

This offering document made pursuant to the listed issuer financing exemption under section 5A.2 of National Instrument 45-106 – Prospectus Exemptions (the “Offering Document”) constitutes an offering of these securities only in those jurisdictions where they may be lawfully offered for sale and therein only by persons permitted to sell such securities and to those persons whom they may be lawfully offered for sale. This Offering Document is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of these securities.

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. 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. No sales of securities will be made into the United States pursuant to this Offering Document.

OFFERING DOCUMENT UNDER THE LISTED ISSUER FINANCING EXEMPTION

September 2, 2025



IMPACT SILVER CORP

IMPACT SILVER CORP.
(the “Company” or “Impact Silver”)

PART 1. SUMMARY OF OFFERING

What are we offering?

Offering:	<p>Private placement of units of the Company (“Units”) at a price of \$0.36 per Unit on a bought deal basis, with each Unit being composed of one common share of the Company (a “Common Share”) and one Common Share purchase warrant (each a “Warrant”). Each Warrant will be exercisable to acquire an additional Common Share at an exercise price of \$0.45 per Common Share for a period of 24 months following the Closing Date (as defined herein).</p> <p>Each Common Share carries one vote at all meetings of shareholders, is entitled to receive dividends as and when declared by the board of directors of the Company and is entitled to participate in the remaining property and assets of the Company upon dissolution or winding-up. The Common Shares do not carry any pre-emptive, subscription, redemption or conversion rights. Additional terms and conditions of the Warrants will be set out in a warrant indenture to be dated on or about the Closing Date, in form and substance to be agreed to by the Company and Red Cloud Securities Inc. and Research Capital Corporation (together, the “Underwriters”), a copy of which will be made available on the System for Electronic Document Analysis and Retrieval+ (“SEDAR+”) at www.sedarplus.ca.</p>
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Offering Price:	\$0.36 per Unit.
Offering Amount:	22,222,222 Units, for gross proceeds of \$7,999,999.92 (the “ Offering ”). There is no minimum amount for the Offering. The Company will grant to the Underwriters the option (the “ Over-Allotment Option ”), exercisable in whole or in part at any time up to 48 hours prior to the closing of the Offering, to purchase for resale an additional 5,555,556 Units, for additional gross proceeds of \$2,000,000.16. If the Over-Allotment Option is exercised in full, the aggregate gross proceeds to the Company will be \$10,000,000.08.
Closing Date:	The closing of the Offering is expected to be on or about September 17, 2025, or on such other date as may be determined by the Company and the Underwriters (the “ Closing Date ”).
Exchange:	The Common Shares are listed on the TSX Venture Exchange under the symbol “IPT”.
Last Closing Price:	On September 2, 2025, the closing price of the Common Shares was \$0.385.

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.
- Impact Silver is relying on the exemptions in Coordinated Blanket Order 45-935 *Exemptions from Certain Conditions of the Listed Issuer Financing Exemption* (the “Order”) and is qualified to distribute securities in reliance on the exemptions included in the Order.
- 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 \$25,000,000.
- 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.

About this Offering Document

Readers should rely only on the information contained in this Offering Document in respect of the Company. We have not authorized any other person to provide additional or different information. If anyone provides additional or different information, including information or statements in media articles about the Company, prospective purchasers should not rely on it.

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, and risk factors described in the Company’s filings available at www.sedarplus.ca investors should not place undue reliance on forward-looking information. The foregoing statements expressly qualify any forward-looking information contained herein.

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 is recognized as an intermediate miner with strength across the value chain including production, growth and exploration activities. The Company has an extensive land position in Mexico with production and tremendous exploration potential both at the legacy, silver-rich Royal Mines of Zacualpan assets as well as the Plomosas zinc-lead-silver mine in the state of Chihuahua, northern Mexico (“**Plomosas**” or the “**Plomosas Mine**”). The Company maintains an aggressive exploration program using its own diamond drills to continue to feed and expand its operations while providing shareholders with meaningful resource upside potential 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 (“**Zacualpan**”), are located southwest of Mexico City where the Company has been in production for 18 years. Nearby, the Company owns the Capire Mineral District adjacent to and south of the Zacualpan district, which together total 211 km².

In 2023, the Company added a third mining district known as Plomosas. Plomosas is located in northern Mexico, just 150 km northeast of the city of Chihuahua. Plomosas is a producing, high-grade zinc-lead-silver mine. After more than two years of rehabilitating mobile equipment, plant facilities, infrastructure, and the underground mine, production has significantly expanded.

The Company has typically been considered a near pure play on silver with ongoing production and exploration taking place across the Zacualpan mining district. Currently, the Company’s primary production metal is silver, by both volume and sales, and is therefore highly leveraged to silver prices.

Recent developments

In May and June 2025, the Company closed non-brokered financings of units for gross proceeds of \$5,206,031.

