Imperial Metals

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NEWS RELEASE

Imperial Reports 2011 Third Quarter Financial Results

Vancouver, BC – **November 14, 2011 – Imperial Metals Corporation (TSX:III)** reports comparative financial results for the three and nine months ended September 30, 2011 and September 30, 2010, which are summarized below and discussed in detail in the Management's Discussion and Analysis. The Company's financial results are prepared in accordance with International Financial Reporting Standards ("IFRS").

	Three Months Ended Sept 30		Nine Months Ended Sept 30	
(unaudited) in thousands of CDN$ except per share amounts	2011	2010	2011	2010
Revenues	$69,409	$68,477	$205,994	$191,232
Income from mine operations	$8,531	$25,656	$56,614	$46,742
Net Income	$17,617	$7,429	$45,405	$19,338
Net Income Per Share	$0.48	$0.20	$1.23	$0.54
Adjusted Net Income [(1)]	$4,755	$13,258	$23,104	$22,727
Adjusted Net Income Per Share [(1)]	$0.13	$0.36	$0.63	$0.63
Cash Flow [(1)]	$17,102	$27,079	$63,533	$52,298
Cash Flow Per Share [(1)]	$0.46	$0.74	$1.72	$1.46

[(1)] Adjusted Net Income, Adjusted Net Income Per Share, Cash Flow and Cash Flow Per Share are measures used by the Company to evaluate its performance; however, they are not terms recognized under IFRS in Canada. Adjusted Net Income is defined as net income adjusted for certain items of a non-operational nature that pertain to future periods as described in further detail in the Management's Discussion and Analysis under the heading Adjusted Net Income. Cash Flow is defined as cash flow from operations before net change in working capital balances. Adjusted Net Income and Cash Flow Per Share are the same measures divided by the weighted average number of common shares outstanding during the period. *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.*

Revenues were $69.4 million in the September 2011 quarter compared to $68.5 million in the 2010 quarter. The September 2011 quarter includes two concentrate shipments from the Mount Polley mine and two concentrate shipments from the Huckleberry mine, consistent with the comparative quarter of two concentrate shipments from each mine. Variations in quarterly revenue attributed to the timing of concentrate shipments can be expected in the normal course of business.

The Company recorded net income of $17.6 million in the September 2011 quarter compared to net income of $7.4 million in the 2010 quarter. Adjusted net income in the quarter was $4.8 million or $0.13 per share, versus $13.3 million or $0.36 per share in the September 2010 quarter. Adjusted net income is calculated by removing the unrealized gains and losses, net of related income taxes, resulting from mark to market revaluation of copper and foreign exchange derivative instruments and in 2010, unrealized share based compensation expense. Adjusted net income is not a term recognized under IFRS in Canada however, it does show the current period financial results excluding the effect of items not settling in the current period.

Gains on derivative instruments were $16.7 million in the September 2011 quarter compared to losses of $10.9 million in the September 2010 quarter including unrealized net gains on copper and derivatives of $17.5 million in the September 2011 quarter compared to unrealized net losses of $8.2 million in the September 2010 quarter. The Company realized losses of $0.8 million on copper derivatives in the September 2011 quarter compared to losses of $2.7 million in the September 2010 quarter.

Subsequent to September 30, 2011 the Company agreed to sell its claims against Lehman Brothers Commodity Services Inc. and Lehman Brothers Holdings Inc. for US$13.9 million subject to completion of documentation and approval by the Trustee. On closing, the Company will record a bad debt recovery equal to the proceeds as the carrying amount of the claims had been written down to nil.

Cash flow decreased to $17.1 million in the three months ending September 30, 2011 from $27.1 million in the comparative 2010 quarter. The $10.0 million decrease is primarily the result of reduced income from mine operations resulting from negative revenue revaluations of $14.6 million in the current quarter.

Capital expenditures decreased to $12.7 million from $15.2 million in the comparative 2010 quarter. All expenditures in the September 2011 quarter were financed from short term debt and cash flow from the Mount Polley and Huckleberry mines. At September 30, 2011 the Company had $30.8 million in cash, cash equivalents and short term investments.

