealth Project**, assays are awaited from rock chip samples taken as follow-up to reconnaissance work on four key targets for porphyry copper-gold mineralisation along trend from and close to the Boda-Kaiser porphyry copper-gold discovery and where follow-up drilling is in progress (ASX Announcement 14<sup>th</sup> January 2020).

The four targets are Boda South, Apsley, Spicers Creek and Greenobbys. In addition, one new target area, Gladstone, has been identified along trend to the south of significant prospects recently identified by Magmatic Resources Limited (Figure 4).



**Figure 4.** Geology of the Commonwealth Project showing key targets for follow up and location of the Boda-Kaiser discovery and key targets of Magmatic Resources Limited.

All five of Impact's prospects have characteristics suggesting they are parts of large porphyry or other intrusive-related copper-gold systems including:

1. Significant copper and/or gold with associated pathfinder metals in recent rock chip assays, with further assays awaited.

2. Alteration minerals that suggest they lie within the outer (propylitic) to middle-inner (potassic) ones of such intrusive-related systems, the prospective centres of which may lie only within a few hundred metres of the areas sampled, either at depth or along trend; and
3. A spatial association with unexplained magnetic anomalies and which, like Boda, could be a direct indication of significant copper-gold mineralisation.

Follow up exploration programmes comprising soil geochemistry and ground geophysics to define drill targets will be prioritised on receipt of the rock chip assays.

### **COMPLIANCE STATEMENT**

This announcement contains no new Exploration Results.

For further information please contact:

**Dr Mike Jones**

Managing Director

### **COMPETENT PERSON STATEMENT**

*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.*

# impact.

MINERALS



**Exploring for Big Discoveries in  
World Class Terranes**

RIU Explorers Conference  
February 18<sup>th</sup> 2020



# DISCLAIMER

## What You Should Know

**Find out more** – This presentation is being used as a presenter's aid with summarised information. See Impact's other periodic and continuous disclosure announcements lodged with the Australian Securities Exchange, which are available at [www.asx.com.au](http://www.asx.com.au) or [www.impactminerals.com.au](http://www.impactminerals.com.au), for more information.

**Third party information** – Impact does not make any representations as to the accuracy or otherwise of third party information, including where projections are given.

**Forward-looking statements** – Within this presentation there may be certain forward-looking statements, opinions and estimates. These are based on assumptions and contingencies which are subject to change without notice and are not guarantees of future performance. Impact assumes no obligation to update such information.

**Taking action** – Please undertake your own evaluation of the information in this presentation and contact your professional advisers if you wish to buy or sell Impact shares.

## Competent Person Statement and JORC Compliance

**Exploration Results:** *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.*



# 2020 Vision: Focus on Greenfields Exploration in Two Major Belts

## 1. Broken Hill, New South Wales (IPT 100%)

- Home to the giant **Broken Hill** silver-lead-zinc deposit (>300 Mt)
- Large strategic ground holding of **725 sq km**: in discussions to merge base metal rights with other land holders to find major joint venture partner.
- Highest platinum group metal (PGM) grades in Australia discovered by Impact:
- Potential for **major nickel-copper-PGM** mining camp over a 40 km belt to which Impact retains the rights.

## 2. Commonwealth, NSW (IPT: 100%):

- Large strategic ground holding of **902 sq km** close to recent **Boda** discovery and large copper-gold deposits of the Lachlan Fold Belt.
- Potential for giant copper-gold deposits like Cadia (>40 Moz Au, >10 Mt Cu) and VMS deposits like Woodlawn and Eskay Creek (4 million oz Au, 180 million oz Ag)
- Numerous targets and follow up drilling required including at the Commonwealth resource

# Introducing Impact Minerals (ASX:IPT)

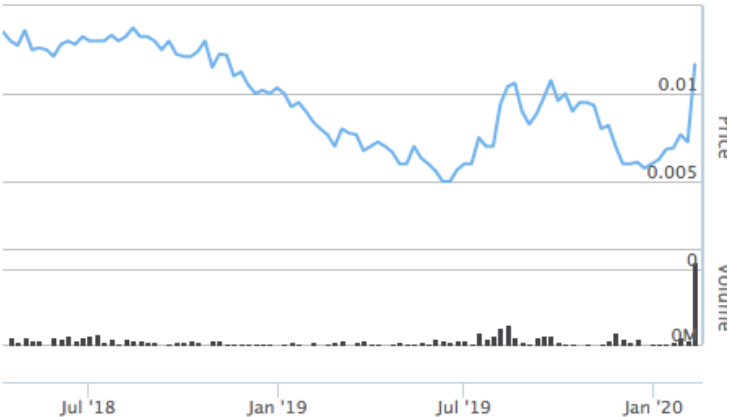
## Capital Structure

Listed on ASX	November 2006
Shares on Issue	1,321 million
Options/Warrants	500m listed 4c 15/06/20 IPTOA 176M unlisted Executive
Share Price	1.0 c
Market Cap	\$13 million
Cash	\$3.3 million

## Shareholders

Bunnenberg Family	15%
Squadron Resources	15%
ABC Beteiligungen	14%
Directors	3.5%
Top 20	61%
Top 50	69%
No of Shareholders	2,100

18  
month  
share  
price.



ASX Junior Companies have suffered for  
18 months: a turn around is happening  
driven by **Gold**.  
Significant re-ratings are coming.



# What are Platinum Group Metals (PGM)?



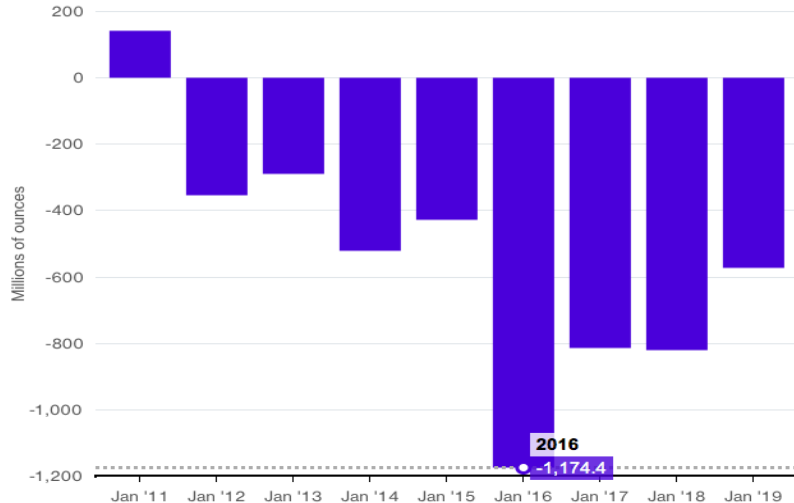
- Suite of 6 precious metals that occur together in nature Pt, Pd, Rh, Ir, Os, Ru + **Au**
- High \$ value per ounce
- Primarily used for: auto catalytic converters, hard-wearing metal alloys, electronics, jewellery
- Demand is increasing despite the "EV Revolution"
- Palladium is in a supply deficit of 1 million oz in 2019



