

ASX Code: IPT

OCTOBER 10th 2024

CORPORATE RELEASE

ASX ANNOUNCEMENT RE-RELEASED

Impact Minerals Limited (ASX:IPT) lodged an ASX release on October 9, 2024, the release has been updated.

This release includes a confirmation from the Company that all material assumptions underpinning the production target and forecast financial information in the Lake Hope Scoping Study continues to apply.

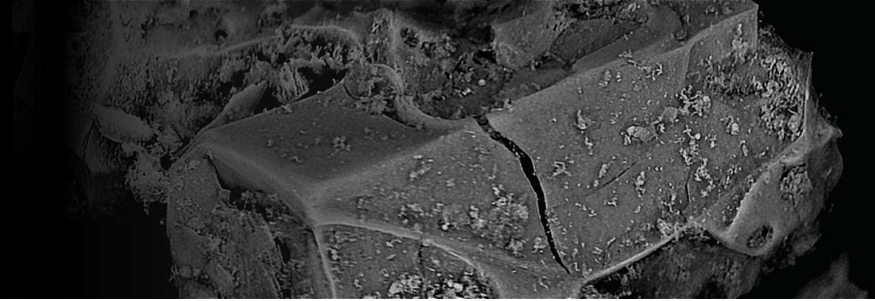
Dr Michael G Jones
Managing Director

Authorised by the Board of Impact Minerals Limited



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OCTOBER 9th 2024

CORPORATE RELEASE

Project Update: Lake Hope High Purity Alumina (HPA) Project, WA.

- Marketing Manager with expertise in critical minerals, appointed to spearhead the company's engagement with customers and off-take partners.
- Negotiation Protocol signed with the PBC for the Ngadju Aboriginal people with a first meeting set for October 16th.
- Mining studies completed with quotes awaited for costs for mining and transport of the lake sediment to Kwinana.
- Final report awaited for an upgrade of a significant part of the Lake Hope alumina resource to the Measured Resource category.
- Engineering studies for the proposed process plant in Kwinana continue on schedule with a focus on acid reuse.
- Testwork progressing with a 20 kg sample of intermediate material being prepared for acid leaching as part of the Low Temperature Leach Process.

Impact Minerals Limited (ASX:IPT) is pleased to announce that it has appointed an experienced marketing manager to spearhead the company's engagement with potential off-take partners and customers for High-Purity Alumina (HPA) produced from the Lake Hope HPA project, located 500 km east of Perth in Western Australia (Figure 1).

Joseph Casella joins Impact following five years at Tianqi Lithium, the majority owner of the Greenbushes lithium-tantalum mine, where he was responsible for the commercial aspects of the Kwinana Lithium Hydroxide plant. This involved customer management and new product development for lithium processing by-products, in particular providing marketing support for feasibility studies to beneficiate aluminosilicates into high-purity products.

Joseph's expertise includes developing and refining market strategies, managing complex supply chains, leveraging benefits from international trading houses, and leading circular economy and ESG initiatives which will also form part of his role. His deep understanding of critical mineral markets, including lithium and aluminosilicates, positions him as the ideal leader for spearheading customer engagement in Impact's HPA business. His proven track record in building strategic customer relationships and business development will significantly contribute to driving growth and fostering new opportunities in this sector, and the company welcomes him on board.



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Recent ASX releases by Alpha HPA Limited (ASX:A4N), a leader in the HPA industry, show significant global demand for a wide range of HPA products with indicative interest from potential clients of more than 30,000 tonnes per annum. This is well over Alpha's planned production of 10,000 tonnes per annum and indicates the underlying strength of the HPA market, which is estimated to be growing at an annual compound growth rate of 15% to 20%. Impact's marketing strategy will be to identify specific market entry points where the HPA from Lake Hope can deliver the greatest value in use for end-users.

