
Imperial Reports First Quarter 2025 Financial Results

Vancouver | **May 12, 2025** | **Imperial Metals Corporation** (the “Company”) (TSX:III) reports financial results for the three months ended March 31, 2025.

QUARTER HIGHLIGHTS

“Imperial delivered solid operating and financial results for the first quarter of 2025”, said Brian Kynoch, President. “Consolidated production totalled 15,842,336 pounds copper and 17,120 ounces gold which was higher by 28% and 33% respectively, compared to the first quarter of 2024. Financially, we achieved strong operating cash flows of \$68.3 million along with revenues of \$176.6 million and adjusted EBITDA of \$97.7 million.”

FINANCIAL

Total revenue was \$176.6 million in the March 2025 quarter compared to \$84.6 million in the 2024 comparative quarter.

In the March 2025 quarter, Mount Polley mine had 1.9 concentrate shipments (2024-1.3 concentrate shipments). The Red Chris mine (100% basis) had 5.0 concentrate shipments (2024-4.0 concentrate shipments).

Variations in revenue are impacted by the timing and quantity of concentrate shipments, metal prices and exchange rates, and period end revaluations of revenue attributed to concentrate shipments where copper and gold prices will settle at a future date.

The London Metals Exchange cash settlement copper price per pound averaged US\$4.24 in the March 2025 quarter compared to US\$3.83 in the 2024 comparative quarter. The LBMA (London Bullion Market Association) Final and Initial gold price per troy ounce averaged US\$2,862 in the March 2025 quarter compared to US\$2,072 in the 2024 comparative quarter. The average US/CDN Dollar exchange rate was 1.435 in the March 2025 quarter, 6.4% higher than the exchange rate of 1.349 in the March 2024 quarter. In CDN Dollar terms the average copper price in the March 2025 quarter was CDN\$6.08 per pound compared to CDN\$5.17 per pound in the 2024 comparative quarter, and the average gold price in the March 2025 quarter was CDN\$4,108 per ounce compared to CDN\$2,795 per ounce in the 2024 comparative quarter.

A positive revenue revaluation in the March 2025 quarter was \$10.0 million as compared to a negative revenue revaluation of \$0.2 million the 2024 comparative quarter. Revenue revaluations are the result of the metal price on the settlement date and/or the current period balance sheet date being higher or lower than when the revenue was initially recorded or the metal price at the last balance sheet date and finalization of contained metal as a result of final assays.

Net income for the March 2025 quarter was \$41.3 million (\$0.26 income per share) compared to net loss of \$9.2 million (\$0.06 loss per share) in the 2024 comparative quarter. The increase in net income of \$50.5 million was primarily due to the following factors:

- Income from mine operations increased to \$78.3 million in the March 2025 quarter from a loss of \$1.5 million in March 2024, an increase of \$79.8 million;
- Idle mine cost increased to \$2.2 million in March 2025 from \$1.9 million in the March 2024 quarter;
- Net interest expense of \$8.1 million in March 2025 down from \$10.1 million in March 2024, increasing net income by \$2.0 million;
- Tax recovery went from \$6.6 million in March 2024 to tax expense of \$23.3 million in March 2025, decreasing net income by \$29.9 million.

The average US/CDN Dollar exchange rate was higher by 6.4% in the March 2025 quarter of 1.435 compared to an average of 1.349 in the 2024 quarter.

Capital expenditures including leases were \$47.0 million in the March 2025 quarter, an increase of \$10.8 million from \$36.2 million in the 2024 comparative quarter. The March 2025 quarter expenditures included \$15.4 million in exploration, \$14.5 million on stripping costs, \$9.7 million for tailings dam construction and \$7.4 million of other capital.

At March 31, 2025, the Company had not hedged any copper, gold or US/CDN Dollar exchange. Quarterly revenues will fluctuate depending on copper and gold prices, the US/CDN Dollar exchange rate, and the timing of concentrate sales, which is dependent on concentrate production and the availability and scheduling of transportation.

OPERATIONS

During the quarter ended March 31, 2025, Imperial's consolidated metal production was 15.84 million pounds copper (Q1 2024-12.35 million pounds copper) and 17,120 ounces gold (Q1 2024-12,861 ounces gold).

Mount Polley Mine

Mount Polley metal production for the first quarter of 2025 was 8,904,389 pounds copper and 10,621 ounces gold, compared to 7,355,191 pounds copper and 10,009 ounces gold produced during the first quarter of 2024. Mill throughput was up 3.0%, with 1.72 million tonnes being treated compared with 1.67 million tonnes treated in the first quarter of 2024. Copper production in the first quarter 2025 was up by 21.1% because of the increase in throughput and higher grade and recovery compared to first quarter of 2024. Gold production in the first quarter 2025 was up 6.1% with increased recovery and throughput offsetting lower gold grades compared to the first quarter 2024.

