

ASX ANNOUNCEMENT

Date: 1 July 2020

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DRILLING AT BROKEN HILL TO COMMENCE IN LATE JULY

- **Major drill programme of up to 8,000 metres to commence in late July to test three priority prospects: Red Hill, Platinum Springs and Little Broken Hill Gabbro.**
- **Statutory approvals already in place for Red Hill and Platinum Springs.**
- **Interpretation of airborne magnetic and rock chip geochemistry data for Little Broken Hill Gabbro to define drill targets in progress.**

A major drill programme of up to 8,000 metres of aircore, reverse circulation and diamond drilling will commence towards the end of July at Impact Minerals Limited's (ASX:IPT) Broken Hill Ni-Cu-PGE project in New South Wales. The programme will test three priority prospects: Red Hill, Platinum Springs and the Little Broken Hill Gabbro-Rockwell Trend (Figure 1).

Statutory approvals for the drill programme are now in place for Red Hill and Platinum Springs with approvals expected within a few weeks for Little Broken Hill Gabbro.

At **Red Hill** a programme of RC and diamond drilling will test the along trend and down plunge extension of the exceptional nickel-copper-PGE mineralisation discovered by Impact (Figure 2 and ASX Release 7th May 2020).

Here, twelve out of the thirteen drill holes completed at Red Hill have returned robust widths and grades of nickel-copper-PGE's. Recent assays of the rare PGE's rhodium, osmium, ruthenium and iridium have confirmed the unusual nature of the mineralisation in the region with some stand out results, Hole RHD008 which returned (ASX Release 7th May 2020):

29.0 metres at 10.9 g/t 7PGM comprising:

0.8 g/t rhodium, 0.9 g/t iridium, 0.8 g/t osmium, 0.4 g/t ruthenium, 5.1 g/t palladium, 2.5 g/t platinum and 0.4 g/t gold, 2.3% copper, 0.4% nickel and 58 g/t silver from surface.

This intercept also included two veins of very high grade mineralisation that returned:

0.65 metres at 35.2 g/t (1.1 ounces) 7PGM comprising:

7.2 g/t rhodium, 7.0 g/t iridium, 5.2 g/t osmium, 3.8 g/t ruthenium, 4.0 g/t palladium, 7.9 g/t platinum, 0.1 g/t gold, 5.3% copper, 1.2% nickel and 8 g/t silver from 13.0 metres; and

0.6 metres at 54.5 g/t (1.7 ounces) 7GM comprising:

0.9 g/t rhodium, 1.2 g/t iridium, 0.9 g/t osmium, 0.5 g/t ruthenium, 29.7 g/t palladium, 19.2 g/t platinum, 2.1 g/t gold, 12.2% copper, 0.5% nickel and 147 g/t silver from 27.7 metres.

