



ASX ANNOUNCEMENT

Date: 29 October 2012

ASX: IPT

Number: 230/291012

DRILLING TO START THIS WEEK AT THE XADE COPPER-NICKEL-PGE PROJECT

Impact Minerals Limited (ASX: **IPT**) is pleased to announce that it will commence drilling this week at the Xade Copper-Nickel-PGE Project in central Botswana (Figure 1).

The Xade Project covers a poorly explored gabbro intrusion (the Xade Complex) in central Botswana with excellent potential to host deposits of copper-nickel sulphides and PGE's. The Project is close to excellent infrastructure and the World Class Orapa diamond mine (Figure 1).

Four holes to depths of up to X m are planned to test four areas of interest generated from the interpretation of detailed airborne magnetic and soil geochemistry surveys (Figure 2).

The drill programme will comprise reverse circulation drilling to the base of the Karoo Supergroup rocks that overlie the Xade Complex, followed by diamond drilling in the gabbro.

Updates will be provided to the market as the programme progresses.

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 copper-nickel-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 (4.1 Mt at 3.2% nickel and 2.7% copper); and
- the new PGE-nickel-copper discovery of Magma Metals Limited at the Thunder Bay North Project with an Indicated and Inferred Resource of 10.3 Mt at 2.4 g/t platinum equivalent (platinum plus palladium plus copper plus nickel) for 790,000 ounces platinum equivalent.

Figure 3 shows the Duluth Complex and Xade Complex at the same scale for comparison.



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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.

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 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.

