ASX ANNOUNCEMENT

Date: 10th August 2020
Number: 697/100820

THROWING THE PORPHYRY COPPER-GOLD RULE BOOK AT APSLEY

IN THE LACHLAN FOLD BELT, NSW.

- **Near-textbook examples of the zones of metal assemblages expected around major alkalic porphyry copper gold complexes have been defined over an area of about four square kilometres in new soil geochemistry and airborne magnetic data at the Apsley Prospect.**

- **The zones have highlighted three priority areas for follow up work, each of which may contain a mineralised porphyry intrusion at depth.**

- **Exploration is now being fast tracked to identify specific drill targets. An Induced Polarisation (IP) ground geophysical survey will commence before the end of August with results expected by late September.**

- **Key features in the data include:**
    - **A central 2,000 metre by 500 metre zone of anomalous gold-copper-palladium-platinum, an assemblage characteristic of the core areas of alkalic porphyry copper deposits. The centre of this zone covers two discrete magnetic highs that may represent parent target porphyry intrusions.**

    - **This "core" lies entirely within a "zinc doughnut" defined by a very large outer halo of anomalous zinc-lead-manganese covering at least three square kilometres. Such doughnuts are characteristic of major porphyry copper-gold deposits and attests to the very large scale of the alteration system that is present at Apsley.**

    - **Adjacent to the core there are two areas, each about one square kilometre in size, that contain variably overlapping, discrete zones of the specific metal assemblages related to the lower phyllic (Mo-W-Sn), upper phyllic (Se-Te-Bi) and advanced argillic (Sb-As-Li-Tl) zones expected around and above porphyry deposits.**

    - **These two zones may overlie further buried porphyry intrusions such as is found at the Wafi-Golpu deposits in PNG. Alternatively, they may represent parts of one very large porphyry system that has been broken up by later faulting as is also common globally.**

Impact Minerals Limited Managing Director Dr Mike Jones said "These results have far exceeded our expectations as they suggest that the entire Apsley Prospect is potentially part of one very large porphyry copper-gold complex. The zonation we see, in particular the gold-copper-palladium-platinum association so characteristic of alkalic systems like Cadia and North Parkes, is almost textbook in nature and we now need to define specific targets using IP. The IP survey will commence later this month and any targets identified will be fast tracked for drilling as quickly as practicable."

New soil geochemistry and airborne magnetic data from Impact Minerals Limited's (ASX:IPT) Apsley Prospect within its 100% owned Commonwealth project in the Lachlan copper-gold province of New South Wales (Figure 1) have defined almost text book examples of the zonation expected around a large porphyry copper-gold deposit with three priority areas defined for follow up work.

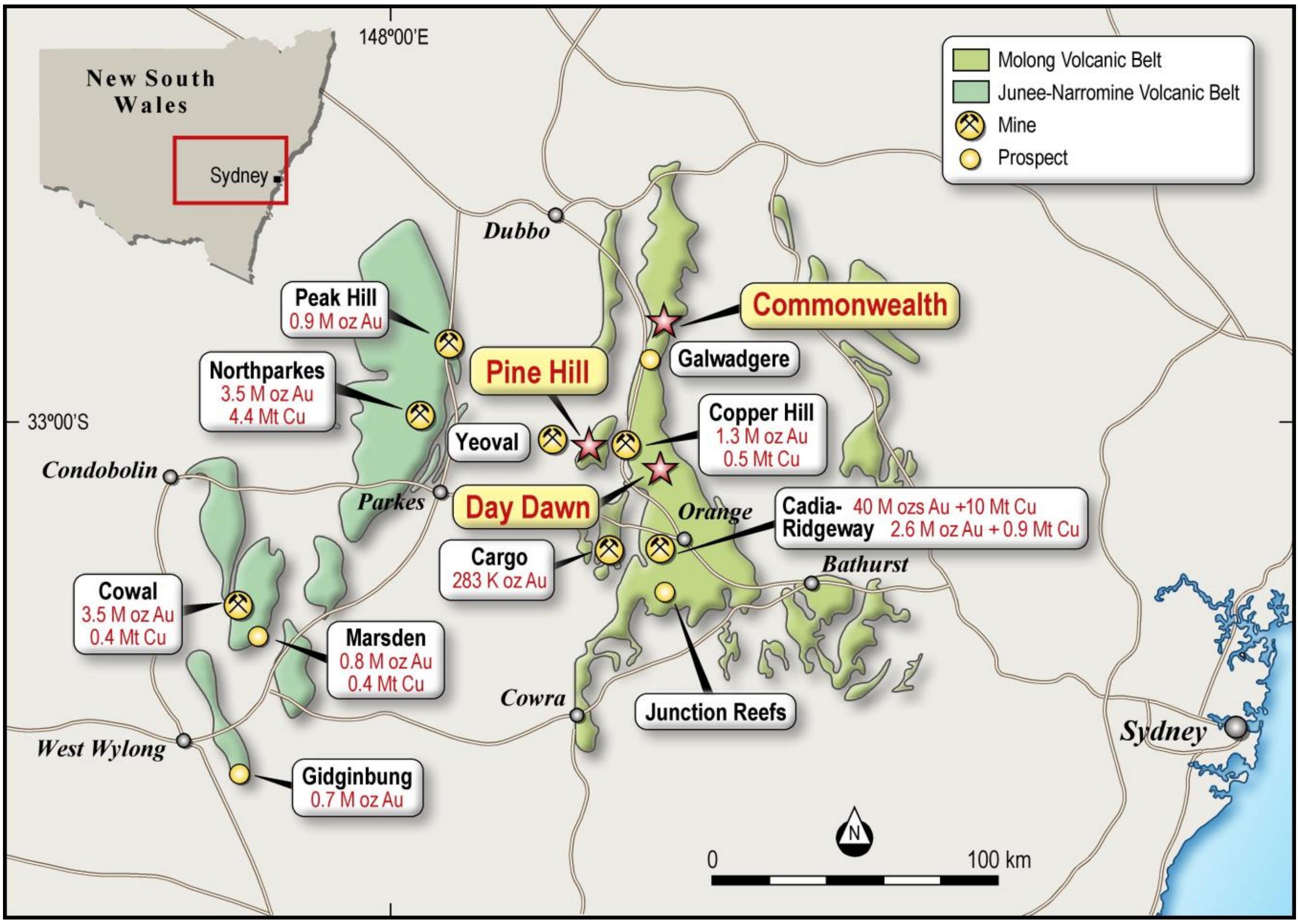


Figure 1. Location of Impact's Commonwealth, Pine Hill and Day Dawn Projects covering about 900 sq km of the Lachlan Fold Belt of NSW, home to many significant gold and copper mines.