# Record Palladium Prices: 7 years of deficit

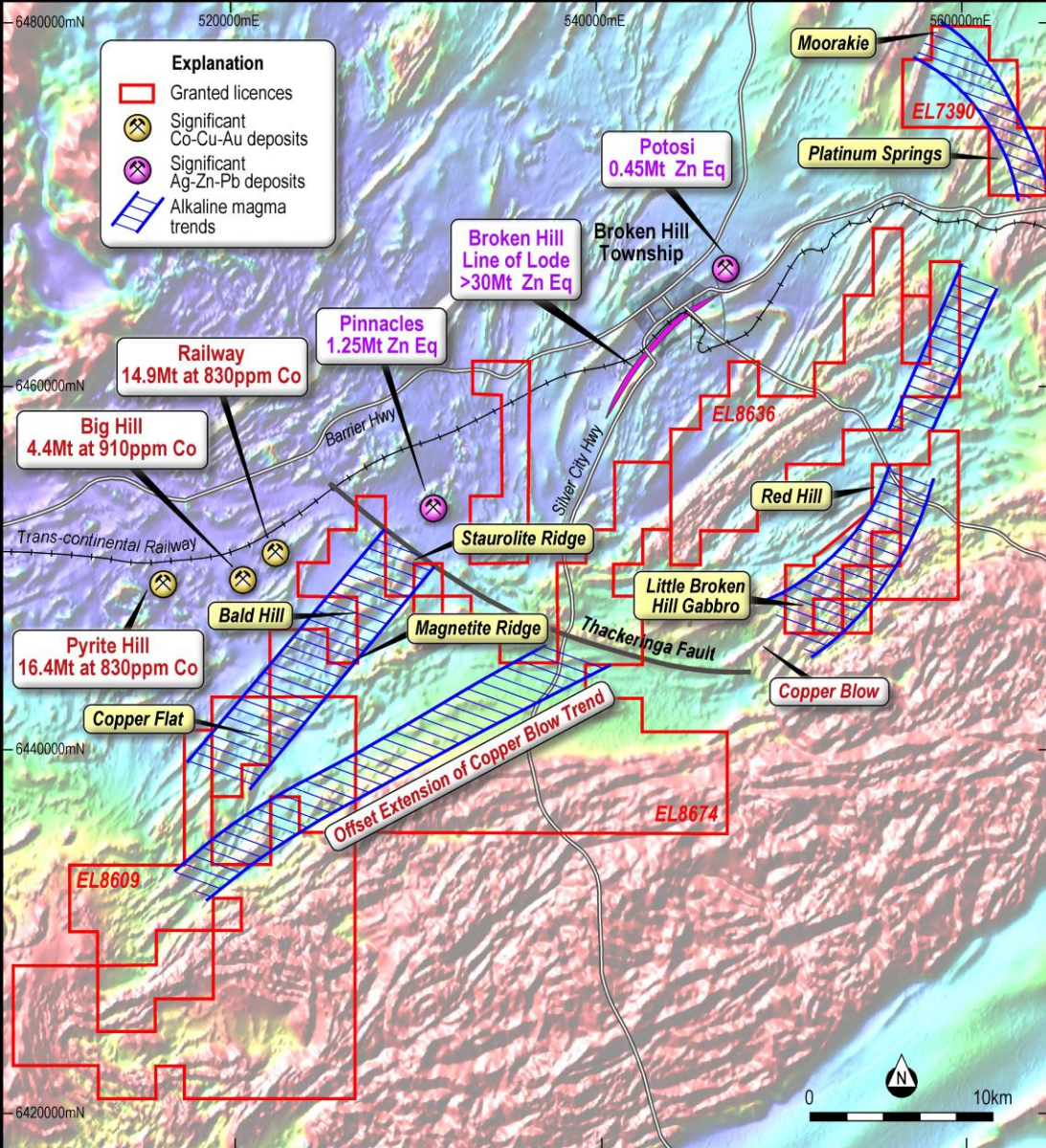
5 Year Palladium

High 2033.00 Low 467.00



Source: Metals Focus

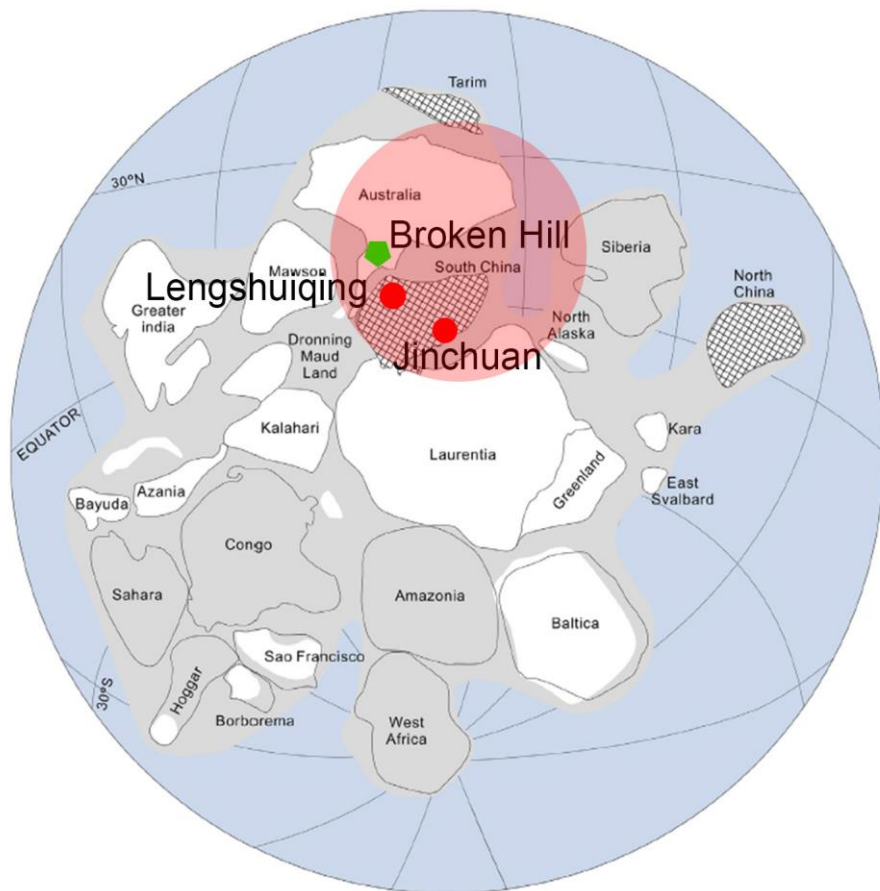
- 85% used in exhaust systems
- Increased demand in hybrid vehicles (where are the electric vehicles?!)
- Mined mostly in South Africa and Russia
- Supply not increasing to meet demand as it is a by product of platinum mining which has struggled
- Rhodium at US\$7,000/oz



## Overview

1. Major land position of 725 sq km in one of Australia's most prolific mining belts
2. Highest drill hole PGM grades in Australia
3. Multiple targets for nickel-copper-PGM deposits
4. Potential for million ounce PGM discovery
5. Significant zinc-lead-silver potential

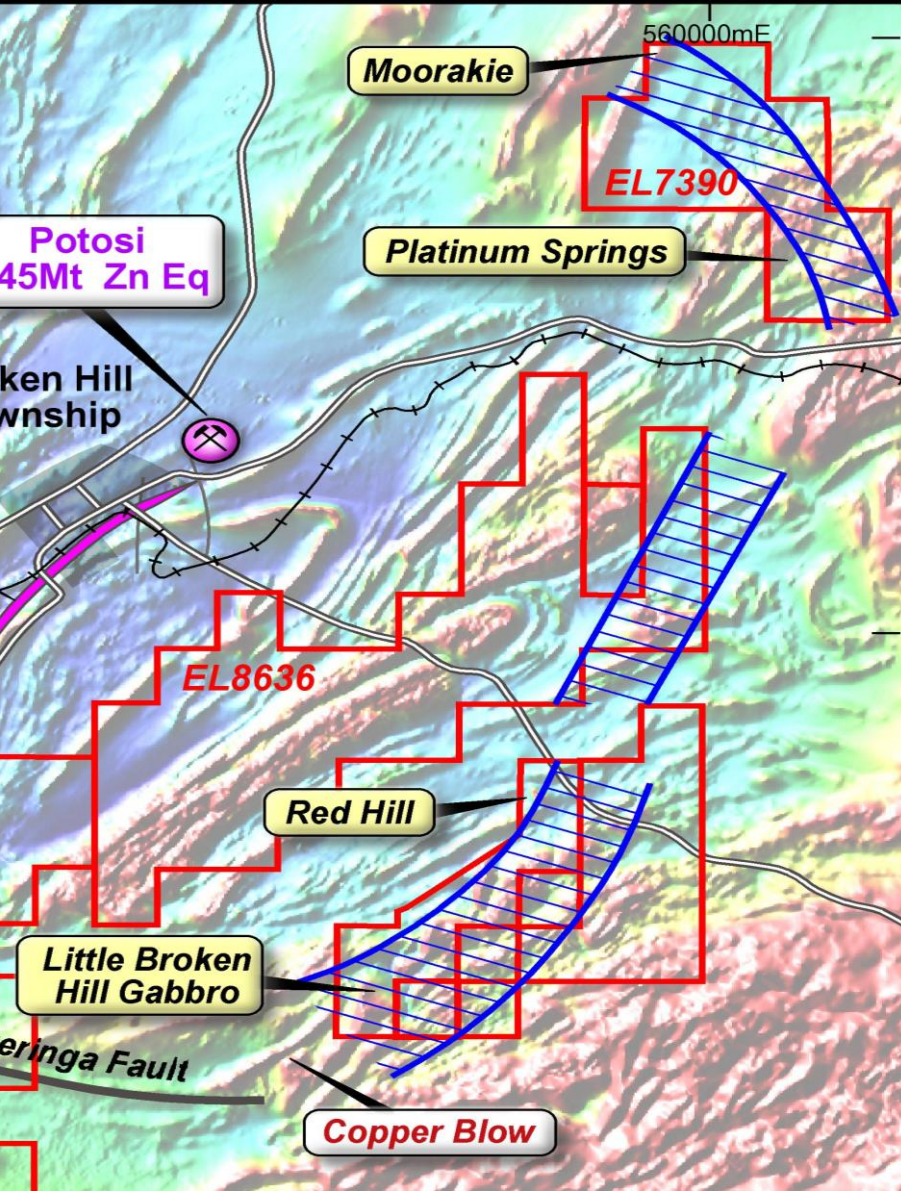
# A new geodynamic setting for Broken Hill at c.800Ma



