ASX ANNOUNCEMENT

Date: 21 December 2021

COMPANY UPDATE
DRILL PROGRAMMES AT HOPETOUN AND DOONIA

- **RC Drilling of a copper-gold target at the Hopetoun Project intersects a thick alteration zone with abundant pyrite sulphide over four metres at end-of-hole.**
- **Extremely difficult drilling conditions for the RC drill rig precluded the continuation of the programme and a diamond drill rig is being sourced for follow-up drilling in early 2022.**
- **Drilling to commence by 10th January 2022 at the Doonia gold project close to the Burns discovery east of Kambalda Western Australia.**

Drilling of a significant copper-gold target at Impact Minerals Limited's (ASX: IPT) Hopetoun project 25 km south of the Ravensthorpe mining centre in Western Australia, has intersected a four metre thick zone of pyrite at the very end of a reverse circulation (RC) drill hole, and within a zone of extensive potassic alteration with variable low level copper that is at least 75 metres thick (Figures 1 and 2).

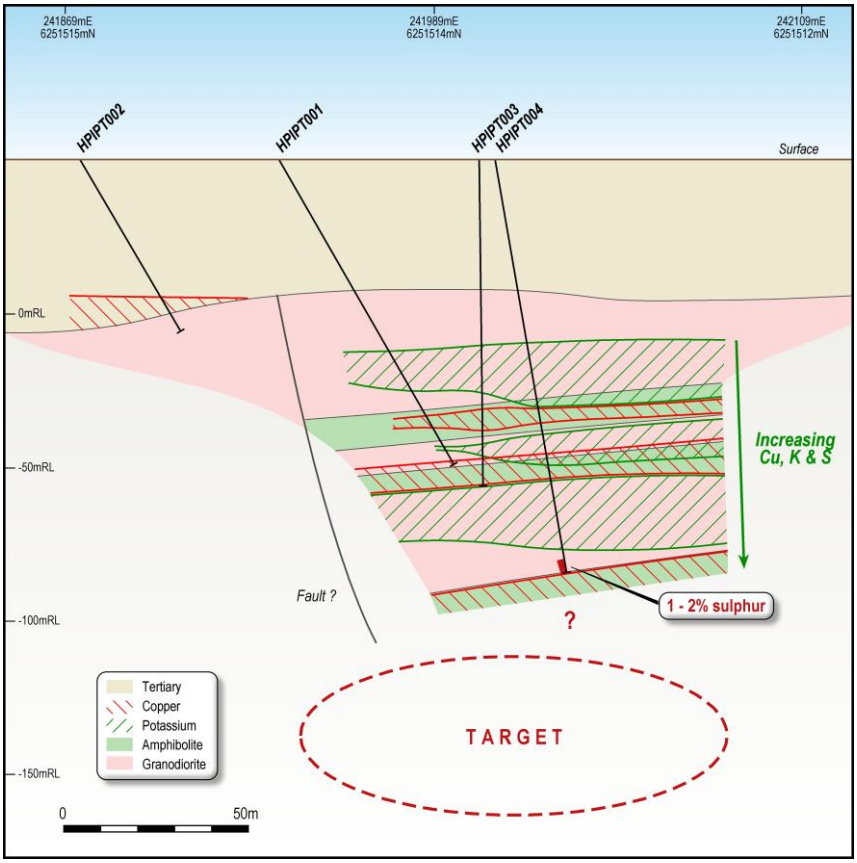

Figure 1. Cross section from the Top Knotch Prospect with subhorizontal alteration and copper zones which are increasing in intensity down hole. See Table 1 for Hole details.

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The alteration (K-feldspar and biotite), copper values (up to 250 ppm as measured with a hand held XRF instrument) and sulphide intensity all increase down hole, are open at depth and along trend and suggest that the drill may have stopped at the edge of a large mineralised system (Figure 1).

The drill hole (HPIPT004) failed to reach its target depth of at least 150 metres below surface because of unexpected very difficult drilling conditions for the RC drill rig caused by running sands that blocked the drill rods in younger cover rocks that overlie the target Proterozoic basement rocks.

The hole was the fourth attempt to reach the target depth and it was deemed unsafe and potentially very expensive to continue the programme. Accordingly the RC programme was curtailed and efforts are now underway to secure a diamond drill rig to undertake follow up drilling as soon as practicable.

