
NEWS RELEASE

IMPACT SILVER CORP.

For release: December 15, 2010

TRADING SYMBOL “IPT: TSX.V”

IMPACT COMPLETES \$15 MILLION PRIVATE PLACEMENT FINANCING

IMPACT Silver Corp. (“IMPACT” or the “Company”) is pleased to announce that it has completed its recently announced private placement to raise gross proceeds of \$15,000,000. The Company issued 12,000,000 units at a price of \$1.25 per unit (each a “Unit”), of which 8,750,000 Units were sold pursuant to a brokered portion of the private placement and 3,250,000 Units were sold pursuant to a non-brokered portion of the private placement. Each Unit is comprised of one common share of the Company and one-half of a non-transferrable common share purchase warrant, each whole warrant (a “Warrant”) is exercisable at \$1.75 to purchase one common share of the Company until December 14, 2012. The Company shall be entitled to accelerate the expiry date of the Warrants to a date which is at least thirty (30) days from the date notice of such acceleration is provided to the holders of Warrants in the event that the common shares of the Company trade on the TSX Venture Exchange at a volume weighted average price of \$2.50 or more for a period of at least ten (10) consecutive trading days.

Fraser Mackenzie Limited (the “Agent”) acted as agent for the brokered portion of the private placement and was paid a cash commission of \$693,750 and was issued an agent’s warrant exercisable for 555,000 agent’s units (each an “Agent’s Unit”), entitling the Agent to subscribe for the Agent’s Units at a price of \$1.25 per Agent’s Unit until December 14, 2012, subject to the acceleration provisions applicable to the Warrants. Each Agent’s Unit is comprised of one common share of the Company and one-half of a non-transferrable common share purchase warrant, each such whole warrant is exercisable at \$1.75 to purchase one common share of the Company until December 14, 2012, subject to the acceleration provisions applicable to the Warrants.

All of the securities issued and issuable pursuant to the private placement are subject to a hold period in Canada and may not be traded therein, unless otherwise permitted under securities legislation, until April 15, 2011.

Proceeds of the private placement will be used to accelerate the development and expansion of the Company’s mineral properties in Mexico including the 423-square-kilometer Royal Mines of Zacualpan Silver-Gold District and the development of the initial construction phase of the 200-tonne-per-day pilot plant at the Capire Project in the 200-square-kilometer Mamatla Mineral District. The Company also intends to accelerate its extensive exploration and drilling programs.

IMPACT Silver Corp. is a profitable silver-focused mining and exploration company operating in Mexico with a producing silver operation at the Royal Mines of Zacualpan District. The Company also holds a portfolio of projects with an operational processing plant at Zacatecas. The Company has currently identified over 2,000 old mine workings, representing significant future long term exploration potential. Additional information on IMPACT and its projects can be found on the Company’s website at www.IMPACTSilver.com

On Behalf of the Directors of IMPACT Silver Corp.,

“Frederick W. Davidson”
President & CEO

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Statements contained in this press release may constitute forward-looking statements under Canadian securities legislation. Such forward-looking statements are based upon IMPACT’s reasonable expectations and business plan at the date hereof and are subject to change depending on economic, political and competitive circumstances and contingencies. Readers are cautioned that such forward-looking statements involve known and unknown risks, uncertainties and other factors that may cause a change in such assumptions and the actual outcomes and estimates may be materially different from those estimated or anticipated future results, achievements or positions expressed or implied by those forward-looking statements.

IMPACT disclaims any intention or obligation to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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