

ASX ANNOUNCEMENT

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URANIUM DISCOVERY BY IMPACT AT LEKOBLO PROSPECT, BOTSWANA

- Maiden drill programme discovers significant uranium mineralisation over an area of 3,000 m x 500 m at Impact's 100% owned Lekobolo Prospect in eastern Botswana;
- Much of the mineralisation is at less than 25 m depth;
- Campaign comprised broad-spaced reconnaissance reverse circulation drill programme of 59 holes for a total of 2,294 m drilled at intervals of between 400 m and 1,000 metres;
- 27 of these holes returned anomalous uranium results;
- Best downhole gamma probe results include:
 - (i) 16 m at 119 ppm eU₃O₈ from 0.2 m in LBRC004, including 7.0 m at 201 ppm eU₃O₈ from 1.2 m;
 - (ii) 12 m at 143 ppm eU₃O₈ from 1.2 m in LBRC007, including 4.0 m at 309 ppm eU₃O₈ from 2.0 m; and
 - (iii) 13.8 m at 106 ppm eU₃O₈ from 1.2 m in LBRC032, including 5.8 m at 174 ppm eU₃O₈ from 3.6 metres.
- Many other areas of anomalous drill and soil results remain open and untested at Lekobolo and follow up exploration including drilling is being planned.

UPDATE ON OTHER BOTSWANA URANIUM PROSPECTS

- At the Kodibeleng Prospect field checking and hand-held spectrometer measurements of rocks and soils have confirmed several drill targets previously identified in the soil geochemistry surveys;
- At the Sua Prospect interpretation of soil geochemistry results is in progress and will be reported soon;
- At the Ikongwe and Shoshong Prospects soil sample programmes have been completed and the samples are enroute to Perth; and
- A significant programme of follow up exploration and drilling to test the key targets identified will commence in the next Quarter.

Market Cap

A\$21m (\$0.18 p/s)

Issued Capital

117,403,328

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Results of Maiden Reconnaissance Drilling at Lekobolo: Significant near-surface Uranium Mineralisation

Drill results from reconnaissance drilling by Impact at the Lekobolo Prospect have defined significant near-surface uranium mineralisation over an area of 3,000 m by 500 metres.

Lekobolo is located 20 km along strike from and covers the south western extension of the host rocks to the uranium mineralisation at the large Letlhakane deposit (owned by A-Cap Resources Ltd).

Impact's drill programme comprised 59 reverse circulation (RC) drill holes for a total of 2,294 m at a very broad drill hole spacing of 1,000 m by 400 m, with more detailed drilling at a spacing of 500 m by 400 m in the eastern part of the Prospect area (Figure 1).

Significant drill intercepts are listed in Table 1 and mainly occur in the east of the area drilled (Figures 1 and 2). Anomalous intercepts were returned from 27 holes and a complete listing of these is given at the end of this report.

