



ACN 119 062 261

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# Notice of Annual General Meeting Explanatory Statement and Proxy Form

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**Date of Meeting**

Thursday, 27th November 2014

**Time of Meeting**

4.30pm WST

**Place of Meeting**

The Celtic Club

48 Ord Street, West Perth, WA 6005

Impact Minerals Limited

26 Richardson Street

West Perth WA 6005

T 61 8 6454 6666

F 61 8 6454 6667

## Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting of Shareholders will be held at **The Celtic Club, 48 Ord Street, West Perth at 4.30pm on Thursday, 27th November 2014.**

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary of terms as set out in the Explanatory Statement.

### AGENDA

#### Financial Report

To receive and consider the Financial Report of the Company the reports of the Directors and auditors for the year ending 30 June 2014.

#### Resolution 1 – ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*“That the Remuneration Report as set out in the Directors’ Report for the year ended 30 June 2014 be adopted by the Company.”*

Note: the vote on this Resolution is advisory only and does not bind the Directors or the Company.

#### Resolution 2 – RE-ELECTION OF DIRECTOR – MR PETER UNSWORTH

To consider and, if thought fit, to pass, the following resolution as an **ordinary resolution**:

*“That Mr Peter Unsworth, a Director who retires by rotation in accordance with Article 6.3(c) of the Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a Director.”*

#### Resolution 3 – RATIFICATION OF ISSUE OF PLACEMENT SHARES

To consider and, if thought fit, to pass with or without amendment, the following resolution as an **ordinary resolution**:

*“That for the purposes of Listing Rule 7.4 and for all other purposes, the Shareholders hereby ratify the issue of 78,423,516 Shares to sophisticated and professional investors at a price of A\$0.033 per Share to raise a total of A\$2,587,976 in the manner and on the terms and conditions described in the Explanatory Statement.”*

#### Resolution 4 – AUTHORITY TO ISSUE SHARES TO DIRECTOR – DR MARKUS ELSASSER

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, subject to ASX granting the Company a waiver from Listing Rule 10.13.3 to the extent necessary, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 568,182 Shares at an issue price of \$0.022 per Share to Dr Markus Elsasser (or his nominee), in lieu of directors’ fees on the terms and conditions set out in the Exploratory Statement.”*

Note: Shares will not be issued pursuant to this Resolution if ASX does not grant the Company waivers from Listing Rule 10.13.3 to the extent required to issue the Shares to Dr Elsasser on the terms and conditions set out in the Explanatory Statement.

#### **Resolution 5 – AUTHORITY TO ISSUE SHARES TO DIRECTOR – MR PAUL INGRAM**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, subject to ASX granting the Company a waiver from Listing Rule 10.13.3 to the extent necessary, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 568,182 Shares at an issue price of \$0.022 per Share to Mr Paul Ingram (or his nominee), in lieu of directors’ fees on the terms and conditions set out in the Exploratory Statement.”*

Note: Shares will not be issued pursuant to this Resolution if ASX does not grant the Company waivers from Listing Rule 10.13.3 to the extent required to issue the Shares to Mr Ingram on the terms and conditions set out in the Explanatory Statement.

#### **Resolution 6 – AUTHORITY TO ISSUE SHARES TO DIRECTOR – DR MARKUS ELSASSER**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 142,045 Shares at an issue price of \$0.022 per Share to Mr Markus Elsasser (or his nominee), in lieu of directors’ fees on the terms and conditions set out in the Exploratory Statement.”*

#### **Resolution 7 – AUTHORITY TO ISSUE SHARES TO DIRECTOR – MR PAUL INGRAM**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as an **ordinary resolution**:

*“That, for the purposes of ASX Listing Rule 10.11 and for all other purposes, Shareholders approve the issue of 142,045 Shares at an issue price of \$0.022 per Share to Mr Paul Ingram (or his nominee), in lieu of directors’ fees on the terms and conditions set out in the Exploratory Statement.”*

#### **Resolution 8 – APPROVAL OF ADDITIONAL PLACEMENT FACILITY**

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

*“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”*

## Voting Exclusions

For the purposes of the Corporations Act and Listing Rule 14.11, the following voting exclusion statements apply to the Resolutions. The Company will disregard any votes on the following Resolutions cast by or on behalf of the following persons:

Resolution	Excluded Parties
Resolution 1	Members of the Key Management Personnel whose remuneration is detailed in the Remuneration Report and their closely related parties (which includes spouse, child, dependent, other family members and any controlled company).
Resolution 2	N/A
Resolution 3	A person who participated in the issue and an associate of that person.
Resolution 4	Dr Markus Elsasser and his associates.
Resolution 5	Mr Paul Ingram and his associates.
Resolution 6	Dr Markus Elsasser and his associates.
Resolution 7	Mr Paul Ingram and his associates.
Resolution 8	Any person who may participate in the proposed issue and any person who might obtain a benefit, except a benefit solely in the capacity of a Shareholder if the Resolution is passed, and any of their associates.

