FORM 51-102F3

MATERIAL CHANGE REPORT

Item 1. Name and Address of Company

Impact Silver Corp. (the "**Company**")
1100 - 543 Granville St.
Vancouver, BC V6C 1X8

Item 2. Date of Material Change

July 18, 2019

Item 3. News Release

The news release was disseminated through Stockwatch on July 18, 2019 and filed on SEDAR.

Item 4. Summary of Material Change

The Company amended the terms of its ongoing non-brokered private placement and upsized the financing to raise additional gross proceeds of up to $3,000,000.

Item 5. Full Description of Material Change

5.1 Full Description of Material Change

On July 18, 2019, the Company announced that it has amended the terms of its ongoing non-brokered private placement, first announced on June 19, 2019, and subsequently updated on July 8, 2019 (the "**Private Placement**"). The Company is pleased to announce that it has received an unanticipated degree of interest from investors wanting to participate in its financing. In addition, the Company's stock price has increased such that management believes that it is appropriate to reprice the placement of units of the financing to align with current investor sentiment.

The financing terms as at July 8th provided for the placement of units at an issue price of $0.26 per unit (each a "**Series 1 Unit**") consisting of one Company common share (a "Share") and one common share purchase warrant exercisable for a 36-month period following issuance at a price of $0.30 per Share (a "**Series 1 Warrant**"). Under those financing terms, IMPACT has closed a first tranche placement of 4,752,770 Series 1 Units to raise gross proceeds of $1,235,720.20, and expects to close a second tranche placement of 2,747,230 Series 1 Units by July 24, 2019 to raise additional gross proceeds of $714,279.80.

Under the now modified terms of the financing and in addition to the placement of Series 1 Units described above, IMPACT will offer up to 10,344,828 units at an increased price of $0.29 per unit (each a "Series 2 Unit") consisting of one Share and one common share purchase warrant exercisable for a 36-month period following their issuance at an exercise price of $0.385 per Share (a "Series 2 Warrant"), for additional gross proceeds of up to $3,000,000.

The Series 2 Warrant exercise price was determined by the Company's board of directors based on the closing price for the Shares on the date prior to this press release and the requirements of TSX Venture Exchange policies. In the aggregate, the Company expects to raise $4,950,000.00 from the placement of Series 1 Units and Series 2 Units pursuant to the Private Placement.

The Company intends to pay a finder's fee of 7% in cash to certain arms' length finders.

All securities issued under the Private Placement, including securities issuable on exercise of the Series 1 Warrants and Series 2 Warrants, will be subject to a hold period expiring four months and one day from the applicable closing date.

Directors, officers and insiders may participate in the Private Placement. Any such participation will be considered to be a “related-party transaction”, within the meaning of TSX Venture Exchange Policy 5.9 and Multilateral Instrument 61-101 (“MI 61-101”). The Company intends to rely on the exemptions of the formal valuation and minority shareholder approval requirements of MI 61-101 contained in Sections 5.5(a) and 5.7(1) of MI 61-101 in respect of such participation by related parties.

The Private Placement is subject to certain conditions including, but not limited to, the receipt of all necessary regulatory approvals, including acceptance of the TSX Venture Exchange.

THIS MATERIAL CHANGE REPORT, REQUIRED BY APPLICABLE CANADIAN LAWS, IS NOT FOR DISTRIBUTION TO U.S. NEWS SERVICES OR FOR DISSEMINATION IN THE UNITED STATES.

THIS MATERIAL CHANGE REPORT DOES NOT CONSTITUTE AN OFFER TO SELL, OR THE SOLICITATION OF AN OFFER TO BUY, NOR SHALL THERE BE ANY SALE OF SECURITIES OF THE COMPANY IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL PRIOR TO REGISTRATION OR QUALIFICATION UNDER THE SECURITIES LAWS OF ANY SUCH JURISDICTION.

5.2 Disclosure for Restructuring Transactions

Not applicable.

Item 6. Reliance on Subsection 7.1(2) of National Instrument 51-102

Not applicable.

Item 7. Omitted Information

None.

Item 8. Executive Officer

Frederick Davidson, President, CEO and Director
Business Telephone: (604) 681-9501

Item 9. Date of Report

July 19, 2019