



ACN 119 062 261

Notice of Annual General Meeting Explanatory Statement and Proxy Form

Date of Meeting

Thursday, 21st November 2013

Time of Meeting

11:30 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 Annual General Meeting

Notice is hereby given that the Annual General Meeting of Shareholders will be held at **Bentleys (WA) Pty Ltd, Level 1, 12 Kings Park Road, West Perth at 11:30 am on Thursday, 21st November 2013.**

Terms used in this Notice will, unless the context otherwise requires, have the same meaning given to them in the Glossary of terms as set out in the Explanatory Statement.

AGENDA

Financial Report

To receive and consider the Financial Report of the Company the reports of the Directors and auditors for the year ending 30 June 2013.

Resolution 1 ADOPTION OF REMUNERATION REPORT

To consider and, if thought fit, to pass, the following resolution as an ordinary resolution:

“That the Remuneration Report as set out in the Directors’ Report for the year ended 30 June 2013 be adopted by the Company.”

In accordance with the Corporations Act, the vote on this Resolution is advisory only and does not bind the Directors or the Company.

The Directors will consider the outcome of the vote and comments made by Shareholders on the Remuneration Report at the Meeting when reviewing the Company’s remuneration policies.

If 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive annual general meetings, Shareholders will be required to vote at the second of those annual general meetings on a resolution (a “spill resolution”) that another meeting be held within 90 days at which all of the Company’s directors (other than the Managing Director) must go up for re-election. For further information, please refer to the Explanatory Statement.

Voting exclusion: The Company will disregard any votes cast (in any capacity) on Resolution 1 by or on behalf of a member of Key Management Personnel whose remuneration is disclosed in the Remuneration Report and closely related parties of those persons, unless the vote is cast as a proxy for a person who is entitled to vote on Resolution 1 in accordance with a direction on the Proxy Form or by the Chairman of the Meeting and the appointment of the Chairman as proxy does not specify the way the proxy is to vote on Resolution 1 and expressly authorises the Chairman to exercise the proxy even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the Key Management Personnel.

Resolution 2 ELECTION OF DR MARKUS ELSASSER AS A DIRECTOR

To consider and, if thought fit, to pass, the following resolution as an ordinary resolution:

“That Dr Markus Elsasser, a Director ceasing to hold office in accordance with Article 6.3(j) of the Constitution and Listing Rule 14.4, be elected as a Director.”

Resolution 3 RE-ELECTION OF MR PAUL INGRAM AS A DIRECTOR

To consider and, if thought fit, to pass, the following resolution as an ordinary resolution:

“That Mr Paul Ingram, a Director who retires by rotation in accordance with Article 6.3(c) of the Constitution and Listing Rule 14.4 and, being eligible, offers himself for re-election, be re-elected as a Director.”

Resolution 4 APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY

To consider and, if thought fit, to pass, with or without amendment, the following resolution as a **special resolution**:

“That, for the purposes of ASX Listing Rule 7.1A and for all other purposes, Shareholders approve the issue of Equity Securities up to 10% of the issued capital of the Company (at the time of the issue) calculated in accordance with the formula prescribed in Listing Rule 7.1A.2 and on the terms and conditions set out in the Explanatory Statement.”

Voting exclusion: The Company will disregard any votes cast on Resolution 4 by any person who may participate in the proposed issue and who might obtain a benefit, except a benefit solely in the capacity of a holder of ordinary securities, if Resolution 4 is passed, and any Associates of those persons. However, the Company need not disregard a vote if it is cast by a person as a proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form, or, it is cast by the Chairman of 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

James Cooper-Jones
Company Secretary
17 October 2013

General Notes

Explanatory Statement

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

Appointment of a 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 at the principal office of Impact Minerals Limited at 309 Newcastle Street, Northbridge WA 6003 or by facsimile (+61 8 6454 6667) no later than **11:30 am (WST) on Tuesday, 19th November 2013**. A Proxy Form accompanies this Notice of Meeting.

