



ASX ANNOUNCEMENT

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FURTHER PRIORITY TARGETS FOR NICKEL, COPPER AND GOLD IDENTIFIED AT MULGA TANK, WA

12 targets for nickel-copper and copper-gold identified in soil geochemistry survey.

3 targets open along strike. Large areas not yet sampled.

Follow up work programmes being planned.

Twelve (12) new priority target areas for nickel-copper and copper-gold deposits have been identified by Impact Minerals Limited (ASX:IPT) in previous soil geochemistry data covering a part of the very poorly explored Mulga Tank Project in the Minigwal greenstone belt, 200 km north east of Kalgoorlie in W.A. (Figure 1 and 2).

The targets, each of which covers several square kilometres, were identified in a review of a broad spaced ionic leach soil geochemistry survey covering the central part of the 425 sq km project area (Figure 2).

Six of the targets occur on the west side of the project area, along strike and adjacent to the Mulga Tank Dunite where Impact recently discovered significant nickel and copper mineralisation under about 50 m of transported cover in its maiden drill programme on E39/988 (Impact 20% and earning 70% from Golden Cross Resources Limited) (Figure 2). Drill intercepts included:

- **114.8 m at 0.3% nickel** from 98 m including **2 m at 1.3% nickel**; and **0.5 m at 1.2% nickel** from 211 m; and **0.6 m at 0.7% nickel** from 181 m in Hole MTD011; and
- **0.75 m at 0.85% nickel, 0.35% copper and 0.24 g/t PGE** and **6.7 m at 0.5% nickel** in Hole MTD004 (Figure 3 and see [announcement 29 January 2014](#)).

The mineralisation, which occurs over an area of at least 15 sq km, occurs below elevated nickel-in-soil and copper-in-soil values. This suggests that nickel and copper ions are migrating to the surface through the transported cover and are detected by the ionic leach soil geochemistry technique, which is proprietary to ALS Global Laboratories.

Some of the strongest soil responses, up to 2,670 ppb nickel and 4,830 ppb copper and 4.5 ppb gold occur in the north west corner of E39/988 (Figure 2). These values are significantly elevated above the regional background values for these metals. The anomalies are open to the north west along a 10 km strike extent of the greenstone belt within the project area that has not been soil sampled.

The six other targets occur on the east side of the project area and indicate significant potential for copper and gold mineralisation (Figure 2). There has been limited aircore drilling in some of these areas and data from this work is currently being compiled.

The soil samples were mostly taken at a very wide spacing of 400 m between samples with infill samples taken at 200 m intervals in places. This is a very coarse sample spacing compared to that commonly used in nickel sulphide exploration. Infill soil survey programmes and further surveys along strike in areas not yet sampled are warranted.

A programme and budget for the next phase of work at Mulga Tank is being prepared.

ABOUT THE MULGA TANK PROJECT

Impact's Mulga Tank Project comprises 13 exploration licences covering 425 km² of the Minigwal greenstone belt and surrounding area in the eastern part of the Yilgarn Craton (Figure 4).

Exploration Model for Mulga Tank: Perseverance and Rocky's Reward

The Mulga Tank Project is prospective for nickel (and copper) sulphide deposits similar to the Perseverance (45 Mt at 2% nickel) and Rocky's Reward (9.6 Mt at 2.4% Nickel) mines near Leinster in Western Australia (Figures 1 and 5). The Mulga Tank Dunite is also very similar to the unit that hosts the Perseverance nickel deposit as well as the host unit to the Mount Keith disseminated nickel deposit that contains more than 2 million tonnes of nickel metal. The geology of the area indicates that the prospective basal unit of the Mulga Tank Dunite is preserved over a 12 sq km area and has not been explored. In addition there are many 10's of kilometres of strike of other ultramafic units throughout the Minigwal greenstone belt that have also not been drilled. Some of these units are associated with significant nickel-copper-precious metal-in-soil anomalies.

