

FORM 51-102F3

Material Change Report

ITEM 1. NAME AND ADDRESS OF COMPANY

IMPACT Silver Corp.
900-543 Granville Street
Vancouver, British Columbia
V6C 1X8

ITEM 2. DATE OF MATERIAL CHANGE

February 19, 2019

ITEM 3. NEWS RELEASE

Issued February 19, 2019 and distributed through the facilities of Stockwatch, Northern Miner and Market News.

ITEM 4. SUMMARY OF MATERIAL CHANGE

The Company Announces the Start of Drilling on the El Canelo Vein System at Santa Teresa project.

ITEM 5. FULL DESCRIPTION OF MATERIAL CHANGE

IMPACT Silver Corp. ("IMPACT" or the "Company") is pleased to announce that diamond drilling has commenced on the El Canelo gold silver vein in the Santa Teresa area. Trench sampling along the strike of the vein at 10m intervals returned an average gold grade of 6.5 g/t over a true width of 1.66m and a length of 50m (News Release Dated [25 Sept. 2018](#)). The initial six hole program will test the vein system along strike and to a down dip depth of 100m at 50m intervals.

"This small initial program follows our successful 2018 sampling program and allows IMPACT to test potential continuity of veins we first encountered over a decade ago at much lower gold prices. Given the proximity of the project to IMPACT's operation mills, potential large enough tonnage of gold and copper could warrant near-term production prospects."

The strong gold potential of the general area was first recognized by IMPACT geologists between 2008 and 2013 while drilling the Carlos Pacheco and San Juan areas 1.5km to the north which yielded high grade gold drilling values including 19.6 g/t gold across 2.9 meters and 3.84 g/t gold across 6.7 meters. It's plausible that Carlos Pacheco are probably northern extensions of the Santa Teresa mineralizing system. Detailed results can be viewed from previous reports by IMPACT dated December 4, 2008; July 11, 2012; October 30, 2013; January 7, 2014):

Exploration programs are ongoing in the San Ramon Sur area to the south of the San Ramon mine which on July 17, 2018, the IMPACT team announced a new zone discovery with drilling results of 2.04 meters of 661 g/t silver and 4.97 meters of 354 g/t silver. Lastly – exploration is ongoing also at Manto America area located about 4km to the south of Santa Teresa.

About IMPACT Silver:

IMPACT Silver Corp. is a successful silver explorer-producer with two processing plants on adjacent districts within its 100% owned mineral concessions covering 357km² in central Mexico with excellent infrastructure and labor force. Over the past thirteen years over 8.5 Moz of Silver has been produced, generating revenues of \$175 million, with no long-term debt. In the historic Royal Mines of Zacualpan Silver District three underground silver mines feed the central 535 TPD Guadalupe processing plant. To the south, in the Mamatla District the Capire processing plant is currently rated at 200 tpd, but is expandable. It is adjacent to an open pit silver mine with a National Instrument 43-101 ("NI 43-101") compliant resource of over 4.5 Moz Silver, 48 million lbs Zinc and 21 million lbs Lead (see IMPACT news release dated [January 18, 2016](#)) that is awaiting higher silver prices to be restarted. Since acquiring the project, IMPACT has compiled an exhaustive database with over 5,000 old mine workings, assayed over 34,000 rock samples and over 54,000 drill core samples, analysed over 50,000 soil samples, and put six mines into production. Additional information about IMPACT and its operations can be found on the Company website at www.IMPACTSilver.com.

Qualified Person and NI 43-101 Disclosure

Wojtek Jakubowski, P.Geo. is a "qualified person" within the meaning of NI 43-101 and has reviewed, verified and approved the technical information disclosure contained in this press release.

Neither TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.

Forward-Looking and Cautionary Statements

This IMPACT News Release may contain certain "forward-looking" statements and information relating to IMPACT that is based on the beliefs of IMPACT management, as well as assumptions made by and information currently available to IMPACT management. Forward-looking information is often, but not always, identified by the use of words such as "seek", "anticipate", "plan", "continue", "planned", "expect", "project", "predict", "potential", "targeting", "intends", "believe", "potential", and similar expressions, or describes a "goal", or variation of such words and phrases or state that certain actions, events or results "may", "should", "could", "would", "might" or "will" be taken, occur or be achieved. Such statements include, but are not limited to, statements with respect to the expected use of proceeds of the Private Placement.

Such forward-looking information involves known and unknown risks and assumptions, including with respect to, without limitations, exploration and development risks, expenditure and financing requirements, title matters, operating hazards, metal prices, political and economic factors, competitive factors, general economic conditions, relationships with vendors and strategic partners, governmental regulation and supervision, seasonality, technological change, industry practices, and one-time events. Should any one or more risks or uncertainties materialize or change, or should any underlying assumptions prove incorrect, actual results and forward-looking statements may vary materially from those described herein. IMPACT does not assume the obligation to update any forward-looking statement.

The Company's decision to place a mine into production, expand a mine, make other production related decisions or otherwise carry out mining and processing operations, is largely based on internal non-public Company data and reports based on exploration, development and mining work by the Company's geologists and engineers. The results of this work are evident in the discovery and building of multiple mines for the Company and in the track record of mineral production and financial returns of the Company since 2006. Under NI 43-101 the Company is required to disclose that it has not based its production decisions on NI 43-101 compliant mineral resource or reserve estimates, preliminary economic assessments or feasibility studies, and historically such projects have increased uncertainty and risk of failure.

1100-543 Granville Street
Vancouver, BC, Canada V6C 1X8

Telephone 604 681-0172
Facsimile 604 681-6813

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 26th day of February, 2019.

NEWS RELEASE

IMPACT Silver Corp.

For Release: February 19, 2019

Trading Symbol: “IPT: TSX.V”

IMPACT Silver Announces the Start of Drilling on the El Canelo Vein System at Santa Teresa project

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On behalf of IMPACT Silver Corp.

“Frederick W. Davidson”
President & CEO

For more information, please contact:
Jerry Huang
CFO | Investor Relations
(604) 681 0172 or inquiries@impactsilver.com

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