However, the Company need not disregard a vote on Resolutions 1, and 3 to 8 (inclusive) if it is cast by:

- the person as a proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or
- the Chairman of the Meeting as proxy for a person who is entitled to vote, in accordance a direction on the proxy form to vote as the proxy decides.

In relation to Resolutions 1, 4 to 7, members of Key Management Personnel and their closely related parties (other than the Chairman of the Meeting) may not vote as proxy if the appointment does not specify how the proxy is to vote. The Chairman of the Meeting may vote as proxy in accordance with an express authorisation on the Proxy Form.

**By order of the Board**

**James Cooper-Jones**

**Company Secretary**

23 October 2014

## General Notes

### Voting eligibility – snapshot date

The Directors have determined that the persons eligible to attend and vote at the Annual General Meeting are those persons who are registered Shareholders at **4.30pm (WST) on Tuesday, 25th November 2014**. Transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

### Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) or a copy or facsimile which appears on its face to be an authentic copy of the proxy form (and the power of attorney or other authority) must be lodged no later than **4.30pm (WST) on Tuesday, 25th November 2014**. Proxy Forms may be lodged:

By hand: Impact Minerals Limited, 26 Richardson Street, West Perth WA

By mail: Impact Minerals Limited, 26 Richardson Street, West Perth WA

By fax: +61 8 6454 6667

Any Proxy Form received after that time will not be valid for the scheduled Meeting.

### Appointment of a proxy

A Shareholder entitled to attend and vote at the Meeting is entitled to appoint a proxy. The proxy may, but need not be, a Shareholder.

Please write the name of the person you wish to appoint as your proxy in the Proxy Form. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman will be appointed as your proxy.

You are entitled to appoint up to two persons as proxies to attend the Meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the Company on +61 8 6454 6666 or you may photocopy the Proxy Form.

To appoint a second proxy you must state on each Proxy Form (in the appropriate box) the percentage of your voting rights which are the subject of the relevant proxy. If both Proxy Forms do not specify that percentage, each proxy may exercise half your votes. Fractions of votes will be disregarded.

### Directing your proxy to vote on Resolutions

You may direct your proxy how to vote by marking For, Against or Abstain for each Resolution. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses (except where a voting exclusion applies). If you mark more than one box on a Resolution your vote on will be invalid on that Resolution.

### Voting restrictions that may affect your proxy appointment

Members of the Key Management Personnel (except for the Chairman) and their closely related parties are not able to vote your proxy on Resolutions 1 (Adoption of Remuneration Report), and Resolutions 4 and 5 (Authority to Issue of Shares to Director) unless you have directed them how to vote. This exclusion does not apply to the Chairman if their appointment as proxy expressly authorises them to vote on matters of Key Management Personnel remuneration.

If you intend to appoint the Chairman, a Director or any other member of Key Management Personnel or any of their closely related parties as your proxy, you are encouraged to direct them how to vote on Resolutions 1, 4 and 5.

### How the Chairman will vote undirected proxies

At the date of this Notice, the Chairman intends to vote all undirected proxies FOR each of the Resolutions. In exceptional cases the Chairman's intentions may change subsequently and in this event, the Company will make an announcement to the market.

The Proxy Form expressly authorises the Chairman to exercise undirected proxies on all Resolutions including Resolutions 1 (Adoption of Remuneration Report), and Resolutions 4 and 5 (Authority to Issue of Shares to Director) even though these Resolutions are connected directly or indirectly with the remuneration of a member of Key Management Personnel.

## Corporate Shareholders

Corporate Shareholders should comply with the execution requirements set out on the Proxy Form or otherwise with the provisions of section 127 of the Corporations Act. Section 127 of the Corporations Act provides that a company may execute a document without using its common seal if the document is signed by:

- (a) two directors of the company;
- (b) a director and a company secretary of the company; or
- (c) for a proprietary company that has a sole director who is also the sole company secretary – that director.

## Corporate Representatives

A corporation may elect to appoint an individual to act as its representative in accordance with section 250D of the Corporations Act, in which case the Company will require a certificate of appointment of the corporate representative executed in accordance with the Corporations Act. The certificate of appointment must be lodged with the Company and/or the Company's share registry, Computershare Investor Services Pty Ltd, before the Meeting or at the registration desk on the day of the Meeting.