Impact has discovered three different styles of high tenor nickel and copper mineralisation within and surrounding the Mulga Tank Dunite:

1. Extensive disseminated nickel sulphide within the Mulga Tank Dunite, for example at the SGA Project;
2. High tenor nickel and copper in veins at the base of the Mulga Tank Dunite, for example at the Conductor 2 Prospect. This is very encouraging and demonstrates significant potential for the discovery of a major massive sulphide deposit along many strike kilometres of this very prospective contact;
3. High tenor nickel sulphide in multiple komatiites in a flow channel, for example at the Conductor 1 Prospect. Such channels are an important control on nickel sulphide mineralisation at major nickel mines such as Rocky's Reward, Kambalda and Forrestania in W.A.

Significant drill intercepts are shown in Figure 3. Impact's work, together with the results from previous explorers drill holes, demonstrates that the Mulga Tank Dunite contains nickel sulphides in multiple horizons over a very large area of many square kilometres.



Summary of the licence ownership at the Mulga Tank Project

Of the 13 licences in the Mulga Tank Project, Impact:

- owns 100% of six licences (E39/1632 and E39/1633 with another four under application);
- owns 20% of E39/988, with Golden Cross 80%. Impact has the right to earn a further 50% from Golden Cross to move to 70% ownership;
- owns 25% of E39/1072, with Golden Cross 75%. Impact has the right to earn a further 50% from Golden Cross to move to 75% ownership; and
- is earning a 50% interest from Golden Cross in five other licences - E39/1439, E39/1440, E39/1441, E39/1442 and E39/1513 (Figure 5).

A further \$1.1 million must be spent by Impact before November 2017 to complete the earn-in from Golden Cross.



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). 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.

