Imperial Metals

Press Release

Imperial Reports Third Quarter 2016 Financial Results

Vancouver – **November 14, 2016 | Imperial Metals Corporation (the "Company") (III-TSX)** reports comparative financial results for the three and nine months ended September 30, 2016 and 2015 as summarized in this release and discussed in detail in the Management's Discussion & Analysis ("MD&A"). The Company's financial results are prepared in accordance with International Financial Reporting Standards ("IFRS"). The reporting currency of the Company is the Canadian ("CDN") Dollar.

expressed in thousands, except per share amounts	Three Months Ended September 30		Nine Months Ended September 30	
	2016	2015	2016	2015
Revenues	$97,108	$55,928	$350,093	$59,187
Income (loss) from mine operations	$(2,123)	$7,578	$38,376	$2,884
Equity loss in Huckleberry	$(2,346)	$(800)	$(8,019)	$(767)
Net loss	$(20,589)	$(29,344)	$(7,020)	$(61,084)
Net loss per share	$(0.25)	$(0.37)	$(0.09)	$(0.80)
Adjusted net loss (1)	$(19,710)	$(9,379)	$(19,725)	$(26,762)
Adjusted net loss per share (1)	$(0.24)	$(0.12)	$(0.24)	$(0.35)
Adjusted EBITDA(1)	$14,380	$13,781	$99,046	$(114)
Cash flow (1)	$18,244	$15,784	$107,996	$11,993
Cash flow per Share (1)	$0.22	$0.20	$1.32	$0.16

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

Revenues increased to $97.1 million in the September 2016 quarter compared to $55.9 million in the 2015 comparative quarter, an increase of $41.2 million or 73.7%. This increase was due to growth in the revenue from the Red Chris mine of $11.4 million in the 2016 period compared to 2015 and revenue from the Mount Polley mine of $29.8 million in the 2016 period compared to $nil in 2015 as the Mount Polley mine restarted operations on August 5, 2015 and had no revenue in the September 2015 quarter. In the September 2016 quarter there were four concentrate shipments from the Red Chris mine and one concentrate shipment from the Mount Polley mine.

Net loss for the September 2016 quarter was $20.6 million ($0.25 per share) compared to a net loss of $29.3 million ($0.37 per share) in the 2015 comparative quarter. The decrease in net loss from the September 2015 quarter to the September 2016 quarter of $8.7 million was primarily due to the following factors:

- Income/loss from mine operations went from income of $7.6 million in September 2015 to a loss of $2.1 million in September 2016, an increase in net loss of $9.7 million.
- Foreign exchange losses on current and non-current debt went from a loss of $32.6 million in September 2015 to a loss of $3.8 million in September 2016, a decrease in net loss of $28.8 million.
- Gain on derivative instruments went from a gain of $14.8 million in September 2015 to a gain of $1.1 million in September 2016, an increase in net loss of $13.7 million.
- Idle mine costs went from an expenditure of $5.1 million in September 2015 to $nil in September 2016, a decrease in net loss of $5.1 million.
- The Company's equity loss in Huckleberry went from loss of $0.8 million in September 2015 to a loss of $2.3 million in September 2016, an increase in net loss of $1.5 million.

The September 2016 quarter net loss included foreign exchange losses related to changes in CDN/US Dollar exchange rates of $4.0 million compared to foreign exchange losses of $33.0 million in the 2015 comparative quarter. The $4.0 million foreign exchange loss is comprised of a $3.5 million loss on the senior notes, a $0.2 million loss on long term equipment loans, and a loss of $0.3 million on short-term debt and operational items. The average CDN/US Dollar exchange rate in the September 2016 quarter was 1.305 compared to an average of 1.309 in the 2015 comparative quarter.

