

Imperial Extends Maturity Dates and Amends Senior and Second Lien Credit Facilities

Vancouver – **May 12, 2016** | **Imperial Metals Corporation (the “Company”) (III-TSX)** reports that it has extended the maturity date of the senior secured revolving credit facility from October 1, 2016 to March 15, 2018 and amended certain terms and conditions, including financial covenants. The amount of the facility has not changed and remains \$200 million.

Concurrently, the Company has extended the maturity date of the second lien secured revolving credit facility from April 1, 2017 to August 15, 2018 and amended certain terms and conditions, including financial covenants. The amount for this facility has also not changed and remains at \$50 million.

Effective January 1, 2016 the financial covenants under both facilities have been amended to reflect the impact of reduced commodity prices. The financial covenants are now comprised of a:

- Fixed charge coverage ratio
- Total debt to EBITDA ratio
- Secured debt to EBITDA ratio
- Tangible net worth test

The interest rate charged under the amended senior credit facility will fluctuate with the financial leverage of the Company. The interest rate in the prior agreement was not linked to the Company’s financial leverage.

There is no change in the interest rate charged under the amended second lien credit facility however the guarantee fee paid to a related party for guaranteeing this facility has been amended to fluctuate with the financial leverage of the Company on the same basis as the interest rate will fluctuate under the amended senior credit facility. The guarantee fee was previously a fixed rate and not linked to the Company’s financial leverage.

About Imperial

Imperial is an exploration, mine development and operating company based in Vancouver, British Columbia. The Company, through its subsidiaries, owns the Red Chris and Mount Polley copper|gold mines in British Columbia, and the Sterling gold mine in Nevada. Imperial also holds a 50% interest in Huckleberry Mines Ltd. and in the Ruddock Creek lead|zinc property, both in British Columbia.

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