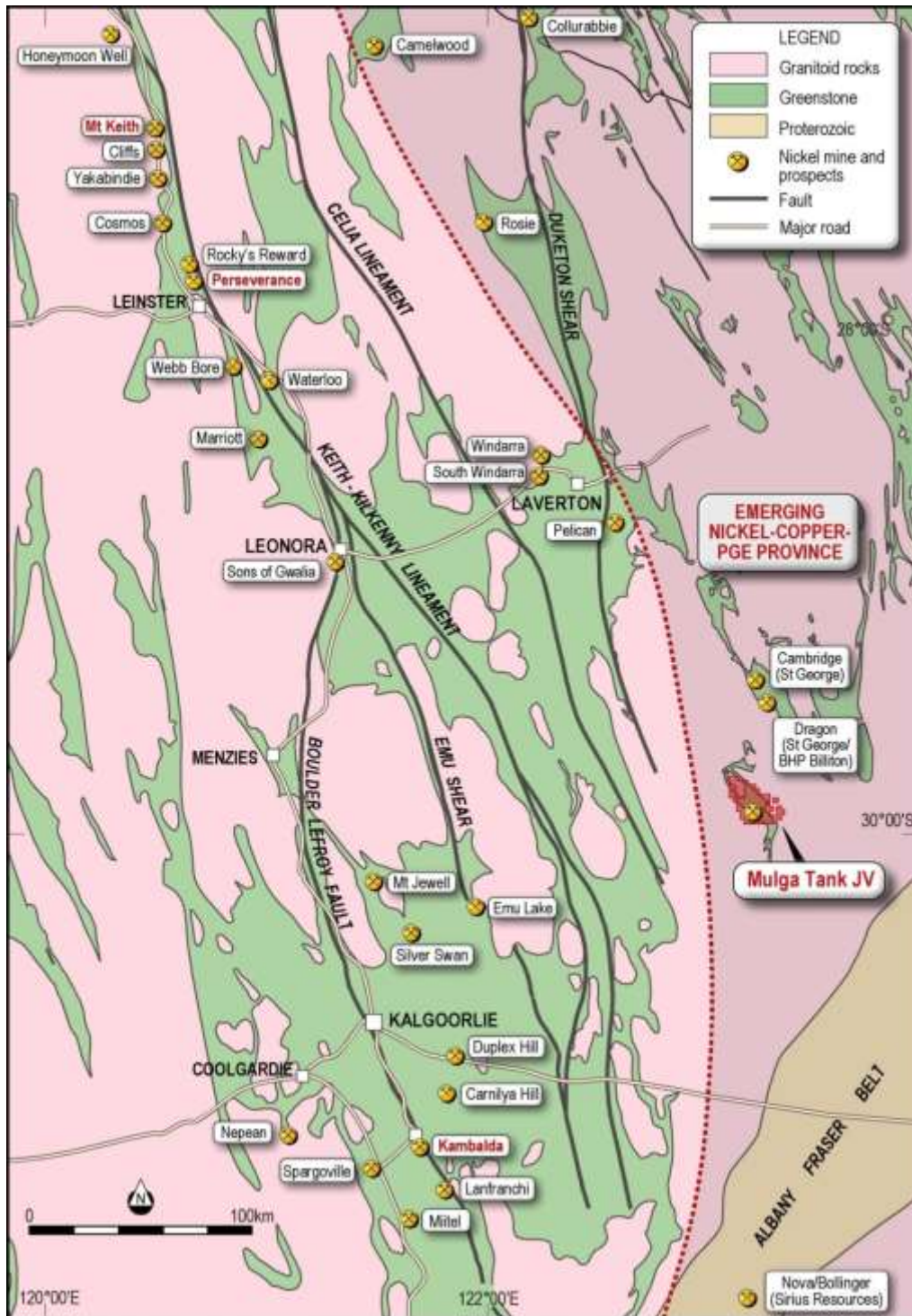


Figure 1. Location of Impact's Mulga Tank Project and significant nickel sulphide mines and prospects including Perseverance and Rocky's Reward deposits with new nickel-copper-PGE discoveries in the emerging nickel-copper province to the east.

