



ASX ANNOUNCEMENT

Date: 30th April 2012

ASX: IPT

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MARCH 2012 QUARTERLY REPORT SUMMARY

1. BOTSWANA URANIUM PROJECT

Maiden drill programme at the Red Hills Uranium Prospect identified an extensive alteration system at least 1.5 km long and 1 km wide comprising multi-metal and mineral assemblages typical of those associated with major Proterozoic uranium deposits. Significant intercepts include:

RHRC001: 32 m at 0.11% Total Rare Earth Elements (TREE) from 85 m; and
56 m at 0.1% TREE and 16 ppm U₃O₈ from 166 m;

RHRC009: 17 m at 0.14% TREE and 13 ppm U₃O₈ from 55 m;
and 31 m at 0.1% TREE from 86 m;

RHRC010: 32 m at 0.13% TREE and 10 ppm U₃O₈ from 45 m;

These intercepts are in part coincident with similar thick intercepts of anomalous silver, lead, zinc and other metals.

Assay results from four other drill holes are being interpreted.

2. COPPER-NICKEL--PGE

- **Xade Cu-Ni-PGE Option Agreement, Botswana (Impact earning 51%)**

Interpretation of magnetic data and drill hole analytical data has identified about 50 km of strike of the Xade Complex, mostly at less than 200 m depth, as a priority target area. A 3000 sample MMI soil geochemical survey has commenced over the area.

- **Strategic Alliance with Impala Platinum Limited:**

Tenement applications lodged to secure a significant ground position over extensive outcrops of mineralised rock in southern Africa are still being assessed for grant.

- **Yarrabubba Nickel JV Project, WA (Impact 20%):**

Drill testing of Target P1 for porphyry-style copper-molybdenum-gold mineralisation did not return any significant results. The project has been relinquished.

3. CORPORATE

- Cash \$1.6 million.

Market Cap

A\$6.43 m (0.048p/s)

Issued Capital

134,003,328

Directors

Peter Unsworth
Chairman

Dr Mike Jones
Managing Director

Dr Rodney Fripp
Executive Director

Paul Ingram
Non-Executive Director

James Cooper-Jones
Company Secretary

www.impactminerals.com.au

309 Newcastle Street

Northbridge

Western Australia 6003

tel +61 (8) 6454 6666

fax +61 (8) 6454 6667

email

info@impactminerals.com.au

ASX Code: **IPT**

ABN 52 119 062 261



1. Botswana Uranium Project (Impact 100%)

Impact's Botswana Uranium Project comprises an extensive area of 26,000 square kilometres of Prospecting Licences and applications that cover 450 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 Limited at the Letlhakane Project near Serule (Figure 1).

Here A-Cap has reported a combined Indicated and Inferred Resource of 261 Mlb of uranium oxide at an average grade of 152 ppm at a cut-off grade of 100 ppm, in deposits hosted both by near-surface calcrete and by Karoo Supergroup sedimentary rocks. A feasibility study on the Letlhakane Project is in progress.

China Growth Minerals Limited, Impact's largest shareholder with 10.1%, also has a 16.1% shareholding in A-Cap.

Work by Impact has shown that 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 U_3O_8) and Namibia (such as Langer Heinrich, >50,000 tonnes U_3O_8);
- deposits hosted by Karoo sedimentary rocks, which host a number of large uranium deposits throughout southern Africa, including at Letlhakane;
- deposits of uranium with associated rare earth oxides 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 are 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 U_3O_8 at an average grade of up to 19% e U_3O_8 , as at the Cigar Lake Mine.

- 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 (Figure 1).

Work during the Quarter has focussed on further interpretation of drill hole analytical data and mineral alteration studies at the Red Hills Prospect.



1.1 Red Hills

New analytical results from the maiden drill programme at Red Hills, together with other geochemical data and mineral alteration studies were received during the Quarter. This data has confirmed that the very large alteration system discovered at Red Hills is very extensive, at least 1.5 km long by 1 km wide, and open-ended in all directions. Most importantly it is similar to those associated with some of the world's largest uranium deposits in rocks of similar age (see ASX announcement 15th December 2011).