## Defined terms

Capitalised terms used in the Notice and the Explanatory Statement are defined in the Glossary.

## Questions from Shareholders

At the Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr Mark Delaurentis, a partner of Bentleys Audit and Corporate (WA) Pty Ltd, as the auditor responsible for preparing the auditor's report for the year ended 30 June 2014 (or her representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- (a) the conduct of the audit;
- (b) the preparation and content of the auditor's report;
- (c) the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- (d) the independence of the auditor in relation to the conduct of the audit.

In addition to asking questions at the Meeting, written questions to the Board about the management of the Company or the Remuneration Report, or to the Company's auditor about the content of the auditor's report or the conduct of the audit, may be submitted by no later than **4.30pm WST on Thursday, 20 November 2014**.

By hand: Impact Minerals Limited, 26 Richardson Street, West Perth WA

By mail: Impact Minerals Limited, 26 Richardson Street, West Perth WA

By fax: +61 8 6454 6667

By email: [info@impactminerals.com.au](mailto:info@impactminerals.com.au)

Copies of written questions will be available at the Meeting.

# Explanatory Statement

## 1. Introduction

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's Annual General Meeting.

The purpose of this Explanatory Statement is to provide Shareholders with all information known to the Company which is material to a decision on how to vote on the Resolutions in the accompanying Notice of Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary. All amounts referred to in this Explanatory Statement are in Australian dollars unless specified otherwise.

## 2. Annual Report

The Corporations Act requires the Directors' Report, Auditors' Report and the Financial Statements of the Company for the year ended 30 June 2014 to be tabled at the Annual General Meeting.

There is no requirement for Shareholders to approve these reports. However, the Chairman will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the reports and the management of the Company.

## 3. Resolution 1 ADOPTION OF REMUNERATION REPORT

The Remuneration Report of the Company for the financial year ended 30 June 2014 is set out in the Company's Annual Report which is available at <http://www.impactminerals.com.au>. The Remuneration Report sets out the remuneration arrangements for Directors and Key Management Personnel of the Company. The Chairman will allow a reasonable opportunity for Shareholders to ask questions about, or make comments on, the Remuneration Report.

Shareholders will be asked to vote for the adoption of the Remuneration Report at the Meeting. The vote on this Resolution is advisory only and does not bind the Directors or the Company. The Board will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company's remuneration policies.

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings Shareholders will be required to vote at the second of those annual general meetings on a resolution (a "spill resolution") to determine whether another meeting be held within 90 days at which all of the Directors (other than the managing director) must go up for re-election.

At the Company's previous annual general meeting the votes against the remuneration report was less than 25% of the votes cast on the resolution. As such, Shareholders do not need to consider a spill resolution at this Meeting.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Adoption of Remuneration Report).

### Voting exclusions

The Company will disregard any votes cast on this Resolution by or on behalf of members of Key Management Personnel whose remuneration details are included in the Remuneration Report and any closely related parties of those persons.

Key Management Personnel of the Company are the Directors and those other persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly. The Remuneration Report identifies the Company's Key Management Personnel for the financial year ended 30 June 2014. Their closely related parties are defined by the Corporations Act and include certain of their family members, dependants and companies they control.

If you appoint the Chairman as your proxy and have not directed him how to vote, you are expressly authorising the Chairman to cast your undirected proxy on this Resolution in accordance with his stated intentions. The Chairman intends to vote all undirected proxies for this Resolution.

If you appoint any other member of the Board, a member of senior management who is named in the Remuneration Report, or their closely related parties as your proxy, they will not be able to vote your proxy on this Resolution unless you have directed them how to vote.

#### **4. Resolution 2 RE-ELECTION OF DIRECTOR – MR PETER UNSWORTH**

Article 6.3(c) of the Constitution and Listing Rule 14.4 require that at each annual general meeting of the Company, one third of the Directors (to the nearest whole number) must retire from office. A retiring Director is eligible for re-election.

Mr Unsworth retires by rotation at the Meeting and, being eligible, offers himself for re-election.

Mr Unsworth, formerly a chartered accountant, has more than 35 years' experience in the corporate finance, investment, and securities industries and has a wealth of management experience with both public and private companies. A former Executive Director with a leading Western Australian stockbroking company, Mr Unsworth has been a director of a number of public exploration and mining companies. He was a Director and Chairman for 12 years of the Western Australian Government owned Gold Corporation (operator of The Perth Mint).

Mr Unsworth has been a Director of Invictus Gold Limited since 20 August 2011, a company formerly listed on the ASX.

#### **Directors' recommendation**

The Directors (apart from Mr Unsworth) recommend that the shareholders vote in favour of the election of Mr Unsworth.