TABLE 1

| Hole Number | Northing | Easting | From | To | Thickness | Grade (ppm eU ₃ O ₈) | Cutoff (ppm eU ₃ O ₈) |
|-------------|----------|------------------|------|------|-----------|---|--|
| LBRC004 | 7559000 | 517000 | 0.2 | 16.2 | 16.0 | 119 | 50 |
| | | <i>including</i> | 1.4 | 8.4 | 7.0 | 201 | 100 |
| LBRC007 | 7559400 | 518000 | 1.2 | 13.2 | 12.0 | 143 | 50 |
| | | <i>including</i> | 2.2 | 6.2 | 4.0 | 309 | 100 |
| | | | 16.0 | 19.8 | 3.8 | 90 | 50 |
| | | <i>including</i> | 17.2 | 19.2 | 2.0 | 116 | 100 |
| LBRC026 | 7557400 | 512000 | 17.0 | 28.2 | 11.2 | 78 | 50 |
| | | <i>including</i> | 22.0 | 22.6 | 0.6 | 120 | 100 |
| | | <i>and</i> | 25.6 | 27.8 | 2.2 | 108 | 100 |
| LBRC030 | 7559400 | 516500 | 0.4 | 24.8 | 24.4 | 80 | 50 |
| | | <i>including</i> | 16.0 | 17.4 | 1.4 | 167 | 100 |
| | | <i>and</i> | 19.4 | 23.8 | 4.4 | 136 | 100 |
| LBRC032 | 7559000 | 517500 | 1.2 | 15.0 | 13.8 | 106 | 50 |
| | | <i>and</i> | 3.6 | 9.4 | 5.8 | 174 | 100 |
| LBRC034 | 7559400 | 517500 | 1.8 | 7.2 | 5.4 | 55 | 50 |
| | | | 9.8 | 14.4 | 4.6 | 106 | 50 |
| | | <i>including</i> | 10.0 | 11.6 | 1.6 | 131 | 100 |
| | | <i>and</i> | 13.2 | 14.2 | 1.0 | 187 | 100 |
| LBRC041 | 7559600 | 516000 | 2.0 | 18.6 | 16.6 | 73 | 50 |
| | | <i>including</i> | 6.8 | 10.4 | 3.6 | 116 | 100 |
| | | | 22.6 | 28.8 | 6.2 | 56 | 50 |
| LBRC047 | 7559000 | 507000 | 16.2 | 21.8 | 5.6 | 85 | 50 |
| | | <i>including</i> | 17.8 | 19.8 | 2.0 | 125 | 100 |

Mineralisation occurs as a broad flat-lying zone from surface down to 24 m depth that is up to 3,000 m by 500 m in dimension and is hosted by weathered carbonaceous mudstone, sandstone and conglomerate of the Karoo Supergroup (Figures 1 and 2).

Thinner zones of higher grade mineralisation occur within this mineralised zone, commonly at the contacts between units of carbonaceous mudstone with sandstone and conglomerate.

Interpretation of geological and airborne magnetic data indicates that the mineralisation occurs within an east-west trending, fault-controlled Karoo-aged palaeochannel or sedimentary sub-basin (Figure 2). A section along this channel suggests there may be good continuity of mineralisation over at least 3 km (Figure 3).

Further Exploration at Lekobolo

The geological setting at Lekobolo is very similar to that at other Karoo-aged deposits such as the adjacent Letlhakane project and at the high grade Kyelekera Mine in Malawi owned by Paladin Energy Limited. At both these deposits higher grade uranium mineralisation occurs close to faults. At Lekobolo the faults associated with the palaeochannel, and their environs, have not been drill tested.

This mineralisation is open to the east and there are two other areas of anomalous uranium mineralisation, also associated with uranium-in-soil responses, that are open (Figure 1).

In addition there are four other uranium-in-soil response anomalies that are untested in the Lekobolo area (Figure 1).

Future work to be considered will include infill and step-out drilling of the eastern mineralised zone as well as reconnaissance drilling of the untested targets.

Exploration Progress at other Botswana Uranium Prospects

(i) Kodibeleng Prospect

Field checking of areas containing elevated uranium-in-soil responses reported previously from the Kodibeleng area has confirmed that several areas with outcrops of sandstone and siltstone contain very anomalous amounts, up to 197 ppm eU (as measured with a handheld spectrometer). These areas are being prioritised for drill testing to commence in the next Quarter.

(ii) Sua Prospect

Interpretation of the soil geochemistry results from the Sua Prospect is in progress and will be reported shortly.

(iii) Ikongwe and Shoshong prospects

Soil sampling programmes on the Ikongwe and Shoshong Prospects have been completed and samples are in transit to the laboratory in Perth.

The Company is planning a significant programme of follow up work, that will include drilling, to test the key targets at each of these prospects and to commence in the next Quarter. Further details will be announced in the near future.



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 full time 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 December 2004 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.

Gamma probing was conducted by Geotron Systems (Pty) Ltd of South Africa. Auslog and Geotron equipment was used for the survey and all probes were calibrated at the Pelindaba Calibration facility in South Africa with calibration certificates supplied by Geotron.

All eU3O8 values reported may be affected by issues such as possible disequilibrium and uranium mobility which should be taken into account when interpreting the results. The Company will select drill hole intercepts for geochemical assay to verify the gamma probe results.

