

FORM 51-102F3

Material Change Report

ITEM 1. NAME AND ADDRESS OF COMPANY

IMPACT Silver Corp. (the "Issuer")
900-543 Granville Street
Vancouver, British Columbia
V6C 1X8

ITEM 2. DATE OF MATERIAL CHANGE

January 20, 2011

ITEM 3. NEWS RELEASE

Issued January 20, 2011 and distributed through the facilities of Stockwatch, Northern Miner and Market News.

ITEM 4. SUMMARY OF MATERIAL CHANGE

See attached news release.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

See attached news release.

ITEM 6. RELIANCE ON SUBSECTION 7.1(3) OF NATIONAL INSTRUMENT 51-102

Not applicable.

ITEM 7. OMITTED INFORMATION

No information has been omitted on the basis that it is confidential information.

ITEM 8. EXECUTIVE OFFICER

Contact: Frederick W. Davidson, President, CEO, Director
Telephone: 604 681 9501

ITEM 9. DATE OF REPORT

DATED at Vancouver, BC, this 24th day of January, 2011.

NEWS RELEASE

IMPACT Silver Corp.

For release: January 20, 2011

TRADING SYMBOL: "IPT: TSX.V"

IMPACT SILVER 2010 MINE DEVELOPMENT AND EXPLORATION SUMMARY

IMPACT Silver Corp. ("IMPACT" or "the Company") is pleased to provide a summary of its 2010 new mine development and exploration activities at the Royal Mines of Zacualpan Silver District ("Zacualpan") and the adjacent Mamatla Mineral District ("Mamatla") in central Mexico. The Zacualpan and Mamatla Districts consist of a large package of 100%-owned mineral concessions with wholly-owned operating mines, a 500-tpd (tonnes-per-day) processing plant and the new Capire Mine Development Project scheduled for production in late 2011. In 2010, the combined property area was expanded by 150 square kilometers to 623 square kilometers. The continued success of the exploration and development work contributed to the ongoing expansion of mining operations. Information on mine production will follow later with the release of final 2010 financial statements.

THE CAPIRE PROJECT: NEAR TERM PRODUCTION FROM A NEW MINING DISTRICT

The Capire Zone is located 16 kilometers southwest of IMPACT's active mining and processing operations at Zacualpan. The Capire Zone is currently in the final mine planning and permitting stage with a target to begin pilot plant operations at a rate of 200 tpd later in 2011. The orientation and shallow depth from surface of the mineralization will allow open pit mining of a portion of the zone. Capire will be the Company's fourth operating mine in the region and represents near-term production from a new mining district.

In November 2009, the Company announced the first NI43-101 compliant mineral resource estimates for the Capire Zone (formerly known as the Capire-Aurora 1 Zone) located in the Mamatla Mineral District. These measured and indicated mineral resource estimates totaled **7.2 million ounces Silver, 94.3 million lbs Zinc and 38.8 million lbs Lead** (see IMPACT Silver news release dated [November 19, 2009](#) for details). Additional drilling in 2010 was designed to upgrade these mineral resources in preparation for mining (see IMPACT Silver news releases dated [March 17, 2010](#) and [May 25, 2010](#) for drill results). Updated mineral resource estimates are pending. The zone remains open for expansion.

NEW MINE DEVELOPMENT AT NOCHE BUENA

In early 2010, the Company put its third new mine into production at Noche Buena. From the time first assays were received from the discovery drill hole (January 2009) to initial mining in March 2010, approximately 15 months had elapsed. This ability to fast-track new mines into production is a cornerstone of IMPACT's plans to rapidly grow silver production in the Zacualpan-Mamatla Districts.