In July 2025, the Company provided updates on drill program results at the Juarez Zone and the Santo Domingo Zone at the Plomosas mine.

On August 25, 2025, the Company filed its interim financial statements for its interim period ended June 30, 2025 and announced its financial results.

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 12 months preceding the date of this Offering Document.

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

The Company expects to accomplish the following business objectives using the net proceeds from the Offering:

- a) Zacualpan District:
 - completion of the upgrading of the mine infrastructure at the Guadalupe Mine as well as the purchase of additional mobile equipment
 - further exploration drilling of the Kena vein
 - exploration and development of the San Ramon south deeps mineral stope
 - exploration and possible development of the Noche Buena mine area
 - testing of two other immediate drill targets in the over 200 km² concessions held by the Company

- b) Plomosas mine:
- exploration and development beyond Level 7 of the Loas Amigos structure as well as Mina Jaurez and Santo Domingo drill targets
 - early stage exploration of the NW Cu, Au targets
 - upgrading of a limited number of pieces of mobile mine equipment and the addition of an additional underground drill
 - initial studies on the new tailings pond for future development
- c) Continuing the review for possible strategic acquisitions

PART 3. USE OF AVAILABLE FUNDS

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

		Assuming 100% of LIFE Offering (\$)	Assuming 100% Exercise of Over- Allotment Option⁽¹⁾ (\$)
A	Amount to be raised by this Offering	7,999,999.92	10,000,000.08
B	Selling commissions and fees	519,999.99	650,000.00
C	Estimated Offering costs (e.g., legal, accounting, audit)	150,000.00	185,000.00
D	Net proceeds of Offering $D = A - (B+C)$	7,329,999.93	9,165,000.08
E	Working capital as at most recent quarter end	13,306,211.00	13,306,211.00
F	Additional sources of funding ⁽¹⁾	-	-
G	Total available funds $G = D+E+F$	20,636,210.93	22,471,211.08

Note:

- (1) Assumes the Over-Allotment Option is exercised in full.

How will we use the available funds?

Description of intended use of available funds listed in order of priority	Assuming 100% of LIFE Offering (\$)	Assuming 100% Exercise of Over-Allotment Option⁽¹⁾ (\$)
Advance underground development and infrastructure at the Guadalupe mine and increase processing plant throughput and production flexibility at the 100%-owned Guadalupe Production Centre (Royal Mines of Zacualpan) and exploration and development at San Ramon mine	3,000,000.00	3,500,000.00

Description of intended use of available funds listed in order of priority	Assuming 100% of LIFE Offering (\$)	Assuming 100% Exercise of Over-Allotment Option⁽¹⁾ (\$)
Expand mining operations and processing capacity and accelerate resource definition drilling with 20,000m + with the objective of extending the mine life at the 100%-owned Plomosas zinc-silver-lead mine and production centre. Tailing pond studies, early stage exploration and data assembly on other mines (i.e. Mina Mexico) in the Plomosas ground.	2,500,000.00	3,000,000.00
General working capital and corporate purposes ⁽²⁾	15,136,210.93	15,971,211.08
Total: Equal to G in table above under Available Funds	20,636,210.93	22,471,211.08

Notes:

- (1) Assumes the Over-Allotment Option is exercised in full.
- (2) These figures represent the Company's expected general and administrative expenses, the payment of current and expected short-term liabilities and payables over the coming 12-month period, and excess capital that will remain available to the Company for future use.

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, 2024 and 2023 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 12 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
May 20, 2025 and June 4, 2025 (non-brokered private placement)	\$5,206,031	The Company intended to use the net proceeds from the financing for exploration and development of its Plomosas and Zacualpan properties, as well as invest in operational improvements.	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?

Underwriters:	Red Cloud Securities Inc. and Research Capital Corporation, as co-lead underwriters and joint bookrunners
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Compensation Type:	Cash commission and broker warrants.
Cash Commission:	Cash commission equal to 6.5% of the gross proceeds of the Private Placement.
Broker Warrants:	Broker warrants entitling the Underwriters to purchase that number of Common Shares equal to 6.5% of the aggregate number of Units sold pursuant to the Private Placement at a price of \$0.36 per Common Share.

Does the Underwriter have a conflict of interest?

To the knowledge of the Company, it is not a “related issuer” or “connected issuer” of or to either of the Underwriters, as such terms are defined in National Instrument 33-105 – *Underwriting Conflicts*.

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 on SEDAR+ 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 September 2, 2024, contains disclosure of all material facts about the securities being distributed and does not contain a misrepresentation.

September 2, 2025.

(Signed) “*Frederick W. Davidson*”

Frederick W. Davidson

President, Chief Executive Officer and Director

(Signed) “*Jerry Huang*”

Jerry Huang

Chief Financial Officer