During the September 2011 quarter the Company did not purchase any common shares for cancellation.

Mount Polley Mine

Production	Nine Months Ended Sept 30	
	2011	2010
Ore milled (tonnes)	5,742,244	5,943,967
Ore milled per calendar day (tonnes)	21,034	21,773
Grade % - copper	0.262	0.324
Grade g/t - gold	0.266	0.287
Recovery % - copper	57.16	62.97
Recovery % - gold	62.16	66.67
Copper (lbs)	18,939,711	26,701,243
Gold (oz)	30,496	36,571
Silver (oz)	67,555	142,182

Mill throughput averaged 22,160 tonnes per day for the 2011 third quarter. Copper production was down compared to the 2011 second quarter with all ore coming from lower grade upper benches of the Springer pit. In October, the Springer Phase 3 pushback reached the 1048 bench and began releasing higher grade material. Mill feed grade averaged 0.297% copper in October. For the remainder of 2011 and all of 2012 mill feed is scheduled to come from the Springer pit.

In the fourth quarter a new mine site access road will be commissioned that will allow the development of a new access ramp into the Springer pit, providing shorter ore and waste hauls from the pit.

Exploration at Mount Polley continued in the quarter. Surface drilling of 11,564 metres in 24 drill holes was completed in the C2, Cariboo, Junction and Polley Mountain areas using two drills. Surface exploration remains focused on targets within the C2 and Cariboo areas.

Underground diamond drilling at the Boundary zone has been successful in delineating a block of breccia-hosted copper/gold mineralization. Underground exploration is underway with additional level excavation in the zone to gather further information. Engineering to choose an appropriate underground mining method for the block is well advanced.

Mount Polley open pit copper/gold mine is located 56 kilometres northeast of Williams Lake, British Columbia.

Huckleberry Mine

Production	Nine Months Ended Sept 30	
(100% - Imperial owns 50%)	2011	2010
Ore milled (tonnes)	4,480,300	4,156,900
Ore milled per calendar day (tonnes)	16,411	15,227
Grade (%) – copper	0.382	0.378
Recovery (%) – copper	90.2	91.3
Copper (lbs)	34,044,000	31,664,000
Gold (oz)	2,758	2,279
Silver (oz)	173,127	148,206
Molybdenum (lbs)	6,923	68,226

Copper production was 10.3 million pounds in the 2011 third quarter compared to 10.1 million pounds in the 2010 third quarter. The majority of ore came from stockpiled ore, while mining focused on the pushback of the Main Zone Extension highwall.

An application for an amendment to Huckleberry's Mines Act permit was submitted to allow for the development and operation of the Main Zone Optimization pit, an expansion of the Main Zone pit that could add up to eight years to Huckleberry's mine life. The amendment is anticipated to be approved by the Province in 2011. Additional mining equipment has been ordered, and logging of the project area has commenced.

Diamond drilling is underway testing IP anomalies that were defined by a geophysical survey conducted earlier in the year. Six holes are planned to test anomalies to the west of the Main zone mineralization.

Imperial owns 50% of the Huckleberry open pit copper/molybdenum mine located 123 kilometres southwest of Houston, British Columbia.

Red Chris

Results were released from 45 diamond drill holes totalling 49,760 metres completed beneath the proposed open pit to a depth of about 1,000 metres. The deposit is still open to the east and west with potential for further expansion to the north and south in parts of the porphyry system.

A deep diamond drilling program was initiated in August 2011 to test the continuation at depth of mineralization historically defined in the Gully zone, located about a kilometre west of the western rim of the proposed open pit. Drilling in the area by previous operators penetrated about 350 metres in the zone with a maximum penetration of 470 metres, encountering strong alteration and widely distributed copper/gold mineralization. Geological and analytical studies of the historic drill core, and results from the Titan 24 geophysical survey completed in 2009, indicate the potential for additional deep porphyry mineralization below these zones. Three holes were drilled in the Gully zone in this phase of drilling. Results are pending.