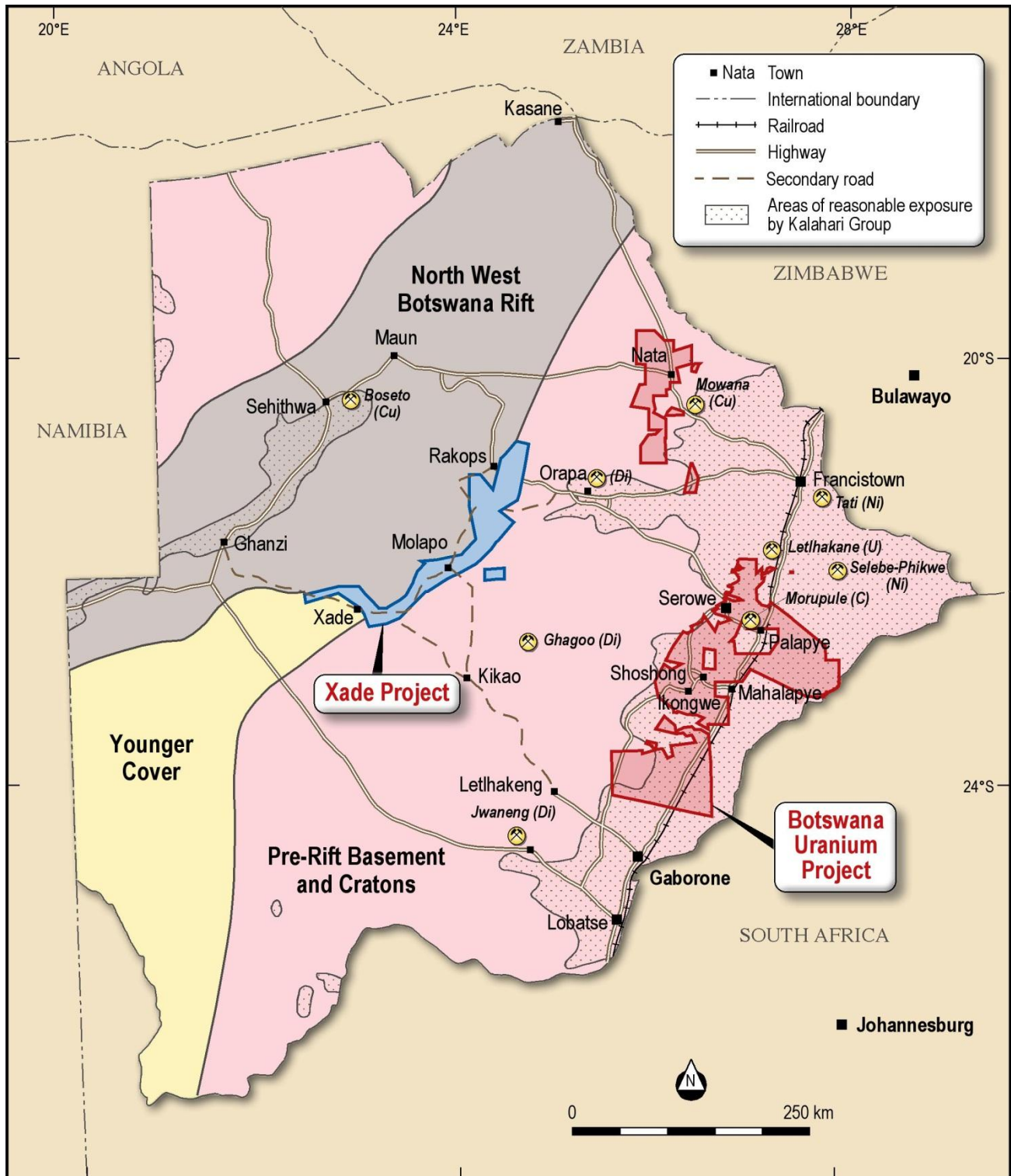


Figure 1. Location of Impact's projects in Botswana.