The Apsley Prospect is one a group of five prospects identified by Impact for follow up exploration prompted by the recent major porphyry copper-gold discovery at Boda-Kaiser by Alkane Resources Limited (Figure 2, ASX Release 22nd November 2019 and ASX:ALK Releases 9th September 2019 and 19th May 2020).

Subsequent work by Impact has shown that Apsley**,** together with the Spicers Creek and Boda South Prospects have significant porphyry copper gold potential because they each have a number of characteristics commonly seen around giant alkaline porphyry copper-gold systems globally such as Cadia, North Parkes and Boda (ASX Releases 23rd April 2020 and 23rd June 2020).

These are:

1. Copper-bearing shoshonite host rocks of Ordovician age (a specific high potassium alkaline volcanic and intrusive rock);
2. metal assemblages and alteration minerals characteristic of the outer to inner zones of the porphyry systems; and
3. an association with magnetic anomalies that may represent the parent intrusion to the system or "skarn' alteration directly associated with copper-gold mineralisation as is seen at Boda.

All five priority areas were covered by an airborne magnetic and radiometric survey and Apsley was prioritised for follow up work soil geochemistry because of widespread copper mineralisation found at surface (ASX Release 22nd November 2019, 23rd April 2020).

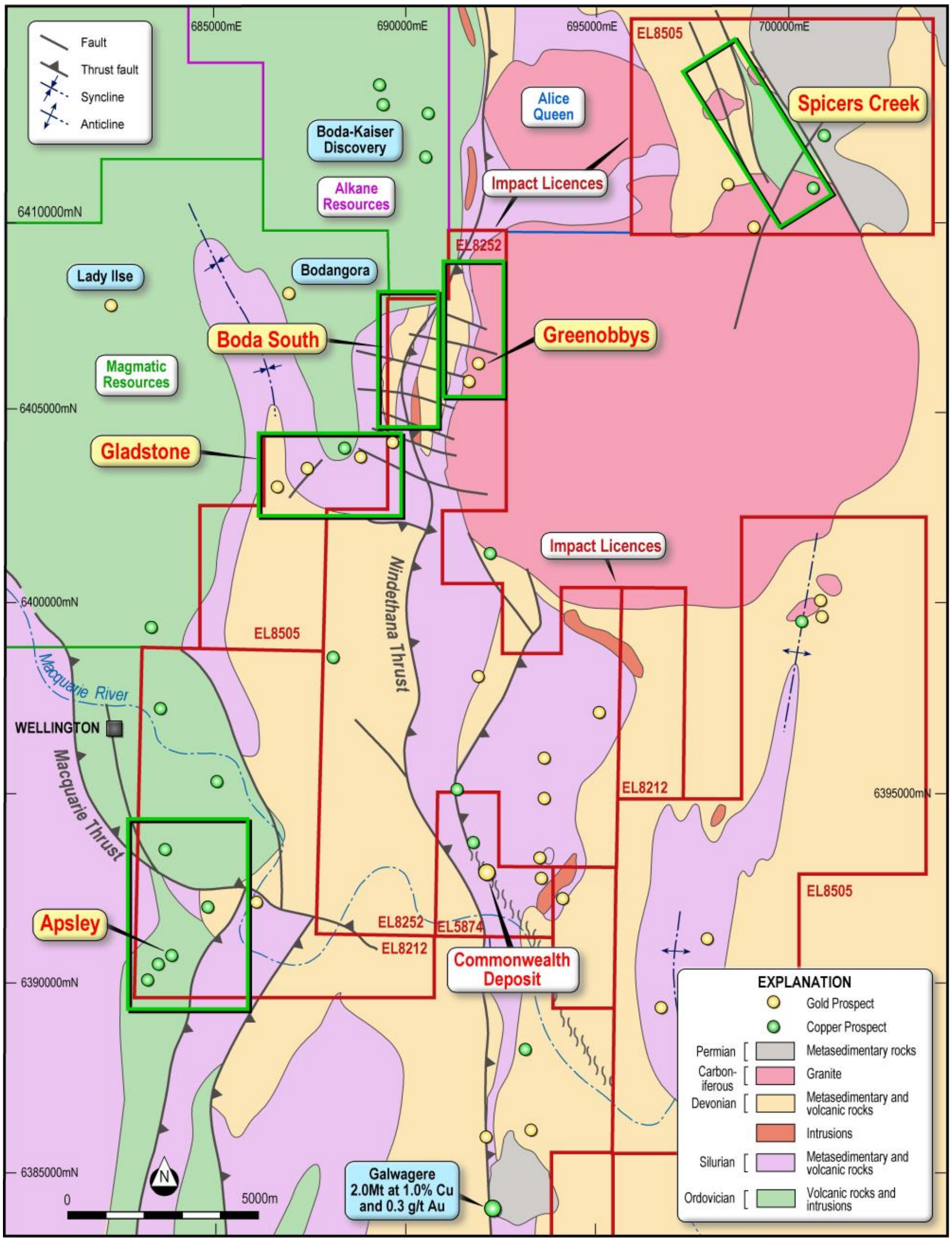


Figure 2. Geology of the Commonwealth Project and priority prospects for follow up work. Note the location of the Boda-Kaiser prospects (Alkane Resources).

