



Impact Minerals Limited
ACN 119 062 261

**Notice of General Meeting,
Explanatory Statement and Proxy Form**

**General Meeting to be held at
The Celtic Club, 48 Ord Street,
West Perth, Western Australia
on Tuesday, 20 June 2017 at 11.00am (WST)**

The Notice of General Meeting, Explanatory Statement and Proxy Form should be read in their entirety. If you are in doubt as to how you should vote, you should seek advice from your accountant, solicitor or other professional adviser prior to voting.

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Important dates

An indicative timetable of key proposed dates is set out below. These dates are indicative only and are subject to change.

Event	Date
Last day for receipt of Proxy Forms – Proxy Forms received after this time will be disregarded	11.00am (WST) on Sunday, 18 June 2017
Snapshot date for eligibility to vote	11.00am (WST) on Sunday, 18 June 2017
General Meeting	11.00am (WST) on Tuesday, 20 June 2017

Important notice

Certain statements in the Explanatory Statement relate to the future. Such statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of the Company to be materially different from future results, performance or achievements expressed or implied by such statements. These statements reflect views only as of the date of the Explanatory Statement. Neither the Company nor any other person gives any representation, assurance or guarantee that the occurrence of the events expressed or implied in any forward looking statements in the Explanatory Statement will actually occur and you are cautioned not to place undue reliance on such forward looking statements.

Notice of General Meeting

Notice is hereby given that a General Meeting of Impact Minerals Limited (ACN 119 062 261) (**Company**) will be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia at **11.00am (WST) on Tuesday, 20 June 2017**.

The Explanatory Statement, which accompanies and forms part of the Notice of General Meeting, describes the various matters to be considered.

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

AGENDA

Resolution 1: Approval to issue New Shares and Free Attaching Options under the Share Purchase Plan and Shortfall Offer

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 7.1 and for all other purposes, Shareholders approve the issue of up to:

- (a) 222,300,000 New Shares at an issue price of \$0.018 per New Share to raise up to \$4,001,400; and*
- (b) 333,450,000 Free Attaching Options (being three Free Attaching Options for every two New Shares subscribed for) exercisable at \$0.04 each on or before 15 June 2020,*

in the manner and on the terms and conditions set out in the Explanatory Statement.”

Resolution 2: Approval for Michael Jones to participate in the Share Purchase Plan

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

“That, subject to the approval of Resolution 1, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the subscription by Dr Michael Jones, the Managing Director of the Company or his nominee, for the issue under the Share Purchase Plan of up to \$15,000 of New Shares and Free Attaching Options, being up to 833,334 New Shares at an issue price of \$0.018 per Share, and up to 1,250,001 Free Attaching Options exercisable at \$0.04 each on or before 15 June 2020, on the terms and conditions set out in the Explanatory Statement.”

Resolution 3: Approval for Peter Unsworth to participate in the Share Purchase Plan and the Shortfall Offer

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

“That, subject to the approval of Resolution 1, for the purposes of Listing Rule 10.11 and for all other purposes, Shareholders approve the subscription by Mr Peter Unsworth, the non-executive Chairman of the Company or his nominee, for:

- (a) the issue under the Share Purchase Plan of up to \$15,000 of New Shares and Free Attaching Options, being up to 833,334 New Shares at an issue price of \$0.018 per Share, and up to 1,250,001 Free Attaching Options exercisable at \$0.04 each on or before 15 June 2020; and*
- (b) the issue under the Shortfall Offer of up to \$25,000 of New Shares and Free Attaching Options, being up to 1,388,889 New Shares at an issue price of \$0.018 per Share, and up to 2,083,334 Free Attaching Options exercisable at \$0.04 each on or before 15 June 2020,*

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 cast on the following Resolutions by or on behalf of the following parties:

Resolution	Excluded Party(ies)
Resolution 1	In accordance with relief granted by ASX from Listing Rule 7.3.8, the Company will disregard all votes cast on Resolution 1 by or on behalf of: <ol style="list-style-type: none">1. any proposed underwriter or sub-underwriter of the Share Purchase Plan and Shortfall Offer;2. any Director who may participate in the Share Purchase Plan or Shortfall Offer;3. any person who may participate in the Shortfall Offer; and4. any person who may participate in the placement by the Company of Offer Securities not applied for under the Share Purchase Plan and Shortfall Offer, and any of their Associates.
Resolution 2	Dr Michael Jones, his nominee, and any of their Associates.
Resolution 3	Mr Peter Unsworth, his nominee, and any of their Associates.