	Three Months Ended March 31 2025	Three Months Ended March 31 2024
Ore milled - <i>tonnes</i>	1,721,769	1,671,505
Ore milled per calendar day - <i>tonnes</i>	19,131	18,368
Grade % - copper	0.28	0.25
Grade g/t - gold	0.28	0.28
Recovery % - copper	83.3	79.4
Recovery % - gold	69.8	66.0
Copper - <i>000's pounds</i>	8,904	7,355
Gold - <i>ounces</i>	10,621	10,009

Most of the mill feed for the first quarter of 2025 came from the material mined from near the bottom of the Phase 4 pit. Stripping for the Phase 5 pushback of the Springer pit continued with approximately 3,584,917 million tonnes of rock stripped from this pushback in the first quarter of 2025. Approximately 1,806,705 tonnes of non-acid generating rock from the Phase 5 stripping was hauled to the tailing facility to buttress the tailings storage embankment.

In April 2025, the Xat'sull First Nation (Xat'sull) commenced a petition for judicial review seeking to set aside two decisions granted by the Ministry of Mining and Critical Minerals and the Minister of Environment and Parks pertaining to the Mount Polley Mine. Shortly afterward, Xat'sull filed an application seeking to stop work under those decisions until the judicial review is heard.

No monetary relief is sought against Mount Polley Mining Corporation, but if successful, both the application and petition could result in increased costs to MPMC and could adversely affect mining operations.

Exploration, development, and capital expenditures in the first quarter of 2025 were \$27.2 million compared to \$15.8 million in the 2024 comparative quarter.

Red Chris Mine

Red Chris production (100%) for the first quarter of 2025 was 23,126,491 pounds copper and 21,663 ounces gold compared to 16,660,225 pounds copper and 9,507 ounces gold during the same quarter of 2024.

The 2025 first quarter Red Chris copper production was up 38.8% and gold production was up 127.9% compared to the first quarter of 2024. The increase in copper production was a result of a 43.6% increase in copper grade (0.62% vs 0.43%) offset by slightly lower recovery and throughput. Gold production in the first quarter of 2025 at Red Chris was up as result of higher gold grade in the mill feed (0.54 g/t gold versus 0.26 g/t gold) and better gold recovery (60.5% versus 53.6%) compared to the same quarter of the previous year.

Imperial's 30% portion of Red Chris mine for the first quarter of 2025 was 6,937,947 pounds copper and 6,499 ounces gold.

100% Red Chris mine production	Three Months Ended March 31 2025	Three Months Ended March 31 2024
Ore milled - <i>tonnes</i>	2,049,475	2,100,354
Ore milled per calendar day - <i>tonnes</i>	22,522	23,081
Grade % - copper	0.62	0.43
Grade g/t - gold	0.54	0.26
Recovery % - copper	82.6	83.4
Recovery % - gold	60.5	53.6
Copper - <i>000's pounds</i>	23,126	16,660
Gold - <i>ounces</i>	21,663	9,507

Imperial's 30% share of exploration, development, and capital expenditures were \$19.5 million in the March 2025 quarter compared to \$20.4 million in the 2024 comparative quarter.

Block Cave Feasibility Study

The Red Chris Block Cave Feasibility Study is advancing as are permitting activities and some underground development work and other work to support the underground block cave project. The total development completed up to March 31, 2025 was 11,413 metres, of which 7,681 metres were completed on the Nagha declines and conveyor galleries.

Huckleberry Mine

Huckleberry operations ceased in August 2016 and the mine remains on care and maintenance status.

Site personnel continue to focus on maintaining site access, water management, maintenance of site infrastructure and equipment, and mine permit compliance. Work is also planned in 2025 to investigate and update the tailings facility design for Huckleberry.

For the March 2025 quarter, Huckleberry incurred idle mine costs comprised of \$1.9 million in operating costs and \$0.3 million in depreciation expense compared to \$1.6 million in operating cost and \$0.3 million in depreciation expense in the comparable quarter of 2024.

TECHNICAL INFORMATION

The technical and scientific information related to the Company's mineral projects has been reviewed and approved by Brian Kynoch, P.Eng., President of Imperial Metals, and a designated Qualified Person as defined by NI 43-101.

EARNINGS AND CASH FLOW

Select Quarter Financial Information

	Three Months Ended March 31	
	2025	2024
expressed in thousands of dollars, except share and per share amounts		
Operations:		
Total revenues	\$176,619	\$84,568
Net income (loss)	\$41,337	\$(9,165)
Net income (loss) per share	\$0.26	\$(0.06)
Diluted income (loss) per share	\$0.25	\$(0.06)
Adjusted net income (loss) ⁽¹⁾	\$41,337	\$(9,165)
Adjusted net income (loss) per share ⁽¹⁾	\$0.26	\$(0.06)
Adjusted EBITDA ⁽¹⁾	\$97,669	\$9,874
Cash earnings ⁽¹⁾⁽²⁾	\$96,009	\$9,896
Cash earnings per share ⁽¹⁾⁽²⁾	\$0.59	\$0.06
Working capital (deficiency)	\$(153,300)	\$(159,132)
Total assets	\$1,697,512	\$1,426,794
Total debt (including current portion) ⁽³⁾	\$333,050	\$359,551

⁽¹⁾ Refer to *Non-IFRS Financial Measures* for further details.

