

Imperial Reports 2013 Third Quarter Financial Results

Vancouver – **November 13, 2013** | **Imperial Metals Corporation (III-TSX)** – reports comparative financial results for the three and nine months ended September 30, 2013 and 2012 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”).

In thousands of CDN\$ except per share amounts	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2013	2012	2013	2012
Revenues	\$51,668	\$29,682	\$143,851	\$140,826
Income from mine operations	\$25,194	\$11,144	\$52,012	\$38,213
Equity income (loss) in Huckleberry	\$(345)	\$564	\$3,868	\$3,813
Net Income	\$14,721	\$4,343	\$32,883	\$20,908
Net Income Per Share	\$0.20	\$0.06	\$0.44	\$0.28
Adjusted Net Income ⁽¹⁾	\$16,641	\$7,432	\$32,826	\$26,172
Adjusted Net Income Per Share ⁽¹⁾	\$0.22	\$0.10	\$0.44	\$0.35
Cash Flow ⁽¹⁾	\$28,639	\$11,508	\$61,126	\$45,228
Cash Flow Per Share ⁽¹⁾	\$0.38	\$0.15	\$0.82	\$0.61

⁽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 and before net change in working capital balances, income and mining taxes paid, and interest paid. 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.*

The Sterling mine recommenced operations on July 2012 and reached commercial production in March 2013. In accordance with the Company’s accounting policy, all revenue and related operating costs prior to commercial production are applied to the carrying value of the Sterling mineral property. In the nine months ended September 30, 2013 a total of 5,049 ounces gold were sold and the sale proceeds from the 2,743 ounces related to the period prior to commercial production was applied to the carrying value of the mineral property with the sales proceeds of the 2,267 ounces recorded in the Statement of Income and the balance of 39 ounces held in inventory.

Revenues were \$51.7 million in the September 2013 quarter compared to \$29.7 million in the 2012 quarter primarily due to increased sales volumes in the current quarter. There were two shipments in the 2013 quarter compared to one shipment in the 2012 quarter.

The Company recorded net income of \$14.7 million in the September 2013 quarter compared to net income of \$4.3 million in the 2012 quarter. Adjusted net income in the quarter was \$16.6 million or \$0.22 per share, versus \$7.4 million or \$0.10 per share in the September 2012 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 gold derivative instruments. Adjusted net income is not a measure recognized under IFRS in Canada. It is intended to show the current period financial results excluding the effect of items not settling in the current period.

The Company recorded \$1.4 million unrealized losses on copper derivatives in the September 2013 quarter compared to a net realized and unrealized loss of \$2.1 million in the comparative quarter. The Company had no realized losses or gains on copper or gold derivatives in the September 2013 quarter compared to realized gains of \$0.1 million in the September 2012 quarter.

Cash flow increased to \$28.6 million in the three months ended September 30, 2013 from \$11.5 million in the comparative quarter. The increase of \$17.5 million is primarily due to the increase of concentrate shipments over the comparative quarter.

Capital expenditures increased to \$137.9 million from \$46.3 million in the comparative 2012 quarter. Expenditures were financed from cash flow from the Mount Polley mine, current and non-current term debt in addition to \$9.6 million of non-current debt for equipment financed in the current quarter. At September 30, 2013 the Company had \$4.9 million in cash.

During the September 2013 quarter the Company did not purchase any common shares for cancellation.

MOUNT POLLEY MINE OPERATIONS

PRODUCTION	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2013	2012	2013	2012
Ore milled (tonnes)	2,105,459	2,049,547	6,083,103	6,136,202
Ore milled per calendar day (tonnes)	22,885	22,278	22,282	22,395
Grade % - copper	0.311	0.279	0.295	0.274
Grade g/t - gold	0.275	0.318	0.267	0.303
Recovery % - copper	76.33	68.17	73.93	65.70
Recovery % - gold	71.15	66.18	67.91	65.00
Copper (lbs)	11,021,476	8,593,838	29,264,291	24,390,575
Gold (oz)	13,231	13,869	35,475	38,917
Silver (oz)	33,253	30,592	95,119	85,620

Quarterly copper production was 11,021,476 pounds, up 28% from the comparable quarter in 2012. The increase in copper production is the result of the higher copper grade and better recovery, more than offsetting the slightly lower throughput. Gold production for the quarter was down 5% due to lower gold grade ore being treated.