The Company need not disregard a vote on a Resolution if it is cast by:

- the person as a proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form; or
- the Chairperson as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

By order of the Board of Directors



Mr Bernard Crawford

Company Secretary

19 May 2017

Proxy appointment, voting and Meeting instructions

Lodgement of a Proxy Form

The Proxy Form (and any power of attorney or other authority, if any, under which it is signed) must be received by the Company's share register by **11.00am (WST) on Sunday, 18 June 2017**, being not more than 48 hours before the commencement of the Meeting. Any Proxy Form received after that time will not be valid.

Proxy Forms may be lodged as follows:

Online	www.investorvote.com.au
By mail	Computershare Investor Services Pty Limited, GPO Box 242, Melbourne Victoria 3001, Australia
By fax	1800 783 447 (within Australia) +61 3 9473 2555 (outside Australia)
By mobile	Scan the QR Code on your proxy
Custodian Voting	For Intermediary Online subscribers only (custodians) please visit www.intermediaryonline.com to submit your voting intentions

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.

If you wish to appoint the Chairperson as your proxy, mark the appropriate box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairperson please write the name of that person. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairperson will be 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, on each Proxy Form, state (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.

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:

- two directors of the company;
- a director and a company secretary of the company; or

- for a proprietary company that has a sole director who is also the sole company secretary, that director.

Votes on Resolution

You may direct your proxy how to vote by placing a mark in the 'FOR', 'AGAINST' or 'ABSTAIN' box opposite the Resolution. All your votes will be cast in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolution 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 Resolution, your proxy may vote as he or she chooses. If you mark more than one box on the Resolution, your vote will be invalid.

Chairperson voting of undirected proxies

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

Voting entitlement (snapshot date)

For the purposes of determining voting and attendance entitlements at the Meeting, Shares will be taken to be held by the persons who are registered as holding the Shares at **11.00am (WST) on Sunday, 18 June 2017**. Accordingly, transactions registered after that time will be disregarded in determining entitlements to attend and vote at the Meeting.

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 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 Chairperson will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company.

In addition to asking questions at the Meeting, written questions to the Board about the management of the Company may be submitted by no later than 5.00pm (WST) on Sunday, 18 June 2017 in the same manner as outlined above for lodgement of Proxy Forms.

Copies of written questions will be available at the Meeting.

Explanatory Statement

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the 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 Resolution in the accompanying Notice of General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of General Meeting. Capitalised terms in this Explanatory Statement are defined in the Glossary.

1. Background to the Resolutions

1.1 Background

On 11 May 2017, the Company announced its intention to raise up to \$4,001,400 by a share purchase plan to existing Shareholders (**Share Purchase Plan**), and the offer of the shortfall to the Share Purchase Plan (**Shortfall Offer**).

Pursuant to both the Share Purchase Plan and the Shortfall Offer, investors will be able to subscribe for new fully paid ordinary shares in the Company (**New Shares**) at an issue price of \$0.018 each, with three free attaching options exercisable at \$0.04 each, on or before 15 June 2020 (**Free Attaching Options**) for every two New Shares subscribed for.

The funds raised by the Share Purchase Plan and Shortfall Offer will be used to fund a drill programme of up to 3,000 metres of reverse circulation and diamond drilling to test targets on the Silica Hill Prospect at the Company's 100% owned Commonwealth gold-silver-base metal project, for follow up work including drilling at the high grade Broken Hill copper-nickel-PGM project, the Red Hill Prospect and the Platinum Springs Prospect, and for general working capital.

1.2 Share Purchase Plan

Pursuant to the Share Purchase Plan, existing Shareholders on the register at 5.00pm (WST) on Wednesday, 10 May 2017 are entitled to subscribe for up to \$15,000 of New Shares at \$0.018 each, with three Free Attaching Options for every two New Shares subscribed for.

