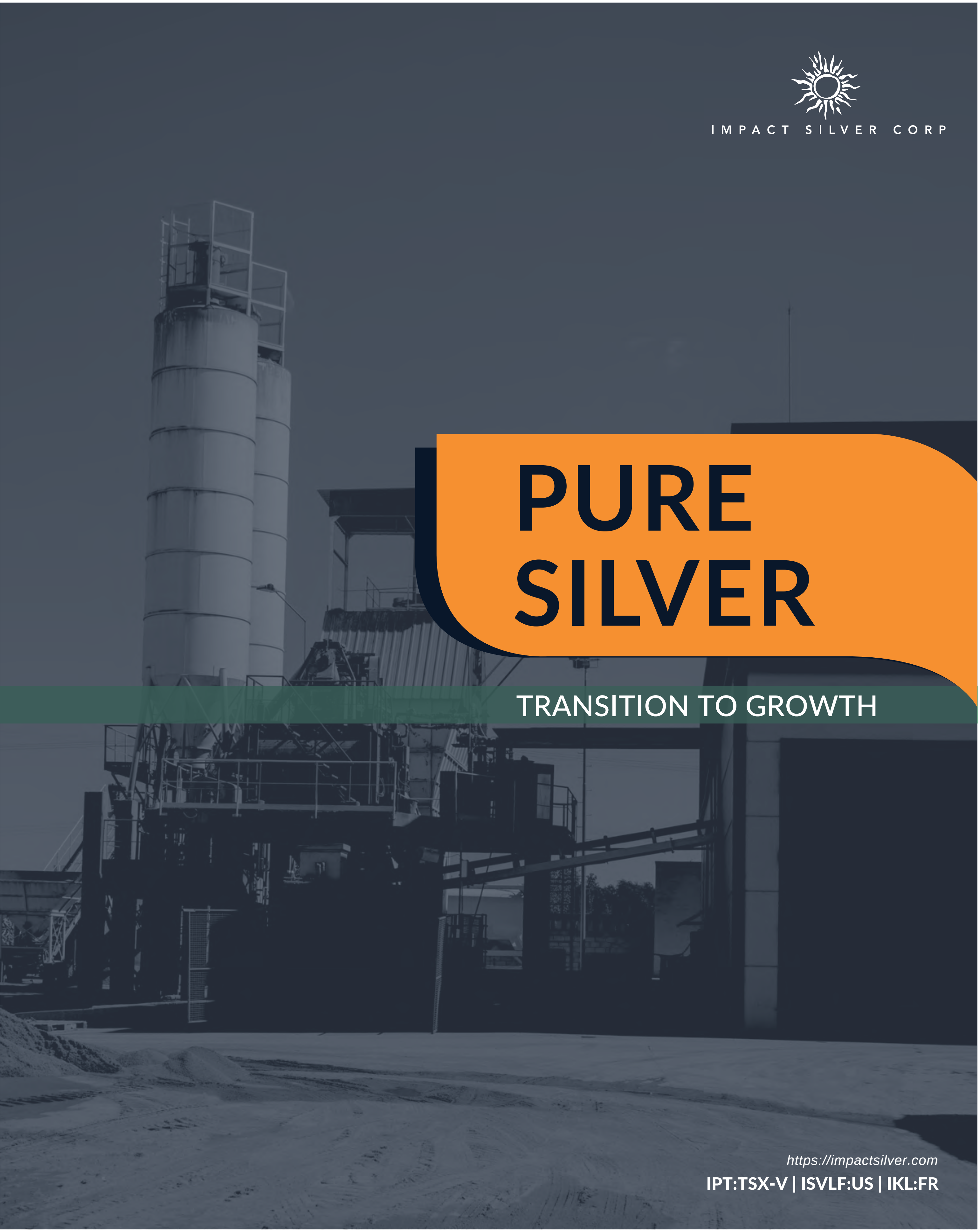


IMPACT SILVER CORP

PURE SILVER

TRANSITION TO GROWTH

https://impactsilver.com

IPT:TSX-V | ISVLF:US | IKL:FR

Forward-Looking Statements

This presentation may contain certain "forward-looking" statements and information relating to IMPACT Silver Corp. ("IMPACT" or the "Company") that are 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, 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 factors that could cause actual results to differ materially include, but are not limited to, the following: general economic conditions; changes in financial markets; the impact of exchange rates; political conditions and developments in countries in which the Company operates; changes in the supply, demand and pricing of the metal commodities which the Company mines or hopes to find and successfully mine; changes in regulatory requirements impacting the Company's operations; the ability to properly and efficiently staff the Company's operations; the sufficiency of current working capital and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. This list is not exhaustive and these and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements.

Cautionary 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 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.

NI 43-101 Qualified Person

George Gorzynski, P. Eng., Vice President, Exploration and a Qualified Person under the meaning of Canadian National Instrument 43-101, is responsible for the technical information in this presentation with the exception of the Capire project mineral resource estimate. Steven Ristorcelli, C.P.G. (U.S.A.), Principal Geologist for Mine Development Associates and a Qualified Person under the meaning of Canadian National Instrument 43-101, is responsible for the Capire mineral resource estimate and directly related information.

IMPACT Silver

Adjusting after the start of the pandemic that forced the world to shift thinking of supply chains, operation protocols, and sped up inflation concerns, IMPACT Silver headed into 2021 with cautious optimism.

With a strong silver price thanks to the surge of retail investor and abundant work from home opportunities to trade and trend of democratizing of information on trading fees, the silver sector witnessed Silver Squeeze of 2021 where short squeeze of supply and physical silver led investors upstream to producers.

This surge in silver prices lifted earnings throughout 2021 as IMPACT capitalized on fundamentals and efficiencies realized from leaner years during the last 17 years of operation. Growth in revenue year over year of over 57% was achieved in Q1 with net earnings and strong EBITDA figures. Full year 2021 was a record year with 13% increase to $17.7 million in revenue and mine operating earnings of $3.4 million.

The Company also continued assessment on near-term production possibility at Capire VMS deposit with new technology of XRT (X-Ray sorting) and aim for a decision in 2022.

2021 also marked a year where the Company continued and expanded one of the its most aggressive greenfield exploration program in years, with over 20,000 meters completed so far and ongoing. Successful results at Guadalupe, Veta Negra, and San Ramon. Employing Company owned four drill rigs also mean lower cost per meter rates despite inflating prices due to surging exploration activity in Mexico.
In addition to exploration at its own sites, IMPACT realized additional synergies via joint venture at Nuevo Taxco and anxiously awaits initial exploration results at the famed district.

2021 has been an exciting year, we invite you to review our achievements in 2021 and look forward to even more catalysts in 2022.

MOST LEVERAGED PURE SILVER MINER

Environmental Social Governance (ESG)

In 2021 with the clear signs of global warming and environmental changes—the investor community is increasingly focused on supporting companies that in turn give back and care for the communities they work in.

At IMPACT Silver, Environmental, Social, and Governance (ESG) isn't just about metrics—but about a way of operation.

Environmental (E)

- Systematic reclamation work on previous minded areas. Total 6,000 trees reforest program
- Planting 2,200 agave plants by 2022
- Pilot solar panel project to generate off-grid green energy for mine office
- Studies to expand solar power gereration on site

Social (S)

- Improving lives of the farming community by assisting in cash crops
- Building schools, community centers, and local community services
- New medical clinic in community built
- New water services infrastructure in local town
- Positive relationship with Union, and suppliers and contractors
- Zero work stoppage
- Active engagement with local communi ty reps to faciliate 2-way dialogue

Governance (G)

- Four independent board members with combined 100+ years in mining
- Independent audit committee quarterly meetings
- Trading Policy, Community Relations Policy and Conduct and Discipline Policy

Royal Mines of Zacualpan: 500+ Years of Production

1450 to 1520

Indigenous peoples mined silver on the property and built temples in the current Location of Zacualpan town.

1521

Cortes conquered Mexico. The Conquistadores mined on the property over the ensuing centuries, leaving many historical mine workings.

1531

Spanish Crown granted ‘Royal Mines’title to Zacualpan, the first mining district in the Americas so designated.

5,000+

Historical mine workings on the property (catalogued to date).

42

Historical mills (haciendas) catalogued to date, some centuries old.

2006

IMPACT purchases Royal Mines of Zacualpan Project and expands production. **First production** from the Guadalupe Production Centre.

2007

Production begins at the Chivo silver mine. Acquired 100% interest in the 200 km² Capire-Mamatla Mineral District,16 km from the Guadalupe Production Centre.

2010

Production begins at the Noche Buena mine. $16.7M in revenues and $3.4M earnings, and $15M raised by private placement.

2011

$24.3M in revenues and $7.6M in earnings.

2013

Cuchara Mine and Capire Production Centre open. Test mining and processing of gold and copper begins on the Carlos Pacheco vein in the Noche Buena Mine.

2014

High-grade San Ramon Deeps and Mirasol Mines open, raising average grades processed at the Guadalupe plant. Test mining ceases at the Capire Production Centre.

2015

Record silver production of 950,059 oz with the highest silver grades in company history, and revenues of $14.6M.

2016

Record silver production of 952,768 oz and revenues of $16.7M.

2017

Silver production of 907,848 oz and revenues of $15.4M.

2018

Exploration Success across silver and gold/copper prospects. San Ramon (Q1) 627g/t silver over 3.26 meters and 354g/t silver over 4.97m underground. Santa Teresa surface sampling returned 6.5g/t gold across 1.66 meters along 50 meter strike.

2019

10 million ounces produced since 2006. Drills 1.58m of 1,393 g/t Silver Eq at San Ramon 19.5 g/t gold over 1.2m at Manto America 5.27 g/t gold over 2.69m drilled at El Canelo.

2020

11 million oz produced since 2006 persevere through COVID19 challenges and ended 2020 profitable net income improving to $2.3 million. Mine level EBITDA $4.6 million.

2021

record revenue increase to $17.7m and 3.4M operating mine profit 20,000 meters exploration drilled

2021 HIGHLIGHTS

average grade
159g/t silver
at Guadalupe production mill

Revenues increase to
$17.7 million
EBITDA
$1.5M

IMPACT Silver Discovers New San Ramon South Zone including Intersections of
1.93m of 1,443 g/t Silver

Cash on Hand
$21.1 million
end of 2021

Production over
11M Oz
since 2006

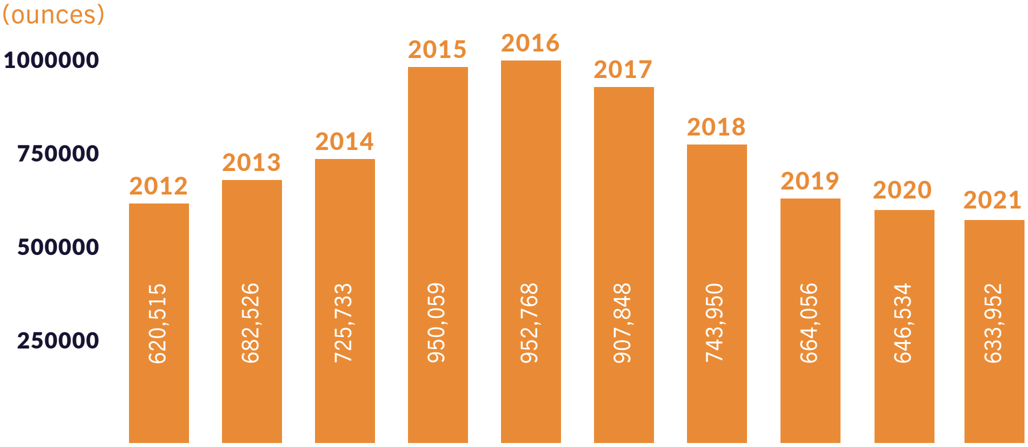
CAPEX
$3.6 million
during 2021 including 20,000 meters drill program

Impact Silver Drills 3.38 Meters Of
2,186 G/T Silver
And 6.04 Meters Of
464 G/T Silver
At Guadalupe Mine

Impact Silver Drills
691 g/t Silver
Over 1.29 Meters At Guadalupe Mine

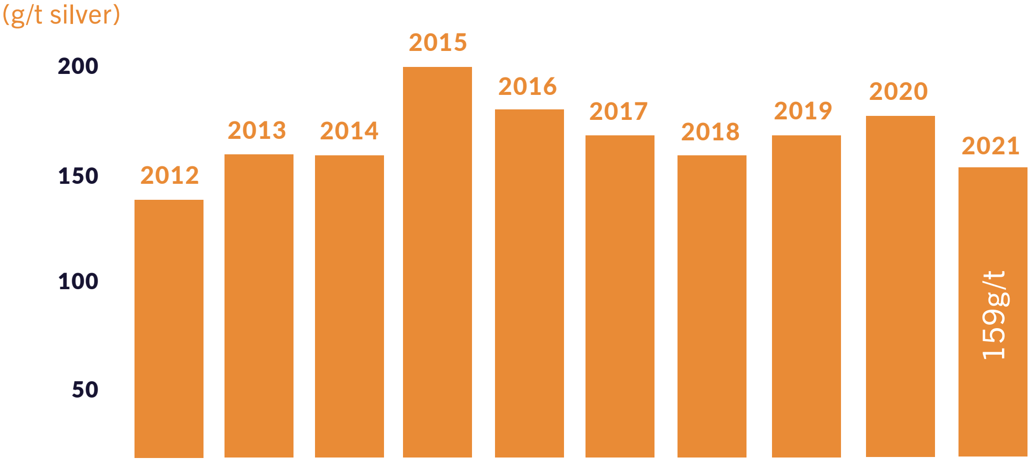
Zacualpan Silver Production

(ounces)



Production Grade profile Over Years

(g/t silver)



Production Size profile YOY

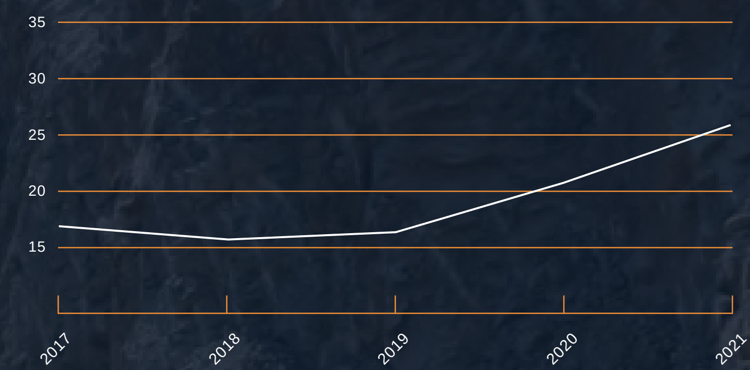
(or find another more positive trend – maybe g/t head grade)

We witnessed a strong rebound in silver prices July 2020 onwards and gave us a glimpse of what torque the metal has underlying when investors and mass market aligns. With world markets continued to dilute currency via stimulus pushes we believe metal and hard assets such as gold and silver are truly hedges to inflation and therefore should be going higher. While our costs will not drastically differ at a higher price of silver, IMPACT should see significantly higher earnings.

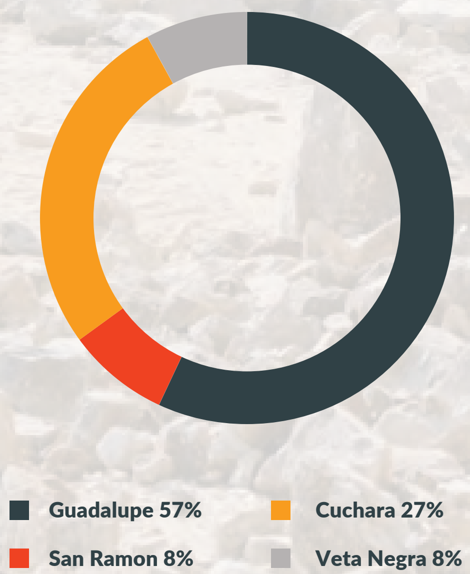
IPT Share Price

Average Silver Prices

$USD/ounce



Mine Contribution to Feed



IMPACT Silver has always been one of the best leveraged investment for those investors who believe in higher silver prices. With over 95% revenue attributable to pure silver and reporting no equivalents, in the past periods of high silver prices, IMPACT's returns have mirrored those of the metal and well exceeded it.