In the September 2016 quarter the Company recorded net gains on derivative instruments of $1.1 million compared to net gains of $14.8 million in the 2015 comparative quarter. The $1.1 million gain in the September 2016 quarter consisted of

$0.3 million realized gains and $0.8 million unrealized gains on the foreign currency swap due to an increase in the CDN/US Dollar exchange rate compared to the exchange rate at the end of the June 2016 quarter. In the 2015 comparative quarter the $14.8 million gain consisted of realized gains of $2.1 million and unrealized losses of $0.2 million on gold derivative instruments and realized gains of $0.5 million and unrealized gains of $12.4 million on the foreign currency swap. During the September 2016 quarter the Company did not have any commodity derivative instruments.

The Company recorded a $2.3 million equity loss as its share of Huckleberry's net loss during the September 2016 quarter compared to a $0.8 million equity loss in the 2015 comparative quarter. Huckleberry had two shipments in each of the September 2016 quarter and the 2015 comparative quarter.

Capital expenditures were $27.5 million in the September 2016 quarter compared to $24.3 million in the 2015 comparative quarter.

LIQUIDITY AND FINANCING

At September 30, 2016, the Company had cash of $3.9 million and a working capital deficiency of $49.0 million.

In October 2016 the Company sold US$55.0 million of the original US$110.0 million cross currency swap for proceeds of $11.9 million.

The Company is currently reviewing various financing alternatives in order to improve its liquidity. The projected cash flow from the Red Chris and Mount Polley mines, as well as the available credit facilities and additional sources of new financing are expected to be sufficient to fund the working capital deficiency and the Company's obligations as they come due. However, there are inherent risks related to the operation of the Company's mines which could require additional sources of financing. There can be no assurance that adequate additional financing will be available on terms acceptable to the Company or at all which creates a material uncertainty that could have an adverse impact on the Company's financial condition and results of operations and may cast significant doubt on the Company's ability to continue as a going concern.

NON-IFRS FINANCIAL MEASURES

Refer to the MD&A section titled **Non-IFRS Financial Measures** for further details.

	Three Months Ended September 30	
expressed in thousands, except share and per share amounts	2016	2015
Adjusted net loss	$(19,710)	$(9,379)
Adjusted net loss per share	$(0.24)	$(0.12)
Adjusted EBITDA	$14,380	$13,871
Cash flow	$18,244	$15,784
Cash flow per share	$0.22	$0.20

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 in the MD&A.

Adjusted Net Loss and Adjusted Net Loss per Share

Adjusted net loss in the September 2016 quarter was $19.7 million ($0.24 per share) compared to an adjusted net loss of $9.4 million ($0.12 per share) in the 2015 comparative quarter. Adjusted net income or loss shows the financial results excluding the effect of items not settling in the current period and non-recurring items.

Adjusted EBITDA

Adjusted EBITDA in the September 2016 quarter was $14.4 million compared to $13.9 million in the 2015 comparative quarter. EBITDA is defined as net income (loss) before interest expense, taxes, and depletion and depreciation. Adjusted EBITDA is defined as EBITDA excluding certain recurring non-cash items, unusual items not expected to continue at the same level in the future, and any other items not reflective of our ongoing operating performance.

Cash Flow and Cash Flow Per Share

Cash flow in the September 2016 quarter was $18.2 million compared to $15.8 million in 2015 comparative quarter. Cash flow per share was $0.22 in the September 2016 quarter compared to $0.20 in 2015 comparative quarter.

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 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.

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 three copper producing mines, Red Chris, Mount Polley and Huckleberry, and on a composite basis for these mines.

The cash cost per pound of copper produced is derived from the sum of cash production costs, transportation and offsite costs, treatment and refining costs, royalties, net of by-product and other revenues, divided by the number of pounds of copper produced during the period.

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. 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.

