Impact Minerals Limited
(and Controlled Entities)
(ABN 52 119 062 261)

Half Year Report
31 December 2012

Contents

Impact Minerals Limited ABN 52 119 062 261

DIRECTOR'S REPORT

For the half year ended 31 December 2012

Your directors submit the financial report of the consolidated entity for the half year ended 31 December 2012.

Directors

The names of directors who held office during or since the end of the half year and until the date of this report are as below. Directors were in office for this entire period unless otherwise stated.

Peter Unsworth	Non-Executive Chairman
Michael Jones	Managing Director
Rodney Fripp	Executive Director (resigned 14 Jan 2013)
Paul Ingram	Non-Executive Director
Markus Elsasser	Non-Executive Director (appointed 9 August 2012)

Review of Operations

During the period the Company's interest in Invictus Gold Limited (Invictus) increased to 75.29%. As a result Invictus and its subsidiaries have been consolidated into the Impact consolidated entity.

Exploration expenditure (before impairment and re-imbursement) of $3,301,659 (Impact:$2,253,497 and Invictus: $1,048,162) was capitalised in the half year to 31 December 2012. Director's reviewed the carried forward exploration expenditure at 31 December and elected to write off $313,167. The balance of deferred exploration expenditure carried forward as at 31 December 2012 is $8,746,860 (Invictus: $2,346,384).

The consolidated entity registered a net loss for the half year to 31 December 2012 of $2,555,126 (2011: $751,202).

The consolidated entity had cash assets of $5,148,913 (Invictus: $2,189,540) at 31 December 2012 (30 June 2012: $1,064,434).

Auditor's Declaration

Section 307C of the Corporations Act 2001 requires our auditors, Bentleys, to provide the directors of the company with an Independence Declaration in relation to the review of the half-year financial report. This Independence Declaration is set out on page 2 and forms part of this directors' report for the half-year ended 31 December 2012.

This report is signed in accordance with a resolution of the Board of Directors.

Michael G Jones
Managing Director

Dated this 15th day of March 2012

Bentleys
THINKING AHEAD

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To the Board of Directors

Auditor's Independence Declaration under Section 307C of the Corporations Act 2001

As lead audit director for the review of the financial statements of Impact Minerals Limited for the half year ended 31 December 2012, I declare that to the best of my knowledge and belief, there have been no contraventions of:

- the auditor independence requirements of the *Corporations Act 2001* in relation to the review; and
- any applicable code of professional conduct in relation to the review.

Yours faithfully

Bentleys

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DELAURENTIS CA
Director

DATED at PERTH this 15th day of March 2013

Impact Minerals Limited ABN 52 119 062 261

Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the half year ended 31 December 2012

	Note	Consolidated 31 Dec 2012 $	Consolidated 31 Dec 2011 $
Revenue		**300,801**	280,163
Gain recognised on deemed disposal of interest in former associate	**6**	**466,280**	-
Discount on acquisition of subsidiary	**5**	**677**	-
		767,758	280,163
Employee benefits expenses		**(257,665)**	(130,004)
Corporate and administration expenditure		**(339,632)**	(210,538)
Depreciation and amortisation expense		**(11,008)**	(26,545)
Occupancy		**(32,054)**	(38,928)
Loss on sale of tenement		**-**	(441,419)
Share of associates net loss for period	**6**	**(2,369,358)**	(183,930)
Impairment of exploration expenditure		**(313,167)**	-
Loss before income tax expense		**(2,555,126)**	(751,202)
Income tax expense		**-**	-
Net loss for the period		**(2,555,126)**	(751,202)
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss			
Gain on revaluation of financial assets		**688**	188,579
Exchange differences on translating foreign operations		**(162,659)**	(322,699)
Other comprehensive income (net of tax)		**(161,971)**	(134,120)
Total comprehensive income for the period		**(2,717,097)**	(885,322)
Loss for the period **attributable to**			
Members of the parent entity		**(2,547,327)**	(751,202)
Non-controlling interest		**(7,799)**	-
		(2,555,126)	(751,202)
Total comprehensive income attributable to:			
Members of the parent entity		**(2,709,298)**	(885,322)
Non-controlling interest		**(7,799)**	-
		(2,717,097)	(885,322)
Basic and diluted loss per share		**(0.01)**	(0.004)

