



IMPACT SILVER CORP

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IMPACT Silver Provides Update on the Recently Acquired Plomosas High-Grade Zinc Mine

IMPACT Silver Corp. (“IMPACT” or the “Company”) is pleased to provide a corporate update on the Company's recently acquired, high-grade Plomosas zinc-lead-silver mine located in Chihuahua State, Mexico.

Following the completion of the Plomosas mine acquisition (see IMPACT news release dated April 3rd 2023), the Company immediately commenced an extensive program at site to revitalize and upgrade operations and equipment, and bring on new technical and supervisory staff. Planned upgrades will allow for an expansion of production and an aggressive exploration program has been prepared to potentially grow the size of the existing resource.

Mine, Mill and Plant:

- The Company expects to initially restart production in 2H/2023 at levels that allow management to consider further modifications and efficiencies, where required. More meaningful production levels approaching design capacity as well as associated revenue is expected in 1H/2024.
- Mine planning and rehabilitation have been ongoing while the Company replaces and repairs underground equipment including scooptrams and underground trucks.
- The Company is in the process of replacing mill foundations while upgrading the ball mill, conveyor and crushing systems, and flotation cells. Design capacity of the mill is 150 tpd with plans to expand.
- Plans are in place to expand the existing tailings pond and concurrently, a new larger tailings pond is in the design and permitting stages. These efforts will provide some additional capacity to re-establish and grow output at the mill in the near-term, while providing the Company with substantial tailings capacity for future production increases.
- Substantial cost saving options are potentially available to the Company as management considers alternate electric power options as well as various changes in mining methods and mineral processing technologies.

Exploration:

- The Company is preparing stations for an underground drill program in the mine and drilling permits have been submitted for the upcoming surface program. One Company-owned surface drill rig has arrived on site, and a second (underground) rig is currently being manufactured and is expected to be delivered mid-summer.



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- In addition to the high-grade resource already established at Plomosas, substantial exploration potential exists across the 6km long structure on the property with just 600m having been explored to date. *The current JORC mineral resource¹ by the previous operator totals 215,000 tonnes grading 13.5% zinc, 6.3% lead and 34.0 g/t silver (indicated), and 772,000 tonnes grading 13.1% zinc, 3.0% lead and 19.0 g/t silver (inferred), at a 3% zinc cut-off at December 2021.*
- In recent years, a significant amount of the mill feed came from outside the known resource, providing encouragement that exploration drilling may substantially increase the Plomosas' resource over time.
- The Company expects to deliver drill results later on in 2023 and early 2024 from its maiden exploration programs.
- Other exploration targets on the property include untested intrusion-related gold-copper targets with historical high-grade grab samples from surface prospecting.

Photo 1. Ongoing Work at Plomosas Mill



ABOUT IMPACT SILVER

IMPACT Silver Corp. (TSXV:IPT) is a successful intermediate mineral producer and explorer with multiple mining projects in Mexico.

Royal Mines of Zacualpan Silver-Gold District: IMPACT owns 100% of the 211 km² 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 below, and Footnote 3 for report reference). Company engineers are reviewing Capire for a potential restart of operations to leverage improving commodity prices. Over the past 17 years, IMPACT has developed multiple exploration zones into commercial production and has produced over 12 million ounces of silver, generating revenues of more than \$241 million.



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Plomosas Zinc-Lead-Silver District: Plomosas is a high-grade zinc-lead-silver producer with exceptional exploration upside potential. The Company aims to recommence operations in the near term followed by plans for expanding operations. Exploration potential at Plomosas is exceptional with only 600m of the 6 km-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 high-grade surface prospecting samples². Regionally, Plomosas lies in the same mineral belt as some of the largest carbonate replacement deposits in the world.

Additional information about IMPACT and its operations can be found on the Company website at www.impactsilver.com. Follow us on Twitter [@IMPACT_Silver](https://twitter.com/IMPACT_Silver) and LinkedIn at <https://www.linkedin.com/company/impactsilver>

Qualified Person and NI 43-101 Disclosure

George Gorzynski, P.Eng., a Director and officer of IMPACT Silver Corp., 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

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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.

Footnotes:

1. Plomosas mineral resources were reported by the previous mine owner, Consolidated Zinc Ltd. (CZL:ASX), on their website (<https://www.consolidatedzinc.com.au>) under the Australian JORC (2012) Code as mineral resources "depleted as at December 2021". IMPACT's Qualified Person has reviewed but not verified in detail these current reported mineral resources and is only reporting them as material recent mineral resources reported by CZL and available in the public record. IMPACT believes the estimates are relevant and reliable, given they are reported to Australian JORC standards; however, IMPACT's Qualified Person has not done sufficient work to classify them as current Canadian NI 43-101 mineral resources.

2. Reference: Alexandri, A. Gonzalez, H., & Salas, H. (2022). Plomosas Project (CZL), Field Visit Report. IMPACT Silver Corp. private report on field visits and compilation of historic and recent data, 56 pages.

3. Reference: Ristorcelli, S.J. & Gorzynski, G. (2016). Technical Report on Mineral Resources for the Capire Silver-Lead-Zinc Project, Pedro Ascencio Alquisiras Municipality, Guerrero, Mexico. Prepared for IMPACT Silver Corp. by Mine Development Associates, Reno, Nevada. 82 pages. Available on www.sedar.com.



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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. 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 regarding the potential for defining and extending the known mineralization at Plomosas, and plans for drilling and future operations at the Company's projects.

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.

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.