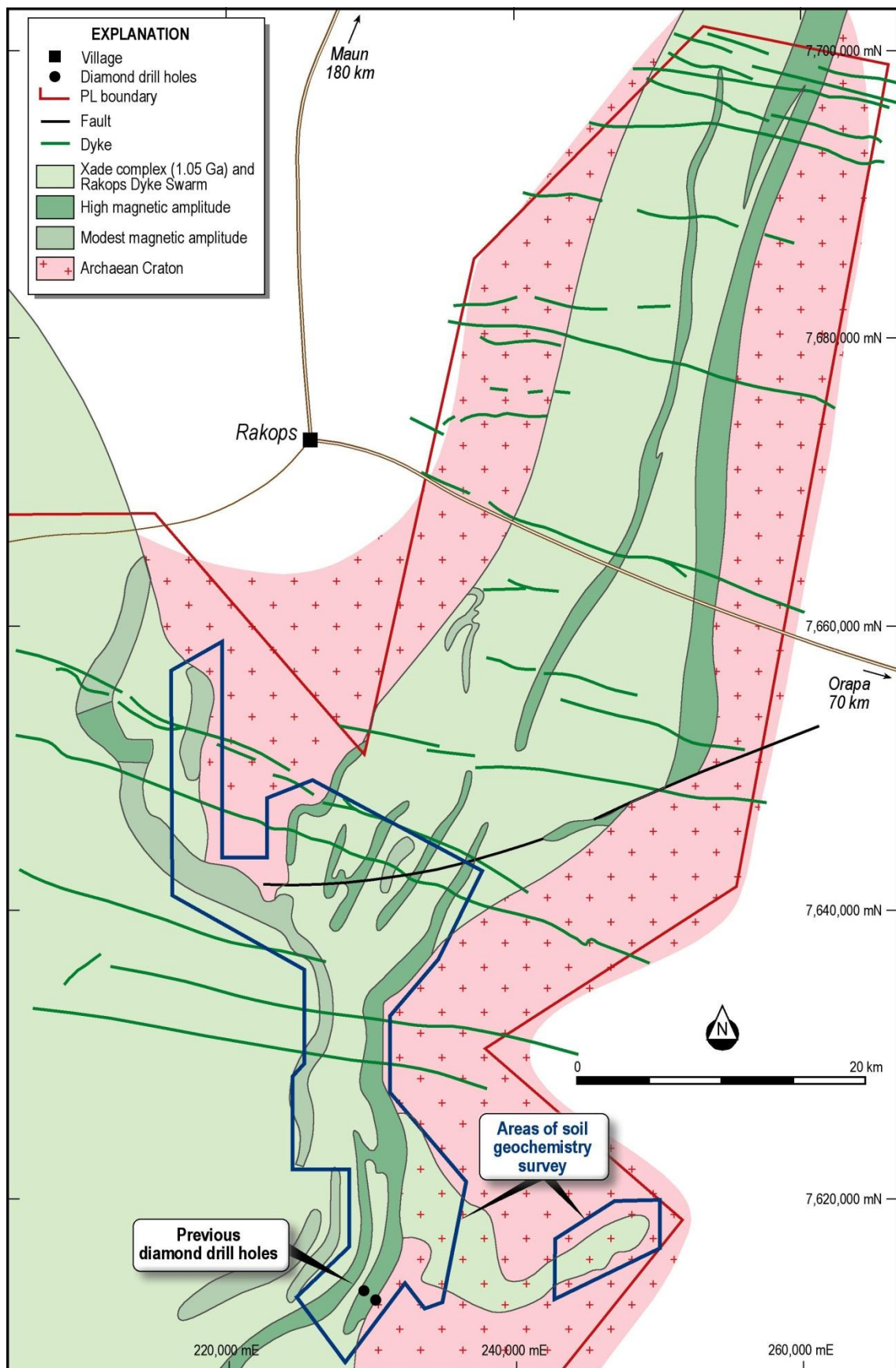


Figure 2. Bedrock geology map of the northern Xade Complex interpreted from airborne magnetic data and showing the four drill sites.

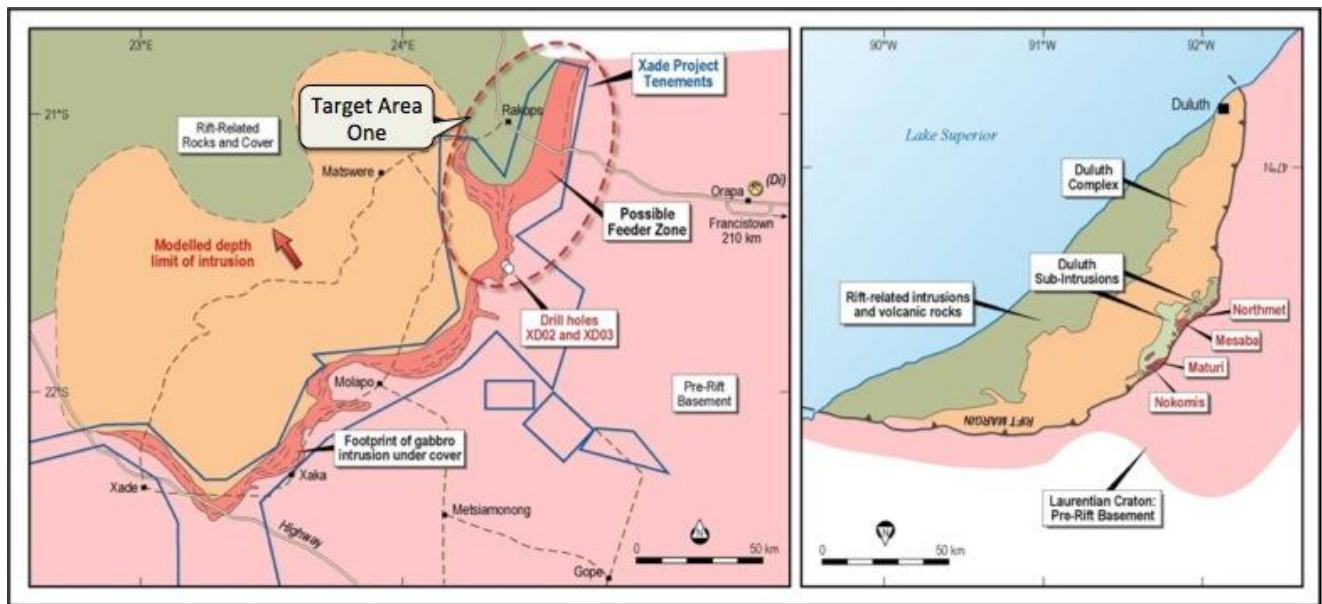


Figure 3. Comparison of the Xade Complex and Duluth Complex of North America. (Note that the map of Duluth is upside down).



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Company Information

Impact Minerals Limited

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Directors

Peter Unsworth Non-Executive Chairman

Michael Jones Managing Director

Rodney Fripp Executive Director

Paul Ingram Non-Executive Director

Markus Elsasser Non-Executive Director

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Australian Stock Exchange Listing

Shares IPT

Major shareholders as at 30.9.12

Ms Susanne Bunnenberg	18.08%
M. Elsasser & Cie	9.04%
China Growth Minerals	6.42%
Directors	9.00%
Top 20	58.87%
Top 50	69.98%

Capital Structure as at 30.9.12

Ordinary Shares on Issue	184,335,328
Total Unlisted Options	950,000