If you wish to appoint the Chairman of the Meeting as your proxy, mark the appropriate box on the Proxy Form. If you appoint the Chairman of the Meeting as your proxy, he or she can only cast your votes on Resolution 1 if you expressly authorise him or her to do so by marking the box on the Proxy Form. If the person you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the name of that person. If you leave this section blank, or your named proxy does not attend the Meeting, the Chairman of the Meeting will be your proxy.

You are 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 on +61 8 6454 6666 or you may photocopy the Proxy 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.

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 **11:30 am (WST) on Tuesday, 19th November 2013**.

Corporate Shareholders

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:

- two 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.

Votes on Resolution

You may direct your proxy how to vote by placing a mark in one of the boxes opposite the Resolutions. All your shareholding will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on the Resolutions by inserting the percentage or number of Shares you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on the Resolutions, your proxy may vote as he or she chooses. If you mark more than one box on a Resolution your vote on the Resolutions will be invalid.

Voting restrictions that may affect your proxy appointment

Due to the voting exclusions that may apply to certain items of business, the Key Management Personnel and their closely related parties will not be able to vote your proxy on Resolution 1 unless you have directed them how to vote or, in the case of the Chairman, if you expressly authorise him or her.

Chairman voting undirected proxies

The Chairman will vote undirected proxies on, and in favour of, all of the proposed resolutions, except that in respect of Resolution 1, the Chairman will only do so where expressly authorised by the Shareholder having marked the appropriate box on the Proxy Form.

Questions from Shareholders

At the Meeting the Chairman will allow a reasonable opportunity for Shareholders to ask questions or make comments on the management of the Company and the Remuneration Report.

Mr Mark Delaurentis, a partner of Bentleys Audit and Corporate (WA) Pty Ltd, as the auditor responsible for preparing the auditor's report for the year ended 30 June 2013 (or his representative) will attend the Meeting. The Chairman will also allow a reasonable opportunity for Shareholders to ask the auditor questions about:

- the conduct of the audit;
- the preparation and content of the auditor's report;
- the accounting policies adopted by the Company in relation to the preparation of financial statements; and
- the independence of the auditor in relation to the conduct of the audit.

To assist the Board and the auditor of the Company in responding to questions please submit any questions you may have in writing no later than 11:30 am WST on Thursday 14 November 2013:

By mail: 309 Newcastle Street, Northbridge, WA, 6918

By fax: +61 8 6454 6667

By email: info@impactminerals.com.au

As required under section 250PA of the Corporations Act, at the Meeting, the Company will distribute a list setting out the questions directed to the auditor received in writing by 14 November 2013, being questions which the auditor considers relevant to the content of the auditor's report or the conduct of the audit of the financial report for the year ended 30 June 2013. The Chairman will allow reasonable opportunity to respond to the questions set out on this list.

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 Annual 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 Annual General Meeting.

This Explanatory Statement should be read in conjunction with the Notice of Annual 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. Annual Report

The Corporations Act requires the Directors' Report, Auditors' Report and the Financial Statements of the Company for the year ended 30 June 2013 to be tabled at the Annual General Meeting.

Neither the Corporations Act nor the Company's constitution requires a vote of Shareholders on the Reports or Financial Statements. However, Shareholders will be given reasonable opportunity to raise questions on the Reports and ask questions of the Company's auditor.

3. Resolution 1 ADOPTION OF REMUNERATION REPORT

The Remuneration Report is set out in the Directors' Report in the Company's 2013 Annual Report.

The Corporations Act requires the Company to put a resolution to Shareholders that the Remuneration Report be adopted. In accordance with section 250R(3) of the Corporations Act, the vote on the Resolution is advisory only and does not bind the Directors or the Company.

In accordance with Division 9 of Part 2G.2 of the Corporations Act, if 25% or more of votes that are cast are voted against the adoption of the Remuneration Report at two consecutive Annual General Meetings, Shareholders will be required to vote at the second of those Annual General Meetings on a resolution (a "spill resolution") that another meeting be held within 90 days at which all of the Company's directors (other than the Managing Director) must go up for re-election.

It is noted that at the Company's 2012 annual general meeting the votes cast against the remuneration report represented less than 25% of the total votes cast and accordingly, a spill resolution will not under any circumstances be required for the Annual General Meeting.