About the Soil Geochemistry Survey

The soil geochemistry survey covered about 5 square kilometres in two separate blocks at a spacing of 200 metres by 50 metres between samples. The samples covered a variety of rock types of different ages and also an area of shallow alluvium to the south east (Figure 3).

A preliminary review of the data indicated that these different units have different background levels for many metals and it is appropriate in such circumstances to domain the data and treat each domain separately for interpretation. Only the data for the soil samples covering the Ordovician rocks, the main target host rocks for porphyry copper-gold deposits, is presented here and interpretation of the remaining data is still in progress.

The sample locations are shown in Figure 3, minimum and maximum values for the various metals are given in Table 1 at the end of the report and details of the sampling and analytical techniques are given in the JORC Table.

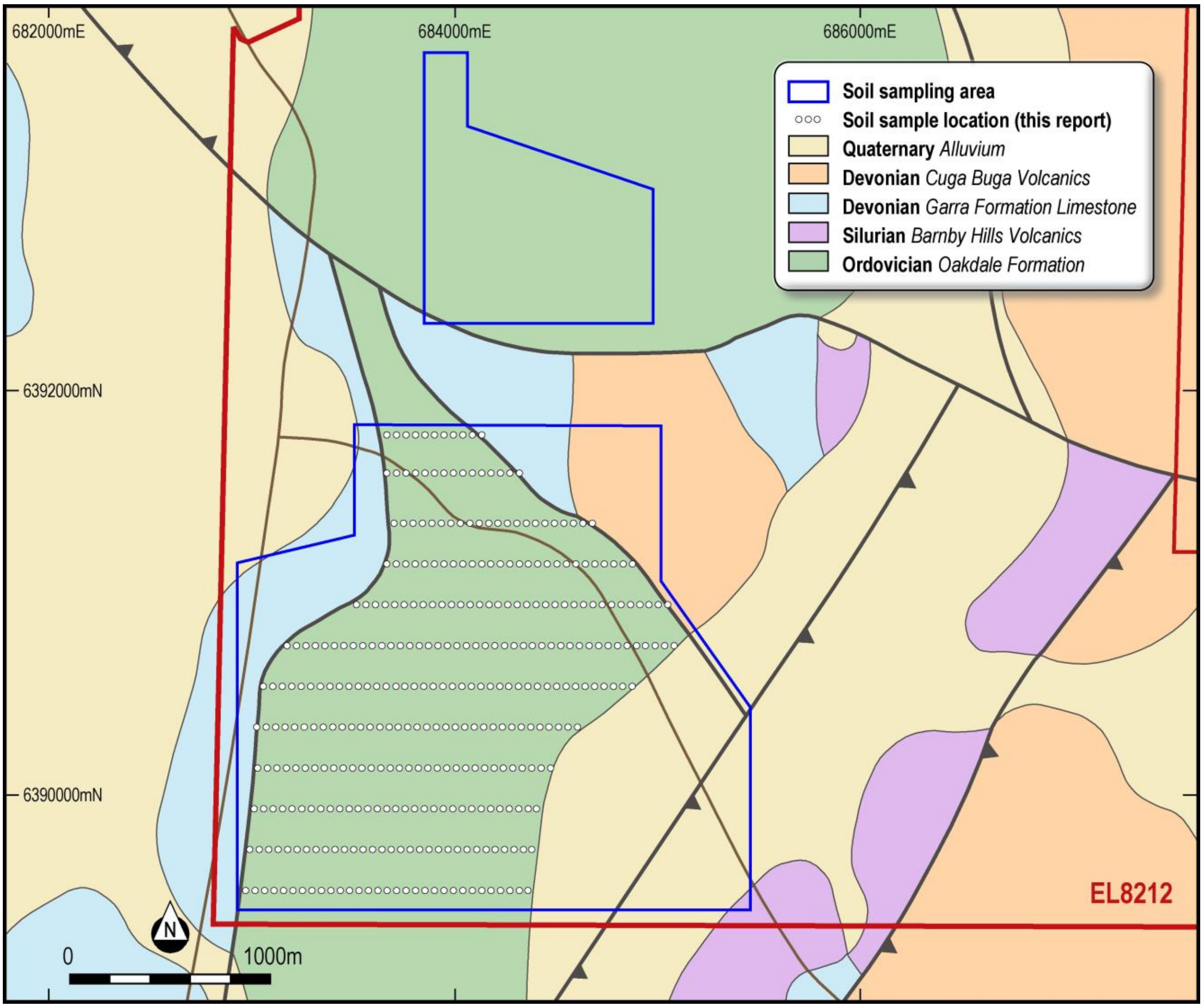


Figure 3. Geology of the Apsley Prospect showing outlines of the soil geochemistry survey and the samples reported here.

The results of the soil geochemistry survey are presented as additive Z score indices. Z scores are a standard statistical calculation of the number of standard deviations a raw data (assay) value is from the mean of the data. For example a Z score of 2 indicates a value 2 standard deviations above the mean. The higher the Z score, the more anomalous the data point is with respect to the dataset. The mean for each of the metals of interest described here is also listed in Table 1.

Z scores are a standard method of normalising data so that statistically meaningful associations between datasets can be made. In this case the Z scores for individual metals that occur within assemblages specific to the alteration zones around a porphyry copper-gold deposit are simply added together in order to amplify the association. For example, the Z scores for gold, copper, palladium and platinum for each sample may be added together to help define the core of an alkalic porphyry system.

A schematic model (Figure 7) and detailed description of the metal assemblages and alteration zones around a porphyry copper deposit is given at the end of this report and should be read in conjunction with the interpretation below. The model is widely used in exploration for this style of deposit.