The majority of mill feed for the quarter came from the Phase 3 Springer pit, however small amounts of Cariboo ore are now being delivered as the pushback of the Cariboo pit continues. Boundary zone underground work continues with 360 metres of ramping, cross-cutting and raising completed in the quarter.

HUCKLEBERRY MINE OPERATIONS

PRODUCTION [stated 100% - Imperial's allocation= 50%]	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2013	2012	2013	2012
Ore milled (tonnes)	1,417,199	1,493,700	4,436,555	4,410,800
Ore milled per calendar day (tonnes)	15,404	16,236	16,251	16,098
Grade (%) – copper	0.364	0.285	0.344	0.299
Recovery (%) – copper	92.2	89.8	91.6	89.8
Copper (lbs)	10,472,302	8,436,000	30,833,374	26,096,000
Gold (oz)	701	617	2,202	1,946
Silver (oz)	61,323	45,958	179,639	139,155

Throughput for the third quarter 2013 averaged 15,404 tonnes per calendar day down from the 16,236 tonnes achieved in the third quarter 2012 due to harder ore. Copper production was up over 24% on higher grades and recovery. During the quarter virtually all ore delivered to the mill came from the 946 to 934 benches within the MZX pit. Stripping of the tailings and waste from the old Main zone pit constituted the bulk of the waste mining.

The new tailings storage facility (TMF-3) construction on the starter and saddle dams, as well as the piping, pumping, cycloning and power infrastructure required to operate the TMF3 was completed in August and is now being operated.

HUCKLEBERRY EXPLORATION

A diamond drill program of approximately 3,462 metres over 11 holes was drilled to expand several targets within the mine site area outlined by 2011 and 2012 drilling. Core logging, assaying and QA/QC are ongoing. In addition, 7 holes totalling 1,750 metres are planned for completion in the fourth quarter. Huckleberry also completed a soil sampling program within the nearby North Huckleberry claims to test for new geophysical or drill targets. Assaying and analysis is to be completed in the fourth quarter.

RED CHRIS CONSTRUCTION UPDATE

Red Chris mine development is proceeding with 94% of the engineering complete as of September 30, 2013. Start of commissioning is scheduled for May 2014.

The 287 kV Northwest Transmission Line (NTL) from Skeena substation to Bob Quinn is under construction by BC Hydro with a planned completion date of May 2014.

A subsidiary of Imperial is constructing the 93 kilometre extension (Iskut Extension) from Bob Quinn to Tatogga. The power line engineering design has reached 90% completion. Construction of access roads and right of way clearing for the

Iskut Extension which began in July is 54% complete. A 100 person camp and laydown yards were established along the route to store and assemble lattice structure components. An experienced power line constructor has been retained to install foundations, structures, hardware and conductor.

The Red Chris site work continued through summer 2013. Work items in the third quarter 2013 included:

- placing of 2,852 cubic metres of concrete in the primary crusher, overland conveyor transfer towers and bents;
- construction of the MSE wall at the primary crusher to approximately 60% complete;
- installation of transformer concrete foundations at the main electrical substation;
- installation of 16,396 cubic metres of concrete (project to date) in the process building and reclaim tunnel;
- erection of structural steel, cladding and roofing in the process building and multi-plate in the reclaim tunnel;
- setting the rougher tank cells, cleaner column cells, filter wash tank, filtrate tank, stock tank and thickener in the flotation bay;
- mechanical installation of the overland conveyor, pebble crusher, vertimill base, apron feeders, chutes and pump assemblies;
- placing and compaction of 1.3 million cubic metres of materials in the tailings storage facility; and
- construction of the tailings and reclaim lines.