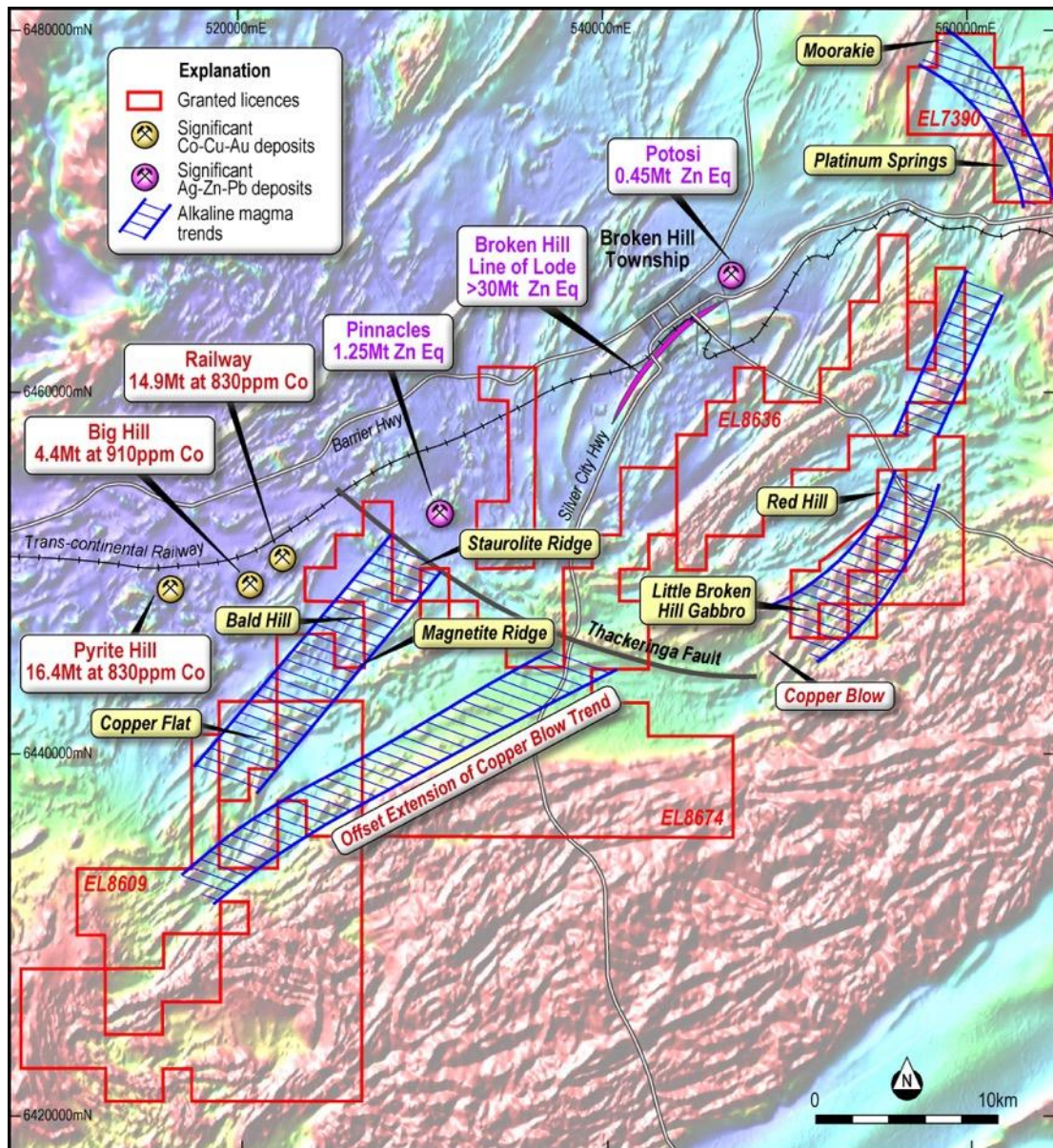


Figure 1. Impact's ground holdings in the Broken Hill area showing key prospects including Red Hill, Platinum Springs and Little Broken Hill Gabbro.

This is in addition to the previously reported spectacular intercept from RHD012, which included assays for the rare PGE's done at the time (Figure 2 and ASX Release October 23rd 2015 and October 26th 2015). This hole returned:

3.5 metres at 162.4 g/t (5.3 ounces) 7PGE comprising:

1.7 g/t rhodium, 2.6 g/t iridium, 2.0 g/t osmium, 1.1 g/t ruthenium, 144 g/t (4.6 ounces) palladium, 5 g/t platinum, 6 g/t gold, 2.9% nickel, 2.3% copper and 14.5 g/t silver from 67.3m down hole.

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This intercept also included a vein of very high grade mineralisation that returned:

1.2 metres at 335.8 g/t (10.8 ounces) 7PGE comprising:

**4.6 g/t rhodium, 7.2 g/t iridium, 5.6 g/t osmium, 3.1 g/t ruthenium, 294 g/t (9.5 ounces) palladium
10.4 g/t platinum, 10.9 g/t gold, 7.4% nickel, 1.8% copper and 19 g/t silver.**