The Share Purchase Plan is capped at \$4,001,400 with the Company accepting valid applications on a first come first served basis.

The issue of New Shares and Free Attaching Options pursuant to the Share Purchase Plan is subject to Shareholder approval pursuant to Resolution 1.

The Share Purchase Plan will be made pursuant to a prospectus issued in accordance with section 713 of the Corporations Act (**Prospectus**).

1.3 Shortfall Offer

Any New Shares and Free Attaching Options not subscribed for under the Share Purchase Plan will form the shortfall and will be offered under the Shortfall Offer, which will constitute a second offer under the Prospectus.

An individual may apply for additional New Shares and Free Attaching Options under the Shortfall Offer provided that they are eligible under all applicable securities laws to receive an offer under the Shortfall Offer.

Securities under the Shortfall Offer are offered and issued on the same terms as under the Share Purchase Plan, being at an issue price of \$0.018 per New Share, with three Free Attaching Options for every two New Shares subscribed for.

If, after the close of the Share Purchase Plan and Shortfall Offer, any Offer Securities have not been subscribed for under the Share Purchase Plan or Shortfall Offer, the Directors reserve the right to place some or all of those Offer Securities within three months of the close of the Offers.

The Company will not allocate any Offer Securities to the extent that the recipient's voting power in the Company would exceed 20%.

The issue of Offer Securities pursuant to the Shortfall Offer, and the placement of any Offer Securities within three months of the close of the Offers, is subject to Shareholder approval pursuant to Resolution 1.

1.4 Director participation

Two Directors intend to participate in the Share Purchase Plan, being Dr Michael Jones, the Company's Managing Director, and Mr Peter Unsworth, the Company's non-executive Chairman.

Dr Jones and Mr Unsworth each intend to subscribe for up to \$15,000 worth of Offer Securities under the Share Purchase Plan, being up to 833,334 New Shares at an issue price of \$0.018 per Share, and up to 1,240,001 Free Attaching Options.

In addition, Mr Unsworth intends to subscribe for up to \$25,000 worth of Offer Securities under the Shortfall Offer, being up to 1,388,889 New Shares at an issue price of \$0.018 per Share, and up to 2,083,334 Free Attaching Options.

The approval of the issue of Offer Securities to Dr Jones under the Share Purchase Plan is the subject of Resolution 2, and the approval of the issue of Offer Securities to Mr Unsworth under the Share Purchase Plan and Shortfall Offer is the subject of Resolution 3.

1.5 Underwriting

Neither the Share Purchase Plan nor the Shortfall Offer are underwritten.

1.6 Potential dilutive effect

The table below sets out the potential dilutive effect of the issue of the Offer Securities pursuant to the Share Purchase Plan and Shortfall Offer on the Company's capital structure at the date of the Notice.

Event	Shares issued	Number of Shares post-issue	Dilution (rounded)
25% of the maximum number of Offer Securities issued	55,575,000	844,346,085	6.58%
50% of the maximum number of Offer Securities issued	111,150,000	899,921,085	12.35%
75% of the maximum number of Offer Securities issued	166,725,000	955,496,085	17.45%
Maximum number of Offer Securities issued	222,300,000	1,011,071,085	21.99%

Note: this table assumes that no further Shares are issued, and no Options are exercised.

1.7 Timetable

The timetable for the Share Purchase Plan and Shortfall Offer is as follows:

Event	Date
Record date for Share Purchase Plan (5.00pm WST)	Wednesday, 10 May 2017
Announcement of Share Purchase Plan and Shortfall Offer	Thursday, 11 May 2017
Prospectus lodged with ASIC	Monday, 15 May 2017
Opening date of Share Purchase Plan and Shortfall Offer	Friday, 19 May 2017
Closing date of Share Purchase Plan (5.00pm WST)	Friday, 9 June 2017
Closing date for Shortfall Offer (5.00pm WST)	Friday, 16 June 2017
General Meeting	Tuesday, 20 June 2017
New Shares and Free Attaching Options issued	Wednesday, 21 June 2017

Note: these dates are indicative only and are subject to change without notice, at the discretion of the Directors, subject to the requirements of the Listing Rules and the Corporations Act.

