

ASX ANNOUNCEMENT

Date: 13 May 2016

Number: 467/130516

IMPACT RAISES \$1.6 MILLION

- \$1,084,000 raised from oversubscribed Share Purchase Plan
- \$588,200 raised from Placement to professional and sophisticated investors
- Funds to be used for major drilling campaign to commence next week at the Commonwealth gold-silver-zinc-lead-copper project 95 km north of Orange, NSW

Impact Minerals Limited (**Impact** or the **Company**) (ASX:IPT) is pleased to announce that it has raised \$1,084,000 through the Share Purchase Plan (**SPP**) announced on 14 April, 2016. Under the SPP, each Eligible Shareholder was entitled to subscribe for up to \$15,000 of new fully paid ordinary shares (**Shares**) at an issue price of 2.4 cents per Share without incurring brokerage or other transaction costs.

The Company received applications for a total of 45,166,683 new Shares from Eligible Shareholders and will issue these Shares today with quotation and dispatch of holding statements expected to take place on Monday 16 May 2016.

The SPP was underwritten to the amount of \$1,000,000 by Patersons Securities Limited.

The Company is also pleased to announce that it has raised \$588,200 million via a placement (**Placement**) of 24,508,334 Shares to a variety of professional and sophisticated investors also at 2.4 cents per Share.

The Placement was managed by Patersons Securities Limited.

Impact Minerals' Managing Director, Dr Mike Jones:

"We are delighted with the response to the SPP and Placement and thank everyone for their support. We will be commencing a drill programme at the Company's emerging Commonwealth project early next week following heavy rains in the area. Funds will also be allocated to our Broken Hill copper-nickel-PGM project. Both projects have already delivered both exceptional high grade drill results that require follow up work as well as numerous new drill targets from our ongoing work."

Purpose of the capital raising

New work at the Company's 100% owned Commonwealth gold-silver-zinc-lead-copper project 95 km north of Orange in New South Wales has revealed both the potential to significantly increase the size of the known resource at the Commonwealth deposit and identified several new nearby targets for similar deposits of high grade massive sulphide (see ASX announcements dated [5, 18, 26 April](#) and [5 May](#) 2016).

The funds raised from the SPP and Placement will be used to help fund a drill programme of up to 3,000 metres of reverse circulation and diamond drilling to test a significant number of targets within the Commonwealth, Silica Hill, Doughnut and Welcome Jack Prospects.

The drill programme will commence early next week following a delay because of heavy rain in the area.

In addition, funds will be used for follow up work including drilling at the high grade Broken Hill copper-nickel-PGM project and to provide the Company with working capital to support its current operations

Employee Options

The Board of Impact has resolved to issue 7,000,000 unlisted options to employees of the Company pursuant to the Company's Director and Employee Option Acquisition Plan. The Company also advises that 8,050,000 unlisted options previously issued to former employees have lapsed.

The total number of unlisted options on issue following the issue to new employees and the lapse of options is 141,828,572. Details of the terms of the options are contained in the attached Appendix 3B.

For further information please contact:

Dr Mike Jones
Managing Director
Impact Minerals Limited
+61 8 6454 6666

Appendix 3B

New issue announcement, application for quotation of additional securities and agreement

Information or documents not available now must be given to ASX as soon as available. Information and documents given to ASX become ASX's property and may be made public.

Introduced 01/07/96 Origin: Appendix 5 Amended 01/07/98, 01/09/99, 01/07/00, 30/09/01, 11/03/02, 01/01/03, 24/10/05, 01/08/12, 04/03/13

Name of entity

IMPACT MINERALS LIMITED

ABN

52 119 062 261

We (the entity) give ASX the following information.

Part 1 - All issues

You must complete the relevant sections (attach sheets if there is not enough space).