The first concrete pour in 2013 was on March 24. Concrete pours are planned to early December 2013. The primary crusher, MSE wall, overland conveyor and coarse ore reclaim tunnel are to be installed this year. Construction has begun on the site electrical substation, reagent building and booster pump house. On November 5, the roof and virtually all the cladding for the process plant were in place, providing a covered area for trades to work inside through the winter.

The North Starter Dam earthworks are ongoing in the tailings impoundment area (TIA) utilizing a combination of equipment owned by Red Chris, with support from the Tahltan Nation Development Corporation and other contractors. A portion of the mining fleet delivered during the third quarter, including four Caterpillar 793 trucks and a 994 loader, were used to construct the tailings storage facility.

The work at Red Chris to date has been funded by cash flow from operations, equipment financed by non-current debt, the Company's lines of credit with its bank and with a significant shareholder. The latter was increased to \$200.0 million from \$130.0 million subsequent to September 30, 2013 to provide further time in arranging long term financing for Red Chris.

RED CHRIS EXPLORATION

Exploration has been temporarily suspended while the Company completes the development of the Red Chris mine.

STERLING MINE OPERATIONS

Sterling stoping operations from the 3292, 3260 and 3220 levels produced 62,162 tons of ore. Development work of 125 feet produced 1,060 tons of ore and 620 tons of waste. Development included work on 3220 cross-cuts and a drift on the 3320 level to access to back end of the stope.

In the third quarter 2013 a total of 63,223 tons of ore, containing 5,362 ounces gold, were stacked onto the leach pad at an average grade of 0.085 ounces per ton.

PRODUCTION	THREE MONTHS ENDED SEPTEMBER 30		NINE MONTHS ENDED SEPTEMBER 30	
	2013	2012	2013	2012
Ore Stacked – tons	63,223	14,577	140,023	64,505
Gold Grade – oz/ton	0.085	0.083	0.081	0.083
Gold ounces – added to heap	5,362	1,245	11,326	5,354
Gold ounces – in-process & poured	3,810	1,982	6,784	2,799
Gold shipped – ounces	2,877	1,260	5,851	2,077

RUDDOCK CREEK

The Ruddock Creek Joint Venture is owned by Imperial (50%), Mitsui Mining and Smelting Co. Ltd. (30%) and Itochu Corporation (20%). 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.

During the quarter the Joint Venture completed the 2013 field program which included site infrastructure studies, metallurgical testing including dense media separation, spiral, flotation, mineralogical, acid base accounting, and humidity cell testing. The work included collecting and testing mineralized material from each of the Lower E, Creek and V zones, and collecting and testing representative samples of each rock type identified on the property. The collection of baseline environmental and geotechnical information included trenching and geotechnical core drilling in order to provide data for future permitting and engineering studies. Surface exploration carried out during the quarter included detailed geological and structural mapping in a number of areas, as well as the collection of mineralized and non-mineralized rock samples for

age-dating purposes. A higher capacity water control structure for the underground discharge was constructed. Ongoing consultations continued with area First Nations. The camp has now been closed for the forthcoming winter period.

OUTLOOK

Mount Polley, Sterling, and Imperial's share of production from Huckleberry to the end of the third quarter totalled 44.7 million pounds copper, 43,400 ounces gold and 184,900 ounces silver. These production levels put operations on target to meet the 2013 production guidance of 58.5 million pounds copper, 54,600 ounces gold and 195,000 ounces silver.

At Huckleberry, with the TMF-3 tailing impoundment now in service, the focus is on removing tailings and waste rock from the old Main zone pit so ore can be released from the expanded Main Zone Optimization pit in 2014.

