

Imperial Provides Update on Red Chris 2021 Production and Exploration Programs

Vancouver | **January 27, 2022** | **Imperial Metals Corporation** (the “Imperial”) (TSX:III) reports that the total 2021 metals production for the Red Chris mine was 65.4 million pounds copper and 60.2 thousand ounces gold. Copper and gold production decreased 25.9% and 18.5% respectfully, compared to 88.3 million pounds copper and 73.8 thousand ounces gold produced in 2020. The decreased 2021 metal production was a result of lower grades, with the copper grade down 24% and the gold grade down 21% from 2020 levels. Copper recovery was down 2% year on year to 79% while gold recovery increased 3% to 56% in 2021. Mill throughput for the year decreased about 0.6% with the rate averaging 25,546 tonnes per day.

Red Chris production (100%) for the 2021 fourth quarter was 14.7 million pounds copper and 13.6 thousand ounces gold compared to 17.2 million pounds copper and 15.2 thousand ounces gold in the 2021 third quarter, primarily due to lower mill throughput with 2,124,732 tonnes in the fourth quarter of 2021 compared to 2,543,495 tonnes in the prior quarter. The throughput was impacted by processing clay rich ores early in the reporting period impacting primary crusher availability, as well as weather-related BC Hydro power outages. This was partially offset by higher gold recoveries (59.7% versus 55.6%), reflecting the benefit of increased cleaner capacity.

Imperial’s 30% portion of Red Chris production for 2021 was 19.6 million pounds copper and 18.0 thousand ounces gold.

Exploration Update

Drilling continues to expand the East Ridge zone, which is outside of the current Mineral Resource estimate. Holes RC740, RC748 and RC752 are highlighted in this release.

Hole RC740 is the deepest and one of the most easterly holes drilled to date in the East Ridge zone. Hole RC740 intercepted 156 metres of 0.71% copper and 0.73 g/t gold, including 86 metres grading 0.97% copper and 1.2 g/t gold.

Hole RC748 returned 452 metres of 0.54% copper and 0.60 g/t gold from 1,192 metres including 106 metres of 1.0% copper and 1.2 g/t gold from 1,384 metres. The hole has extended the higher grade mineralization to depth a further 100 metres below hole RC727 (previously reported, that returned 346 metres grading 0.79% copper and 1.1g/t gold from 1,046 metres, including 56 metres of 1.8% copper and 3.5g/t gold from 1,336 metres).

Hole RC752, collared at the western edge of the Main Zone pit, intersected 400 metres grading 0.37% copper and 0.33 g/t gold. This hole continues to expand the Main Zone mineralization to the west towards the Gully Zone.

Imperial President, Brian Kynoch, said, “We are excited to see the continued expansion of the mineralisation in the East Ridge zone to the east and at depth. We expect this newly discovered zone, which is in close proximity to the current underground development, to meaningfully increase the Mineral Resource and long term value of Red Chris.”

| Drill Holes | From (m) | To (m) | Width (m) | Copper (%) | Gold (g/t) |
|-------------|----------|--------|-----------|------------|------------|
| RC740 | 1452 | 1608 | 156 | 0.71 | 0.73 |
| including | 1522 | 1608 | 86 | 0.97 | 1.2 |
| including | 1556 | 1602 | 46 | 1.1 | 1.6 |
| RC748 | 1192 | 1644 | 452 | 0.54 | 0.60 |
| including | 1384 | 1490 | 106 | 1.0 | 1.2 |
| including | 1386 | 1484 | 98 | 1.0 | 1.3 |
| RC752 | 354 | 754 | 400 | 0.37 | 0.33 |
| including | 456 | 476 | 20 | 0.64 | 0.81 |
| including | 548 | 606 | 58 | 0.72 | 0.58 |

During the period, there were up to eight diamond drill rigs in operation. A further 21,275 metres of drilling has been completed from 27 drill holes, with all exploration drill holes intersecting mineralisation (except 15 drill holes which were dedicated geotechnical holes). A total of 217,349 metres of drilling from 199 drill holes has been completed since August 2019.

At East Ridge, located adjacent to the East Zone, drilling is ongoing with 18 holes completed and 4 in progress. The follow up drilling is being completed on a nominal 100 metre by 100 metre grid to determine the footprint of the mineralisation and demonstrate the continuity of the higher grade mineralisation. The East Ridge mineralised corridor (>0.4% copper and >0.4g/t gold) now extends over 800 metres long, up to 1,000 metres high and 125 metres wide, with higher grade (>0.8% copper and >0.8g/t gold) in several smaller pods over an area 500 metres high, 400 metres long and 100 metres wide.

Approximately 50,000 metres of growth-related drilling is planned for calendar year 2022 from eight drill rigs.

Development of the Block Cave continued during the period with the exploration decline now progressed to 765 metres as at 25 January 2022. Key supporting infrastructure has been established, including underground heating, workshop, warehouse and changeroom, with engagement underway for the Feasibility Study key contracts.

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 this news release. Red Chris samples for the 2021 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.

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Certain information contained in this news release are not statements of historical fact and are "forward-looking" statements. Forward-looking statements relate to future events or future performance and reflect Imperial management's expectations or beliefs regarding future events and include, but are not limited to, statements regarding Imperial's expectations and timing with respect to current and planned drilling programs at Red Chris, including plans to define the extent and continuity of the mineralization at the East Ridge zone, the Main Zone pit and the Gully Zone; and plans to complete approximately 50,000 metres of growth-relating drilling from eight drill rigs in the calendar year 2022.

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.

In making the forward-looking statements in this release, Imperial has applied certain factors and assumptions that are based on information currently available to Imperial as well as Imperial's current beliefs and assumptions. These factors and assumptions and beliefs and assumptions include, the risk factors detailed from time to time in Imperial's interim and annual financial statements and management's discussion and analysis of those statements, all of which are filed and available for review on SEDAR at www.sedar.com. Although Imperial has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions,

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