

Imperial Drilling Intersects 502.5 Metres Grading 0.70 g/t Gold and 0.33% Copper at Mount Polley

Vancouver | **February 8, 2021** | **Imperial Metals Corporation** (the “Company”) (TSX:III) reports results from diamond drilling at its Mount Polley mine.

Six drill holes totalling 3,792 metres in length were completed in the 2020 fourth quarter. The drilling campaign had two objectives. The first objective was to improve drill hole data density of mineralization near historic mining areas where the use of underground mining is being considered. Assays are pending for one hole drilled beneath the Springer pit that targeted one of the potential underground mining areas. The second objective was to drill new geophysical and geochemical anomalies outlined by recent surveys in the Trio Creek area located north and northwest of the mine.

Significant intercepts:

Hole ID	From (m)	To (m)	Width (m)	Copper (%)	Gold (g/t)
WX-20-78	40.0	542.5	502.5	0.33	0.70
including	42.5	60.0	17.5	0.85	1.30
including	180.0	360.0	180.0	0.42	1.05
C2-20-100	40.0	83.7	43.7	0.21	0.33
and	272.5	327.5	55.0	0.20	0.31
and	425.0	459.0	34.0	0.23	0.20
C2-20-101	40.0	105.0	65.0	0.28	0.35
and	281.3	292.5	11.2	0.66	0.74
and	397.5	437.5	40.0	0.27	0.37

WX Zone

The WX zone, the most recent major discovery (2009) at Mount Polley, is located south of the Springer pit, and is noted for its high gold grades and high gold/copper ratio mineralization. Drill hole WX-20-78, which was the only hole in this program to test the WX zone, intercepted 0.33% copper and 0.70 g/t gold over 502.5 metres from 40.0 to 542.5 metres. Two intervals with grades over 1 g/t gold were intercepted inside the longer interval, including 0.85% copper and 1.30 g/t gold over 17.5 metres from 42.5 to 60.0 metres, and 0.42% copper and 1.05 g/t gold over 180.0 metres from 180.0 to 360.0 metres. Collared on the western flank of the WX zone, drill hole WX-20-78 was designed test the continuity of the mineralization in an area of proposed underground mining. Drilled down the plunge, this hole served to confirm the continuity of this modelled higher grade target within the WX zone. The approximate dimensions of the modelled higher grade zone are 470 metres down plunge, 260 metres wide and 65 metres thick with a dip of -62°.

C2 Zone

The C2 zone is located south of the Cariboo pit. Two holes were drilled to test a zone of higher gold grade along the Polley fault at depth. Historic drilling in this zone yielded an intercept of 55 metres grading 2.14 g/t gold and 1.19% copper in drill hole C2-11-97. Both holes were successful in extending this lower gold zone.

Drill hole C2-20-100 was collared on the ramp into the Cariboo pit, and was drilled 370 metres north of C2-11-97 to target the possible northern extent of the gold zone beneath historic drilling. This drill hole intercepted 0.21% copper and 0.33 g/t gold over 43.7 metres from 40.0 to 83.70 metres, along with 0.20% copper and 0.31 g/t gold over 55.0 metres from 272.5 to 327.5 metres, and 0.23% copper and 0.20 g/t gold over 34.0 metres from 425.0 to 459.0 metres.

Drill hole C2-20-101 was collared south of the Cariboo Pit, about 40 metres north of hole C2-11-97, to test the extent of near surface mineralization and the lower gold zone seen in C2-11-97 that runs north-south along the Polley fault. This drill hole was successful in hitting the upper target, an unexpected 25 metre zone of mineralized magnetite breccia at 281.3 metres, which graded 0.66% copper, 0.74 g/t gold and 23.8% iron over 11.2 metres, as well as the lower gold zone.

Trio Creek

New geophysical and geochemical anomalies outlined by recent surveys were drilled in the Trio Creek target area, located north and northwest of the mine. This area is covered by glacial till with limited bedrock exposure, so the goal was to gain an understanding of the geological system.

Drill holes TC-20-01 and TC-20-02 were designed to test new anomalies north and west of the mine. The targeted areas feature favorable geophysics that match the geophysical fingerprint of the Mount Polley mineralized host rock.

Drill hole TC-20-01 targeted a large chargeability anomaly at depth with moderate geochemical signatures at surface. The drill intersected intrusive rocks with weak breccia textures and strong potassic alteration which is similar to the Mount Polley mine host rock. A strong correlation was also made between high chargeability and an increase in disseminated sulphide (pyrite) to depths of 400 metres. This provides confidence in our geophysical models at depth.

Drill hole TC-20-02, located 633 metres east of TC-20-01, targeted a strong magnetic anomaly projected to surface along the fringes of a strong chargeability anomaly. The drill was oriented to cut across the center of the magnetic anomaly and intersected the high chargeability at depth. Drill hole TC-20-02 intersected a hydrothermally altered and brecciated monzonite identical to the Mount Polley mine host rock containing magnetite and disseminated pyrite.

Drill holes TC-20-01 and TC-20-02 have defined a clear extension to the north of similar geology and associated hydrothermal alteration zones to that which hosts the mineralization at Mount Polley. Further exploration is planned to further define these targets.

Jim Miller-Tait, P.Geo., Imperial's VP Exploration, has reviewed this news release as the designated Qualified Person as defined by National Instrument 43-101 for the Mount Polley exploration program. Samples reported were analysed at Bureau Veritas Mineral Laboratories in Vancouver. A full QA/QC program using blanks, standards and duplicates was completed for all diamond drilling samples submitted to the labs. Significant assay intervals reported represent apparent widths. Insufficient geological information is available to confirm the geological model and true width of significant assay intervals.

About Imperial

Imperial is a Vancouver based exploration, mine development and operating company with holdings that include the Mount Polley mine (100%), the Huckleberry mine (100%), the Red Chris mine (30%). Imperial also holds a portfolio of 23 greenfield exploration properties in British Columbia. These properties have defined areas of mineralization and clear exploration potential. Management continues to evaluate various opportunities to advance many of these properties.

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Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this news release are not statements of historical fact and are "forward-looking" statements. 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, statements regarding the Company's expectations with respect to current and planned exploration drilling programs at Mount Polley to expand known mineralization, provide more data in areas where the use of underground mining methods are being considered and to drill new geophysical and geochemical anomalies in a region called Trio Creek. 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. 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.

In making the forward-looking statements in this release, the Company has applied certain factors and assumptions that are based on information currently available to the Company as well as the Company's current beliefs and assumptions. These factors and assumptions and beliefs and assumptions include, the risk 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 at www.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, many of which are beyond the Company's ability to control or predict. 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 and all forward-looking statements in this news release are qualified by these cautionary statements.