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IMPACT SILVER ANNOUNCES UPSIZE TO PREVIOUSLY ANNOUNCED BROKERED FINANCING TO C\$7.0 MILLION

IMPACT Silver Corp. (TSX-V: IPT) (OTC PINK: ISVLF) (FSE: IKL) ("IMPACT" or the "Company") is pleased to announce that, due to strong investor demand, it has agreed with Red Cloud Securities Inc., as lead agent and sole bookrunner (the "Lead Agent"), on behalf of a syndicate, including Canaccord Genuity Corp. and Mackie Research Capital Corporation (together with the Lead Agent, the "Agents"), in connection with the previously announced best efforts, private placement of units of the Company (the "Units") at a price of C\$0.95 per Unit (the "Offering Price"), to increase the size of the offering for gross proceeds of up to C\$7,030,000 (the "Offering").

Each Unit will be comprised of one common share of the Company (a "Common Share") and one half of one Common Share purchase warrant (each whole warrant, a "Warrant"). Each Warrant shall be exercisable to acquire one Common Share (a "Warrant Share") at a price of C\$1.30 per Warrant Share for a period of 24 months from the closing of the Offering.

The Agents will have an option (the "Agents' Option") to offer for sale up to an additional 3,200,000 Units at the Offering Price for additional gross proceeds of up to C\$3,040,000, which Agents' Option is exercisable, in whole or in part, at any time up to 48 hours prior to the closing of the Offering.

The Company intends to use the net proceeds from the Offering for exploration, development and general corporate purposes.

The securities to be issued under the Offering will be offered by way of private placement in each of the provinces of Canada and such other jurisdictions as may be determined by the Company, in each case, pursuant to applicable exemptions from the prospectus requirements under applicable securities laws.

The Offering is scheduled to close on or about the week of August 20, 2020, or such date as agreed upon between the Company and the Lead Agent (the "Closing") and is subject to certain conditions including, but not limited to, the receipt of all necessary approvals including the approval of the Exchange. The Units to be issued under the Offering will have a hold period of four months and



one day from Closing. The Company may pay finder's fees or commissions on a portion of the Offering, subject to compliance with the policies of the Exchange and applicable securities legislation.

The securities described herein have not been, and will not be, registered under the United States Securities Act of 1933, as amended (the "U.S. Securities Act"), or any state securities laws, and accordingly, may not be offered or sold within the United States except in compliance with the registration requirements of the U.S. Securities Act and applicable state securities requirements or pursuant to exemptions therefrom. This press release does not constitute an offer to sell or a solicitation to buy any securities in any jurisdiction.

About IMPACT Silver

IMPACT Silver Corp. is a successful silver-gold explorer-producer with two processing plants on adjacent districts within its 100% owned mineral concessions covering 211km² in central Mexico with excellent infrastructure and labor force. Over the past 15 years, IMPACT has produced over 10 million ounces of silver, generating revenues over \$194 million, with no long-term debt. At the Royal Mines of Zacualpan Silver District three underground silver mines and one open pit mine feed the central Guadalupe processing plant. To the south, in the Mamatla District the Capire processing pilot plant is adjacent to an open pit silver mine with a 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) that is awaiting higher silver prices to be restarted. With over a decade of exploration successes leading to production cash flows, IMPACT has shown the Zacualpan District to be endowed with many high grade epithermal silver-gold zones.

Additional information about IMPACT and its operations can be found on the Company website at www.impactsilver.com

On behalf of IMPACT Silver Corp.

"Frederick W. Davidson"

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.

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, except as required by law.

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 NI43-101 the Company is required to disclose that it has not based its production decisions on NI43-101-compliant mineral resource or reserve estimates, preliminary economic assessments or feasibility studies, and historically such projects have increased uncertainty and risk of failure.

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