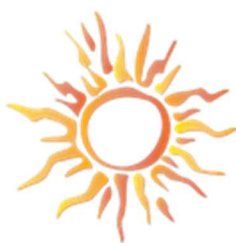


These securities have not been registered under the United States Securities Act of 1933, as amended (the “U.S. Securities Act”), or any of the securities laws of any state of the United States, and may not be offered or sold within the United States or for the account or benefit of U.S. persons or persons in the United States except pursuant to an exemption from the registration requirements of the U.S. Securities Act and applicable U.S. state securities laws. This Offering document does not constitute an offer to sell, or the solicitation of an offer to buy, any of these securities within the United States or to, or for the account or benefit of, U.S. persons or persons in the United States. “United States” and “U.S. person” have the meanings ascribed to them in Regulation S under the U.S. Securities Act.

**OFFERING DOCUMENT
UNDER THE LISTED ISSUER FINANCING EXEMPTION**

April 30, 2024



IMPACT SILVER CORP

**IMPACT SILVER CORP.
(the “Company”)**

PART 1. SUMMARY OF OFFERING

What are we offering?

Offering:	A non-brokered private placement offering (the “ Offering ”) of up to 11,428,572 units (each, a “ Unit ”). Each Unit shall be sold at \$0.28 per Unit and consist of one (1) common share in the capital of the Company (“ Common Share ”) and one-half (1/2) of one (1) Common Share purchase warrant (each whole such warrant, a “ Warrant ”), where each Warrant shall be exercisable to acquire one Common Share (each a “ Warrant Share ”) at an exercise price of \$0.34 per Warrant Share for a period of 24 months from the Closing Date (as defined below).
Offering Price:	\$0.28 per Unit.
Offering Amount:	For maximum gross proceeds of \$3,200,000.16
Closing Date:	The closing of the Offering is expected to be on or about the week of May 15, 2024, or on such other date as the Company may determine that is not later than 45 days from the date of filing of this Offering document and the relevant news release.
Exchange:	The Common Shares are listed on the TSX Venture Exchange (the “ TSXV ”) under the symbol “ IPT ”.
Last Closing Price:	On April 29, 2024, the closing price of the Common Shares was \$0.28.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this document. Any representation to the contrary is an offence. This Offering may not be suitable for

you and you should only invest in it if you are willing to risk the loss of your entire investment. In making this investment decision, you should seek the advice of a registered dealer.

The Company is conducting a listed issuer financing under section 5A.2 of National Instrument 45-106 *Prospectus Exemptions* (“NI 45-106”). In connection with this Offering, the Company represents the following is true:

- **The Company has active operations and its principal asset is not cash, cash equivalents or its exchange listing.**
- **The Company has filed all periodic and timely disclosure documents that it is required to have filed.**
- **The total dollar amount of this Offering, in combination with the dollar amount of all other offerings made under the listed issuer financing exemption in the 12 months immediately before the date of this Offering document, will not exceed \$6,712,025.47 (being an amount that is equal to 10% of the Company’s market capitalization as of the date of this offering document).**
- **The Company will not close this Offering unless the Company reasonably believes it has raised sufficient funds to meet its business objectives and liquidity requirements for a period of 12 months following the distribution.**
- **The Company will not allocate the available funds from this Offering to an acquisition that is a significant acquisition or restructuring transaction under securities law or to any other transaction for which the Company seeks security holder approval.**

Cautionary Statement on Forward-Looking Information

Certain statements contained in this offering document constitute forward-looking information. These statements relate to future events or future performance. The use of any of the words “could”, “should”, “might”, “may”, “plans”, “intend”, “expect”, “believe”, “will”, “projected”, “estimated” and similar expressions and statements relating to matters that are not historical facts are intended to identify forward-looking information that is based on the Company’s current beliefs or assumptions as to the outcome and timing of such future events.

This Offering document contains forward-looking information relating to, but not limited to, the Offering, including the use of proceeds from the Offering, the anticipated timeline for closing of the Offering, if it is to be closed at all, the completion of the Company’s business plans and objectives, as well as the belief that the Company shall have raised sufficient funds to meet its business objectives and liquidity requirements for a certain period following the distribution. Various assumptions or factors are typically applied in drawing conclusions or making the forecasts or projections set out in forward-looking information, including but not limited to the assumption that the Company will use the proceeds from the Offering as anticipated and the assumption that the Company will close the Offering on the timeline expected. Although such statements are based on reasonable assumptions of the Company’s management, there can be no assurance that any conclusions or forecasts will prove to be accurate.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause the actual results, performance, or achievements to be materially different from any future results, performance, or achievements expressed or implied by the forward-looking information. Such factors include, but are not limited to, the risk that the Company does not use the proceeds from the Offering as currently expected, the risk that the Offering does not close on the timeline expected, risks inherent in the exploration and development of mineral deposits, including risks relating to changes in project parameters as plans continue to be redefined, risks relating to variations in grade or recovery rates, risks relating to changes in mineral prices and the worldwide demand for and supply of minerals, risks related to increased competition and current global financial conditions, political and economic factors and risks, competition risks, access and supply risks, risks related to the Company’s reliance on key personnel,

relationships with vendors and strategic partners, technological risks, operational risks, government and regulatory risks, including risks relating to the acquisition of the necessary licenses and permits, financing, capitalization and liquidity risks, title and environmental risks and risks relating to the failure to receive all requisite regulatory approvals. The forward-looking information contained in this release is made as of the date hereof, and the Company does not commit to update or revise any forward-looking information, whether as a result of new information, future events or otherwise, except as required by applicable securities laws. Because of the risks, uncertainties and assumptions contained herein, investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

Neither the 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 statement.