At Mount Polley the majority of ore will continue to come from the Phase 3 Springer pit, supplemented with minor ore production from the pushback of the Cariboo pit and underground excavation in the Boundary zone.

With winter approaching at Red Chris, work on the North Starter Dam has been suspended. The target elevation (1,097 metres) for the North Starter Dam has been achieved, allowing sufficient water from the spring run-off to be stored for startup of operations in 2014.

Work on cladding and roofing of the main portions of the concentrator building has been completed, and installation of equipment inside the building has begun. Work inside the building will continue through the winter. Construction of the Iskut Extension of the Northwest Transmission Line is underway with 54% of the right of way clearing and access road construction completed, and assembly of the tower lattice structure has started. We continue to target the end of May 2014 for the start of commissioning at Red Chris.

Sterling will continue stope production from the three active levels. Development of the 3320 level, an additional ore zone identified by underground core drilling, will be initiated. Underground core drilling will continue to collect information on untested portions of the 144 zone, as well as looking for possible fault off-sets of the zone.

Information Related to this Press Release

Detailed financial information is provided in the Management's Discussion & Analysis within the 2013 Third Quarter Report available on www.imperialmetals.com and on www.sedar.com.

About Imperial

Imperial is an exploration, mine development and operating company based in Vancouver, British Columbia. The Company operates the Mount Polley copper/gold mine in British Columbia and the Sterling gold mine in Nevada. Imperial has 50% interest in the Huckleberry copper/molybdenum mine and has 50% interest in the Ruddock Creek lead/zinc property, both in British Columbia. The Company is in development of its wholly owned Red Chris copper/gold property in British Columbia.

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Cautionary Note Regarding "Forward-Looking Information"

This information is a review of the Company's operations and financial position as at and for the period ended September 30, 2013, and plans for the future based on facts and circumstances as of November 12, 2013. Except for statements of historical fact relating to the Company, including our 50% interest in Huckleberry, certain information contained herein constitutes forward-looking information. When we discuss mine plans; costs and timing of current and proposed exploration; development; production and marketing; capital expenditures; construction of transmission lines; cash flow; working capital requirements and the requirement for additional capital; operations; revenue; margins and earnings; future prices of copper and gold; future foreign currency exchange rates; future accounting changes; future prices for marketable securities; future resolution of contingent liabilities; receipt of permits; or other matters that have not yet occurred, we are making statements considered to be *forward-looking information* or *forward-looking statements* under Canadian and United States Securities Law. We refer to them in this press release as *forward-looking information*.

The forward-looking information in this press release may include words and phrases about the future, such as: *plan, expect, forecast, intend, anticipate, estimate, budget, scheduled, believe, may, could, would, might or will*. We can give no assurance the forward-looking information will prove to be accurate. It is based on a number of assumptions management believes to be reasonable, including but not limited to: the continued operation of the Company's mining operations, no material adverse change in the market price of commodities or exchange rates, that the mining operations will operate and the mining projects will be completed in accordance with their estimates and achieve stated production outcomes and such other assumptions and factors as set out herein. It is also subject to risks associated with our business, including but not limited to: risks inherent in the mining and metals business; commodity price fluctuations and hedging; competition for mining properties; sale of products and future market access; mineral reserves and recovery estimates; currency fluctuations; interest rate risks; financing risks; regulatory and permitting risks; environmental risks; joint venture risks; foreign activity risks; legal proceedings; and other risks that are set out in the Company's Management's Discussion & Analysis in the 2012 Annual Report. If our assumptions prove to be incorrect or risks materialize, our actual results and events may vary materially from what we currently expect as provided in this press release. We recommend you review the Company's Management's Discussion & Analysis in the 2012 Annual Report, which includes discussion of material risks that could cause actual results to differ materially from our current expectations. Forward-looking information is designed to help you understand management's current views of our near and longer term prospects, and it may not be appropriate for other purposes. We will not necessarily update this information unless we are required to by securities laws.