The prospect occurs at the western end of a 60 km long by 3 km wide structural and stratigraphic corridor identified by Impact in the regional airborne magnetic and radiometric data and within which the sedimentary rocks show intense and widespread haematite and chlorite alteration, with local large airborne uranium anomalies (Figure 2). Analyses of surface rock samples are very anomalous, with up to about 100 ppm U_3O_8 and up to 0.6% total rare earth elements (TREE).

The new work has returned significant assays from three holes (Figures 3 and 4):

RHRC008: 97 m at 0.11% Total Rare Earth Elements (TREE) and 11 ppm U_3O_8 from 105 m;

RHRC002: 10 m at 0.1% TREE from 20 m; 13 m at 25 ppm U_3O_8 from 115 m; and
15 m at 20 ppm U_3O_8 from 189 m;

RHRC003: 72 m at 0.1% TREE and 11 ppm U_3O_8 from 25 metres.

The analytical data and mineral alteration studies have shown that the alteration zone comprises an **Upper Zone** and **Lower Zone**, both of which thicken towards the east (Figures 3 and 4):

The **Upper Zone** is developed mainly in Proterozoic sandstones of the Palapye Group, is up to 50 m thick and contains anomalous copper, silver, lead and zinc associated with strong sericite alteration.

The **Lower Zone** is developed mainly in Proterozoic conglomerates beneath the sandstones as well as in fault breccias in underlying basement granite and granite gneiss of the Mahalapye Complex. The Lower Zone is at least 100 m thick and contains anomalous REE's (in particular lanthanum and cerium) together with uranium. It is characterised by intense potassium feldspar and specular haematite alteration. In addition quartz-carbonate-fluorite veins have been intersected.

The Company's initial concept for the presence of Proterozoic-age uranium deposits has been reinforced with multiple avenues of evidence: the mineral alteration assemblages, the nature of the host rocks, the altered fault breccias and the regional fault control as well as the thick drill intercepts with anomalous Rare Earth Elements, uranium, copper, silver lead and zinc

Unconformity-related deposits of Proterozoic age occur in two global regions: the Athabasca Basin of Canada, and the Pine Creek Orogen of northern Australia. Together they contain six of the 17 largest uranium deposits in the world and have ore grades that are measured in the range of 0.1% to 22% (at McArthur River in Canada). The Mahalapye Complex identified by Impact in Botswana has a similar aerial extent to the Athabasca and Pine Creek regions.

Other significant analytical results, previously reported, include (Figure 3):

- RHRC001:** 32 m at 0.11% TREE from 85 m; and
56 m at 0.1% TREE and 16 ppm U_3O_8 from 166 m;
- RHRC009:** 17 m at 0.14% TREE and 13 ppm U_3O_8 from 55 m; and 31 m at 0.1% TREE from 86 m;
- RHRC010:** 32 m at 0.13% TREE and 10 ppm U_3O_8 from 45 m;
- RHRC011:** 48 m at 0.13% TREE from 36 m; and
31 m at 15 ppm U_3O_8 from 111 m;
- RHRC014:** 57 m at 0.1% TREE from surface, including
24 m at 0.15% TREE and 20 ppm uranium from 6 m in sedimentary rocks and basement granite; and 12 m at 0.1% TREE from 214 metres.

1.2 Other Prospects

Interpretation of drill assays from the **Mogome** and **Moiyabana Prospects** and soil geochemistry data from the **Khurutse Prospect** are in progress.

During the Quarter ten low priority Prospecting Licences in the Lepashe area were not renewed. The Company retains 41 Prospecting Licences in its Botswana Uranium Project (Figure 1).

2. Xade Nickel-Copper-PGE JV Project: Botswana (Impact earning 51%)

The Xade Project covers a poorly explored gabbro intrusion in central Botswana with excellent potential to host deposits of PGEs and nickel-copper sulphides. The Project is close to excellent infrastructure and the World Class Orapa diamond mine (Figure 5).

Impact has entered into an option agreement with private company Manica Minerals Limited to spend US\$1.2 million over two years to earn a 51% interest in the Xade Project. Impact may then elect to earn a 75% interest by defining an Indicated Mineral Resource.