- Nickel-copper-PGE bearing intrusions related to the break up of the supercontinent Rodinia c. 800 million years ago.
- Position of the proposed mantle plume head (red circle) responsible for the breakup of Rodinia showing the location of Broken Hill in relation to the Jinchuan and Lengshuiqing Ni-Cu-Co-PGM deposits.
- Broken Hill has the setting to host major Ni-Cu-PGM deposits

**Jinchuan: >500Mt at 1.2% Ni 0.7% Cu 0.4 g/t PGM**





## Four Priority Prospects

- High grade palladium and platinum
- Widespread rare high grade platinum group metals: Os, Ir, Ru, Rh

### 4 priority prospects

- **Red Hill:** Impact discovery of high grade PGE-Cu-Ni including all 6 PGM's
- **Platinum Springs:** high grade magmatic nickel-copper-PGE sulphide
- **Moorkai:** High grade rock chip samples over 9 km trend
- **Rockwell-Little Broken Hill Trend**



# High Grade Indeed! – RHD012



*1.2 metres at*

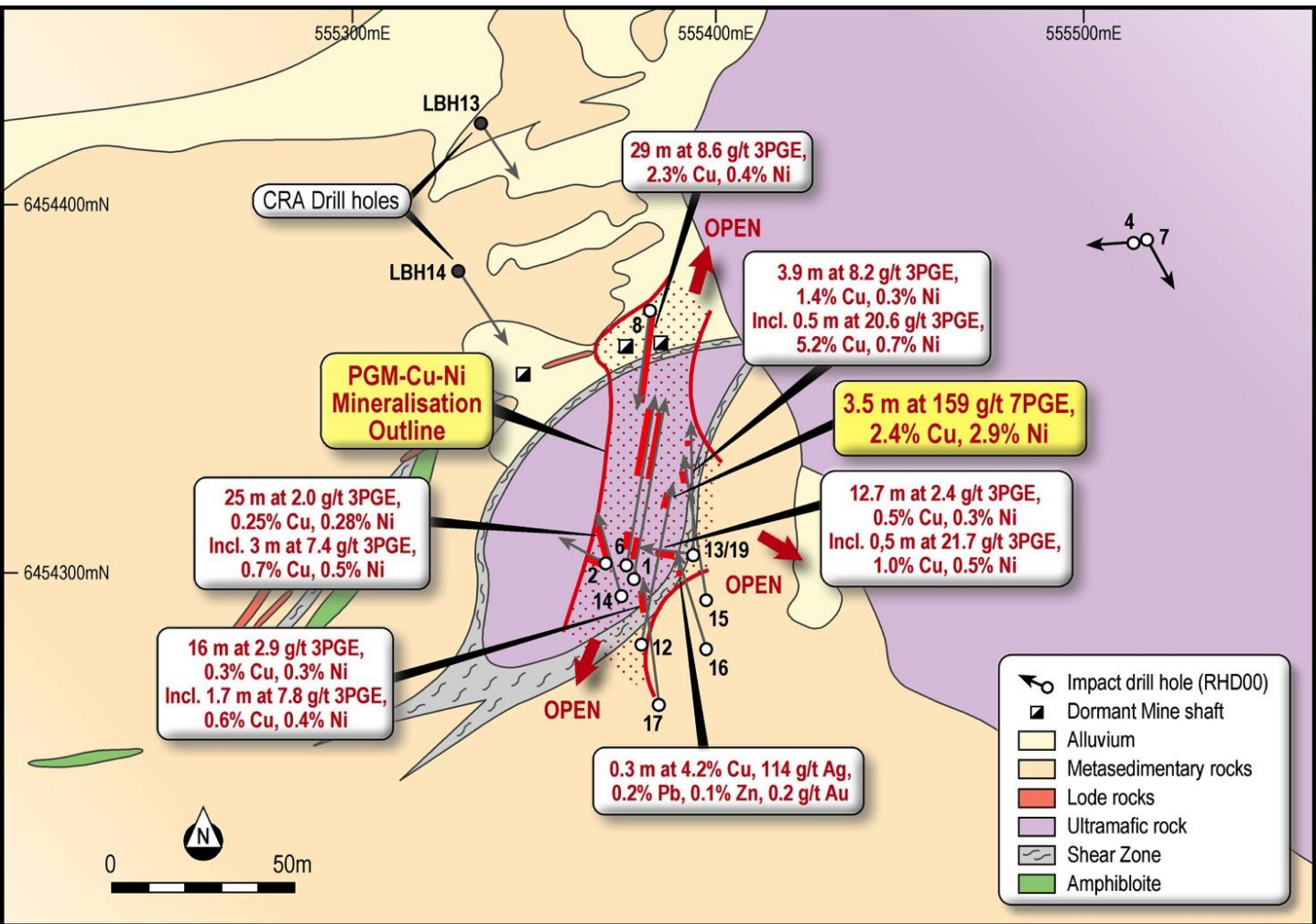
**4.6 g/t rhodium, 7.2 g/t iridium, 5.6 g/t osmium and 3.1 g/t ruthenium  
10.4 g/t platinum, 10.9 g/t gold, 294 g/t (9.5 ounces) palladium  
(335.8 g/t (10.8 ounces) 6PGE+gold)  
7.4% nickel, 1.8% copper and 19 g/t silver**

*Within a thicker intercept of 3.5 metres at*

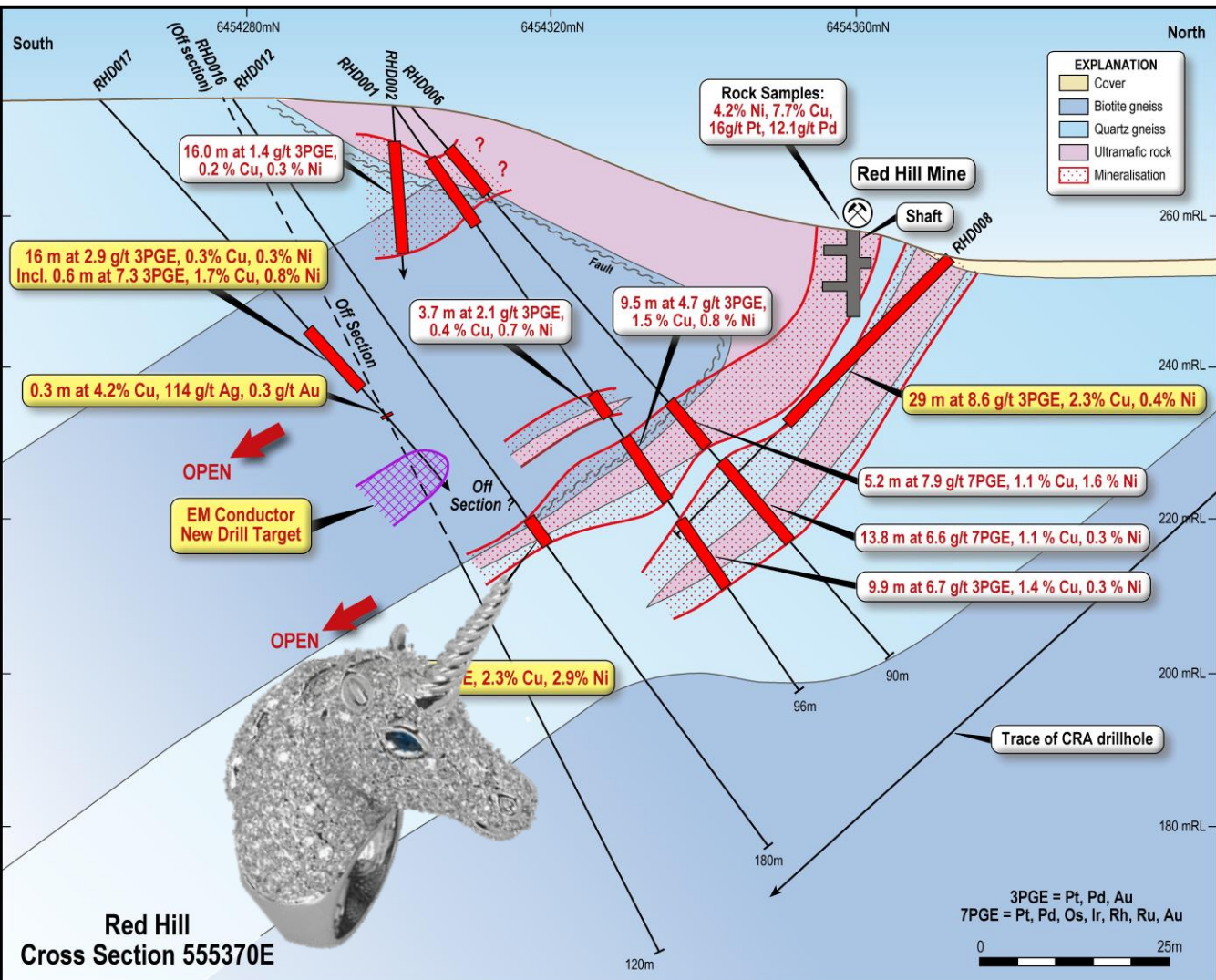
**1.7 g/t rhodium, 2.6 g/t iridium, 2.0 g/t osmium and 1.1 g/t ruthenium  
5 g/t platinum, 6 g/t gold, 144 g/t (4.6 ounces) palladium  
(159 g/t (5.3 ounces) 6PGE+gold)  
2.9% nickel, 2.3% copper and 14.5 g/t silver**

