IMPACT DEVELOPMENT GROUP INC. ANNOUNCES CANCELLATION OF WARRANTS AND RESTATED LOAN AGREEMENT

Toronto, Ontario – (Newsfile Corp. – August 12, 2026) – Impact Development Group Inc. (TSXV: IMPT) ("**Impact**", "**IDG**" or the "**Company**") announces that it has cancelled certain common share purchase warrants previously issued in connection with the Company's historical loan arrangements.

The warrants that were cancelled consisted of: (i) 1,394,014 bonus warrants issued in connection with a senior secured non-convertible debenture dated January 25, 2024, and (ii) 788,581 bonus warrants reflected in the Company's books and records in connection with an operating loan dated October 24, 2024. All such warrants have been cancelled in full pursuant to a warrant cancellation agreement dated January 15, 2026 (collectively, the "**Cancelled Warrants**").

The Company also announces that it has entered into an amended and restated unsecured loan agreement (the "**Restated Loan Agreement**") with Global Axe Investment Holdings (the "**Lender**"), effective as of July 27, 2026. The Restated Loan Agreement remains subject to final acceptance of the TSX Venture Exchange (the "**Exchange**"). The Restated Loan Agreement consolidates and amends the Company's existing indebtedness to the Lender, consisting of: (i) a senior secured debenture dated January 25, 2024 pursuant to which US$4,610,000 was advanced; (ii) an operating loan dated October 24, 2024 pursuant to which US$1,000,000 was advanced; (iii) a promissory note dated December 31, 2024 with a principal amount of US$273,000; and (iv) additional advances made during 2025 totaling US$5,615,000. The Restated Loan Agreement consolidates prior loans totaling US$11,498,000 in principal amount and accrued and unpaid interest of US$1,493,115 and provides for up to an additional US$1,750,000 in new funding, establishing a maximum aggregate principal amount of US$13,248,000. The Company is not obligated to draw any amounts under the additional facility. Outstanding principal will bear interest at a rate of 12% per annum, and all principal and accrued interest will become due and payable on December 31, 2027. No bonus warrants, replacement warrants or other bonus securities are being issued in connection with the Restated Loan Agreement.

The Lender is an arm's length party to the Company and is not an Insider or Control Person of the Company within the meaning of Exchange policies.

About Impact

Impact is a Panamanian based real estate developer that provides affordable housing solutions to Panama's growing middle-class supported by a longstanding subsidized government program. The vision of IDG is effectuated by a vertically integrated model which coordinates all services necessary to develop high-quality residential and commercial buildings, including land acquisition, financing, architectural, engineering, off-site manufacturing, general contracting, property management, and administration.

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Neither the 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 STATEMENTS

This news release contains certain statements that may be deemed "forward-looking statements" with respect to the Company within the meaning of applicable securities laws, including statements with respect to the Restated Loan Agreement. Forward-looking statements are statements that are not historical facts and are generally, but not always, identified by the words "expects", "plans", "anticipates", "believes", "intends", *"estimates", "projects", "potential" and similar expressions, or that events or conditions "will", "would", "may", "could" or "should" occur. Although the Company believes the expectations expressed in such forward-looking statements are based on reasonable assumptions, such statements are not guarantees of future performance, are subject to risks and uncertainties, and actual results or realities may differ materially from those in the forward-looking statements. Such material risks and uncertainties include, but are not limited to, the Company's ability to obtain all requisite approvals, including approval of the TSX Venture Exchange and securities regulatory authorities required for the Restated Loan Agreement; changes in economic conditions or financial markets, changes in general economic conditions. Forward-looking statements are based on the reasonable beliefs, estimates and opinions of the Company's management on the date the statements are made. Except as required by law, the Company undertakes no obligation to update these forward-looking statements in the event that management's beliefs, estimates or opinions, or other factors, should change.*