Imperial Metals

Press Release

Imperial Reports 2015 First Quarter Financial Results

Vancouver – **May 15, 2015 | Imperial Metals Corporation (the "Company") (III-TSX)** reports comparative financial results for the first quarter period ended March 31, 2015. Revenues were $1.5 million in the March 2015 quarter compared to $51.3 million in the 2014 comparative quarter. Variations in revenue are impacted by the timing and quantity of concentrate shipments, metal prices and exchange rate, and period end revaluations of revenue attributed to concentrate shipments where the copper price will settle at a future date. The revenue in the current quarter represents primarily gold sales from the Sterling gold mine. The decrease in revenue in the March 2015 quarter from the 2014 comparative quarter is due to the absence of concentrate sales from the Mount Polley mine due to suspension of operations on August 4, 2014 as a result of the tailings dam breach. There were two concentrate shipments in the March 2014 comparative quarter from the Mount Polley mine.

The London Metals Exchange cash settlement copper price per pound averaged US$2.64 in the March 2015 quarter compared to US$3.19 in the March 2014 quarter. The London Metals Exchange cash settlement gold price per troy ounce averaged US$1,219 in the March 2015 quarter compared to US$1,294 in the March 2014 quarter. The CDN Dollar weakened by 11.1% compared to the US Dollar in the March 2015 quarter over the March 2014 quarter. In CDN Dollar terms the average copper price in the March 2015 quarter was CDN$3.28 per pound compared to CDN$3.52 per pound in the March 2014 quarter and the average gold price in the March 2015 quarter was CDN$1,513 per ounce compared to CDN$1,428 per ounce in the March 2014 quarter.

Revenue in the March 2015 quarter was decreased by a $0.1 million negative revenue revaluation compared to a negative revenue revaluation of $1.1 million in the March 2014 quarter. Negative revenue revaluations are the result of the metal prices on the settlement date and/or the current period balance sheet date being lower than when the revenue was initially recorded or the metal price at the last balance sheet date.

In the March 2015 quarter the Company recorded a $1.7 million loss from mine operations compared to income of $15.9 million in the March 2014 quarter. The reduction was a result of the suspension of the Mount Polley mine operations in August 2014. The net loss for the March 2015 quarter was $33.4 million ($0.45 per share) compared to net income of $5.9 million ($0.08 per share) in the comparative 2014 quarter. The variation in net income in the March 2015 quarter compared to the March 2014 quarter is attributable to the loss of production from suspension of Mount Polley mine operations, related idle mine costs, foreign exchange losses and gains and losses on derivative instruments.

The March 2015 quarter net loss included foreign exchange losses related to changes in CDN/US Dollar exchange rates of $39.1 million compared to foreign exchange losses of $0.5 million in the comparative 2014 quarter. The $39.1 million foreign exchange loss is comprised of a $34.4 million loss on the senior notes, a $3.9 million loss on long term equipment loans, and a loss of $0.8 million on operational items. The average CDN/US Dollar exchange rate in the March 2015 quarter was 1.241 compared to an average of 1.103 in the March 2014 quarter.

In the March 2015 quarter the Company recorded net gains on derivative instruments of $13.7 million compared to net losses of $2.1 million in the March 2014 quarter. In the March 2015 quarter the Company recorded a gain, primarily unrealized, of $12.7 million on the foreign currency swap due to an increase in the CDN/US Dollar exchange rate compared to the exchange rate at December 31, 2014. The decrease in the gold price compared to the price in the derivative instrument contracts entered into during the current quarter or the gold price at December 31, 2014 for derivative instrument contracts entered into before January 1, 2015 resulted in a gain of $1.0 million, primarily unrealized, for gold derivative instruments in the March 2015 quarter compared to a $0.7 million unrealized gain related to copper and gold derivative instruments in the March 2014 quarter.

The Company recorded a $0.6 million equity loss as its share of Huckleberry's net loss during the March 2015 quarter compared to a $1.3 million equity loss in the March 2014 quarter. Although Huckleberry had two shipments in the March 2014 quarter compared to only one shipment in the March 2015 quarter, the higher loss in the March 2014 quarter was the result of the bull gear failure that occurred in the 2014 quarter.