# Red Hill Prospect: 12/13 drill holes returned mineralisation

Open down dip  
and down plunge  
to the north



# Red Hill Cross Section

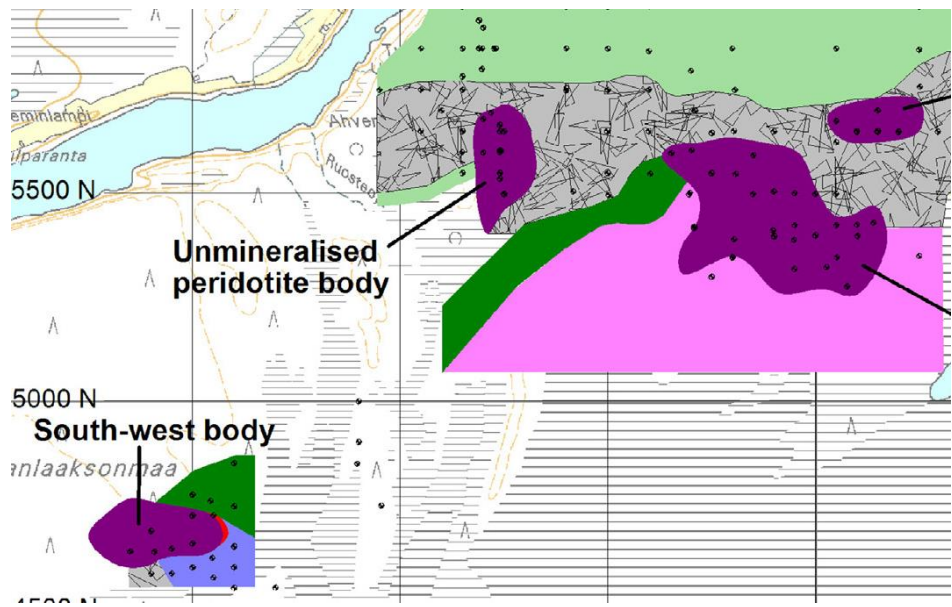


All within 60 metres of surface

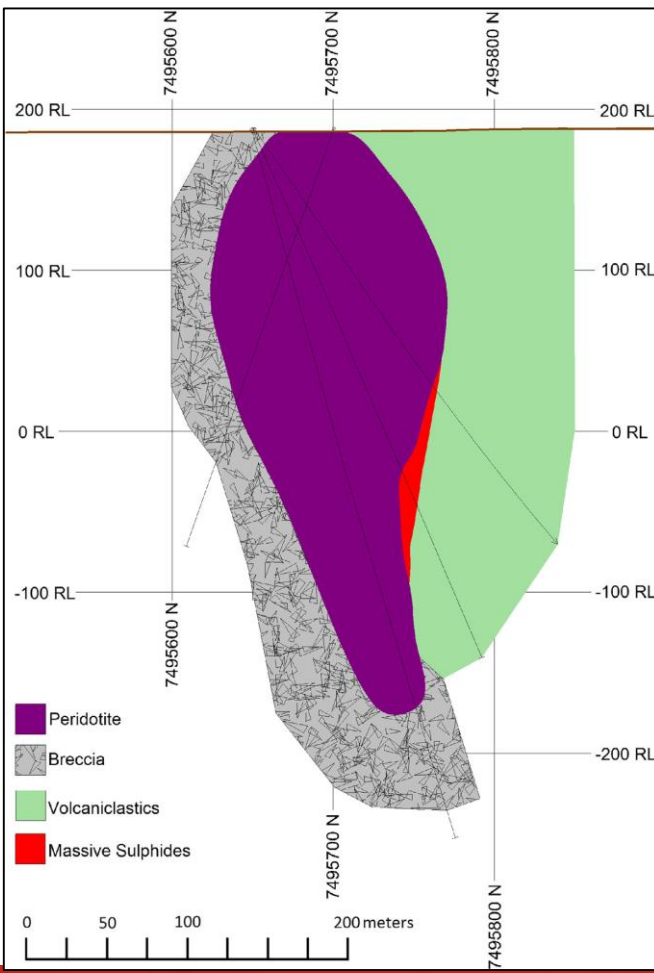
# Red Hill: What are we looking for?