2020 –Expanding and Profiting Post Pandemic

Heading into 2021, the management and myself continued to be cautiously optimistic about the new found interest in smallcap mining and the gradual rise in silver prices. Operationally, we continue to generate good operating income with revenue increasing 13% year over year and the Company continues to be positive EBITDA. The operation team activity has become more focused on the Guadalupe mine and other areas accessed from that shaft, with tonnage reaching approximately 50% of the mill feed. A substantial underground development program at Guadalupe is continuing which includes a two-stage refurbishment of the mineshaft at the Guadalupe mine, and rebuilding the extensive track system on the 195 level to access the Pachuqueno section of the mine. This will provide for considerably higher capacity with lower associated hauling costs.

With 211 square kilometers of land package, IMPACT has been on an aggressive exploration and development drive at the Guadalupe mine in 2021 with 4 drill rigs and the initial 10,000 meters program expanded to 20,000 meters. We made a new discovery at San Ramon South Zone including intersections of 1.93 meters of 1,443 g/t Silver and 3.65 meters of 568 g/t Silver, as well as 691 g/t Silver over 1.29 meters at the Guadalupe Mine, and most recently 3.38 meters of 2,186 g/t Silver and 6.04 meters of 464 g/t Silver at the Guadalupe Mine — Pachuqueno area.

Our Capire Volcanic Massive Sulphide (VMS) project with a built and permitted 200TPD (tonnes per day) mill, was under study last year for newer technologies to potentially lower operating costs further. This project could represent near-term expansion to the Company's production profile.

IMPACT will continue our mandate as the purest silver producer in Mexico and use this capital to continue to unlock value for our stakeholders. With a cumulative production revenue of over $225 million in revenue and 11 million ounces of silver produced, IMPACT Silver is in the best financial shape in years with over $22 million in cash, a sizable 100% owned 211 km2 land package to develop, near-term expansion potential, underpinned by a shifting world that's starting to understand the need for hard assets. On behalf of our team, silver enthusiasts, and our faithful supporters globally, we look forward to an even more active 2022 as we transition to a higher growth mode.

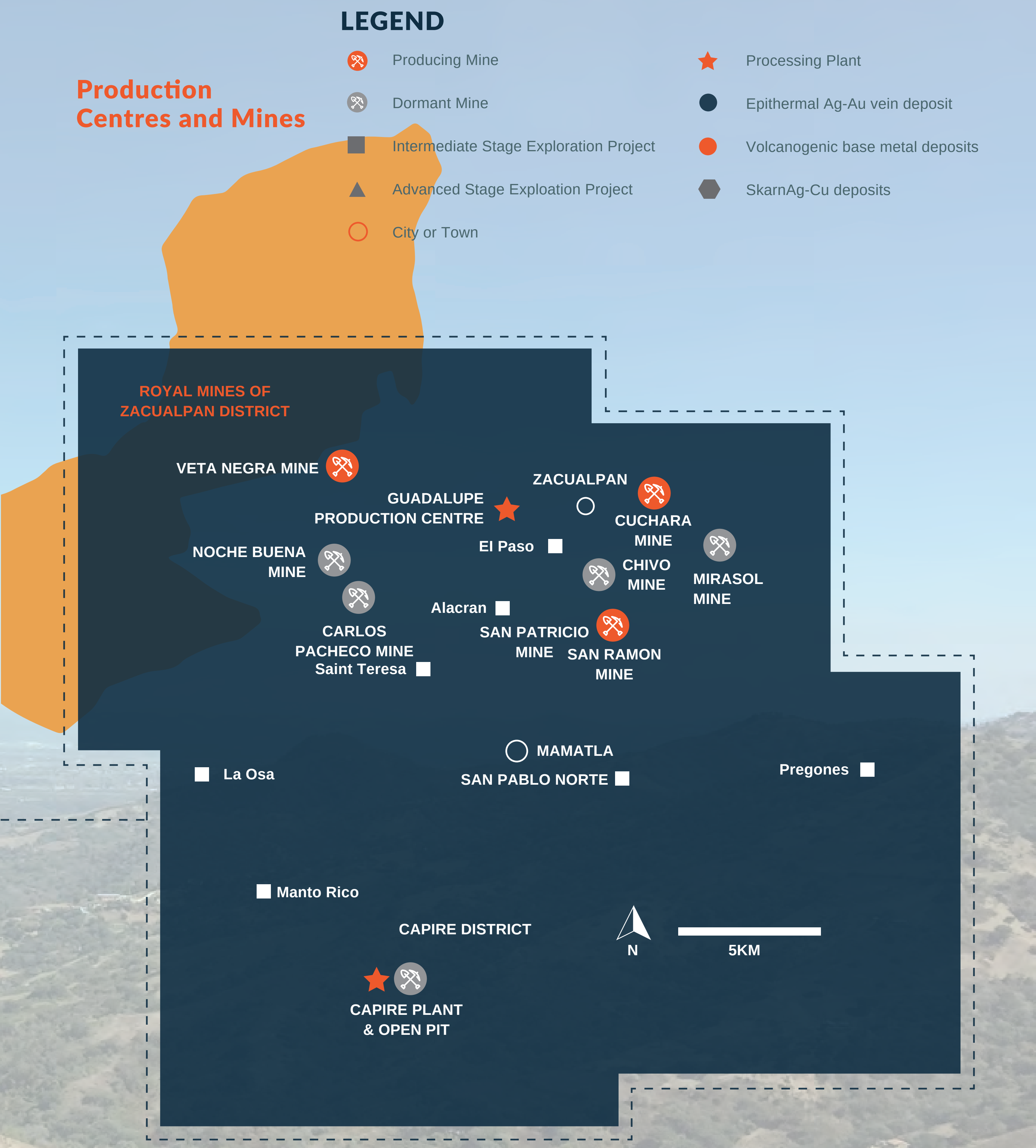
Regards,

Frederick W. Davidson

Frederick W. Davidson
President & CEO

Mexican Epithermal Vein Belt

Production Centres and Mines



Exploration Targets for 2021

Veta Grande

Impact Silver Drills 9.8 Meters Of 211 G/T Silver And 13.85 Meters Of 186 G/T Silver At Veta Negra First Phase Drill Program

San Ramon new zone discovered

IMPACT Silver Discovers New San Ramon South Zone including Intersections of 1.93m of 1,443 g/t Silver and 3.65m of 568 g/t Silver at Zacualpan Mining District, Mexico

Guadalupe-Pachuqueno Vein

Impact Silver Drills 3.38 Meters Of 2,186 G/T Silver And 6.04 Meters Of 464 G/T Silver At Guadalupe Mine - Pachuqueno

Veta Negra exploration + production site

Exploration team reviewing core

Royal Mines of Zacualplan District - Rich History of Mining

Guadalupe processing mill.

Statue of Miner in Zacualpan town church plaza

Over 60,000 meters drilled and sampled. Main core storage at Cuchara site

Financials

IMPACT Silver Corp.
Form 51-102F1
Management's Discussion and Analysis
For the Three and Twelve Months Ended December 31, 2021

INTRODUCTION

This Management's Discussion and Analysis ("MD&A") is for the year ended December 31, 2021 of IMPACT Silver Corp. ("IMPACT" or the "Company") prepared as at March 21, 2022 and should be read in conjunction with the Company's annual audited consolidated financial statements for the year ended December 31, 2021 and the related notes contained therein. All amounts referred to herein are in Canadian dollars unless otherwise specified. Additional information relating to the Company including material change notices, certifications of annual and interim filings and press releases are available on the Canadian System for Electronic Document Analysis and Retrieval (SEDAR) at www.sedar.com.

This document contains forward-looking statements. Please refer to "NOTE REGARDING FORWARD-LOOKING STATEMENTS."

CORPORATE OVERVIEW

IMPACT controls the majority of two large mineral districts totalling 211 km^2 in central Mexico: the Royal Mines of Zacualpan Silver District and the Capire Mineral District adjacent to and southwest of the Zacualpan district. IMPACT has been in continuous production at the Royal Mines of Zacualpan Silver District for over 15 years.

IMPACT is considered one of the purest silver producers. IMPACT's primary production metal is silver and with over 90% of its revenues currently generated by silver it is highly leveraged to the silver price. Trading volumes have been substantial over the last year, as the market appears to recognize the relationship with the price of silver.

Since 2006, the Company has carried out programs of exploration, development and mine production in both districts, bringing nine sites from exploration drilling to development and mining. IMPACT has produced approximately 11 million ounces of silver since 2006 and generated $225 million in revenues. As a result, a significant portion of over $65 million in capital expenditures and exploration on the properties has been funded by operations, and the company still has no long-term debt.

Silver grades for the year 2021 were lower by 8% due to the processing of development muck, and declining grades in an older section of the Guadalupe mine, but by the fourth quarter the silver grade improved to 172 g/t a 4% increase over the comparable quarter in 2020.

Cash flow from operations for the year was $3.0 million up from $2.5 million in the prior year. After non-cash costs including amortization and depreciation, share-based payments and deferred income taxes, the Company incurred an accounting net loss of $0.5 million.

Revenues for the year 2021 were $17.7 million up from $15.6 million in 2020. The revenue for Q4 in 2021 was $4.0 million compared to $4.5 million in Q4 in 2020. Revenue per tonne sold in 2021 was $119.04, (2020 - $116.09) with costs per tonne at $86.44 up from $80.82 in 2020. During the year ended December 31, 2021, the price of silver varied from a price in excess of US$29 per ounce ("oz") to a low of less than US$22 an oz. resulting in significant volatility in revenues and earnings.

The higher cost per tonne was in part a result of the Company's increased exploration and development at the Guadalupe mine. These costs are expected to continue in the near future as the mine is engaged in a significant programme of exploration and development, but are anticipated to have a positive impact on grade and tonnage from this mine in 2022.

Mine operating income for the year was $3.4 million up from $3.3 million in 2020, while higher development costs and lower silver grades both continued to impact the operating results.

In Q4 2021, cash provided by operating activities was $0.2 million and at year end cash was $21.1 million, up from $20.4 million December 31, 2020. Working capital at December 31, 2021 was $21.5 million compared to $20.3 million December 31, 2020.

During Q4 2020, the Company optioned approximately 1,100 hectares of its Zacualpan S.E. concession to Pantera Silver Corp. In Q1 2021, Pantera made a payment of $50,000 in cash, and issued the Company 200,000 treasury shares valued at $85,000. Pantera is required to make option payments of $300,000 in cash, issue the Company 3.5 million in shares and complete a minimum of $1.4 million in work on the project over the next three years, to acquire 100% of the project. This agreement is subject to a 1% net smelter return in favour of IMPACT.

Work continues on a third tailings facility with a provisional life of nine years of operations at the Guadalupe mill complex.

Overall

With increased trading on the various exchanges IMPACT is becoming recognized as a medium cost producer, highly leveraged to the price of silver. To date the Company believes the market has not attributed significant value to its extensive land position and its exploration potential. Starting in 2021, the Company committed to a major exploration program including a considerable drill program focused on the greenfield potential of its large land package. The results from four successful drill programmes totalling over 17,000m with its own drills were announced during the year. In areas where it will not be able to focus over the next two years, the Company will look to potential partnerships to further accelerate discovery.

On January 1, 2022, the Company completed a vertical short form amalgamation with its wholly-owned subsidiary, Chalco Services Inc. pursuant to the provisions of the Business Corporations Act (British Columbia) (the "**Amalgamation**"). No securities were issued in connection with the Amalgamation and the shares of the subsidiary were cancelled without any payment of capital in respect of them.

The continuing company has the current Articles and Notice of Articles of the Company. The Company's trading symbols of its listed securities will remain unchanged. No action will be required by existing security holders of the certificates representing the Company's securities.

IMPACT's key initiatives for the year 2022

1. Continue extensive development of the Guadalupe mine, including the newly developed Pachuqueno area while optimizing production with a focus on maximizing cash flows from its other mining operations. This work has been accompanied by upgradimg of an underground rail facility and an extensive underground drilling programme that has identified a number of veins in the immediate area.

2. During 2021, IMPACT has conducted an aggressive exploration program, including a diamond drill program that was in excess of 17,000 metres. The program was focused on discovery and definition of additional high-grade silver and gold zones for near and longer-term mining. With the current success combined with the operational efficiencies of its own drills, the Company plans a number of additional programs during 2022 that could approach 20,000 metres of drilling across the Company's extensive land package

3. Subject to market conditions and current technical studies including ore sorting, expanding the current pilot plant and infrastructure, IMPACT is looking to restart production at the Capire open pit mine in 2022.

4. With the increase in exploration activities, IMPACT is still considering possible joint ventures and option agreements with third parties on more remote tracts similar to the Pantera Silver Corp. option agreement for the Pregones district.

5. Where practical, the Company will continue to expand its ESG activities focusing on community and environmental issues.

6. Continue its staged review of other opportunities for advanced precious metal opportunities in Mexico and elsewhere.

IMPACT is a reporting issuer in British Columbia and Alberta. The Company's shares trade on the TSX Venture Exchange as a Tier 1 Issuer under the symbol IPT and on the Frankfurt Stock Exchange under the symbol IKL.

Financial Overview

- Higher grade silver on lower silver prices resulted in revenue of $4.0 million in Q4 2021, down from $4.5 million in 2020. While silver grades for the year to date ("YTD") 2021 were lower than the comparative period 2020, revenue was $17.7 million compared to $15.6 million in 2020, due to higher average silver prices.

- Mine operating earnings before amortization and depletion[1] YTD 2021 was $4.7 million (2020 $4.7 million).

- Cash generated from operations for the YTD was $3.0 million compared to $2.5 million in 2020.

- Earnings before interest, taxes, depreciation, amortization[2] ("EBITDA") was $1.5 million in 2021 (2020 - $2.5 million).

- After investing $3.6 million in exploration expenditures and mining assets during the year, the cash position remained strong at $21.1 million with working capital of $21.5 million, up from cash of $20.4 million and working capital of $20.3 million at December 31 2020.

- Net loss for Q4 2021 was $0.5 million compared to net income of $1.7 million in 2020. There was a loss $0.5 million for the year 2021 compared to net income of $2.3 million in 2020. This was due in part to share-based payment expense of $1.5 million in 2021 with no comparable amount in 2020.

- Recent legislation by the Mexican government has resulted in the reorganization of the activities of the company's Mexican subsidiaries in order to comply with what the Company's advisers understand are the new requirements in both employment and taxation. As a result, the Company has written down potential deferred tax recoveries.

[1] Mine operating earnings before amortization and depletion is a non-IFRS measure which the company believes provides meaningful information about the Company's financial performance. See "Non-IFRS MEASURES".

[2] Earnings before interest, taxes, depreciation and amortization (EBITDA) is a non-IFRS measure which the Company believes provides meaningful information about the Company's financial performance. See "Non-IFRS Measures".

Production and Sales Highlights

Guadalupe Production Complex

Prior to silver price prices increasing in Q2 2020, the Company shifted its strategy from utilising capacity at its Guadalupe processing plant to focusing on lower cost, high-grade production. The decrease in production tonnes allowed the Company to focus on mining higher margin areas in lower cost situations.

The mining activity is becoming more focused on the Guadalupe mine and other areas accessed from that shaft, with tonnage reaching approximately 50% of the mill feed. A substantial underground development program at Guadalupe is continuing which includes a two-stage refurbishment of the mineshaft at the Guadalupe mine, and rebuilding the extensive track system on the 195 level to access the Pachuqueno section of the mine. This will provide for considerably higher capacity with lower associated hauling costs.