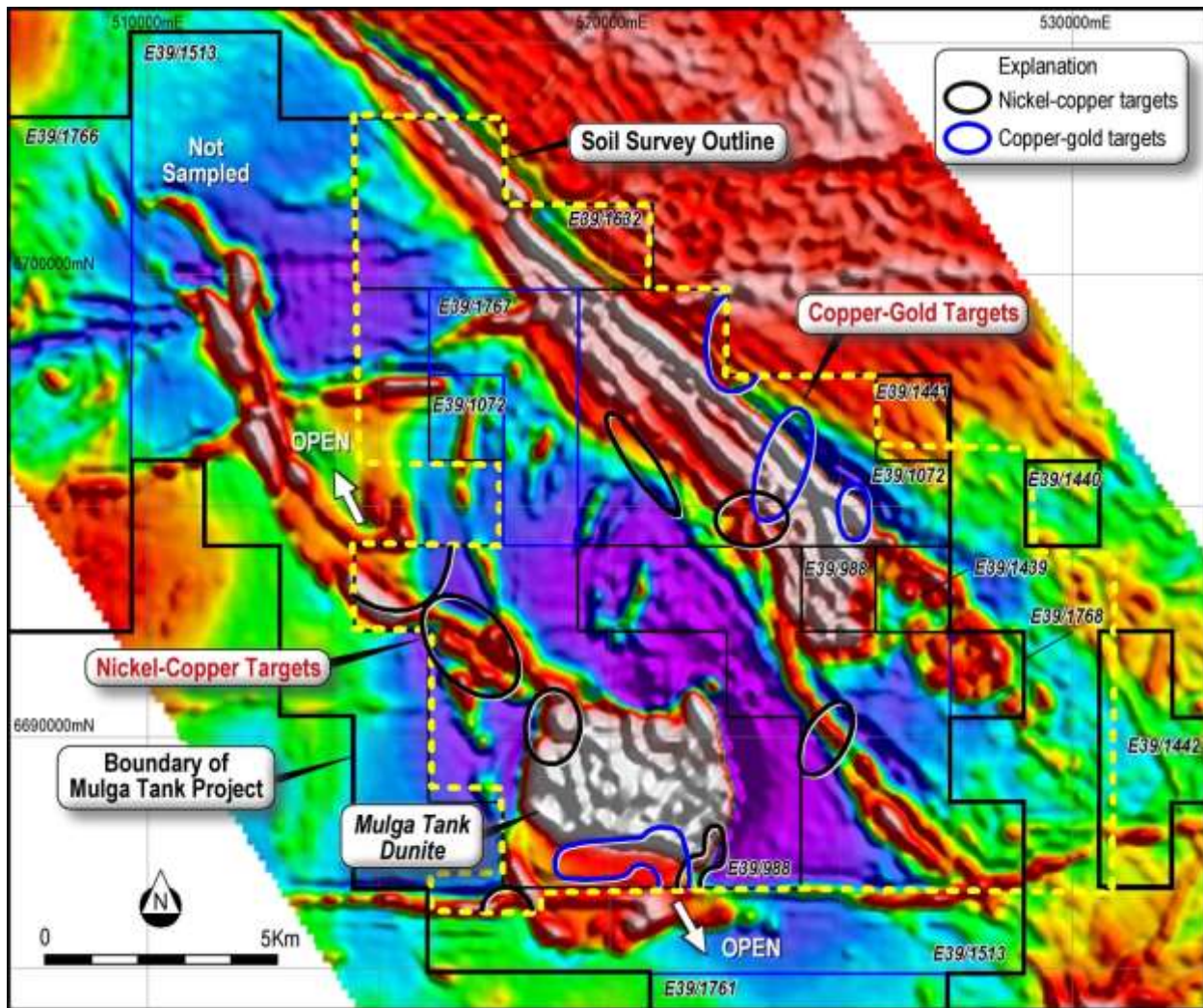


Figure 2. Image of magnetic data over the Mulga Tank Project showing the location of the new targets identified in the soil geochemistry data.