#### **5. Resolution 3 RATIFICATION OF ISSUE OF PLACEMENT SHARES**

Ratification of the issue of the Placement Shares is now being sought.

On 4 July 2014, the Company announced it had completed a placement of 78,423,516 Shares (**Placement Shares**) at an issue price of A\$0.033 per Share to raise a total of A\$2,587,976 (**Placement**).

The Placement was pursuant to an offer without disclosure to sophisticated and professional investors (as those terms are defined in section 708 of the Corporations Act). The Placement Shares were issued on 14 July 2014.

The funds raised by the Placement will be used to fund the drill program at the Company's high grade precious and base metals Commonwealth Project in New South Wales and to provide general working capital for development of the Company's exploration projects.

#### **Listing Rules information requirements**

Listing Rule 7.1 permits entities to issue Equity Securities up to 15% of its issued capital over a 12 month period without shareholder approval. Listing Rule 7.4 provides that where shareholders subsequently approve securities that were issued under listing rule 7.1 then those securities will be treated as having been made with shareholder approval. The effect of this rule is to refresh the 15% placement capacity under listing rule 7.1 and enables entities to retain the flexibility to issue Equity Securities in the future without prior shareholder approval.

Resolution 3 seeks Shareholder ratification of the issue of the Placement Shares.

For the purposes of Listing Rule 7.5, the Company provides the following information to Shareholders:

- (a) The number of securities issued was 78,423,516 Shares.
- (b) The Placement Shares were issued at a price of A\$0.033 each.
- (c) The Placement Shares are fully paid ordinary Shares that rank equally with all other Shares on issue. The Shares are quoted on ASX.
- (d) The Shares were issued to sophisticated and professional investors (as those terms are defined in section 708 of the Corporations Act) as determined by the Directors. None of these persons are related parties of the Company.
- (e) The funds raised by the issue of the Placement Shares are being used:
  - (i) for the drill program at the Commonwealth Project; and
  - (ii) to provide general working capital for development of the Company's exploration projects.

#### **Directors' recommendation**

The Directors unanimously recommend that Shareholders vote in favour of Resolution 3.

<b>6. Resolutions 4 to 7 AUTHORITY TO ISSUE SHARES TO DIRECTORS</b>
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The Board has determined that half of the remuneration of Dr Markus Elsasser and Mr Paul Ingram will be made via the issue of Shares. Consequently, subject to the passing of Resolutions 4 to 7 (and obtaining the required waivers of Listing Rule 10.13.3), the salaries of Dr Markus Elsasser and Mr Paul Ingram:

- (a) for the 2015 financial year will be \$25,000 per annum, made up of \$12,500 cash and 568,182 Shares (being the number of Shares worth \$12,500 at the date of issue based on an issue price of \$0.022 per Share); and
- (b) for the first quarter of the 2016 financial year will be made up of \$3,125 cash and 142,045 Shares (being the number of Shares worth \$3,125 at the date of issue based on an issue price of \$0.022 per Share).

The Board considers this to be an appropriate and responsible measure to preserve the cash reserves of the Company.

Resolutions 4 and 5 seek Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to \$12,500 worth of Shares, being 568,182 Shares to each of Dr Markus Elsasser and Mr Paul Ingram (or their nominees) in lieu of 50% of the Director fees payable in respect of the final three quarters of the current financial year, being the periods ending on 31 December 2014, 31 March 2015, 30 June 2015, and the first quarter of the 2016 financial year, being the period ending on 30 September 2015.

Resolutions 6 and 7 seek Shareholder approval pursuant to Listing Rule 10.11 for the issue of up to \$3,125 worth of Shares, being 142,045 Shares to each of Dr Markus Elsasser and Mr Paul Ingram (or their nominees) in lieu of Director fees payable in respect of the first quarter of the 2015 financial year, being the period which ended on 30 September 2014.

#### **Resolutions 4 and 5 are subject to grant of waiver of Listing Rule 10.13.3**

Resolutions 4 and 5 are both subject to ASX granting waivers of the Listing Rule 10.13.3 to permit the Director Shares to be issued after the period ending 1 month from the date of the Annual General Meeting, as follows:

- (a) 142,045 Shares to be issued to each Director on or within 30 days of 31 December 2014;
- (b) 142,045 Shares to be issued to each Director on or within 30 days of 31 March 2015;
- (c) 142,045 Shares to be issued to each Director on or within 30 days of 30 June 2015; and
- (d) 142,047 Shares to be issued to each Director on or within 30 days of 30 September 2015.

If the waiver described above is not granted by ASX, the Director Shares that are the subject of Resolutions 4 and 5 will not be issued.