A voting exclusion applies to Resolution 1 in the terms set out in the Notice of Meeting. Key Management Personnel and their closely related parties may not vote on this Resolution and may not cast a vote as proxy, unless the proxy appointment gives a direction on how to vote or the proxy is given to the Chairman and expressly authorises the Chairman to exercise the proxy. The Chairman will use any such proxies to vote in favour of Resolution 1.

The Company encourages all Shareholders to cast their votes on Resolution 1 (Remuneration Report).

4. Resolution 2 ELECTION OF DR MARKUS ELSASSER AS A DIRECTOR

Dr Markus Elsasser was appointed as a Director of the Company on 29 August 2012.

Article 6.2(a) of the Constitution provides that the Directors may appoint any person as a Director to fill a casual vacancy or as an addition to the existing Directors. Dr Elsasser, having consented by notice in writing to act as a Director, was appointed by the Board as a Director pursuant to Article 6.2(a) of the Constitution.

Article 6.3(j) of the Constitution and Listing Rule 14.4 provide that a Director appointed by the Board will hold office until the next annual general meeting of the Company when the Director may then be elected. Dr Elsasser did not stand for election as a Director at the Company's 2012 annual general meeting as he was required to do so due to an administrative oversight in contravention of these provisions of the Constitution and the Listing Rules and instead retires as a Director and offers himself for election at this Meeting.

Dr Elsasser is a financier and investor in the mineral resources industry. He is Head of the Elsasser family office 'M. Elsasser & Cie AG 1971' in Dusseldorf, Germany. Dr Elsasser has previously been Director of Finance at the Dow Chemical Company in Germany. He has extensive General Management experience with former appointments as Managing Director in Australia and Singapore in the chemical and food industries.

Directors' recommendation

The Directors (apart from Dr Elsasser) recommend that Shareholders vote in favour of the election of Dr Elsasser.

5. Resolution 3 RE-ELECTION OF MR PAUL INGRAM AS A DIRECTOR
--

Article 6.3(c) of the Constitution and Listing Rule 14.4 require that at each annual general meeting of the Company, one third of the Directors (to the nearest whole number) must retire from office. A retiring Director is eligible for re-election.

Mr Ingram retires by rotation at the Meeting and, being eligible, offers himself for re-election.

Mr Ingram is a geologist with extensive experience in managing major mineral exploration programs for several publicly listed companies and has been involved in the mining sector for over thirty years. He has designed and implemented innovative techniques for exploration in remote areas, and has managed projects in countries throughout Australia and east Asia.

Mr Ingram has been a director of the following listed companies in the past three years:

- (a) Polo Resources Limited from January 2008 to January 2011;
- (b) A-Cap Resources Limited since June 2009;
- (c) West Australian Metals Limited from July 2009 to January 2010;
- (d) Consolidated Global Investments Limited since September 2006;
- (e) Caledon Resources Limited from February 2003 to March 2008; and
- (f) Australian Pacific Coal Limited since March 2011.

Directors' recommendation

The Directors (apart from Mr Ingram) recommend that the shareholders vote in favour of the election of Mr Ingram.

6. Resolution 4 APPROVAL OF ADDITIONAL 10% PLACEMENT FACILITY
--

Listing Rule 7.1A provides that an Eligible Entity may seek shareholder approval to allow it to issue Equity Securities up to 10% of its issued share capital over a 12 month period after the annual general meeting (**10% Placement Facility**). The 10% Placement Facility is in addition to the Company's 15% placement capacity under Listing Rule 7.1.

For the purposes of Listing Rule 7.1A an Eligible Entity is one that, as at the date of the relevant Annual General Meeting:

- (a) is not included in the A&P/ASX 300 Index; and
- (b) has a market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of not more than \$300,000,000.

The Company is an Eligible Entity.

The Company is now seeking Shareholder approval by way of a special resolution to have the ability to issue Equity Securities under the 10% Placement Facility. The exact number of Equity Securities to be issued under the 10% Placement Facility will be determined in accordance with the formula prescribed in Listing Rule 7.1A.2 (as set out below).