Drilling has defined the upper levels of the Noche Buena Zone over a strike length of 400 meters; a depth of 100 meters; and an average width of three meters. The zone remains open for expansion. Exploration on this northerly trending, west dipping silver-gold breccia zone has consisted of holes drilled on a 50m x 50m pattern designed to systematically explore and build tonnage. Highlights from the drilling include **204g/t Silver across 8.6m, 589g/t Silver across 3.1m and 368g/t Silver across 4.0m** (see IMPACT Silver news release dated [March 4, 2010](#) for a full summary of drill results). Other veins intersected in the drilling above and below the Noche Buena Vein returned high grade values including **499 g/t Silver across 3.8m and 1,078 g/t Silver across 3.3m**, and have been incorporated into the mining plan. Current production is at 66 tpd, and ramping up each quarter. Further drilling and underground development is planned to expand the zone.

EXPLORATION OVERVIEW

During 2010, exploration continued on multiple targets. During the year, surface exploration and resource drilling totaled 15,323 meters, up from 11,664 meters in 2009 and underground drilling totaled 2,197 meters, down from 3,783 meters. Field work included extensive mapping, trenching, sampling of old mines and soil sampling. Highlights of exploration work carried out during the year are described below.

Data Compilation

Since 2004, the Company has been reporting results from a large number of old mines and prospects in the Zacualpan and Mamatla Districts. Over 2,000 old mine workings and prospects in the Zacualpan and Mamatla Districts have now been compiled in the GIS database representing almost 500 years of mining history in the districts. In 2010, the GIS database reached a critical mass of information and is now the main engine for generating and prioritizing drill targets.

Drilling

In 2010, exploration drilling tested extensions of the San Ramon Mine and a 3.5-square kilometer area designated the GCC Sector (Golondrinas-Chontalpan-Cuchara Sector). The program was designed to enhance current production to the Guadalupe processing plant located three kilometers to the northwest. The GCC Sector encompasses many old mining camps and mapping areas including Santa Lucia, Chontalpan, Golondrinas, Principe, San Antonio, Ojo de Agua, Cuchara and Santa Efigenia. In 2010, the main drill targets were Santa Lucia, Chontalpan North and Golondrinas, as described below.

Santa Lucia Drilling

In 2010, IMPACT announced results from two additional drill holes at Santa Lucia as follow-up to the 2009 Phase One drill program. Highlights from the 2009 drilling include **278 g/t Silver across 6.3 meters** (DH Z09-47), **1,905 g/t Silver across 0.6 meters** (DH Z09-37) and **419 g/t Silver across 2.4 meters** (DH Z09-53). Further drilling is planned for Santa Lucia. The 2010 drill results at Santa Lucia are as follows:

SUMMARY OF 2010 SANTA LUCIA DRILL INTERSECTIONS

DRILL HOLE	FROM (m)	TO (m)	INTERVAL (m)	SILVER (g/t)	GOLD (g/t)	LEAD (%)	ZINC (%)
SECTION 15+00 N							
Z10-03	260.7	261.8	1.1	588.0	0.05	0.37	2.00
	and						
Z10-03	266.1	267.1	1.7	394.2	0.07	1.05	1.57
	and						
Z10-03	269.4	270.0	0.7	154.0	0.32	2.00	2.06
SECTION 14+50 N							
Z10-04	300.3	300.8	0.5	187.0	0.01	1.41	3.24

Chontalpan North Drilling

In 2010, IMPACT commenced drilling on the Chontalpan Project Area to test two targets on the north extension of the large old Chontalpan Mine. Historically, the silver-rich Chontalpan Vein has accounted for a significant portion of the Zacualpan District's past production dating back to the 1760s. Phase One drill results from the Chontalpan targets are as follows:

