

Imperial Provides Update on 2022 Production and Red Chris Exploration Program

Vancouver | **January 24, 2022** | **Imperial Metals Corporation** (the “Imperial”) (TSX:III) reports that 2022 metals production from all operations totalled 26.49 million pounds copper and 31,176 ounces gold, up from the 19.63 million pounds copper, 18,048 ounces gold produced in 2021. Production in 2022 includes production at Mount Polley (with first production in late June 2022) and Imperial’s 30% allocation from Red Chris operations.

Red Chris Mine

Copper and gold production (100%) in 2022 was 67.6 million pounds copper and 63.7 thousand ounces of gold, an increase of 3.3% and 5.8% respectively, compared to 65.4 million pounds copper and 60.2 thousand ounces gold produced in 2021. The increase in 2022 metal production was a result of higher copper and gold grades, and slightly higher tonnes milled, partially offset by lower recoveries. Gold head grades are expected to decrease through the first half of 2023.

Red Chris production (100%) for the 2022 fourth quarter was 13.1 million pounds copper and 14.5 thousand ounces gold compared to 14.7 million pounds copper and 13.6 thousand ounces gold in the 2021 fourth quarter. Lower mining rates and unscheduled maintenance on an overland conveyor belt resulted in reduced mill throughput in the fourth quarter.

| Red Chris Mine Production | Three Months Ended December 31 | | Year Ended December 31 | |
|---|--------------------------------|-----------|------------------------|-----------|
| | 2022 | 2021 | 2022 | 2021 |
| Ore milled - <i>tonnes</i> | 2,390,084 | 2,124,732 | 9,457,303 | 9,324,304 |
| Ore milled per calendar day - <i>tonnes</i> | 25,979 | 23,095 | 25,910 | 25,546 |
| Grade % - copper | 0.339 | 0.387 | 0.421 | 0.403 |
| Grade g/t - gold | 0.386 | 0.334 | 0.382 | 0.358 |
| Recovery % - copper | 73.4 | 81.2 | 77.0 | 79.1 |
| Recovery % - gold | 49.0 | 59.6 | 54.8 | 56.0 |
| Copper – <i>000’s pounds</i> | 13,107 | 14,723 | 67,604 | 65,426 |
| Gold – <i>ounces</i> | 14,518 | 13,610 | 63,658 | 60,160 |

Imperial’s 30% portion of Red Chris production for 2022 was 19.6 million pounds copper and 18.0 thousand ounces gold.

Newcrest has maintained its guidance for Red Chris mine production (100%) for the period July 2022 to June 2023 at about 60 million pounds of copper and about 40 thousand ounces of gold.

Mount Polley Mine

During the fourth quarter 1,084,016 tonnes ore were treated, producing 3.785 million pounds copper and 6,995 ounces gold. Operations in the 2022 fourth quarter were negatively impacted by a period of very cold weather in December.

The permit allowing for discharge of treated water from the Mount Polley mine site to Quesnel Lake, was amended to allow for discharge to continue until June 2025.

| Mount Polley Production | Three Months Ended | Year Ended* |
|--------------------------------------|--------------------|-------------------|
| | December 31, 2022 | December 31, 2022 |
| Ore milled – tonnes | 1,084,016 | 2,068,830 |
| Ore milled per calendar day – tonnes | 11,783 | 11,244 |
| Grade % - copper | 0.230 | 0.214 |
| Grade g/t - gold | 0.325 | 0.306 |
| Recovery % - copper | 68.9 | 63.5 |
| Recovery % - gold | 61.8 | 59.4 |
| Copper – 000's pounds | 3,786 | 6,206 |
| Gold – ounces | 6,995 | 12,078 |

*production from restart of operations in late June to December 31, 2022

During the first 15 days of January 2023, concentrator availability averaged 97% and 235,000 tonnes were processed. Concentrator availability for this period showed a marked increase from the fourth quarter average availability of 68%. Metal production was 1.02 million pounds of copper and 1432 ounces of gold. Metal recoveries improved with the steadier operation, and copper recovery averaged 81% and gold recovery was 72% from grades averaging 0.241% copper and 0.265g/t gold during the first 15 days of the new year.

The 2023 production target for Mount Polley is 30 – 33 million pounds copper and 35-40 thousand ounces gold.

Red Chris Exploration Update

At East Ridge, drilling continues to expand the zone, which is outside of the current Mineral Resource estimate. To date 71 holes have been completed and five are in progress. Assays were received from 12 holes during the quarter. The follow up drilling is being completed on a nominal 100 metre by 100 metre grid to determine the footprint, characterize the mineralization and to demonstrate the extent of continuity of the higher-grade mineralization. Drilling to date has tested a corridor 900 metres long, 250 metres wide and to a vertical extent of 1,000 metres.