## Sakatti Ni-Cu-PGM Deposit, Finland

44.4 Mt at 1.9% Cu, 1% Ni, 0.7 g/t Pt, 0.5 g/t Pd and 0.3 g/t Au.



**Conventional EM failed to detect the massive sulphide**

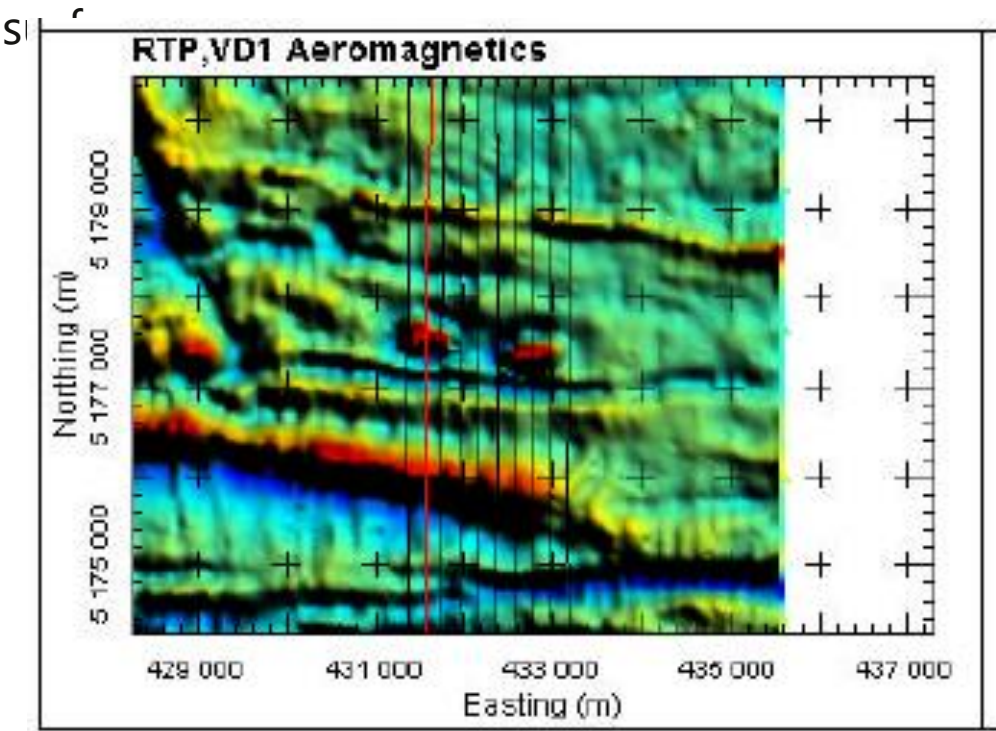




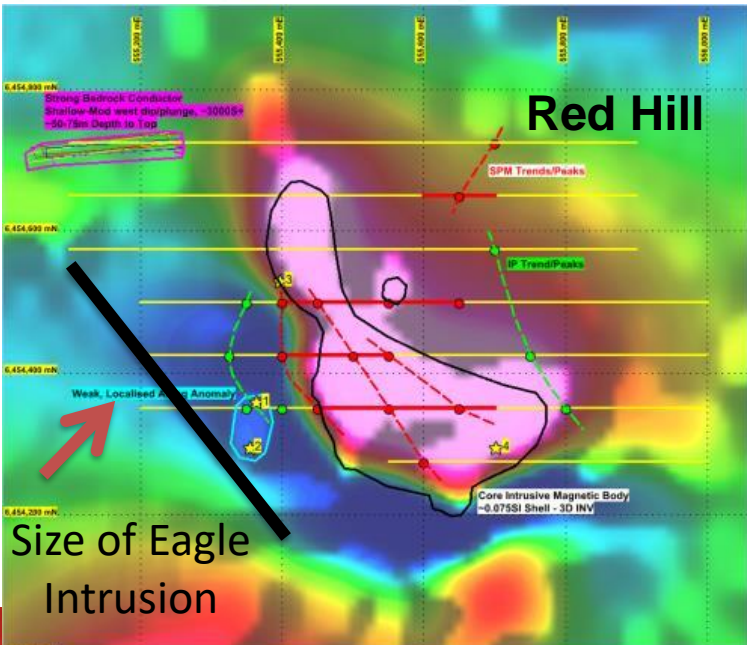
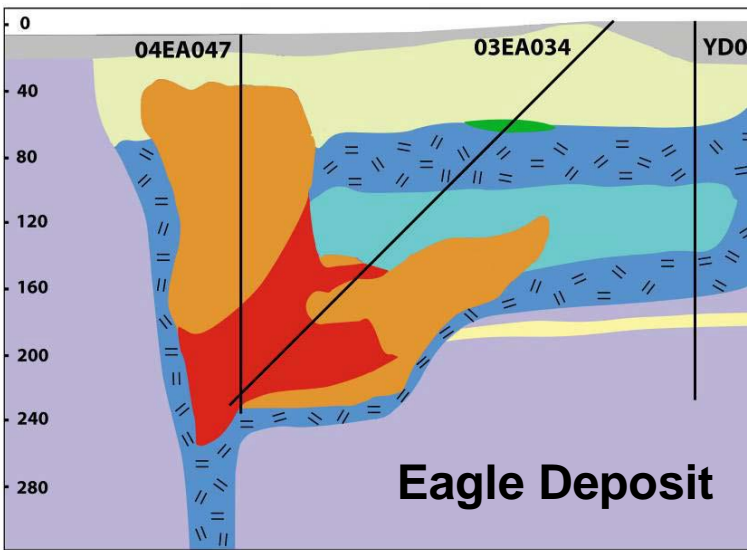
# Red Hill: What are we looking for?

## Eagle Deposit; Duluth Complex USA

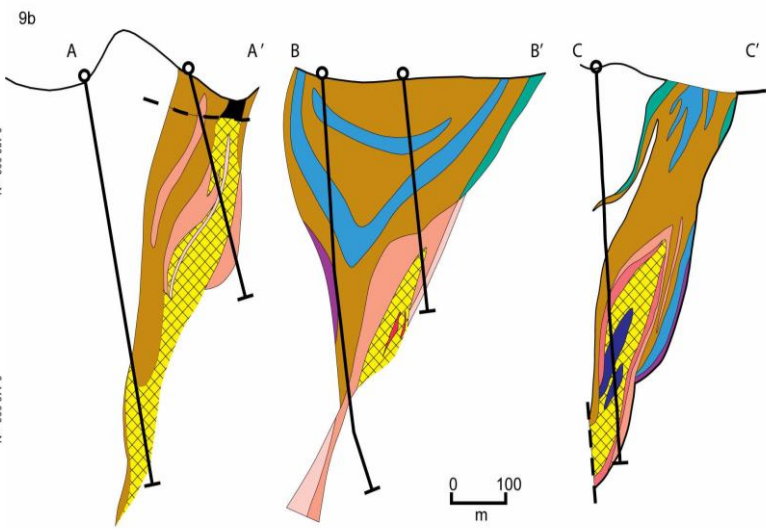
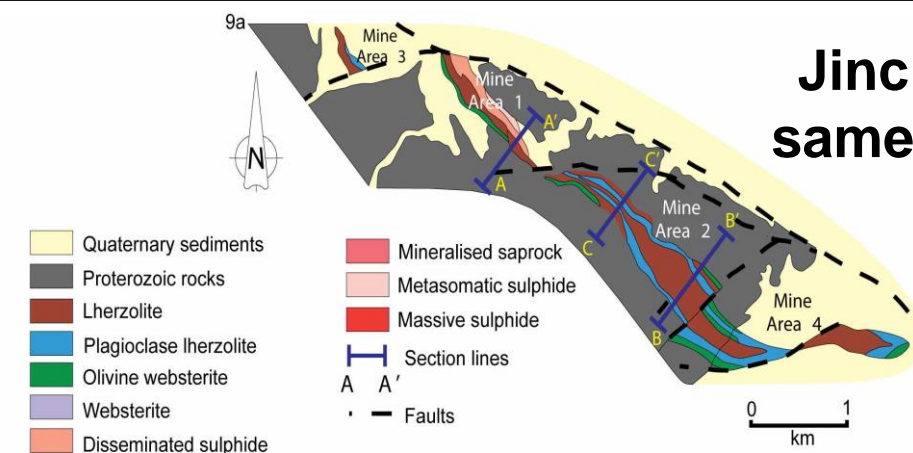
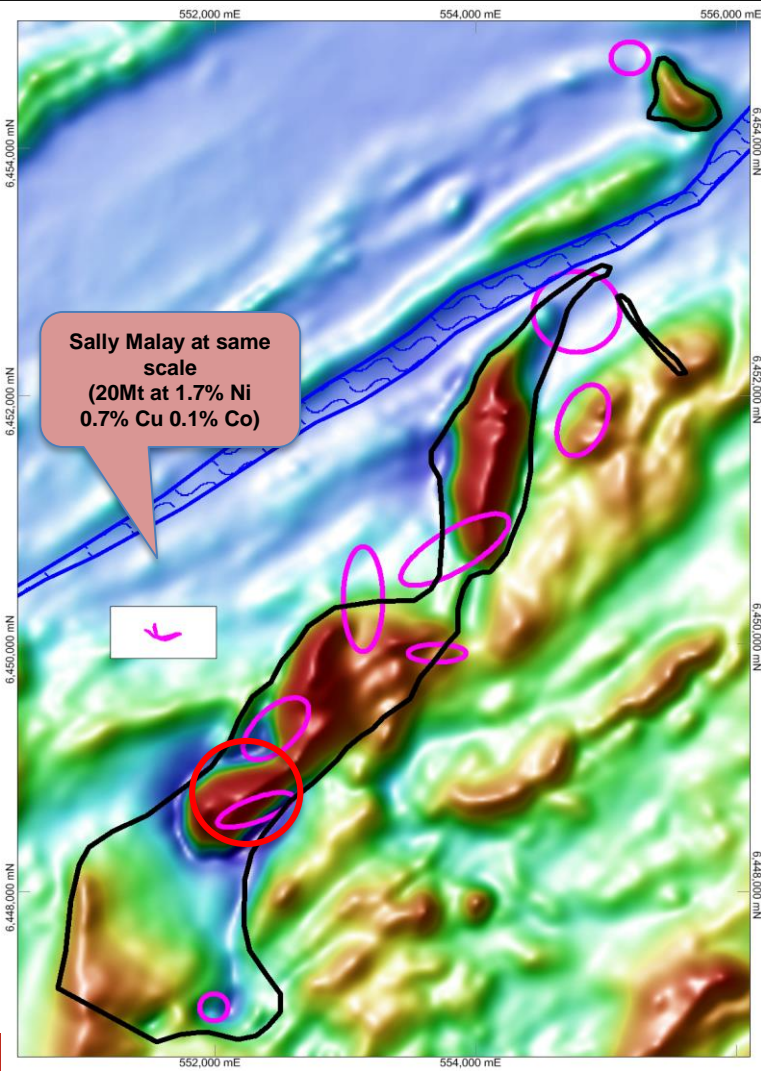
5Mt at 3.7% Ni and 3% Cu down to 250 m below