Calculation of Cash Cost Per Pound of Copper Produced

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

	Three Months Ended September 30, 2016				
	Huckleberry		Red	Mount	
	100%	50%	Chris	Polley	Composite
Cash cost of copper produced in US$	$12,826	$6,411	$32,274	$9,332	$48,017
Copper produced – 000's pounds	*4,447*	*2,224*	*18,713*	*6,868*	*27,805*
Cash cost per lb copper produced in US$	$2.88	$2.88	$1.72	$1.36	$1.73

	Three Months Ended September 30, 2015				
	Huckleberry		Red	Mount	
	100%	50%	Chris	Polley	Composite
Cash cost of copper produced in US$	$20,293	$10,146	$32,821	$6,980	$49,946
Copper produced – 000's lbs	*11,489*	*5,744*	*20,707*	*2,909*	*29,360*
Cash cost per lb copper produced in US$	$1.77	$1.77	$1.58	$2.40	$1.70

DEVELOPMENTS DURING THE SEPTEMBER 2016 QUARTER

General

The London Metals Exchange cash settlement copper price per pound averaged US$2.17 (CDN$2.83) in the September 2016 quarter compared to US$2.38 (CDN$3.12) in the 2015 comparative quarter. The London Metals Exchange cash settlement gold price per troy ounce averaged US$1,335 (CDN$1,742) in the September 2016 quarter compared to US$1,124 (CDN$1,471) in the 2015 comparative quarter. The CDN Dollar strengthened by 0.3% in relation to the US Dollar in the September 2016 quarter compared to the 2015 comparative quarter.

Red Chris Mine

Metal production for the third quarter of 2016 was 18.7 million pounds copper and 9,655 ounces gold. Copper production was down from the third quarter of 2015 by approximately 11%, on lower copper grade and throughput. Gold production was up about 4% compared the third quarter of 2015 with higher recovery offsetting the lower throughput.

The mill achieved an average throughput of 28,048 tonnes per calendar day for the quarter and was down about 4% from the 29,147 tonnes per day rate achieved in the same quarter of 2015. The reduction is largely due to a lower than budgeted operating time, with 190 hours of unscheduled downtime in the quarter. About 54% of the downtime was related to power issues affecting the SAG and ball mill main drives. These drive issues have been resolved and are not expected to impact availability going forward.

Metal recoveries continue to be impacted by high clay content ore delivered from the Main zone pushback which made up about 84% of the feed during the third quarter of 2016, compared to 78% in the third quarter of 2015. Metal recoveries at the Red Chris mine averaged 75.50% copper and 44.54% gold, up 3.5% and 6.3% from the 72.93% and 41.90% achieved for copper and gold respectively in the third quarter of 2015, when a lower portion of near surface ore for the Main zone at a similar grade was delivered. Test work has indicated that more flotation time is likely required to increase rougher recoveries. As a first step in increasing copper rougher recoveries, design work is underway to install an additional 160 cubic metre rougher cell that was in the Company's inventory. The cell is now at the Red Chris mine site and installation of this cell is targeted for year end.

Following the production results for the third quarter, annual targets for 2016 were revised to 85-90 million pounds copper and 45-50 thousand ounces gold.

The permit issued to Red Chris under the Environmental Management Act for the operation of the tailings storage facility ("TSF") was successfully amended on October 26, 2016 to allow for the operation of the portion of the TSF impounded by the South Dam. An amendment to the M-240 permit under the Mines Act is also required for the South Dam and is expected within the coming weeks when the geosynthetic liner installation is complete and the engineer of record has provided a letter certifying the suitability of the portion of the TSF impounded by the South Dam. Currently the Company does not plan to use that portion of the basin to store tailings until the spring of 2017.

	Three Months Ended September 30		Nine Months Ended September 30	
Red Chris Production	2016	2015	2016	2015[1]
Ore milled - *tonnes*	2,580,459	2,681,538	7,360,588	5,348,917
Ore milled per calendar day - *tonnes*	28,048	29,147	26,863	23,668
Grade % - copper	0.44	0.48	0.55	0.48
Grade g/t - gold	0.26	0.26	0.35	0.25
Recovery % - copper	75.50	72.93	77.86	67.00
Recovery % - gold	44.54	41.90	51.85	37.00
Copper – *000's pounds*	18,713	20,705	68,955	38,101
Gold – *ounces*	9,655	9,281	42,427	15,925
Silver – *ounces*	42,271	35,504	164,706	61,247

[1] production from February 17 to September 30, 2015

Exploration, development and capital expenditures were $22.7 million in the September 2016 quarter compared to $22.0 million in the 2015 comparative quarter.