After an extremely wet rainy season during Q3 2021 which resulted in excessive haul costs and the mining at the Veta Negra open-pit halted, production at this mine recommenced providing 8% of the mill feed in the fourth quarter.

As development advanced on a number of fronts, the Company saw a gradual increase in production late in the year resulting in an increase in tonnage to the mill of 2,038 tons for Q4 2021 over Q3 2021.

Revenue per tonne sold was $116.67 in Q4 2021, down from Q4 2020 at $130.22 despite higher grades. This was due to lower silver prices and the impact of concentrate inventories. Revenue per tonne for YTD 2021 was $119.04 compared to $116.09 in 2020.

Silver sales for Q4 2021 decreased to 154,224 ounces compared to 156,885 ounces in 2020, while tonnes milled increased 4% from the prior year. YTD silver sales were 633,952 ounces (2020 - 633,357 ounces).

Direct costs per production tonne, net of concentrate inventories, were $97.79 in Q4 2021, compared to $92.21 in Q4 2020. This increase was anticipated, as the Company stepped up exploration and development at the Guadalupe mine. YTD costs per tonne rose to $86.44 compared to $80.82.

Capire Project

The Company completed the re-interpretation of historical geophysical data focusing primarily in the Mamatla District including the Capire project. Previous 43-101 studies on the Capire deposit have been evaluated with an inhouse review using the experience of the test mining. Other studies are being conducted with regard to critical infrastructure to determine optimum plant size for Capire operations. Also, as the result of lab scale studies, a bulk sample of 1400 kilograms of material selected by the Company's consultant from the Capire open pit was shipped for testing to a Canadian laboratory using state of the art X-Ray transmission ("XRT") pre-concentration processing technology. XRT technology is a process that recognizes and sorts rocks based on the specific atomic density of the material. XRT sorts ore grade material from waste reducing the amount of material to be processed during the milling process as well as tailings. The bulk sample results have been positive and the current mine inventory is being reviewed for optimization and may involve further detailed testing. The Company is currently evaluating the impact upon both capital and operating costs, recoveries and the ultimate mineable size of the deposit and the current pilot plant.

The objectives of these studies are to improve the possible operating margins through reduced processing costs to minimize sensitivity of operations from metal price fluctuations, and to potentially increase throughput at the current Capire plant.

PRODUCTION AND SALES: GUADALUPE MILL

	For the Three Months Ended December 31			For the Year Ended December 31		
	2021	2020	% Change	**2021**	2020	% Change
Total tonnes (t) milled	**36,625**	40,815	-10%	**145,458**	140,069	+4%
Tonnes produced per day	**398**	444	-10%	**399**	383	+4%
Silver production (oz)	**162,869**	184,303	-12%	**617,686**	646,534	-4%
Lead production (t)	**60**	68	-11%	**250**	240	+4%
Gold production (oz)	**78**	92	-15%	**295**	321	-8%
Silver sales (oz)	**154,224**	156,885	-2%	**633,952**	633,357	0%
Lead sales (t)	**56**	53	+6%	**213**	225	-6%
Gold sales (oz)	**71**	69	+3%	**283**	293	-3%
Average mill head grade –silver g/t	**172**	166	+4%	**159**	172	-8%
Revenue per tonne sold[3]	**116.67**	$130.22	-10%	**119.04**	$116.09	+3%
Direct costs per production tonne[3]	**97.79**	$92.21	+6%	**86.44**	$80.82	+7%

MINE PRODUCTION

Royal Mines of Zacualpan District

At the Royal Mines of Zacualpan Silver-Gold District several underground / open pit mines on epithermal silver (-zinc-lead) veins feed the central Guadalupe processing plant rated at 535 tonnes per day. Since acquiring the project, there has been extensive work done to upgrade operations and enhance production. Expanding the tailings capacity is an ongoing process. Work has been completed on a third tailings dam which will begin to receive tailings in 2022.

Guadalupe Silver Mine

The Guadalupe Mine is located adjacent to the Guadalupe mill. This underground mine restarted commercial production in September 2018 after a hiatus of five years and is now the largest producing mine on the property. Production comes from multiple veins on multiple levels in the largest vein cluster known on the property. During the fourth quarter of 2021, the Guadalupe Mine provided 57% (Q4 2020 – 45%) of feed to the Guadalupe mill. Monthly average mining grades at Guadalupe during the quarter ranged from 156 to 182 g/t silver. Production during Q4 2021 was from the Lipton, Liptonia, San Lorenzo and several Pachuqueno area veins on Levels 0, 40, 60, 100, 150, 160, 195 and 234. With its lower cost structure, the Company has expanded production from Guadalupe, upgraded the shaft and underground railroad infrastructure, and is upgrading other infrastructure in the mine to access additional veins for mining on the lower levels and expanding production.

[3] Revenue per tonne sold and direct costs per production tonne are non-IFRS measures which the Company believes provides useful information on revenue and direct costs. See "NON-IFRS MEASURES".

San Ramon Silver Mine

The San Ramon Mine is located five kilometres south of the Guadalupe mill. San Ramon has been a significant contributor to production since 2008. In September 2021, the Company finished mining the San Ramon Deeps zone and began development and mining of the San Ramon South zone which was discovered earlier in 2021. During the fourth quarter of 2021, San Ramon provided 8% (Q4 2020 – 21%) of feed to the Guadalupe mill as production at San Ramon South ramps up. Monthly average mining grades at San Ramon during the quarter ranged from 201 to 244 g/t silver. Production during Q4 2021 was from Levels 7 and 19 in the San Ramon South zone. Drilling to expand the San Ramon South zone continues from surface.

Veta Negra Silver Mine

The Veta Negra mine is a small open pit operation which commenced production in September 2019. It is located four kilometres northwest of the Guadalupe mill. The mine contributes a silver-rich feed to the Guadalupe mill from a near surface bulk tonnage zone. During the fourth quarter of 2021, the Veta Negra Mine provided 8% (Q4 2020 – 10%) of feed to the Guadalupe mill. Monthly average mining grades at Veta Negra during the quarter ranged from 189 to 198 g/t silver. North-northwest trending parallel, near surface veins, enveloped by stockworks and disseminations occur over a width averaging 14 metres. Drilling is continuing to the north, south and to depth to determine the full potential of the zone.

Cuchara Silver Mine

The Cuchara mine is located 2.5 kilometres east of the Guadalupe mill and commenced production in the second quarter of 2013. During the fourth quarter of 2021, the Cuchara Mine provided 27% (Q4 2020 – 24%) of feed to the Guadalupe mill. The mine contributes a silver-lead-zinc feed to the Guadalupe mill. Current production is mainly from the Marqueza and Milmaravillas veins. Monthly average mining grades at Cuchara during the quarter ranged from 153 to 165 g/t silver.

Capire Processing Plant and Mine

The Capire Production Centre is located 16 kilometres southwest of the Guadalupe Production Center. It is a volcanogenic ("VMS") base and precious metal deposit. VMS mineralization in the Capire district is predominantly silver-rich with zinc and lead credits occurring in small massive sulphide lenses enveloped in disseminated mineralization.

In Q2 2013, IMPACT announced the commissioning of the Capire open pit mine and completion of construction of the 200-tpd pilot plant. The purpose of the open pit silver test mining and processing operations at Capire was to determine production costs and optimize mining and processing methods in planning for a potentially larger operation in the future. The work performed increased the Company's knowledge about the metallurgy of minerals in both districts and has helped define operating costs at Capire. Most of this test work was completed; however, in light of lower silver prices, Mexican mining tax changes, hauling costs and low overall silver grade being mined at Capire, the Company recognized that the open pit test mining operation was not economical at that time. In February 2014, after processing approximately 33,000 tonnes of material, the open pit operations were suspended.

After the shutdown, the Capire plant was reconfigured as a bulk test processing facility for gold and copper mineralization from the Carlos Pacheco South Zone in the Noche Buena Mine. The results of this test work at Capire and later at the Guadalupe mill, demonstrated good gold recoveries from Carlos Pacheco South mineral when mixed with Zacualpan silver mineral.

The Capire plant is currently on care and maintenance. Company engineers are reviewing Capire for potential restart of operations in light of current elevated silver prices. The Company is also testing the potential of an ore sorting system to upgrade the mineral feed at low cost to the Capire mill.

Capire Mineral Resource

On January 18, 2016, IMPACT announced NI43-101 mineral resources for the Capire Zone as follows and then filed a supporting technical report on www.sedar.com on March 3, 2016.

Total Resource at US Dollar per Tonne Cutoffs - Inferred and Unoxidized								
Cutoff	Inferred Mineral Resources							
US$/t	Tonnes	US$/t	g Ag/t	%Zn	%Pb	Oz Ag	lbs Zn	lbs Pb
10	4,465,000	36.20	44.21	0.72	0.31	6,346,000	71,183,000	30,212,000
15	3,450,000	43.24	53.03	0.85	0.37	5,881,000	64,914,000	28,072,000
20	2,707,000	50.37	62.22	0.98	0.43	5,414,000	58,444,000	25,755,000
25	2,177,000	57.19	71.06	1.10	0.49	4,974,000	52,766,000	23,522,000
30	**1,786,000**	**63.74**	**79.49**	**1.22**	**0.54**	**4,563,000**	**47,975,000**	**21,423,000**
35	1,490,000	69.96	87.65	1.33	0.59	4,199,000	43,692,000	19,504,000
40	1,242,000	76.47	96.20	1.45	0.65	3,842,000	39,596,000	17,666,000
45	1,035,000	83.30	105.37	1.56	0.70	3,507,000	35,693,000	15,905,000
50	859,000	90.69	115.49	1.69	0.75	3,189,000	31,983,000	14,203,000
60	636,000	103.31	133.60	1.88	0.84	2,732,000	26,339,000	11,793,000
70	489,000	114.89	150.72	2.04	0.92	2,370,000	22,034,000	9,909,000
80	381,000	126.33	167.97	2.20	0.99	2,057,000	18,455,000	8,338,000
90	294,000	138.53	187.15	2.34	1.07	1,772,000	15,194,000	6,966,000

The reported resource ("Base Case") cutoff grade is US$30/tonne in the table. The mineral resources in this disclosure were estimated by Mine Development Associates ("MDA") of Reno, Nevada. The resources were estimated using Canadian Institute of Mining, Metallurgy and Petroleum ("CIM") standards, definitions and guidelines. The resources were estimated by inverse distance cubed ("ID^3") and checked the estimate with inverse distance to the 4^{th} power, kriging, and nearest neighbour.

The table presents the inferred diluted resources at Capire using total-metal (silver, zinc and lead) dollar-value cutoffs. The model block size is 3 metres by 3 metres by 3 metres. The diluted resources are displayed at multiple cutoffs, but the resource is reported at a cutoff of US$30/t lying within a pit optimized using $31/oz silver, $1.51/lb zinc, and $1.69/lb lead. MDA considered a US$30/t cutoff to be appropriate at the time for production using IMPACT's 200 t/d mill and recoveries around 80%, 50%, and 65% for silver, zinc and lead, respectively. The resources were generated within an optimized pit shell on the Capire zone that best conveyed "reasonable prospects for eventual economic extraction" at the time which is a requirement of the 2014 CIM Definition Standards, incorporated into Canadian National Instrument 43-101. There is additional mineralization too deep to fulfill the criteria of "reasonable prospects for eventual economic extraction" within an open pit, but that may be available for potential underground development. For further details on the Capire mineral resource see IMPACT's news release dated January 18, 2016.

EXPLORATION

Mines on epithermal veins that were drilled and built by the IMPACT team on the property include the Cuchara Silver Mine (currently in operation), San Ramon Mine (currently in operation), the Veta Negra open pit mine (currently in operation), San Patricio (Chivo) Silver Mine (operated 2017-2018), Carlos Pacheco Gold-Copper Mine (on care and maintenance), Chivo Silver Mine (operated 2007-2012), the Noche Buena Silver Mine (operated 2010-2014) and the Mirasol Silver Mine (operated 2014-2017), as well as the Capire VMS open pit silver mine (being assessed for restart of operations). Exploration is continuing with the goal of finding and developing new mines for the Company. Recent exploration highlights were as follows:

Drilling

During the fourth quarter, IMPACT announced the purchase of a fourth drill and plans to increase exploration drilling to 20,000m in 2021-2022 (see IMPACT news release dated September 13, 2021 for details), and published a series of news releases with assays from drilling on several targets. In July IMPACT announced drill results from the Veta Negra Mine area and extensions including 186 g/t silver over 13.85 metres (see IMPACT news release dated July 13, 2021 for details). In October IMPACT announced underground drill results from the Guadalupe Mine including 691 g/t silver over 1.29 metres in the Lipton Vein area (see IMPACT news release dated October 5, 2021 for details) and 2,186 g/t silver over 3.38 metres and 464 g/t silver over 6.04 metres in the Pachuqueno area (see IMPACT news release dated October 19, 2021 for details).

Exploration Field Work

IMPACT crews have been sampling some of the 5,000+ old mine workings and prospects in the districts as well as exploring new areas. Exploration targets are defined and prioritized using a very large computer database complied over many years from historical maps and other technical data on the project. During the quarter, fieldwork was highlighted by continued exploration on the north and south extensions of the Veta Negra Mine, trenching on the bulk tonnage gold target at Manto America in the central part of the district and the Noche Norte area southwest of Veta Negra.

FUTURE PLANS

Mining Plans

In the near term, the Company is optimizing production in light of the elevated silver prices and continues evaluation of the potential restart of the Capire open pit silver mine.

Exploration Plans

The Company is continuing exploration with the goal of putting some of the 5,000+ compiled old mine workings in the Zacualpan and Capire districts on a faster track to drilling and potential production. The Company is continuing surface and underground drilling programs utilizing four Company owned drills to build tonnes for mining. Upcoming drilling and exploration work is planned for the north and south extensions of the Veta Negra Mine, San Ramon South extensions, the Alacran Vein area, the Manto America bulk tonnage gold target, and the Pachuqueno Vein extensions from the Guadalupe Mine.

IMPACT has a track record of successful exploration and rapid mine development. The Company's long-term vision sees potential for establishing multiple mills throughout the two districts, each fed by multiple mines producing silver-lead-zinc as well as gold.

George Gorzynski, P. Eng., Vice President and Director of IMPACT Silver Corp., and a Qualified Person as defined under Canadian National Instrument 43-101, approved the technical information in this MD&A for the Royal Mines of Zacualpan Silver Project and the Capire Mineral District (except information related to the Capire mineral resources). Steven Ristorcelli, C.P.G. (U.S.A.), Principal Geologist for Mine Development Associates and a Qualified Person under the meaning of Canadian National Instrument 43-101, approved the Capire mineral resource estimate and directly related information in this MD&A. Details of the technical information in this MD&A are available in Company news releases posted on the Company website at www.IMPACTSilver.com and on www.sedar.com.

Cautionary 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 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.*

SAFETY, SOCIAL AND ENVIRONMENTAL POLICY

IMPACT Silver Corp. recognizes that exploration and mining create a physical change within the area of work. The Company believes in its responsibility to ensure that it minimizes the environmental impact of its efforts and carries out reclamation on sites disturbed by its activities. As primarily an underground mining situation, surface disturbance from mining has been minimal in the past.

The exploration drills acquired by IMPACT are modular diamond drill rigs which minimize the area of disturbance due to their small size and mobility. These drills rig require little in the way of drill pads or access trails and the Company engages the local community for logistical support and assistance as part of the drill crew. All drill sites are reclaimed. Besides increasing our flexibility in the drill programs and keeping environmental disturbance to a minimum, they have proved extremely cost effective.

Tailings dams are engineered to stringent standards, the tailings themselves are benign and 100% of mine water is either recycled or lost to evaporation. The Company in 2021 as part of a periodic review, engaged independent engineers to conduct a study on the status of the current tailing's impoundment and are addressing the subsequent recommendations.