The Company incurred a pre-tax loss of $36.6 million in the March 2015 quarter which resulted in a $3.2 million recovery of income and mining taxes compared to a $4.2 million expense in the March 2014 quarter when the Company had pre-tax income of $10.1 million.

Cash flow was negative $6.1 million in the March 2015 quarter compared to positive cash flow of $20.3 million in the March 2014 quarter. Cash flow is a measure used by the Company to evaluate its performance, however, it is not a term recognized under IFRS in Canada. Cash flow is defined as cash flow from operations before the net change in non-cash working capital balances, income and mining taxes, and interest paid. The Company believes cash flow is useful to investors and it is one of the measures used by management to assess the financial performance of the Company.

Capital expenditures, inclusive of capitalized interest, were $44.7 million in the March 2015 quarter, down from $96.8 million in the March 2014 quarter. The expenditures in the March 2015 quarter were financed by cash flow from long term debt. At March 31, 2015 the Company had $6.5 million in cash (December 31, 2014-$19.9 million). The Company had $7.3 million of short term debt at March 31, 2015 (December 31, 2014-$nil).

Liquidity and Financing

The Company's Interim Financial Statements have been prepared on a going concern basis which assumes the Company will continue operating in the foreseeable future and will be able to service its debt obligations, realize its assets and discharge its liabilities in the normal course as they come due.

At March 31, 2015, the Company had cash of $6.5 million and a working capital deficiency of $35.6 million. Following completion of the construction of the Red Chris mine, commissioning of the mill commenced and the first concentrate was produced in February 2015. However, due to production slowdowns related to temporarily reduced water supply, it will take additional time for the mine to consistently achieve design levels of throughput and production. As a result, the Company will not be able to meet the June 1, 2015 date for completion under the Senior Credit Facility. The Company is in discussions with its lenders to extend the date for it to achieve completion. However, without a waiver or extension from its lenders the Company will be in default under the Senior Credit Facility effective June 1, 2015.

The Company is reviewing alternatives for additional sources of financing to provide funding until the Red Chris mine is generating sufficient cash flow. However, there can be no assurance that financing will be available on terms acceptable to the Company or at all. The projected cash flow from the Red Chris mine when operating at design capacity together with anticipated insurance proceeds as well as the available credit facilities and additional sources of financing should be sufficient to fund the remaining estimated remediation cost of the tailings dam breach at the Mount Polley mine and the estimated costs associated with the Red Chris mine. However, there are inherent risks associated with the startup of the Red Chris mine and production from the mine after startup as well as uncertainties related to the scope, timing and cost of the rehabilitation and restoration at the Mount Polley mine. A default under the Senior Credit Facility without securing additional adequate financing would have a material adverse impact on the Company's financial condition and results of operations and its ability to operate as a going concern. Management is working diligently to secure additional financing on terms acceptable to the Company.

Selected Annual Financial Information

expressed in thousands, except per share amounts	Three Months Ended March 31	
	2015	2014
Total Revenues	$1,533	$51,335
Net (Loss) Income	$(33,384)	$5,857
Net (Loss) Income per share	$(0.45)	$0.08
Diluted (Loss) Income per share	$(0.45)	$0.08
Adjusted Net (Loss) Income [1]	$(8,012)	$6,899
Adjusted Net (Loss) Income per share [1]	$(0.11)	$0.09
Adjusted EBITDA[1]	$(6,145)	$19,684
Working Capital Deficiency [2]	$35,569	$21,748
Total Assets	$1,394,389	$1,082,783
Total Long Term Debt (including current portion)	$818,815	$463,922
Cash dividends declared per common share	$0.00	$0.00
Cash Flow [1]	$(6,061)	$20,317
Cash Flow per share [1]	$(0.08)	$0.27

[1] Refer to Non-IFRS Financial Measures for further details.
[2] Defined as current assets less current liabilities.

Non-IFRS Financial Measures

The Company reports four non-IFRS financial measures: Adjusted net income, Adjusted EBITDA, cash flow 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 income, Adjusted EBITDA and cash flow are not generally accepted earnings measures and should not be considered as an alternative to net income (loss) and cash flows as determined in accordance with IFRS. As there is no standardized method of calculating these measures, these measures may not be directly comparable to similarly titled measures used by other companies. Reconciliations are provided below.