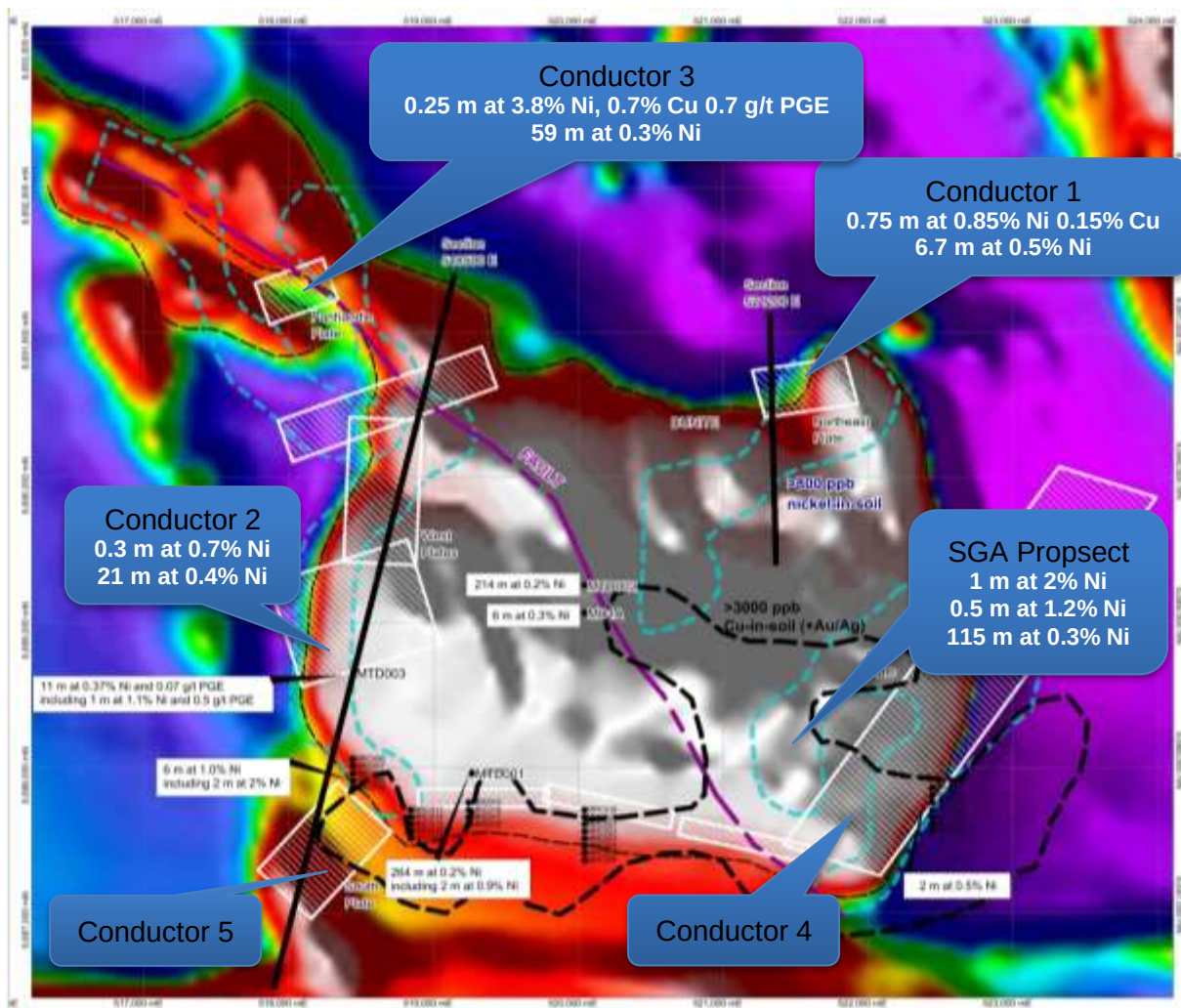


Figure 3. Image of the Total Magnetic Intensity from airborne magnetic data over the Mulga Tank Dunite (white outline) showing:

1. the location and modelled geometry of the five EM targets drilled;
2. best assay results;
3. the nickel-in-soil geochemistry contours at greater than 800 ppb; and
4. the copper in soil geochemistry contour at greater than 3,000 ppb to the south west coincident with Conductor 4.

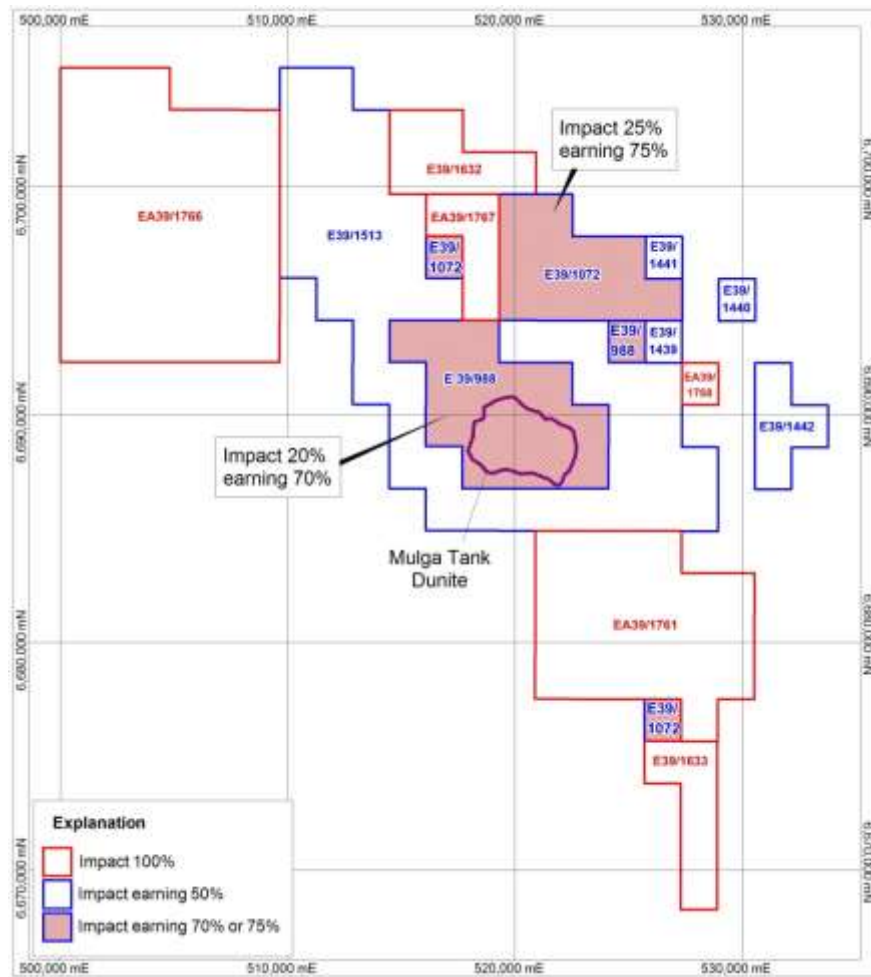


Figure 4. Tenement ownership at the Mulga Tank Project.