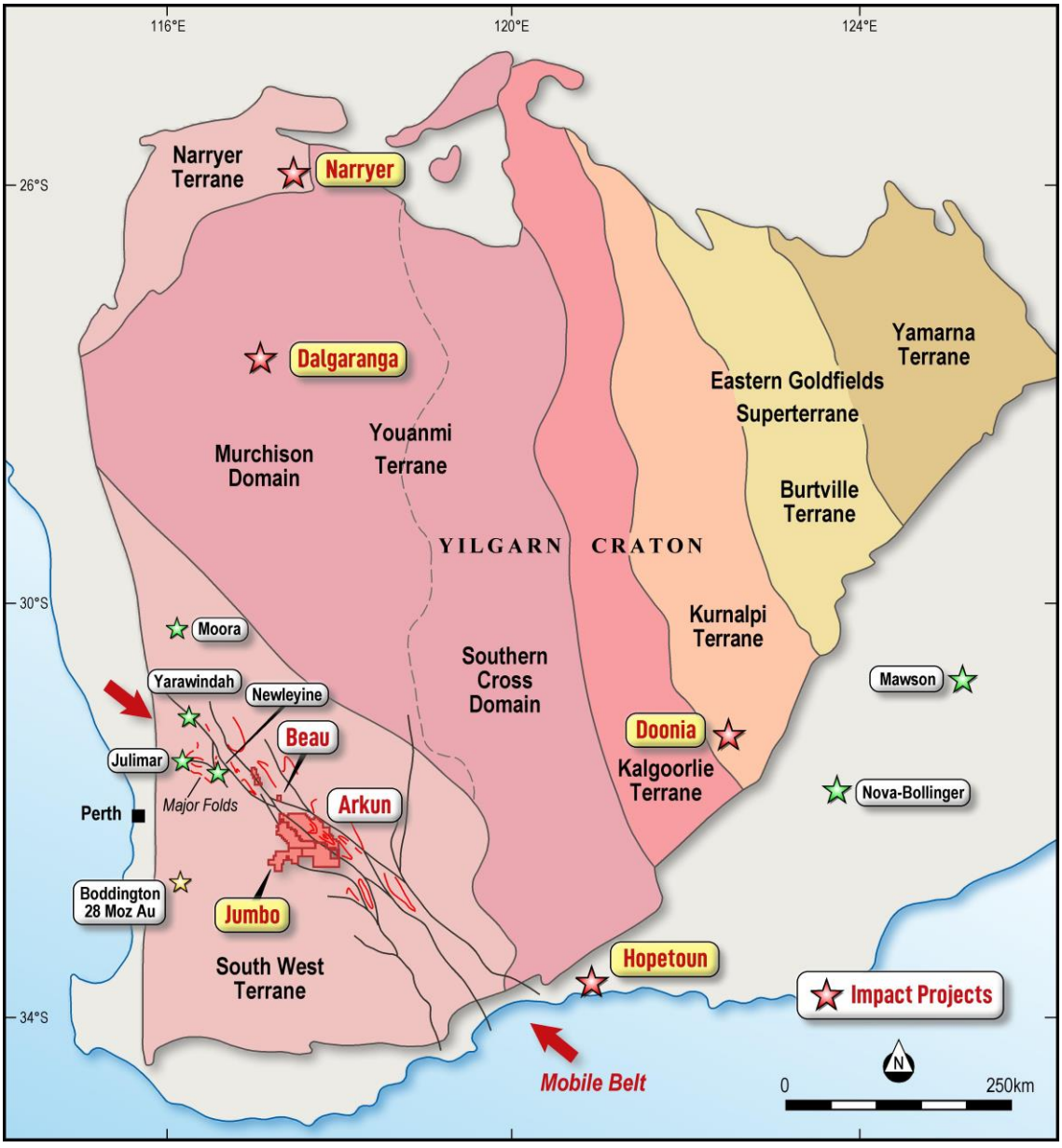

Figure 2. Location of Impact's projects in Western Australia.

All the drill holes have been sampled and sent for assay. Results are expected in mid February 2022.