## Section 208 of the Corporations Act

Section 208 of the Corporations Act provides that a public company cannot give a “financial benefit” (including an issue of Securities) to a “related party” of the company unless one of the exceptions set out in section 210 to 216 of the Corporations Act apply or the holders of ordinary securities have approved the giving of the financial benefit to the related party at a general meeting.

The issue of Shares to any of the Directors or their nominees constitutes the giving of a financial benefit to related parties of the Company for the purposes of section 208 of the Corporations Act.

The Board has formed the view that Shareholder approval under section 208 of the Corporations Act is not required for the proposed issue of the Director Shares as the financial benefits are reasonable in the circumstances of the Company and the Directors, and consequently the exception under section 211 of the Corporations Act for reasonable remuneration applies.

## Listing Rule 10.11

Listing Rule 10.11 provides that a company must not issue or agree to issue any Equity Securities, or other Securities with rights to conversion to equity, to a related party of that company without first obtaining shareholder approval. If Resolutions 4 to 7 are approved for the purposes of Listing Rule 10.11, then approval is not required under Listing Rule 7.1.

In accordance with Listing Rule 10.13, the following information is provided in to enable Shareholders to assess the merits of Resolutions 4 to 7 for the purposes of Listing Rule 10.11:

- (a) The related parties of the Company to which the Director Shares may be issued are:
- (i) Dr Markus Elsasser or his nominee;
  - (ii) Mr Paul Ingram or his nominee.
- (b) The maximum number of Shares that may be issued to each Director is set out in the table below.

Director	Resolution	Number of Shares
Dr Markus Elsasser	4	568,182
	6	142,045
Mr Paul Ingram	5	568,182
	7	142,045
<b>Total</b>		1,420,455

**Note:** fractions of Shares will be rounded down.

- (c) Subject to ASX granting the Company a waiver of Listing Rule 10.13.3, the Director Shares to be issued pursuant to Resolutions 4 and 5 will be issued on or within 30 days of the following dates:
- (i) 31 December 2014;
  - (ii) 31 March 2015;
  - (iii) 30 June 2015; and
  - (iv) 30 September 2015.
- (d) The Director Shares to be issued pursuant to Resolutions 6 and 7 will be issued within 1 month of the date of the Annual General Meeting.
- (f) The issue price of the Director Shares will be \$0.022 per Share.
- (g) The Director Shares issued will be fully paid ordinary shares in the capital of the Company, issued on the same terms and conditions as the existing Shares then on issue; the Company will apply for quotation of the Directors Shares on ASX.
- (h) No funds will be raised from the issue of the Director Shares as they are being issued in lieu of Directors’ fees that would otherwise be payable by the Company during the current financial year.

**7. Resolution 8 APPROVAL OF ADDITIONAL PLACEMENT FACILITY**

Listing Rule 7.1A permits eligible entities that have obtained the approval of shareholders by special resolution at an annual general meeting to issue an additional 10% of issued capital by way of placements over a 12 month period (**Additional Placement Facility**).

The Company is an eligible entity (being an entity with market capitalisation of less than \$300 million or less and is not included in the S&P/ASX 300 index) and seeks Shareholder approval under this Resolution for the Additional Placement Facility.

**Requirements of Listing Rule 7.1A**

(a) Quoted securities

Any Equity Securities issued under the Additional Placement Facility must be in the same class as an existing class of Equity Securities of the Company that are quoted on ASX. As at the date of this Notice, the Company has one class of Equity Securities quoted on ASX being fully paid ordinary shares.

(b) Number of Equity Securities that may be issued

Listing Rule 7.1 permits the Company to issue 15% of issued capital over a 12 month period without shareholder approval. The Additional Placement Facility under Listing Rule 7.1A is in addition to the Company's 15% placement capacity under Listing Rule 7.1. The effect of Shareholders passing this Resolution is to allow the Company to issue up to 25% of its issued capital during the next 12 months without obtaining specific Shareholder approval before the placement.

The exact number of additional Equity Securities that the Company may issue under the Additional Placement Facility is not fixed but is calculated under a formula prescribed by the Listing Rules (set out below).

At the date of this Notice the Company has 565,486,800 Shares on issue. If all the Resolutions in this Notice are passed, the Company will be permitted to issue (as at the date of this Notice):

- (i) 84,823,020 Equity Securities under Listing Rule 7.1 (15% placement capacity); and
- (ii) 56,548,680 Equity Securities under Listing Rule 7.1A (10% Additional Placement Facility).

(c) Formula for calculating the number of Equity Securities that may be issued under the Additional Placement Facility.