The accompanying notes form part of these financial statements

Impact Minerals Limited ABN 52 119 062 261

Consolidated Statement of Financial Position

For the half year ended 31 December 2012

	Note	Consolidated	
		31 Dec 2012	30 Jun 2012
		$	$
Current Assets			
Cash and cash equivalents		**5,148,913**	1,064,434
Trade and other receivables		**144,085**	301,265
Total Current Assets		**5,292,998**	1,365,699
Non-Current Assets			
Property, plant and equipment		**24,319**	33,323
Investments accounted for using the equity method		**-**	2,543,078
Deferred exploration expenditure		**8,746,860**	5,445,201
Financial assets		**-**	186,500
Other non-current assets		**90,993**	45,988
Total Non-Current Assets		**8,862,172**	8,254,090
Total Assets		**14,155,170**	9,619,789
Current Liabilities			
Trade and other payables		**682,916**	332,744
Provisions		**55,392**	44,262
Total Current Liabilities		**738,308**	377,006
Total Liabilities		**738,308**	377,006
Net Assets		**13,416,862**	9,242,783
Equity			
Issued capital	**3**	**23,010,428**	17,284,498
Option reserve		**227,183**	140,314
Foreign currency translation reserve		**(590,212)**	(427,553)
Asset revaluation reserved		**-**	(688)
Accumulated losses		**(10,301,115)**	(7,753,788)
Parent interest		**12,346,284**	9,242,783
Non-controlling interest		**1,070,578**	-
Total Equity		**13,416,862**	9,242,783

The accompanying notes form part of these financial statements

Impact Minerals Limited ABN 52 119 062 261

Consolidated Statement of Changes in Equity

For the half year ended 31 December 2012

	Consolidated						
	Issued Capital	Option Reserve	Foreign currency translation reserve	Asset revaluation reserve	Accumulated Losses	Non-Controlling Interest	Total Equity
	$	$		$	$	$	$
Balance at 1 July 2011	16,504,296	205,197	(190,564)	(100)	(3,360,585)	-	13,158,244
Loss for the period	-	-	-	-	(751,202)	-	(751,202)
Other Comprehensive Income							
Fair value of financial assets	-	-	-	188,579	-	-	188,579
Exchange differences on translation of foreign operations	-	-	(322,699)	-	-	-	(322,699)
Total comprehensive income for the half year	-	-	(322,699)	188,579	(751,202)	-	(885,322)
Fair value of options issued	-	(71,622)	-	-	-	-	(71,622)
Balance at 31 December 2011	**16,504,296**	**133,575**	**(513,263)**	**118,479**	**(4,111,787)**	**-**	**12,131,300**
Balance at 1 July 2012	17,284,498	140,314	(427,553)	(688)	(7,753,788)	-	9,242,783
Loss for the period	-	-	-	-	(2,547,327)	(7,799)	(2,555,126)
Other Comprehensive Income							
Gain on revaluation of properties	-	-	-	688	-	-	688
Exchange differences on translation of foreign operations	-	-	(162,659)	-	-	-	(162,659)
Total comprehensive income for the half year	-	-	(162,659)	688	(2,547,327)	(7,799)	(2,717,097)
Shares issued	5,725,930	-	-	-	-	-	5,725,930
Share based payment	-	86,869	-	-	-	10,587	97,456
Non-controlling interest arising on the acquisition of Invictus Gold Limited (Note-5)	-	-	-	-	-	1,067,790	1,067,790
Balance at 31 December 2012	**23,010,428**	**227,183**	**(590,212)**	**-**	**(10,301,115)**	**1,070,578**	**13,416,862**