SUMMARY OF 2010 CHONTALPAN AREA DRILL INTERSECTIONS

DRILL HOLE	DRILL SECTION	VEIN NAME	FROM (m)	TO (m)	INTERVAL (m)	SILVER (g/t)	GOLD (g/t)	LEAD (%)	ZINC (%)
CHONTALPAN MINE - NORTHWEST ("CMN") DRILLING AREA									
Z10-05	L 6+00 S	Chontalpan	144.5	144.9	0.35	322.0	0.140	0.03	0.01
			and						
Z10-05	L 6+00 S	Chontalpan	156.00	158.00	2.00	331.5	0.151	0.56	1.36
Z10-06	L 6+00 S	Chontalpan	165.9	167.75	1.85	109.8	0.073	0.12	0.36
			and						
Z10-06	L 6+00 S	Poblana	216.10	217.30	1.20	232.0	0.020	0.15	0.37
Z10-07	L 5+50 S	Chontalpan	80.25	82.52	2.27	280.5	0.007	0.06	0.18
			including						
Z10-07	L 5+50 S	Chontalpan	80.87	81.2	0.33	1,900.0	0.050	0.40	1.15
LOMA LARGA DRILLING AREA									
Z10-08	L 0+50 S	Chontalpan	87.45	89.15	1.70	167.1	0.047	0.14	0.54
			including						
Z10-08	L 0+50 S	Chontalpan	87.9	88.29	0.39	708.0	1.800	0.57	2.27
			and						
Z10-08	L 0+50 S	Chontalpan Splay #1	96.35	96.9	0.55	139.0	0.490	0.57	1.08
Z10-09	L 0+50 S	Chontalpan	97.18	97.95	0.77	260.4	0.299	0.75	2.86
Z10-10	L 0+00 S	Chontalpan	55.70	60.40	4.70	239.6	0.016	0.24	0.69
			including						
Z10-10	L 0+00 S	Chontalpan	55.70	57.84	2.14	402.6	0.023	0.35	1.26
			and						
Z10-10	L 0+00 S	Chontalpan Splay #2	65.27	65.46	0.19	310	0.13	3.52	11.60

Assays from an additional 11 drill holes at Chontalpan are pending.

Golondrinas Drilling

In 2010, IMPACT commenced drilling on the Golondrinas Project Area to test numerous closely-spaced vein systems. Sample results from old mine workings on these veins included **4,800 g/t Silver across 1.25m**. In 2010, the first phase drill program at Golondrinas produced many significant results:

GOLONDRINAS 2010 FIRST PHASE DRILL PROGRAM RESULTS

DRILL HOLE	DRILL SECTION	FROM (m)	TO (m)	INTERVAL (m)	SILVER (g/t)	GOLD (g/t)
Z10-11	L 07 + 50 N	101.25	102.08	0.83	78.2	0.047
Z10-14	L 08 + 00 N	127.97	129.47	1.5	759.2	0.061
Including	L 08 + 00 N	127.97	129	1.03	1,045.0 0	0.08
Z10-15	L 08 + 50 N	61	65.45	4.45	289.5	0.075
Including	L 08 + 50 N	63.5	64.25	0.75	848	0.35
Z10-17	L 08 + 50 N	172.6	173.3	0.7	312	0.01
And	L 08 + 50 N	179.95	181	1.05	271	0.01
Z10-20	L 09 + 50 N	48.4	56.55	8.15	172.4	0.02
Including	L 09 + 50 N	52.27	56.55	4.28	224.9	0.025
Z10-22	L 10 + 00 N	107.67	108.13	0.46	2120	0.03
And	L 10 + 00 N	111.3	112.35	1.05	114	0.05
And	L 10 + 00 N	143.64	144.32	0.68	657	0.06
Z10-24	10+50N	18.22	19.35	1.13	213	0.02
And	10+50N	161.00	163.80	2.80	277	0.03
Including	10+50N	161.00	162.15	1.15	613	0.07
Z10-25	11+00N	89.70	90.70	1.00	263	0.08
And	11+00N	160.00	160.60	0.60	230	0.04
And	11+00N	167.85	168.10	0.25	691	0.08
And	11+00N	173.00	179.00	6.00	113	0.01
Including	11+00N	173.00	175.90	2.90	174	0.01
Z10-27	12+00N	152.05	155.20	3.15	277	0.00
Including	12+00N	152.05	152.30	0.25	3,010	0.02
Z10-28	12+00N	171.77	175.26	3.49	104	0.00
Including	12+00N	171.77	172.55	0.78	402	0.01
Z10-29	10+50N	210.59	214.37	3.78	95	0.01
Including	10+50N	214.18	214.37	0.19	1,245	0.14

These first phase holes for Golondrinas Area intersected five different closely spaced veins of interest (Golondrinas, La Obra I, La Obra II, La Blanca and El Colorin II). Three additional holes were completed at Golondrinas in 2010; assays are pending.

