

ASX ANNOUNCEMENT

Date: 2 July 2019
Number: 627/02072019

COMPANY UPDATE

Impact Minerals Limited (ASX:IPT) is pleased to provide the following update on the Company's activities.

Sale of Shares in Pacton Gold Inc.

Impact has recently completed the sale of all of its shares in Pacton Gold Inc. for total net proceeds of \$423,000. The shares were part of the sale of Impact's Pilbara gold holdings as announced to the ASX on May 29th 2018. Impact has received a total of \$763,000 in cash and shares for the sale.

Bulk Sampling Programme Completed at Blackridge Gold Project, Queensland

The second phase of bulk sampling at Impact's Blackridge conglomerate-hosted gold project located about 30km north of Clermont in central Queensland has been successfully completed (ASX Release June 18th 2019).

A total of 14 bulk samples were taken for about 160 tonnes, mostly on the company's 100% owned granted Mining Lease ML2386. The water processing plant performed exceptionally well with the free digging conglomerate separating easily in the trommel and sluice.



Figure 1. Impact's water processing set up for the bulk samples at Blackridge.

Panned concentrates from the bulk samples have been sent for assay with results expected within a few weeks.

In addition fine “overflow” material from the processing plant will be assayed to determine the efficacy of the plant in retrieving fine gold.

Three one tonne samples from the Phase 1 sampling that could not be processed because of a high clay content were also processed as part of the commissioning of the plant and these samples have also been sent for assay.

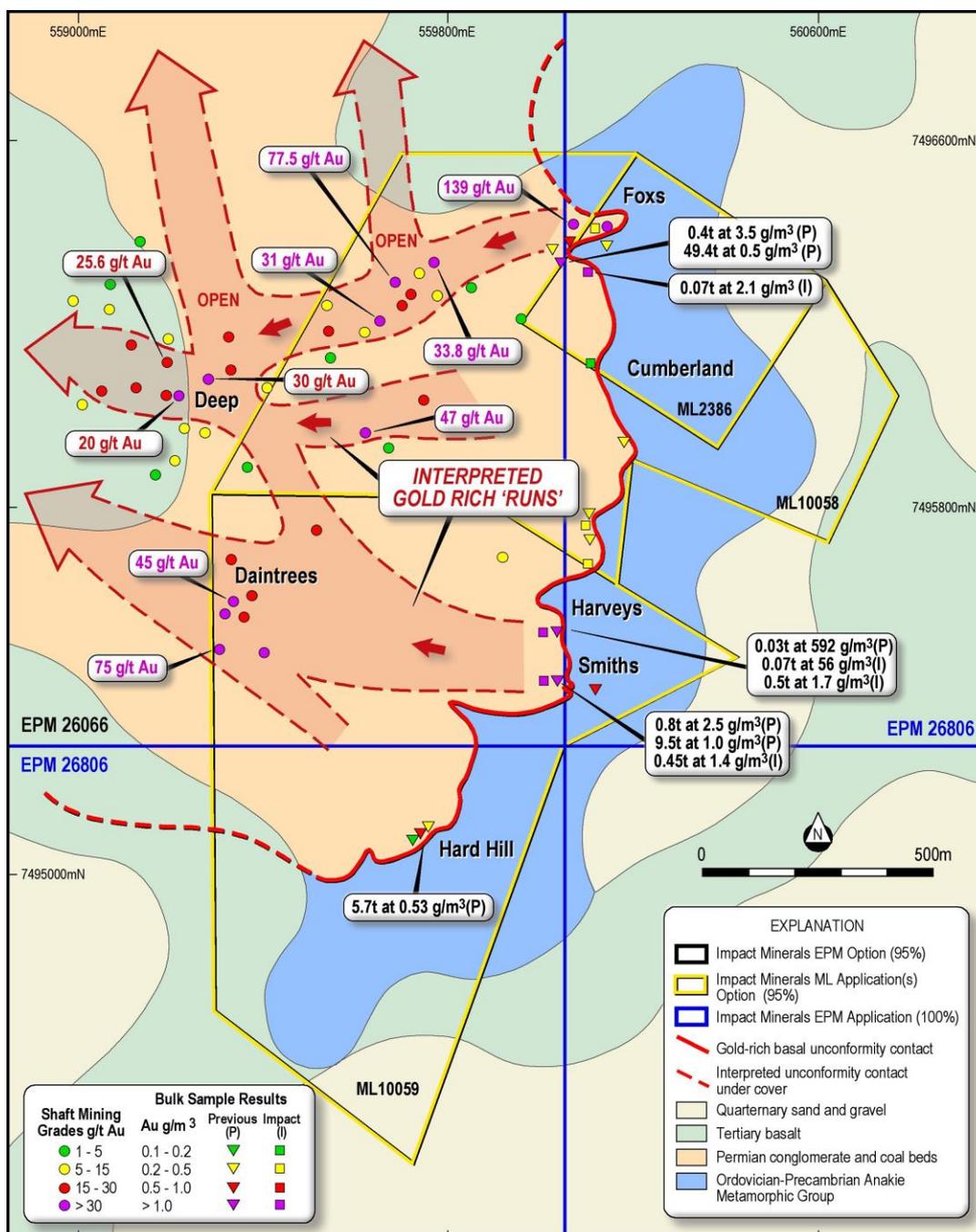


Figure 2. Gold production data and Phase 1 bulk sample results at Blackridge.