Construction of tailing pond number 3 is continuing and will begin to receive tailings in 2022. It can accommodate approximately 9 years of production from the Guadalupe mill complex. Fully permitted, the site was cleared and for each tree removed the Company planted a further 7 trees, working in conjunction with the regulatory officials.

Environmental Impact

In 2020, the trees planted as part of preparation for the new tailings facility number 3, were part of a larger program to improve areas of past historical physical disturbance. In conjunction with the municipality and the Technological Baccalaureate Center in total the Company planted approximately 6,000 trees of various indigenous species in 2021. A further 10,000 trees are to be planted in 2022/2023.

On the mine's property surrounding the current tailings facilities and the complex's support facilities the Company working with local farmers planted 833 agave plants. Plans for the next 12 months are for a further 3,000 Agave to be planted. According to the Company's consultants, Agave plants have the ability to reduce and isolate large quantities of atmospheric Co2. They produce more biomass above and below ground than most other plant species. Estimates are they can absorb and store the dry weight equivalent of 30 to 60 tons of Co2 per hectare per year. Once established they do not require irrigation and are not sensitive to rising global temperatures and drought. Agave also provides a cash crop for the local farmers as well as livestock feed.

The Company is currently reviewing its' power usage, which is sourced primarily from the national Mexican power grid. The studies include sustainable alternatives incorporating LED lighting and solar panels, for at least part of the power demand. In 2021 a test site was established to provide electricity to the mine administrative building with solar panels. This program is anticipated as continuing in 2022 to supply other service buildings once suitable locations have been found for the panels. While reducing the mine's carbon foot print, it is anticipated the solar power produced will also generate economic savings.

Social Responsibility

The Company keeps community members informed of its activities and works with the communities to address local concerns. The employment of most workers from the local communities' fosters understanding, and direct involvement in the Company's operations. Over the last several years the mine has focused on two strategies to assist the local communities. The first is to up-grade infrastructure which may have been neglected by senior government levels in the past. During 2021, the Company, by providing tools, materials and supplies while the communities provide labour, has upgraded roads, and built a new school, as well as a badly needed health clinic. The Company has also built soccer fields, basketball courts and other facilities for local communities.

The second strategic need is to help ensure water both potable and for irrigation to a number of individual farmers and communities. This includes building water tanks and providing plastic pipes for water storage and distribution.

COVID-19

Like much of Mexico, the local communities in the district have experienced COVID -19. Early in2020 the mine established strict protocols with regards to its employees, and provided essential information to them and their families. All employees are monitored when they come to the plant site and mine sites, where practical safe distances and masks are required, and those suspected of having been exposed to a COVID-19 related event are sent to the local hospital for testing and required to isolate at home. To date this has kept the impact of COVID-19 upon its staff and operations to a minimum. In the second quarter of 2020 at the instruction of the Federal Government the company suspended activities until that June to assist in the reduction of the spread of COVID-19.

Operational Impact

The Company has educated its employees and contract personnel to maintain high standards related to environmental and safety issues and they are continually reminded to uphold this standard. In past years, IMPACT received recognition for its compliance to health and safety standards by the Secretary of Labour and Social Welfare in Mexico. This recognition acknowledges that the Company:

- Ensured a working environment that allows effectiveness and competence.
- Emphasized a strong relationship between employees and employer.
- Reduced workplace accidents and illnesses.
- Reduced absenteeism.
- Had no fines or work stoppages.

The Company has social, environmental, and other policies related to its operations and promotes a culture for working safely. It has long term and effective relations with its Union as well as local contractors and personnel that it works with. Work conducted by or on behalf of the Company is planned with a focus on safety and concern for the environment and the local communities. The mining operation has a safety committee, and employs a safety officer to implement and supervise the safety program. In the event of an emergency, the Company maintains a trained mine rescue team, and keeps a paramedic and onsite ambulance on standby.

INVESTOR RELATIONS

The Company builds investor awareness and shareholder value by conducting institutional presentations and attends investment and mining related conferences that have been online during the pandemic.

With the changes occurring in the market place and the economy, the Company continues to strengthen its presence via social media and other online marketing, and in the last few months has begun to attend some in-person conferences again.

The Company has also revised its website to assist stakeholders in understanding its activities and the potential of the entire Royal Mines of Zacualpan district. To ensure full disclosure, prior to COVID-19 closures, the Company regularly brought investment advisers and sophisticated investors to its mine site for industrial tours. When suitable it will once again do so. In the interim, it has prepared video presentations of some of its operations and exploration activities available under “Media” on the Company’s website.

FINANCIAL DISCUSSION

Summary of Quarterly Results

In thousands except for earnings per share	Three months ended December 31			
		2021		2020
Revenue	**$**	**4,027**	$	4,548
Net income (loss)	**$**	**(541)**	$	1,658
Income per share – basic and diluted	**$**	**(0.00)**	$	0.01

Net loss for the fourth quarter of 2021 was impacted by the following factors:

- Revenue for Q4 2021 was $4.0 million, a decrease from $4.5 million in 2020 on 154,224 ounces of silver sold, down 2% from Q4 2020. Revenue per tonne sold was $116.67 compared to $130.22 in Q4 2020. Tonnes milled decreased 10% from the prior year to 36,625 due to increased processing of development muck and declining grades in an older level of the Guadalupe mine. Silver grade was higher by 4% at 172 g/t compared to 166 g/t in Q4 2020.

- Mining operating income was $0.3 million in Q4 2021 compared to $1.0 million in Q4 2020 with revenue per tonne lower on reduced tonnes milled and cost per production tonne increasing to $97.79 from $92.21 in Q4 2020. This was due in part to additional development and drilling expenditures in active mines which were expensed during the period.

- In Q4 2021 general and administrative costs were higher at $1.0 million compared to $0.5 million in Q4 2020, due to stock-based compensation expense of $0.5 million.

- The Company had income and deferred tax recovery of $0.2 million in Q4 2021 compared to a recovery of $1.4 million in Q4 2020.

Summary of Year to Date Results

All figures are in thousands of Canadian dollars except earnings per share.

In thousands except for earnings per share	Twelve months ended December 31					
		2021		2020		2019
Revenue	$	**17,699**	$	15,578	$	13,311
Net income (loss)	$	**(545)**	$	2,301	$	(4,939)
Earnings (loss) per share – basic and diluted	$	**(0.00)**	$	0.02	$	(0.05)
Total assets	$	**65,840**	$	64,832	$	49,955

Net loss for 2021 was impacted by the following factors:

- The Company earned revenue of $17.7 million during the twelve months ended December 31, 2021 compared to $15.6 million in the twelve months ended December 31, 2020. Although the grade decreased to 159 g/t from 172 g/t in 2020, revenue per tonne sold increased to $119.04 in 2021 compared to $116.09 in the same period in 2020 due to higher silver prices.

- Mine operating income was $3.4 million for the twelve months ended December 31, 2021 compared to $3.2 million in the same period of 2020. The prior years comparative results were impacted by the government decreed shut down for COVID-19 in Q2 2020. Direct costs per tonne increased to $86.44 from $80.82 in 2020, partially due to additional costs related to development and drilling in active mines in 2021.

- General and administrative costs increased to $3.2 million in 2021 compared to $2.0 million in 2020, due to share-based payment expense of $1.5 million in 2021 with no comparable expense in 2020.

- The Company recorded deferred and current income taxes expense in the twelve months ended December 31, 2021 of $0.8 million compared to the Company's $1.4 million deferred income tax recovery recorded in the comparable period of 2020. This is primarily due to losses from some of the companies in the group not being recognized during the current year.

OTHER FINANCIAL INFORMATION

Summary of Quarterly Results

The following table presents our unaudited quarterly results of operations for each of the last eight quarters.

	For the Three Months Ended ($ in thousands except for earnings per share)							
	Dec 31 2021	Sept 30 2021	June 30 2021	Mar 31 2021	Dec 31 2020	Sept 30 2020	June 30 2020	Mar 31 2020
Revenue	4,026	4,081	4,216	5,376	4,548	4,774	2,842	3,413
Net income (loss)	(541)	35	218	(257)	1,658	928	(195)	(90)
Earnings (loss) per share – Basic and Diluted*	(0.00)	0.00	0.00	(0.00)	0.01	0.01	(0.00)	(0.00)
Total assets	65,840	66,306	66,546	65,070	64,832	58,592	46,319	44,715
Total liabilities	5,874	6,323	6,505	6,219	6,143	6,905	6,306	6,528

* *Income (loss) per share numbers have been rounded to two decimal places*

Liquidity, Financial Position and Capital Resources

Working Capital and Cash Flow

At December 31, 2021 the Company had cash of $21.1 million, an increase of $0.7 million from December 31, 2020. Working capital was $21.5 million compared to $20.3 million at December 31, 2020.

During the year ended December 31, 2021:

- For the twelve months ended December 31, 2021, the Company generated cash flows from operating activities of $3.0 million compared to cash flows of $2.5 million in 2020 due to improved financial performance. In Q2 2020, results were impacted by the temporary government-mandated cessation of operations due to COVID-19.

- In 2021, the Company invested $3.6 million (2020 - $1.8 million) in long-lived assets, of which $1.2 million was for exploration expenditures and $2.4 million for property, plant and equipment including mining assets.

- In 2021 the Company received proceeds of $1.4 million from the exercise of warrants and stock options. In the comparative period in 2020, the Company completed a private placement for net proceeds of $10.8 million and received $5.3 million on the exercise of warrants and stock options.

- In 2021, the company received a cash payment of $50,000 and 200,000 treasury shares valued at $85,000 pursuant to the option agreement on part of its Zacualpan SE concession signed in Q4 2020.

For the three months ended December 31, 2021:

- During the fourth quarter of 2021, the Company generated cash flows from operating activities of $0.2 million compared to $0.1 million in the fourth quarter of 2020.

- In Q4 2021 the Company invested $0.7 million in long-lived assets (2020 - $0.4 million).

- In Q4 2021 the Company received $0.03 million on the exercise of 68,966 warrants, compared to 2020 when the Company received net proceeds of $3.3 million on the exercise of 9.0 million warrants and 0.1 million options.

Outstanding Share Data

The following common shares and convertible securities were outstanding at March 21, 2022:

	# of Shares	Exercise Price	Expiry Date
Issued and outstanding common shares	145,631,485		
Stock options	1,160,000	$0.35	September 20, 2022
Stock options	1,750,000	$0.36	October 24, 2024
Stock options	2,010,000	$0.90	January 18, 2026
Stock options	2,300,000	$0.48	October 8, 2026
Warrants	2,738,154	$0.30	July 5, 2022
Warrants	1,613,264	$0.30	July 24, 2022
Warrants	2,489,173	$0.385	August 2, 2022
Warrants	969,954	$0.385	August 12, 2022
Warrants	4,878,334	$0.385	April 16, 2023
Brokers warrants	598,089	$0.95	August 20, 2022
Warrants	5,024,545	$1.30	August 20, 2022
Fully diluted	171,162,998		

All of the 7,220,000 stock options outstanding have vested.

FINANCIAL INSTRUMENTS AND MANAGEMENT OF FINANCIAL RISK

Financial assets and liabilities

The Company's financial instruments consist of cash, concentrate trade receivables, other receivables, investments, trade payables and lease obligations. Cash and other receivables are measured at amortized cost. Concentrate trade receivables are measured at fair value through profit or loss. Investments are designated as fair value though other comprehensive income and measured at fair value as determined by reference to quoted market prices. Trade payables and lease obligations are measured at amortized cost.

Financial instrument risk exposure

The Company's financial instruments are exposed to a number of financial and market risks including credit, liquidity, currency, interest rate and price risks. The Company may, or may not, establish from time to time active policies to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks, since the Company's management does not believe that the current size, scale and pattern of cash flow of its operations would warrant such hedging activities.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk include cash, trade and other receivables and investments. The Company deposits its cash with high credit quality financial institutions as determined by ratings agencies, with the majority deposited with a Canadian Tier 1 bank. As is customary in the mining industry, the Company has entered into contracts with refining and smelting companies for the refining and sale of its silver, lead, zinc, and gold contained in its lead and zinc concentrates. All contracts are with currently with Trafigura Mexico S.A de C.V. and previously with Samsung C&T Corp. As a result, the Company has a significant concentration of credit risk exposure to these companies at any one time but is satisfied that these companies have adequate credit ratings as determined by Standard and Poor's. The Company's maximum exposure to credit risk at the reporting date is the carrying value of its cash ($21.1 million) and trade and other receivables ($1.0 million).

Interest rate risk

The Company is exposed to interest rate risk on its cash. Generally, the Company's interest income will be reduced during sustained periods of lower interest rates as higher yielding cash equivalents and any short-term investments mature and the proceeds are invested at lower interest rates.

Currency risk

Foreign exchange rate fluctuations may affect the costs that the Company incurs in its operations. Silver, lead, zinc, and gold are sold in US dollars and the Company's costs are principally in Mexican pesos and Canadian dollars. At December 31, 2021, the Company is exposed to currency risk through the cash, trade and other receivables, and trade payables held in US dollars and Mexican pesos. Based on these foreign currency exposures at December 31, 2021, a 10% depreciation or appreciation of all the above currencies against the Canadian dollar would result in an approximate $0.6 million decrease or increase in the Company's net income for the year ended December 31, 2021.

Commodity price risk

Due to the recent volatility in silver prices, the Company is assessing the impact and direction in silver prices over the short and long term. Should the prices decline, the Company's operating results could be adversely impacted, and potentially the Company may have to recognize an impairment on the carrying value of its non-financial assets. The Company is addressing these issues with the objective of lowering production costs and mining higher-grade mineralization.

The only financial instrument affected by commodity price risk for the Company is trade accounts receivable. Assuming the same rate of production, a 10% change in commodity prices from actual realized prices would have increased or decreased the Company's trade accounts receivable balance at December 31, 2021 by $0.1 million (2020 - $0.1 million).

The profitability and operating cash flow of the Company are affected by numerous factors, including but not limited to, the tonnes and grade of material mined and milled, the amount of metal concentrates produced, the level of operating costs, and general and administrative charges. Operating results are also influenced by factors over which the Company has less direct control, such as refining and smelting charges and other factors such as commodity prices and foreign exchange rates, which are largely outside the Company's control. The nature of the Company's business is demanding of capital for property acquisition costs, exploration commitments and holding costs. The Company's liquidity is affected by the results of its own

acquisition, exploration and development activities. The acquisition or discovery of an economic mineral deposit on one of its mineral properties may have a favourable effect on the Company's liquidity. Conversely, the failure to acquire or find one may have a negative effect. Historically, the major sources of liquidity have been mine revenues, the capital markets and project financing. The Company has been and will continue to be dependent upon adequate financing and investor support to meet its long-term growth objectives.

POLITICAL, REGULATORY AND SECURITY ISSUES

The Company's operations are subject to control and scrutiny by several levels of government, various departments within each level, and corporate, environmental and mining legislation and regulations. Permission must also be secured from local peoples for exploration and drilling permits, water and land surface use rights. Consequently, in carrying out its mining and exploration activities, the Company may be exposed to a large array of conditions to satisfy on a daily basis in its activities. Risk exists that the Company might fail to be fully compliant in all respects in this political and regulatory environment, or that permits might not be issued on a timely basis to facilitate the Company's planned development activities. Furthermore, social, criminal, and political unrest may exist within a region covered by the Company's operations and such events may affect the feeling of safety and security of the local peoples and may affect the operating activities of the Company. From time-to-time, government regulatory agencies may review the books and records of the Company, which may result in changes in the Company's operating results.

COVID-19

On March 11, 2020, the World Health Organization declared COVID-19 as a pandemic. In response to the pandemic, the Government of Mexico implemented measures to curb the spread of COVID-19 which included the suspension of all non-essential businesses, including mining. To comply with these measures, and for the protections of the staff, employees, contractors and communities, the Company temporarily suspended mining operations in April 2020. The Company implemented plans to minimize the risks of the COVID-19 virus, both to employees and to the business. At its site, the Company is following government health protocols and is closely monitoring the pandemic with local health authorities. Since resumption of activities in June 2020, the Company has not experienced any significant disruption to operations or to shipments of concentrates.