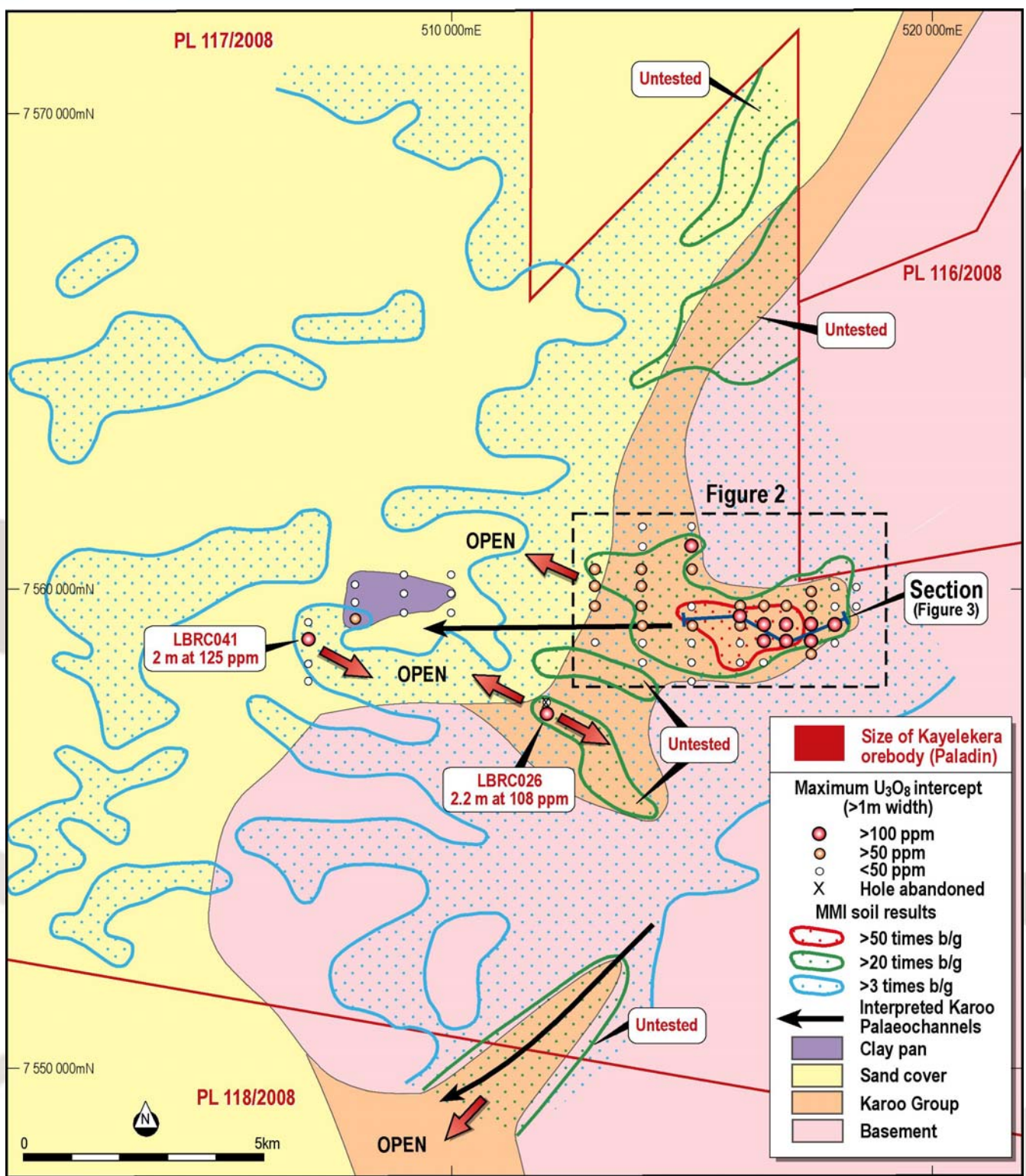


Figure 1. Location of drill holes and results of MMI soil sampling at the Lekobolo Prospect.