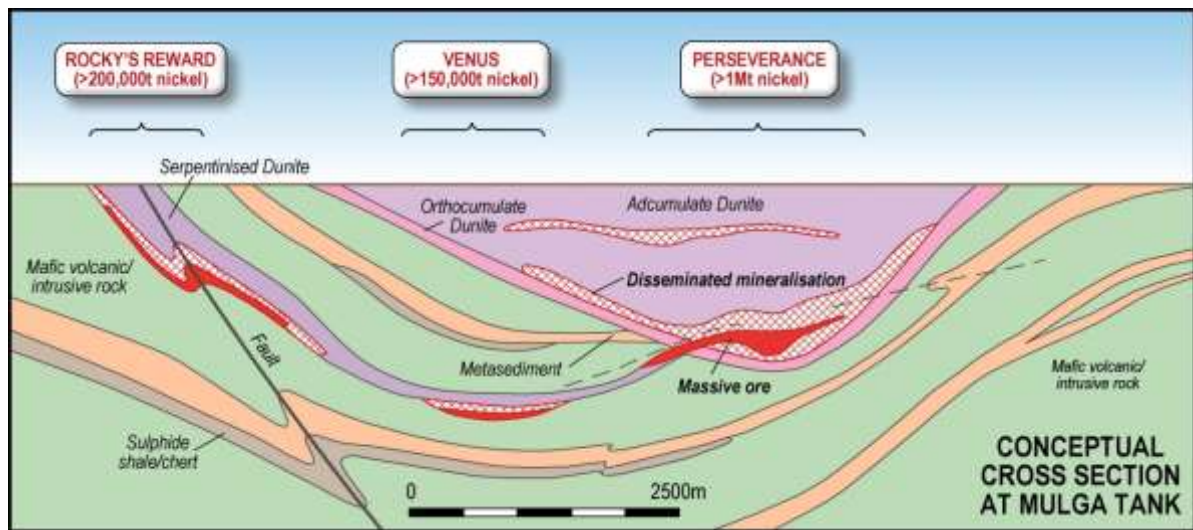


Figure 5. Conceptual cross-section for the Mulga Tank Dunite and surrounding area showing the Perseverance and Rocky's Reward exploration model.



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APPENDIX 1 - SECTION 1 SAMPLING TECHNIQUES AND DATA

Criteria	JORC Code explanation	Commentary
Sampling techniques	<i>Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.</i> <i>Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used</i> <i>Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information</i>	The soil samples were taken at a depth of 15 – 20 cm below surface and sieved to -2mm mesh size. The targets at Mulga Tank have been drilled by Reverse Circulation (RC) and diamond drill holes (DD). Eight holes for 3,025 m were completed. A hand held Olympus XRF machine was used to take multi-element readings on the samples bags from the RC drill pre-collars (1 reading every 1 metre) and at 25 cm to 50 cm intervals on the diamond core. These readings are a guide only and do not constitute an accurate or precise assay. Impact has conducted a number of quality control experiments to determine the optimal reading time and number of readings per sample site. A correlation of these readings against the assay data suggests that at values greater than 1% nickel, the XRF analyser gives a good approximation to the chemical assay value. Drill holes were oriented to intersect the dip of electromagnetic conductors as interpreted by Impact's consultants Newexco. RC samples have been collected by riffle splitter. Diamond core was used to obtain high quality samples that were logged for lithological, structural, alteration and other attributes. Sampling was carried out under Impact Minerals Ltd protocols and QAQC procedures as per industry best practice. A combination of mapping, soil geochemistry, airborne magnetic data and ground EM surveys identified the Mulga Tank target. Diamond core is mostly NQ2 size, sampled on geological intervals cut into half core to give sample weights under 3 kg. Reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised. Samples were crushed, dried and pulverised (total prep) to produce a sub-sample for analysis by four acid digest with an ICP/OES finish for base metals and lead collection fire assay with AAS finish for precious metals. The main sulphide types are expected to be pentlandite and chalcopyrite, with pyrite, and minor sphalerite. Non-sulphide nickel species in weathered and transitional material have not yet been identified.
Drilling techniques	<i>Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).</i>	Diamond drilling accounts for 75 % of the drilling and comprises HQ and NQ2 sized core. Pre-collar depths range from 50 m to about 150 m and hole depths range from 300 m to 570 m. The core was oriented using a down-hole orientation tool at the end of every run with 70% of orientations rated as "good". RC drilling in the pre-collar accounts for 20 % of the total drilling and comprises 140 mm diameter face sampling hammer drilling.
Drill sample recovery	<i>Method of recording and assessing core and chip sample recoveries and results assessed</i>	Diamond core and RC recoveries are logged and recorded in the database. Overall recoveries are >95% for Mulga Tank and there are no core loss issues or significant sample recovery problems.