Conventional EM failed to detect the massive sulphide

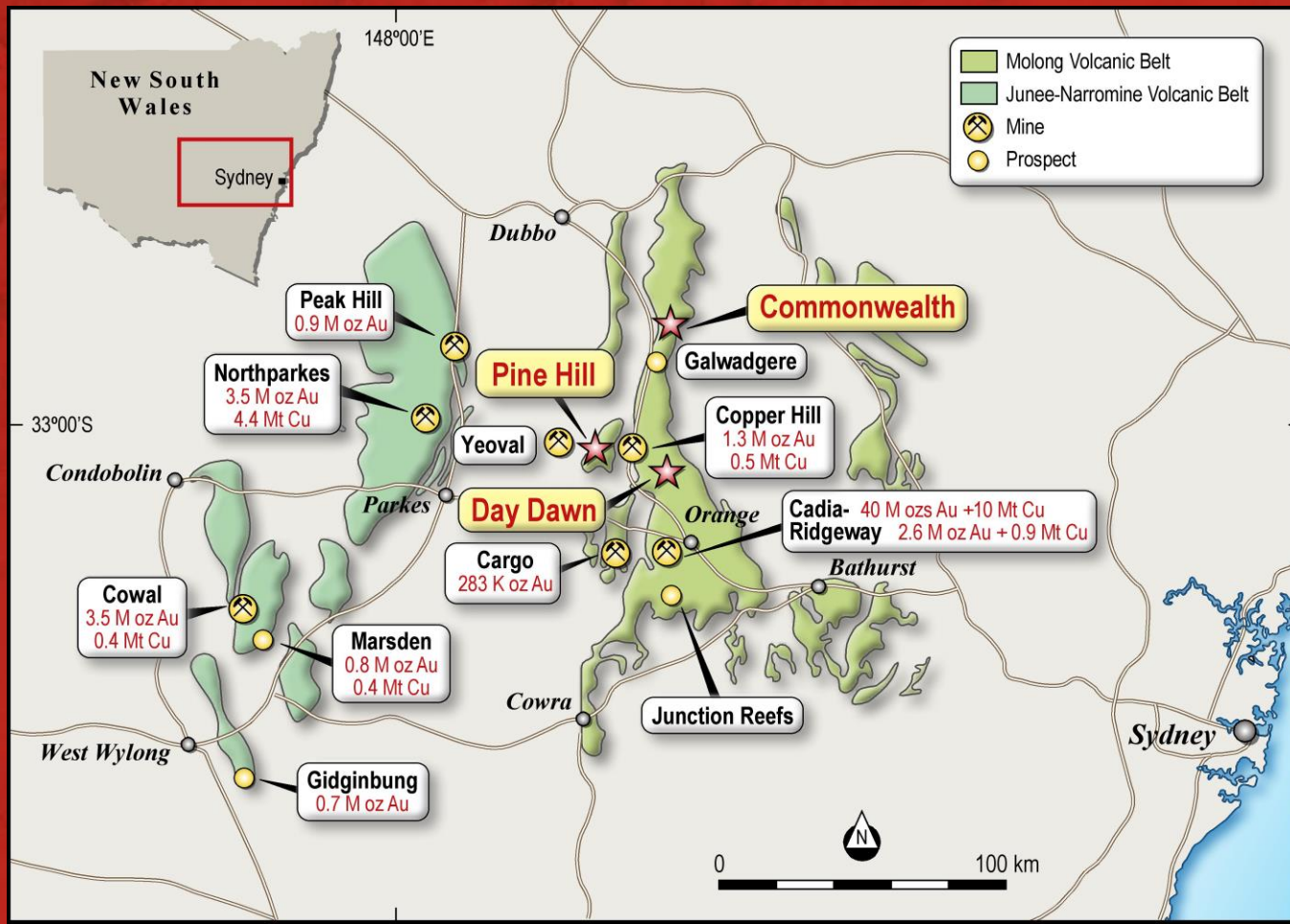


# Little Broken Hill-Rockwell : 7 km long intrusion - 2 drill holes

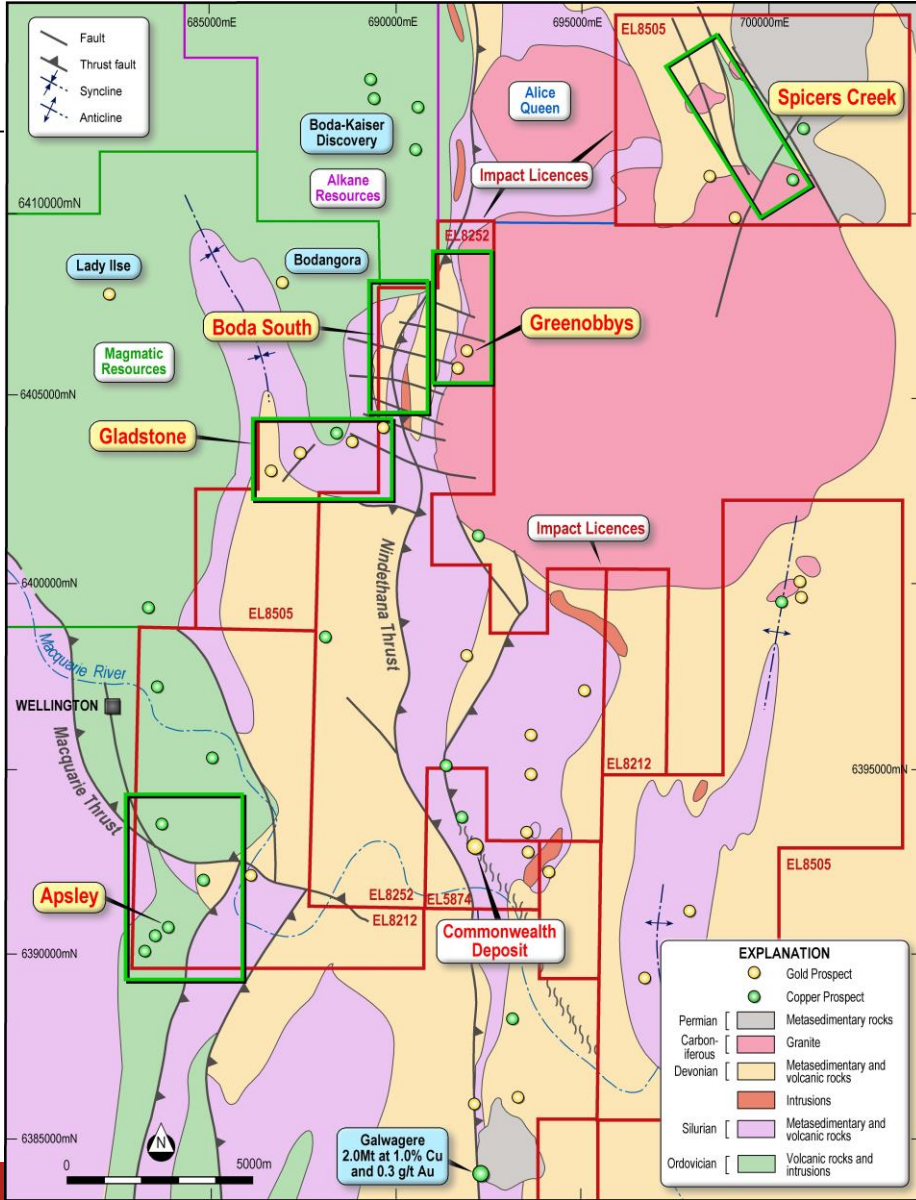
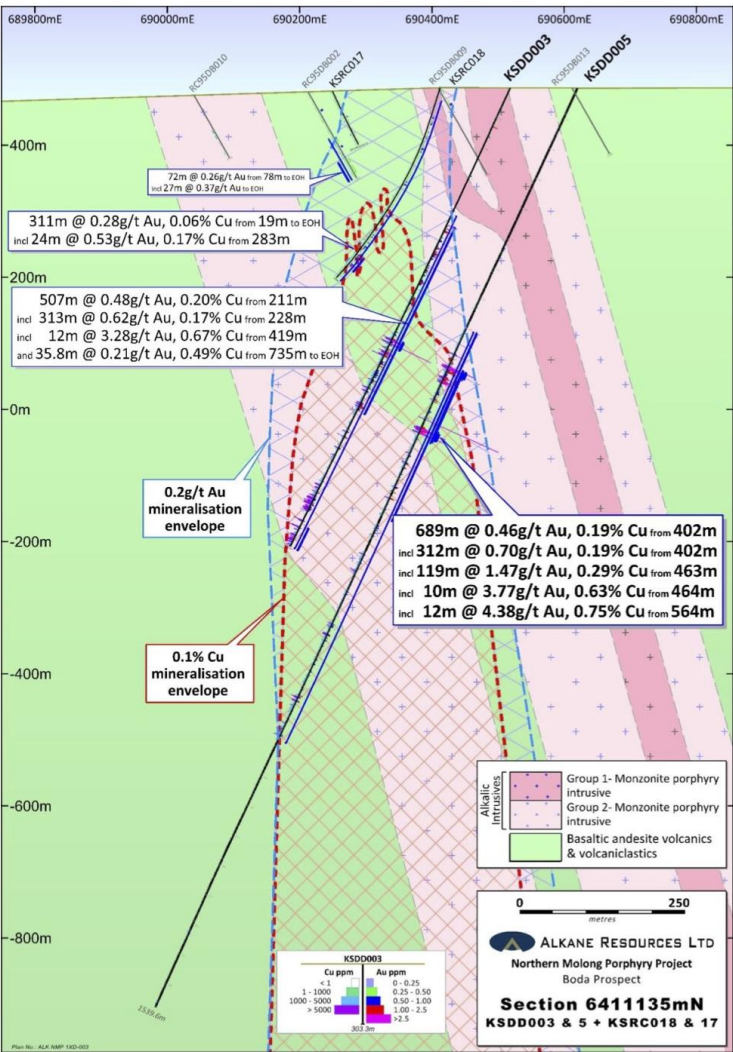




