



ACN 119 062 261

Notice of General Meeting Explanatory Statement and Proxy Form

Date of Meeting

Friday, 28th September 2012

Time of Meeting

10:00 am WST

Place of Meeting

At the offices of the Company's auditors:
Bentleys (WA) Pty Ltd
Level 1, 12 Kings Park Road
West Perth

Impact Minerals Limited
309 Newcastle Street
Northbridge WA 6003
T 61 8 6454 6666
F 61 8 6454 6667

Notice of General Meeting

Notice is hereby given that a General Meeting of Shareholders will be held at **Level 1, 12 Kings Park Road, West Perth at 10:00 am (WST) on Friday, 28th September 2012.**

AGENDA

1. Resolution 1 – RATIFICATION OF TRANCHE 1 PLACEMENT

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 Rules 7.4 and for all other purposes, the Shareholders hereby approve and ratify the issue of 16,666,667 Shares to sophisticated and professional investors at a price of \$0.03 per Share in the manner and on the terms and conditions described in the Explanatory Statement.”

Voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 1 by those persons who were issued Shares under the Tranche 1 Placement and any Associate of those persons. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Meeting 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.

2. Resolution 2 – APPROVAL OF TRANCHE 2 PLACEMENT

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, the Shareholders hereby approve the issue of 33,333,333 Shares to sophisticated and professional investors at a price of \$0.03 per Share in the manner and on the terms and conditions described in the Explanatory Statement.”

Voting exclusion: In accordance with Listing Rule 14.11, the Company will disregard any votes cast on Resolution 2 by those persons who are to participate in the Tranche 2 Placement or who might obtain a benefit if the Resolution is passed and any Associate of such a person. However, the Company need not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the Meeting 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



James Cooper-Jones
Company Secretary

Dated 23 August 2012

General Notes

Explanatory Statement

The Explanatory Statement to Shareholders attached to this Notice of General Meeting is hereby incorporated into and forms part of this Notice of General Meeting.

Voting Entitlement

The Directors have determined in accordance with regulation 7.11.37 of the Corporations Regulations that, for the purposes of attending and voting at the Meeting, Shares will be taken to be held by the registered holders at 5:00 pm (WST) on Wednesday, 26th September 2012.

Proxy

A Shareholder entitled to attend to vote at the Meeting is entitled to appoint a proxy to attend and to vote instead of the Shareholder. The proxy need not be a Shareholder. Proxy Forms must be lodged with Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria 3001 Australia or by facsimile within Australia 1800-783-447 and outside Australia +61-3-9473-2555, no later than 48 hours before the time of the Meeting. A Proxy Form accompanies this Notice of Meeting.

Explanatory Statement

1. Introduction

This Explanatory Statement has been prepared for the information of Shareholders in relation to the business to be conducted at the Company's General 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 Resolutions 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. All amounts referred to in this Explanatory Statement are in Australian dollars unless specified otherwise.

2. Capital Raising

On 23 August 2012 the Company announced it had agreed to a placement of 50,000,000 Shares at an issue price of A\$0.03 per Share pursuant to an offer without disclosure to wholesale investors (**Investors**) under Part 6D of the Corporations Act (**Capital Raising**).

The Capital Raising comprises:

- (a) 16,666,667 Shares at \$0.03 per Share (**Tranche 1 Shares**) to be issued to a sophisticated investor; Tranche 1 Shares have been issued prior to this General Meeting under the Company's 15% capacity under listing rule 7.1. (**Tranche 1 Placement**)
- (b) 33,333,333 Shares at \$0.03 per Share (**Tranche 2 Shares**) to be issued to a sophisticated investor. Tranche 2 Shares will be issued subject to shareholder approval at this General Meeting (**Tranche 2 Placement**).

Shares issued pursuant to the Capital Raising will be issued as follows:

Shareholder	Tranche 1 Placement	Tranche 2 Placement
Markus Elsasser	16,666,667	-
Susanne Bunnenberg	-	33,333,333

As at the date of the General Meeting, Markus Elsasser is a Director of the Company.

Susanne Bunnenberg is not a related party or Director of the Company.

The funds from the Capital Raising will be used for:

- (a) further exploration on the Company's Botswana uranium project and follow up drilling at the Red Hills Prospect, Botswana Uranium Project where a very large multi-metal alteration system (U LREE, Ag-Pb-Zn-Cu) has been identified;
- (b) maiden drill programmes at the Xade Cu-Ni-PGE Project; and
- (c) general working capital.

3. Purpose of General Meeting

The purpose of the General Meeting is to enable Shareholders to:

- (a) ratify the issue of Shares pursuant to the Tranche 1 Placement (Resolution 1); and

- (b) approve the issue of Shares pursuant to the Tranche 2 Placement (Resolution 2).