Interpretation of the Soil Geochemistry and Airborne Magnetic Data at Apsley

Figure 4 shows the additive Z scores for the metal assemblages seen in the five principle alteration zones commonly present around an alkalic porphyry copper deposit: the core, the outer pyrite/propylitic zone, the lower and upper phyllic zones and the advanced argillic zone (as shown in Figure 7). In addition the outlines of the interpreted alteration zones are also shown.

Figure 5 shows the interpreted alteration zones on the new airborne magnetic data for the area.

Key features identified include:

1. A 2,000 metre long by 500 metre wide north east trending zone of anomalous gold-copper-palladium and platinum, an assemblage characteristic of the core area of an alkalic porphyry copper deposit (Figure 4a).
2. The most strongly anomalous part of this core overlaps with two discrete magnetic highs (Figure 5a). These are potential targets for the parent porphyry intrusions and this area is a priority area for follow up work.
3. This “core” lies entirely within a “zinc doughnut”, defined by a very large outer halo of anomalous zinc-lead-manganese that covers an area of at least three square kilometres (Figures 4b and 5a). Combined, these two zones are of a similar scale to that at the world class Wafi-Golpu deposit in PNG, also characterised by a textbook “zinc doughnut” (Figure 7).
4. Within the outer halo, there are two areas, each about one square kilometre in size, that contain variably overlapping, more discrete zones of the specific metal assemblages related to the lower phyllic (Mo-W-Sn), upper phyllic (Se-Te-Bi) and advanced argillic (Sb-As-Li-Tl) zones (Figures 4 c, d and e and Figure 5b).
5. The two areas occur to the north and south east of the core. The northern area shows a central zone of advanced argillic alteration surrounded by more expansive lower and upper phyllic zones. This would be consistent with a porphyry intrusion buried at depth and is the second priority area for follow up.