2. Resolution 1: Approval to issue New Shares and Free Attaching Options under the Share Purchase Plan and Shortfall Offer

2.1 Shareholder approval

Resolution 1 seeks Shareholder approval under Listing Rule 7.1 for the issue of up to 222,300,000 New Shares and 333,450,000 Free Attaching Options to Eligible Shareholders who participate in the Share Purchase Plan, to applicants under the Shortfall Offer, and to participants in the placement of any Offer Securities not applied for under the Share Purchase Plan and Shortfall Offer. The Share Purchase Plan, Shortfall Offer and placement of any remaining Offer Securities will be made pursuant to the Prospectus.

Each Eligible Shareholder may (but is not required to) subscribe for up to \$15,000 of New Shares at \$0.018 each, with three Free Attaching Options for every two New Shares subscribed for.

2.2 Applicable Listing Rules

Listing Rule 7.1 provides that a company must not, without prior approval of shareholders and subject to specified exceptions, issue or agree to issue during any 12 month period any Equity Securities, or other securities with rights to conversion to equity (such as an option), if the number of those Equity Securities exceeds 15% of the number of fully paid ordinary shares on issue at the commencement of that 12 month period.

An exception to Listing Rule 7.1 is set out in Listing Rule 7.2 (Exception 15) which provides that Listing Rule 7.1 does not apply to an issue of securities under a “security purchase plan” (as that term is defined in Chapter 19 of the Listing Rules) where the number of securities to be issued is not greater than 30% of the number of fully paid ordinary shares on issue, and certain other conditions are satisfied. Any securities issued under a “security purchase plan” in accordance with Listing Rule 7.2 (Exception 15) would therefore not count towards the company’s issuing capacity under Listing Rule 7.1.

Whilst the Company considers that with respect to the New Shares, the Share Purchase Plan is likely to satisfy the definition of “security purchase plan” under the Listing Rules, the Company is unable to rely on ASIC Class Order 09/425 and, consequently, Listing Rule 7.2 (Exception 15) with regard to the Free Attaching Options to be issued under the Share Purchase Plan.

Accordingly, the Company is seeking Shareholder approval pursuant to Resolution 1 for the issue of the Free Attaching Options under the Share Purchase Plan.

In addition, the Company has determined to seek Shareholder approval pursuant to Resolution 1 for the issue of the New Shares that may be issued under the Share Purchase Plan, and for the Offer Securities that may be issued under the Shortfall Offer and to participants in the placement by the Company of the Offer Securities not applied for under the Share Purchase Plan and Shortfall Offer during the three months after the close of those offers.

The effect of obtaining Shareholder approval pursuant to Resolution 1 will be to ensure that:

- (a) to the extent that the Share Purchase Plan falls outside the definition of “security purchase plan” in the Listing Rules (by reason of the Free Attaching Options, Shortfall Offer or otherwise), the issue of Offer Securities under the Share Purchase Plan will not utilise the Company’s issuing capacity under Listing Rule 7.1;
- (b) the issue of Offer Securities under the Shortfall Offer will not utilise the Company’s issuing capacity under Listing Rule 7.1; and
- (c) the issue of Offer Securities not applied for under the Share Purchase Plan and Shortfall Offer that are placed by the Company during the three months after the close of the Offers will not utilise the Company’s issuing capacity under Listing Rule 7.1.

2.3 Specific information required by Listing Rule 7.3

Listing Rule 7.3 requires that the following information be provided to Shareholders in relation to Resolution 1 for the purposes of obtaining approval under Listing Rule 7.1:

(a) **Number of Securities to be issued**

The maximum number of Securities the Company will issue pursuant to Resolution 1 is 222,300,000 New Shares, and 333,450,000 Free Attaching Options.

(b) **The date by which the Securities will be issued**

The Offer Securities will be issued no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(c) **The price at which the Securities will be issued**

The New Shares will be issued at an issue price of \$0.018 each to raise a total of \$4,001,400 (before costs).

The Free Attaching Options will be issued as free-attaching options for nil cash consideration.

