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

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**For Release:** January 27<sup>th</sup>, 2016

**Trading Symbol:** “IPT: TSX.V”

**IMPACT Silver celebrates 10 year Anniversary of Continuous Production at  
the Royal Mines of Zacualpan Silver District  
and reports Record Silver Production in 2015**

IMPACT Silver Corp. (“IMPACT”) is pleased to report that it is celebrating 10 years of continuous production this month at the Royal Mines of Zacualpan Silver District and to announce record silver production in 2015.

IMPACT acquired the Royal Mines of Zacualpan Project in January 2006 as a very small and inefficient operation processing 142 tonnes per day and in need of significant capital investment and overhaul. Bringing new investment, talent and leadership to the operation, within its first year of operation IMPACT increased production to 187 tonnes per day and produced 465,673 silver ounces along with byproduct gold (237 ounces), lead (375 tonnes) and zinc (725 tonnes).

Since then IMPACT has built up the operations with upgraded equipment and expanded mill facilities. All mines in production on the project today were discovered and developed by the IMPACT team.

*10 Year Production and Financial Record*

As a testament to the value creation the IMPACT team has generated in the last decade, highlights of production and financial data over the past 10 years include:

- **Millions of Silver Ounces Produced** - Production over 10 years (2006-2015) totaled **6,836,561 ounces silver** plus byproducts of 6,529 ounces gold, 6,257 tonnes lead and 8,279 tonnes zinc.
- **Strong Revenue Performance** - Total revenues of **\$129 million** from January 2006 to September 2015 with announcement of fourth quarter 2015 revenues still pending.
- **Exploration to Production of Five Mines** – Brought five sites from exploration drilling to development and profitable mining.
- **No Long Term Debt and Balance Sheet Strength** – In an industry where production delays and cost over runs are frequent, IMPACT’s team relied on operational cash flow and prudent cost control to finance operations, and quickly and efficiently put new mines into production. Today IMPACT remains debt free with a solid balance sheet and increasing production and generating mine operating income.
- **Efficient Use of Capital Raised** - Financings for the company since 2006 from private placements were \$25.5M while Mine Operating Income was over \$39.5M. Proceeds from placements, warrants and exercise of stock options totaled \$45.1million. IMPACT has generated return on investment for initial investors and share price has seen higher levels as a result of earnings over the last 10 years.

### *2015 Record Silver Production*

- In 2015 production reached a record **950,059 silver ounces**, an **increase of 31%** over 2014.
- Byproduct production in 2015 was 495 gold ounces, 450 tonnes lead and 266 tonnes zinc.
- Processing throughput for the year was 170,509 tonnes.
- Average (diluted) mine grade in 2015 was **193 g/t silver**, an **increase of 21%** over 2014, principally from high grade mineral sourced from the San Ramon Deeps Mine which zone continues to expand with ongoing drilling (see IMPACT News Release dated January 12, 2016 for details).
- Byproduct grades in 2015 averaged 0.13 g/t gold, 0.31% lead and 0.70% zinc.

Fred Davidson, President and CEO of IMPACT Silver, stated “Ten years of continuous production at Zacualpan is a great milestone. I congratulate all our employees and contractors, past and present, on this proud achievement. From our modest beginnings in 2006, the IMPACT team has built up the operations year by year and as a crowning achievement saw record production in 2015 of nearly one million ounces of silver. Currently we are in a tough metals market but the Zacualpan operations have weathered downturns in the past and we will continue our efforts to weather this downturn through the exceptional skills and dedication of our team to keep costs low, and we are blessed with high grade silver zones in the ground on our 100% owned land package. We will continue to focus on growth opportunities and generation of value for our shareholders in the coming next decades.”

George Gorzynski, P.Eng., a Qualified Person under the meaning of Canadian National Instrument 43-101, is responsible for the technical content of this news release.

#### *About IMPACT Silver:*

IMPACT Silver Corp. is a silver producer with two processing plants on two adjacent projects within its 100% owned mineral concessions totaling 357km<sup>2</sup> in central Mexico: the Guadalupe Production Centre and the Capire Processing Plant. At Guadalupe, three underground silver mines, feed the central 500 TPD processing plant located within the historic Royal Mines of Zacualpan Silver District. At Capire, the 200 TPD processing plant and open pit silver mine are on care and maintenance waiting for a recovery in silver prices. Additional information about IMPACT and its operations can be found on the Company website at [www.IMPACTSilver.com](http://www.IMPACTSilver.com).

On behalf of IMPACT Silver Corp.

*“Frederick W. Davidson”*

President & CEO

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#### **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. 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.

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 NI43-101 the Company is required to disclose that it has not based its production decisions on NI43-101-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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