Figure 4a. Au-Cu-Pd-Pt Core

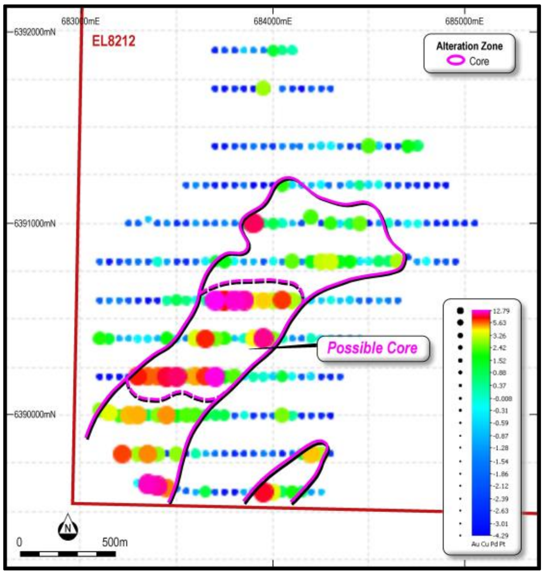


Figure 4b. Zn-Pb-Mn Outer Halo/Pyrite Zone

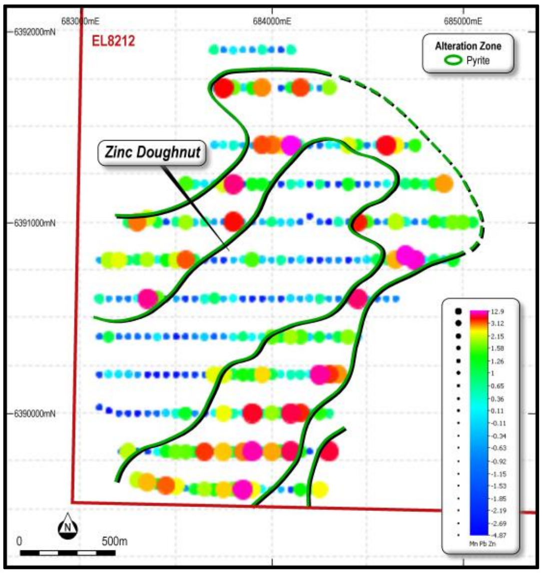


Figure 4c. Mo-W-Sn Lower Phyllic Zone

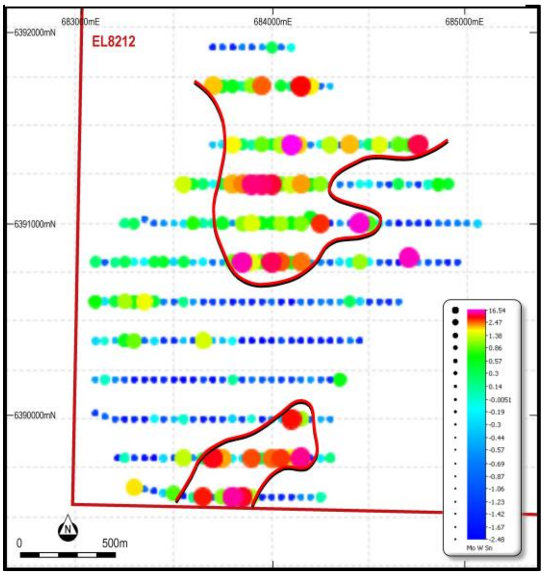


Figure 4d. Se-Bi-Te Upper Phyllic Zone

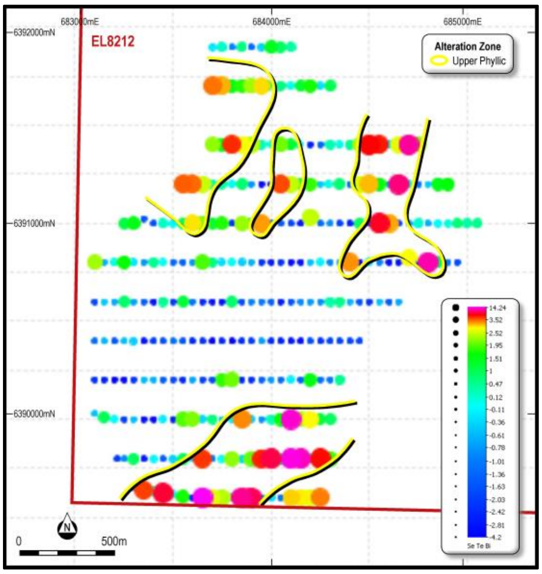


Figure 4c. Sb-As-Li-Tl Advanced Argillic Zone

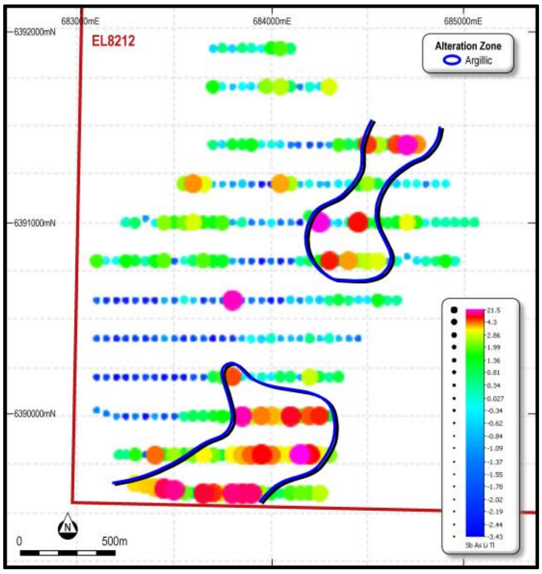


Figure 4. Results of the soil geochemistry survey plotted as additive Z scores. Note the very prominent "zinc doughnut" defined by the Zn-Pb-Mn data which is antipathetic to the core

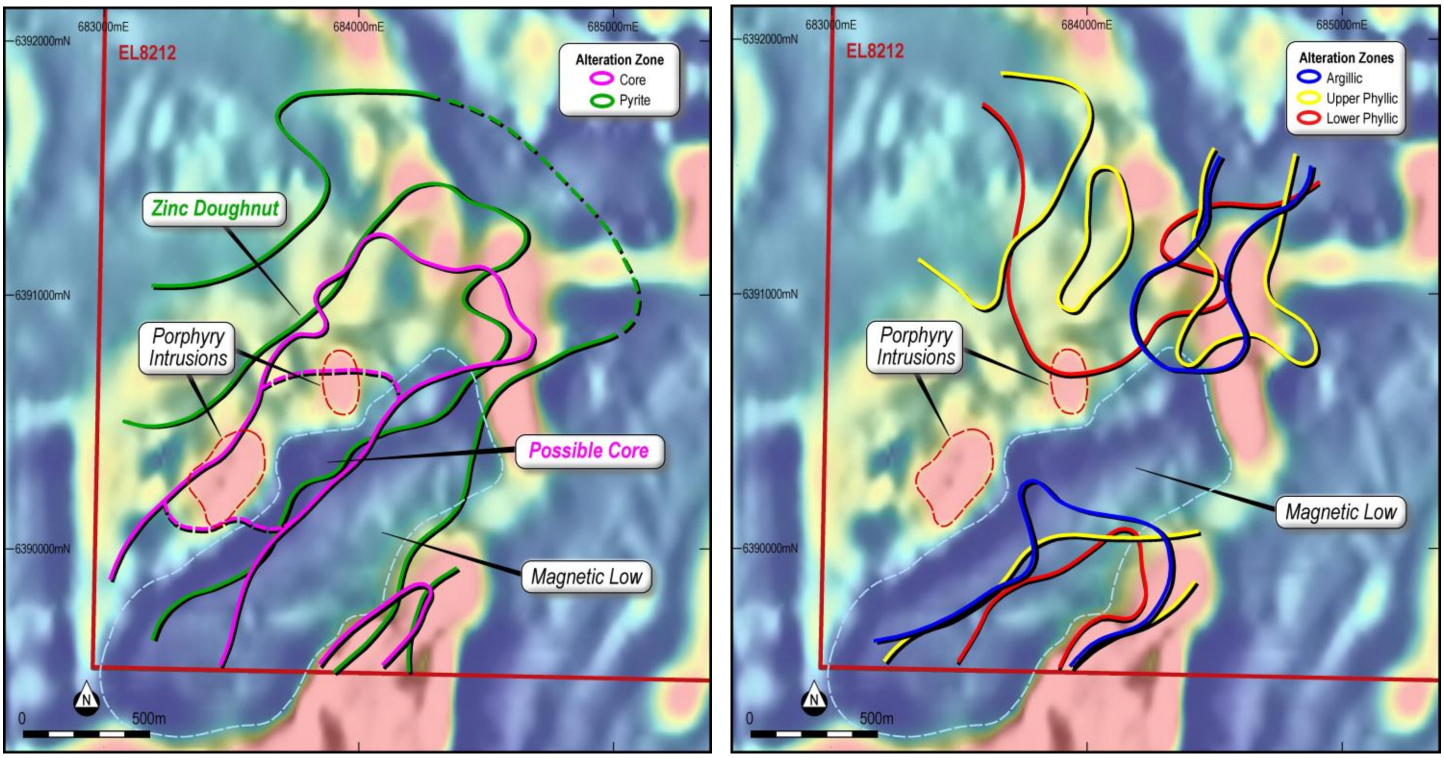


Figure 5. Image of the airborne magnetic data with more magnetic units in warmer colours and highlighting the possible parent porphyry intrusions and significant magnetic low.
Figure 5a (left) shows the inner core and outer Zn-Pb-Mn halo. Figure 5b (right) shows the overlapping phyllic and argillic alteration zones. Note a smaller core area of Au-Cu-Pd-Pt in the south eastern area.