(d) **The names of the persons to whom the Securities will be issued or the basis on which those persons will be determined**

The New Shares and Free Attaching Options will be issued to Eligible Shareholders who participate in the Share Purchase Plan, none of which will be related parties of the Company for the purposes of the Listing Rules, other than as contemplated by Resolutions 2 and 3.

(e) **The terms of the Securities**

The New Shares issued will be fully paid ordinary Shares that rank equally with all existing Shares then on issue. The Company will apply for quotation of the New Shares on ASX.

The Free Attaching Options are exercisable at \$0.04 each, on or before 15 June 2020 and are otherwise issued on the terms and conditions as set out in the Schedule. A Share issued upon the exercise of a Free Attaching Option will be a fully paid ordinary share that will rank equally with all other Shares then on issue. The Company will apply for quotation of the Free Attaching Options on ASX.

(f) **The issue date**

It is intended that the New Shares and Free Attaching Options under the Share Purchase Plan and the under the Shortfall Offer will issued on one date, being no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

Any New Shares and Free Attaching Options offered under the Share Purchase Plan and Shortfall Offer but not issued, may be issued by the Company no later than three months after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules), and it is intended that their issue will occur progressively.

(g) **The intended use of the funds raised**

The Company intends to use the funds raised from the Share Purchase Plan, Shortfall Offer and placement of any remaining Offer Securities to fund a drill programme of up to 3,000 metres of reverse circulation and diamond drilling to test targets on the Silica Hill Prospect at the Company's 100% owned Commonwealth gold-silver-base metal project, for follow up work at the high grade Broken Hill copper-nickel-PGM project and Mulga Tank, and for general working capital.

2.4 Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 1.

3. Resolutions 2 and 3: Approval for Directors to participate in the Share Purchase Plan and the Shortfall Offer

3.1 Background

Pursuant to Resolution 2, the Company is seeking Shareholder approval to enable Dr Michael Jones, the Managing Director of the Company, to participate in the Share Purchase Plan.

Dr Jones intends to subscribe for up to \$15,000 worth of Offer Securities under the Share Purchase Plan, being up to 833,334 New Shares at an issue price of \$0.018 per Share, and up to 1,250,001 Free Attaching Options.

Pursuant to Resolution 3, the Company is seeking Shareholder approval to enable Mr Peter Unsworth, the non-executive Chairman of the Company, to participate in the Share Purchase Plan and the Shortfall Offer.

Mr Unsworth intends to subscribe for up to \$15,000 worth of Offer Securities under the Share Purchase Plan, being up to 833,334 New Shares at an issue price of \$0.018 per Share, and up to 1,250,001 Free Attaching Options, and for up to \$25,000 worth of Offer Securities under the Shortfall Offer, being up to 1,388,889 New Shares at an issue price of \$0.018 per Share, and up to 2,083,334 Free Attaching Options.

3.2 Corporations Act exemption

For a public company, or an entity that a public company controls, to give a financial benefit to a Related Party of the public company, the public company or entity must:

- (i) obtain the approval of the public company's members in the manner set out in sections 217 to 227 of the Corporations Act; and
- (ii) give the financial benefit within 15 months following such approval,

unless the giving of the financial benefit falls within an exception set out in sections 210 to 216 of the Corporations Act.

Section 210 of the Corporations Act provides that shareholder approval is not required to give a financial benefit on terms that:

- (i) would be reasonable in the circumstances if the public company and the Related Party were dealing at arm's length; or
- (ii) are less favourable to the Related Party than arm's length terms.

As the Offer Securities proposed to be issued to Dr Jones and Mr Unsworth (or their nominees) are proposed to be issued on the same terms and at the same price as all other Shares issued to non-related parties under the Share Purchase Plan and Shortfall Offer (as applicable) and are for the purposes of a capital raising, the Directors (other than Dr Jones and Mr Unsworth) consider that the proposed issue is reasonable in the circumstances as the Company and each of Dr Jones and Mr Unsworth were dealing at arm's length. Accordingly, the Directors (other than Dr Jones and Mr Unsworth) have resolved that Shareholder approval is not required for the purposes of section 208 of the Corporations Act as the exemption under section 210 of the Corporations Act applies.

