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Press Release

Imperial Announces Equity Financing to Raise up to \$55 million

Vancouver – **December 22, 2016** | **Imperial Metals Corporation (III-TSX)** (the “Company”) – Imperial announces that it intends to issue, on a private placement basis, up to 10 million common shares at a price of \$5.50 per share (the “Financing”). Significant shareholders of the Company and a director of the Company have indicated that they intend to subscribe for a minimum of \$42 million of the Financing (7,636,363 shares). The Company may accept subscriptions for up to another \$13 million of the Financing (2,363,637 shares) on the same terms and conditions.

The Company intends to use the net proceeds of the Financing to improve its working capital and for general corporate purposes.

Closing of the minimum \$42 million of the Financing from the significant shareholders and director is expected to occur before December 31, 2016 with any additional subscriptions to the Financing to close in early January 2017. Closing of the Financing is subject to receipt of all necessary regulatory and stock exchange approvals.

A material change report in relation to the Financing will be filed less than 21 days before closing as the Company intends to complete the Financing as soon as commercially feasible.

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

Certain information contained herein constitutes forward-looking information within the meaning of Canadian and United States Securities Laws and which is prospective in nature and reflect the current views and/or expectations of Imperial. 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, statements regarding: the Company's intention to issue, on a private placement basis, up to 10 million common shares at a price of \$5.50 per share (the “Financing”); the Company's intention to use the proceeds of the Financing to improve its working capital and for general corporate purposes; and the Company's expectation that the Financing from significant shareholders of the Company and a director of the Company will occur before December 31, 2016 and that any additional subscriptions to the Financing will close in early January 2017.

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 Imperial operates, including assumptions that: the Company will receive all necessary regulatory, stock exchange and third party approvals in respect of the Financing; and the timing of the Financings will meet the Company's expectations based on its business and operational requirements. 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 Imperial's actual results, revenues, performance or achievements to differ materially from Imperial's expectations include, among other things: risks that the Financing will not provide the expected 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 Financing; and other hazards and risks disclosed within Imperial's Management's Discussion and Analysis for the year ended December 31, 2015 and other public filings which are available on Imperial'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.