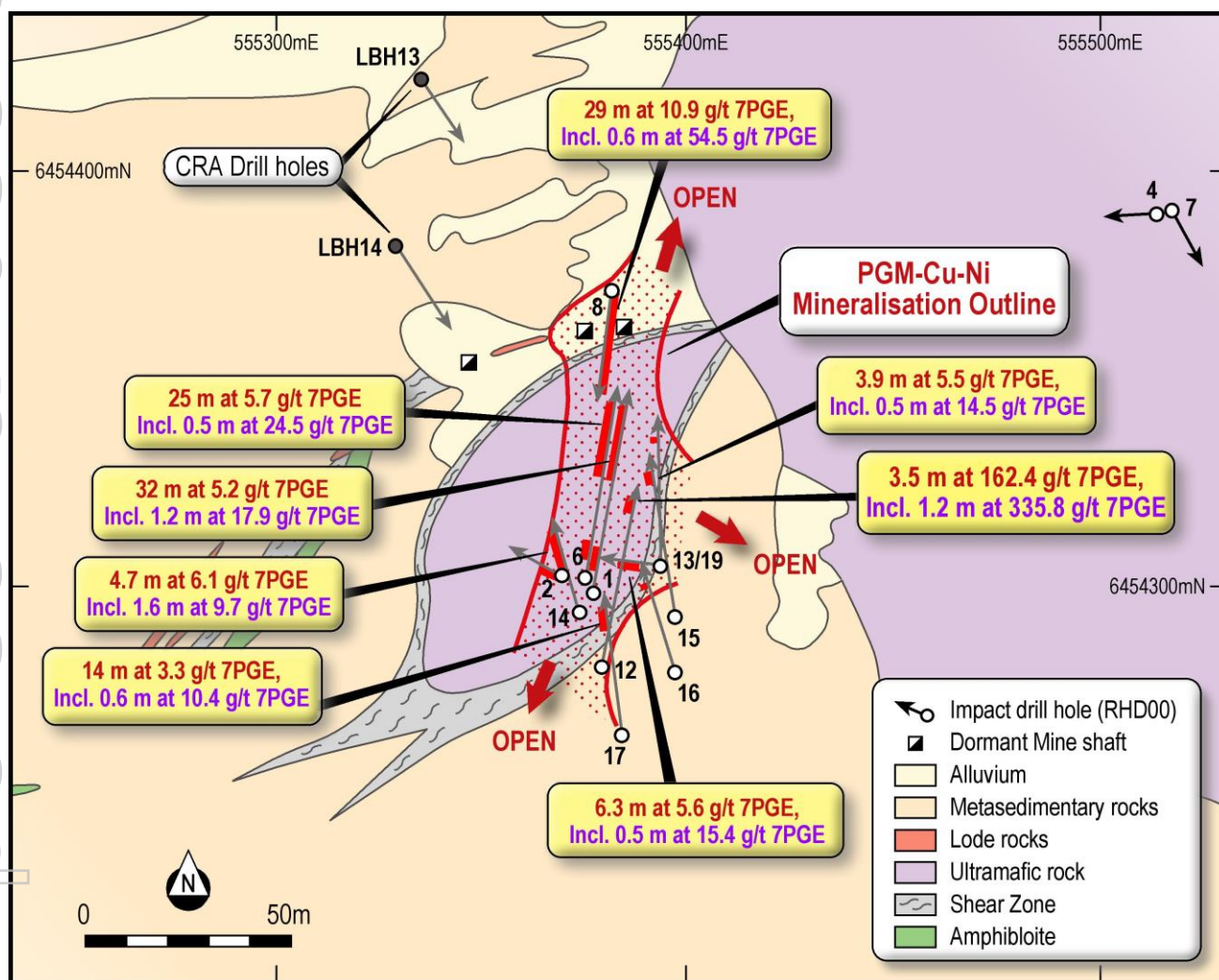


Figure 2. Drill hole location plan for Red Hill showing the location of the recently reported assay results (see ASX Release 7th May 2020 for details).

At **Platinum Springs** a programme of aircore and RC drilling will follow up a previous drill intercept of **0.6 metres at 11.5 g/t platinum, 25.6 g/t palladium, 1.4 g/t gold, 1.3 g/t rhodium, 1.7 g/t iridium, 2.0 g/t osmium and 0.8 g/t ruthenium 7.6% copper and 7.4% nickel** returned in Impact's drill hole PSD02 (ASX Releases 3rd February 2016, 31st March 2016). In addition, drilling of two other prospects Platinum West and Platinum Central will also completed.

At the Little Broken Hill Gabbro-Rockwell Trend an extensive programme of aircore drilling will test a 4 kilometre long part of the intrusive complex which is under shallow cover and which has not been previously drill tested. On-going interpretation of airborne magnetic data and rock chip geochemistry assays has started to identify some compelling drill targets in this area.

Impact has received a grant of \$75,000 from the New Frontiers Cooperative Drilling grants programme awarded by the Department of Planning, Industry and Environment of the New South Wales Government for drilling at Little Broken Hill.

Further details on the proposed drill programmes at all three targets will be reported in due course.

COMPLIANCE STATEMENT

This report does not contain any new Exploration Results.

Dr Mike 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). 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.