Mount Polley Mine

During the past two years Mount Polley has completed significant rehabilitation of the areas impacted by the tailings dam breach at the Mount Polley mine ("Mount Polley Breach") and will continue necessary rehabilitation and monitoring of those areas. Instream work required to create fish habitat has been completed on approximately one kilometre in the upper portion of Hazeltine Creek. Research and monitoring to date indicates the environment is recovering rapidly. The Company has also initiated legal proceedings for the recovery of losses related to the Mount Polley Breach.

During the third quarter of 2016, the Mount Polley mine treated 1,769,779 tonnes ore for an average throughput of 19,237 tonnes per calendar day, compared to a throughput of 596,379 tonnes in the third quarter of 2015, when the mill was being operated on a part time basis after the restart of operations. Metal production of 6.87 million pounds copper and 12,763 ounces gold for the third quarter of 2016 was up significantly compared the same quarter in 2015 as a result.

Underground operations in the Boundary zone supplied 123,468 tonnes grading 1.05% copper and 0.58 g/t gold, up from 55,582 tonnes grading 0.91% copper and 0.55 g/t gold in the second quarter. The increase in underground production was due to a fill cycle in the Boundary zone stope being completed in the second quarter allowing for another Boundary zone stope to be mined in the third quarter. Mining in this Boundary zone is expected to be virtually complete by the end of the year.

Wet fall weather has slowed progress on raising the minimum elevation to the perimeter embankment of the TSF from 950 metres to 963.5 metres but it is now nearing completion and, weather permitting, we target completing this work in December. Mount Polley has applied for an amendment to its Environmental Management Act permit to implement its long-term water management plan.

Mount Polley Production	Three Months Ended September 30 2016	2015[(1)]	Nine Months Ended September 30 2016	2015[(1)]
Ore milled - *tonnes*	1,769,779	596,379	5,052,469	596,379
Ore milled per calendar day - *tonnes*	19,237	10,463	18,440	10,463
Grade % - copper	0.24	0.31	0.26	0.31
Grade g/t - gold	0.31	0.34	0.31	0.34
Recovery % - copper	72.38	72.22	70.46	72.22
Recovery % - gold	73.41	73.21	71.08	73.21
Copper – *000's pounds*	6,868	2,909	20,361	2,909
Gold – *ounces*	12,763	4,760	35,153	4,760
Silver – *ounces*	26,752	11,857	78,887	11,857

(1) production from August 5 to September 30, 2015

Exploration, development, and capital expenditures were $4.5 million in the September 2016 quarter compared to $2.0 million in the 2015 comparative quarter.

An underground drilling program of approximately 5,000 metres is planned to begin in December 2016 to follow up on two areas discovered in 2004 but unexplored since then. The drilling will be to further define a portion of the Martel zone located beneath the Wight pit approximately 400 metres east of the Boundary zone. Wide spaced drilling from surface has defined a measured and indicated underground resource of approximately 6,269,000 tonnes grading about 1.17% copper, 0.40 g/t gold and 7.38 g/t silver. Underground definition drilling will seek to define a high-grade portion of this resource, with the objective of defining 800,000 tonnes at grades emulating the selected historic exploration results shown in table below labelled Martel zone. Successful demonstration of grade continuity could lead to development and mining in this zone next year as an access ramp from the Boundary zone has been driven to within about 100 metres of the Martel zone to provide access for this underground drilling program. Several of the planned holes to test the Martel zone will be extended in length to the east to test the sparsely drilled Green zone, following up the mineralized intervals from 2004 drilling noted on the second table below.