If this Resolution is passed, the Company may issue or agree to issue, during the 12 month period after this Meeting, the number of Equity Securities calculated in accordance with the following formula.

$$(A \times D) - E$$

Where:

A	The number of fully paid ordinary securities on issue 12 months before the issue date or date of agreement to issue: <ul style="list-style-type: none"> <li>• plus the number of fully paid ordinary securities issued in the 12 months under an exception in Listing Rule 7.2,</li> <li>• plus the number of partly paid ordinary securities that became fully paid in the 12 months,</li> <li>• plus the number of fully paid ordinary securities issued in the 12 months with approval of holders of ordinary securities under Listing Rule 7.1 or Listing Rule 7.4,</li> <li>• less the number of fully paid ordinary securities cancelled in the 12 months.</li> </ul>
D	10%
E	The number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of Shareholders under Listing Rule 7.1 or 7.4.

## Information required under the Listing Rules

### (a) Minimum Price

The issue price of Equity Securities issued under Listing Rule 7.1A must not be less than 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 trading days of the date above, the date on which the Equity Securities are issued.

### (b) Risk of economic and voting dilution

If this Resolution is passed and the Company issues securities under the Additional Placement Facility, then there is a risk to existing Shareholders of economic and voting dilution including the risk that:

- (i) the market price for Equity Securities in the same class may be significantly lower on the issue date of the new Equity Securities than on the date of this Meeting; and
- (ii) the new Equity Securities may be issued at a price that is at a discount to the market price for Equity Securities in the same class on the issue date or the new Equity Securities may be issued consideration for the acquisition of a new asset.

The table below identifies the potential dilution to existing Shareholders following the issue of Equity Securities under the Additional Placement Facility (based on the formula set out above) using different variables for the number of issued Shares and the market price of Shares. The numbers are calculated on the basis of the latest available market price of Shares before the date of this Notice and the current number of Shares on issue.

Variable 'A' in Listing Rule 7.1A.2		Nominal issue price		
		\$0.020 (market price)	\$0.015 (25% decrease in market price)	\$0.010 (50% decrease in market price)
<b>Current issued capital</b>  <b>A = 565,486,800</b>	Shares issued under LR 7.1A	56,548,680	56,548,680	56,548,680
	Voting dilution	10%	10%	10%
	Funds raised	\$1,130,974	\$848,230	\$565,487
	Economic dilution	0%	2.27%	4.55%
<b>50% increase in issued capital</b>  <b>A = 848,230,200</b>	Shares issued under LR 7.1A	84,823,020	84,823,020	84,823,020
	Voting dilution	7.5%	7.5%	7.5%
	Funds raised	\$1,696,460	\$1,272,345	\$848,230
	Economic dilution	0%	2.27%	4.55%
<b>100% increase in issued capital</b>  <b>A = 1,130,973,600</b>	Shares issued under LR 7.1A	113,097,360	113,097,360	113,097,360
	Voting dilution	5%	5%	5%
	Funds raised	\$2,261,947	\$1,696,460	\$1,130,974
	Economic dilution	0%	2.27%	4.55%

This table has been prepared on the following assumptions:

- (i) the latest available market price of Shares as at the date of the Notice was \$0.020;
- (ii) the Company issues the maximum number of Equity Securities available under the Additional Placement Facility;
- (iii) existing Shareholders' holdings do not change from the date of this Meeting to the date of the issue under the Additional Placement Facility;
- (iv) the Company issues Shares only and does not issue other types of Equity Securities (such as options) under the Additional Placement Facility; and
- (v) the impact of placements under Listing Rule 7.1 or following the exercise of options is not included in the calculations.

(c) Placement period

The Equity Securities may be issued under the Additional Placement Facility at any time after the date of this Meeting until the first to occur of the following:

- (i) 12 months after the date of the Meeting; and
- (ii) the date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or Listing Rule 11.2 (disposal of the Company's main undertaking).

(d) Purposes for which issues under Additional Placement Facility may be made

The Company may seek to issue Equity Securities under the Additional Placement Facility for the following purposes:

- (i) cash consideration to fund business growth, to acquire new assets or make investments, to develop the Company's existing assets and operations and for general working capital; and
- (ii) non-cash consideration to acquire new assets or make investments. In these circumstances the Company provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(e) Allocation policy

The Company's allocation policy for the issue of Equity Securities under the Additional Placement Facility will depend on the prevailing market conditions at the time of the proposed issue. The allottees will be determined on a case-by-case basis having regard to the factors such as:

- (i) the methods of raising funds that are available to the Company, including but not limited to, rights issues or other issues in which existing security holders can participate;
- (ii) the effect of the issue of the new securities on the control of the Company;
- (iii) the financial situation and solvency of the Company; and
- (iv) advice from corporate and other advisors.