If passed, the effect of Resolution 4 will be to allow all the Directors to issue up to 10% of the Company's fully paid ordinary securities on issue under the 10% Placement Capacity during the period up to 12 months after the Meeting, without subsequent Shareholder approval and without using the Company's 15% placement capacity under Listing Rule 7.1.

Resolution 4 is a Special Resolution. Accordingly, at least 75% of votes cast by Shareholders eligible to vote at the Meeting must be in favour of Resolution 4 for it to be passed.

Listing Rule 7.1A

The ability to issue Equity Securities under the 10% Placement Facility is subject to shareholder approval by way of a special resolution at an annual general meeting.

Any Equity Securities issued under the 10% Placement Facility must be in the same class as an existing quoted class of Equity Securities of the Company. This means that if Resolution 4 is passed, the Company will be able to issue Shares under the 10% Placement Facility.

The exact number of Equity Securities that the Company may issue under an approval under Listing Rule 7.1A will be calculated using the following formula:

$$(A \times D) - E$$

Where:

- A is the number of Shares on issue 12 months before the date of issue or agreement:
- (a) plus the number of Shares issued in the previous 12 months under an exception in Listing Rule 7.2;
 - (b) plus the number of partly paid shares that became fully paid in the previous 12 months;
 - (c) plus the number of Shares issued in the previous 12 months with approval of holders of Shares under Listing Rule 7.1 and 7.4. This does not include an issue of fully paid shares under the Eligible Entities 15% placement capacity without Shareholder approval; and
 - (d) less the number of Shares cancelled in the previous 12 months.
- D is 10%.
- E is the number of Equity Securities issued or agreed to be issued under Listing Rule 7.1A.2 in the 12 months before the date of issue or agreement to issue that are not issued with the approval of holders of Ordinary Securities under Listing Rule 7.1 or Listing Rule 7.4.

Technical information required by Listing Rule 7.1A

Pursuant to and in accordance with Listing Rule 7.3A, the information below is provided in relation to this Resolution 4:

(a) Minimum Price

The issue price of Equity Securities issued under Listing Rule 7.1A must not be less than 75% of the volume weighted average price of Equity Securities in that class, calculated over the 15 ASX trading days on which trades in that class were recorded immediately before:

- (i) the date on which the price at which the Equity Securities are to be issued is agreed; or
- (ii) if the Equity Securities are not issued within 5 ASX trading days of the date in paragraph (i) above, the date on which the Equity Securities are issued.

(b) Date of issue

The Equity Securities may be issued under the 10% Placement Capacity commencing on the date of the Meeting and expiring on the first to occur of the following:

- (i) 12 months after the date of the Meeting; and
- (ii) the date of approval by Shareholders of any transaction under Listing Rule 11.1.2 (a significant change to the nature or scale of the Company's activities) or Listing Rule 11.2 (disposal of the Company's main undertaking).

For the avoidance of doubt, an approval given pursuant to Resolution 4 for the additional 10% Placement Facility will expire on the earlier of the dates set out above.

(c) Risk of voting dilution

Any issue of Equity Securities under the 10% Placement Capacity will dilute the interests of Shareholders who do not receive any Shares under the issue.

If Resolution 4 is approved by Shareholders and the Company issues the maximum number of Equity Securities available under the 10% Placement Capacity, the economic and voting dilution of existing Shares would be as shown in the tables below.

The tables below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A(2), on the basis of the current market price of Shares and:

- (i) the current number of Equity Securities on issue as at the date of this Explanatory Statement; and
- (ii) the number of Equity Securities to be on issue following implementation of the Merger with Invictus Gold Limited (**Invictus**) and completion of the Capital Raising.