Martel Zone

Hole ID	Length (m)[(2)]	Cu (%)	Au (gpt)	Ag (gpt)	CuEq (%)[(1)]
WB-04-102	132.5	1.45	0.42	9.90	2.095
WB-04-172	90.1	1.59	0.36	9.49	2.159
WB-04-98	60.0	1.52	0.50	9.26	2.247
WB-04-161	72.5	1.72	0.06	11.10	1.967
WB-04-133	147.5	1.20	0.33	7.20	1.697
Average	100.5	1.449	0.34	9.131	1.989

Green Zone

Hole ID	Length (m)[(2)]	Cu (%)	Au (gpt)	Ag (gpt)	CuEq (%)[(1)]
WB-05-189	86.4	1.83	0.28	10.68	2.325
WB-04-179	16.7	5.27	2.82	35.11	9.095
WB-04-158	18.5	4.63	2.79	27.10	8.292
WB-04-161	25.1	4.43	1.28	26.92	6.342
Average	36.7	3.019	1.056	18.306	4.534

(1) CuEq values based upon contained metal values assuming US$2.20/lb Cu, US$1,300/oz Au, US$18/oz Ag, and 0.745 US$/CA$

(2) Note all intervals are the entire length and true widths have not been determined.

Huckleberry Mine

Huckleberry mine operations were suspended on August 31, 2016 and the mine has been placed on care and maintenance pending an increase in the price of copper. During July and August of 2016 throughput averaged 17,472 tonnes per day and 4.45 million pounds of copper were produced. The copper grade averaged 0.21% and copper recovery was 87.33%.

It is a testament to the professionalism of the crew at Huckleberry and their dedication to safety that the orderly suspension of operations was completed without a lost time accident.

Huckleberry Production[1]	Three Months Ended September 30 2016[2]	2015	Nine Months Ended September 30 2016[2]	2015
Ore milled - *tonnes*	1,083,260	1,732,393	4,621,709	5,025,638
Ore milled per calendar day - *tonnes*	17,472	18,830	18,941	18,409
Grade % - copper	0.21	0.33	0.23	0.34
Recovery % - copper	87.33	90.80	87.62	89.60
Copper – *000's pounds*	4,447	11,489	20,438	33,608
Gold – *ounces*	444	935	1,927	2,616
Silver – *ounces*	21,394	47,140	100,425	158,339

(1) production stated 100% - Imperial's allocation is 50%
(2) production to August 31, 2016

A small exploration program was conducted on the Whiting Creek portion of the Huckleberry claim group to meet the assessment requirement for these claims. The Whiting Creek area is located approximately 8 kilometres from the Huckleberry processing plant. Three diamond drill holes were drilled to test the edges of the Creek zone at Whiting Creek, one of three known zones of mineralization at Whiting Creek. All three holes intersected copper mineralization with WC16-01 intersecting 70.1 metres of 0.39% copper and 0.02% molybdenum from surface, WC-16-02 intersecting 222.5 metres of 0.31% copper and 0.02% molybdenum both mineralized intervals starting from near surface and WC16-03 intersecting 152.4 metres of 0.25% copper and 0.02% molybdenum starting at a depth of approximately 185.0 metres. The drilling shows that the Creek zone is open to the west, and has potential to have higher grades, as the intercept in WC16-01 included a 36.6 metre intercept of 0.57% copper.

Sterling Mine

Sterling underground mining operations were terminated at the end of May 2015. Residual gold continues to be recovered from the heap with approximately one ounce per day being recovered.

An engineering company has been commissioned to establish the scope and cost of providing a potable water system that will meet the state's requirements to obtain a Public Water Utility permit.

Soil sampling and geological mapping continues in an area of favorable geology along the northern flank of Bare Mountain.

A laboratory program to try and develop a bio-process that will economically recover additional gold from the Sterling Mine heap pads is underway. The historical heaps contain approximately 20,000 ounces of gold.

Exploration and development expenditures at Sterling were under $0.1 million in the September 2016 quarter compared to under $0.1 million in the 2015 comparative quarter.