Currency

Unless otherwise indicated, all references to “\$”, “C\$” or “dollars” in this Offering document refer to Canadian dollars.

PART 2. SUMMARY DESCRIPTION OF BUSINESS

What is our business?

IMPACT Silver Corp. is recognized as an intermediate miner with strength across the value chain including production, growth and exploration activities. The Company maintains an extensive land position in Mexico with tremendous exploration potential both at the legacy, silver-rich Royal Mines of Zacualpan assets as well as the recently acquired Plomosas zinc-lead-silver mine in the state of Chihuahua, northern Mexico (“**Plomosas**” or the “**Plomosas Mine**”). The Company maintains an aggressive exploration program to continue to feed and expand its operations while providing shareholders with meaningful resource upside across the Company.

The Company controls the majority of three extensive mineral districts in Mexico. The Company’s legacy producing assets, known as the “Royal Mines of Zacualpan Silver-Gold District”, and are located in central Mexico where the Company has been in production for 17 years. Nearby, the Company owns the Capire Mineral District adjacent to and southwest of the Zacualpan district which together total 211 km². In Q2 2023, the Company added a third mining district known as Plomosas. Plomosas is a producing high-grade zinc-lead-silver mine located in northern Mexico, just 150 km northeast of the city of Chihuahua.

Plomosas is a formerly producing, high-grade zinc-lead-silver mine. In April 2023, the Company commenced significant upgrades to the mill and associated infrastructure and restarted production at the mine subsequent to quarter-end. During Q3 2023, the Company also began its initial, phase 1 drill program at Plomosas. This program is expanding as the Company has recently taken delivery of an additional drill rig. Field programs designed to test a number of additional targets on the balance of the property started in early fall.

The Company has typically been considered a near pure play on silver with ongoing production across an extensive mining district. Currently, the Company’s primary production metal is silver, by both volume and sales, and is therefore highly leveraged to silver prices. Since restarting the Plomosas mine, the Company’s production profile will now increasingly include substantial levels of zinc.

Since 2006, the Company has conducted aggressive exploration programs that have led into meaningful development and production activities, with ten sites having been developed along this value chain to date. Over that period, the Company has produced more than 12 million ounces of silver and generated more than \$256 million in revenues. As a result, a sizable portion of the more than \$80 million in capital expenditures and exploration on the properties has been funded by operations.

To combat industry-wide cost pressures from inflation and a strong Mexican peso, the Company has implemented aggressive cost controls. Management is assessing potential changes in mining processes and new technologies to improve margins and offset higher supplier and labour costs. The Company has deferred a number of non-critical projects to offset higher costs.

As at March 31, 2024, the Company remains well-funded with cash of \$3.6 million, no long-term debt and estimated working capital of \$2.8 million.

Recent developments

On May 3, 2023, the Company announced the completion of its non-brokered private placement financing originally announced on April 6, upsized on April 12 and the first tranche of which closed on April 19, 2023. The non-brokered private placement financing raised aggregate gross proceeds of \$9,006,418.08 on the issuance of 33,357,104 units, each unit consisting of one Common Share and one Common Share purchase warrant, each whole such warrant being exercisable to acquire one Common Share at a price of \$0.35 for a period of 24 months from the closing of the offering.

On May 23, 2023, the Company announced its financial and operating results for the quarter ended March 31, 2023 from its Royal Mines of Zacualpan mine operations in central Mexico.

On June 20, 2023, the Company provided a corporate update on the developments with respect to the Plomosas Mine.

On August 1, 2023, the Company provided a construction update regarding the Plomosas Mine.

On August 28, 2023, the Company announced its financial and operating results for the quarter ended June 30, 2023.

On October 2, 2023, the Company announced the commencement of trading of its shares in the United States on the OTCQB Market under the symbol “ISVLF”.

On October 23, 2023, the Company announced the first production, under the Company’s ownership, at the Plomosas Mine.

On November 21, 2023, the Company announced its financial and operating results for the quarter ended September 30, 2023.

On December 22, 2023, the Company announced the completion of its non-brokered private placement financing for aggregate gross proceeds of \$3,500,000. A total of 20,588,235 units were issued, each unit consisting of one Common Share and one-half of one Common Share purchase warrant, with each whole warrant being exercisable to acquire one Common Share at a price of \$0.22 for a period of 24 months from the closing of the offering.