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	<i>Measures taken to maximise sample recovery and ensure representative nature of the samples</i>	Diamond core at Mulga Tank is reconstructed into continuous runs on an angle iron cradle for orientation marking. Depths are checked against the depth given on the core blocks and rod counts are routinely carried out by the drillers. RC samples were visually checked for recovery, moisture and contamination.
	<i>Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.</i>	No sample bias has been established because an insufficient number of samples have been assayed.
Logging	<i>Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.</i>	Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape and fill material is stored in the structure table of the database.
	<i>Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.</i>	Logging of diamond core and RC samples at Mulga Tank recorded lithology, mineralogy, mineralisation, structural (DDH only), weathering, colour and other features of the samples. Core was photographed in both dry and wet form.
	<i>The total length and percentage of the relevant intersections logged</i>	All drillholes were logged in full, apart from rock roller diamond hole pre-collar intervals of between about 50 m and 70 m depth.
Sub-sampling techniques and sample preparation	<i>If core, whether cut or sawn and whether quarter, half or all core taken.</i>	Core for Mulga Tank was cut in half onsite using an automatic core saw. All samples were collected from the same side of the core.
	<i>If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.</i>	RC samples were split using a riffle splitter.
	<i>For all sample types, the nature, quality and appropriateness of the sample preparation technique.</i>	The sample preparation of diamond core for Mulga Tank follows industry best practice in sample preparation involving oven drying, coarse crushing of the half core sample down to ~10 mm followed by pulverisation of the entire sample (total prep) using Essa LM5 grinding mills to a grind size of 85% passing 75 micron. The sample preparation for RC samples is identical, without the coarse crush stage.
	<i>Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.</i>	Field QC procedures involve the use of certified reference material as assay standards, along with blanks, duplicates and barren washes. The insertion rate of these averaged 1:50.
	<i>Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.</i>	Field duplicates are done every 50 samples.
	<i>Whether sample sizes are appropriate to the grain size of the material being sampled.</i>	The sample sizes are considered to be appropriate to correctly represent the sulphide mineralisation at Mulga Tank based on the disseminated style of mineralisation, the thickness and consistency of the intersections, the sampling methodology and percent value assay ranges for the primary elements.

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Quality of assay data and laboratory tests	<i>The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.</i>	See optiro. An industry standard fire assay technique using lead collection with an Atomic Absorption Spectrometry (AAS) finish was used for Au, Ag, Pt, Pd.
	<i>For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.</i>	No geophysical tools were used to determine material element concentrations.
	<i>Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.</i>	Quality control procedures for assays are as per Impact Minerals protocols. Accuracy and precision are within acceptable limits.
Verification of sampling and assaying	<i>The verification of significant intersections by either independent or alternative company personnel.</i>	Significant intersections have yet to be returned and therefore verification is not required.
	<i>The use of twinned holes.</i>	No twin holes have been drilled at Mulga Tank.
	<i>Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.</i>	Primary data was collected using a set of standard Excel templates on Toughbook laptop computers using lookup codes. The information was sent to IOGlobal/Reflex for validation and compilation into a SQL database server.
	<i>Discuss any adjustment to assay data.</i>	
Location of data points	<i>Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.</i>	Drill holes and soil sample sites were located by hand held GPS. Down-hole surveys used single shot readings have been completed during drilling at least at 50 m intervals.
	<i>Specification of the grid system used.</i>	The grid system for Mulga Tank is MGA_GDA94, Zone 51.
	<i>Quality and adequacy of topographic control.</i>	Standard government topographic maps and hand held GPS have been used for topographic control. The land surface is flat and increased accuracy and precision for topographic contours is not required at this stage.
Data spacing and distribution	<i>Data spacing for reporting of Exploration Results.</i>	This is a first pass reconnaissance drill programme designed to test geochemical and geophysical anomalies. Drill spacing is adequate for that and will change according to on-going results.
	<i>Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.</i>	This is a first pass reconnaissance drill programme designed to test geochemical and geophysical anomalies. Drill spacing is adequate for that and will change according to on-going results.
	<i>Whether sample compositing has been applied.</i>	Samples will be composited to one metre lengths and adjusted where necessary to ensure that no residual sample lengths have been excluded (best fit).
Orientation of data in relation to geological structure	<i>Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.</i>	The targets have been drilled sub-perpendicular to mineralisation within the stratigraphy, but subparallel to the orientation of some veins in the mineralised trend. Structural logging based on oriented core to determine the controls on mineralisation are on-going.

