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

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**For release: November 28, 2011**

**TRADING SYMBOL: "IPT: TSX.V"**

**IMPACT Silver Corp. Announces Record  
Revenues and Net Earnings for the Nine Months Ended September 30, 2011**

IMPACT Silver Corp. ("the Company" or "IMPACT") is pleased to announce the results for the third quarter ending September 30, 2011.

**Third Quarter 2011 Highlights**

- Revenues are up 30% over the third quarter of 2010 to \$4.2 million, and up 97% over the nine months ended 2011 compared to the nine months ended 2010, in spite of a concentrate shipment delay during the quarter.
- Net earnings increased 381% to \$2.0 million from \$0.4 million in the comparable period for 2010, with net earnings up 415% over the first nine months of 2010.
- Earnings per share (EPS) grew 200% to \$0.03 for the quarter compared to the third quarter of 2010, and jumped to a new company record of \$0.11 for the first nine months of 2011.
- Silver production increased by 21% to 663,853 over the comparable nine months of 2010.
- Mine throughput for the quarter was 427 tpd ("tonnes-per-day"), up 10% from 387 tpd in the third quarter of 2010.
- Cash flow from operations before changes in non-cash working capital was \$3.1 million, up 206% from \$1.0 million for the third quarter of 2010 with a significant increase of 187% to \$9.1 million for the first nine months of 2011 compared to the first nine months of 2010.
- Cash and cash equivalents rose to \$33.7 million with working capital at \$33.1 million, and no long term debt.

**Production**

<b>Three months ended</b>	<b>September 30, 2011</b>	September 30, 2010	% Change
Total tonnes (t) produced	<b>39,262</b>	35,618	+10
Tonnes produced per day (tpd)	<b>427</b>	387	+10
Revenue per production tonne sold (\$CDN)	<b>\$231.99</b>	\$102.96	+125
Direct costs per production tonne (\$CDN)	<b>\$77.78</b>	\$55.74	+40
<b>Silver production (oz)</b>	<b>178,522</b>	186,233	-4
Lead production (t)	<b>194</b>	180	+8
Zinc production (t)	<b>314</b>	328	-4
Gold production (oz)	<b>170</b>	150	+13
<b>Silver sales (oz)</b>	<b>118,867</b>	149,992	-21
Lead sales (t)	<b>123</b>	171	-28
Zinc sales (t)	<b>333</b>	303	+10
Gold sales (oz)	<b>106</b>	130	-18

IMPACT had a very successful third quarter which contributed to record revenues, earnings and silver production for the first nine months of 2011. Earnings Per Share (“EPS”) for the first nine months increased significantly to a new company record of \$0.11 EPS, compared to \$0.03 EPS in 2010.

Quarterly revenues and net earnings increased to \$4.2 million and \$2.0 million respectively, in spite of silver production being marginally down 4% from the third quarter of 2010, which is attributable to lower grade silver ore mined from a stope at the Chivo mine. Despite the marginal decrease, the year to date silver production was 663,853 ounces, up 21% for the first nine months. During the quarter, the smelter receiving the Company’s lead-silver concentrate experienced a temporary lack of capacity during which time the Company suspended shipments but continued to produce and stockpile concentrate. In October the smelter resumed receiving shipments and the stockpiled lead-silver concentrate is now being shipped.

In comparison to last year, higher spot prices for silver have allowed the Company to revise mining cut-off grades, which slightly reduced the average ounces per tonne. However, with the additional higher grade ore from the Noche Buena mine, grades of processed ore for the nine months have actually been higher for silver than in the comparable period in 2010. Reducing mining grades marginally increased the cost per ounce, but high metal prices resulted in a record profit for the nine months of \$6.9 million.

The Company’s financial position remained strong with \$33.7 million in cash and cash equivalents. Working capital of \$33.1 million is expected to remain very healthy as cash flow from mining operations is planned to sufficiently fund the development at the open pit Capire Project, scheduled for production in 2012.