Adjusted Net Income

Adjusted net loss in the March 2015 quarter was $8.0 million ($0.11 per share) compared to an adjusted net income of $6.9 million ($0.09 per share) in the March 2014 quarter. Adjusted net income shows the financial results excluding the effect of items not settling in the current period and non-recurring items. Adjusted net income is calculated by removing the gains or losses, net of related income taxes, resulting from mark to market revaluation of derivative instruments not related to the current period, net of taxes, and unrealized foreign exchange gains or losses on non-current debt, net of tax, as further detailed below.

expressed in thousands, except per share amounts	Three Months Ended March 31	
	2015	2014
Net (Loss) Income as Reported	$(33,384)	$5,857
Unrealized (gain) loss on derivative instruments, net of tax [(a)]	(11,296)	1,545
Unrealized foreign exchange loss (gain) on non-current debt, net of tax [(b)]	36,668	(503)
Adjusted Net (Loss) Income	$(8,012)	$6,899
Adjusted Net (Loss) Income Per Share	$(0.11)	$0.09

(a) Derivative financial instruments are recorded at fair value on the Company's Statement of Financial Position, with changes in the fair value, net of taxes, including the Company`s 50% share of derivative instruments of Huckleberry flowing through net income. The amounts ultimately realized may be materially different than reflected in the financial statements due to changes in prices of the underlying copper, gold and foreign currency hedged.

(b) Non-current debt is recorded on the Company's Statement of Financial Position at the foreign exchange rate in effect on that date, with changes in foreign exchange rates, net of taxes, flowing through net income. The amounts of non-current debt ultimately payable may be materially different than reflected in the financial statements due to foreign currency movements. Tax recoveries on unrealized capital losses are recorded only to the extent that they are expected to be realized by offset against available capital gains.

Adjusted EBITDA

We define Adjusted EBITDA as net income (loss) before interest expense, taxes and depletion and depreciation and as adjusted for the other items described in the reconciliation table below.

Adjusted EBITDA is not necessarily comparable to similarly titled measures used by other companies. We believe that the presentation of Adjusted EBITDA is appropriate to provide additional information to investors about certain non-cash or unusual items that we do not expect to continue at the same level in the future, or other items that we do not believe to be reflective of our ongoing operating performance. We further believe that our presentation of this non-IFRS financial measure provides information that is useful to investors because it is an important indicator of our operations and the performance of our core business.

Adjusted EBITDA is not a measurement of operating performance or liquidity under IFRS and should not be considered as a substitute for earnings from operations, net income or cash generated by operating activities computed in accordance with IFRS. Adjusted EBITDA has limitations as an analytical tool and therefore Adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in the growth of our business.

A reconciliation of net (loss) income to Adjusted EBITDA is as follows:

expressed in thousands	Three Months Ended March 31	
	2015	2014
Net (Loss) Income[(a)]	$(33,384)	$5,857
Adjustments:		
Income and mining tax (recovery) expense	(3,218)	4,214
Interest expense	2,666	-
Depletion and depreciation	1,577	6,497
Accretion of future site reclamation provisions	211	157
Unrealized (gains) losses on derivative instruments	(13,083)	2,101
Share based compensation	106	222
Foreign exchange losses	39,138	538
Revaluation losses on marketable securities	49	87
(Gains) losses on sale of mineral properties	(207)	11
Adjusted EBITDA[(a)]	$(6,145)	$19,684

(a) Net income and Adjusted EBITDA includes our 50% portion of the net income from Huckleberry in accordance with IFRS11. However, we are not able to control the timing and amount, if any, of cash distributions that Huckleberry may make to Imperial.