6. In the south eastern area, there is a very marked concentric zoning to the alteration zones which decrease in size from the advanced argillic zone, through to the upper phyllic and lower phyllic zones and centred on a smaller zone of anomalous Au-Cu-Pd-Pt which is 500 metres long by 200 metres wide (Figure 4a and 5b). This zone occurs along the contact of a regionally extensive magnetic unit that may be an equivalent to the Boda Intrusive Complex which hosts the Boda-Kaiser discovery. This is also a potential target area for a parent porphyry intrusion and is a third priority area for follow up.
7. These patterns may be explained by three separate porphyry bodies or alternatively they may represent one deposit that has been dismembered by faulting.
8. The eastern edge of the main core zone and much of the south eastern outer alteration zones are partly coincident with a significant low in the airborne magnetic data that is 2,000 metres long and 750 metres wide (Figure 5). This may in part reflect destruction of magnetite in the host rocks by pyrite as may be expected in these particular alteration zones.

All of this data is consistent with a slightly tilted (oblique) section across one or more closely associated porphyry copper-gold systems. If it is multiple systems, then the Apsley area shows strong geometric similarities to the Wafi-Golpu deposit where multiple porphyry intrusions occur within the mineralised complex. A cross section through Wafi Golpu is shown in Figure 6 and serves as an analogue model to help drive further exploration at Apsley.

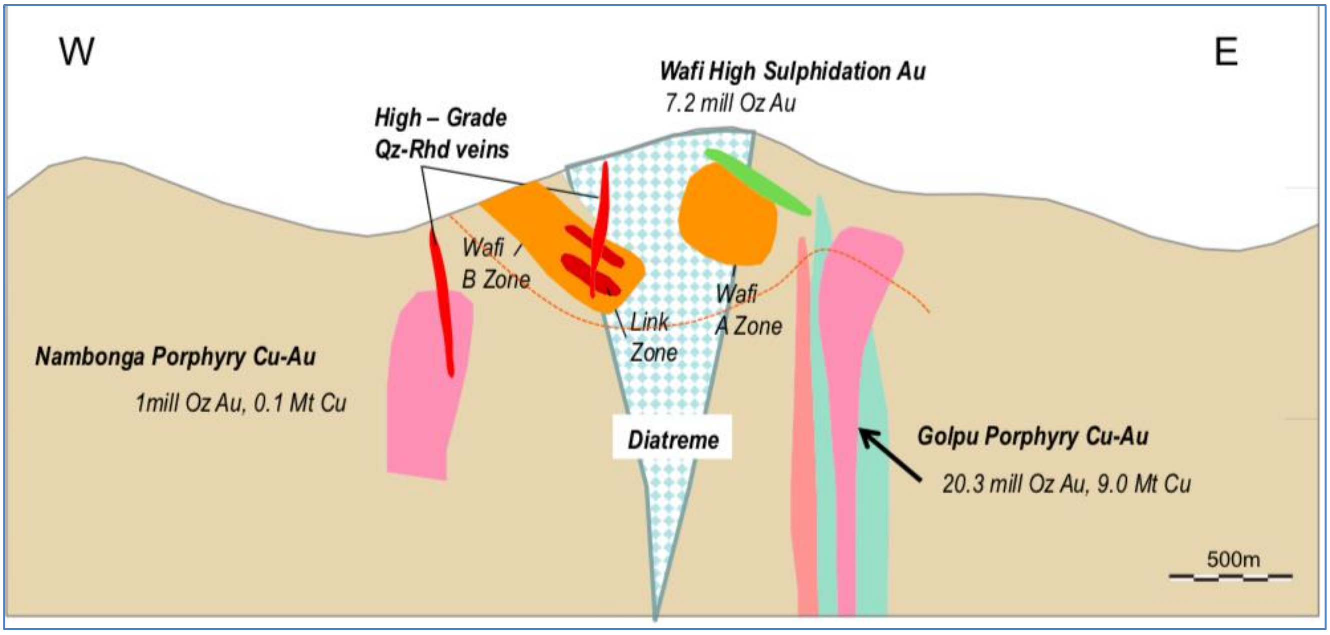


Figure 6. Schematic cross-section across the Wafi-Golpu porphyry-copper gold system and related epithermal gold veins. Note there are several porphyry intrusions within an area of about 2 to 3 square kilometres.

NEXT STEPS

Impact considers these results to be very significant and the company will now fast track the exploration programme to define specific drill targets as quickly as practicable.

The next step will be to complete an Induced Polarisation (IP) ground geophysical survey to help identify zones of disseminated sulphide at depth that may represent ore zones. The survey will be focussed over the three priority areas identified as potential centres of porphyry copper deposits.

It is expected that the survey will start in late August with results expected by the end of September.

The Role of Zonation in Exploration for Porphyry Copper-Gold Deposits

A key driver in the exploration for porphyry copper-gold deposits is to develop an understanding of the nature and distribution of the distinct zones of commodity metals, pathfinder metals and associated alteration minerals that form around such deposits in order to provide vectors to the high grade cores.

Figure 7 shows an idealised diagram of these zones, which are well understood in the scientific literature, and is a model widely used for exploration in the Lachlan Fold Belt and elsewhere. Impact has modified the diagram to show the location of the main ore zones and the outer pyrite shell both of which are commonly detectable by electrical geophysical techniques.

From top to bottom the zones and associated metal assemblages are as follows:

1. Advanced argillic zone: Thallium (Tl), lithium (Li), antimony (Sb) and arsenic (As).
2. Upper phyllic zone: Bismuth (Bi), tellurium (Te) and selenium (Se).
3. Lower phyllic zone: Tin (Sn), Tungsten (W) and molybdenum (Mo).

   The phyllic zone is also characterised by extensive pyrite. The pyrite will generally replace pre-existing magnetite in the parent rocks and accordingly the alteration systems around many porphyry copper-gold deposits are associated with marked lows in magnetic survey data.

