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Press Release

Imperial Closes Fully Subscribed Rights Offering

August 21, 2015 | Imperial Metals Corporation (the “Company”) (III-TSX) is pleased to announce the successful completion of its rights offering, which expired on August 20, 2015. The Company issued a total of 5,500,797 common shares in the rights offering for gross proceeds of \$44,006,376.

Rightholders subscribed for 3,846,820 shares under basic subscription privileges and 2,339,471 shares under additional subscription privileges, resulting in an oversubscription of 685,494 shares. As a result of the oversubscription, the Company issued 1,653,977 shares to Rightholders who exercised additional subscription privileges, resulting in a successful fully subscribed rights offering.

Since all of the shares available in the rights offering were subscribed for by holders of rights, no additional shares were required to be issued pursuant to the Company’s Standby Guarantee Agreement with N. Murray Edwards and The Fairholme Partnership, LP.

The proceeds of the rights offering will be used as set out in the Company’s rights offering circular dated July 20, 2015.

The total number of issued and outstanding common shares of the Company is now 81,741,010.

The Company’s previously announced \$30 million convertible debenture private placement is targeted to close on August 24, 2015.

This news release does not constitute an offer for sale or the solicitation of an offer to buy any securities in the United States. The securities regarding the convertible debenture private placement referenced herein have not been registered under the United States Securities Act of 1933, as amended, and such securities may not be offered or sold within the United States absent such registration or an applicable exemption from such registration requirements.

About Imperial

Imperial is an exploration, mine development and operating company based in Vancouver, British Columbia. The Company, through its subsidiaries, owns the Mount Polley copper/gold mine in British Columbia, the Sterling gold mine in Nevada and the Red Chris copper/gold mine in northern British Columbia. Imperial also has a 50% interest in the Huckleberry copper mine and a 50% interest in the Ruddock Creek lead/zinc property, both in British Columbia.

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Forward-Looking Information and Risks Notice

Certain information contained herein constitutes forward-looking information which is prospective in nature and reflect the current views and/or expectations of the Company. Often, but not always, forward-looking information can be identified by the use of statements such as "plans", "expects" or "does not expect", "is expected", "scheduled", "estimates", "forecasts", "targets", "projects", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "should", "would", "might" or "will" be taken, occur or be achieved. Such information in this press release includes, without limitation, the Company’s use of the proceeds of the financings described herein, and expectations regarding the closing of the convertible debenture private placement.

Forward-looking information is not based on historical facts, but rather on then current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which the Company operates, including assumptions that: the Company will receive all necessary regulatory, stock exchange and third party approvals in respect of the convertible debenture private placement; N. Murray Edwards and The Fairholme Partnership, LP will backstop the convertible debenture private placement; the aforementioned financings will provide sufficient liquidity to support the ongoing ramp up of production at the Red Chris mine, to fund the restart operations at the Mount Polley mine and to provide working capital for the Company. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. We can give no assurance that the forward-looking information will prove to be accurate.

Forward-looking information involves known and unknown risks, uncertainties and other factors which may cause Imperial’s actual results, revenues, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the statements

constituting forward-looking information. Important risks that could cause the Company's actual results, revenues, performance or achievements to differ materially from the Company's expectations include, among other things: risks that rights offering, common share private placement and proposed convertible debenture private placement will not provide the expected liquidity or benefits to the Company's business or operations; risks that required consents and approvals will not be received in order to advance or complete the convertible debenture private placement; and other hazards and risks disclosed within the Company's rights offering circular dated July 20, 2015, the Company's Management's Discussion and Analysis for the year ended December 31, 2014 and other public filings which are available on the Company's profile on SEDAR at www.sedar.com. For the reasons set forth above, investors should not place undue reliance on forward-looking statements. Imperial does not undertake to update any forward looking information, except in accordance with applicable securities laws.