- | | | |
|---|---|--|
| 1 | +Class of +securities issued or to be issued | A. and B. Fully Paid Ordinary Shares
C. Unlisted Options |
| 2 | Number of +securities issued or to be issued (if known) or maximum number which may be issued | A. 45,166,683
B. 24,508,334
C. 7,000,000 |
| 3 | Principal terms of the +securities (e.g. if options, exercise price and expiry date; if partly paid +securities, the amount outstanding and due dates for payment; if +convertible securities, the conversion price and dates for conversion) | A. and B. The shares will rank equally with existing fully paid ordinary shares.
C.
1,000,000 exercisable at \$0.0367 on or before 29 September 2018;
3,000,000 exercisable at \$0.045 on or before 29 September 2019;
3,000,000 exercisable at \$0.07 on or before 29 September 2020; |

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

<p>4 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?</p> <p>If the additional +securities do not rank equally, please state:</p> <ul style="list-style-type: none">• the date from which they do• the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment• the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment	<p>A. and B. - Yes C. No- Unlisted Options</p>
<p>5 Issue price or consideration</p>	<p>A. and B. – 2.4 cents per share C. Nil</p>
<p>6 Purpose of the issue (If issued as consideration for the acquisition of assets, clearly identify those assets)</p>	<p>A. Issued pursuant to the Share Purchase Plan announced to ASX on 14 April 2016.</p> <p>B. Issued pursuant to a Placement to sophisticated investors. Funds raised under A. and B. will be used for (i) a drill programme at the Company’s Commonwealth, Silica Hill, Doughnut and Welcome Jack Prospects; (ii) follow up work at the Company’s Broken Hill Project; and (iii) working capital.</p> <p>C. Unlisted Options issued to employees under the Director and Employee Option Acquisition Plan approved by shareholders at the 29 September 2015 Annual General Meeting.</p>

+ See chapter 19 for defined terms.

6a	Is the entity an +eligible entity that has obtained security holder approval under rule 7.1A? If Yes, complete sections 6b – 6h in relation to the +securities the subject of this Appendix 3B, and comply with section 6i	Yes
6b	The date the security holder resolution under rule 7.1A was passed	29 September 2015
6c	Number of +securities issued without security holder approval under rule 7.1	B. 24,508,334
6d	Number of +securities issued with security holder approval under rule 7.1A	Nil
6e	Number of +securities issued with security holder approval under rule 7.3, or another specific security holder approval (specify date of meeting)	Nil
6f	Number of +securities issued under an exception in rule 7.2	A. 45,166,683 – Exception 15 C. 7,000,000 – Exception 9
6g	If +securities issued under rule 7.1A, was issue price at least 75% of 15 day VWAP as calculated under rule 7.1A.3? Include the +issue date and both values. Include the source of the VWAP calculation.	Not Applicable
6h	If +securities were issued under rule 7.1A for non-cash consideration, state date on which valuation of consideration was released to ASX Market Announcements	Not Applicable
6i	Calculate the entity's remaining issue capacity under rule 7.1 and rule 7.1A – complete Annexure 1 and release to ASX Market Announcements	See Annexure 1

+ See chapter 19 for defined terms.

Appendix 3B New issue announcement

7 ⁺Issue dates

Note: The issue date may be prescribed by ASX (refer to the definition of issue date in rule 19.12). For example, the issue date for a pro rata entitlement issue must comply with the applicable timetable in Appendix 7A.

Cross reference: item 33 of Appendix 3B.

13 May 2016

8 Number and ⁺class of all ⁺securities quoted on ASX (*including* the ⁺securities in section 2 if applicable)

Number	⁺ Class
778,354,418	Fully paid ordinary shares

⁺ See chapter 19 for defined terms.

	Number	+Class
9	Number and +class of all +securities not quoted on ASX (including the +securities in section 2 if applicable)	Options exercisable at: \$0.10 on or before 30 Nov 2016 \$0.0325 on or before 7 Aug 2018 \$0.0367 on or before 29 Sep 2018 \$0.045 on or before 29 Sep 2019 \$0.07 on or before 29 Sep 2020 \$0.0325 on or before 21 Oct 2018 \$1.00 Convertible Notes maturing 7 Aug 2018
	12,400,000	
	45,000,000	
	27,000,000	
	15,500,000	
	15,500,000	
	26,428,572	
	2,000,000	
10	Dividend policy (in the case of a trust, distribution policy) on the increased capital (interests)	No dividend policy is currently in place as the Company is involved only in exploration

Part 2 - Pro rata issue

11	Is security holder approval required?	Not Applicable
12	Is the issue renounceable or non-renounceable?	Not Applicable
13	Ratio in which the +securities will be offered	Not Applicable
14	+Class of +securities to which the offer relates	Not Applicable
15	+Record date to determine entitlements	Not Applicable
16	Will holdings on different registers (or subregisters) be aggregated for calculating entitlements?	Not Applicable
17	Policy for deciding entitlements in relation to fractions	Not Applicable

+ See chapter 19 for defined terms.