On each of January 9, 2024, January 17, 2024 and April 18, 2024, the Company announced various operational updates at Plomosas, along with updated technical results from a continuing drill program.

On April 16, 2024, the Company announced its financial and operating results for its financial year ended December 31, 2023.

Material facts

There are no material facts about the Units that have not been disclosed in this Offering document or in any other document filed by the Company in the twelve months preceding the date of this Offering document.

What are the business objectives that we expect to accomplish using the available funds?

Approximately \$2,200,000 of the net proceeds from the Offering are intended to fund exploration and development expenditures at the Plomosas lead-zinc-silver project over the next 12 months and approximately \$500,000 shall be applied for general and administrative expenditure specific to the Plomosas mine.

The Company has also allocated \$1,500,000 for ongoing brownfield and greenfield exploration and \$2,500,000 for production and operational capital requirements at the Guadalupe processing plant, along with \$1,500,000 for expansion at Guadalupe. An additional \$500,000 has been allocated for general working capital expenditures at the Guadalupe processing plant.

PART 3. USE OF AVAILABLE FUNDS

What will our available funds be upon the closing of the offering?

		Assuming 100% of Offering
A	Amount to be raised by this Offering	\$3,200,000.16
B	Selling commissions and fees	\$192,000.00
C	Estimated Offering costs (e.g., legal, accounting, audit)	\$20,000.00
D	Net proceeds of Offering $D = A - (B+C)$	\$2,988,000.16
E	Working capital as at most recent month end	\$2,800,000.00
F	Additional sources of funding ⁽¹⁾	\$3,000,000.00
G	Total available funds $G = D+E+F$	\$8,788,000.16

Note:

- (1) The Company plans to raise an additional \$3,000,000 by private placement using other available exemptions under NI 45-106. If less than \$3,000,000 is raised, the below noted allocation of capital will be adjusted based on management's knowledge, present plans, expectations and relevant business conditions.

How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming 100% of Offering
Exploration Expenditures (Plomosas)	\$2,200,000.00
General and Administrative Expenditures (Plomosas)	\$500,000.00
Exploration Expenditures (Guadalupe)	\$1,500,000.00
Operation Working Capital (Guadalupe)	\$2,000,000.00
General and Administrative Expenditures (Guadalupe)	\$500,000.00
Expansion Guadalupe	\$1,500,000.00
Contingency / G&A / Audit / Professional Fees	\$588,000.16
Total:	\$8,788,000.16

The above noted allocation of capital represents the Company's current intentions with respect to the Company's use of proceeds and based on management's knowledge, present plans, expectations and business conditions, which could change in the future. Although the Company intends to expend the proceeds from the Offering as set out above, there may be circumstances where, for sound business reasons, a reallocation of funds may be deemed prudent or necessary and may vary materially from that set out above, as the amounts actually allocated and spent will depend on a number of factors.

The most recent audited financial statements of the Company for the financial year ended December 31, 2023 and 2022 included a going concern note which assumes that the Company will be able to realize its assets and discharge its liabilities in the normal course of business as they come due into the foreseeable future. The Company estimates that it has adequate financial resources for the next twelve months.

How have we used the other funds we have raised in the past 12 months?

Date of Financing	Amount of Financing	Intended use of Funds	Variance
April 19, 2023 and May 3, 2023	\$9,006,418.08	The Company intended to use the net proceeds from the financing for exploration, development and general corporate purposes.	None
December 22, 2023	\$3,500,000.00	The Company intended to use the net proceeds from the financing for exploration and development of its projects in Mexico, and general corporate purposes.	None

PART 4. FEES AND COMMISSIONS

Who are the dealers or finders that we have engaged in connection with this Offering, if any, and what are their fees?

The Company has not engaged any dealers or finders in connection with the Offering. The Company may elect to pay reasonable finders' fees to eligible parties who have introduced subscribers to the Offering.

PART 5. PURCHASERS' RIGHTS

Rights of Action in the Event of a Misrepresentation

If there is a misrepresentation in this Offering document, you have a right:

- (a) to rescind your purchase of these securities with the Company, or**
- (b) to damages against the Company and may, in certain jurisdictions, have a statutory right to damages from other persons.**

These rights are available to you whether or not you relied on the misrepresentation. However, there are various circumstances that limit your rights. In particular, your rights might be limited if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in paragraph (a) or (b) above, you must do so within strict time limitations.

You should refer to any applicable provisions of the securities legislation of your province or territory for the particulars of these rights or consult with a legal adviser.

PART 6. ADDITIONAL INFORMATION

Where can you find more information about us?

A security holder can access the Company's continuous disclosure at www.sedarplus.ca, as well as its website at www.impactsilver.com.

PART 7. DATE AND CERTIFICATE

This Offering document, together with any document filed under Canadian securities legislation on or after April 30, 2023, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

April 30, 2024.

"Frederick W. Davidson"

Frederick W. Davidson

President, Chief Executive Officer and Director

"Jerry Huang"

Jerry Huang

Chief Financial Officer