3.3 Specific information required by Listing Rule 10.13

In accordance with the requirements of Listing Rule 10.13, the following information is provided in relation to Resolution 2:

(a) The name of the person

The Securities will be issued to Dr Michael Jones, the Managing Director of the Company, or his nominee.

(b) Number of Securities to be issued

The maximum number of Securities that may be issued pursuant to Resolution 2 is 833,334 New Shares, and 1,250,001 Free Attaching Options.

(c) The date by which the Securities will be issued

The Offer Securities will be issued within 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(d) The price at which the Securities will be issued

The New Shares will be issued at an issue price of \$0.018 each to raise a total of up to \$15,000.

The Free Attaching Options will be issued as free-attaching options for nil cash consideration.

(e) The terms of the Securities

The New Shares issued will be fully paid ordinary Shares that rank equally with all existing Shares then on issue. The Company will apply for quotation of the New Shares on ASX.

The Free Attaching Options are exercisable at \$0.04 each, on or before 15 June 2020 and are otherwise issued on the terms and conditions as set out in the Schedule. A Share issued upon the exercise of a Free Attaching Option will be a fully paid ordinary share that will rank equally with all other Shares then on issue. The Company will apply for quotation of the Free Attaching Options on ASX.

(f) **The intended use of the funds raised**

The Company intends to use the funds raised from the issue of Offer Securities to Dr Jones for the same purpose as funds raised from the issue of Offer Securities under the Share Purchase Plan, Shortfall Offer and placement of any remaining Offer Securities, as set out in paragraph 2.3(g) above.

In accordance with the requirements of Listing Rule 10.13, the following information is provided in relation to Resolution 3:

(a) **The name of the person**

The Securities will be issued to Mr Peter Unsworth, the non-executive Chairman of the Company, or his nominee.

(b) **Number of Securities to be issued**

The maximum number of Securities that may be issued pursuant to Resolution 3 is 2,222,223 New Shares, and 3,333,335 Free Attaching Options.

(c) **The date by which the Securities will be issued**

The Offer Securities will be issued within 1 month after the date of the Meeting (or such later date to the extent permitted by any ASX waiver or modification of the Listing Rules).

(d) **The price at which the Securities will be issued**

The New Shares will be issued at an issue price of \$0.018 each to raise a total of up to \$40,000.

The Free Attaching Options will be issued as free-attaching options for nil cash consideration.

(e) **The terms of the Securities**

The New Shares issued will be fully paid ordinary Shares that rank equally with all existing Shares then on issue. The Company will apply for quotation of the New Shares on ASX.

The Free Attaching Options are exercisable at \$0.04 each, on or before 15 June 2020 and are otherwise issued on the terms and conditions as set out in the Schedule. A Share issued upon the exercise of a Free Attaching Option will be a fully paid ordinary share that will rank equally with all other Shares then on issue. The Company will apply for quotation of the Free Attaching Options on ASX.

(f) **The intended use of the funds raised**

The Company intends to use the funds raised from the issue of Offer Securities to Mr Unsworth for the same purpose as funds raised from the issue of Offer Securities under the Share Purchase Plan, Shortfall Offer and placement of any remaining Offer Securities, as set out in paragraph 2.3(g) above.

3.4 Directors' recommendations

The effect of Resolutions 2 and 3 will be to permit Dr Jones and Mr Unsworth to each participate in the Share Placement Plan, and to permit Mr Unsworth to participate in the Shortfall Offer.

The Directors (other than Dr Jones and Mr Unsworth) unanimously recommend that Shareholders vote in favour of Resolutions 2 and 3.