San Ramon Drilling

In 2010, IMPACT drilled two holes to test extensions of the San Ramon Mine vein system. Drill hole Z10-01 was targeted to an area 70 meters northwest of current mine workings and Z10-02 targeted 140 meters below the southeastern limit of the mine workings. Both holes intersected a variety of veins as described in the following table:

SUMMARY OF SAN RAMON EXTENSIONS DRILL INTERSECTIONS

DRILL HOLE	VEIN NAME	FROM (m)	TO (m)	INTERVAL (m)	SILVER (g/t)	GOLD (g/t)	LEAD (%)	ZINC (%)
Z10-01	Inmaculada	136.8	137.8	1.0	203.0	0.93	0.25	0.61
		and						
Z10-01	20 de Noviembre	145.3	146.5	1.2	249.00	1.17	0.20	0.58
Z10-02	Chaparrita	227.4	229.8	2.4	331.1	0.14	0.31	1.14
		and						
Z10-02	Chaparrita Splay	241.5	242.7	1.2	226.00	0.05	0.06	0.25
		and						
Z10-02	Intermediate	275.5	275.9	0.4	560.00	0.08	0.17	0.36

Early Stage Exploration

IMPACT employs well-trained field crews dedicated to early stage exploration throughout the District. These crews have been sampling some of the 2,000+ old mine workings and prospects in the Zacualpan and Mamatla Districts, trenching areas of mineralization and carrying out extensive soil sampling on 100mx 25m grids. During 2010, this work has been successful in defining high priority targets in several areas that will be drilled in 2011.

ZACATECAS PROJECT

In 2010, IMPACT completed purchase of the 200-tpd processing plant at Zacatecas which includes 10 mineral concessions with no underlying royalties. The Company is now upgrading the plant and may operate it as a toll mill to generate revenue processing ore for local miners as well as ore from its own concessions in the District.

FUTURE EXPLORATION PLANS

IMPACT's exploration work in the Zacualpan and Mamatla Districts has been very successful in recent years. IMPACT staff has put three new mines (Chivo, San Ramon/Chaparrita and Noche Buena) into production over the past five years, along with various satellite deposits and a fourth mine at Capire is scheduled for pilot plant production in 2011.

During 2010, exploration focused on generating near-term production targets continued at a high level. Plans for 2011 are to significantly expand the exploration budget and drilling in order to put some of the other 2,000+ compiled prospects in the Zacualpan and Mamatla Districts on a faster track to potential production and build mineral inventories for mining.

With a track record of successful exploration, rapid mine development and more than 2,000 old mine workings, most not yet drilled, IMPACT's long term vision sees potential for establishment of multiple processing plants throughout

the districts each fed by multiple mines. The building of a second production center at Capire in 2011 is the next step to fulfilling this vision.

George Gorzynski, P. Eng., Vice President and Director of IMPACT Silver, and a Qualified Person under the meaning of Canadian National Instrument 43-101, is responsible for the technical information in this news release. The Capire mineral resource estimates in this news release were taken from a technical report (posted on www.sedar.com) by Claus G. Wiese, P. Eng. of I-Cubed LLC, an independent professional engineer.

IMPACT Silver Corp. is a profitable silver-focused mining and exploration company operating in Mexico with a producing silver operation at the Royal Mines of Zacualpan, the adjacent 200-square-kilometer Mamatla Mineral District and a portfolio of projects with a 200-tpd mill at Zacatecas. Additional information including maps of IMPACT's projects can be found on the company website at www.IMPACTSilver.com .

On behalf of the board of directors of IMPACT Silver Corp.,

"Frederick W. Davidson"
President & CEO

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The TSX Venture Exchange has neither approved nor disapproved this news release.

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