The first table also shows:

- (i) Two examples where variable 'A' in the formula has increased by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company has on issue. The number of ordinary securities that the Company has on issue may increase further as a result of issues of ordinary securities which do not require Shareholder approval (such as a pro rata entitlements issue or script issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
- (ii) Two examples of where the issue price of the ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Number of Shares on issue (variable 'A' in Listing Rule 7.1A.2)	Dilution			
	Issue price (per Share)	\$0.02 (50% decrease in current issue price)	\$0.04 (current issue price)	\$0.06 (50% increase in current issue price)
419,979,621 (current variable 'A')	Shares issued	41,997,962 Shares	41,997,962 Shares	41,997,962 Shares
	Funds Raised	\$839,959	\$1,679,918	\$2,519,878
629,969,432 (50% increase in current variable 'A')	Shares issued	62,996,943 Shares	62,996,943 Shares	62,996,943 Shares
	Funds Raised	\$1,259,939	\$2,519,878	\$3,779,817
839,959,242 (100% increase in current variable 'A')	Shares issued	83,995,924 Shares	83,995,924 Shares	83,995,924 Shares
	Funds Raised	\$1,679,918	\$3,359,837	\$5,039,755

The table above uses the following assumptions:

- (i) The current Shares on issue are the Shares on issue as at 26 September 2013.
- (ii) The issue price set out above is the closing price of the Shares on the ASX on 9 October 2013.
- (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iv) No Options are exercised before the date of the issue of the Equity Securities.
- (v) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (vi) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (vii) The table shows only the effect of the issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (viii) For the purposes of this table, the issue of Equity Securities under the 10% Placement Facility consists only of Shares.

As announced by the Company on 23 August 2013, the Company is proposing to acquire all of the issued shares in Invictus that it does not already own under a scheme of arrangement (**Share Scheme**). If the Share Scheme becomes effective, approximately 36,203,350 Shares will be issued as consideration for those Invictus shares.

In addition, the Company announced the Capital Raising on 19 September 2013 for the issue of an additional 78,947,368 Shares, a portion of which is subject to Impact Shareholder approval at a general meeting of Shareholders to be held on 6 November 2013.

Assuming the Share Scheme is implemented and all Shares are issued under the Capital Raising, the Company will have a total of 487,063,270 Shares on issue. As a result of the Share Scheme and Capital Raising, the number of Shares the Company may issue under the 10% Placement Facility will increase.

The table below shows the dilution of existing Shareholders calculated in accordance with the formula outlined in Listing Rule 7.1A(2), on the basis of the current market price of Shares and the number of Equity Securities that will be on issue if the Share Scheme is implemented and the Capital Raising is completed.

The table below shows:

- (i) Two examples where variable 'A' in the formula has increased by 50% and 100%. Variable 'A' is based on the number of ordinary securities the Company will have on issue if the Share Scheme is implemented and the Capital Raising is completed. The number of ordinary securities that the Company has on issue may increase further as a result of issues of ordinary securities which do not require shareholder approval (such as a pro rata entitlements issue or script issued under a takeover offer) or future specific placements under Listing Rule 7.1 that are approved at a future Shareholders' meeting.
- (ii) Two examples of where the issue price of the ordinary securities has decreased by 50% and increased by 50% as against the current market price.

Number of Shares on issue (variable 'A' in Listing Rule 7.1A.2)	Dilution			
	Issue price (per Share)	\$0.02 (50% decrease in current issue price)	\$0.04 (current issue price)	\$0.06 (50% increase in current issue price)
535,130,339 (variable 'A')	Shares issued	53,513,034 Shares	53,513,034 Shares	53,513,034 Shares
	Funds Raised	\$1,070,261	\$2,140,521	\$3,210,782
802,695,509 (50% increase in variable 'A')	Shares issued	80,269,551 Shares	80,269,551 Shares	80,269,551 Shares
	Funds Raised	\$1,605,391	\$3,210,782	\$4,816,173
1,070,260,678 (100% increase in variable 'A')	Shares issued	107,026,068 Shares	107,026,068 Shares	107,026,068 Shares
	Funds Raised	\$2,140,521	\$4,281,043	\$6,421,564

The table above uses the following assumptions:

- (i) The Shares on issue are the Shares on issue if the Share Scheme is implemented and the Capital Raising is completed.
- (ii) The issue price set out above is the closing price of the Shares on the ASX on 9 October 2013.
- (iii) The Company issues the maximum possible number of Equity Securities under the 10% Placement Capacity.
- (iv) No Options are exercised before the date of the issue of the Equity Securities.
- (v) The 10% voting dilution reflects the aggregate percentage dilution against the issued share capital at the time of issue. This is why the voting dilution is shown in each example as 10%.
- (vi) The table does not show an example of dilution that may be caused to a particular Shareholder by reason of placements under the 10% Placement Facility, based on that Shareholder's holding at the date of the Meeting.
- (vii) The table shows only the effect of the issues of Equity Securities under Listing Rule 7.1A, not under the 15% placement capacity under Listing Rule 7.1.
- (viii) For the purposes of this table, the issue of Equity Securities under the 10% Placement Facility consists only of Shares.

Shareholders should note the following risks:

- (i) the market price of the Shares may be significantly lower on the date of the issue than on the date of the Meeting; and
 - (ii) the Shares may be issued at a price that is at a discount to the market price for the Shares on the issue date.
- (d) Purpose of Issue under 10% Placement Facility

The Company may issue Equity Securities under the 10% Placement Facility for the following purposes:

- (i) as cash consideration in which case the Company intends to use funds raised for the acquisition of new resources, assets and investments (including expenses associated with such an acquisition), continued exploration expenditure on the Company's current assets and any new assets it acquires, and general working capital; or
- (ii) as non-cash consideration for the acquisition of new resources assets and investments, in such circumstances the Company will provide a valuation of the non-cash consideration as required by Listing Rule 7.1A.3.

(e) Allocation policy

The Company's allocation policy is dependent upon the prevailing market conditions at the time of any proposed issue pursuant to the 10% Placement Facility.

The allottees of the Equity Securities to be issued under the 10% Placement Facility have not yet been determined. However, the allottees of Equity Securities could consist of current Shareholders or new investors (or both), none of whom will be related parties of the Company.

The Company will determine the allottees at the time of the issue under the 10% Placement Facility, having regard to the following factors:

- (i) the purpose of the issue;
- (ii) alternative methods for raising funds available to the Company at that time, including, but not limited to, an entitlement issue or other offer where existing Shareholders may participate;
- (iii) the effect of the issue of the Equity Securities on the control of the Company;
- (iv) the circumstances of the Company, including, but not limited to, the financial position and solvency of the Company;
- (v) prevailing market conditions; and
- (vi) advice from corporate, financial and broking advisers (if applicable).

Further, if the Company is successful in acquiring new resources assets or investments, it is likely that the allottees under the 10% Placement Facility will be vendors of the new resources assets or investments.

(f) Compliance with disclosure obligations

The Company will comply with the disclosure obligations under Listing Rules 7.1A(4) and 3.10.5A upon issue of any Equity Securities.

(g) Previous approval under Listing Rule 7.1A

The Company has not previously obtained approval under Listing Rule 7.1A.

Voting exclusion statement

A voting exclusion statement is included in this Notice. As at the date of this Notice, the Company has not invited any existing Shareholder to participate in an issue of Equity Securities under Listing Rule 7.1A. Therefore, no existing Shareholders will be excluded from voting on Resolution 4.

Directors' recommendation

The Directors recommend that the shareholders vote in favour of Resolution 4.