The Xade Complex occurs in the North West Botswana Rift, an igneous and sedimentary province of similar age and geological characteristics to the Midcontinent Rift region of North America, and which hosts many major nickel-copper-PGE deposits, such as:

- the extraordinary Nokomis deposit of disseminated Cu-Ni-PGE mineralisation in the Duluth Complex (Duluth Metals Limited: Indicated Resource of 550 Mt at 0.64% copper, 0.2% nickel and 0.66 g/t total platinum plus palladium plus gold);
- the Eagle nickel-copper massive sulphide deposit of Rio Tinto (3.6 Mt at 3.5% nickel and 2.9% copper); and

the new PGE-nickel-copper discovery of Magma Metals Limited at the Thunder Bay North Project with an Indicated Resource of 8 Mt at 2.3 g/t platinum equivalent (platinum plus palladium plus copper plus nickel) for 591,000 ounces platinum equivalent.

Results of detailed and systematic geochemical analyses and relogging of about 320 metres of Xade diamond drill core confirm Impact's view that the Xade Complex is very prospective for deposits of nickel, copper and PGE's.

Drilling and interpretation of geophysical surveys indicates that the Complex is buried beneath between 200 m and 600 m of younger cover. The shallowest parts are in the north, and this same area has been interpreted as a prospective feeder zone for the entire Complex.

During the Quarter further interpretation of both the detailed airborne magnetic gradiometer survey of the northern (Rakops Area) section of the Xade Complex and the analytical data from the two boreholes drilled by previous operators in this target area identified about 50 km of strike of the Xade Complex as a priority area for follow up work. This area is under the thinnest cover of Karoo rocks, mostly less than 200 metres.

A 3000 sample MMI soil geochemical survey has commenced over this very prospective target area and should be completed in June.

Various geophysical techniques are being assessed to assist with targeting sulphide mineralisation under cover in this area.

3. PGE Strategic Alliance with Impala Platinum Limited

In mid-2008 the Company entered into a Strategic Alliance with Impala Platinum Limited, the World's second largest platinum producer, to explore for and develop deposits of Platinum Group Elements (PGE's) in southern Africa.

Under the Alliance Impala Platinum will fund project generation work done by Impact up to US\$800,000 and in return will have the first right to earn equity in any projects identified. Projects in which Impala Platinum elects to earn an interest will require a minimum expenditure by Impala of US\$1 million before withdrawal, and a further US\$1 million expenditure to earn 50%. Any projects which Impala Platinum does not elect to progress with can be retained by Impact.

As part of the Alliance work, tenement applications were lodged in late 2010 to secure a significant ground position over a prospective gabbro intrusion where a reconnaissance field visit identified extensive outcrops of weathered sulphides. Further details will be announced when the tenements are granted.

4. Yarrabubba Project, Western Australia (Impact 20%)

During the Quarter a drill programme comprising 17 RC drill holes for 1240 m was completed to test Target P1, identified by previous soil geochemistry programmes, for porphyry-style copper-molybdenum-zinc mineralisation.

No significant assays were returned and the project was relinquished in early April.



ASX Code: **IPT**

5. Corporate

The Company's cash balance at March 31st 2012 was \$1.6 million.

In March a placement to raise \$830,000 through the issue of 16,600,000 new shares at A\$0.05 per share was completed under the Company's 15% capacity as per ASX listing rule 7.1.

Invictus Gold Limited

Impact owns 16 million shares and 12.8 million options in Invictus Gold Limited, a gold and gold-copper-molybdenum explorer with extensive ground holdings in Queensland. Shareholders are encouraged to read the full announcements by Invictus which can be viewed in full on the ASX Website under the Invictus Gold code of **IVG** or in the **Latest News** section of the Invictus Gold website <http://www.invictusgold.com.au>.

Toro Energy Limited

Impact also owns 5,450,000 Toro Energy Limited shares with a current market value of about \$400,000.

Dr Michael G Jones
Managing Director

* eU and eU₃O₈ are the equivalent uranium content of materials calculated from either airborne radiometric data and measurements taken with an industry-standard portable spectrometer or a down hole probe respectively.