Derivative Instruments

In the September 2016 quarter the Company recorded net gains on derivative instruments of $1.1 million compared to net gains of $14.8 million in the 2015 comparative quarter. The $1.1 million gain in the September 2016 quarter consisted of a $0.3 million realized gain and a $0.8 million unrealized gain on the foreign currency swaps. In the 2015 comparative quarter the $14.8 million gain consisted of a realized gain of $2.2 million on gold derivative instruments, a realized gain of $0.5 million on the foreign currency swaps, an unrealized loss of $0.2 million for gold derivative instruments and an unrealized gain of $12.3 million on the foreign currency swap. The gains or losses in derivative instruments result from the mark to market valuation of the instruments based on changes, depending on the instrument, in the price of copper and gold and movements in the CDN/US exchange rate.

The Company had no derivative instruments for copper or gold at September 30, 2016 or at the date of this document.

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.

OUTLOOK

Operations, Earnings and Cash Flow

The base and precious metals production targeted for 2016 from the Red Chris mine was originally 90-100 million pounds copper and 60-70 thousand ounces gold. Following the production results for the third quarter, these targets have been revised to 85-90 million pounds copper and 45-50 thousand ounces gold. The target for 2016 production at Mount Polley is 27-29 million pounds copper and 48-52 thousand ounces gold.

Quarterly revenues will fluctuate depending on copper and gold prices, the CDN/US Dollar exchange rate, and the timing of concentrate sales, which is dependent on concentrate production and the availability and scheduling of transportation.

Exploration

Imperial has interests in several exploration properties located in Canada. However, the Company's focus is currently to minimize exploration expenditures on non-core projects. Only minimum exploration work is being undertaken on all projects. The prospecting work conducted as part of this minimum work program has been successful in the discovery two new showings.

On the LJ property located 35 kilometres north-northeast of Revelstoke, BC, prospecting was successful in discovering the source of the zinc-lead-silver high grade boulders below the toe of a receding glacier. The sphalerite-galena-pyrite outcrop was channel sampled using a diamond saw with weighted assay results of 6.44% zinc, 5.26% lead and 3.05 g/t silver over a width of 5.3 metres separated by a 10 metre interval of lower grade material and another parallel interval of 5.98% zinc, 3.34% lead and 1.97 g/t silver over 5.0 metres. True width of these samples is estimated to be 82% of the cut width. The mineralization coincides with 650 metre surface electromagnetic anomalies which are open in both directions along strike.

On the Giant Copper property, located 40 kilometres east of Hope, BC, soil sampling outlined a strong gold anomaly 250 metres by 400 metres in size on a previously unexplored portion of the property. A grab sample from an oxidized quartz-carbonate veined sandstone rock outcrop above the anomaly assayed 5.53 g/t gold. Follow-up sampling has been completed with additional work planned for 2017.

Development

At Red Chris, achieving design copper recovery continues to be a challenge. We are making some progress as the recoveries this quarter are up from the same quarter last year. In both these periods high clay near surface ores from the Main zone provided the majority of the feed. Test work has indicated that more flotation time is likely required to increase rougher recoveries. As a first step in increasing copper rougher recoveries, design work is underway to install an additional 160 cubic metre rougher cell that was in the Company's inventory. The cell is now onsite and installation of this cell targeted for year end.

At Mount Polley, an access ramp from the Boundary zone has been driven to within about 100 metres of the Martel zone to provide access for an underground drilling program. An initial underground drilling program of approximately 5,000 metres to further define a portion of the Martel zone located beneath the Wight pit is planned to start in December. Successful drilling could lead to development and mining of this zone next year.

Huckleberry mine operations were suspended on August 31, 2016 and the mine has been placed on care and maintenance pending an increase in the price of copper.

Detailed Third Quarter Report financial information is available on *imperialmetals.com* and *sedar.com.*

An Earnings Announcement Conference Call
is scheduled for November 14, 2016 at 10:00am PDT | 11:00am MDT | 1:00pm EDT

Management will discuss the Company's 2016 Third Quarter Financial Results.
To participate in the earnings announcement conference call, select the phone number applicable to your location:

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

Conference call will be available for playback (until 11:59pm on November 21, 2016) by dialing 888.390.0541 or 416.764.8677 | playback passcode 451242#

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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Forward-Looking Information and Risks Notice

