
NEWS RELEASE
IMPACT Silver Corp.

For Release: August 24, 2015

Trading Symbol: “IPT: TSX.V”

IMPACT Silver Announces Second Quarter 2015 Financial and Production Results

IMPACT Silver Corp. (“IMPACT” or the “Company”) announced today its financial results for the three and six months ended June 30, 2015. 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 and on SEDAR. All amounts are stated in Canadian dollars unless otherwise specified.

The Company’s strategy of focusing on higher grade mill feed on both the exploration and production fronts is proving effective. The Cuchara-Oscar Mine is now providing 48% and the San Ramon Deeps Mine, discovered and opened in 2014, is contributing 40% of the total mill feed to the Guadalupe Production Centre, which is now averaging for the six months 185 grams per tonne (“g/t”) silver. The Company’s objective continues to be to increase the overall silver head grade in the Zacualpan District in 2015 while controlling operating and exploration costs at the site.

Financial Overview

- Revenues for the second quarter were \$2.7 million compared to \$2.6 million in 2014. The 4% increase was due to greater production tonnage and significantly higher grade mineral being processed, but was offset by lower silver prices.
- Net loss was \$1.0 million for the quarter, of which non-cash items included \$0.5 million in amortization and depletion, compared to a \$1.0 million net loss in the same quarter last year, of which non-cash items included \$0.7 million in amortization and depletion.
- Mine operating loss before amortization and depletion¹ was \$0.2 million for the Guadalupe mill for the current quarter compared to \$0.1 million in the same quarter last year due to lower silver prices despite mining more tonnes of higher grade.
- Capital expenditures during the quarter included mineral property expenditures of \$0.4 million, compared to \$0.7 million in the second quarter of 2014. At June 30, 2015, cash was \$0.7 million and net working capital was \$2.4 million.

Production Overview

- Silver production was 218,380 ounces for the second quarter of 2015, up 43% from 152,595 ounces in the same period of 2014.

¹ Mine operating loss before amortization and depletion is a non-IFRS measure which the Company believes provides a useful indicator of how the Company’s operations are performing.

- Average mill feed grade for silver in the second quarter of 2015 was 181 g/t, an increase of 27% compared to 142 g/t in the second quarter of 2014.
- Total tonnes milled during the second quarter of 2015 increased 8% to 42,300 from 39,015 in the comparable quarter of 2014, and 3% from 41,046 in the first quarter of this year.
- Higher grade production at the Guadalupe mill during the second quarter of 2015 resulted from higher grade mill feed from the San Ramon Deeps Mine and the Mirasol Mine. The San Ramon Deeps Mine contributed 41% of the mill feed in the second quarter of 2015. The Mirasol Mine contributed 14% of the total mill feed in the same period.

Silver sales were 209,832 ounces in the second quarter of 2015, a 60% increase from the 131,102 ounces sold in the same period in 2014. Silver prices continue to be low, with the average for the second quarter of 2015 down 16% from the same period last year. As a result, the Company's revenues decreased to \$66.37 per tonne in the second quarter of 2015, from \$70.53 in the second quarter of 2014. Year-to-date, the higher grade production and increased sales offset the effect of low silver prices, yielding revenue per tonne of \$77.84 in the first six months of 2015, compared to \$71.87 in the same period of 2014.

Over the past two years, IMPACT implemented some significant changes to its mining activities to address low silver prices. Silver production continues to transition to new mines to take advantage of their higher grades in response to lower metal prices. Plans are to further increase production from these higher grade zones for the balance of 2015. In the longer term, subject to improved metal prices, management also intends to produce gold and copper at Carlos Pacheco South and San Juan.

Exploration goals continue to focus on developing the 4,000+ compiled old mine workings in the Zacualpan and Capire districts to potential production and build mineral inventories for mining. Specifically, the team is developing larger and higher grade targets close to current production areas at Alacran North and Guadalupe South.

With a track record of successful exploration, rapid mine development and numerous old mine workings identified to date as exploration targets, the Company's long term vision sees potential for establishment of multiple mills throughout the two districts, each fed by multiple mines producing silver-lead-zinc as well as gold and copper.

IMPACT Silver Corp. owns two processing plants within its 100% owned land package in south-central Mexico: the Guadalupe Production Centre and the Capire Production Centre. At Guadalupe, three underground silver mines feed the central 500 tonnes per day processing plant located within the historic Royal Mines of Zacualpan Silver District. At Capire, the processing plant is potentially available to supplement the processing of gold and copper mineralization from the Carlos Pacheco/San Juan Project when circumstances warrant it. Additional information can be found on the Company's website at www.IMPACTSilver.com.

A recorded conference call reviewing the financial and production results of the three and six months ended June 30, 2015, will be available on the Company's website on Monday, August 24, 2015 at www.IMPACTSilver.com/s/ConferenceCalls.asp.

On behalf of the Directors of IMPACT Silver Corp.,

"Frederick W. Davidson"
President & CEO

For more information, please contact:

Jerry Huang
Investor Relations Manager
(604) 681-0172 or inquiries@impactsilver.com

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.

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 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.

1100-543 Granville Street
Vancouver, BC, Canada V6C 1X8

Telephone (604) 681-0172
Facsimile (604) 681-6813