
NEWS RELEASE
IMPACT Silver Corp.

For Release: November 25, 2014

Trading Symbol: “IPT: TSX.V”

IMPACT Silver Announces Third Quarter 2014 Financial and Production Results

IMPACT Silver Corp. (“IMPACT” or the “Company”) announced today its financial results for the nine months ended September 30, 2014. The information in this news release should be read in conjunction with the Company’s unaudited condensed consolidated interim financial statements and Management’s Discussion and Analysis, available on the Company website at www.impactsilver.com and on SEDAR at www.sedar.com. All amounts are stated in Canadian dollars, unless otherwise specified.

Fred Davidson, President and CEO, stated, “Our production performance during the third quarter was very positive compared to Q2. We generated higher production ounces and overall grades, which combined with stringent cost controls, enabled us to achieve significantly improved operating results despite the 14% drop in silver prices in 2014. Our near-term strategy in this low pricing environment is to continue to focus on higher grade zones of silver and gold close to active mining operations such as Cuchara-Oscar and San Ramon to ensure IMPACT continues to generate solid cash flow as the market stabilizes. While we remain focused on efficient operations, if the price for silver remains at current levels the Company will be looking at opportunities to improve its balance sheet and to fund future development through possible financing and/or acquisition or merger.

Overview for the Quarter Ended Sept 30, 2014

Financial Overview

- Revenues for the third quarter were \$3.4 million, an approximately 32% increase from \$2.6 million in the second quarter, resulting primarily from an increase in production and grade.
- Net loss of \$0.6 million for the quarter, of which non-cash items included \$0.6 million in depreciation and amortization and \$0.02 million in share based payments (stock option grants).
- Mine operating earnings before amortization and depreciation of \$0.5 million compared to \$0.4 million in earnings in Q3 2013.
- Capital expenditures during the quarter included mineral property expenditures of \$0.5 million which reduced cash to \$1.0 million. The Company continues to be free of long term debt.
- Net working capital decreased to \$4.1 million on Sept 30, 2014, compared to \$6.9 million on December 31, 2013.

Production Overview

- Silver production increased to 210,513 ounces for the third quarter of 2014, up 19% from 177,366 ounces in the same period of 2013, and up 38% from the second quarter of 2014.

- Average mill feed grade for silver in the third quarter of 2014 increased to 179 grams per tonne (g/t) compared to 171 g/t in the third quarter of 2013, and from 142 g/t in the second quarter of 2014.
- Total tonnes milled during the third quarter of 2014 increased 8% to 41,673 from 38,520 in the third quarter of 2013.
- The Cuchara-Oscar Mine was put into production in February 2013. During 2013, the mine contributed 23% of the total mill feed; by Q3 of 2014 it provided 53%.
- The higher grade Mirasol Mine was put into production in July 2014 and accounted for 4% of Q3 production.

The Company experienced a positive trend in operations as tonnes processed in the third quarter of 2014 increased to 41,673, compared to 39,015 for the second quarter 2014. This increase has been a result of additional feed from the Company's principal producer, the Cuchara-Oscar Mine, as well as strong contributions from the La Gallega, and San Ramon Mines. During the quarter the Mirasol Mine was also brought into production. With production materials being drawn from several mines with different feed grades, mine production can vary from quarter to quarter. However, with the San Ramon and Mirasol Mines developing into higher grade mineralization, average silver grades were higher in the third quarter at 179 g/t compared to 142 g/t for previous quarter and are expected to continue at similar grades.

A recorded conference call reviewing the financial and production results of the three months ended September 30, 2014 will be available on the Company website on November 26th, 2014, at www.impactsilver.com/s/ConferenceCalls.asp.

IMPACT has control of the majority of two large mineral districts in central Mexico: the Royal Mines of Zacualpan Silver District and the Capire-Mamatla Mineral District adjacent to and southwest of Zacualpan. The Company currently produces silver with lead, zinc and gold at its 500 tonne per day Guadalupe processing plant in the Royal Mines of Zacualpan District. Additional information can be found on the Company website, 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 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.

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