The second phase bulk samples are much larger than the 1 tonne samples taken in the Phase 1 sampling programme (ASX Release October 3rd 2018) and this will help further quantify the “nugget effect” and optimal sample size required at Blackridge, critical factors in exploration and resource definition for this style of deposit.

Impact has shown that the nugget effect was an important factor in previous exploration drilling at Blackridge leading to a probable underestimation of grade (ASX Release May 29th 2018).

ABOUT THE BLACKRIDGE PROJECT

Impact’s project covers 91 square kilometres and comprises one 100% owned Exploration Permit (EPM26806), one Exploration Permit (EPM26066) and four Mining Lease applications (ML 100158, 59, 60 and 61) for which Impact has an option to buy 95% from Rock Solid Holdings Pty Limited (Figures 2 and 3; ASX Release May 29th 2018).

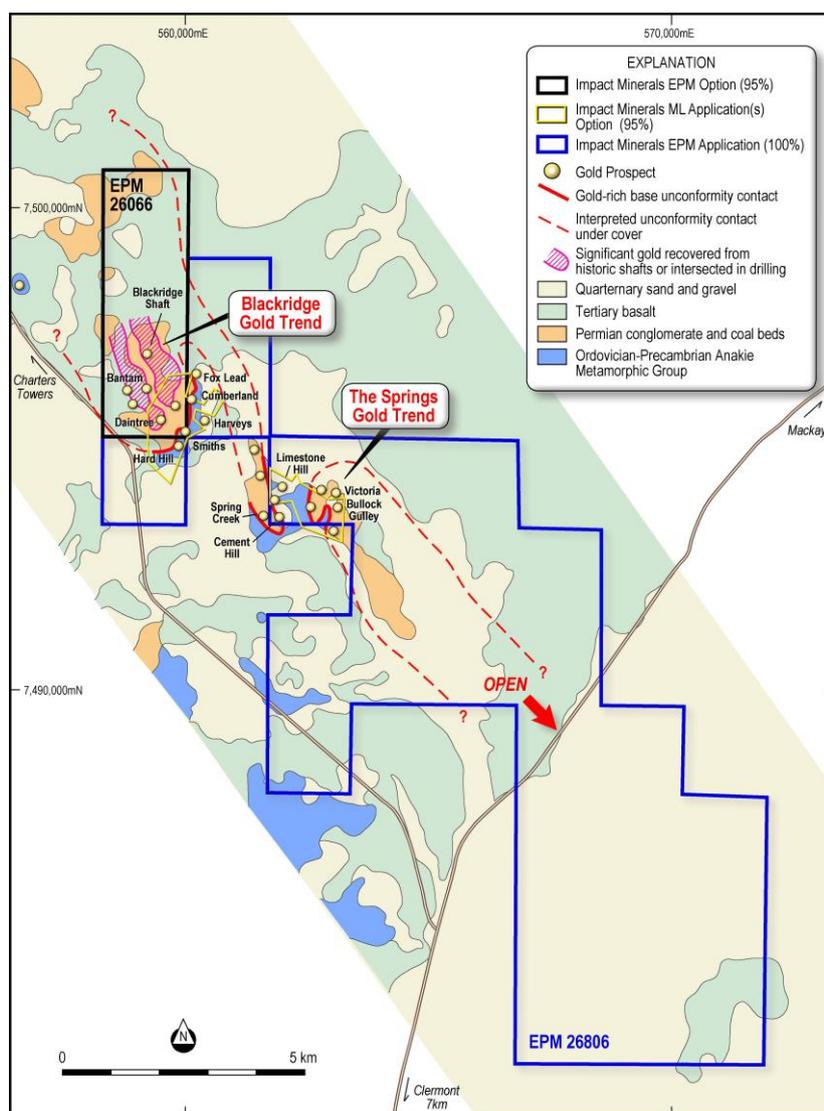


Figure 3. Tenure and geology of the Blackridge Project.

In addition, Impact has also purchased Mining Lease ML2836 which lies in the centre of the project area (ASX Release August 31st 2018). The Mining Lease, which is fully granted, has been acquired from a local prospector for a cash payment of \$30,000 and replacement of environmental bonds of approximately \$7,000. Mining can commence on this lease subject only to the submission of a Plan of Operations to the Queensland Department of Mines.

