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**NEWS RELEASE**

**IMPACT Silver Corp.**

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**IMPACT SILVER INTERSECTS 6.96G/T GOLD ACROSS 4.24M  
AT HUATECOSCO GOLD-SILVER PROSPECT, MEXICO**

IMPACT Silver Corp. ("IMPACT") is pleased to announce significant gold values from the first phase drill program on the Huatecosco Gold-Silver Vein. Huatecosco is located 9.5 kilometers due south of IMPACT'S 500 tonne/day Guadalupe processing plant in the 423-square-kilometer Royal Mines of Zacualpan District of central Mexico.

Results from this first phase drill program, which tested the Huatecosco Vein along strike and down dip for 250 meters, include the following:

**SUMMARY OF FIRST PHASE DRILL INTERSECTIONS - HUATECOSCO AREA**

DRILL HOLE	VEIN NAME	DRILL SECTION	FROM (m)	TO (m)	INTERVAL (m)	TRUE WIDTH (m)	GOLD (g/t)	SILVER (g/t)	LEAD (%)	ZINC (%)
Z11-15	HUATECOSCO	26+50 SE including	92.55 92.55	98.00 94.05	5.45 1.50	4.00 0.75	1.19 <b>3.82</b>	58.5 <b>149.0</b>	1.42 <b>4.10</b>	1.95 <b>3.80</b>
Z11-16	HUATECOSCO	26+50 SE	156.95	159.20	2.25	1.95	0.98	82.6	0.14	0.26
Z11-17	HUATECOSCO	27+00 SE including	54.51 55.08	59.25 57.40	<b>4.74</b> 2.32	3.23 1.64	<b>3.44</b> 2.29	117.6 <b>217.2</b>	0.59 0.97	0.81 1.19
Z11-18	HUATECOSCO	27+00 SE	91.05	96.17	5.12	2.55	0.72	53.3	0.81	0.71
Z11-19	HUATECOSCO	26+00 SE including	110.55 114.65	117.4 117.4	<b>6.85</b> 2.75	4.41 1.76	1.60 <b>3.53</b>	<b>159.2</b> <b>320.8</b>	0.22 0.43	0.30 0.57
Z11-20	HUATECOSCO	26+00 SE including	167.90 167.90	178.20 172.50	<b>10.30</b> <b>4.60</b>	<b>9.48</b> <b>4.24</b>	<b>3.97</b> <b>6.96</b>	48.7 84.3	1.69 <b>2.89</b>	<b>2.62</b> <b>5.11</b>
Z11-23	HUATECOSCO	26+50 SE	344.90	347.23	3.15	2.72	0.96	25.7	0.28	1.52

The Huatecosco Vein is one of several gold rich veins in this part of the District which are different from the silver rich veins that IMPACT is currently mining further to the northeast. Huatecosco is a northwest trending structure that is one of longest in the Zacualpan District, having a measured and inferred strike length in excess of 16 kilometers. Currently this structure is thought to be a major regional fault, from which numerous north-northwest trending structures propagate including the Nochebuena Vein (where IMPACT is currently mining) and the gold-rich Carlos Pacheco Vein where previous drill results included 19.6g/t gold across 2.9m (see IMPACT news releases dated January 20, 2011 and December 4, 2008 respectively for exploration and mining results for these other structures).

The focus of this current drill program was the southeastern end of the Huatecosco Vein where IMPACT's exploration staff has recently outlined three en-echelon gold-silver-lead-zinc-copper soil anomalies that host a number of old mine workings. Drill results in this news release are from the central anomaly (the Main Huatecosco Zone) which is the largest (measuring 400 by 300 meters) with individual soil values up to 6.36 g/t gold and 337 g/t silver. This anomaly hosts the historic Hueyetcosco and San Ron Mines, which produced rock samples grading up to 189 g/t gold and 1,240 g/t silver. Other drill holes not reported in the table include Z11-21 and 22 which intersected a thinner, lower grade portion of the Huatecosco Vein at the southeastern margin (L27+50 SE).

In addition IMPACT is currently awaiting assays from ten other holes (Z11-24 to 33), all of which intersected the Huatecosco Vein with widths in excess of two meters. More specifically holes Z11-24 to 26 were completed on a second soil anomaly located five hundred meters along strike to the southeast. Located in this area is the old El Ingerto Mine, from which rock samples produced assays of 531 g/t silver, and 0.533 g/t gold. Holes Z11-27 to 29 focused on expanding the Main Huatecosco Zone to the northwest and downdip of the holes reported in this press release. Finally holes Z11-30 to Z11-33 were completed on a third soil anomaly located 350 meters to the northwest, which measures 250 by 150 meters. This anomaly hosts the Watecosco, Pedro and Jocoyala underground workings from which rock samples grade up to 1.6 g/t gold and 170 g/t silver, along with values of 10.1% Zinc and 10.3% Lead.

Until these pending assays are received, the drill has moved to the area of the Oscar Vein, located in the Zacualpan District, 2.5 kilometers east of the Guadalupe processing plant. The Oscar, along with the La Cuchara, La Marquesa, and BTH 236 Veins, represents a cluster of high-grade silver veins, all of which have historically been in production. Previous drilling by IMPACT on the Oscar Vein returned values of 1.83 g/t gold, 2,820 g/t silver, 3.48% lead, and 7.83% zinc over 0.30 meters (see IMPACT News Release dated January 25, 2007). This corridor of high-grade veins represented by the Oscar is very strategically located in that it trends directly into the previously drilled Santa Lucia Veins (see IMPACT News Releases dated December 16, 2009, October 9, 2009). It is hoped that this new drilling will build high grade mineral tonnages along a potential mine access to the Santa Lucia area.

Brian V. Hall, P. Geo and Nigel Hulme, P. Geo., Qualified Persons under the meaning of Canadian National Instrument 43-101, are responsible for the technical content of this news release.

IMPACT Silver Corp. is a profitable silver-focused mining and exploration company operating in Mexico with a producing silver operation at the 423-square-kilometer Royal Mines of Zacualpan District, the Capire Mine Development Project in the adjacent 200-square-kilometer Mamatla Mineral District and a portfolio of projects with an operational processing plant at Zacatecas. Additional information including drill plans can be found on the company website at [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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