The accompanying notes form part of these financial statements

Impact Minerals Limited ABN 52 119 062 261

Consolidated Statement of Cash Flow

For the half year ended 31 December 2012

	Note	Consolidated 31 Dec 2012 $	31 Dec 2011 $
Cash flows from operating activities			
Payments to suppliers and employees		**(656,668)**	(458,927)
Interest received		**322,540**	81,898
Payments for exploration activities		**(1,842,783)**	(1,880,067)
Net cash used in operating activities		**(2,176,911)**	(2,257,096)
Cash flows from investing activities			
Payments for sale of tenement		**-**	563,552
Net cash outflow arising on acquisition	**5**	**(28,966)**	
Payment for sale of financial assets		**297,369**	-
Net cash used in investing activities		**268,403**	563,552
Cash flows from financing activities			
Proceeds from issue of shares		**5,992,987**	-
Net cash provided by financing activities		**5,992,987**	-
Net increase/(decrease) in cash held		**4,084,479**	(1,693,543)
Cash and cash equivalents at the start of the period		**1,064,434**	3,017,286
Exchange rate adjustments		**-**	(4,600)
Cash and cash equivalents at the end of the period		**5,148,912**	1,319,142

The accompanying notes form part of these financial statements

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NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation

These general purpose financial statements for the interim half-year reporting period ended 31 December 2012 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: interim financial reporting.

This interim report is intended to provide users with an update on the latest annual financial statements of Invictus Gold Limited and its controlled entities (the consolidated entity). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the consolidated entity. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the consolidated entity for the year ended 30 June 2012, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The relevant amendments and their effects on the current period or prior periods are described below.

The accounting policies have been applied consistently throughout the consolidated entity for the purposes of preparation of these interim financial statements.

The Consolidated Entity has adopted all of the new and revised Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to their operations and effective for the current half year.

New and revised Standards and amendments thereof and Interpretations effective for the current half-year that are relevant to the Consolidated Entity include:

- Amendments to AASB 1, 5, 7, 101, 112, 120, 121, 132, 133 and 134 as a consequence of AASB 2011-9 ‘Amendments to Australian Accounting Standards – Presentation of Items of Other Comprehensive Income’

The adoption of all the new and revised Standards and Interpretations has not resulted in any changes to the Consolidated Entity’s accounting policies and has no effect on the amounts reported for the current or prior half-years. However, the application of AASB 2011-9 has resulted in changes to the Consolidated Entity’s presentation of, or disclosure in, its half-year financial statements.

Under the amendments to AASB 101, the statement of comprehensive income is renamed as a statement of profit or loss and other comprehensive income. The amendments also require items of other comprehensive income to be grouped into two categories in the other comprehensive income section: (a) items that will not be reclassified subsequently to profit or loss and (b) items that may be reclassified subsequently to profit or loss when specific conditions are met. The amendments have been applied retrospectively and the application of the amendments to AASB 101 do not result in any impact on profit or loss, other comprehensive income and total comprehensive income.

The following material accounting policies have been adopted in the preparation and presentation of the half year financial report:

NOTE 2: SEGMENT REPORTING

Segment Information

Identification of reportable segments

The Company has identified its operating segments based on the internal reports that are reviewed and used by the Board of Directors in assessing performance and determining the allocation of resources.

The Company is managed primarily on the basis of its exploration and corporate activities. Operating segments are therefore determined on the same basis.

During the current period the Group acquired control of Invictus Gold Limited. The results of this Company are reviewed as a separate operating segment by the Board of Directors.