Notwithstanding the proactive and considered actions taken to maintain a safe workplace, it is possible that in the future there may be negative impacts on operations or supply chain, and the pandemic may trigger actions such as reduced production and mining activities. The ongoing pandemic continues to have a worldwide impact on the global economies, including both foreign exchange and commodity prices. The ultimate effect on the Company's cash flows and operations is uncertain and difficult to predict at this time.

APPROVAL

The Board of Directors oversees management's responsibility for financial reporting and internal control systems through an Audit Committee. This Committee meets periodically with management and annually with the independent auditors to review the scope and results of the annual audit and to review the financial statements before the financial statements are approved by the Board of Directors and submitted to the shareholders of the Company. The Board of Directors of IMPACT have approved the financial statements and the disclosure contained in this MD&A. A copy of this MD&A will be provided to anyone who requests it.

SUPPLEMENTARY INFORMATION

Revenue per tonne sold and direct costs per tonne produced are measures that the Company believes are key indicators of performance and allow for more direct comparison of revenues and costs than comparing gross amounts. These measures are calculated as follows:

	For the Three Months Ended December 31		For the Twelve Months Ended December 31	
	2021	2020	**2021**	2020
Operating expenses	**$ 3,397,534**	$ 3,204,856	**$ 12,971,946**	$ 10,899,394
(Deduct): operating expenses for Capire	**(41,527)**	(21,263)	**(129,715)**	(107,070)
Add (deduct): inventory	**225,392**	579,762	**(269,280)**	527,680
Direct costs	**$ 3,581,399**	$ 3,763,355	**$ 12,572,951**	$ 11,320,004
Tonnes milled	**36,625**	40,815	**145,458**	140,069
Direct costs per tonne	**$ 97.79**	$ 92.21	**$ 86.44**	$ 80.82
Revenue	**$ 4,026,523**	$ 4,547,815	**$ 17,699,122**	$ 15,577,843
Tonnes sold	**34,511**	34,923	**148,683**	134,188
Revenue per tonne sold	**$ 116.67**	$ 130.22	**$ 119.04**	$ 116.09

NON-IFRS MEASURES

The non-IFRS measures presented do not have any standardized meaning prescribed by IFRS and are therefore unlikely to be directly comparable to similar measures presented by other issuers. The data presented is intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS. The Company uses both IFRS and non-IFRS measures to assess performance and believes the non-IFRS measures provide useful information to investors to help in evaluating the Company's performance. Following are the non-IFRS measures the Company uses in assessing performance:

Mine operating earnings before amortization and depletion is a measure that the Company believes provides additional information regarding how the Company's operations are performing. This measure is calculated as revenues less operating expenses, excluding amortization and depletion.

	For the Three Months Ended December 31		For the Twelve Months Ended December 31	
	2021	2020	**2021**	2020
Revenue	**$ 4,026,523**	$ 4,547,815	**$ 17,699,122**	$ 15,577,843
Operating expenses	**3,397,534**	3,204,856	**12,971,946**	10,899,394
Mine operating earnings before amortization and depletion	**$ 628,989**	$ 1,342,959	**$ 4,727,176**	$ 4,678,449

EBITDA is defined as net income (loss) before interest, taxes, depreciation, depletion and amortization. The Company considers this measure to be a meaningful supplement to net income (loss) as a performance measurement. The Measure is calculated as follows:

	For the Three Months Ended December 31		For the Twelve Months Ended December 31	
	2021	2020	**2021**	2020
Net income (loss)	**$ (541,788)**	**$** 1,658,363	**$ (545,335)**	$ 2,301,012
Add:				
Finance cost	**19,364**	8,936	**56,135**	37,182
Current income tax expense	**91,893**	93,325	**173,209**	200,740
Deferred income tax expense	**-**	-	**648,242**	-
Depreciation and amortization	**378,949**	332,626	**1,342,215**	1,462,174
Less:				
Deferred income tax recovery	**(254,164)**	(1,518,959)	**-**	(1,401,434)
Finance income	**(116,694)**	(31,242)	**(206,157)**	(64,149)
Earnings (loss) before interest, taxes, deprecation and amortization	**$ (422,440)**	**$** 543,049	**$ 1,468,309**	$ 2,535,525

The Company's method of calculating these non-IFRS measures may differ from other entities, and accordingly, may not be comparable to measures used by other entities. Investors are cautioned, however, that these measures should not be construed as an alternative to measures determined in accordance with IFRS as an indicator of the Company's performance.

NOTE REGARDING FORWARD–LOOKING STATEMENTS

Except for historical information, this MD&A may contain forward-looking statements. These statements involve known and unknown risks, uncertainties, and other factors that may cause the Company's actual results, levels of activity, performance or achievements to be materially different from any future results, levels of activity, performance or achievement expressed or implied by these forward-looking statements.

The factors that could cause actual results to differ materially include, but are not limited to, the following: general economic conditions; changes in financial markets; the impact of exchange rates; political conditions and developments in countries in which the Company operates; changes in the supply, demand and pricing of the metal commodities which the Company mines or hopes to find and successfully mine; changes in regulatory requirements impacting the Company's operations; pandemics; the ability to properly and efficiently staff the Company's operations; the sufficiency of current working capital and the estimated cost and availability of funding for the continued exploration and development of the Company's exploration properties. This list is not exhaustive and these and other factors should be considered carefully, and readers should not place undue reliance on the Company's forward-looking statements. As a result of the foregoing and other factors, no assurance can be given as to any such future results, levels of activity or achievements and neither the Company nor any other person assumes responsibility for the accuracy and completeness of these forward-looking statements. The Company does not undertake to update forward-looking statements or forward-looking information, except as required by law. Additional information relating to IMPACT is on the Company website at www.IMPACTSilver.com and on SEDAR at www.sedar.com.

On behalf of the Board of Directors,
"Frederick W. Davidson"

President and Chief Executive Officer

March 21, 2022

IMPACT SILVER CORP.

CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2021 and 2020

Management's Responsibility for Financial Reporting

The accompanying financial statements of IMPACT Silver Corp. ("the Company") have been prepared by management in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and within the framework of the summary of significant accounting policies in these consolidated financial statements, and reflect management's best estimate and judgment based on currently available information.

Management has developed and maintains a system of internal controls to provide reasonable assurance that the Company's assets are safeguarded, transactions are authorized and financial information is accurate and reliable.

The Audit Committee of the Board of Directors meets periodically with management and with the Company's independent auditors to review the scope and results of their annual audit and to review the consolidated financial statements and related financial reporting matters prior to submitting the consolidated financial statements to the Board of Directors for approval.

The consolidated financial statements have been audited by Davidson & Company LLP on behalf of the shareholders and their report follows.

"F. W. Davidson" President and Chief Executive Officer "J. Huang" Chief Financial Officer

March 21, 2022

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of
IMPACT Silver Corp.

Opinion

We have audited the accompanying consolidated financial statements of IMPACT Silver Corp. (the "Company"), which comprise the consolidated statements of financial position as at December 31, 2021 and 2020, and the consolidated statements of income (loss), comprehensive income (loss), changes in shareholders' equity, and cash flows for the years then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2021 and 2020, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards ("IFRS").

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained in our audit is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information obtained at the date of this auditor's report includes Management's Discussion and Analysis.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

We obtained Management's Discussion and Analysis prior to the date of this auditor's report. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Company to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion. \

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

The engagement partner on the audit resulting in this independent auditor's report is Catherine Tai.

Davidson & Company LLP

Vancouver, Canada — Chartered Professional Accountants

March 21, 2022

IMPACT Silver Corp.

Consolidated Statements of Financial Position
As at December 31

(Canadian dollars)

ASSETS		2021		2020
Current				
Cash	$	**21,081,575**	$	20,385,551
Trade and other receivables *(Note 4)*		**1,736,262**		1,379,217
Inventories *(Note 5)*		**1,071,797**		1,213,996
Investments		**85,000**		-
		23,974,634		22,978,764
Value added taxes receivable		**-**		575,192
Right of Use Assets *(Note 6)*		**266,738**		103,475
Property, plant and equipment *(Note 8)*		**19,820,400**		19,302,596
Exploration and evaluation assets *(Note 9)*		**22,481,941**		21,871,603
	$	**66,543,713**	$	64,831,630

LIABILITIES				
Current				
Trade payables and accrued liabilities	$	**2,365,921**	$	2,589,464
Lease liabilities *(Note 7)*		**89,228**		61,672
		2,455,149		2,651,136
Lease liabilities *(Note 7)*		**154,597**		16,997
Reclamation provision *(Note 11)*		**669,043**		761,228
Deferred income tax liabilities *(Note 14)*		**3,298,993**		2,713,220
		6,577,782		6,142,581

SHAREHOLDERS' EQUITY				
Share capital		**81,122,078**		79,325,168
Warrants *(Note 13(c))*		**2,666,279**		2,954,251
Contributed surplus		**8,897,500**		7,523,552
Accumulated other comprehensive loss		**(8,107,947)**		(7,047,278)
Accumulated deficit		**(24,611,979)**		(24,066,644)
		59,965,931		58,689,049
	$	**66,543,713**	$	64,831,630

Nature of operations *(Note 1)*

ON BEHALF OF THE BOARD:

"F.W. Davidson"_____________________, Director

"P. Tredger"_______________________, Director

-The accompanying notes form an integral part of these consolidated financial statements-

IMPACT Silver Corp.

Consolidated Statements of Income (loss)

For Years Ended December 31

(Canadian dollars)

		2021		2020
Revenues	$	**17,699,122**	$	15,577,843
Expenses				
Operating expenses *(Note 12)*		**12,971,946**		10,899,394
Amortization and depletion		**1,301,335**		1,429,145
		14,273,281		12,328,539
Mine operating income		**3,425,841**		3,249,304
General and administrative expenses				
Accounting, audit and legal		**224,311**		209,117
Amortization		**40,880**		33,029
Investor relations, promotion and travel		**72,768**		416,363
Management fees and consulting		**316,226**		408,500
Office, rent, insurance and sundry		**344,475**		280,430
Office salaries and services		**743,661**		643,322
Share-based payments *(Note 13(b))*		**1,471,725**		-
		3,214,046		1,990,761
Operating income		**211,795**		1,258,543
Other income (expenses)				
Finance cost		**(56,135)**		(37,182)
Finance income		**206,157**		64,149
Foreign exchange loss		**(87,695)**		(241,864)
Other income		**35,445**		58,529
Loss on disposal of assets		**-**		(1,857)
Write-down of exploration and evaluation assets *(Note 9)*		**(33,451)**		-
		64,321		(158,225)
Income before taxes		**276,116**		1,100,318
Current income tax expense *(Note 14)*		**173,209**		200,740
Deferred income tax (recovery) *(Note 14)*		**648,242**		(1,401,434)
Net income (loss)	$	**(545,335)**	$	2,301,012
Earnings (loss) per share *(Note 13(d))*				
Basic	$	**(0.00)**	$	0.02
Diluted	$	**(0.00)**	$	0.02
Weighted average number of shares outstanding				
Basic		**144,617,071**		121,930,731
Diluted		**144,617,071**		131,913,313

-The accompanying notes form an integral part of these consolidated financial statements-

IMPACT Silver Corp.

Consolidated Statements of Comprehensive Income (loss)
For Years Ended December 31

(Canadian dollars)

		2021		2020
Net income (loss)	**$**	**(545,335)**	$	2,301,012
Other comprehensive loss				
Items that may be subsequently reclassified to profit or loss				
Cumulative translation adjustment		**(1,060,669)**		(2,145,632)
Items that will not be subsequently reclassified to profit or loss				
(Loss) on investments		**-**		(2,500)
Comprehensive income (loss)	**$**	**(1,606,004)**	$	152,880

-The accompanying notes form an integral part of these consolidated financial statements-

IMPACT Silver Corp.

Consolidated Statements of Changes in Shareholders' Equity
For Years Ended December 31

(Canadian dollars)

	Shares Outstanding	Share Capital ($)	Warrants ($)	Contributed Surplus ($)	Accumulated Other Comprehensive Loss ($)	Accumulated Deficit ($)	Total Shareholders' Equity ($)
Balance at December 31, 2019	110,262,345	63,923,949	2,193,199	7,628,059	(4,899,146)	(26,367,656)	42,478,405
Net income for the year	-	-	-	-	-	2,301,012	2,301,012
Shares issued in relation to private placements	16,715,730	11,546,631	-	-	-	-	11,546,631
Share issue costs	-	(963,072)	-	-	-	-	(963,072)
Warrants issued in relation to private placements	-	(1,819,469)	2,026,346	-	-	-	206,877
Warrants exercised	13,887,172	6,315,472	(1,265,294)	-	-	-	5,050,178
Options exercised	545,000	321,657	-	(104,507)	-	-	217,150
Cumulative translation adjustments	-	-	-	-	(2,145,632)	-	(2,145,632)
Loss on investments	-	-	-	-	(2,500)	-	(2,500)
Balance at December 31, 2020	141,410,247	79,325,168	2,954,251	7,523,552	(7,047,278)	(24,066,644)	58,689,049
Net loss for the year	-	-	-	-	-	(545,335)	(545,335)
Share-based payments	-	-	-	1,471,725	-	-	1,471,725
Share issue costs	-	(2,512)	-	-	-	-	(2,512)
Warrants exercised	3,741,238	1,566,295	(287,972)	-	-	-	1,278,323
Options exercised	230,000	233,127	-	(97,777)	-	-	135,350
Cumulative translation adjustments	-	-	-	-	(1,060,669)	-	(1,060,669)
Balance at December 31, 2021	**145,381,485**	**81,122,078**	**2,666,279**	**8,897,500**	**(8,107,947)**	**(24,611,979)**	**59,965,931**

- The accompanying notes form an integral part of these consolidated financial statements –

IMPACT Silver Corp.

Consolidated Statements of Cash Flows
For Years Ended December 31
(Canadian dollars)

Cash resources provided by (used in)	**2021**	2020
Operating activities		
Net income (loss)	**$ (545,335)**	$ 2,301,012
Items not affecting cash		
Amortization and depletion	**1,342,215**	1,462,174
Share-based payments	**1,471,725**	-
Deferred income tax expense (recovery)	**648,242**	(1,401,434)
Loss on disposal of assets	**-**	1,857
Accretion expense	**42,909**	29,609
Write-down of exploration and evaluation assets	**33,451**	-
Unrealized (gain) loss on foreign exchange	**(75,580)**	66,509
Changes in non-cash working capital		
Trade and other receivables	**147,647**	405,082
Income taxes receivable	**(1,402)**	(11,008)
Inventories	**111,271**	(690,508)
Trade payables and accrued liabilities	**(172,244)**	309,090
Income taxes payable	**22,692**	(5,575)
	3,025,591	2,466,808
Investing activities		
Additions of long-lived assets	**(3,647,490)**	(1,778,771)
Financing activities		
Repayment of lease liability	**(93,238)**	(133,312)
Proceeds from exercise of warrants	**1,275,811**	5,050,178
Proceeds from exercise of stock options	**135,350**	217,150
Proceeds from private placements, net	**-**	10,790,436
	1,317,923	15,924,452
Net change in cash	**696,024**	16,612,489
Cash at the beginning of the year	**20,385,551**	3,773,062
Cash at the end of the year	**$ 21,081,575**	$ 20,385,551

The following table details additional supplementary cash flow information at December 31:

	2021	2020
Cash received for interest income	**$ 206,157**	$ 64,149
Cash paid for income taxes	**$ 1,402**	$ 16,583

-The accompanying notes form an integral part of these consolidated financial statements-

1. Nature of operations

IMPACT Silver Corp. and its subsidiaries (collectively, "IMPACT" or the "Company") are engaged in silver mining and related activities including exploration, development and mineral processing in Mexico. The Company operates a series of mines near Zacualpan in the State of Mexico and in Guerrero State and produces silver, lead, zinc and gold sold in the form of lead and zinc concentrates. The registered address of the Company is 303 – 543 Granville Street, Vancouver, British Columbia.