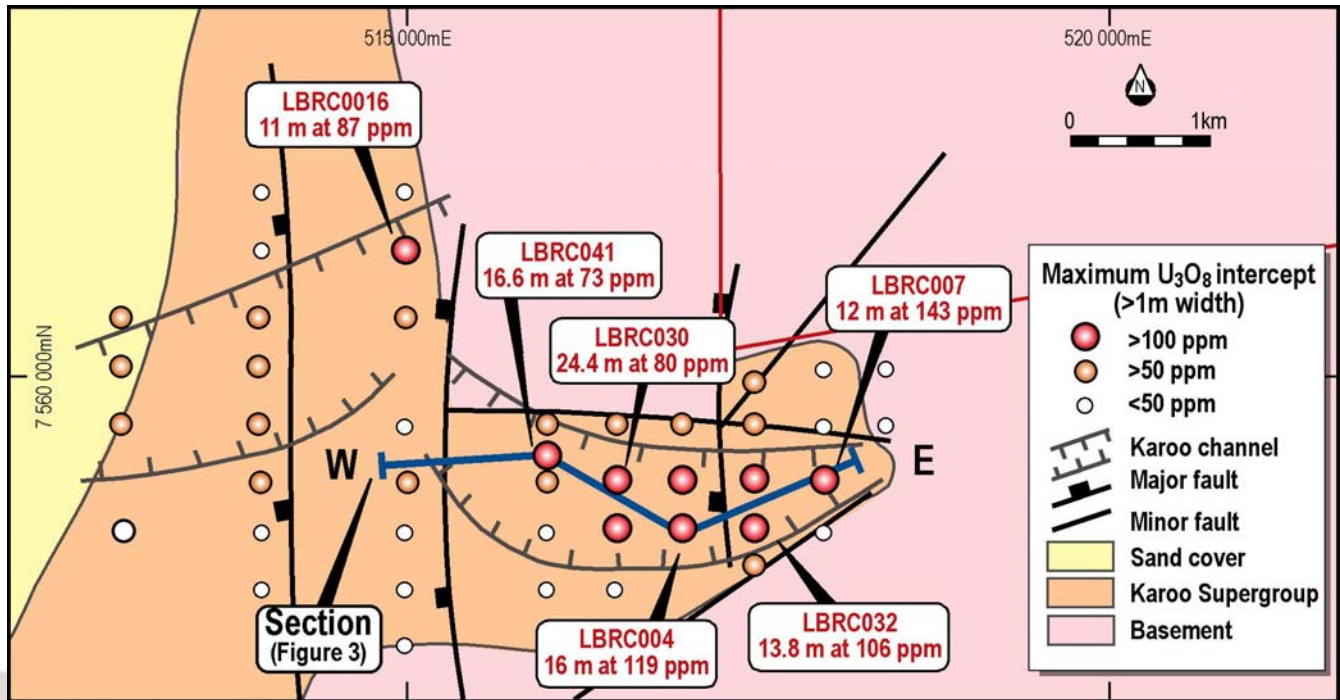


Figure 2. Close up of drill results from east part of Lekobolo Prospect.