NOTE 2: SEGMENT REPORTING *(Continued)*

i. Consolidated 31 December 2012

	Australia Projects	Africa Projects	Turkey	Corporate / Treasury	Impact Group Sub-total	Invictus Group	Total
	$	$	$	$	$	$	$
REVENUE							
Total segment revenue	-	29	-	761,341	761,370	6,388	767,758
Total segment expenses	-	(86,951)	(11,523)	(3,186,075)	(3,284,549)	(38,335)	(3,32,884)
Segment net profit/(loss) before tax	-	(86,922)	(11,523)	(2,424,734)	(2,523,179)	(31,947)	(2,555,126)
Reconciliation of segment performance to group performance							
Exchange differences on translating foreign controlled entities							-
Total group revenue							(2,555,126)

Assets

	Australia Projects	Africa Projects	Turkey	Corporate / Treasury	Impact Group Sub-total	Invictus Group	Total
	$	$	$	$	$	$	$
As at 31.12.2012							
Total segment assets	23,256	5,137,486	78,938	4,292,400	9,532,080	4,623,090	14,155,170
Reconciliation of segment assets to group assets							
Intersegment elimination							
Total group assets							14,155,170
Segment asset movement for the period:	(1,183)	313,364	78,568	(478,458)	(87,708)	4,623,090	4,535,381

Liabilities

	Australia Projects	Africa Projects	Turkey	Corporate / Treasury	Impact Group Sub-total	Invictus Group	Total
	$	$	$	$	$	$	$
As at 31.12.2012							
Total segment liabilities	-	132,389	90,168	225,122	447,679	290,629	738,308
Reconciliation of segment liabilities to group liabilities							
Intersegment elimination							
Total group liabilities							738,308

i. Consolidated 31 December 2011

	Australia Projects $	Africa Projects $	Turkey $	Corporate / Treasury $	Impact Group Sub-total $	Invictus Group $	Total $
REVENUE							
Total segment revenue	568	124	-	279,471	280,163	-	280,163
Total segment expenses	1,724	60,498	-	969,143	1,031,365	-	1,031,365
Segment net profit/(loss) before tax	(1,156)	(60,374)	-	(689,672)	(751,202)	-	(751,202)
Reconciliation of segment performance to group performance							
Exchange differences on translating foreign controlled entities							-
Total group revenue							(751,202)

Assets

	Australia Projects $	Africa Projects $	Turkey $	Corporate / Treasury $	Impact Group Sub-total $	Invictus Group $	Total $
As at 30.06.2012							
Total segment assets	24,449	4,824,481	-	4,770,859	9,619,789	-	9,619,789
Reconciliation of segment assets to group assets							
Intersegment elimination							
Total group assets							9,619,789
Segment asset movement for the period:	(541,593)	750,772	-	(3,910,062)	(3,700,884)	-	(3,700,884)

Liabilities

	Australia Projects $	Africa Projects $	Turkey $	Corporate / Treasury $	Impact Group Sub-total $	Invictus Group $	Total $
As at 30.06.2012							
Total segment liabilities	(18,228)	41,547	-	317,231	340,550	-	340,550
Reconciliation of segment liabilities to group liabilities							
Intersegment elimination							(36,456)
Total group liabilities							377,006

NOTE 3: ISSUED CAPITAL

	31 December 2012	30 June 2012
325,199,670 fully paid ordinary shares with no par value	23,794,785	18,068,855
Share issue costs	(784,357)	(784,357)
	23,010,428	17,284,498

	31 December 2012 No.	30 June 2012 No.	31 December 2012 $	30 June 2012 $
a. Ordinary shares				
At the beginning of reporting period	134,335,328	117,403,328	17,284,498	16,504,296
Shares issued during the year				
- Placement	50,000,000	16,932,000	1,500,000	846,600
- Transaction costs	-	-	-	(66,398)
- Shares issued pursuant to Entitlement Issue	140,864,342	-	4,225,930	-
At the end of the reporting period	325,199,670	134,335,328	23,010,428	17,284,498

NOTE 4: SHARE BASED PAYMENTS

i. During the period share options were granted to employees to take up ordinary shares at the following exercise prices. The options hold no voting or dividend rights, are not, without the approval of the Board of Directors, transferrable and are exercisable on or before the expiry date as se out below. All options were granted to key management personnel.