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

The calculation of cash flow and cash flow per share is as follows:

expressed in thousands, except share and per share amounts	Three Months Ended March 31	
	2015	2014
(Loss) Income Before Taxes	$(36,602)	$10,071
Items not affecting cash flows		
Equity loss in Huckleberry	593	1,308
Depletion and depreciation	1,577	6,497
Share based compensation	106	222
Accretion of future site reclamation provisions	211	157
Unrealized foreign exchange losses (gains)	38,628	(138)
Unrealized (gains) losses on derivative instruments	(13,083)	2,101
Interest expense	2,666	-
Other	(157)	99
Cash Flow	$(6,061)	$20,317
Basic Weighted Average Number of Common Shares Outstanding	74,968,768	74,836,549
Cash Flow Per Share	$(0.08)	$0.27

Cash Cost Per Pound of Copper Produced

The cash cost per pound of copper produced is a non-IFRS financial measure that does not have a standardized meaning under IFRS, and as a result may not be comparable to similar measures presented by other companies. 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 copper producing mines, Mount Polley and Huckleberry, and on a composite basis for these two mines. The Red Chris mine will be included in the calculation once it reaches commercial production.

The method of calculating the cash cost per pound of copper produced are described in detail under the heading Non-IFRS Financial Measures in the MD&A for the year ended December 31, 2014.

Variations from period to period in the cash cost per pound of copper produced are the result of many factors including: ore grade, metal recoveries, amount of waste allocated 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. Idle mine costs during the periods when the Mount Polley and Huckleberry mines were not in operation have been excluded from the cash cost per pound of copper produced.

The following tables reconcile cost of sales as shown on the consolidated statement of comprehensive income to the cash cost per pound of copper produced in US Dollars:

Estimated Cash Cost Per Pound of Copper Produced

expressed in thousands, except cash cost per pound of copper produced	Three Months Ended March 31, 2015		
	Huckleberry 100%	Mount Polley	Composite*
Cash cost of copper produced in US$	20,072	-	10,035
Copper produced - lbs	*10,627*	-	*5,314*
Cash cost per pound of copper produced in US$	$1.89	-	$1.89

	Three Months Ended March 31, 2014		
	Huckleberry 100%	Mount Polley	Composite*
Cash cost of copper produced in US$	14,722	11,620	18,981
Copper produced - lbs	*5,503*	*8,216*	*10,968*
Cash cost per pound of copper produced in US$	$2.68	$1.41	$1.73

*Mount Polley plus 50% of Huckleberry

Derivative Instruments

In the three month period ending March 31, 2015 the Company recorded net gains of $13.7 million on derivative instruments, comprised of a $12.7 million net gain related to the CDN/US currency swap and a $1.0 million net gain on gold derivatives. This compares to a net loss of $2.1 million in the March 2014, comprised of a $2.8 million loss related to the CDN/US currency swap and a $0.7 million net gain on copper and gold derivatives. These gains and losses result from the mark to market valuation of the derivative instruments based on changes in the price of copper and gold and movements in the CDN/US exchange rate. These amounts include realized gains of $0.3 million on foreign currency swaps and realized gains on gold contracts of $0.3 million in the March 2015 quarter, compared to realized gains of under $0.1 million on copper and gold contracts in the March 2014 quarter. The Company has not applied hedge accounting for its derivative instruments and therefore records changes in the unrealized gains or losses on these contracts at fair value on each statement of financial position date, with the adjustment resulting from the revaluation being charged to the statement of income as a gain or loss.

The Company has utilized a variety of derivative instruments including the purchase of puts, forward sales, currency swaps and the use of min/max zero cost collars. The Company's income or loss from derivative instruments may be very volatile from period to period as a result of changes in the copper and gold prices and CDN/US exchange rates compared to the copper and gold prices and CDN/US exchange rate at the time when these contracts were entered into and the type and length of time to maturity of the contracts.

The Company has no derivative instruments for copper at March 31, 2015. At March 31, 2015 the Company has hedged 69,300 ounces of gold for the balance of 2015 via min/max zero cost collars.

In the March 2014 quarter the Company entered into a cross currency swap to lock in the foreign exchange rate on US$110.0 million of the US$325.0 million senior unsecured notes (the "Notes") principal amount and related interest over the five year term of the Notes. The foreign exchange rate was fixed at 1.1113 CDN for each US Dollar. Based on the March 31, 2015 CDN/US Dollar exchange rate the Company had an unrealized gain of $16.3 million on the derivative instruments related to the swap.

Future changes in the CDN/US Dollar exchange rate could have a material impact on the valuation of the cross currency swap however this gain or loss will be more than offset by the foreign exchange gain or loss on the Notes.