The business of mining and exploring for minerals involves a high degree of risk and there can be no assurance that the current exploration and development programs will result in ongoing profitable mining operations. The investment in and expenditures on exploration and evaluation assets comprise a significant portion of the Company's assets. The recovery of the Company's investment in these exploration and evaluation assets and the attainment of profitable operations are dependent upon future commodity prices, the ongoing discovery and development of economic ore on these properties and the ability to arrange sufficient financing to bring the ore estimates into production. The ultimate outcome of these matters cannot presently be determined because they are contingent on future events.

The consolidated financial statements have been prepared on a going concern basis, 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.

2. Basis of Preparation

a) Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and Interpretations of the International Financial Reporting Interpretations Committee ("IFRIC") applicable to the preparation of these financial statements.

The consolidated financial statements were authorised for issue by the Board of Directors on March 21, 2022.

b) Basis of measurement

These consolidated financial statements have been prepared on the historical cost basis except for certain financial assets and liabilities which are measured at fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting, except for cash flow information.

c) COVID-19 estimation uncertainty

On March 11, 2020, the World Health Organization declared COVID-19 as a pandemic. In response to the pandemic, the Government of Mexico implemented measures to curb the spread of COVID-19 which included the suspension of all non-essential businesses, including mining. To comply with these measures, and for the protections of the staff, employees, contractors and communities, the Company temporarily suspended mining operations in April 2020. The Company implemented plans to minimize the risks of the COVID-19 virus, both to employees and to the business. At its site, the Company is following government health protocols and is closely monitoring the pandemic with local health authorities. Since resumption of activities in June 2020, the Company has not experienced any significant disruption to operations or to shipments of concentrates.

2. Basis of Preparation - *continued*

c) **COVID-19 estimation uncertainty -** *continued*

Notwithstanding the proactive and considered actions taken to maintain a safe workplace, it is possible that in the future there will be negative impacts on operations or supply chain, and the pandemic may trigger actions such as reduced production and mining activities. The ongoing pandemic continues to have a worldwide impact on the global economies, including both foreign exchange and commodity prices. The ultimate effect on the Company's cash flows and operations is uncertain and difficult to predict at this time.

d) **Use of estimates and judgments**

The preparation of financial statements in conformity with IFRS requires management to make estimates and form assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates its judgments and estimates in relation to assets, liabilities, revenue and expenses. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and further periods if the review affects both current and future periods. Management uses historical experience and various other factors it believes to be reasonable under the given circumstances as the basis for its judgments and estimates.

Actual outcomes may differ from these estimates under different assumptions and conditions. Significant areas requiring the use of management estimates include, but are not limited to the following:

- grade and tonnage estimates;
- asset carrying values and impairment analysis;
- reclamation provisions; and
- valuation of inventory.

Asset carrying values and impairment analysis

Each asset or cash generating unit ("CGU") is evaluated every reporting date to determine whether there are any indications of impairment. The evaluation of asset carrying values for indications of impairment includes consideration of both external and internal sources of information, including such factors as market and economic conditions, and life-of-mine estimates. The determination of fair value and value in use requires management to make estimates and assumptions about expected production, sales volumes, commodity prices, grade and tonnage estimates, operating costs, taxes, reclamation costs and future capital expenditures. The estimates and assumptions are subject to risk and uncertainty; hence, there is the possibility that changes in circumstances will alter these projections, which may impact the recoverable amount of the assets. In such circumstances some or all of the carrying value of the assets may be further impaired or a previous impairment charge may be reversed with the impact recorded in the consolidated statements of income (loss).

Grade and tonnage balances are estimates of the amount of mineral that can be mined by the Company. The estimate of grade and tonnages is prepared and reviewed by professional geologists, engineers and members of the Company's management. Changes in the grade and tonnage estimates may impact the impairment of property, plant and equipment analysis and amortization of assets.

Reclamation provisions

Reclamation provisions are a consequence of mining, and the majority of reclamation provisions are incurred over the life of the mine. The Company's accounting policy requires the recognition of such provisions when the obligation occurs. The initial provisions are periodically reviewed during the life of the operation to reflect known developments,

2. Basis of preparation- *continued*

d) Use of estimates and judgments - *continued*

e.g. updated cost estimates and revisions to the estimated lives of operations. Although the ultimate cost to be incurred is uncertain, the Company estimates its costs based on studies using current restoration standards and techniques.

The initial reclamation provisions together with changes, other than those arising from the discount applied in establishing the net present value of the provision, are capitalized within property, plant and equipment and depreciated over the lives of the assets to which they relate. The ultimate magnitude of these costs is uncertain, and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine sites, local inflation rates and exchange rates when liabilities are anticipated to be settled in Mexican pesos. The expected timing of expenditure can also change, for example, in response to changes in mineral grade and tonnage estimates or production rates or economic conditions. As a result there could be significant adjustments to the reclamation provision which would affect future financial results.

Valuation of inventory

Stockpiled ore and finished goods are valued at the lower of cost and net realizable value (“NRV”). NRV is calculated as the estimated price at the time of sale based on prevailing and future metal prices less estimated future production costs to convert the inventory into saleable form and associated selling costs. The determination of future sales price, production and selling costs requires significant assumptions that may impact the stated value of the Company’s inventory.

e) Basis of consolidation

The consolidated financial statements include the financial statements of the Company and its controlled subsidiaries. Subsidiaries are all entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. This control is generally evidenced through owning more than 50% of the voting rights or currently exercisable potential voting rights of a company’s share capital. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date that control ceases. All intercompany transactions and balances are eliminated on consolidation. These consolidated financial statements include the accounts of the Company and all of its wholly owned subsidiaries, comprising:

Subsidiary	Incorporation Location	Nature of operations
Chalco Services Inc. (“Chalco”)	Canada	Exploration
Minera Impact Silver de Mexico, S.A. de C.V. (“MISM”)	Mexico	Mining Service Company
Minera Aguila Plateada, S.A. de C.V. (“MAP”)(1)	Mexico	Mining/Exploration
Minera El Porvenir de Zacualpan, S.A. de C.V. (“MPZ”)	Mexico	Mining/Exploration
Minera Laureles, S.A. de C.V. (“ML”)	Mexico	Mining/Exploration

1. On August 1, 2021 Minera Aguila Plateada, S.A. de C.V. was amalgamated with Arrendadora y Servicios Chalco, S.A. de C.V.

3. Significant accounting policies

a) Revenue recognition

- identify the contract with a customer;
- identify the performance obligations in the contract;
- determine the transaction price;
- allocate the transaction price to performance obligations; and
- recognize revenue when or as a performance obligation is satisfied.

The Company satisfies its performance obligation and revenue is recognized at the point in time when the product is delivered, which is typically once the concentrate arrives at the location specified by the customer. The Company considers that control has passed when there is a present obligation to pay from the customer's perspective; physical possession, legal title and the risks and rewards of ownership have all passed to the customer; and the customer has accepted the concentrate.

In order to determine the transaction price, revenue from contracts with customers is measured by reference to the forward price for the commodities for the expected quotation period and the Company's best estimate of contained metal at the date revenue is recognized. Concentrate is provisionally priced whereby the selling price is subject to final adjustment at the end of a period normally being 30 to 60 days after delivery to the customer as defined in the sales contract. The final price is based on the market price at the relevant quotation point stipulated in the contract.

At each reporting date, the receivable is marked to fair value based on the forward selling price for the quotation period stipulated in the contract. The change in fair value of the receivable subsequent to the date of revenue recognition is recognized within 'Revenue' on the statements of income (loss).

b) Cash

Cash includes cash at banks and on hand. Cash subject to restrictions is excluded.

c) Inventories

Materials and supplies are valued at the lower of average cost and NRV. NRV is the estimated selling price less applicable selling expenses. In-process and finished goods inventories, including ore stockpiles when applicable, are valued at the lower of average production cost or net realizable value. In-process inventory costs consist of direct production costs including mining, crushing and processing and allocated indirect costs, including depreciation, depletion and amortization of mining interests.

d) Investments

Investments in equity securities are classified as fair value through other comprehensive income ("FVTOCI") because the Company does not hold these securities for the purpose of trading. Equity securities are valued at fair value, using quoted market prices, and with gains and losses arising from changes in fair value recognized in other comprehensive income (loss).

3. Significant accounting policies - *continued*

e) **Exploration and evaluation expenditures**

Exploration and evaluation activity involves the search for mineral resources, the determination of technical feasibility and the assessment of commercial viability of an identified resource. Exploration and evaluation activity includes:

- acquiring the rights to explore;
- researching and analyzing historical exploration data;
- gathering exploration data through topographical, geological, geochemical and geophysical activities;
- exploratory drilling, trenching and sampling;
- determining and interpreting the tonnage and grade of the resource;
- surveying transportation and infrastructure requirements; and,
- compiling pre-feasibility and feasibility studies.

Capitalization of exploration and evaluation expenditures commence on acquisition of a beneficial interest or option in mineral rights. No amortization is charged during the exploration and evaluation phase as the asset is not available for use.

Exploration, development and field support costs directly related to mineral resources are deferred until the property to which they relate is developed for production, determined to be commercially viable, sold, abandoned or subject to a condition of impairment. Exploration and evaluation expenditures are transferred to mining assets when the technical feasibility and commercial viability of a mineral resource has been demonstrated and a development decision has been made and all necessary mine development permits issued. The aggregate costs related to abandoned mineral claims are charged as an expense within the consolidated statements of income at the time of any abandonment or when it has been determined that there is evidence of an impairment.

Recoverability of the carrying amount of any exploration and evaluation expenditure is dependent on successful development and commercial exploitation or alternatively, sale of the respective area of interest.

Property option payments

From time to time, the Company may acquire or dispose of properties pursuant to the terms of option agreements. Due to the fact that options are exercisable entirely at the discretion of the optionee, the amounts payable or receivable are not recorded. Option payments are recorded as resource property costs or recoveries when the payments are made or received.

f) **Property, plant and equipment**

Property, plant and equipment is recorded at cost less accumulated amortization and applicable impairment losses. Plant and mine equipment is amortized on a declining balance at rates varying from 10% to 50% annually. Vehicles and office furniture and equipment are amortized on a declining balance at rates varying from 10% to 30% annually.

Cost includes the purchase price and directly attributable costs to bring the assets to the location and condition necessary for it to be capable of operating in the manner intended by management. When an item of property, plant and equipment comprises of major components with different useful lives, the components are accounted for as separate items of property, plant and equipment.

Subsequent costs are recognized in the carrying amount of an item of property, plant and equipment when the cost is incurred if it is probable that the future economic benefits embodied within the item will flow to the consolidated entity and the cost of the item can be measured reliably. All other costs are recognized in the consolidated statement of income (loss) as an expense is incurred.

3. Significant accounting policies - *continued*

f) **Property, plant and equipment** - *continued*

An item of property, plant and equipment and any significant parts initially recognized is derecognized upon disposal or when no future economic benefits are expected from its continued use of the asset. Any gain or loss arising on disposal of the asset, determined as the difference between the net disposal proceeds and the carrying amount of the asset, is recognized in the consolidated statement of income (loss).

Depreciation methods, useful lives and residual values are reassessed each reporting date, and any changes arising from the assessment are applied prospectively.

Components

Expenditures incurred to replace a component of an item of property, plant and equipment that is accounted for separately, including major inspections and overhaul expenditures, are capitalized and the component replaced is recorded as a disposal. The costs of day-to-day servicing, commonly referred to as "repairs and maintenance", are recognized in the consolidated statement of income (loss) as an expense, as incurred.

Commercially viable mineral resource exploration and evaluation expenditures

Exploration and evaluation expenditures are transferred to mining assets when they are determined to be technically feasible and commercially viable, a development decision has been made, and all necessary mine development permits have been issued. The deferred exploration and evaluation expenditures are amortized over the useful life of the ore body following achievement of commercial production. Administration costs and other exploration costs that do not relate to any specific property are expensed, as incurred.

The acquisition, development and deferred exploration and evaluation expenditures are depleted on a units-of-production basis over the estimated economic life of the ore body following commencement of production. The commencement of commercial production is deemed to occur on a determination made by management with reference to factors such as the asset's ability to operate at its designed capacity over a reasonable period of time.

g) **Asset impairment**

Management reviews the carrying value of its exploration and evaluation assets and mining assets at each reporting date or when events or changes in circumstances indicate that the related carrying amounts may not be recoverable. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs. A CGU is the smallest identifiable group of asset that generates cash inflows from other assets or groups of assets.

An impairment loss is recognized when the carrying amount of an asset, or its CGU, exceeds its recoverable amount. Recoverable amount is the higher of an asset or CGU's fair value less costs of disposal ("FVLCD") and its value in use ("VIU"). In assessing VIU, the estimated future pre-tax cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU for which future cash flows have not been adjusted. FVLCD is based on an estimate of the amount that the Company may obtain in a sale transaction on an arm's length basis between knowledgeable, willing parties, less costs of disposal. FVLCD is primarily derived using discounted post-tax cash flow techniques, which incorporates market participant assumptions.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset for CGU is reduced to its recoverable amount. An impairment loss is recognized immediately in the consolidated statement of income and loss. Impairment losses recognized in respect of CGUs are allocated first to reduce the carrying amount of any goodwill allocated to CGUs and then to reduce the carrying amount of the other assets in the unit on a pro-rata basis.

3. Significant accounting policies - *continued*

g) **Asset impairment** - *continued*

For exploration and evaluation assets, indications include but are not limited to expiration of the right to explore, substantive expenditure in the specific area is neither budgeted nor planned, and if the entity has decided to discontinue exploration activity in the specific area.

A decision to abandon, reduce or expand a specific project is based upon many factors including general and specific assessments of grade and tonnage estimates, anticipated future metal prices, anticipated future costs of exploring, developing and operating a producing mine, and ongoing expense of maintaining exploration and evaluation assets and the general likelihood that the Company will continue exploration. The Company does not set a predetermined holding period for properties with unproven grade and tonnage estimates. However, properties which have not demonstrated suitable mineral concentrations at the conclusion of each phase of an exploration program are re-evaluated. This re-evaluation determines if future exploration is warranted and if their carrying values are appropriate. If any area of interest is abandoned or it is determined that its carrying value cannot be supported by future production or sale, the related costs are charged against operations in the period of abandonment or determination that the carrying value exceeds its fair value. The amounts recorded as exploration and evaluation assets represent costs incurred to date and do not necessarily reflect present or future values.

An impairment loss recognized in prior years for long-lived assets shall be reversed only if there has been a significant change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. This reversal is recognized in the consolidated statement of income (loss) and is limited to the carrying amount that would have been determined, net of amortization, had no impairment loss been recognized for the asset in prior years. After such a reversal, any amortization charge is adjusted prospectively.

h) **Leases**

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is or contains a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company recognizes a right-of-use asset and a lease liability at the commencement date of a lease. The right-of-use asset is measured at cost, which is comprised of:

- The initial measurement of the lease liability
- Lease payments made at or before the commencement date less lease incentives
- Initial direct costs incurred
- Decommissioning costs

The right-of-use asset is depreciated using the straight-line method over the earlier of the term of the lease or the useful life of the asset determined on the same basis as the Company's property, plant and equipment.