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	<i>If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.</i>	No orientation based sampling bias has been identified at Mulga Tank in the data at this point, although the vertical sulphide veins may cause hole orientations to be changed in future drill programmes.
Sample security	<i>The measures taken to ensure sample security.</i>	Chain of custody is managed by Impact Minerals Ltd. Samples for Mulga Tank are stored on site and delivered by Impact Minerals Ltd personnel to Kalgoorlie for initial sample preparation by Genalysis who then transport the samples to Perth for assay. Whilst in storage, they are kept in a locked yard. Tracking sheets have been set up to track the progress of batches of samples.
Audits or reviews	<i>The results of any audits or reviews of sampling techniques and data.</i>	At this stage of exploration a review of the sampling techniques and data by an external party is not warranted. An internal review of the sampling techniques and data will be completed at the end of the current programme.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The Mulga Tank Project comprises 13 exploration licences covering 425 km ² . Mulga Tank is located wholly within Exploration Licence E39/988. Impact Minerals Ltd (IPT) has a 20% interest in the tenement with Golden Cross Resources Limited (GCR: 80%). There is no Native Title Claim over the licence.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenement is in good standing with no known impediments. IPT has the right to earn 70% ownership with \$1.9M expenditure commitment before November 2017.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Limited bedrock-cover interface percussion drilling completed by previous explorers focused on the southern contact of the dunite, a circular, strongly magnetic feature 3.5 km by 4 km in diameter that is interpreted to represent a flat-lying ultramafic sill. A total of 28 RC and 4 diamond holes were completed.
Geology	Deposit type, geological setting and style of mineralisation.	Mulga Tank is interpreted as an ultramafic hosted primary magmatic nickel sulphide deposit, similar in style to the Perseverance and Rocky's Reward nickel mines at Leinster in Western Australia. The Mulga Tank Dunite is also similar to the unit that hosts the Mount Keith disseminated nickel sulphide deposit. There are two prospective units (Upper and Lower) that host the initial sulphide intersections at a depth of 300 and 350 metres vertically (respectively).

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Criteria	JORC Code explanation	Commentary
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length.	Refer to Table 2 in body of text. Further details are not material for this early stage of exploration.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated. Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail. The assumptions used for any reporting of metal equivalent values should be clearly stated.	All reported assays have been length weighted. No top outs have been applied. A nominal cut-off of 0.3% to 0.5% nickel has been applied. High grade massive sulphide intervals internal to broader zones of sulphide mineralisation are reported as included intervals. No metal equivalent values are used for reporting exploration results.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	The Mulga Tank deposit is a flat lying ultramafic sill. Holes to date have been sub-vertical and whilst this is perpendicular to stratigraphy, steeply dipping sulphide veins are at a sub-optimal orientation to the drillhole.
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figures in body of text.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All results reported are representative

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Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	The drill targets at Mulga Tank have been ranked on the basis of soil geochemistry and ground EM results. Information on structure type, dip, dip direction, alpha angle, beta angle, texture, shape, roughness and fill material is stored in the structure table of the database.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive	Follow up work programmes will be subject to interpretation of assay results which is ongoing.

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