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.

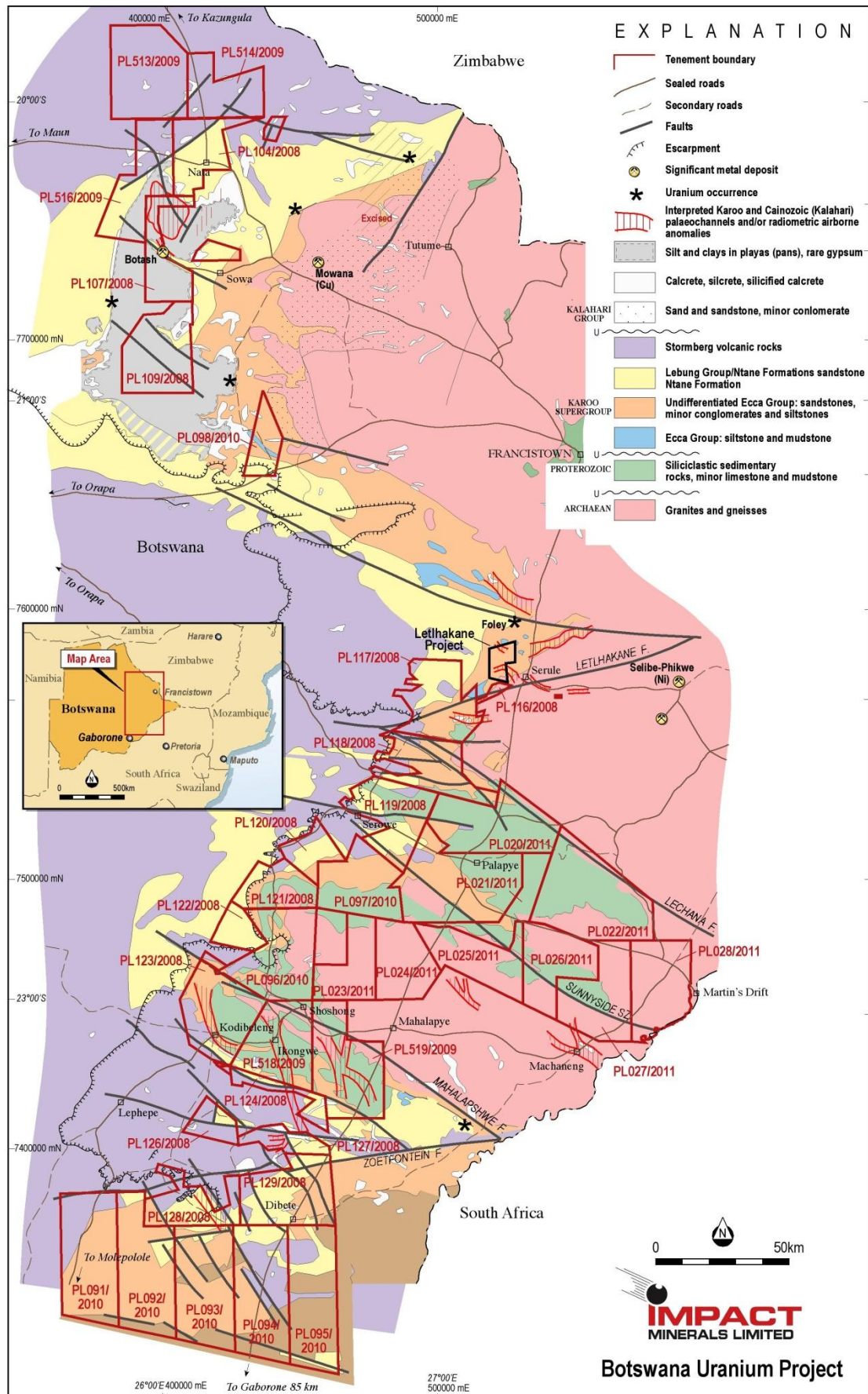


Figure 1. Location and Geology of the Botswana Uranium Project.