At the date of this Notice the proposed allottees under the Additional Placement Facility have not been determined but may include existing substantial Shareholders, other Shareholders and/or new investors. None of the allottees will be a related party or an associate of a related party of the Company. Existing Shareholders may or may not be entitled to subscribe for Equity Securities under the Additional Placement Facility and it is possible that their Shareholding will be diluted.

If the Additional Placement Facility is used to acquire new assets or investments then it is likely that the allottees will be the vendors of those assets or investments.

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities under the Additional Placement Facility.

(f) Equity securities issued under previous placement facility approval

Shareholders approved an Additional Placement Facility at the 2013 annual general meeting.

The total number of Equity Securities issued in the 12 months before this Meeting is 122,626,880. These represent 23.15% of the total number of Equity Securities on issue at the commencement of that 12 month period.

The details for each separate issue of Equity Securities issued during the 12 months before this Meeting are set out in **Annexure A**.

**Directors' recommendation**

The Directors recommend that the Shareholders vote in favour of Resolution 8.

## Glossary

In this Explanatory Statement, the following terms have the following meaning unless the context otherwise requires:

<b>Additional Placement Facility</b>	Has the meaning given in the Explanatory Statement for Resolution 8.
<b>Annual General Meeting or Meeting</b>	Annual General Meeting of Shareholders or any meeting adjourned thereof, convened by the Notice.
<b>Annual Report</b>	The Company's annual report including the reports of the Directors and the Auditor and the Financial Statements of the Company for the year ended 30 June 2013, which can be downloaded from the Company's website at <a href="http://www.impactminerals.com.au">www.impactminerals.com.au</a> .
<b>ASIC</b>	Australian Securities and Investments Commission.
<b>Associate</b>	Has the meaning given to it by Division 2 of Part 1 of the Corporations Act.
<b>ASX</b>	ASX Limited, trading as the Australian Securities Exchange.
<b>Board</b>	Board of Directors.
<b>Business Day</b>	Has the meaning given to it in the Listing Rules.
<b>Chairman</b>	The chairman of the Meeting.
<b>Commonwealth Project</b>	The Company's 100% held project in New South Wales that is prospective for gold, silver and base metals.
<b>Company or Impact</b>	Impact Minerals Limited ACN 119 062 261.
<b>Constitution</b>	The Company's constitution.
<b>Corporations Act</b>	<i>Corporations Act 2001</i> (Cth).
<b>Director</b>	A director of the Company.
<b>Director Shares</b>	The Shares proposed to be issued to Dr Elsasser and Mr Ingram under Resolutions 4 to 7.
<b>Equity Securities</b>	Has the meaning given to it in Listing Rule 19.12, being: <ul style="list-style-type: none"><li>(a) a share;</li><li>(b) a unit;</li><li>(c) a right to a share or unit or option;</li><li>(d) an option over an issued or unissued security;</li><li>(e) a convertible security; or</li><li>(f) any security that ASX decides to classify as an equity security.</li></ul>
<b>Explanatory Statement</b>	This explanatory statement which accompanies and forms part of the Notice of Annual General Meeting.
<b>Key Management Personnel</b>	Those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
<b>Listing Rules</b>	The listing rules published by ASX.

<b>Notice or Notice of Meeting or Notice of Annual General Meeting</b>	The Notice of Annual General Meeting which accompanies this Explanatory Statement.
<b>Options</b>	An option to subscribe for a Share.
<b>Placement Shares</b>	Shares issued to sophisticated and professional investors pursuant to the placement announced by the Company to ASX on 4 July 2014.
<b>Proxy Form</b>	The proxy form accompanying the Notice.
<b>Remuneration Report</b>	The remuneration report appearing in the Annual Report.
<b>Resolution</b>	A resolution set out in the Notice.
<b>Share</b>	Fully paid ordinary share in the capital of the Company.
<b>Shareholder</b>	A registered holder of a Share.
<b>WST</b>	Western Standard Time, being the time in Perth, Western Australia.