The Hopetoun project is one of four recently announced joint venture projects where Impact is earning an 80% interest (Figure 2 and ASX Release 8th December 2021). The project contains five drill ready targets of which two were fully permitted for drill testing. However geological information gleaned from this initial programme indicates similar drilling conditions are likely to be present above at least four of the targets further confirming the requirement for a diamond drill rig for the majority of the follow up drilling.

The RC drill rig is now mobilising to Impact's Doonia gold project located 75 km east of the world class St Ives gold camp near Kambalda (Figure 2). Drilling is expected to start by about mid January 2022.

The Doonia project was identified during a review of the Eastern Goldfields for intrusion-hosted gold deposits in light of the recent major Hemi discovery in the Pilbara (De Grey Mining Ltd ASX:DEG). The project has been further enhanced by the recent discovery of significant gold-copper-magnetite mineralisation hosted by a magnetic porphyry intrusion at the Burns project located just 20 km west of Doonia (Lefroy Exploration Ltd ASX: LEX) (ASX Release 4th March 2021).

Of note, the Doonia and Burns prospects were both first identified in the same regional exploration programme by WMC Resources Limited in the 1990's with modest gold anomalism found in both areas in broad spaced aircore drilling. However neither area was followed up at the time.

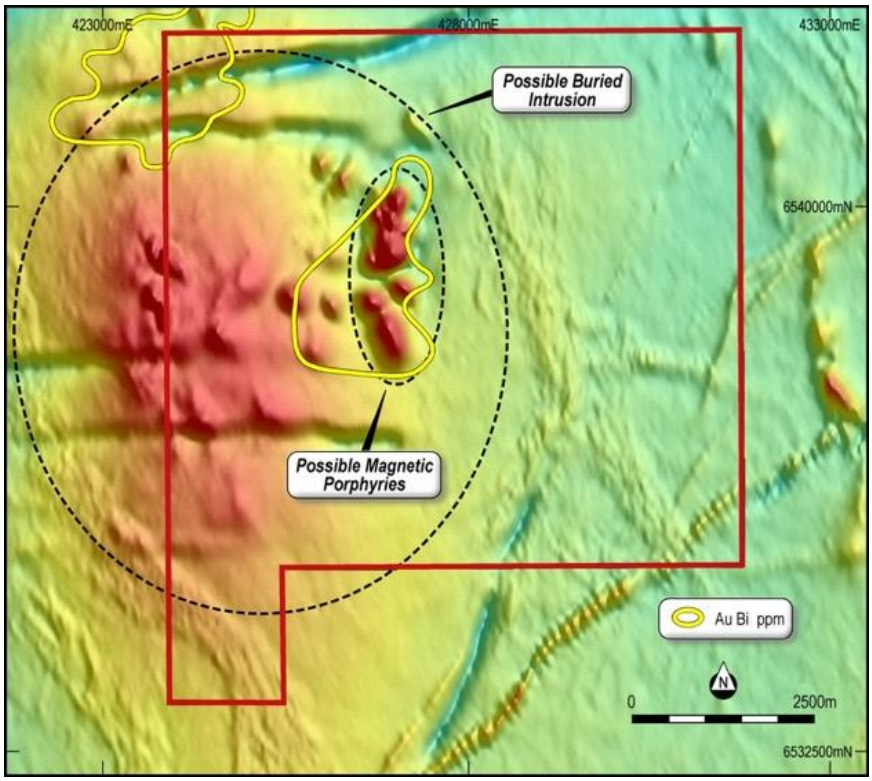

Figure 3. Image of regional magnetic data over the Doonia project with warmer colours indicating more magnetic units. A large oval deep-seated anomaly is centred directly under the project area above which a cluster of near surface anomalies is present and interpreted as possible magnetic intrusions. These smaller anomalies are coincident with a gold-bismuth soil geochemistry anomaly (ASX Release 17th November 2020).

Impact has identified a previously unrecognised distinct and coherent zoned soil geochemical anomaly centred over the small magnetic anomalies which comprises a core area of gold+bismuth that is 2,500 metres long and up to 1,000 metres wide (Figure 3). The core area is also characterised by anomalous copper-nickel and zinc and is partly surrounded by a larger halo of arsenic+antimony.