Glossary of Terms

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

ASX	ASX Limited (ACN 008 624 691) or the financial market known as the Australian Securities Exchange, as the context requires.
Associate	Has the meaning given to that term in the Listing Rules.
Board	The Board of Directors of the Company.
Chairperson	The chairperson of the Meeting.
CHESS	Clearing House Electronic Sub-register System operated by ASX Settlement.
Company	Impact Minerals Limited (ACN 119 062 261).
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Eligible Shareholder	A Shareholder who is registered as the holder of Shares on the Record Date and is resident in Australia or New Zealand.
Equity Security	<p>Has the meaning given to that term in Listing Rule 19.12, being any of the following but not including a security that ASX decides to classify as a 'debt security':</p> <ul style="list-style-type: none">(a) a share;(b) a unit;(c) a right to a share or unit or option;(d) an option over an issued or unissued security;(e) a convertible security; or(f) any security that ASX decides to classify as an equity security.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice.
Free Attaching Option	An option to subscribe for a Share, exercisable at \$0.04 each, on or before 15 June 2020, and otherwise on the terms and conditions set out in the Schedule.
General Meeting or Meeting	The General Meeting of Shareholders or any adjournment thereof, convened by the Notice.
Holding Statement	A statement of shares registered in a CHESS account.
Listing Rules	The official listing rules of ASX.
New Share	A new Share, which the Company may issue to investors under the Share Purchase Plan or Shortfall Offer.
Notice or Notice of General Meeting	The Notice of General Meeting which accompanies the Explanatory Statement.
Offer Securities	The New Shares and Free Attaching Options offered under the Share Purchase Plan and Shortfall Offer under the Prospectus.

Offers	The Share Purchase Plan and the Shortfall Offer.
Opening Date	The opening date of the Share Purchase Plan and the Shortfall Offer, being Monday, 15 May 2017.
Proxy Form	The proxy form accompanying the Notice.
Prospectus	The prospectus to be lodged by the Company with ASIC pursuant to which the Share Purchase Plan and Shortfall Offer will be made.
Record Date	The date at which entitlement of Shareholders to participate in the Share Purchase Plan is determined, being 5.00pm (WST) on Wednesday, 10 May 2017.
Related Party	Has the meaning given to that term in section 228 of the Corporations Act.
Resolution	A resolution set out in the Notice.
Securities	Has the meaning given to that term in section 761A of the Corporations Act and includes a Share, a New Share and a Free Attaching Option.
Share	A fully paid ordinary share in the capital of the Company.
Shareholder	A registered holder of a Share.
Shortfall Offer	The offer of the shortfall to the Share Purchase Plan.
Share Purchase Plan	The offer to each Eligible Shareholder of up to 833,334 Shares at an issue price of \$0.018 per Share, totalling \$15,000, and up to 1,250,001 Free Attaching Options.
WST	Australian Western Standard Time, being the time in Perth, Western Australia.

Schedule

Terms and Conditions of Free Attaching Options

Unless otherwise indicated, capitalised terms in this Schedule have the meanings given to them in the Glossary to the Explanatory Statement.

Each Free Attaching Option will be issued on the following terms and conditions:

(a) **Entitlement**

Each Free Attaching Option entitles the holder (**Option Holder**) to subscribe for one fully paid ordinary Share in the Company.

(b) **No payment on grant**

The Option Holder is not required to pay any amount on the grant to the Option Holder of a Free Attaching Option.

(c) **Exercise price**

The exercise price of each Free Attaching Option is \$0.04 (**Exercise Price**).

(d) **Expiry date**

Each Free Attaching Option may be exercised at any time before 5.00pm (WST) on 15 June 2020 (**Expiry Date**). Any Free Attaching Option not exercised by the Expiry Date will automatically expire.

(e) **Holding Statement**

The Company must give the Option Holder a Holding Statement stating:

- A. the number of Free Attaching Options issued to the Option Holder;
- B. the Exercise Price of the Free Attaching Options; and
- C. the date of issue of the Free Attaching Options.

(f) **Transfer**

The Free Attaching Options are transferable.

(g) **Quotation of Free Attaching Options**

The Company will apply to ASX for Official Quotation of the Free Attaching Options.

(h) **Quotation of Shares**

The Company will apply to ASX for Official Quotation of the Shares issued on exercise of Free Attaching Options.

(i) **New issues**

The Option Holder is not entitled to participate in any new issue to Shareholders of Securities in the Company unless they have exercised their Free Attaching Options before the record date for determining entitlements to the new issue of Securities and participate as a result of holding Shares. The Company must give the Option Holder notice of the proposed terms of the issue or offer in accordance with the Listing Rules.

