

Form 51-102F3

Material Change Report

Item 1 Name and Address of Company

Impact Silver Corp. (the “Issuer”)  
303 - 543 Granville Street  
Vancouver, BC  
V6C 1X8

Item 2 Date of Material Change

Dec 22, 2023

Item 3 News Release

A news release was issued by the Issuer on Dec 22, 2023 via Newswire and filed on SEDAR.

Item 4 Summary of Material Change

The Issuer is pleased to announce that it has closed the non-brokered private placement financing of \$3,500,000 previously announced on December 6th, and increased on December 8th, 2023 (the “Offering”) to \$3,500,000.

The Company received aggregate proceeds of C\$3,500,000 from the issuance of 20,588,235 units (the “Units”) of the Company at C\$0.17 per unit. Each unit will consist of one common share of the Company and one half of one common share purchase warrant. Each full warrant entitles the holder thereof to acquire one share from the company at a price of \$0.22 per share for a period of 24 months from its date of issue.

The Issuer intends to use the net proceeds from the Offering for exploration, development and general corporate purposes.

Finder’s fees were paid in connection with the private placement.

Item 5 Full Description of Material Change

The Issuer completed two tranches of the private placement that was closed as follows:

| Closing Date | Number of Units  | \$ Amount      |
|--------------|------------------|----------------|
| Dec 22 2023  | 30,903,012 Units | \$3,500,000.00 |

See Dec 22 2023 for news releases.

Item 6 Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable.

Item 7 Omitted Information

Not Applicable.

Item 8 Executive Officer

Contact: Frederick W. Davidson

Telephone: (604) 664-7707

Item 9 Date of Report

Dec 22, 2023

Schedule A

**NEWS RELEASE**  
**IMPACT Silver Corp.**

**For Release:** December 22<sup>nd</sup>, 2023

**Trading Symbol: “IPT: TSX-V”  
“ISVLF:OTCQB” “X9X:FR”**

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OR FOR DISSEMINATION IN THE UNITED STATES**

**IMPACT SILVER ANNOUNCES CLOSING OF \$3.5 MILLION  
NON-BROKERED PRIVATE PLACEMENT FINANCING**

IMPACT Silver Corp. (TSX-V: IPT) (OTC PINK: ISVLF) (FSE: IKL) (“IMPACT” or the “**Company**”) is pleased to announce that it has closed the non-brokered private placement financing of \$3,500,000 previously announced on December 6<sup>th</sup>, and increased on December 8<sup>th</sup>, 2023 (the “**Offering**”) to \$3,500,000.

The Company received aggregate proceeds of C\$3,500,000 from the issuance of 20,588,235 units (the “**Units**”) of the Company at C\$0.17 per unit. Each unit will consist of one common share of the Company and one half of one common share purchase warrant. Each full warrant entitles the holder thereof to acquire one share from the company at a price of \$0.22 per share for a period of 24 months from its date of issue.

The Company intends to use the net proceeds from the Offering for exploration and development of its projects in Mexico, working capital requirements and other general corporate purposes including legal and financing fees related to the Offering.

Frederick Davidson, CEO and President of the Company comments, “I would like to thank all our investors and stakeholders for their support in this financing as we close out the year. We anticipate a robust and expanding exploration program in 2024 as we ramp up operational cash flow. Meanwhile, precious and base metal prices have recently benefited from lower forecasted interest rates and strong anticipated growth emanating from the green energy economy which will command substantial amounts of silver and zinc going forward.”

The offering was made pursuant to the listed issuer financing exemption under Part 5A of National Instrument 45-106 - *Prospectus Exemptions* (the “**LIFE Exemption**”). The securities sold under the LIFE Exemption are not subject to a hold period in accordance with applicable Canadian securities laws. A copy of the offering document under the LIFE Exemption dated December 6, 2023, as amended December 8, 2023, is available electronically on SEDAR+ ([www.sedarplus.ca](http://www.sedarplus.ca)) under the Company’s issuer profile. The offering remains subject to final acceptance by the TSX Venture Exchange.

In connection with the offering, the Company paid an aggregate of \$58,000 in finder’s fees and issued 341,298 finder’s warrants (each, a “**Finder’s Warrant**”) to certain finders. Each Finder’s Warrant entitles the holder thereof to purchase one common share of the Company at a price of 22 cents per share for a period of 24 months from its date of issue.

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the

registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

## **ABOUT IMPACT SILVER**

IMPACT Silver Corp. (TSXV:IPT) is a successful producer-explorer with two mining projects in Mexico.

**Royal Mines of Zacualpan Silver-Gold District:** IMPACT owns 100% of the 211 km<sup>2</sup> Zacualpan project where four underground silver mines and one open pit mine feed the central 500 tpd Guadalupe processing plant. To the south, the Capire Project includes a 200 tpd processing pilot plant adjacent to an open pit silver mine with an NI 43-101 inferred mineral resource of over 4.5 million oz silver, 48 million lbs zinc and 21 million lbs lead (see IMPACT news release dated January 18, 2016 for details and QP statement); Company engineers are reviewing Capire for a potential restart of operations. Over the past 17 years, IMPACT has placed multiple zones into commercial production and produced over 12 million ounces of silver, generating revenues over \$256 million.

**Plomosas Zinc-Lead-Silver District:** Plomosas is a high-grade zinc producer in northern Mexico with exceptional exploration upside potential. The Company recently re-commenced operations and has plans for expansion in 2024. Exploration potential at Plomosas is exceptional with only 600m of the 6km-long structure having been explored to date. This is in addition to other exploration targets on the 3,019-hectare property including untested copper-gold targets with indications of high-grade material from surface. Regionally, Plomosas lies in the same mineral belt as some of the largest carbonate replacement deposits in the world.

## ***Qualified Person and NI 43-101 Disclosure***

George Gorzynski, P.Eng., is a "Qualified Person" within the meaning of NI 43-101 and has approved the technical information contained in this news release.

On behalf of IMPACT Silver Corp.

*“Frederick W. Davidson”*

President & CEO

For more information, please contact:

Jerry Huang

CFO | Investor Relations

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*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. All statements, other than statements of historical facts, included herein, including, without limitation, statements relating to future silver prices, interpretation of drill results, future work plans, proceeds received and use of funds, the potential of the Company's projects, and potential and plans for the Plomosas project, are forward looking statements. 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, except as required by law.

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.

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