GLOSSARY

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

10% Placement Facility	Has the meaning given in the Explanatory Statement for Resolution 4.
Annual General Meeting or Meeting	Annual General Meeting of Shareholders or any meeting adjourned thereof, convened by the Notice.
Annual Report	The Company's annual report including the reports of the Directors and the Auditor and the Financial Statements of the Company for the year ended 30 June 2013, which can be downloaded from the Company's website at www.impactminerals.com.au .
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, trading as the Australian Securities Exchange.
Board	Board of Directors.
Business Day	Has the meaning given to it in the Listing Rules.
Capital Raising	The capital raising announced by the Company on 19 September 2013, which is to be undertaken in two tranches as follows: (a) the first tranche, comprising the issue of 48,067,069 new Shares at \$0.038 per Share to raise \$1,826,548; and (b) the second tranche, comprising the issue of 30,880,299 new Shares at \$0.038 per Share to raise \$1,173,451, completion of which is subject to Shareholder approval at a general meeting of Impact to be convened on or about 6 November 2013.
Chairman	The chairman of the Meeting.
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.
Eligible Entity	An entity that, at the date of the relevant general meeting: (a) is not included in the A&P/ASX 300 Index; and (b) has a maximum market capitalisation (excluding restricted securities and securities quoted on a deferred settlement basis) of \$300,000,000.
Equity Securities	Includes a Share, a right to a Share or Option, an Option, a convertible security and any security that ASX decides to classify as an Equity Security.
Explanatory Statement	This explanatory statement which accompanies and forms part of the Notice of Annual General Meeting.
Invictus	Invictus Gold Limited ACN 145 891 907.
Key Management Personnel	Those persons having authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any Director (whether executive or otherwise) of the Company.
Listing Rules	The listing rules published by ASX.

Notice or Notice of Meeting or Notice of Annual General Meeting	The Notice of Annual General Meeting which accompanies this Explanatory Statement.
Options	An option to subscribe for a Share.
Proxy Form	The proxy form accompanying the Notice.
Remuneration Report	The remuneration report appearing in the Annual Report.
Resolution	A resolution set out in the Notice.
Share	Fully paid ordinary share in the capital of the Company.
Share Scheme	The proposed scheme of arrangement announced by the Company on 23 August 2013 between the Company and Invictus pursuant to which the Company proposes to acquire all of the issued shares in Invictus that it does not already own.
Shareholder	A registered holder of a Share.
WST	Western Standard Time, being the time in Perth, Western Australia.

Lodge your vote:



By Mail:

Impact Minerals Limited
309 Newcastle Street
Northbridge
Western Australia 6003 Australia

Alternatively you can fax your form to
(within Australia) 08 6454 6667
(outside Australia) +61 8 6454 6667

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

Proxy Form

 **For your vote to be effective it must be received by 11.30 am WST Tuesday 19 November 2013**

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held. Delete titles as applicable.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.investorcentre.com under the information tab, "Downloadable Forms".

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

Turn over to complete the form ➔



View the annual report, 24 hours a day, 7 days a week:

www.impactminerals.com.au

To view and update your securityholding:
www.investorcentre.com

Your secure access information is:

SRN/HIN:



PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

☐

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.

Proxy Form

Please mark ☒ to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Impact Minerals Limited hereby appoint

☐ the Chairman of the Meeting **OR**

 **PLEASE NOTE:** Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the Meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, and to the extent permitted by law, as the proxy sees fit) at the Annual General Meeting of Impact Minerals Limited to be held at the offices of the Company's auditors: Bentleys (WA) Pty Ltd, Level 1, 12 Kings Park Road, West Perth, Western Australia on Thursday, 21 November 2013 at 11.30 am WST and at any adjournment or postponement of that Meeting.

Chairman authorised to exercise undirected proxies on remuneration related resolutions: Where I/we have appointed the Chairman of the Meeting as my/our proxy (or the Chairman becomes my/our proxy by default), I/we expressly authorise the Chairman to exercise my/our proxy on Resolution 1 (except where I/we have indicated a different voting intention below) even though Resolution 1 is connected directly or indirectly with the remuneration of a member of the key management personnel, which includes the Chairman.

Important Note: If the Chairman of the Meeting is (or becomes) your proxy you can direct the Chairman to vote for or against or abstain from voting on Resolution 1 by marking the appropriate box in step 2 below.

STEP 2 Items of Business



PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

		For	Against	Abstain
Resolution 1	Adoption of Remuneration Report	☐	☐	☐
Resolution 2	Election of Dr Markus Elsasser as a Director	☐	☐	☐
Resolution 3	Re-election of Mr Paul Ingram as a Director	☐	☐	☐
Resolution 4	Approval of Additional 10% Placement Facility	☐	☐	☐

The Chairman of the Meeting intends to vote all available proxies in favour of each item of business.

SIGN

Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact
Name

Contact
Daytime
Telephone

Date / /