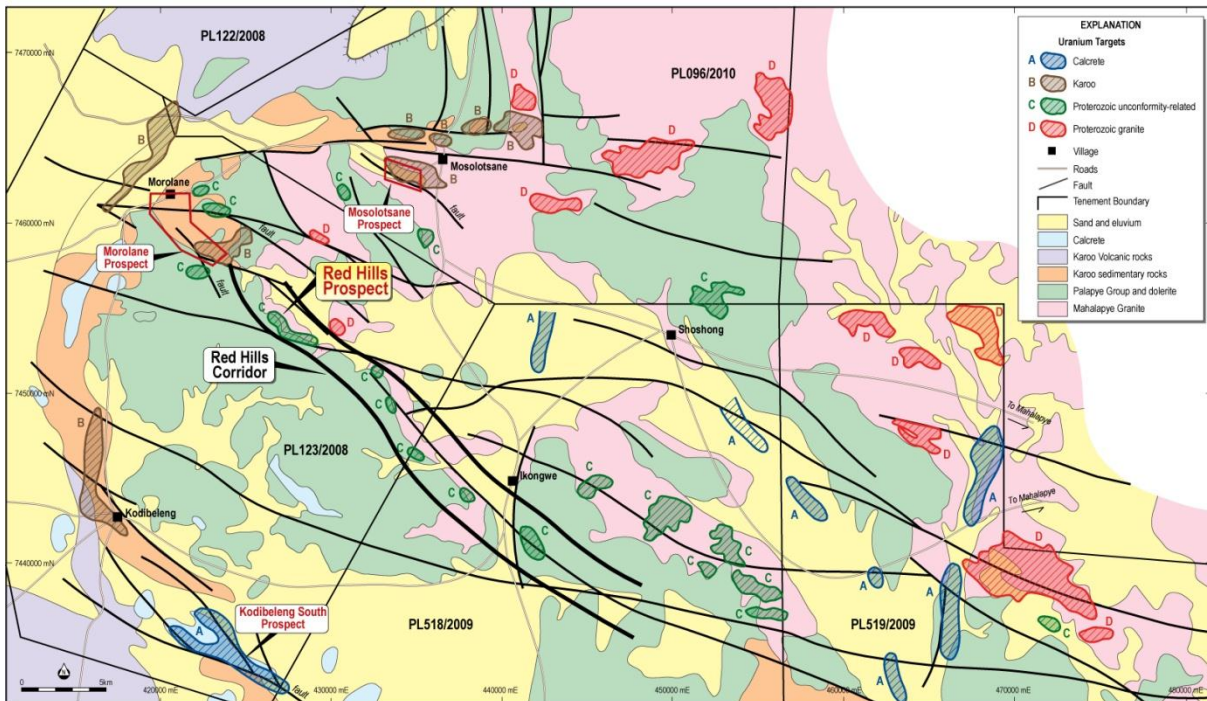


Figure 2. Location of the Red Hills Prospect and the Red Hills Corridor.