Mount Polley Mine

Development and capital expenditures at Mount Polley were $8.2 million in the March 2015 quarter compared to $14.2 million in the March 2014 quarter. Expenditures in the March 2015 quarter were for tailings dam construction. There were no exploration expenditures in the March 2015 quarter compared to $2.2 million in the March 2014 quarter.

Mount Polley employees and a team of experts continue rehabilitation and restoration work in the areas affected by the August 2014 breach of the tailings embankment. Two sediment ponds installed in the lower Hazeltine Creek have resulted in significant turbidity reduction in the water entering into Quesnel Lake. The turbidity in Quesnel River has dropped from a peak in December of about 9 NTU* to near normal levels of about 1 NTU *[*Nephelometric Turbidity Unit-a unit of measurement of the clarity of water that is based on the passage of light through water]*.

Work on the lower reach of Hazeltine Creek is nearly complete. The channel is shaped and armoured, and the flood plain reshaped and covered. Planting and seeding of the lower reach is underway.

On the upper reaches of Hazeltine Creek, work includes installation of an outlet structure downstream of Polley Lake allowing the water flow into Hazeltine Creek to be controlled. Access roads required for work on reconstructing the upper reach channel are complete, as is the majority of channel shaping and armouring. At the end of April, repair work on the perimeter embankment was completed to an elevation of 950 metres. The breach repair included the installation of a slurry cut-off wall to reduce seepage.

After receipt of screening comments, a revised application for restart of the concentrator to treat four million tonnes ore and place tailings into the Springer pit was submitted on March 20, 2015.

Huckleberry Mine

Development and capital expenditures at Huckleberry were $6.7 million in the March 2015 quarter compared to $9.9 million in the March 2014 quarter.

Huckleberry revenues in the March 2015 quarter were $14.8 million compared to $27.6 million in the comparative 2014 quarter. Huckleberry had only one shipment of concentrate in the March 2015 quarter compared to two shipments in the March 2014 quarter.

Throughput for the 2015 first quarter was 1.57 million tonnes, almost double the 897,065 tonnes achieved in the comparative 2014 quarter. Production in 2014 was impacted by the SAG mill bull gear failure. The copper grade was also higher in the 2015 first quarter over the comparable 2014 quarter. Copper production was up 93% in the current quarter compared to the March 2014 quarter. Mill throughput is on an upward trend and averaged 19,337 tonnes per day in March.

Production*	Three Months Ended March 31	
	2015	2014
Ore milled – tonnes	1,566,495	897,065
Ore milled per calendar day – tonnes	17,406	9,967
Grade % – copper	0.346	0.307
Recovery % – copper	88.9	90.5
Copper – lbs	10,627,084	5,502,884
Gold - oz	816	452
Silver – oz	53,972	30,435

*production stated 100% - Imperial's allocation is 50%

Red Chris Mine

Following completion of the construction of the Red Chris mine, commissioning of the mill commenced and the first concentrate was produced on February 17, 2015. The initial shipment of copper concentrate was shipped from the Port of Stewart on April 11, 2015. Mill throughput averaged slightly over 20,000 tonnes per day in March. The design throughput of 30,000 tonnes per day was exceeded four times since the start of grinding operations.

Production	Three Months Ended March 31
	2015
Ore milled - tonnes	815,771
Grade % - copper	0.443
Grade g/t - gold	0.254
Recovery % - copper	59.21
Recovery % - gold	31.63
Copper - lbs	4,720,000
Gold - oz	2,110

In accordance with the Company's accounting policy, revenue and expenses in the preproduction period for the Red Chris mine will be capitalized to mineral property until commercial production is reached.

Development and capital expenditures including commission and preproduction operations and capitalized interest of $11.4 million were $36.2 million in the March 2015 quarter compared to $80.2 million related to construction costs, including $6.5 million of capitalized interest, in the March 2014 quarter.