⁽²⁾ Cash earnings is defined as the cash flow from operations before the net change in non-cash working capital balances, income and mining taxes, and interest paid. Cash earnings per share is defined as cash earnings divided by the weighted average number of common shares outstanding during the year.

⁽³⁾ Total debt consists of banker's acceptances, convertible and non-convertible debentures, loans and leases.

NON-IFRS FINANCIAL MEASURES

The Company reports on four non-IFRS financial measures: adjusted net loss, adjusted EBITDA, cash earnings and cash cost per pound of copper produced, which are described in detail below. The Company believes these measures are useful to investors because they are included in the measures that are used by management in assessing the financial performance of the Company.

Adjusted net loss, adjusted EBITDA, cash earnings and cash cost per pound of copper are not standardized financial measures under IFRS and might not be comparable to similar financial measures disclosed by other issuers.

Adjusted Net Income (Loss) and Adjusted Net Income (Loss) Per Share

Adjusted net income (loss) is derived from operating net income (loss) by removing the gains or loss, resulting from acquisition and disposal of property, mark to market revaluation of derivative instruments not related to the current period, net of tax, unrealized foreign exchange gains or losses on long term debt, net of tax and other non-recurring items. Adjusted net income in the March 2025 quarter was \$41.3 million (\$0.26 per share) compared to an adjusted net loss of \$9.2 million (\$0.06 loss per share) in the 2024 comparative quarter. We believe that the presentation of Adjusted Net Loss helps investors better understand the results of our normal operating activities and the ongoing cash generating potential of our business.

Adjusted EBITDA

Adjusted EBITDA in the March 2025 quarter was \$97.7 million compared to \$10.3 million in the 2024 comparative quarter. We define Adjusted EBITDA as net income (loss) before interest expense, taxes, depletion, and depreciation, and as adjusted for certain other items.

Cash Earnings and Cash Earnings Per Share

Cash earnings in the March 2025 quarter was \$96.0 million compared to \$9.9 million in the 2024 comparative quarter. Cash earnings per share was \$0.59 in the March 2025 quarter compared to \$0.06 in the 2024 comparative quarter.

Cash earnings and cash earnings per share are measures used by the Company to evaluate its performance; however, they are not terms recognized under IFRS. We believe that the presentation of cash earnings and cash earnings per share is appropriate to provide additional information to investors about how well the Company can earn cash to pay its debts and manage its operating expenses and investment. Cash earnings is defined as cash flow from operations before the net change in non-cash working capital balances, income and mining taxes paid, and interest paid. Cash earnings per share is the same measure divided by the weighted average number of common shares outstanding during the year.

Cash Cost Per Pound of Copper Produced

Management uses this non-IFRS financial measure to monitor operating costs and profitability. The Company is primarily a copper producer and therefore calculates this non-IFRS financial measure individually for its two operating copper mines, Mount Polley and Red Chris (30% share), and on a composite basis for these mines.

Variations from period to period in the cash cost per pound of copper produced are the result of many factors including: grade, metal recoveries, amount of stripping charged to operations, mine and mill operating conditions, labour and other cost inputs, transportation and warehousing costs, treatment and refining costs, the amount of by-product and other revenues, the US\$ to CDN\$ exchange rate and the amount of copper produced.

Calculation of Cash Cost Per Pound of Copper Produced

expressed in thousands, except cash cost per pound of copper produced

Cash cost of copper produced in US\$
Copper produced – 000's pounds
Cash cost per lb copper produced in US\$

Three Months Ended March 31, 2025		
Mount Polley	Red Chris	Composite
\$(5,726)	\$9,578	\$3,852
8,904	6,938	15,842
\$(0.64)	\$1.38	\$0.24

expressed in thousands, except cash cost per pound of copper produced

Cash cost of copper produced in US\$
Copper produced – 000's pounds
Cash cost per lb copper produced in US\$

Three Months Ended March 31, 2024		
Mount Polley	Red Chris	Composite
\$12,559	\$20,945	\$33,504
7,355	4,998	12,353
\$1.71	\$4.19	\$2.71

For detailed information, refer to Imperial's 2025 First Quarter Management's Discussion and Analysis available on imperialmetals.com and sedarplus.ca.

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%), and the Red Chris mine (30%). Imperial also holds a portfolio of 23 greenfield exploration properties in British Columbia.

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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, specific statements regarding the Company’s expectations with respect to: the continuation of work to advance preparation for the feasibility study, permitting activities and some underground development to support the Red Chris underground block cave project; Huckleberry’s care and maintenance activities and 2025 plans to investigate and update the tailings facility design; and more general statements regarding the Company’s expectations with respect to its business and operations; metal pricing and demand; fluctuation of revenues; metal production guidance and estimates; and expectations regarding the usefulness of non-IFRS financial measures including adjusted net income (loss), adjusted EBITDA, cash earnings and cash cost per pound 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. 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 news 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 hazards and risks disclosed with the “Risk Factors” section of the Company’s current Annual Information Form, and other public filings which are available for review on Imperial’s SEDAR+ profile at sedarplus.ca. 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.