4. Potassic zone: This zone contains the copper (Cu) and gold (Au) ore. It is commonly centred on the parent porphyry intrusion which may contain magnetite and be recognisable as a discrete high in magnetic data.

   In addition, it is well documented that the inner zones of alkalic porphyries world-wide commonly contain platinum group metals (PGM), palladium in particular. This is particularly the case at North Parkes. PGM's have not been widely used as an exploration tool in porphyry copper-gold exploration in the Lachlan Fold Belt.

5. The entire porphyry copper-gold system is surrounded by an outer propylitic zone which is characterised by a wide range of metals as well as pyrite. The propylitic and phyllic zones are commonly associated with a metal assemblage of zinc-lead-manganese. In many major porphyry copper-gold deposits this produces a characteristic "zinc doughnut" where zinc and related metals are not present over the core of the porphyry but form a distinctive ring or annulus of base metals around the core of the porphyry. An example from Wafi-Golpu (>30 million ounces of gold and 10 Mt of copper) is also shown in Figure 7.

All of these features have potentially been recognised in Impact's soil geochemistry survey and new airborne magnetic data.

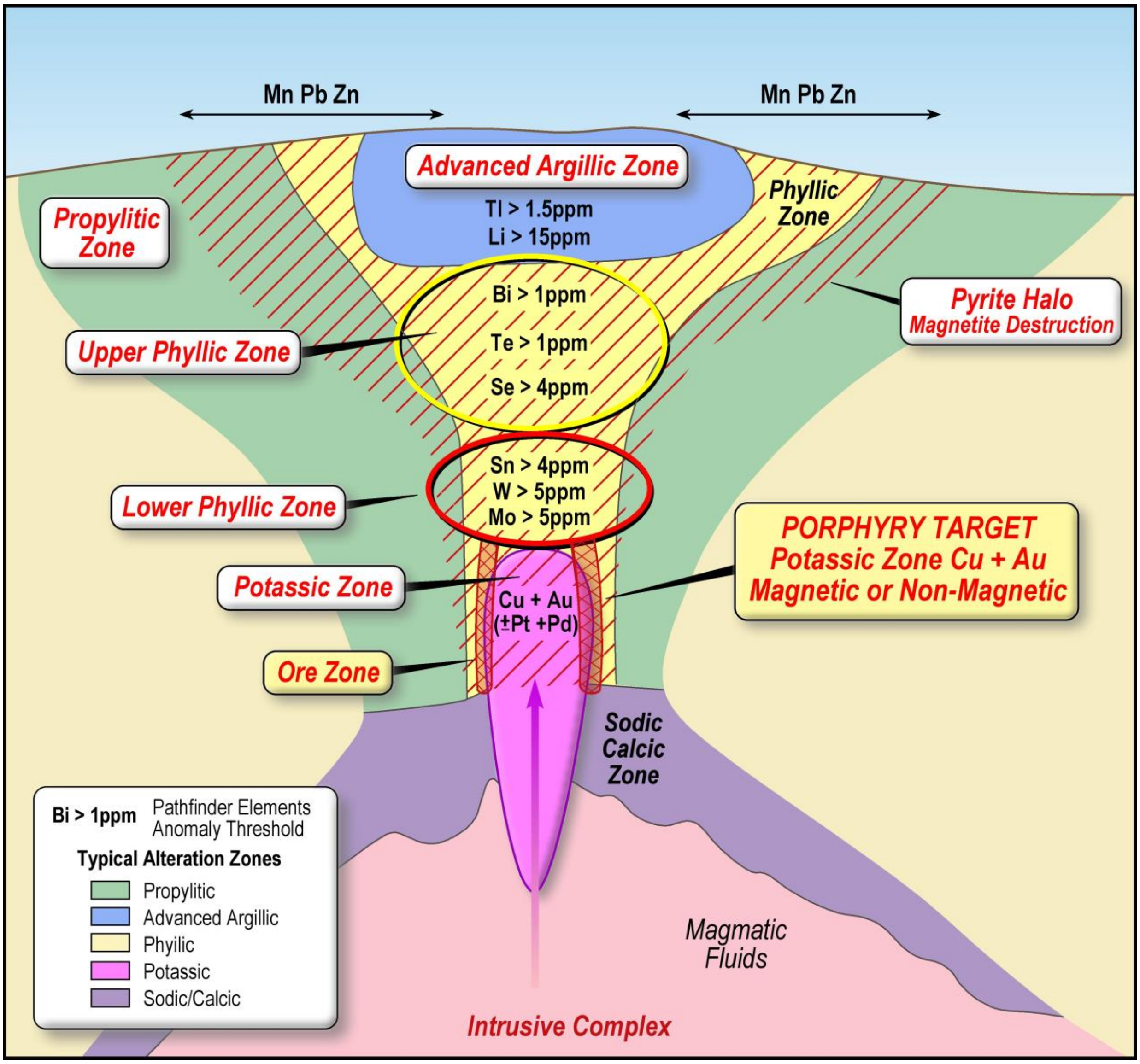
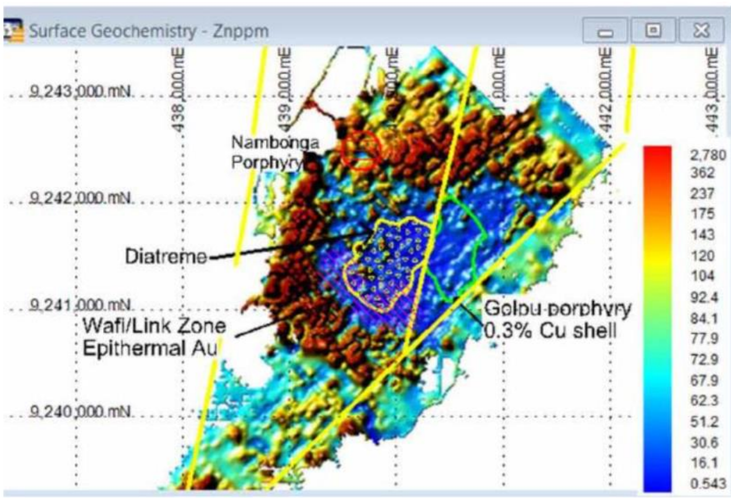


Figure 7. Model of the alteration zones and metal assemblages expected around major porphyry copper-gold deposits. In plan view these zones would be concentrically arranged around the host porphyry and this gives rise to the zinc doughnut phenomenon as shown for Wafi-Golpu shown below. Here soil geochemistry data for zinc shows a well developed annulus around the centre of the porphyry copper-gold deposit. Note the scale of the system which is similar to that defined at Apsley.