Since mid-April, production has been reduced due to a shortage of clean water in the tailings impoundment. As a result of delays caused by two blockades during construction, the tailings dam crest was not raised to the planned elevation in 2014 and consequently, less water was stored so the tailing storage facility (TSF) could meet free board requirements to contain the design flood event. Tailings dam construction has restarted, and with the commencement of spring run-off the water supply shortage will be rectified as snow melt is collected in the TSF. Authorization to allow discharge of tailings prior to the issuance of an amended Environmental Management Act (EMA) permit has been extended to June 15, 2015. Additional information has been provided to the Ministry of Environment (MoE) regarding the EMA amendment, and the application has been accepted for final review.

Sterling Mine

Underground mine operations in the 144 zone are complete. Underground exploration in the 144 zone continues with diamond drilling and limited underground drifting to establish drill stations. The heaps are still being operated and gold will continue to be recovered for several months. A total of 624 ounces of gold were shipped from site during the quarter.

Ruddock Creek

Exploration and development expenditures at Ruddock Creek were $0.1 million in the March 2015 quarter compared to $0.1 million in the comparative 2014 quarter.

Outlook

At Mount Polley, major earthmoving portions of the rehabilitation work, the repair of the breach and restoration of the Hazeltine Creek channel, are largely complete. As this work is completed, there have and will continue to be additional layoffs at Mount Polley.

With the installation of two settling ponds, a control structure for the discharge from Polley Lake and the Hazeltine Creek channel construction and armouring, the turbidity of water entering Quesnel Lake has been greatly reduced. The turbidity in Quesnel River at Likely is approaching normal levels around 1 NTU. Permitting a restart of processing operations utilizing the Springer pit to store approximately 4 million tonnes of tailings is underway. The Company is hopeful the permit will be approved this summer, and allow for the rehiring of employees to restart processing operations.

The Huckleberry plant is operating well and the anticipated increase in throughput while treating the softer Main zone ores is occurring. In March the throughput average was 19,337 tonnes per day. Due to lower copper prices and changes to exchange rates further work on optimizing the mine plan is underway. A temporary stockpile is being permitted to reduce haulage distances in the near term allowing for deeper higher grade Main zone ores to be mined earlier.

At Sterling, the required authorization from the State of Nevada to expand the heap leach pad and commence open pit mining have been received. The Company awaits approval of the environmental assessment for the open pit mine from the Bureau of Land Management. The heap will continue to recover gold for a few more months, and a small amount of underground exploration work continues in the 144 zone attempting to expand the mineralization.

At Red Chris an average throughput of 20,000 tonnes per day was achieved in March, which is two-thirds of the design throughput of 30,000 tonnes per day. Initially copper recoveries have been lower than design, averaging 59.8% in March. To increase copper recovery performance of the primary ball mill is being improved to generate a finer grind.

Since mid-April production has been reduced due to a shortage of clean water in the tailings impoundment. As a result of delays caused by two blockades during construction, the tailings dam crest was not raised to the planned elevation in 2014 and consequently, less water was stored so the TSF could meet free board requirements to contain the design flood event. Tailings dam construction has restarted, and with the commencement of spring run-off the water supply shortage will be rectified as snow melt is collected in the TSF.

Authorization to allow discharge of tailings prior to the issuance of an amended EMA permit has been extended to June 15, 2015. Additional information has been provided to the MoE regarding the EMA amendment, and the application has been accepted for final review.

An impact and benefit co-management agreement between Red Chris and the Tahltan Nation was ratified in an online referendum receiving 87% approval from those who voted. We continue to work together with the Tahltan Nation, whose cooperation has been instrumental in the construction of the Red Chris mine.

Now that operations have started at Red Chris the focus will be to begin optimizing the process to achieve design recoveries and operating time, and completion of tailings dam construction on schedule to provide the capacity to store tailings and collect spring run-off to provide operating water.

For information related to this Press Release refer to the detailed financial information provided in the Company's 2015 First Quarter Report available on *www.imperialmetals.com* and on *www.sedar.com*.