These results are interpreted to be potentially related to a gold-bismuth mineralised system associated with a differentiated mafic to felsic intrusion. The system covers a large area and is a priority drill target

The mineralisation at Burns is also characterised by a metal association of copper-gold-bismuth-arsenic (with molybdenum-silver-tellurium which were not assayed at Doonia). This is a compelling similarity.

COMPLIANCE STATEMENT

This report contains a summary of hand held XRF results and new geological information.

Dr Mike Jones
Managing Director

The review of exploration activities and results contained in this report is based on information compiled by Dr Mike Jones, a Member of the Australian Institute of Geoscientists. He is a director of the company and works for Impact Minerals Limited. He has sufficient experience which is relevant to the style of mineralisation and types of deposits under consideration and to the activity which he is undertaking to qualify as a Competent Person as defined in the 2012 edition of the Australasian Code for Reporting of Exploration Results, Mineral Resources and Ore Reserves (the JORC Code). Mike Jones has consented to the inclusion in the report of the matters based on his information in the form and context in which it appears.

Table 1. Drill Hole Details

BHID	Grid	Easting	Northing	Elevation	Azimuth	Dip	EOH
HPIPT001	MGA94_51	241939	6251515	50	90	60	114
HPIPT002	MGA94_51	241874	6251502	51	90	60	66
HPIPT003	MGA94_51	242005	6251516	51	90	90	108
HPIPT004	MGA94_51	242009	6251517	51	90	80	138

APPENDIX 1 - SECTION 1 SAMPLING TECHNIQUES AND DATA FOR THE HOPETOUN PROJECT

Criteria	JORC Code explanation	Commentary
Sampling techniques	*Nature and quality of sampling (e.g. cut channels, random chips, or specific specialised industry standard measurement tools appropriate to the minerals under investigation, such as down hole gamma sondes, or handheld XRF instruments, etc). These examples should not be taken as limiting the broad meaning of sampling.*	Reverse Circulation (RC) percussion drilling was used to produce a 1m bulk sample (~25kg) which was collected in plastic bags. 1m split samples (nominally 3kg) were collected using a riffle splitter and placed in a calico bag. The cyclone was cleaned out with compressed air at the end of each hole and periodically during the drilling. Holes were drilled to optimally intercept interpreted mineralised zones. A hand held XRF instrument was used to select areas of composite samples for assay on either a 2 metre or 4 metre sample interval. The composite was prepared by spearing of the 1 m bulk samples using standard techniques to ensure representivity.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	Sample representivity was ensured by a combination of Company Procedures regarding quality control (QC) and quality assurance / testing (QA). Examples of QC include (but are not limited to), daily workplace and equipment inspections, as well as drilling and sampling procedures. Examples of QA include (but are not limited to) collection of "field duplicates", the use of certified standards and blank samples approximately every 50 samples.
	Aspects of the determination of mineralisation that are Material to the Public Report. In cases where 'industry standard' work has been done this would be relatively simple (e.g. 'reverse circulation drilling was used to obtain 1 m samples from which 3 kg was pulverised to produce a 30 g charge for fire assay'). In other cases more explanation may be required, such as where there is coarse gold that has inherent sampling problems. Unusual commodities or mineralisation types (e.g. submarine nodules) may warrant disclosure of detailed information	RC samples have been submitted to Intertek laboratories in Perth for assay by 4 acid digest with ICP-MS finish and Fire Assay technique (lead collection) for gold, palladium and platinum. Sample preparation involved: sample crushed to 70% less than 2mm, riffle split off 1 kg, pulverise split to >85% passing 75 microns.
Drilling techniques	*Drill type (e.g. core, reverse circulation, open-hole hammer, rotary air blast, auger, Bangka, sonic, etc) and details (e.g. core diameter, triple or standard tube, depth of diamond tails, face-sampling bit or other type, whether core is oriented and if so, by what method, etc).*	RC drilling comprises 4-inch hammer.
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	RC samples were visually checked for recovery, moisture and contamination as determined from previous drill logs.
	Measures taken to maximise sample recovery and ensure representative nature of the samples	The RC samples were collected by plastic bag directly from the rig-mounted cyclone and laid directly on the ground in rows of 10. The drill cyclone and sample buckets are cleaned between rod-changes and after each hole to minimise down-hole and/or cross contamination.
	Whether a relationship exists between sample recovery and grade and whether sample bias may have occurred due to preferential loss/gain of fine/coarse material.	No relationship has been established and it is considered unlikely to be a material issue.

