

Imperial Reports Second Quarter 2016 Production Results

Vancouver – **July 15, 2016** | **Imperial Metals Corporation (the “Company”) (III-TSX)** reports that in the second quarter of 2016, the Red Chris mine produced 26.74 million pounds copper and 18,213 ounces gold, increases of 14% and 23% respectively compared to the first quarter of 2016. The mill achieved an average throughput of 28,971 tonnes per day, and the mine moved an average of 75,002 tonnes of material per day during the second quarter of 2016. The bulk of the mill feed (approximately 77%) was mined from the Main zone, with higher grade East zone ore providing the remainder of the mill feed. The ore grade averaged 0.59% copper and 0.40g/t gold for the quarter. Metal recoveries averaged 78.24% copper and 53.53% gold, down slightly from the 79.10% and 54.72% achieved for copper and gold respectively in the first quarter of 2016. Metal recoveries were negatively impacted by near surface (higher clay content) ore delivered from a Main zone pushback which made up about 24% of the feed during the June quarter, compared to 0% in the first quarter of 2016.

During the second quarter of 2016, the Mount Polley mine treated 1,573,542 tonnes ore, and produced 5.31 million pounds copper and 9,476 ounces gold. The ore grade average for the second quarter 2016 was 0.22% copper and 0.28 g/t gold compared to 0.31% copper and 0.33 g/t gold in the first quarter of 2016. Lower head grades resulted in lower metal recoveries averaging 68.33% copper and 67.62% gold, compared to 70.31% copper and 71.52% gold achieved in the first quarter of 2016. Grades were lower as underground operations in the Boundary zone supplied 55,582 tonnes grading 0.91% copper and 0.55 g/t gold, down from 91,881 tonnes grading 1.73% copper and 1.10 g/t gold. A fill cycle in the main boundary stope was completed during the quarter and production from the underground operation is targeted to increase in the third quarter.

Huckleberry mine production for the second quarter of 2016 quarter was in-line with targets. Throughput averaged 19,426 tonnes per day, and 7.71 million pounds copper were produced. The copper grade averaged 0.23% and copper recovery was 87.6%. Milling of the stockpiles will continue until August 31, at which time it is planned that operations will be suspended and the mine placed on care and maintenance pending an increase in the price of copper.

About Imperial

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

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Forward-Looking Information and Risks Notice

Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, specific statements regarding expectations that Mount Polley mine's production from its underground operation is targeted to increase in the 2016 third quarter, and that milling of the stockpiles at Huckleberry mine will continue until August 31, 2016, at which time operations will be suspended and the Huckleberry mine will be placed on care and maintenance pending an increase in the price of copper. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "outlook", "budget", "scheduled", "estimates", "forecasts", "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", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document certain forward-looking statements are identified by words including "guidance", "expectations", "targeted", "plan", "planned", "estimated", "calls for" and "expected". By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risks related to changes in project parameters as plans continue to be refined; future prices of mineral resources; possible variations in ore reserves, grade or recovery rates; accidents; dependence on key personnel; labour pool constraints; labour disputes; availability of infrastructure required for the development of mining projects; delays in obtaining

governmental approvals or financing or in the completion of development or construction activities; counterparty risks associated with sales of our metals; changes in general economic conditions; increased operating and capital costs; and other risks of the mining industry as well as those factors detailed from time to time in the Company's interim and annual financial statements and management's discussion and analysis of those statements, all of which are filed and available for review on **sedar.com**. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking statements.