Drilling has returned the deepest higher-grade intercept at the project to date with RC857 intersecting 266 metres grading 0.57% copper and 0.43 g/t gold from 1,534 metres, including 34 metres grading 1.6% copper and 1.1 g/t gold from 1,706 metres. These results have extended the higher-grade mineralization, which remains open at depth, by a further 100 metres to a depth of more than 700 metres vertical on Section 36N (see Figure 27). Hole RC848 drilled on Section 38N (see Figure 29) intercepted 248 metres grading 0.46% copper and 0.33 g/t gold from 1,320 metres, including 34 metres grading 0.86% Cu and 1.0 g/t gold from 1,510 metres. RC853 drilled on Section 32N (see Figure 25) intercepted 460 metres grading 0.39% copper and 0.21 g/t gold from 942 metres. All three of the above noted drill holes are the deepest holes on their respective sections and extend the East Ridge mineralization to depth.

Hole RC843 intercepted 202 metres of 0.64% copper and 0.47 g/t gold from 810 metres, that included a higher grade intercept of 78 metres grading 1.0% copper and 0.83 g/t gold from 864 metres. RC843 is about 100 metres above RC745 (previously reported) and expands the zone upward on Section 37N (see Figure 28). The intercept is approximately 700 metres below surface, making it one of the shallowest higher-grade intercepts at East Ridge.

Hole RC858 collared at the western edge of the Main Zone pit, intersected 276 metres grading 0.31% copper and 0.36 g/t gold from 500 metres, including a 68 metre higher grade interval grading 0.70% copper and 0.65 g/t gold from 700 metres. This hole continues to expand the Main Zone mineralization west towards the Gully Zone.

| Drill Holes | From (m) | To (m) | Width (m) | Copper (%) | Gold (g/t) |
|-------------|----------|--------|-----------|------------|------------|
| RC843 | 810 | 1012 | 202 | 0.64 | 0.47 |
| including | 864 | 942 | 78 | 1.0 | 0.83 |
| including | 908 | 940 | 32 | 1.3 | 1.2 |
| RC848 | 1320 | 1568 | 248 | 0.46 | 0.33 |

| | | | | | |
|-----------|------|------|-----|------|------|
| including | 1492 | 1544 | 52 | 0.82 | 0.84 |
| including | 1510 | 1544 | 34 | 0.86 | 1.0 |
| RC853 | 942 | 1402 | 460 | 0.39 | 0.21 |
| RC857 | 1534 | 1800 | 266 | 0.57 | 0.43 |
| including | 1640 | 1656 | 16 | 0.69 | 0.62 |
| including | 1694 | 1750 | 56 | 1.2 | 0.83 |
| including | 1706 | 1740 | 34 | 1.6 | 1.1 |
| RC858 | 306 | 472 | 166 | 0.16 | 0.20 |
| including | 406 | 416 | 10 | 0.32 | 0.51 |
| including | 500 | 776 | 276 | 0.31 | 0.36 |
| including | 700 | 768 | 68 | 0.70 | 0.65 |

During the quarter, there were up to seven diamond drill rigs in operation at Red Chris. A further 13,854 metres of drilling has been completed during the quarter from 18 drill holes, with all drill holes intersecting mineralization. Diamond drilling continues to define the extent and continuity of this higher-grade mineralization. A further 25 diamond drill holes at minimum are planned to test and close out the target mineralization. This program is expected to be completed by the second quarter of 2023.

Block Cave development continues with the exploration decline at 2,685 metres as of January 18, 2023, and the first ventilation raise bore is on schedule for completion within the first quarter of 2023.

The Feasibility Study is now expected to be completed in the second half of 2023 to allow optimization opportunities to be evaluated and further defined, with no impact to the project development timeline expected. Inflation and global supply chain interruptions continue to be assessed as part of the Feasibility Study and value engineering is underway with the objective to offset inflationary cost pressures.

Jim Miller-Tait, P.Geo., Imperial VP Exploration, is the designated Qualified Person as defined by National Instrument 43-101 for the Red Chris exploration program and has reviewed and approved this news release. Red Chris samples for the 2022 drilling reported were analysed at Bureau Veritas Mineral Laboratories in Vancouver. A full QA/QC program using blanks, standards and duplicates was completed for all diamond drilling samples submitted to the labs. Significant assay intervals reported represent apparent widths. Insufficient geological information is available to confirm the geological model and true width of significant assay intervals.

Cross section, plan view maps and drillhole data are available on imperialmetals.com.

About Imperial

Imperial is a Vancouver based exploration, mine development and operating company with holdings that include the Mount Polley mine (100%), the Huckleberry mine (100%), the Red Chris mine (30%). Imperial also holds a portfolio of 23 greenfield exploration properties in British Columbia.

Imperial Contacts

Brian Kynoch | President | 604.669.8959
 Darb Dhillon | Chief Financial Officer | 604.488.2658
 Jim Miller-Tait | Vice President Exploration | 604.488.2676

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In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "outlook", "budget", "scheduled", "estimates", "forecasts", "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", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. By their very nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Imperial to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

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