The lease liability is initially measured at the present value of lease payments remaining at the lease commencement date, discounted using either the implicit rate of the lease or the Company's incremental borrowing rate when the implicit rate cannot readily be determined. Lease payments included in the measurement of the lease liability are comprised of:

- Fixed payments
- Variable payments linked to an index or rate
- Expected payments for residual value guarantee
- Purchase option, extension option or termination option when the Company is reasonably certain to exercise

The lease liability is subsequently measured at amortized cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the

h) **Leases** - *continued*

Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured, a corresponding adjustment is made to the carrying amount of the right-of-use asset.

i) **Income (loss) per share**

Basic income (loss) per share is computed by dividing the net income (loss) available to common shareholders by the weighted average number of shares outstanding during the reporting period. Diluted income (loss) per share is computed by dividing the net loss available to common shareholders by the weighted average number of shares outstanding on a diluted basis. The weighted average number of shares outstanding on a diluted basis takes into account the additional shares for the assumed exercise of stock options and warrants, if dilutive. The number of additional shares is calculated by assuming that outstanding stock options were exercised and that the proceeds from such exercises were used to acquire common stock at the average market price during the reporting period.

j) **Share based payments**

The Company grants stock options to buy common shares of the Company to directors, officers, employees and consultants. Options granted must be exercised no later than five years from date of grant or such lesser period as determined by the Company's board of directors. The exercise price of an option is not less than the closing price on the Exchange on the last trading day preceding the grant. The directors, subject to the policies of the TSX Venture Exchange, may determine and impose terms upon how each grant of options shall become vested.

The fair value of the options is measured at grant date, using the Black-Scholes option pricing model, and is recognized over the period that the employees earn the options. When options vest in instalments over the vesting period, each instalment is accounted for as a separate arrangement. The fair value is recognized as expense with a corresponding increase in equity. At each reporting date, the Company revises its estimates of the number of options that are expected to vest. It recognizes the impact of the revision of original estimates, if any, in the income statement, with a corresponding adjustment to equity.

k) **Warrants**

The proceeds from the issue of units is allocated between common shares and common share purchase warrants on a pro-rata basis based on relative values as follows: the fair value of the common shares is based on the market close on the date the units are issued and the fair value of the common share purchase warrants is determined using the Black-Scholes Option Pricing Model.

l) **Income taxes**

Income tax expense consists of current and deferred tax expense. Income tax expense is recognized in the consolidated statement of income (loss). Current tax expense is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at period end, adjusted for tax payable with regard to previous periods.

Deferred taxes are recorded using the statement of financial position liability method, whereby, deferred tax assets and liabilities are recognized for future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to apply when the asset is realized or the liability settled.

A deferred tax asset is recognized to the extent that it is probable that future taxable earnings will be available against which the asset can be utilized.

3. Significant accounting policies – *continued*

l) Income taxes - *continued*

Deferred tax liabilities are recognized for taxable temporary differences arising on investments in subsidiaries, joint ventures and associates. However, the Company does not recognize such deferred tax liabilities where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets and liabilities are not recognized if the temporary differences arise from the initial recognition of goodwill or an asset or liability in a transaction (other than in a business combination) that affects neither accounting profit nor taxable profit.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, which intend to either settle its current tax assets and liabilities on a net basis or to realize the assets and settle the liabilities simultaneously in each future period, in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

m) Foreign currency translation

The functional currency for each of the Company's subsidiaries and associates is the currency of the primary economic environment in which the entity operates. Transactions in foreign currencies are translated to the functional currency of the entity at the exchange rate in existence at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the statement of financial position date are retranslated at the period end date exchange rates. Non-monetary items which are measured using historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

The functional currency of IMPACT Silver Corp., the parent entity, is the Canadian dollar, which is also the presentation currency of the consolidated financial statements. The functional currencies for the subsidiaries of IMPACT are as follows:

- Canadian dollars for Chalco Services Inc.
- Mexican pesos for Minera Impact Silver de Mexico S.A. de C.V., Minera Aguila Plateada S.A. de C.V., Minera El Porvenir de Zacualpan S.A. de C.V. and Minera Laureles, S.A. de C.V.

Foreign operations are translated from their functional currencies into Canadian dollars on consolidation as follows:

(i) Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statement of financial position;
(ii) Income and expenses for each statement of comprehensive income are translated at an average exchange rate (unless this rate is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
(iii) All resulting exchange differences are recognized in other comprehensive income as cumulative translation adjustments.

Exchange differences that arise relating to long-term intercompany balances that form part of the net investment in a foreign operation are also recognized in this separate component of equity through other comprehensive income (loss).

On disposition or partial disposition of a foreign operation, the cumulative amount of related exchange differences recorded in a separate component of equity is recognized in the consolidated statement of income (loss).

3. Significant accounting policies – *continued*

n) Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially recognized at fair value.

Financial assets and liabilities are offset and the net amount is reported in the statement of financial position when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or realize the asset and settle the liability simultaneously.

The Company's financial instruments consist of cash, concentrate trade receivables, other receivables, investments, trade payables and lease obligations. Cash and other receivables are measured at amortized cost. Concentrate trade receivables are measured at fair value through profit and loss ("FVTPL"). Investments are designated as FVTOCI and measured at fair value as determined by reference to quoted market prices. Trade payables and lease obligations are measured at amortized cost.

A financial asset is derecognized when the contractual right to the asset's cash flows expires or if the Company transfers the financial asset and all risks and rewards of ownership to another entity. A financial liability is derecognized when the obligation under the liability is discharged, canceled or expired. Gains or losses on financial assets classified as FVTOCI remain within accumulated other comprehensive income (loss).

o) Reclamation provisions

The Company recognizes provisions for constructive or legal obligations, including those associated with the reclamation of exploration and evaluation assets and property, plant and equipment, when those obligations result from the acquisition, construction, development or normal operation of assets. Provisions are measured at the present value of the expected expenditures required to settle the obligation using a pre-tax discount rate reflecting the time value of money and risks specific to the liability. The liability is increased for the passage of time and adjusted for changes to the current market-based risk-free discount rate, and the amount or timing of the underlying cash flows needed to settle the obligation. The associated reclamation costs are capitalized as part of the carrying amount of the related long-lived asset and amortized using units of production basis.

p) New accounting pronouncements not yet effective

The Company has not applied the following revised IFRS that has been issued but was not yet effective at December 31, 2021. This accounting standard is not currently expected to have a significant effect on the Company's accounting policies or financial statements.

IAS16, *Property, Plant and Equipment – Proceeds before Intended Use (*effective January 1, 2022). The amendment prohibits deducting from the cost of property, plant and equipment amounts received from selling items produced while preparing the asset for its intended use. Instead, a company will recognize such sale proceeds and related cost in the statement of income (loss).

(Canadian dollars)

4. Trade and other receivables

The following table details the composition of trade and other receivables at December 31:

		2021		2020
Value added taxes receivable – current portion	$	**935,620**	$	320,613
Trade and other receivables		**550,843**		898,327
Prepaids		**249,799**		160,277
Total trade and other receivables	$	**1,736,262**	$	1,379,217

5. Inventories

The following table details the composition of inventories at December 31:

		2021		2020
Materials and supplies	$	**488,951**	$	410,100
Stockpile inventory		**89,895**		42,616
Concentrate inventory		**492,951**		761,280
Total inventories	$	**1,071,797**	$	1,213,996

6. Right-of-use assets

Details are as follows:

		Land and Buildings
Balance at December 31, 2019	$	155,856
Additions		59,874
Amortization		(107,891)
Foreign exchange movement		(4,364)
Balance at December 31, 2020		**103,475**
Additions		**261,775**
Amortization		**(96,554)**
Foreign exchange movement		**(1,958)**
Balance December 31, 2021	$	**266,738**

(Canadian dollars)

7. Lease Liabilities

Details are as follows:

Balance at December 31, 2019	$	156,604
Interest		7,573
Repayments		(140,893)
Additions		59,874
Foreign exchange movement		(4,489)
Balance at December 31, 2020		**78,669**
Interest		**9,711**
Repayments		**(102,949)**
Additions		**261,775**
Foreign exchange movement		**(3,381)**
Balance December 31, 2021		**243,825**
Less: current portion		**89,228**
Non-current lease liabilities	$	**154,597**

The Company's leased assets are for land and buildings. The lease liabilities were discounted at the Company's incremental borrowing rate. The weighted average rate applied for leases was 8%

The expected timing of undiscounted lease payments at December 31, 2021 is as follows:

Less than one year	$	**112,244**
One to five years		**157,825**
	$	**270,069**

(Canadian dollars)

8. Property, plant and equipment

a) Details are as follows:

	Plant and mine equipment ($)	Vehicles ($)	Office furniture and equipment ($)	Surface rights ($)	Mining Assets ($)	**Total ($)**
Cost						
Balance at December 31, 2019	9,799,315	488,225	207,749	1,130,664	29,034,828	**40,660,781**
Additions	163,750	59,226	32,959	-	592,103	**848,038**
Disposals	-	(15,524)	-	-	-	**(15,524)**
Change in reclamation estimate	-	-	-	-	295,628	**295,628**
Foreign exchange movement	(675,961)	(33,910)	(8,462)	(78,531)	(1,805,844)	**(2,602,708)**
Balance at December 31, 2020	9,287,104	498,017	232,246	1,052,133	28,116,715	**39,186,215**
Additions	470,315	86,812	51,844	-	1,826,239	**2,435,210**
Change in reclamation estimate	-	-	-	-	(112,170)	**(112,170)**
Foreign exchange movement	(285,856)	(15,165)	(3,650)	(32,036)	(719,762)	**(1,056,469)**
Balance at December 31, 2021	9,471,563	569,664	280,440	1,020,097	29,111,022	**40,452,786**
Accumulated amortization						
Balance at December 31, 2019	6,971,583	423,609	154,503	-	12,207,380	**19,757,075**
Amortization for the year	389,971	20,218	27,497	-	916,729	**1,354,415**
Disposals	-	(13,649)	-	-	-	**(13,649)**
Foreign exchange movement	(474,048)	(29,053)	(7,163)	-	(703,958)	**(1,214,222)**
Balance at December 31, 2020	6,887,506	401,125	174,837	-	12,420,151	**19,883,619**
Amortization for the year	355,524	31,166	29,969	-	834,986	**1,251,645**
Foreign exchange movement	(213,477)	(11,748)	(3,142)	-	(274,511)	**(502,878)**
Balance at December 31, 2021	7,029,553	420,543	201,664	-	12,980,626	**20,632,386**
Net book value						
At December 31, 2020	2,399,598	96,892	57,409	1,052,133	15,696,564	**19,302,596**
At December 31, 2021	2,442,010	149,121	78,776	1,020,097	16,130,396	**19,820,400**

8. Property, plant and equipment – *continued*

b) Impairment tests

The Company performed an impairment test on property, plant and equipment that resulted in no impairment charge for 2021. The recoverable amount for the property, plant and equipment impairment testing has been assessed by reference to the fair value less cost of disposal (FVLCD) that was calculated using a discounted cash flow methodology taking account of assumptions that would be made by market participants. FVLCD is based on the cash flows expected to be generated from the mines included within the cash generating units (CGUs); being the Guadalupe mining complex and Capire. The date that mining will cease depends on a number of variables, including estimated recoverable resources and the forecast selling prices for such production. For Capire, it is assumed that mining operations will recommence in 2022. Cash flows have been projected for eight years.

The key assumptions used to determine FVLCD are as follows:

Pricing assumptions

The projected cash flows used in impairment testing are significantly affected by changes in assumptions for metal pricing. Long-term commodity prices are determined by reference to external market forecasts. For the December 31, 2021 impairment assessment, the metal price assumptions in US$ were as follows:

- Gold (per ounce) $1,648 - $1,809
- Silver (per ounce) $20.15 - $23.81
- Copper (per pound) $4.02 - $4.13

Grade assumptions

The projected cash flows used in impairment testing are significantly affected by changes in mineral grade assumptions. For the December 31, 2021 impairment assessment, the average mineral grade assumptions were as follows:

- Gold (grams per tonne) 0.4
- Silver (grams per tonne) 151
- Copper (%) 0.3

Exchange rate assumptions

The projected cash flows used in impairment testing are significantly affected by changes in exchange rates. Long-term exchange rates are determined by reference to external market forecasts. For the December 31, 2021 impairment assessment, the average exchange rate assumptions were as follows:

- US dollars $1.21
- Mexican pesos $0.06

Operating Costs and Capital Expenditures

Operating costs and capital expenditures are based on internal management forecasts. Cost assumptions incorporate management experience and expertise, current operating costs, the nature and location of each operation and the risks associated with each operation. Future capital expenditure is based on management's best estimate of required future capital requirements. All committed and anticipated capital expenditures adjusted for future cost estimates have been included in the projected cash flows.

(Canadian dollars)

8. Property, plant and equipment – *continued*

c) Impairment test - *continued*

Discount Rates

The rates are based on the weighted average cost of capital specific to each CGU and the currency of the cash flows generated. The weighted average cost of capital reflects the current market assessment of the time value of money, equity market volatility and the risks specific to the CGU for which cash flows have not already been adjusted. These rates are based on the weighted average cost of capital for similar mining companies and were calculated based on management's estimates. A post-tax discount rate of 10% was used for the impairment tests.

Sensitivity Analysis

The impairment test is particularly sensitive to changes in commodity prices, exchange rates and ore grade. Adverse changes to these key assumptions may result in impairment. The Company has performed a sensitivity analysis for silver based upon current operating costs, exchange rate assumptions, and long-term price assumptions as at December 31, 2021. An impairment charge may result if assumptions changed as follows:

- Average long-term forecast silver prices were to fall below US$20.00
- Average forecast US dollar exchange rates were to decrease below $0.60
- Average forecast Mexican pesos exchange rates were to increase above $0.03
- Silver grade mined and milled were to fall below 138 grams per tonne

9. Exploration and evaluation assets

Details are as follows:

Balance at January 1, 2019	$	22,071,788
Additions		953,751
Foreign exchange		(1,153,936)
Balance at December 31, 2020		21,871,603
Additions		1,269,902
Recoveries		(135,000)
Write-down		(33,451)
Foreign exchange		(491,113)
Balance at December 31, 2021	**$**	**22,481,941**

The amount of write-down of exploration and evaluation assets during the year ended December 31, 2021 was $33,451 (December 31, 2020 - $nil).

(Canadian dollars)

10. Key management personnel compensation

Key management includes the Chief Executive Officer, Chief Financial Officer, Vice-President Exploration and Board of Directors and Audit Committee members. The remuneration of directors and other members of key management personnel is as follows:

		2021		2020
Salaries and fees	**$**	**506,152**	$	624,747
Share-based payments		**901,614**		-
Total compensation	**$**	**1,407,766**	$	624,747

11. Reclamation provision

The Company's reclamation provision is an estimate of the net present value of the reclamation costs arising from the Company's development of the open pit Capire mine and mill. The total undiscounted amount of the estimated costs required to settle the provision are $1,200,939 (2020 – $1,206,054). The estimated net present value of the reclamation provision was calculated using an inflation factor of 3.9% (2020 – 3.6%) and discounted using a Mexican risk-free rate of 7.7% (2020 – 5.8%). Settlement of the liability may extend up to 18 years in the future.

Additions to the reclamation provision were as follows:

		2021		2020
Reclamation provision, beginning of the year	**$**	**761,228**	$	467,839
Foreign exchange movement		**(22,924)**		(31,849)
Accretion of reclamation provision		**42,909**		29,610
Revisions to estimated cash flows		**(112,170)**		295,628
Total reclamation provision, end of the year	**$**	**669,043**	$	761,228

12. Expenses by nature

The following table details the nature of operating expenses at December 31:

		2021		2020
Production costs	**$**	**6,690,704**	$	5,232,560
Administration		**896,540**		425,670
Transportation		**417,314**		452,572
Wages and salaries		**4,967,388**		4,788,592
Total operating expenses	**$**	**12,971,946**	$	10,899,394

13. Equity

a) Share capital

Authorised share capital consists of an unlimited number of common shares without par value.