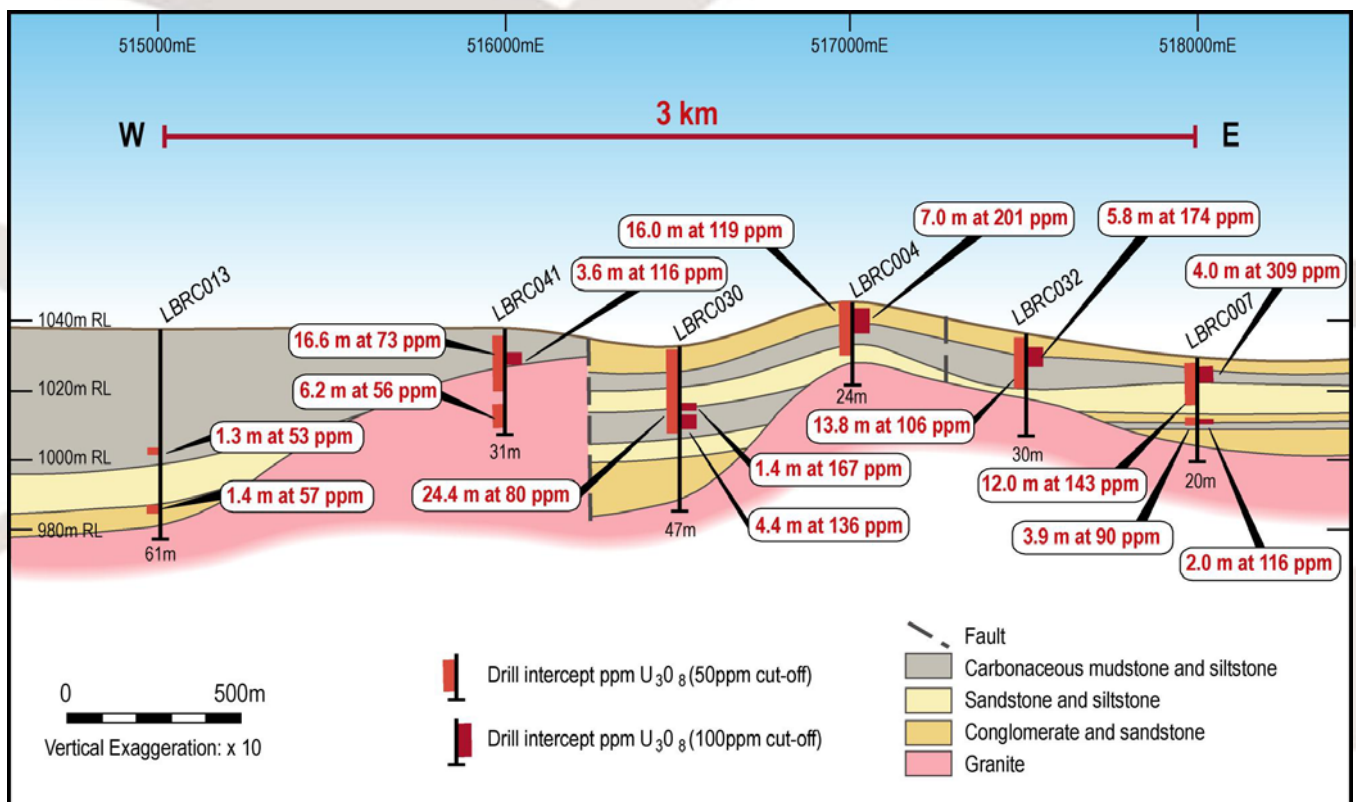


Figure 3. Section along interpreted Karoo Palaeochannel.

Impact's Botswana Uranium Project (100% Impact)

Impact's Prospecting Licences in Botswana cover 350 km of the strike extensions of rocks that host many significant uranium deposits throughout southern Africa, including Letlhakane (Figure A).

The large Letlhakane Project is owned by A-Cap Resources Limited which has reported an Inferred Resource of 158 Mlb of uranium oxide at an average grade of 154 ppm at a cut-off grade of 100 ppm, in deposits hosted by near-surface calcrete and by Karoo Group sedimentary rocks.

Impact's licences are prospective for three types of uranium deposits:

- deposits hosted by Karoo sedimentary rocks, which host a number of large uranium deposits throughout southern Africa, including at Letlhakane;
- uranium hosted by calcrete in Cainozoic palaeochannels, a style of mineralisation well known in Australia and Namibia; and
- deposits within playa (salt) lakes which, in Australia and elsewhere in Africa, are known to host significant uranium deposits.

Impact has identified 18 areas for follow up work with a combined strike length of more than 400 km within its licences (Figure A). These generally comprise elongate regions within which there are variably exposed calcrete outcrops and/or outcrops of prospective Karoo sedimentary rocks. Many have elevated surface uranium responses in the regional airborne radiometric data and in ground spectrometer readings.

Five priority targets have been identified by Impact and these are Lekobolo, Sua, Kodibeleng, Ikongwe and Shoshong (Figure A and ASX release dated 8th September 2009).

Impact's targets in Botswana have the potential to host very large deposits of uranium mineralisation in a country ranked in first place by the Fraser Institute in its 2009 survey of Mining jurisdictions in Africa.