(j) **Bonus issues**

If the Company makes a bonus issue of Shares or other Securities to Shareholders (except an issue in lieu of dividends or by way of dividend reinvestment) and a Share has not been issued in respect of the Free Attaching Option before the record date for determining entitlements to the issue, then the number of underlying Shares over which the Free Attaching Option is exercisable will be increased by the number of Shares which the Option Holder would have received if the Option Holder had exercised the Free Attaching Option before the record date for determining entitlements to the issue.

(k) **Reorganisation**

- A. If there is a reorganisation (including consolidation, sub-division, reduction or return) of the share capital of the Company, then the rights of the Option Holder (including the number of Free Attaching Options to which the Option Holder is entitled to and the Exercise Price) will be changed to the extent necessary to comply with the Listing Rules applying to a reorganisation of capital at the time of the reorganisation.
- B. Any calculations or adjustments which are required to be made will be made by the Company's Board and will, in the absence of manifest error, be final and conclusive and binding on the Company and the Option Holder.
- C. The Company must, within a reasonable period, give to the Option Holder notice of any change to the Exercise Price of any Free Attaching Options held by the Option Holder or the number of Shares which the Option Holder is entitled to subscribe for on exercise of a Free Attaching Option.

(l) **Exercise**

- A. To exercise Free Attaching Options, the Option Holder must give the Company or its Share Registry, at the same time:
 - a. an exercise notice (in the form approved by the Board of the Company from time to time) specifying the number of Free Attaching Options being exercised and Shares to be issued; and
 - b. payment of the Exercise Price for the Shares, the subject of the exercise notice, by way of bank cheque or by other means of payment, approved by the Company.
- B. The Option Holder may only exercise Free Attaching Options in multiples of 10,000 Free Attaching Options unless the Option Holder exercises all Free Attaching Options held by the Option Holder.
- C. Free Attaching Options will be deemed to have been exercised on the date the exercise notice and Exercise Price are received by the Company.

(m) **Re-issue of certificate or Holding Statement**

If the Option Holder exercises less than the total number of Free Attaching Options registered in the Option Holder's name:

- A. the Option Holder must surrender their Free Attaching Option Holding Statement (if any); and
- B. the Company must cancel the Free Attaching Option Holding Statement (if any) and issue the Option Holder a new Free Attaching Option Holding Statement or holding statement stating the remaining number of Free Attaching Options held by the Option Holder.

(n) **Issue**

- A. Within five business days after receiving an application for exercise of Free Attaching Options and payment by the Option Holder of the Exercise Price, the Company must issue the Option Holder the number of Shares specified in the application.
- B. Subject to the Constitution, all Shares issued on the exercise of Free Attaching Options will rank in all respects (including rights relating to dividends) equally with the existing ordinary shares of the Company at the date of issue.

(o) **Governing law**

These terms and the rights and obligations of the Option Holder are governed by the laws of Western Australia. The Option Holder irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of Western Australia.

Lodge your vote:



Online:

www.investorvote.com.au



By Mail:

Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

For Intermediary Online subscribers only
(custodians) www.intermediaryonline.com

For all enquiries call:

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

Proxy Form

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Vote online

- Go to www.investorvote.com.au or scan the QR Code with your mobile device.
- Follow the instructions on the secure website to vote.

Your access information that you will need to vote:

Control Number:

SRN/HIN:

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



For your vote to be effective it must be received by 11.00am (WST) Sunday, 18 June 2017

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 for Postal Forms

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 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.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

☐

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.

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

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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 General Meeting of Impact Minerals Limited to be held at The Celtic Club, 48 Ord Street, West Perth, Western Australia on Tuesday, 20 June 2017 at 11.00am (WST) and at any adjournment or postponement of that meeting.

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	Approval to issue New Shares and Free Attaching Options under the Share Purchase Plan and Shortfall Offer	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 2	Approval for Michael Jones to participate in the Share Purchase Plan	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Resolution 3	Approval for Peter Unsworth to participate in the Share Purchase Plan and the Shortfall Offer	<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 / /