On August 20, 2020, the Company completed a brokered private placement for aggregate gross proceeds of $9.5 million from the issuance of 10,049,096 units of the Company at $0.95 per unit. Each unit consists of one common share and one-half share purchase warrant, each whole purchase warrant exercisable into one common share at a price of $1.30 for a period of 24 months from the date of issuance. The Company paid cash commissions of 6% of the gross proceeds from certain subscribers in the private placement and the agents were granted, and subscribed for, an aggregate of 598,089 broker warrants entitling the holder to acquire one unit at a price of $0.95 per unit.

On April 16, 2020, the Company closed a non-brokered private placement for 6,666,634 units of the Company at a price of $0.30 per unit for gross proceeds of $2.0 million. Each unit consists of one common share and one common share purchase warrant. Each warrant entitles the holder to purchase one common share at a price of $0.385 for a period of 36 months from the date of issuance.

b) Stock options

The Company has established a stock option plan whereby the board of directors may, from time to time, grant options to directors, officers, employees or consultants. Under the terms of the Company's fixed stock option plan, the maximum number of shares reserved for issuance is 10% of the issued shares of the Company or 12,936,917 shares. Options granted must be exercised no later than five years from date of grant or extension or such lesser period as determined by the Company's board of directors. The exercise price of an option is not less than the closing price on the TSX Venture Exchange on the last trading day preceding the grant.

On January 18 2021, the Company granted stock options under its Stock Option Plan to directors, officers, employees and consultants exercisable for 2,110,000 shares of the Company. The options are exercisable on or before January 18, 2026 at a price of $0.90 per share. Options vested 100% on the date granted.

On October 8 2021, the Company granted stock options under its Stock Option Plan to directors, officers, employees and consultants exercisable for 2,300,000 shares of the Company. The options are exercisable on or before October 8, 2026 at a price of $0.48 per share. Options vested 100% on the date granted.

(Canadian dollars)

13. Equity – *continued*

b) **Stock options -** *continued*

The Black Scholes Option Pricing Model was used to estimate the fair value of stock options for calculating stock-based compensation expense. The Company recognized a stock-based compensation expense and an increase to contributed surplus based on a grading vesting schedule using the following assumptions:

Date Granted	January 18, 2021	October 8, 2021
Number of options granted	2,110,000	2,300,000
Risk-free interest rate	0.14%	0.60%
Expected dividend yield	Nil	Nil
Expected share price volatility	84.516%	80.312%
Expected option life in years	2.50	2.50

The expected volatility is based on the historical and implied volatility of the Company's common share price on the TSX Venture Exchange. The risk-free interest rate assumption is based on the Bank of Canada marketable bonds with a remaining term equal to the stock options' expected life. Option pricing models require the input of highly subjective assumptions including the expected price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate, and therefore the existing models do not necessarily provide a reliable single measure of the fair value of the Company's stock options.

The total fair value of share-based payment expense on stock options granted to employees and consultants of the Company for the year ended December 31, 2021 is $1,471,725 (December 31, 2020 – $nil).

A summary of the Company's stock options as at December 31, 2021 and the changes for the years ended on these dates is as follows:

	Number	Weighted Average Exercise Price ($)
At January 1, 2020	5,185,000	0.55
Exercised	(545,000)	0.40
Forfeited	(30,000)	0.98
At December 31, 2020	4,610,000	0.57
Granted	4,410,000	0.68
Exercised	(230,000)	0.59
Expired	(1,470,000)	0.98
Forfeited	(100,000)	0.90
At December 31, 2021	**7,220,000**	**0.55**

(Canadian dollars)

13. Equity – *continued*

b) Stock options – *continued*

The following table summarizes information about the stock options outstanding at December 31, 2021:

Exercise Price Per Share	Number of Options Outstanding	Weighted Average Remaining Life (Years)	Number of Options Exercisable	Expiry Date
$0.35	1,160,000	0.72	1,160,000	September 20, 2022
$0.36	1,750,000	2.82	1,750,000	October 24, 2024
$0.90	2,010,000	4.05	2,010,000	January 18,2026
$0.48	2,300,000	4.77	2,300,000	October 8, 2026
	7,220,000	**3.45**	**7,220,000**	

c) Warrants

A summary of the Company's warrants as at December 31, 2021 and the changes for the periods ended on these dates is as follows:

	Number	Weighted Average Exercise Price ($)
At January 1, 2020	23,900,655	0.35
Issued	12,289,268	0.79
Exercised	(13,887,172)	0.36
At December 31, 2020	22,302,751	0.58
Exercised	(3,741,238)	0.34
At December 31, 2021	**18,561,513**	**0.63**

The fair value of each warrant granted is estimated at the time of grant using the Black-Scholes option pricing model with assumptions as follows:

Date Granted	April 16 2020	Aug 20 2020	Aug 20 2020
Expiry Date	April 16 2023	Aug 20 2022	Aug 20 2022
Number of warrants granted	6,666,634	5,024,545	598,089
Risk-free interest rate	0.34%	0.26%	0.26%
Expected dividend yield	Nil	Nil	Nil
Expected share price volatility	79.48%	89.00%	89.00%
Expected warrant life in years	1.5	1.5	1.5

Pricing models require the input of highly subjective assumptions including the expected share price volatility. Changes in the subjective input assumptions can materially affect the fair value estimate.

(Canadian dollars)

13. Equity – *continued*

d) Earnings (loss) per share

Details of the calculation of loss per share are set out below:

		2021		2020
Net income (loss) attributable to shareholders	$	**(545,335)**	$	2,301,012
Weighted average number of shares outstanding - Basic		**144,617,071**		121,930,731
Warrants		**-**		8,452,886
Stock options		**-**		1,529,696
Weighted average number of shares outstanding - Diluted		**144,617,071**		131,913,313
Income (loss) per share				
Basic	$	**(0.00)**	$	0.02
Diluted	$	**(0.00)**	$	0.02

14. Income taxes

Income tax expense differs from the amount that would result from applying the Canadian federal and provincial income tax rates to earnings before income taxes. These differences result from the following items:

		2021		2020
Income (loss) before income taxes	$	**276,116**	$	1,100,318
Canadian federal and provincial income tax rates		**27%**		27%
Income tax recovery based on the above rates	$	**74,551**	$	297,086
Increase (decrease) due to:				
Non-deductible expenses		**506,681**		249,741
Losses and temporary differences for which a deferred tax asset has not been recognized		**351,926**		446,407
Changes in estimate of deferred tax assets		**(225,431)**		(2,053,025)
Difference between foreign and Canadian tax rates		**93,381**		85,063
Deferred taxes in respect of Mexican royalty		**315,608**		164,301
Foreign exchange and other		**(295,265)**		(390,267)
Income tax expense (recovery)	$	**821,451**	$	(1,200,694)

Total income tax expense consists of:

		2021		2020
Current income tax expense	$	**173,209**	$	200,740
Deferred income tax (recovery) expense		**648,242**		(1,401,434)
	$	**821,451**	$	(1,200,694)

(Canadian dollars)

14. Income taxes - *continued*

The composition of deferred income tax assets and liabilities are as follows:

		2021		2020
Deferred income tax assets				
Non-capital losses	$	5,351,660	$	5,487,480
Other		86,559		-
Current assets and liabilities		255,253		700,935
Total deferred tax assets	$	5,693,472	$	6,188,415
Deferred income tax liabilities				
Property, plant and equipment	$	5,334,030	$	5,093,116
Exploration and evaluation assets		3,658,435		3,808,519
Other		-		-
Total deferred income tax liabilities	$	8,992,465	$	8,901,635
Deferred income tax liabilities, net	$	3,298,993	$	2,713,220

The deferred income tax assets and liabilities are represented on the balance sheet as follows:

		2021		2020
Deferred tax liabilities	$	3,298,993	$	2,713,220

The composition of deferred tax (recovery) expense is as follows:

		2021		2020
Deferred income tax assets				
Non-capital losses	$	9,477	$	(271,431)
Other		429,544		(601,557)
Deferred income tax liabilities				
Property, plant and equipment	$	358,178	$	(276,413)
Exploration and evaluation assets		(62,397)		168,377
Other		(86,560)		(420,410)
Deferred income tax (recovery) expense	$	648,242	$	(1,401,434)

Continuity of changes in the Company's net deferred tax positions is as follows:

		2021		2020
Deferred income tax liability				
Balance at January 1	$	2,713,220	$	4,417,422
Deferred income tax (recovery) expense during the year		648,242		(1,401,434)
Changes due to foreign currency translation		(62,469)		(302,768)
Balance at December 31	$	3,298,993	$	2,713,220

(Canadian dollars)

14. Income taxes – *continued*

The unrecognized deferred tax asset is as follows:

		2021		2020
Non-capital losses	**$**	**6,024,394**	$	6,257,917
Capital losses		**209,941**		209,942
Property, plant and equipment		**224,380**		196,443
Exploration and evaluation assets		**1,054,710**		1,054,710
Unrecognized deferred tax asset	**$**	**7,513,425**	$	7,719,012

The non-capital losses have expiry dates while the remainder of the unrecognized deferred tax assets have no expiry dates.

As at December 31, 2021, the Company has tax losses for income tax purposes in Canada which may be used to reduce future taxable income. The income tax benefit of these losses, if any, have not been recorded in these consolidated financial statements because of the uncertainty of their recovery.

The future expiration of taxes and the potential tax benefit of the losses are as follows:

Expiry Year		**Canada**		**Mexico**		**Total**
2022	$	-	$	3,268,745	$	3,268,745
2023		-		1,279,434		1,279,434
2026		-		-		-
2027		73,316		-		73,316
2028		141,907		-		141,907
2029		415,89		-		415,894
2030		1,266,681		-		1,266,681
2031		1,137,299		-		1,137,299
2032		1,598,366		-		1,598,366
2033		1,877,272		-		1,877,272
2034		1,485,486		-		1,485,486
2035		984,102		-		984,102
2036		1,207,916		-		1,207,916
2037		1,277,877		-		1,277,877
2038		1,084,178		-		1,084,178
2039		1,577,306		-		1,577,306
2040		1,984,102		-		1,984,102
2041		1,502,792		-		1,502,792
	$	17,614,494	$	4,548,179	$	22,162,673
Capital losses						
No expiry date	$	1,555,124				

15. Capital management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, to continue to explore financing opportunities, to provide an adequate return to shareholders and to support any growth plans.

To effectively manage the entity's capital requirements, the Company has in place a process to help determine the funds required to ensure the Company has the appropriate liquidity to meet its operating and growth objectives. The Company ensures that there is sufficient cash to meet its short-term business requirements, taking into account its anticipated cash flows from operations and its holdings of cash.

16. Financial instruments

Financial assets and liabilities

The Company's financial instruments consist of cash, concentrate trade receivables, other receivables, investments, trade payables and lease obligations. Cash and other receivables are measured at amortized cost. Concentrate trade receivables are measured at FVTPL. Investments are designated as FVTOCI and measured at fair value as determined by reference to quoted market prices. Trade payables and lease obligations are measured at amortized cost.

Financial instrument risk exposure

The Company's financial instruments are exposed to a number of financial and market risks including credit, liquidity, currency, interest rate and price risks. The Company may, or may not, establish from time to time active policies to manage these risks. The Company does not currently have in place any active hedging or derivative trading policies to manage these risks since the Company's management does not believe that the current size, scale and pattern of cash flow of its operations would warrant such hedging activities.

Credit risk

Credit risk is the risk that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. Financial instruments that potentially subject the Company to credit risk include cash, trade and other receivables and investments. The Company deposits its cash with high credit quality financial institutions as determined by ratings agencies, with the majority deposited with a Canadian Tier 1 bank. As is customary in the mining industry, the Company has entered into contracts with Mexican refining and smelting companies for the refining and sale of its silver, lead, zinc and gold contained in its lead and zinc concentrates. All contracts are currently with Trafigura Mexico, S.A. de C.V. As a result, the Company has a significant concentration of credit risk exposure to this company at any one time, but is satisfied that this company has an adequate credit rating as determined by Standard and Poor's. The Company's maximum exposure to credit risk at the reporting date is the carrying value of its cash ($21.1 million) and trade and other receivables ($1.0 million).

Interest rate risk

The Company is exposed to interest rate risk on its cash. Generally, the Company's interest income will be reduced during sustained periods of lower interest rates as higher yielding cash equivalents and any short term investments mature and the proceeds are invested at lower interest rates.

16. Financial instruments - *continued*

Currency risk

Foreign exchange rate fluctuations may affect the costs that the Company incurs in its operations. Silver, lead, zinc and gold are sold in U.S. dollars and the Company's costs are principally in Mexican pesos and Canadian dollars. At December 31, 2021, the Company is exposed to currency risk through the cash, trade and other receivables, and trade payables held in U.S. dollars and Mexican pesos. Based on these foreign currency exposures at December 31, 2021, a 10% depreciation or appreciation of all the above currencies against the Canadian dollar would result in an approximate $613,000 decrease or increase in the Company's net income for the year ended December 31, 2021.

Commodity price risk

The Company is subject to commodity price risk for all the principal metals that are recovered from the concentrates that it produces. These include silver, lead, zinc, and gold. These metal prices are subject to numerous factors beyond the control of the Company including central bank sales, producer hedging activities, interest rates, exchange rates, inflation and deflation, global and regional supply and demand, and political and economic conditions in major producing countries throughout the world. The Company has elected not to actively manage its exposure to metal prices at this time.

The only financial instrument affected by commodity price risk for the Company is trade accounts receivable. A 10% change in commodity prices would have increased or decreased the Company's trade accounts receivable balance as at December 31 as follows:

	2021	2020
Silver price	**$ 64,000**	$ 89,000

(Canadian dollars)

17. Segmented information

The Company has one operating segment and two reportable segments based on geographic area:

i) Mexico – This part of the business includes the Company's mining operations and exploration properties
ii) Canada – This part of the business includes head office and group services

The segments are determined based on the reports reviewed by the Chief Executive Officer (who is considered the Chief Operating Decision Maker) to make decisions about resources to be allocated to the segment and assess its performance and for which discrete financial information is available.

Details at December 31 are as follows:

		2021		2020
Revenues by geographic area				
Mexico	**$**	**17,699,122**	$	15,577,843
Net income (loss) by geographic area				
Mexico	**$**	**2,300,550**	$	3,940,400
Canada		**(2,845,885)**		(1,639,388)
	$	**(545,335)**	$	2,301,012
Assets by geographical area				
Mexico	**$**	**47,791,460**	$	47,186,039
Canada		**18,752,253**		17,645,591
	$	**66,543,713**	$	65,831,630
Property, plant and equipment by geographical area				
Mexico	**$**	**19,760,847**	$	19,261,918
Canada		**59,553**		40,678
	$	**19,820,400**	$	19,302,596

All current tax expense within the year is related to operations in Mexico.

Head Office

305-543 Granville Street
Vancouver, BC, Canada V6C 1X8

Telephone: 604.664.7707
Email:
inquires@impactsilver.com
www.impactsilver.com

Management

Frederick W. Davidson, President, CEO
George A. Gorzynski, VP Exploration, Director
Jerry Huang, CFO
Armando Alexandri, COO
Victor A. Tanaka, Director
Richard J. Mazur, Director
Peter N. Tredger, Director
Robert W. Lishman, Director
Jose Antonio De Jesus Olmedo Vera, Director

Solicitors

Cozen O'Connor LLP Bentall 5
550 Burrard Street, Suite 1008
Vancouver, British Columbia V6C 2B5

Auditors

Davidson & Company LLP.
1200-609 Granville St
Vancouver, BC V7Y 1G6

Transfer Agent

Computershare Investor Services
100 University Avenue, 8th Floor
Toronto, ON, Canada M5J 2Y1
www.investorcentre.com
Shares Traded Under Symbols:
IPT:TSX-V Toronto Venture Stock Exchange
ISVLF:US US OTC

Frankfurt: IKL Frankfurt

AGM **CONTACT:**
inquiries@impactsilver.com
with subject 2021 AGM for
registration.

Website IMPACTSilver.com
Trading Symbol
IPT:TSX-V
ISVLF:US
Frankfurt: IKL