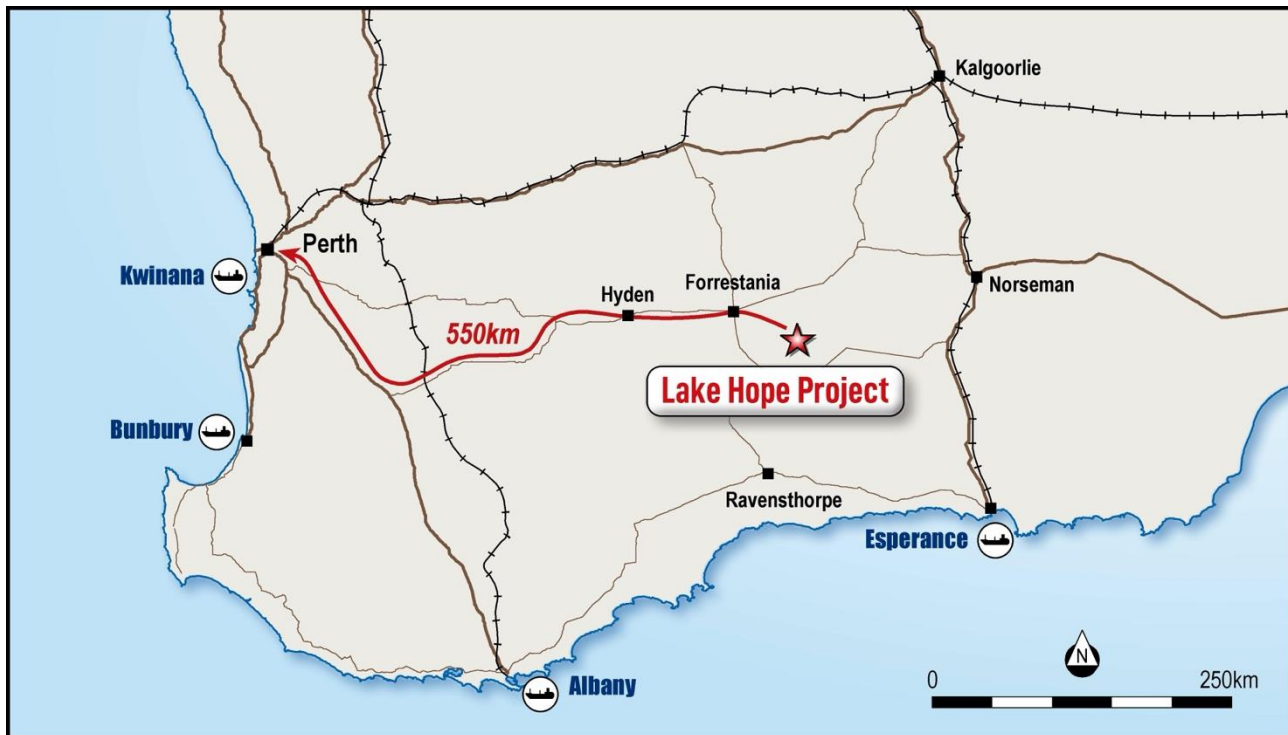


Figure 1. Location of the Lake Hope Project and proposed haul route to Kwinana.

Construction of Alpha HPA Ltd's processing plant in Queensland has recently commenced following the receipt of substantial low-interest debt funding of \$400 million, out of a total capex of \$500 million, from the Australian government. The funding demonstrates the ongoing federal (and state) support for critical minerals and downstream processing, in which Impact intends to participate. The Lake Hope Scoping study had an estimated capital cost of \$250 million (+/- 30%) (ASX Release November 9th 2023). The Company confirms that all material assumptions underpinning the production target and forecast financial information continues to apply.

Impact Minerals' Managing Director, Dr Mike Jones, said, *"We are delighted to welcome Joseph to spearhead the customer engagement program for our High Purity Alumina from Lake Hope. Joseph brings significant experience in senior international sales and marketing roles having previously worked with a range of commodities including mineral sands at Iluka, rough and polished diamonds with Rio Tinto and Argyle Diamonds, and lithium and aluminosilicate products at Tianqi Lithium. His extensive experience in market research, business and product development, and strong customer focus will greatly benefit us moving forward, particularly following the construction of a pilot plant planned for next year.*

Joseph's appointment is an integral part of the Pre-Feasibility Study, which is well underway on the Lake Hope project, with progress also being made at the proposed mine, process plant and test work. We have previously announced that potentially valuable fertiliser by-products can be produced from the processing of the Lake Hope salts. Further test work to determine if a second value-add to the entire project is also underway and this may be incorporated into the Pre-Feasibility Study if appropriate. It would be an exciting development for the project if it comes to fruition".