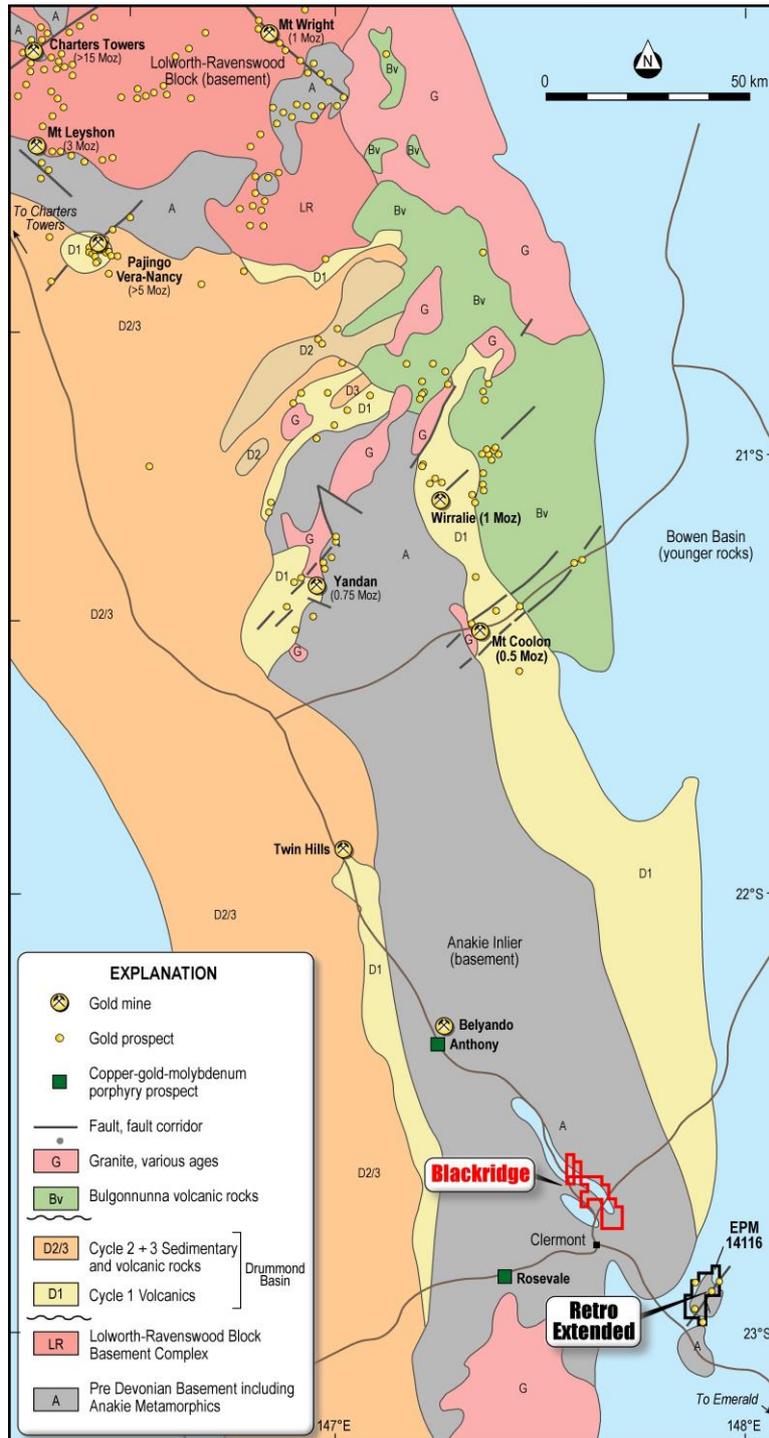


Figure 4. Location of the Blackridge and Clermont/Retro Projects in central Queensland.

The gold produced at Blackridge was mostly hosted in basal conglomerates of Permian-aged sedimentary basins which include the mined coal measures that unconformably overlie the Anakie metamorphic rocks of Middle Ordovician age and older (Figures 3 and 4).

The unconformity is present at surface over about 1,500 metres of trend at Blackridge. Much of the lease is covered by loose gravel with only a few outcrops of conglomerate and schist in places. This cover, within which small gold nuggets have been found by prospectors over many years, has hindered previous exploration and there has been no recent systematic exploration in the area.

Progress has also been made on the grant of the four MLA's under option from Rock Solid Holdings Pty Ltd as well as the Compensation Agreement with the landowner. Native Title negotiations are also underway.

COMPLIANCE STATEMENT

This report contains no new Exploration Results. Further details about the project and the JORC Table were given in the ASX release dated October 23rd 2018. The Company confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcement.

Dr Michael G Jones
Managing Director

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). Dr 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 confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements referred to and in the case of mineral resource estimates, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.