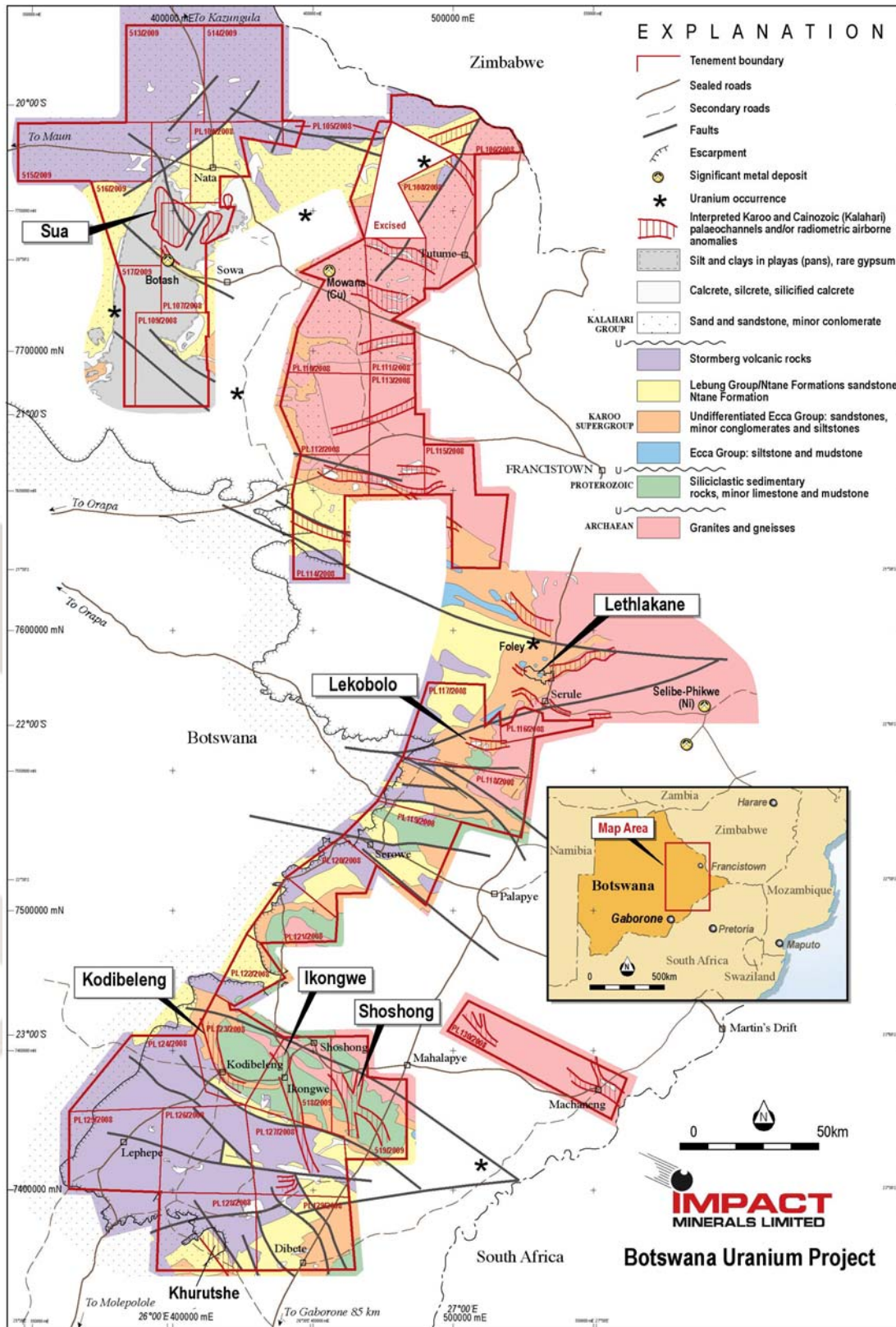


Figure A. Geology and Location of Priority Targets within Impact's 100%-owned Botswana Uranium Project.