## Commonwealth Project New South Wales

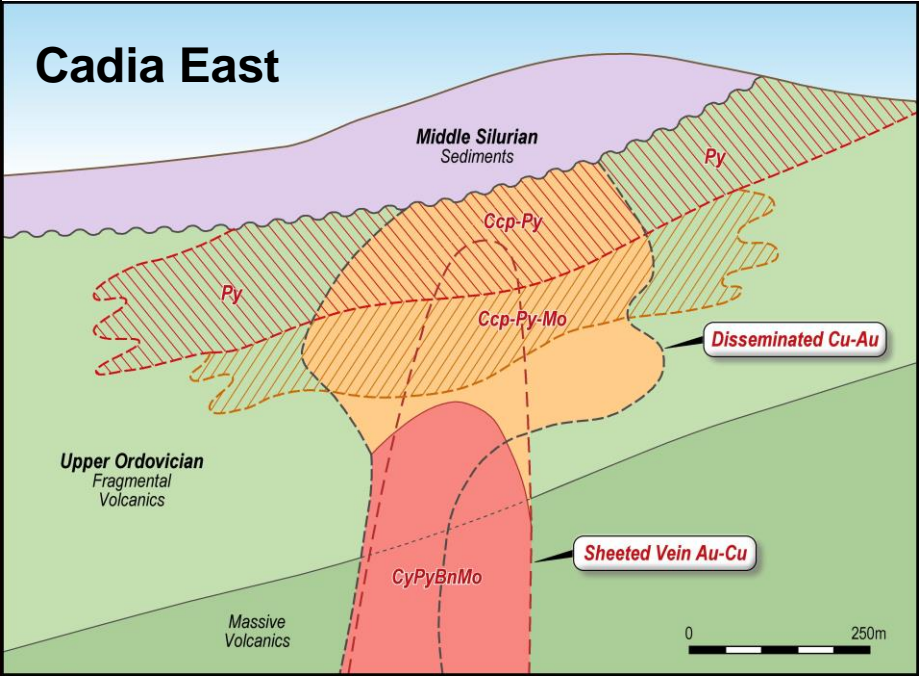
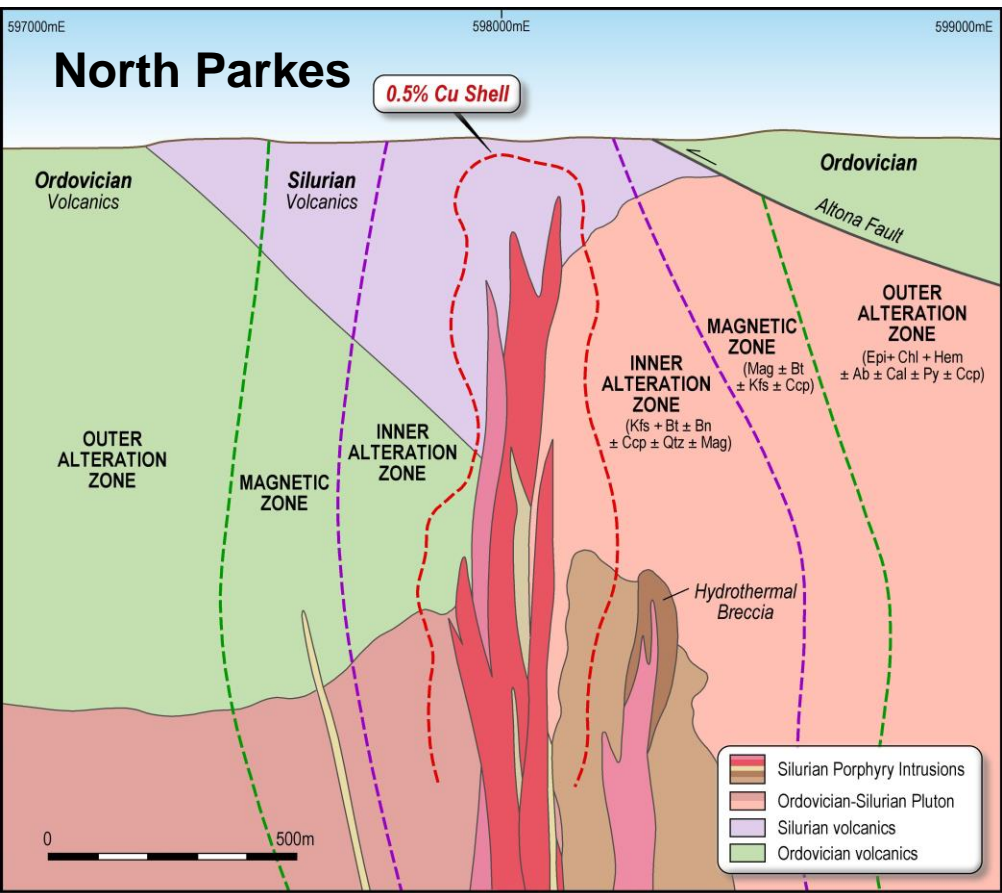


# Boda Discovery: No porphyry. Yet.

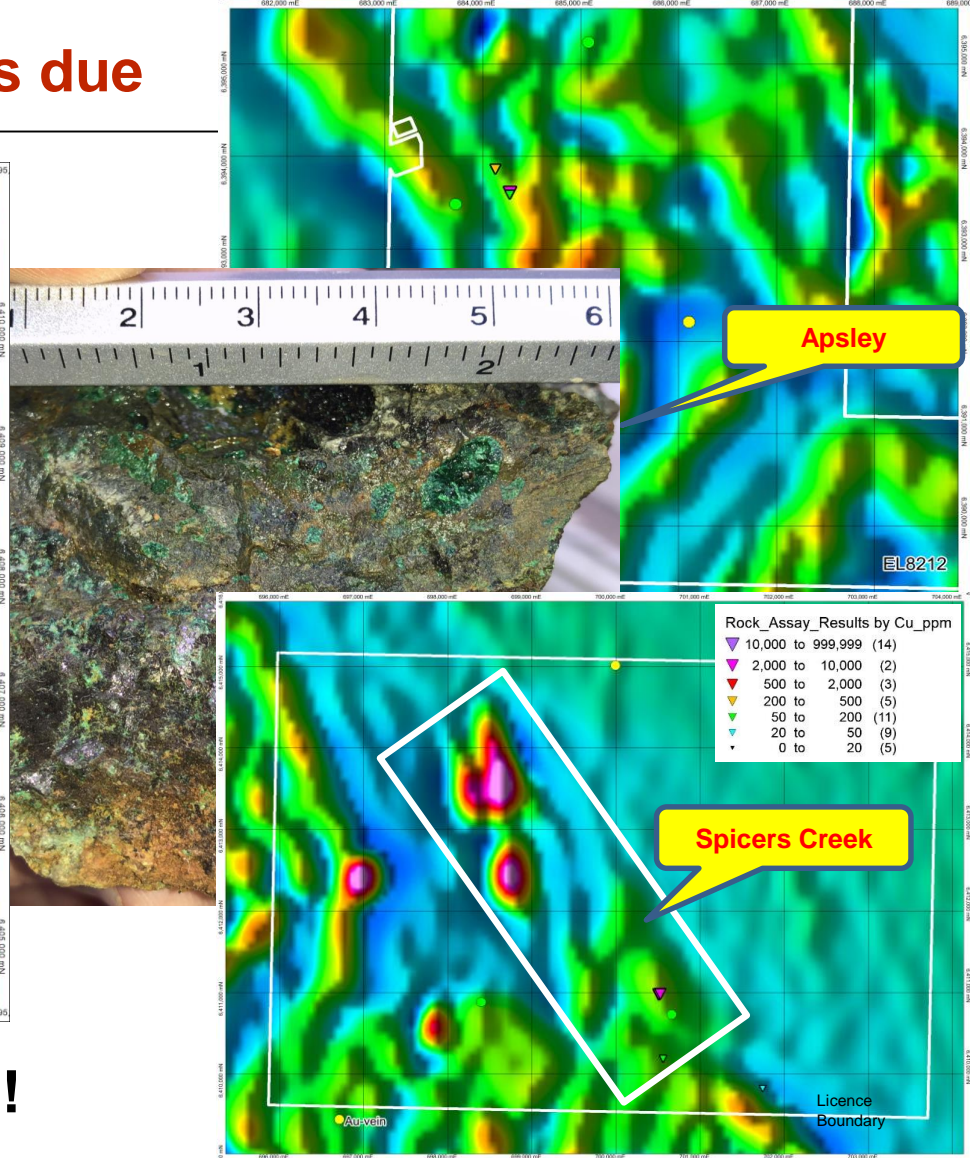
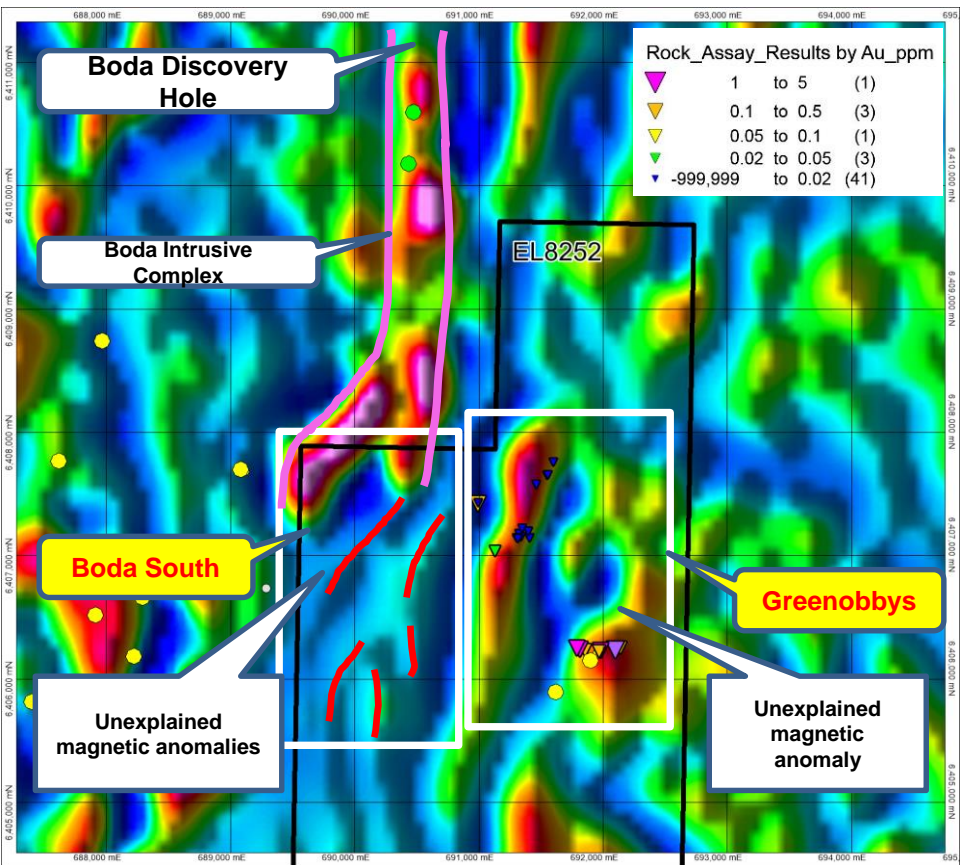




