

ASX ANNOUNCEMENT

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PILBARA CONGLOMERATE-HOSTED GOLD PROJECT

In early August this year Impact Minerals Limited (ASX:IPT) applied for nine new 100% owned Exploration Licences covering 1,300 sq km of ground prospective for Witwatersrand-style conglomerate-hosted gold in the Pilbara region of Western Australia (Figure 1).

This followed a review of the discovery of gold in conglomerates at the base of the Fortescue Group by Artemis Resources Limited and the subsequent joint venture with Novo Resources Corporation. This work indicated a significant breakthrough had been made in the search for Witwatersrand-style gold in the Pilbara and Impact immediately applied for available ground considered prospective for this style of deposit.

The majority of the licence applications have recently passed through the period for objections under the Mining Act and as such are now likely to be granted subject to the statutory Native Title notification and negotiation period which is expected to take about 8 months.

The licences cover various parts of the prospective contact between the older Pilbara granite-greenstone terrain and the overlying Fortescue Group rocks in the East Pilbara region including areas close to and adjoining licences held by Novo Resources Corporation (Figure 1 and shown in more detail in Figure 2).

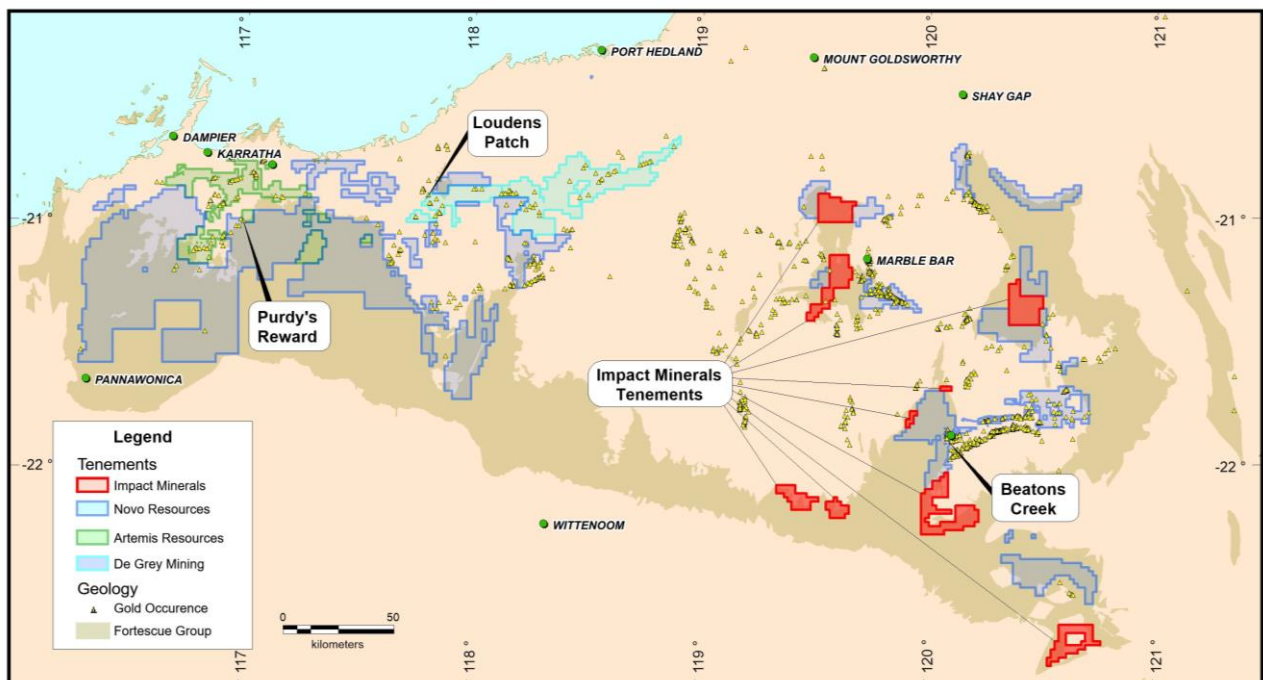


Figure 1. Location of Impact's new licences and significant conglomerate hosted gold occurrences.

The increasing recognition of extensive conglomerate-hosted gold across the entire Pilbara region at several different horizons within the Fortescue Group is in Impact's view, confirming the long recognised potential for Witwatersrand-style gold in the area. It is worth noting that gold in the age-equivalent Witwatersrand Basin of South Africa occurs mostly within the **middle part** of the 6 km thick sedimentary sequence (as opposed to the basal units) mostly as fine to coarse gold associated with carbon seams as well as the characteristic "watermelon seed" nuggets.

In the East Pilbara where Impact's licences are located, gold-bearing conglomerates were first recognised and mined 130 years ago in the Beatons Creek area (Figure 1 and 2) and form part of the Hardy Formation in the lower to middle parts of the Fortescue Group. The Beatons Creek project is owned by Novo Resources in joint venture with Sumitomo Corporation and is already undergoing feasibility studies for development.

In the West Pilbara the significant discoveries of gold-bearing conglomerates by Novo Resources and Artemis Resources Limited occur at the base of the Fortescue Group as does the very recent discovery of nuggets and conglomerates in the Central Pilbara by De Grey Mining Limited (Figure 1).