| Hole Number | Northing | Easting | From | To | Thickness | Avg. Grade (ppm eU3O8) | Cutoff |
|----------------|----------------|------------------|-------------|-------------|-------------|------------------------|------------|
| LBRC002 | 7559000 | 516000 | 3.4 | 6.6 | 3.2 | 53 | 50 |
| | | | 8.8 | 13.2 | 4.4 | 57 | 50 |
| | | | 16.2 | 19.6 | 3.4 | 78 | 50 |
| | | <i>including</i> | 17.6 | 18.0 | 0.4 | 108 | 100 |
| | | | 21.4 | 26.8 | 5.4 | 64 | 50 |
| | | <i>including</i> | 25.2 | 25.4 | 0.2 | 103 | 100 |
| | | | 32.0 | 34.2 | 2.2 | 61 | 50 |
| LBRC003 | 7559400 | 516000 | 5.0 | 17.2 | 12.2 | 61 | 50 |
| | | | 19.4 | 26.4 | 7.0 | 62 | 50 |
| | | <i>including</i> | 19.8 | 20.0 | 0.2 | 109 | 100 |
| | | | 28.0 | 30.4 | 2.4 | 61 | 50 |
| | | | 33.0 | 35.2 | 2.2 | 79 | 50 |
| | | <i>including</i> | 33.2 | 33.6 | 0.4 | 101 | 100 |
| | | | 41.0 | 42.4 | 1.4 | 52 | 50 |
| LBRC004 | 7559000 | 517000 | 0.2 | 16.2 | 16.0 | 119 | 50 |
| | | <i>including</i> | 1.4 | 8.4 | 7.0 | 201 | 100 |
| LBRC005 | 7559400 | 517000 | 1.8 | 20.6 | 18.8 | 70 | 50 |
| | | <i>including</i> | 15.4 | 16.6 | 1.2 | 103 | 100 |
| | | <i>and</i> | 17.4 | 17.8 | 0.4 | 105 | 100 |
| | | <i>and</i> | 19.4 | 19.8 | 0.4 | 104 | 100 |
| LBRC006 | 7559800 | 517000 | 9.0 | 10.2 | 1.2 | 77 | 50 |
| LBRC007 | 7559400 | 518000 | 1.2 | 13.2 | 12.0 | 143 | 50 |
| | | <i>including</i> | 2.2 | 6.2 | 4.0 | 309 | 100 |
| | | <i>and</i> | 9.0 | 9.4 | 0.4 | 116 | 100 |
| | | <i>and</i> | 12.8 | 13.0 | 0.2 | 105 | 100 |
| | | | 16.0 | 19.8 | 3.8 | 90 | 50 |
| | | <i>including</i> | 17.2 | 19.2 | 2.0 | 116 | 100 |
| LBRC013 | 7559400 | 515000 | 34.2 | 35.4 | 1.2 | 53 | 50 |
| | | | 51.2 | 52.6 | 1.4 | 57 | 50 |
| LBRC015 | 7560600 | 515000 | 15.4 | 16.6 | 1.2 | 52 | 50 |
| LBRC016 | 7561000 | 515000 | 10.2 | 14.4 | 4.2 | 62 | 50 |
| | | | 16.0 | 17.0 | 1.0 | 63 | 50 |
| | | | 20.0 | 31.0 | 11.0 | 87 | 50 |
| | | <i>including</i> | 20.2 | 22.4 | 2.2 | 108 | 100 |
| | | <i>and</i> | 24.4 | 28.0 | 3.6 | 113 | 100 |
| | | | 36.0 | 37.2 | 1.2 | 53 | 50 |