Criteria	JORC Code explanation	Commentary
Logging	*Whether core and chip samples have been geologically and geotechnically logged to a level of detail to support appropriate Mineral Resource estimation, mining studies and metallurgical studies.*	Geological logging of samples followed company and industry common practice. Qualitative logging of samples included (but not limited to); lithology, mineralogy, alteration, veining and weathering.
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	All logging is quantitative, based on visual field estimates. Systematic photography of the RC chip trays was completed.
	The total length and percentage of the relevant intersections logged	All RC chips samples were geologically logged by on-site geologists.
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	Not applicable.
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	All RC samples collected in calico bags were split using a riffle splitter. Samples were dry when sampled. Composite samples were collected from the bulk sample bags using a poly pipe spear.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	Company procedures were followed to ensure sub-sampling adequacy and consistency. These included (but were not limited to), daily workplace inspections of sampling equipment and practices, as well as sub-sample duplicates ("field duplicates").
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Laboratory QC procedures for rock sample assays involve the use of internal certified reference material as assay standards, along with blanks, duplicates and replicates. Impact uses field duplicates and standards for every 1 in 50 samples and blanks every 1 in 100 samples.
	Measures taken to ensure that the sampling is representative of the in situ material collected, including for instance results for field duplicate/second-half sampling.	All QA/QC results were within acceptable levels of +/- 15-20%
	Whether sample sizes are appropriate to the grain size of the material being sampled.	Sample sizes are considered appropriate for the mineralisation style.
Quality of assay data and laboratory tests	*The nature, quality and appropriateness of the assaying and laboratory procedures used and whether the technique is considered partial or total.*	Industry standard fire assay and 4 acid digest analytical techniques were used. Both techniques are considered to be almost a total digest apart from certain refractory minerals not relevant to exploration at Hopetoun.
	For geophysical tools, spectrometers, handheld XRF instruments, etc, the parameters used in determining the analysis including instrument make and model, reading times, calibrations factors applied and their derivation, etc.	N/A
	Nature of quality control procedures adopted (e.g. standards, blanks, duplicates, external laboratory checks) and whether acceptable levels of accuracy (i.e. lack of bias) and precision have been established.	Field duplicates: 1 in every 50 samples. Standards 1 in 50 samples. Blanks 1 in 100 samples. In addition, standards, duplicates and blanks were inserted by the analytical laboratory at industry standard intervals.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	The results have not been verified by independent or alternative companies. This is not required at this stage of exploration.

Criteria	JORC Code explanation	Commentary
	The use of twinned holes.	N/A
	Documentation of primary data, data entry procedures, data verification, data storage (physical and electronic) protocols.	Primary assay data for drill assays will be received digitally from the laboratory and imported into Datashed to be combined with hole numbers and depths by Impact. Exports of data are used for plotting results in Mapinfo, Geosoft Target and Leapfrog. Original pdf laboratory assay certificates are saved for verification when required.
	Discuss any adjustment to assay data.	There are no adjustments to the assay data.
Location of data points	*Accuracy and quality of surveys used to locate drillholes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Drill holes were located by hand held GPS.
	Specification of the grid system used.	The grid system for Hopetoun is MGA_GDA94, Zone 51.
	Quality and adequacy of topographic control.	Standard government topographic maps have been used for topographic validation.
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	RC drill holes are drilled at varying spacings, orientations and depths deemed appropriate for early stage exploration
	Whether the data spacing and distribution is sufficient to establish the degree of geological and grade continuity appropriate for the Mineral Resource and Ore Reserve estimation procedure(s) and classifications applied.	Estimations of grade and tonnes have not yet been made.
	Whether sample compositing has been applied.	Sample compositing was done for samples outside the target ultramafic unit. This was done to provide geochemical data that may help vector towards ore.
Orientation of data in relation to geological structure	*Whether the orientation of sampling achieves unbiased sampling of possible structures and the extent to which this is known, considering the deposit type.*	The orientation of mineralisation is yet to be determined but may be sub horizontal.
	If the relationship between the drilling orientation and the orientation of key mineralised structures is considered to have introduced a sampling bias, this should be assessed and reported if material.	Not relevant to early stage exploration drill results. No sampling bias has been detected.
Sample security	*The measures taken to ensure sample security.*	Chain of custody is managed by Impact Minerals Ltd. A courier is contracted by Impact Minerals to transport the samples from the project to the laboratory for assay. Whilst in storage, they are kept in a locked yard. Tracking sheets have been set up to track the progress of batches of samples.
Audits or reviews	*The results of any audits or reviews of sampling techniques and data.*	At this stage of exploration, a review of the sampling techniques and data by an external party is not warranted.