# Lower Silurian is highly prospective



# Priority Targets: Rock chip assays due

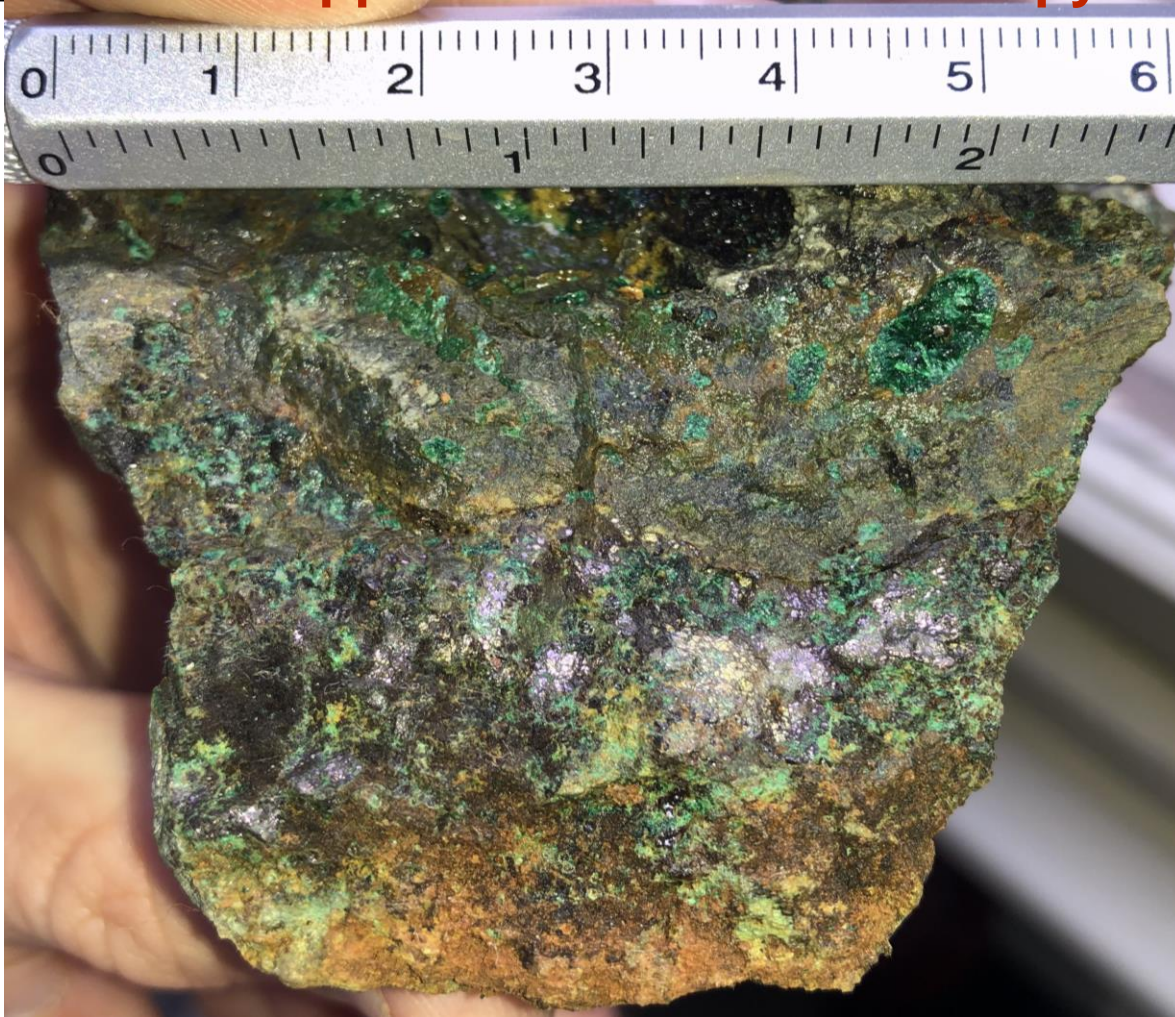


Persistence in the right areas!



# Priority Targets: Rock chip assays due.

## Extensive surface copper – bornite and chalcopyrite



# JORC Compliance

The information in this presentation relating to Exploration Results have been extracted from the following reports:

<b>ASX Release Date</b>	<b>Title of ASX Release</b>
14 January 2020	Four priority prospects for porphyry copper-gold targets identified at the Commonwealth Project
22 November 2019	New Porphyry copper-gold targets near the Boda-Kaiser discovery in the Lachlan Fold Belt
7 March 2019	New geodynamic framework for Ni-Cu-PGE and Co-Cu-Au-REE at Broken Hill
13 December 2018	Exploration Update: Broken Hill Project NSW
3 February 2016	Very high grade PGM-nickel-copper in massive sulphide at Platinum Springs
2 November 2015	Further significant results at Red Hill
26 October 2015	High grade rare PGM's at Red Hill
23 October 2015	Extremely high grade drill intercept at Broken Hill
19 May 2015	Widespread high grade rare platinum group metals confirmed in large arc east of Broken Hill
17 April 2015	High Grades of Rare but Potentially Economic PGM Elements Assayed at Impact's Broken Hill Project
1 April 2015	New Drill Targets for High Grade Copper-Nickel-Platinum Group Metals at Broken Hill
23 January 2015	Further High Grade PGE-Copper-Nickel Assays returned at the Red Hill Prospect, Broken Hill
17 December 2014	High Grade Copper-Nickel-PGE Assays at Red Hill Prospect, Broken Hill

The ASX releases referenced above are on the Impact website at [www.impactminerals.com.au](http://www.impactminerals.com.au). The Company confirms that it is not aware of any new information or data that materially affects the information included in the most recent market announcement for each deposit and, in the case of Mineral Resources and Ore Reserves, that all material assumptions and technical parameters underpinning the estimates in the relevant market announcement continue to apply and have not materially changed. The Company confirms that the form and context in which the Competent Person's findings are presented have not materially modified from the original market announcement.