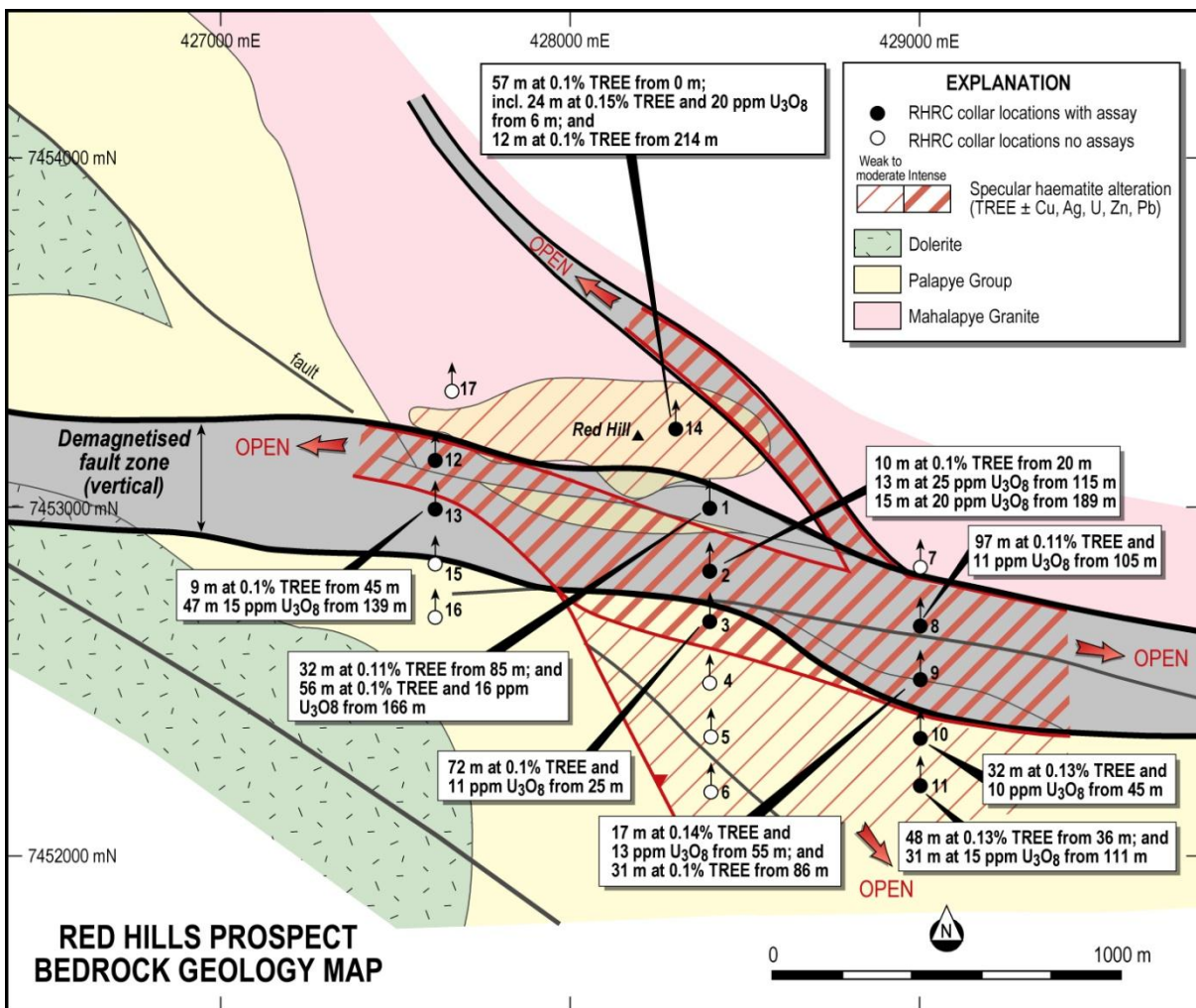


Figure 3. The geology and alteration system at the Red Hills Prospect.