COMPLIANCE STATEMENT

This report contains new Exploration Results for 231 soil samples collected by Impact Minerals Limited and new airborne magnetic data.

Dr Michael G Jones
Managing Director

COMPETENT PERSONS STATEMENT

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. Soil Assay Data

Value	Au_ppm	Cu_ppm	Pd_ppm	Pt_ppm	Mo_ppm	W_ppm	Sn_ppm	Bi_ppm	Te_ppm	Se_ppm	As_ppm	Sb_ppm	Li_ppm	Tl_ppm
Minimum	0.0003	6.33	0.0005	0.001	0.06	0.001	0.47	0.0161	0.0015	0.055	1.75	0.018	1	0.007
Maximum	0.0145	1220	0.016	0.01	2.79	0.503	6.07	0.156	0.058	0.526	511	11.6	44.4	0.235
Mean	0.002	89.467	0.003	0.003	0.372	0.029	0.981	0.077	0.009	0.194	13.017	0.469	13.937	0.072

APPENDIX 1 - SECTION 1 SAMPLING TECHNIQUES AND DATA

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.*	**Soil Samples** Soil samples were taken at a spacing of 50 metres along lines 200 metres apart. The samples were taken from a hole dug to a consistent depth of between 20 cm and 30 cm below surface and sieved in the field to -2 mm with about 150 g of material collected. The samples were then sieved in the laboratory to -75 micron.
	Include reference to measures taken to ensure sample representivity and the appropriate calibration of any measurement tools or systems used	**Soil Samples** The samples were taken on a systematic basis across the prospect area to avoid bias.
	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	**Rock Chip Samples** Samples weighing up to several kilograms were taken.
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).*	N/A
Drill sample recovery	*Method of recording and assessing core and chip sample recoveries and results assessed*	N/A
	Measures taken to maximise sample recovery and ensure representative nature of the samples	N/A
	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.	N/A
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.*	N/A
	Whether logging is qualitative or quantitative in nature. Core (or costean, channel, etc) photography.	N/A .
	The total length and percentage of the relevant intersections logged	N/A

Criteria	JORC Code explanation	Commentary
Sub-sampling techniques and sample preparation	*If core, whether cut or sawn and whether quarter, half or all core taken.*	N/A
	If non-core, whether riffled, tube sampled, rotary split, etc and whether sampled wet or dry.	N/A.
	For all sample types, the nature, quality and appropriateness of the sample preparation technique.	N/A
	Quality control procedures adopted for all sub-sampling stages to maximise representivity of samples.	Laboratory QC procedures for soil sample assays involve the use of internal certified reference material as assay standards, along with blanks and duplicates.
	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.	Not appropriate for this stage of exploration.
	Whether sample sizes are appropriate to the grain size of the material being sampled.	The size of samples is appropriate for this stage of exploration.
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.*	An industry standard aqua regia assay technique was used for the soil samples with 53 elements assayed for: Method ICP-MS41L at ALS Laboratories in Orange, NSW.
	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.	Quality control procedures for assays were followed via internal laboratory protocols. Accuracy and precision are within acceptable limits.
Verification of sampling and assaying	*The verification of significant intersections by either independent or alternative company personnel.*	Significant assays have not been verified by independent or alternative companies. This is not required at this stage of exploration.
	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 has been entered into standard Excel templates for plotting in Mapinfo.
	Discuss any adjustment to assay data.	No significant adjustments have been required.
Location of data points	*Accuracy and quality of surveys used to locate drill holes (collar and down-hole surveys), trenches, mine workings and other locations used in Mineral Resource estimation.*	Samples were located with a hand held GPS.

Criteria	JORC Code explanation	Commentary
	Specification of the grid system used.	The grid system for Commonwealth is MGA_GDA94, Zone 55.
	Quality and adequacy of topographic control.	N/A
Data spacing and distribution	*Data spacing for reporting of Exploration Results.*	N/A.
	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.	N/A
	Whether sample compositing has been applied.	N/A
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.*	N/A
	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.	N/A
Sample security	*The measures taken to ensure sample security.*	For soil samples, chain of custody is managed by Impact Minerals Ltd. Samples for Commonwealth are delivered by Impact Minerals Ltd personnel to ALS in Orange, NSW. 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.*	This is not material for these Exploration Results.

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 Commonwealth Project currently comprises 5 exploration licences covering 900 km^2. The tenements are held 100% by Endeavour Minerals Pty Ltd, a subsidiary company of Impact Minerals Limited. No aboriginal sites or places have been declared or recorded in areas where Impact is currently exploring. There are no national parks over the license 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.	No significant exploration has been recorded by previous explorers. Some rock chip samples have been taken but no drilling.
Geology	Deposit type, geological setting and style of mineralisation.	Exploration is focussed on the discovery of porphyry copper-gold mineralisation and other intrusive-related gold deposit styles.
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.	N/A
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.	N/A
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').	N/A

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.	Minimum and maximum values for the relevant metals reported here are given in Table 1.
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 recent and historic results which is ongoing.