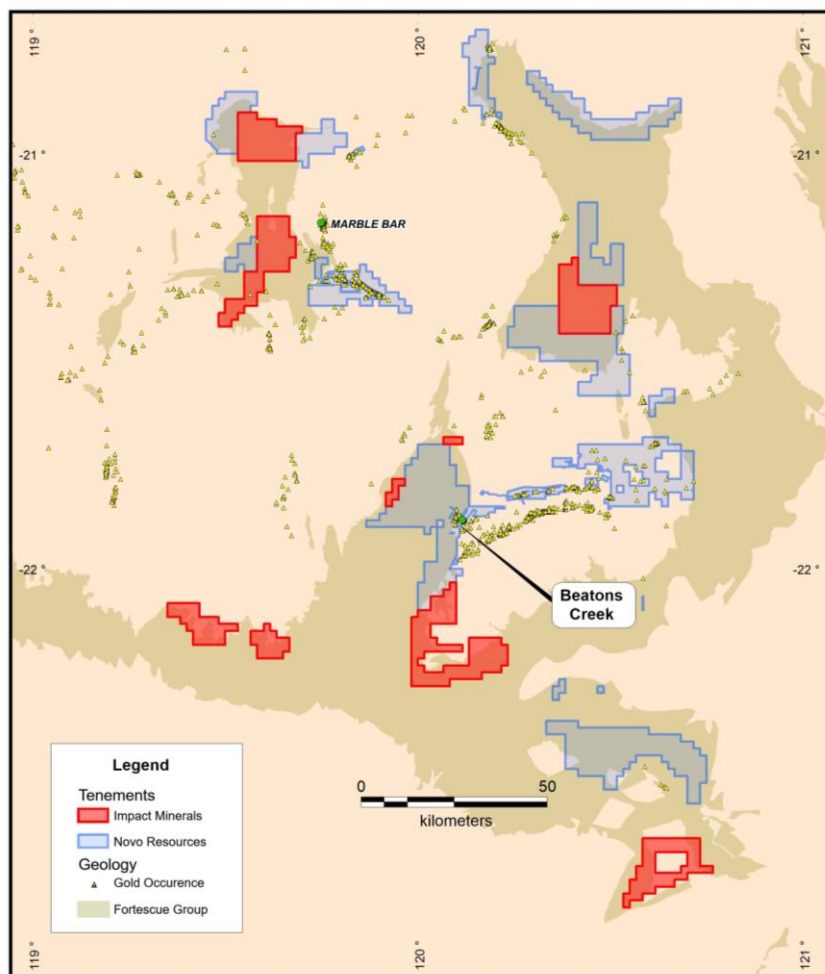


Figure 2. Detailed location plan of Impact's new licences in the East Pilbara.

Impact Minerals' Managing Director Dr Mike Jones said: "As soon as we recognised the significance of the break through that had been made by Novo-Artemis in the search for Witwatersrand-style gold in the Pilbara we were relatively early movers in the area and were able to secure some very prospective tenements".

"One of the overlooked breakthroughs made by Novo is in research published by Novo's CEO Dr Quinton Hennigh which clearly shows that many of the nuggets in the Witwatersrand may have been sourced from the reworking of gold deposited by microbial activity and basinal fluids early in the history of the sedimentary basin" Dr Jones said.

"This removes the requirement for a source for the nuggets from the underlying granite-greenstone terrain, one of the criticisms levelled at the potential for these conglomerates to host significant gold. This was an important breakthrough by Dr Hennigh and, once we understood that we acted quickly to acquire the ground " Dr Jones said.

Impact has now commenced a review of previous exploration and will commence initial on-ground activities in early November under a Miners Right. Impact will also consider its options for funding exploration on this new project given the Company's focus on its emerging high grade gold and silver discovery at Commonwealth-Silica Hill 100 km north of Orange in New South Wales.

Update on Drilling at the Commonwealth Project

The most recently completed drill hole at Silica Hill, CMIPT071 has intersected a 30 metre thick zone of quartz-pyrite-arsenopyrite veins from 83 metres down hole and about 30 metres down plunge from the gold-rich zone identified in Holes CMIPT063 and 060 (see announcement [21 September 2017](#)).

Hole CMIPT063 returned

98 metres at 0.7 g/t gold and 53 g/t silver from 58 metres down hole *including*

31 metres at 1.3 g/t gold and 70 g/t silver from 58 m down hole *which includes;*

0.6 metres at 0.8 g/t gold and 2,090 g/t silver and 0.2% zinc from 85.4 m;

and

0.3 metres at 6.2 g/t gold, 149 g/t silver, 8.4% zinc, 3.9% lead and 0.2% copper – "feeder vein" – see announcement [4th August 2017](#));

Hole CMIPT060 returned **37 metres at 1.0 g/t gold and 31 g/t silver from 51 metres** and ended in mineralisation.

Assays from Hole 71 are expected in about 4 weeks. As previously reported, the diamond drill rig is now being fitted out to allow cheaper reverse circulation (RC) drilling to commence in about four weeks.

There is no requirement for a JORC table in this report. There are no material Exploration Results in the report on the new licences in the Pilbara and the Company confirms that it is not aware of any new information or data that materially affects the information included in the two previous market announcements referred to at Commonwealth. All material assumptions and technical parameters underpinning those results continue to apply and have not changed.

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). Dr 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.

Impact Minerals confirms that it is not aware of any new information or data that materially affects the information included in the previous market announcements referred to and in the case of ore reserves, that all material assumptions and technical parameters underpinning the estimates continue to apply and have not materially changed.