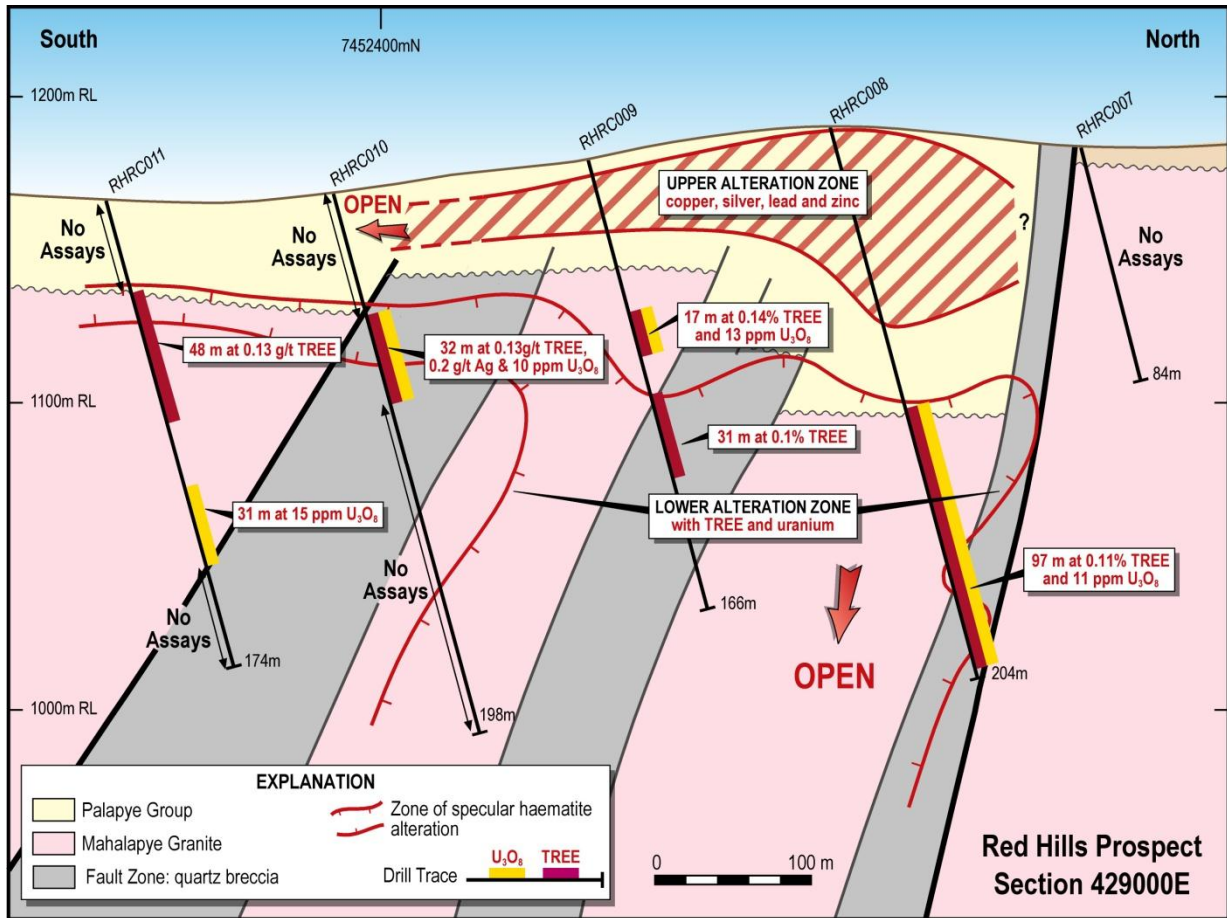


Figure 4. Cross section through the Red Hills Prospect on Traverse 429,000 mE and showing the Upper Zone and Lower Zone of the alteration system.

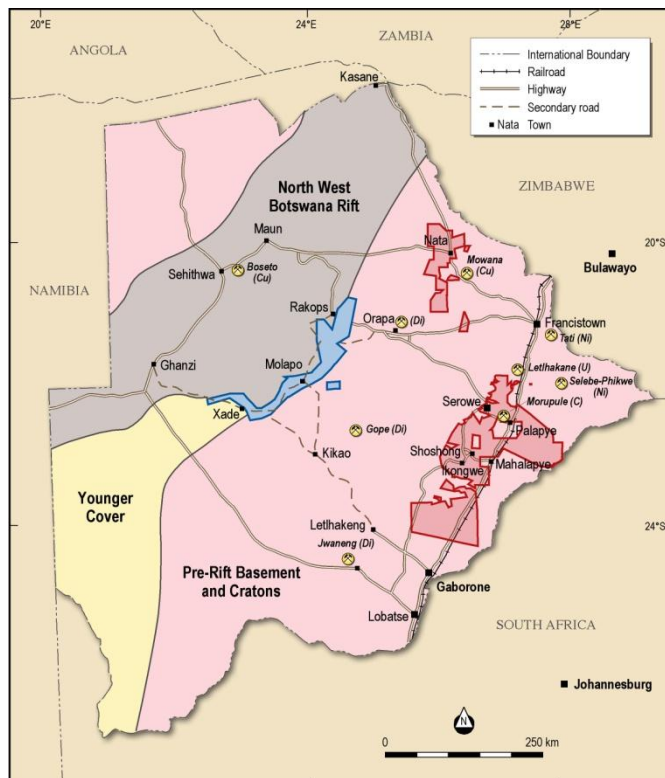


Figure 5. Location of the Xade Nickel Copper PGE Project, Botswana