Grant date	Vest date	Expiry date	Exercise price	Number
29.11.2012	30.11.2013	30.11.2015	$0.06	13,000,000
29.11.2012	30.11.2014	30.11.2016	$0.10	13,000,000

ii. A summary of the movements of all company options issued is as follows:

	2012	
	Number	Weighted Average Exercise Price
Options outstanding as at 30 June 2012	5,600,000	26c
Expired	4,650,000	26c
Granted	26,000,000	0.08c
Options outstanding as at 31 December 2012	26,950,000	0.08c

As at the date of exercise, the weighted average of share price of options exercised during the year was nil.

The weighted average remaining contractual life of options outstanding at year end was 3.23 years. The weighted average exercise price of outstanding options at the end of the reporting period was 0.08 cents. The fair value of options granted to employees is deemed to represent the value of employee services received over the vesting period. The weighted average fair value of options granted during the year was 1 cent. These values were calculated using the Black Scholes option pricing model applying the following inputs:

NOTE 4: SHARE BASED PAYMENTS *(CONTINUED)*

The model inputs for options granted during the period ended 31 December 2012 are set out below.

Grant Date	Vesting Date	Expiry Date	Exercise Price	Options	Share Price at Grant	Risk Rate	Consideration
29.11.12	30.11.13	30.11.15	$0.06	13,000,000	$0.32	3.17%	nil
29.11.12	30.11.14	30.11.16	$0.10	13,000,000	$0.32	3.31%	nil

The level of volatility anticipated for the purposes of the model was 82.10% for all options, The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information. Dividends were assumed to be NIL.

NOTE : 5 ACQUISITION OF SUBSIDIARY

On the 22 November 2012, the Group acquired further 31.29% interest in Invictus Gold Limited thereby moving its interest to 75.29% and giving Impact Minerals Limited control of the Company. Invictus Gold Limited is engaged in Gold exploration activities.

Consideration transferred	**$**
Cash	**2,612,928**
Deemed consideration for the acquisition of the investment previously recognised as an associate.	**640,000**
	3,252,928

ASSETS ACQUIRED AND LIABLITIES ASSUMED AT THE DATE OF ACQUISITION

Current Assets	$
Cash and cash equivalents	**2,583,962**
Trade and other receivables	**11,667**
Non Current Assets	
Property, plant and equipment	**764**
Exploration expenditure	**1,954,697**
Other non-current assets	**58,867**
Current Liabilities	
Trade and other payables	**(263,940)**
Provisions	**(24,622)**
Net Assets	**4,321,395**

NOTE : 5 ACQUISITION OF SUBSIDIARY *(CONTINUED)*

NON CONTROLLING INTEREST

The Non Controlling interest (24.71%) in the Subsidiary Invictus Gold Limited recognised at the acquisition date was measured by the reference to the fair value of the Non- Controlling Interest and amounted to $1,067,790. The fair value was determined based on the 4 cents rights issues which occurred on 22 November 2012.

Discount on acquisition	$
Consideration transferred	**3,252,928**
Fair value of the Non- controlling interest	**1,067,790**
Less: Fair value of the net assets	**(4,321,395)**
Discount on acquisition	**677**

Net cash outflow arising on acquisition	$
Consideration paid in cash	**2,612,928**
Less: Cash and cash equivalents balances acquired	**(2,583,962)**
Net cash outflow arising on acquisition	**28,966**

NOTE : 6 DEEMED DISPOSAL OF ASSOCIATE

On the 22 November 2012, the Group acquired further 31.29% interest in Invictus Gold Limited thereby moving its interest to 75.29% resulting in the Company becoming a subsidiary of Impact Minerals Limited. In line with AASB 3 Business Combinations, the transaction resulted in a deemed disposal of Impact Mineral Limited's investment in associate.

	$
Deemed proceeds *(Refer (i))*	**640,000**
Less: Fair value of the net assets disposed *(Refer (ii))*	**(173,720)**
Net gain on deemed disposal of investment in associate	**466,280**

(i) The deemed proceeds was based on the 4 cents right issues which occurred on 22 November 2012.