4. Effect of Capital Raising on Impact's capital structure

	Securities currently on issue	Securities issued under Tranche 1 Placement	Securities issued under Tranche 2 Placement	Securities on issue on completion of Capital Raising
Shares	134,335,328	16,666,667	33,333,333	184,335,328
Options	5,600,000	5,600,000	5,600,000	5,600,000

With the share capital of the Company increasing by 50,000,000 Shares through the Capital Raising, the total dilution effect on the shareholdings of existing Shareholders will be 27.1%.

5. Ratification of Tranche 1 Placement

Ratification of the issue of the Tranche 1 Shares is now being sought.

The effect of Shareholders passing Resolution 1 will be to "refresh" the number of securities which the Company can issue within any 12 month period in accordance with Listing Rule 7.1. This will allow the Company to raise further working capital of up to a maximum of 15% of the Company's total issued Shares, without the need to obtain Shareholders' approval prior to the capital raising.

Listing Rules information requirements

Listing Rule 7.1 provides that prior approval of shareholders is required for an issue of securities if the securities will, when aggregated with the securities issued by a company during the previous 12 months, exceed 15% of the number of securities on issue at the commencement of that 12 month period.

Listing Rule 7.4 states that an issue by a company of securities made without approval under Listing Rule 7.1 is treated as having been made with approval for the purpose of Listing Rule 7.1 if the issue did not breach Listing Rule 7.1 and the company's members subsequently approve it.

Under Resolution 1 the Company seeks Shareholder approval for, and ratification of, the issue of the Shares to a sophisticated investor. This will restore the Company's capacity under Listing Rule 7.1 to issue further securities representing up to 15% of the Company's issued capital in the next 12 months.

For the purposes of Listing Rule 7.5, the Company provides the following information to Shareholders:

- (a) the Company issued 16,666,667 Shares on or around 23 August 2012 at an issue price of A\$0.03 per Share;
- (b) the Tranche 1 Shares rank equally with all other Shares on issue;
- (c) Markus Elsasser, the recipient of the Tranche 1 Shares, is a Director of the Company;
- (d) it is proposed that the funds raised by the Tranche 2 Placement will be used for the purposes outlined in Section 2 of this Explanatory Statement.

The Directors note that Markus Elsasser was, at the time the Tranche 1 Shares were issued to him, a related party of the Company by operation of section 228(6) of the Corporation Act which deems a person to be a related party of the Company as the Company expected that he would become a Director shortly after the issue of the Tranche 1 Shares. The Directors are of the view that Shareholder approval for the issue of the Tranche 1 Shares was not required because:

- (a) the Tranche 1 Shares were issued on arms length terms and section 210 of the Corporations Act applies; and
- (b) the Company relied on the exception to the requirements of Listing Rule 10.11 contained in Exception 6 of Listing Rule 10.12.

Directors' recommendation

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

6. Approval of Tranche 2 Placement

Subject to Shareholder approval, the Company is proposing to issue the Tranche 2 Shares.

Listing Rules information requirements

Listing Rule 7.1 provides that a listed company may not issue equity securities in any 12 month period which exceeds 15% of the number of issued securities of the company held at the beginning of the 12 month period, except with the prior approval of shareholders of the company in general meeting unless another exception to Listing Rule 7.1 applies.

Resolution 2 requires Shareholder approval pursuant to Listing Rule 7.1.

The effect of Resolution 2, if passed, will be that the issue of the Tranche 2 Shares will be exempt from the 15% limit under Listing Rule 7.1. This will allow the Company to issue the Tranche 2 Placement Shares and provide flexibility during the next 12 month period to issue further equity securities in order to raise further capital, if required.

For the purposes of the information requirements of Listing Rule 7.3, the following matters are noted:

- (a) the maximum number of Tranche 2 Shares the Company proposes to issue is 33,333,333, raising A\$1,000,000;
- (b) the Tranche 2 Shares will be issued on a date that is no later than 3 months after the date of the General Meeting;
- (c) the Tranche 2 Shares will be issued as outlined in Section 2 of this Explanatory Statement;
- (d) the Tranche 2 Shares will be issued as fully paid ordinary Shares, ranking equally with the Company's existing Shares;
- (e) the Company will apply for the Tranche 2 Shares to be quoted on ASX; and
- (f) it is proposed that the funds raised by the Tranche 2 Placement will be used for the purposes outlined in Section 2 of this Explanatory Statement.

Directors' recommendation

The Directors unanimously recommend that Shareholders vote in favour of Resolution 2.