EARNINGS ANNOUNCEMENT CONFERENCE CALL
SCHEDULED FOR MAY 19, 2015 10:00am PDT | 11:00am MDT | 1:00pm EDT

Management will discuss the First Quarter 2015 Financial Results provided in this press release. To participate, following are call-in numbers for the earnings announcement conference call:

778.383.7413 local Vancouver
416.764.8688 local Toronto
587.880.2171 local Calgary
888.390.0546 toll free North America

Conference call will be available for playback until May 26, 2015 by dialing
888.390.0541 or 416.764.8677 | playback passcode 552285 #

About Imperial

Imperial is an exploration, mine development and operating company based in Vancouver, British Columbia. The Company has commenced commissioning activities at the Red Chris mine in northern British Columbia. The Company operates the Mount Polley copper/gold mine in British Columbia and the Sterling gold mine in Nevada. Imperial has a 50% interest in the Huckleberry copper mine and a 50% interest in the Ruddock Creek lead/zinc property, both in British Columbia.

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Forward-Looking Information and Risks Notice

The information in this press release provides a review of the Company's operations and financial position as at and for the period ended March 31, 2015, and plans for the future based on facts and circumstances as of May 14, 2015. Except for statements of historical fact relating to the Company, including our 50% interest in Huckleberry, certain information contained herein constitutes forward-looking information which are 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", "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 MD&A includes, without limitation, statements regarding: mine plans; costs and timing of current and proposed exploration and development; production and marketing; capital expenditures; future expenses and scope relating to timing of ongoing recovery, remediation, rehabilitation and restoration activities at the Mount Polley mine; use of proceeds from financings and credit facilities; expectations relating to the start-up and operation of the Red Chris mine and costs associated therewith; adequacy of funds for projects and liabilities; expectations relating to the receipt of insurance proceeds; outcome and impact of litigation; cash flow; working capital requirements; expectations relating to the requirement for additional capital; expectations relating to results of operations, production, revenue, margins and earnings; future prices of copper and gold; future foreign currency exchange rates and impact; future accounting changes; and future prices for marketable securities.

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: Imperial will be able to advance and complete recovery, remediation, rehabilitation and restoration activities within expected timeframes; that there will be no significant delay or other material impact on the expected timeframes on costs for completion of remediation and restoration of the Mount Polley mine and the recommencement of operations at the mine; that Imperial's initial recovery activities will be successful in the long term; that all required permits, approvals and arrangements to proceed with planned remediation and restoration will be obtained in a timely manner; that there will be no interruptions that will materially delay Imperial's progress with its remediation plans; that there will be no material delay in the ramp-up of the Red Chris mine; that insurance proceeds will be available to contribute materially to the remediation at the Mount Polley mine; that equipment will operate as expected; that the Company's use of derivative instruments will enable to Company to achieve expected pricing protection; that there will be no material adverse change in the market price of commodities and exchange rates; and that the Red Chris mine will achieve expected production outcomes (including with respect to mined grades and mill recoveries); that Imperial will be successful in obtaining a waiver or extension under its Senior Credit Facility; that Imperial will have access to capital as required. 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: that the Company will be unable to obtain a waiver or extension under its Senior Credit Facility and will be in default thereunder; that additional financing that may be required may not be available to Imperial on terms acceptable to Imperial or at all; uncertainty regarding the outcome of sample testing and analysis being conducted on the area affected by the tailings dam breach; risks relating to the timely receipt of necessary approvals and consents to proceed with the remediation plan; risks relating to the remaining costs and liabilities relating to the tailings dam breach; uncertainty as to actual timing of completion of recovery, remediation and restoration activities and the recommencement of commercial operations at the Mount Polley mine; risks relating to the impact of the tailings dam breach on Imperial's reputation; the quantum of claims, fines and penalties that become payable by Imperial and the risk that current sources of funds are insufficient to fund liabilities; risks that Imperial will be unsuccessful in defending against any legal claims or potential litigation; risk of costs arising from any unforeseen longer-term environmental consequences of the tailings dam breach at Mount Polley mine; risks of protesting activity and other civil disobedience restricting access to the Company's properties; failure of plant, equipment or processes to operate in accordance with specifications or expectations; cost escalation, unavailability of materials and equipment, labour unrest, power shortages, natural phenomena such as weather conditions negatively impacting the operation of the Red Chris mine; inaccurate geological and metallurgical assumptions (including with respect to the size, grade and recoverability of mineral reserves and resources); and other hazards and risks disclosed within the Management's Discussion and Analysis for the year ended December 31, 2014 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 information. Imperial does not undertake to update any forward looking information, except in accordance with applicable securities laws.