Drilling is planned for the area east of the proposed pit where geological mapping, historic drilling and results of the Titan 24 survey indicates the potential to both expand the deposit east of drill hole R10-411, and identify an offset extension further east of the deposit. Diamond drilling will continue until the year end break.

Detailed design for the 30,000 tonne per day mill is being advanced by AMEC. The major items in the grinding bay have been secured with the purchase from Northgate's Kemess mine of a 12,000 hp 34 foot diameter SAG mill, and an order of an 18,000 hp ball mill. Limited site work is expected to begin this winter and major site construction to commence next year.

In September BC Hydro announced Vallard Construction and Burns & McDonald had been selected to design and to build the Northwest Transmission Line, a 344 kilometre line from the Skeena substation to Bob Quinn Lake.

Discussions continue with BC Hydro to determine the optimum method of connecting the Red Chris project to the Northwest Transmission Line at Bob Quinn Lake, which is within 120 kilometres of the property.

The Red Chris copper/gold property in northwest British Columbia is 80 kilometres south of Dease Lake.

Sterling

Underground sampling and drilling continued on the 3180 level to investigate the northerly down dip extent of the 144 zone. A reverse circulation drill is on site to complete a 28 hole program to delineate the near surface mineral resource surrounding remnants of the old underground mine.

The 144 zone is being developed for production with excavation of a ramp to the upper level of the breccia zone, along with an ore pass connecting this level to the main haulage. A drift from the 3180 foot level was completed to the base of the proposed vent raise that will provide ventilation for the mine.

Earthworks and liner installation work commenced in October 2011. The gold recovery processing plant is scheduled to arrive on-site in November 2011. Former process ponds have been prepared for re-lining. Two concrete pads were poured in September in preparation for building erection. The surface stockpile from underground development now totals 28,000 tons at 0.100 ounce per ton of leachable material. Metallurgical testwork of underground run of mine material by Kappes, Cassiday & Associates confirms a gold recovery of 70% after 30 days of cyanide leaching.

The Sterling gold property is located 185 kilometres northwest of Las Vegas, Nevada.

Ruddock Creek

Recent drill results from the November 2010-July 2011 underground diamond drill program, confirmed massive sulphide mineralization of the Lower E zone extending 450 metres in an east-west direction and 500 metres in a north-south direction. The objective of the underground drilling was to significantly add to the previously reported resource by increasing the density of drilling and extending it to the west. Total underground drilling to September 30 consisted of 76 holes totalling 14,133.4 metres from seven underground drill stations.

The 2011 exploration program included additional surface exploration, geological mapping, sampling and further diamond drilling of the Creek, V and Q zones. A total of 10,841 metres of surface drilling was completed in October 2011. Up to four surface diamond drills were in operation to complete this phase of the 2011 program before the onset of winter conditions. A news release providing results of the surface drill program is expected by year end.

A comprehensive report will be completed in early 2012, including an update of the National Instrument 43-101 compliant report *Mineral Resource Estimate, Ruddock Creek Deposit* dated July 2009. The report will be used to determine the next phase of exploration and development on the Ruddock Creek property.

The Ruddock Creek zinc/lead property is located 155 kilometres northeast of Kamloops in the Scrip Range of the Monashee Mountains in southeast British Columbia.

Outlook

The sharp decline in copper prices at the end of the September 2010 quarter resulted in a $14.6 million negative revenue revaluation in the quarter. Copper prices have rebounded since then and a large part of this revaluation will reverse if the copper price remains higher.

At the Huckleberry mine work began on the Main Zone Optimization plan in anticipation of receipt of a permit amendment. Clearing of the tailings storage facility site is progressing, and additional mining equipment has been ordered.

At the Sterling mine, preparations for the restart of operations are proceeding. The first gold production from the operation is expected in early 2012.

Recent drill results at Red Chris indicate great promise for further expansion of the mineral system, and drilling is ongoing to the east and west of the proposed open pit. Major site construction is planned for 2012 and work on engineering, procurement, permitting and power supply for Red Chris is progressing.

*Detailed financial information is provided in the Company's Management's Discussion & Analysis contained in the Third Quarter Report available on **www.sedar.com** and **www.imperialmetals.com**.*

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