SECTION 2 REPORTING OF EXPLORATION RESULTS

Criteria	JORC Code explanation	Commentary
Mineral tenement and land tenure status	Type, reference name/number, location and ownership including agreements or material issues with third parties such as joint ventures, partnerships, overriding royalties, native title interests, historical sites, wilderness or national park and environmental settings.	The Hopetoun Project currently comprises 2 exploration licences covering 75 sqkm. The tenements are in joint venture with private company Octo Resources Pty Ltd and Impact is earning an 80% interest in the project. No aboriginal sites or places have been declared or recorded over the licence area. There are no national parks over the licence area.
	The security of the tenure held at the time of reporting along with any known impediments to obtaining a licence to operate in the area.	The tenements are in good standing with no known impediments.
Exploration done by other parties	Acknowledgment and appraisal of exploration by other parties.	Previous work has been reported where required in accordance with the JORC Code in reports referred to in the text.
Geology	Deposit type, geological setting and style of mineralisation.	Vein hosted copper-gold deposits.
Drill hole Information	A summary of all information material to the understanding of the exploration results including a tabulation of the following information for all Material drill holes: • easting and northing of the drill hole collar • elevation or RL (Reduced Level – elevation above sea level in metres) of the drill hole collar • dip and azimuth of the hole • down hole length and interception depth • hole length.	See Table details within the main body of this ASX Release.
Data aggregation methods	In reporting Exploration Results, weighting averaging techniques, maximum and/or minimum grade truncations (e.g. cutting of high grades) and cut-off grades are usually Material and should be stated.	N/A
	Where aggregate intercepts incorporate short lengths of high grade results and longer lengths of low grade results, the procedure used for such aggregation should be stated and some typical examples of such aggregations should be shown in detail.	N/A
	The assumptions used for any reporting of metal equivalent values should be clearly stated.	No metal equivalents have been reported.
Relationship between mineralisation widths and intercept lengths	These relationships are particularly important in the reporting of Exploration Results. If the geometry of the mineralisation with respect to the drill hole angle is known, its nature should be reported. If it is not known and only the down hole lengths are reported, there should be a clear statement to this effect (e.g. 'down hole length, true width not known').	The orientation of mineralisation is yet to be determined.

Criteria	JORC Code explanation	Commentary
Diagrams	Appropriate maps and sections (with scales) and tabulations of intercepts should be included for any significant discovery being reported These should include, but not be limited to a plan view of drill hole collar locations and appropriate sectional views.	Refer to Figures in body of text.
Balanced reporting	Where comprehensive reporting of all Exploration Results is not practicable, representative reporting of both low and high grades and/or widths should be practiced to avoid misleading reporting of Exploration Results.	All results reported are representative
Other substantive exploration data	Other exploration data, if meaningful and material, should be reported including (but not limited to): geological observations; geophysical survey results; geochemical survey results; bulk samples – size and method of treatment; metallurgical test results; bulk density, groundwater, geotechnical and rock characteristics; potential deleterious or contaminating substances.	Assessment of other substantive exploration data is not yet complete however considered immaterial at this stage.
Further work	The nature and scale of planned further work (e.g. tests for lateral extensions or depth extensions or large-scale step-out drilling). Diagrams clearly highlighting the areas of possible extensions, including the main geological interpretations and future drilling areas, provided this information is not commercially sensitive	Follow up work programmes will be subject to interpretation of results which is ongoing. A 3D review of the mineralisation is currently underway to better interpret the orientation of mineralisation and assist follow-up drilling.