(ii) During the period Invictus Gold Limited wrote down its capitalised exploration expenditure by $5,278,283. Refer below to the reconciliation of the investment in Associate (Invictus Gold Limited) prior to Impact Minerals Limited obtaining control of Invictus Gold limited.

	$
Opening Balance as at 1 July 2012	**2,543,078**
Share of associate loss until control was obtained by Impact Minerals Limited	**(2,369,358)**
Closing balance as at 22 November 2012	**173,720**

NOTE 7: SUBSEQUENT EVENTS

1. Share placement

On the 1 February 2013 the Company issued 40,000,000 shares at a price of $0.03 to raise a total of $1,200,000.

2. Endeavour Minerals Transaction

On the 8th March 2013 Impact Minerals Limited (Impact), Invictus Gold Limited (Invictus) and Endeavour Minerals Pty Ltd (Endeavour) signed an option agreement. This agreement contains an option for Invictus to buy all the share capital of Endeavour and an agreement that Invictus will sell its interest in the Mulga Tank and Broken Hill Projects, currently held by Endeavour to Impact. A summary of the option agreement is set out below:

For the purchase of all the shares of Endeavour Invictus is obligated:

- To pay a $110,000 fee in cash in exchange for an exclusive period;
- To pay $495,735.01 comprising $95,735.01 in cash and $200,000 of Company and $200,000 of Impact shares;
- To repay in cash Endeavour debts amounting to $349,264.99.

These outgoings are due to Endeavour as follows:

- A payment of a $110,000 option fee payable in cash within 2 business days of signing the binding term sheet (completed);
- A payment of $198,916.83 in cash to exercise the option before the 14th March 2013 (completed);
- Within 16 weeks of the exercise of the option the payment of $200,000 in Company shares and $200,000 in Impact shares and the repayment in cash of Endeavour debts amounting to $246,083.17.

For the sale of the project rights Invictus and Impact have agreed:

- Impact has agreed to contribute $220,000 in cash and $200,000 in Impact shares to allow Invictus to gain all the shares of Endeavour;
- This results in a $420,000 debt owed by Invictus to Impact;
- As repayment of this debt Invictus has agreed to sell to Impact all the rights associated with two projects held by Endeavour. Completion of the transaction with the transfer of Endeavour shares to Invictus and the project rights to Impact will occur on the 20 June 2013 or any time between then and the 8th March 2013 if so elected by Invictus.

Director's Declaration

For the half year ended 31 December 2012

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 3 to 13
   a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
   b. give a true and fair view of the consolidated entity's financial position as at 31 December 2012 and of its performance for the half-year then ended.
2. In the directors' opinion there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable.

This declaration is signed in accordance with a resolution of the Board of Directors.

Michael G Jones
Managing Director

Dated this 15th day of March 2012

Bentleys
THINKING AHEAD

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Independent Auditor's Review Report

To the Members of Impact Minerals Limited

We have reviewed the accompanying half-year financial report of Impact Minerals Limited ("the Company") and Controlled Entities ("the Consolidated Entity") which comprises the consolidated statement of financial position as at 31 December 2012, the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration.

Directors Responsibility for the Half-Year Financial Report

The directors of the Company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards and the Corporations Act 2001 and for such control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the Corporations Act 2001 including: giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2012 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of Impact Minerals Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of Impact Minerals Limited and Controlled Entities is not in accordance with the Corporations Act 2001 including:

a. Giving a true and fair view of the Consolidated Entity's financial position as at 31 December 2012 and of its performance for the half-year ended on that date; and

b. Complying with Accounting Standard AASB 134: Interim Financial Reporting and Corporations Regulations 2001.

Bentleys

BENTLEYS
Chartered Accountants

Mark Delaurentis

MARK DELAURENTIS CA
Director

DATED at PERTH this 15th day of March 2013