GLOSSARY

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

ASIC	Australian Securities and Investments Commission.
Associate	Has the meaning given to it by Division 2 of Part 1 of the Corporations Act.
ASX	ASX Limited ACN 008 624 691, trading as the Australian Securities Exchange.
Business Day	Has the meaning as defined in the ASX Listing Rules.
Capital Raising	Has the meaning given in Section 2 of the Explanatory Statement.
Company or Impact	Impact Minerals Limited ACN 119 062 261.
Constitution	The Company's constitution.
Corporations Act	<i>Corporations Act 2001</i> (Cth).
Director	A director of the Company.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice of General Meeting.
General Meeting or Meeting	General Meeting of Shareholders of the Company or any meeting adjourned thereof, convened by the Notice.
Investors	Has the meaning given in Section 2 of the Explanatory Statement.
Listing Rules	The listing rules published by ASX.
Notice or Notice of Meeting or Notice of General Meeting	The Notice of General Meeting which accompanies this Explanatory Statement.
Proxy Form	The proxy form accompanying this Notice of Meeting.
Resolution	A resolution set out in the Notice.
Share	Fully paid ordinary share in the capital of the Company.
Shareholder	A registered holder of a Share.
Tranche 1 Placement	Has the meaning given in Section 2 of the Explanatory Statement.
Tranche 1 Share	A Share issued pursuant to the Tranche 1 Placement.
Tranche 2 Placement	Has the meaning given in Section 2 of the Explanatory Statement.
Tranche 2 Share	A Share issued pursuant to the Tranche 2 Placement.
WST	Western Standard Time, being the time in Perth, Western Australia.

PROXY FORM

IMPACT MINERALS LIMITED
ACN 119 062 261

I/We

being a Shareholder of Impact Minerals Limited entitled to attend and vote at the Meeting, hereby

Appoint
Name of proxy

or failing the person so named or, if no person is named, the Chairman of the Meeting or the Chairman's nominee, to vote in accordance with the following directions or, if no directions have been given, as the proxy sees fit at the General Meeting to be held at 10:00 am (WST) on Friday, 28th September 2012 at Level 1, 12 Kings Park Road, West Perth, Western Australia and at any adjournment thereof.

Voting on Business of the General Meeting

FOR AGAINST ABSTAIN

Resolution 1 Ratification of Tranche 1 Placement

☐	☐	☐
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Resolution 2 Approval of Tranche 2 Placement

☐	☐	☐
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If you do not wish to direct your proxy how to vote, please place a mark in this box

☐

By marking this box, you acknowledge that the Chairman may exercise your proxy even if he has an interest in the outcome of the resolution and votes cast by him other than as proxy holder will be disregarded because of the interest.

The Chairman will vote in favour of Resolution 1 if no directions are given.

YOU MUST EITHER MARK THE BOXES DIRECTING YOUR PROXY HOW TO VOTE OR MARK THE BOX INDICATING THAT YOU DO NOT WISH TO DIRECT YOUR PROXY HOW TO VOTE, OTHERWISE THIS APPOINTMENT OF PROXY FORM WILL BE DISREGARDED.

If you mark the "Abstain" box for a particular item, you are directing your proxy not to vote on that item on a show of hands or on a poll and that your Shares are not to be counted in computing the required majority on a poll.

Appointment of a second Proxy (see instruction overleaf)

If you wish to appoint a second Proxy, state the percentage of your voting rights applicable to the Proxy appointed by this Form.

 %

Signed this _____ day of _____ 2012

By:

Individuals and joint holders

Signature

Signature

Signature

Companies (affix common seal if appropriate)

Director

Director/Company Secretary

Sole Director and Sole Company Secretary

IMPACT MINERALS LIMITED
ACN 119 062 261

Instructions for Completing Proxy Form

1. A member entitled to attend and vote at a Meeting is 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 Secretary, James Cooper-Jones on (08) 6454 6666 or you may photocopy this 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.
2. A duly appointed proxy need not be a member of the Company. In the case of joint holders, all must sign.
3. 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:
 - 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.

For the Company to rely on the assumptions set out in Section 129(5) and (6) of the Corporations Act, a document must appear to have been executed in accordance with Section 127(1) or (2) of the Corporations Act. This effectively means that the status of the persons signing the document or witnessing the affixing of the seal must be set out and conform to the requirements of Section 127(1) or (2) of the Corporations Act as applicable. In particular, a person who witnesses the affixing of a common seal and who is the sole director and sole company secretary of the company must state that next to his or her signature.

4. Completion of a Proxy Form will not prevent individual Shareholders from attending the Meeting in person if they wish. Where a Shareholder completes and lodges a valid Proxy Form and attends the Meeting in person, then the proxy's authority to speak and vote for that Shareholder is suspended while the Shareholder is present at the Meeting.
5. Where a Proxy Form or form of appointment of corporate representative is lodged and is executed under power of attorney, the power of attorney must be lodged with the Proxy form or form of appointment of corporate representative.

Important Information

Deadline for Receipt of proxies To be effective, a completed Proxy Form together with the power of attorney (if any) under which it is signed, must be received by the Company at its registered office **not less than 48 hours before** the appointed time of the General Meeting.

Where to send the completed Proxy Form Once the Proxy Form is completed and all details checked by you, the form is to be sent or delivered (by hand, post or facsimile) to:

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

Fax:
(within Australia) 1800 783 447
(outside Australia) +61 3 9473 2555

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

For Further Information If you need any further information about this form or attendance at the Company's General Meeting, please contact Mr James Cooper-Jones on 08 6454 6666.