The information in this press release provides a summary review of the Company's operations and financial position as at and for the period ended September 30, 2016, and plans for the future based on facts and circumstances as of November 14, 2016. Except for statements of historical fact relating to the Company, including our 50% interest in Huckleberry Mines Ltd., certain information contained herein constitutes forward-looking information which is prospective in nature and reflects 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 press release includes, without limitation, statements regarding: mine plans and production targets; costs and timing of current and proposed exploration and development; marketing; capital expenditures; future expenses and scope relating to timing of ongoing rehabilitation activities at the Mount Polley mine; use of proceeds from credit facilities and other sources of financing; expectations relating to the operation of the Red Chris mine and costs associated therewith; adequacy of funds for projects and liabilities; expectations relating to the receipt of necessary regulatory permits, approvals or other consents, such as the amendment to the Red Chris *Mines Act* permit for the South Dam and the amendment to Mount Polley's EMA permit to incorporate its long-term water management plan; 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; expectations relating to production and copper recovery; expectations relating to the results of a Mount Polley exploratory underground drilling program of approximately 5,000 metres planned to begin in December 2016 to further define a portion of the Martel zone located beneath the Wight pit approximately 400 metres east of the Boundary zone and exploratory drilling on the Whiting Creek portion of the Huckleberry claim group currently showing the potential to have higher grades of copper opening to the west; expectations relating to completion targets for construction of the North and South dams at the Red Chris tailings storage facility and a weather-dependent November target for completion of the Mount Polley tailings storage facility's perimeter embankment minimum elevation raise from 950 metres to 963.5 metres; expectations relating to the anticipated completion of mining in the Mount Polley Boundary zone by the end of the year; expectations relating to the continued suspension of operations at the Huckleberry mine pending an increase in the price of copper; 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 the Company operates, including, but not limited to, assumptions that: the Company will be able to advance and complete remaining planned rehabilitation and monitoring activities within expected timeframes; that there will be no significant delay or other material impact on the expected timeframes or costs for completion of rehabilitation of the Mount Polley mine; that the Company's rehabilitation activities at Mount Polley will be successful in the long term; that all required permits, approvals and arrangements to proceed with planned rehabilitation and the long-term water management plan at the Mount Polley mine will be obtained in a timely manner; that there will be no interruptions that will materially delay the Company's progress with its rehabilitation plans; that there will be no material operational or permitting delays at the Red Chris mine, including the issuance of the amendment to the *Mines Act* permit for the South Dam; that equipment will operate as expected, including the Red Chris SAG and ball mill main drives; that there will not be significant or ongoing power outages; that the Company's use of derivative instruments will enable the 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 and the Mount Polley mine will achieve expected production outcomes (including with respect to mined grades and mill recoveries); 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 adequate additional new financing that may be required may not be available to Imperial on terms acceptable to Imperial or at all which, when combined with the projected cash flow from the Red Chris and Mount Polley mines, and the available credit facilities, may cast doubt on Imperial's ability to continue as a going concern; risks relating to the timely receipt of necessary approvals and consents, including the amendment to the Red Chris *Mines Act* permit for the South Dam, and those necessary to proceed with the rehabilitation plan and the long-term water management plan at the Mount Polley mine; risks relating to the remaining costs and liabilities and any unforeseen longer-term environmental consequences arising from the tailings dam breach; uncertainty as to actual timing of completion of rehabilitation activities at the Mount Polley mine and the weather-dependent November completion of the raise of the tailings storage facility's perimeter embankment minimum elevation from 950 metres to 963.5 metres; risks relating to the impact of the tailings dam breach on Imperial's reputation; the quantum of claims, fines and penalties that may 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, and/or pursuing recovery of its losses through, any legal claims or potential litigation; 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 outages or shortages, and natural phenomena such as drought or unusually wet weather conditions negatively impacting the operation of the Red Chris mine or the Mount Polley mine; changes in commodity and power prices; changes in market demand for our concentrate; 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 this Management's Discussion and Analysis for the September 2016 quarter and other public filings of the Company which are available on Imperial's profile at 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.