| Hole Number | Northing | Easting | From | To | Thickness | Avg. Grade (ppm eU3O8) | Cutoff |
|-------------|----------|------------------|------|------|-----------|------------------------|--------|
| LBRC017 | 7559400 | 514000 | 49.6 | 50.8 | 1.2 | 57 | 50 |
| LBRC018 | 7559800 | 514000 | 45.8 | 51.8 | 6.0 | 65 | 50 |
| | | <i>including</i> | 50.0 | 50.2 | 0.2 | 110 | 100 |
| | | <i>and</i> | 51.2 | 51.4 | 0.2 | 113 | 100 |
| LBRC019 | 7560200 | 514000 | 42.8 | 52.0 | 9.2 | 60 | 50 |
| | | | 47.4 | 47.6 | 0.2 | 115 | 100 |
| | | | 49.6 | 49.8 | 0.2 | 123 | 100 |
| LBRC022 | 7560200 | 513000 | 13.4 | 15.6 | 2.2 | 52 | 50 |
| LBRC023 | 7559800 | 513000 | 51.8 | 52.6 | 0.8 | 72 | 50 |
| | | | 55.6 | 60.8 | 5.2 | 54 | 50 |
| LBRC025 | 7560600 | 513000 | 11.0 | 12.2 | 1.2 | 53 | 50 |
| LBRC026 | 7557400 | 512000 | 17.0 | 28.2 | 11.2 | 78 | 50 |
| | | <i>including</i> | 22.0 | 22.6 | 0.6 | 120 | 100 |
| | | <i>and</i> | 25.6 | 27.8 | 2.2 | 108 | 100 |
| LBRC029 | 7559000 | 516500 | 3.6 | 15.6 | 12.0 | 57 | 50 |
| | | <i>including</i> | 9.4 | 10.4 | 1.0 | 120 | 100 |
| | | <i>and</i> | 13.4 | 13.8 | 0.4 | 127 | 100 |
| | | | 17.0 | 19.2 | 2.2 | 49 | 50 |
| LBRC030 | 7559400 | 516500 | 0.4 | 24.8 | 24.4 | 80 | 50 |
| | | <i>including</i> | 16.0 | 17.4 | 1.4 | 167 | 100 |
| | | <i>and</i> | 19.4 | 23.8 | 4.4 | 136 | 100 |
| LBRC031 | 7559800 | 516500 | 4.8 | 5.8 | 1.0 | 52 | |
| LBRC032 | 7559000 | 517500 | 1.2 | 15.0 | 13.8 | 106 | 50 |
| | | <i>including</i> | 1.6 | 2.0 | 0.4 | 107 | 100 |
| | | <i>and</i> | 3.6 | 9.4 | 5.8 | 174 | 100 |
| LBRC034 | 7559400 | 517500 | 1.8 | 7.2 | 5.4 | 55 | 50 |
| | | | 9.8 | 14.4 | 4.6 | 106 | 50 |
| | | <i>including</i> | 10.0 | 11.6 | 1.6 | 131 | 100 |
| | | <i>and</i> | 13.2 | 14.2 | 1.0 | 187 | 100 |
| LBRC035 | 7559800 | 517500 | 8.6 | 9.6 | 1.0 | 51 | 50 |
| LBRC040 | 7559800 | 516000 | 1.6 | 6.8 | 5.2 | 61 | 50 |
| LBRC041 | 7559600 | 516000 | 2.0 | 18.6 | 16.6 | 73 | 50 |
| | | <i>including</i> | 6.8 | 10.4 | 3.6 | 116 | 100 |
| | | | 20.2 | 21.4 | 1.2 | 51 | 50 |
| | | | 22.6 | 28.8 | 6.2 | 56 | 50 |
| LBRC043 | 7560600 | 514000 | 5.8 | 11.8 | 6.0 | 58 | 50 |
| | | | 15.2 | 25.4 | 10.2 | 53 | 50 |

| Hole Number | Northing | Easting | From | To | Thickness | Avg. Grade (ppm eU3O8) | Cutoff |
|-------------|----------|------------------|------|------|-----------|------------------------|--------|
| LBRC047 | 7559000 | 507000 | 16.2 | 21.8 | 5.6 | 85 | 50 |
| | | <i>including</i> | 17.8 | 19.8 | 2.0 | 125 | 100 |
| LBRC050 | 7559400 | 508000 | 16.4 | 19.2 | 2.8 | 84 | 50 |
| | | <i>including</i> | 17.0 | 17.2 | 0.2 | 102 | 100 |
| | | <i>and</i> | 18.2 | 19.0 | 0.8 | 134 | 100 |