Progress on the Pre-Feasibility Study at Lake Hope

The appointment of the Marketing Manager continues to add to the significant progress being made on the four main parts of the PFS for Lake Hope: the proposed mine at the lake itself; test work to optimize the metallurgical process; the associated planned full-scale 10,000 tonnes per annum process plant; and marketing, product development and offtake agreements for the final HPA products (Figure 2 and ASX Releases July 10th 2024 and August 12th 2024).



Figure 2. The four pieces of the Lake Hope Pre-Feasibility Study Jigsaw Puzzle.

The Mine

Following the recent lodgment of a Mining Lease Application (ASX Release August 12th 2024), the following work is in progress:

1. The Negotiation Protocol received from the Prescribed Body Corporate (PBC) for the Ngadju Aboriginal peoples, which outlines the negotiation framework to achieve a Land Access Agreement and a Cultural Heritage Management Plan for the mine, has been reviewed and returned. An initial meeting with the PBC to commence negotiations is set for October 16th.
2. Detailed mining schedules with proposed equipment and site logistics have been completed, and quotes have been sent to several mining and transport companies to provide detailed cost estimates for mining and transporting ore to Kwinana. These will be fed into a detailed financial model being prepared for the PFS.

3. A significant portion of the Indicated Resource at Lake Hope has been upgraded to a Measured Resource, with a final report from H and S Resource Consultants due shortly. This will allow a maiden Proven Reserve to be declared subject to further mining, test work and economic studies.

The Mining Lease application covers West Lake, one of the two lakes that contain the resource at Lake Hope, and sufficient material for at least the first 15 years of the proposed production. It also offers a more direct haulage route to the Norseman-Hyden road than existing tracks, potentially saving millions of dollars in road construction costs.

The Process Plant

1. Engineering studies by CPC Engineering to provide estimates of the capital and operating costs for the proposed processing plant to produce 10,000 tonnes of HPA per annum continue on schedule. This work builds on extensive Process Flow Design and Mass Flow Balance calculations completed by Strategic Metallurgy. Modifications have been made to the proposed plant to allow for significant acid regeneration to reduce the cost of acid required in the process, a key part of the process flow sheet.
2. Further discussions to secure WA State Government-controlled land in Kwinana are planned for this Quarter. Kwinana was selected as the best location for the processing plant, a vital outcome of the PFS, because of the ready availability of the various chemical reagents required for the plant as well as potential buyers of the associated fertiliser and acid by-products “at the gate” compared to other locations. This is a significant strategic advantage for the project that minimises the requirement for many minor capital items, and leads to savings in operating costs.

Test Work

1. Metallurgical test work continues to progress, with the production of a 20 kg sample of the intermediate compound produced by the first stage of the Low-Temperature Leach (LTL) process completed (ASX Release February 27th 2024). Subject to an initial test currently underway, this material will be sent to a third party with proprietary acid-leaching and acid-regeneration capabilities. These capabilities potentially offer further reductions in operating costs.
2. Test work is also progressing on the production of fertiliser products, both as a by-product and as a potential second project/revenue stream. This also includes further work on the Sulphate Process (ASX Release February 19th 2024). The results of this work may require the PFS to be expanded.
3. Detailed discussions are in progress regarding the design and construction of a pilot plant that will produce HPA of consistent quality, a requirement for serious engagement with potential offtake partners. Construction of the plant will be a key goal for the company in 2025.

Marketing and Offtake

1. As discussed above, Joseph Casella has been appointed as Marketing Manager. He will map out Impact’s entry into the HPA marketplace and formulate sales strategies for the various process by-products.

COMPLIANCE STATEMENT

This report contains no new Exploration Results.

Dr Michael G Jones

Managing Director

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