Appendix 3B

New issue announcement

18	Names of countries in which the entity has security holders who will not be sent new offer documents <small>Note: Security holders must be told how their entitlements are to be dealt with. Cross reference: rule 7.7.</small>	Not Applicable
19	Closing date for receipt of acceptances or renunciations	Not Applicable
20	Names of any underwriters	Not Applicable
21	Amount of any underwriting fee or commission	Not Applicable
22	Names of any brokers to the issue	Not Applicable
23	Fee or commission payable to the broker to the issue	Not Applicable
24	Amount of any handling fee payable to brokers who lodge acceptances or renunciations on behalf of security holders	Not Applicable
25	If the issue is contingent on security holders' approval, the date of the meeting	Not Applicable
26	Date entitlement and acceptance form and offer documents will be sent to persons entitled	Not Applicable
27	If the entity has issued options, and the terms entitle option holders to participate on exercise, the date on which notices will be sent to option holders	Not Applicable
28	Date rights trading will begin (if applicable)	Not Applicable
29	Date rights trading will end (if applicable)	Not Applicable

+ See chapter 19 for defined terms.

30	How do security holders sell their entitlements <i>in full</i> through a broker?	Not Applicable
31	How do security holders sell <i>part</i> of their entitlements through a broker and accept for the balance?	Not Applicable
32	How do security holders dispose of their entitlements (except by sale through a broker)?	Not Applicable
33	+Issue date	Not Applicable

Part 3 - Quotation of securities

You need only complete this section if you are applying for quotation of securities

- 34 Type of +securities
(tick one)
- (a) +Securities described in Part 1
- (b) All other +securities
Example: restricted securities at the end of the escrowed period, partly paid securities that become fully paid, employee incentive share securities when restriction ends, securities issued on expiry or conversion of convertible securities

Entities that have ticked box 34(a)

Additional securities forming a new class of securities

Tick to indicate you are providing the information or documents

Not Applicable

- 35 If the +securities are +equity securities, the names of the 20 largest holders of the additional +securities, and the number and percentage of additional +securities held by those holders
- 36 If the +securities are +equity securities, a distribution schedule of the additional +securities setting out the number of holders in the categories
- 1 - 1,000
 - 1,001 - 5,000
 - 5,001 - 10,000
 - 10,001 - 100,000
 - 100,001 and over

+ See chapter 19 for defined terms.

Appendix 3B
New issue announcement

37 A copy of any trust deed for the additional +securities

Entities that have ticked box 34(b)

38 Number of +securities for which +quotation is sought

Not Applicable

39 +Class of +securities for which quotation is sought

Not Applicable

40 Do the +securities rank equally in all respects from the +issue date with an existing +class of quoted +securities?

If the additional +securities do not rank equally, please state:

- the date from which they do
- the extent to which they participate for the next dividend, (in the case of a trust, distribution) or interest payment
- the extent to which they do not rank equally, other than in relation to the next dividend, distribution or interest payment

Not Applicable

41 Reason for request for quotation now

Example: In the case of restricted securities, end of restriction period

(if issued upon conversion of another +security, clearly identify that other +security)

Not Applicable

42 Number and +class of all +securities quoted on ASX (including the +securities in clause 38)

Number	+Class
Not Applicable	

+ See chapter 19 for defined terms.

Quotation agreement

1 +Quotation of our additional +securities is in ASX’s absolute discretion. ASX may quote the +securities on any conditions it decides.

2 We warrant the following to ASX.

- The issue of the +securities to be quoted complies with the law and is not for an illegal purpose.
- There is no reason why those +securities should not be granted +quotation.
- An offer of the +securities for sale within 12 months after their issue will not require disclosure under section 707(3) or section 1012C(6) of the Corporations Act.

Note: An entity may need to obtain appropriate warranties from subscribers for the securities in order to be able to give this warranty

- Section 724 or section 1016E of the Corporations Act does not apply to any applications received by us in relation to any +securities to be quoted and that no-one has any right to return any +securities to be quoted under sections 737, 738 or 1016F of the Corporations Act at the time that we request that the +securities be quoted.
- If we are a trust, we warrant that no person has the right to return the +securities to be quoted under section 1019B of the Corporations Act at the time that we request that the +securities be quoted.

3 We will indemnify ASX to the fullest extent permitted by law in respect of any claim, action or expense arising from or connected with any breach of the warranties in this agreement.