### Nine Months Ended September 30, 2011 Results

<b>Financial Summary</b>			
(000,000s \$CDN, except EPS)	<b>September 30 2011</b>	September 30 2010	% Change
Revenue	<b>\$19.4</b>	\$9.9	+97
Net Earnings	<b>\$6.9</b>	\$1.3	+415
Cash Flow from Operations*	<b>\$9.1</b>	\$3.2	+187
EPS	<b>0.11</b>	0.03	+267
<b>Production Summary</b>			
Total tonnes (t) produced	<b>114,913</b>	97,745	+18
Revenue per production tonne sold (\$CDN)	<b>\$207.70</b>	\$103.97	+100
Direct costs per production tonne (\$CDN)	<b>\$75.52</b>	\$54.79	+38
<b>Silver production (oz)</b>	<b>663,853</b>	547,000	+21

\* Before changes in non-cash working capital

### Exploration

IMPACT continues to execute its aggressive surface and underground drill program and has already exceeded its target of 20,000 meters of drilling in 2011. The Company has also identified a number of additional priority drill targets in the 423-square-kilometer Zacualpan Silver District and the adjacent 200-square-kilometer Mamatla Mineral District, while building its GIS database now with over 2,000 old mine workings catalogued.

The next project in the production pipeline is the new open pit Capire Project, located in the Mamatla Mineral District 16 kilometers southwest of Zacualpan. Subject to permitting, Capire is scheduled for construction in winter 2011/2012 and for production in 2012. Capire is IMPACT’s first open pit

mine, with measured and indicated mineral resource estimates totaling 7.2 million ounces Silver. The zone remains open for expansion. Recent drill highlights include 304 g/t silver, 4.51 g/t gold, 1.52% lead, 3.05% zinc and 0.49% copper across 5.0 meters (see IMPACT News Release dated [May 24, 2011](#)). Upon receipt of permits, production plans are to initially construct a 200 tpd pilot plant (already purchased) with plans to later construct a larger processing plant. Capire will represent IMPACT's second production district and continues IMPACT's growth strategy to become a multi-million ounce Silver producer with multiple production centers.

The next potential production target at Zacualpan is the Oscar Project located 2.5 kilometers east of the Guadalupe Processing Plant. Recent drill highlights include very high grade silver values including 291 g/t silver across 30.65 meter intersection including 6,730 g/t silver across 0.30 meters, and 1,007 g/t silver across 5.65 meters (see IMPACT News Releases dated [October 20, 2011](#) and [October 26, 2011](#)). Exploration drilling is continuing at Oscar with plans to hand the project to engineering staff for potential mine planning in early 2012.

The Huatecosco Gold Project is located 9.5 kilometers south of IMPACT's Guadalupe processing plant where a potential new gold district is being drill tested. Huatecosco is a major structure that strikes in excess of 16 kilometers along which five anomalous zones have been identified to date. Recent drill results from two of the Huatecosco zones included 5.2 g/t gold across 4.1 meters and 6.96 g/t gold across 4.24 meters (see IMPACT News Releases dated [October 12, 2011](#) and [June 2, 2011](#)). Drilling is continuing on these two of the zones.

During the quarter, IMPACT also signed an option agreement with Defiance Silver Corp. (TSX-V: DEF) for a major shareholder position in Defiance in return for IMPACT's 200 tpd mill and mineral concessions in the Zacatecas District (see IMPACT News Release dated [September 12, 2011](#)).

A recorded conference call can be accessed at our website: [www.IMPACTSilver.com](http://www.IMPACTSilver.com)

On behalf of the Directors of IMPACT Silver Corp.,

*"Frederick W. Davidson"*  
President & CEO

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#### **Forward-Looking Statements**

This IMPACT News Release may contain certain "forward-looking" statements and information relating to IMPACT that are based on the beliefs of IMPACT management, as well as assumptions made by and information currently available to IMPACT management. Such statements reflect the current risks, uncertainties and assumptions related to certain factors including but not limited 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.

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