## Annexure A

### Equity securities issued 12 months prior to AGM

Date of issue	Equity Securities issued	Person(s)	Issue price	Total cash consideration	Use of funds	Non cash consideration and current value
6/01/2014	36,203,364 fully paid ordinary shares	Each person who was registered as a holder of shares in Invictus Gold Limited as at 5.00pm on the Record Date, as defined in the Scheme Booklet announced by Invictus Gold Limited to ASX on 28 October 2013 ( <b>Scheme Booklet</b> )	N/A	Nil	N/A	Shares in Invictus Gold Limited acquired pursuant to the share scheme of arrangement that facilitated the merger of the Company and Invictus Gold Limited, more fully described in the Scheme Booklet  \$832,677
6/01/2014	8,000,000 quoted options to acquire shares, exercisable at \$0.20, expiring 30/11/2015	Each person who was registered as a holder of options in Invictus Gold Limited as at 5.00pm on the Record Date, as defined in the Scheme Booklet	N/A	Nil	N/A	The cancellation of options in Invictus Gold Limited pursuant to the creditors' scheme of arrangement that facilitated the merger of the Company and Invictus Gold Limited, more fully described in the Scheme Booklet  \$16,000
14/07/2014	78,423,516 fully paid ordinary shares	Sophisticated and professional investors (as those terms are defined in section 708 of the Corporations Act) as determined by the Directors	\$0.033 per share. The issue price represented a 15.38% discount to the closing market price on the day of issue.	\$2,587,976	Funds will be used for the drill program at the Commonwealth Project and to provide general working capital for development of the Company's exploration projects.	Nil  \$1,803,741*

\* The current value of fully paid ordinary shares is based on a value of \$0.020 per share, being the price as at 22<sup>nd</sup> October, 2014.

**Lodge your vote:**



**By Mail:**

Impact Minerals Limited  
26 Richardson Street  
West Perth WA 6005 Australia

Alternatively you can fax your form to  
(within Australia) 08 6454 6667  
(outside Australia) +61 8 6454 6667

**For all enquiries call:**

(within Australia) 1300 850 505  
(outside Australia) +61 3 9415 4000

┌ 000001 000 IPT  
MR SAM SAMPLE  
FLAT 123  
123 SAMPLE STREET  
THE SAMPLE HILL  
SAMPLE ESTATE  
SAMPLEVILLE VIC 3030

## Proxy Form

 **For your vote to be effective it must be received by 4:30pm WST Tuesday, 25 November 2014**

### How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

#### Appointment of Proxy

**Voting 100% of your holding:** Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote or abstain as they choose (to the extent permitted by law). If you mark more than one box on an item your vote will be invalid on that item.

**Voting a portion of your holding:** Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

**Appointing a second proxy:** You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

**A proxy need not be a securityholder of the Company.**

### Signing Instructions

**Individual:** Where the holding is in one name, the securityholder must sign.

**Joint Holding:** Where the holding is in more than one name, all of the securityholders should sign.

**Power of Attorney:** If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

**Companies:** Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

### Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at [www.investorcentre.com](http://www.investorcentre.com) under the help tab, "Printable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**Turn over to complete the form →**



View the annual report 24 hours a day, 7 days a week:

**[www.impactminerals.com.au](http://www.impactminerals.com.au)**

View and update your securityholding:

**[www.investorcentre.com](http://www.investorcentre.com)**

**Your secure access information is:**

**SRN/HIN: I9999999999**



**PLEASE NOTE:** For security reasons it is important that you keep your SRN/HIN confidential.

MR SAM SAMPLE  
 FLAT 123  
 123 SAMPLE STREET  
 THE SAMPLE HILL  
 SAMPLE ESTATE  
 SAMPLEVILLE VIC 3030

**Change of address.** If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 9999999999

IND

# Proxy Form

Please mark  to indicate your directions

## STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Impact Minerals Limited hereby appoint

the Chairman of the Meeting OR

**PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Impact Minerals Limited to be held at the Celtic Club, 48 Ord Street, West Perth, Western Australia, on Thursday, 27 November 2014 at 4.30pm WST and any adjournment or postponement of that Meeting.

**Chairman authorised to exercise undirected proxies on remuneration related resolutions:** Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolutions 1 and 4 - 7 (except where I/we have indicated a different voting intention below) even though Resolutions 1 and 4 - 7 are connected directly or indirectly with the remuneration of a member of key management personnel, which includes the Chairman.

**Important Note:** If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolutions 1 and 4 - 7 by marking the appropriate box in step 2 below.

## STEP 2 Items of Business

**PLEASE NOTE:** If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Re-election of Director - Mr Peter Unsworth	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Ratification of Issue of Placement Shares	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 4	Authority to Issue Shares to Director - Dr Markus Elsasser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 5	Authority to Issue Shares to Director - Mr Paul Ingram	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 6	Authority to Issue Shares to Director - Dr Markus Elsasser	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 7	Authority to Issue Shares to Director - Mr Paul Ingram	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 8	Approval of Additional Placement Facility	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business. In exceptional circumstances, the Chairman of the Meeting may change his/her voting intention on any resolution, in which case an ASX announcement will be made.

## SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name

Contact Daytime Telephone

Date / /

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Computershare +