4 We give ASX the information and documents required by this form. If any information or document is not available now, we will give it to ASX before +quotation of the +securities begins. We acknowledge that ASX is relying on the information and documents. We warrant that they are (will be) true and complete.

Sign here:



.....
(Director/Company Secretary)

Date: 13 May 2016

Print name: Bernard Crawford

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+ See chapter 19 for defined terms.

Appendix 3B – Annexure 1

Calculation of placement capacity under rule 7.1 and rule 7.1A for eligible entities

Introduced 01/08/12 Amended 04/03/13

Part 1

Rule 7.1 – Issues exceeding 15% of capital	
<i>Step 1: Calculate “A”, the base figure from which the placement capacity is calculated</i>	
<i>Insert</i> number of fully paid +ordinary securities on issue 12 months before the +issue date or date of agreement to issue	566,339,070
<i>Add</i> the following: <ul style="list-style-type: none"> • Number of fully paid +ordinary securities issued in that 12 month period under an exception in rule 7.2 • Number of fully paid +ordinary securities issued in that 12 month period with shareholder approval • Number of partly paid +ordinary securities that became fully paid in that 12 month period <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>Include only ordinary securities here – other classes of equity securities cannot be added</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<div style="margin-bottom: 10px;">94,437,193</div> <div style="margin-bottom: 10px;">47,903,138</div> <div>Nil</div>
<i>Subtract</i> the number of fully paid +ordinary securities cancelled during that 12 month period	Nil
“A”	708,679,401

+ See chapter 19 for defined terms.

Step 2: Calculate 15% of “A”	
“B”	0.15 <i>[Note: this value cannot be changed]</i>
Multiply “A” by 0.15	106,301,910
Step 3: Calculate “C”, the amount of placement capacity under rule 7.1 that has already been used	
<p><i>Insert</i> number of +equity securities issued or agreed to be issued in that 12 month period <i>not counting</i> those issued:</p> <ul style="list-style-type: none"> • Under an exception in rule 7.2 • Under rule 7.1A • With security holder approval under rule 7.1 or rule 7.4 <p><i>Note:</i></p> <ul style="list-style-type: none"> • <i>This applies to equity securities, unless specifically excluded – not just ordinary securities</i> • <i>Include here (if applicable) the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	<p>Nil</p> <p>Nil</p> <p>24,508,334</p>
“C”	24,508,334
Step 4: Subtract “C” from [“A” x “B”] to calculate remaining placement capacity under rule 7.1	
<p>“A” x 0.15</p> <p><i>Note: number must be same as shown in Step 2</i></p>	106,301,910
<p>Subtract “C”</p> <p><i>Note: number must be same as shown in Step 3</i></p>	24,508,334
<p>Total [“A” x 0.15] – “C”</p>	<p>81,793,576</p> <p><i>[Note: this is the remaining placement capacity under rule 7.1]</i></p>

+ See chapter 19 for defined terms.

Part 2

Rule 7.1A – Additional placement capacity for eligible entities	
Step 1: Calculate “A”, the base figure from which the placement capacity is calculated	
“A” <i>Note: number must be same as shown in Step 1 of Part 1</i>	708,679,401
Step 2: Calculate 10% of “A”	
“D”	0.10 <i>Note: this value cannot be changed</i>
Multiply “A” by 0.10	70,867,940
Step 3: Calculate “E”, the amount of placement capacity under rule 7.1A that has already been used	
Insert number of +equity securities issued or agreed to be issued in that 12 month period under rule 7.1A Notes: <ul style="list-style-type: none"> • <i>This applies to equity securities – not just ordinary securities</i> • <i>Include here – if applicable – the securities the subject of the Appendix 3B to which this form is annexed</i> • <i>Do not include equity securities issued under rule 7.1 (they must be dealt with in Part 1), or for which specific security holder approval has been obtained</i> • <i>It may be useful to set out issues of securities on different dates as separate line items</i> 	Nil
“E”	Nil

+ See chapter 19 for defined terms.

Step 4: Subtract “E” from [“A” x “D”] to calculate remaining placement capacity under rule 7.1A	
“A” x 0.10 <i>Note: number must be same as shown in Step 2</i>	70,867,940
Subtract “E” <i>Note: number must be same as shown in Step 3</i>	Nil
Total [“A” x 0.10] – “E”	70,867,940 <i>Note: this is the remaining placement capacity under rule 7.1A</i>

+ See chapter 19 for defined terms.