

Red Chris Production and Exploration Update

Vancouver | July 20, 2022 | Imperial Metals Corporation (the “Company”) (TSX:III) reports Red Chris metal production (100%) for the second quarter of 2022 was 22.0 million pounds copper and 19,540 ounces gold, up 65% and 62% respectively from the 13.3 million pounds copper and 12,088 ounces gold produced during the first quarter of 2022.

The improved production was a result of higher throughput (2.6 million tonnes versus 2.0 million tonnes), higher head grades (0.48% copper and 0.39 g/t gold compared to 0.41% copper and 0.36g/t gold) and higher recoveries (80.5% copper and 60.6% gold versus 72.6% copper and 51.9% gold) in the first quarter.

Imperial’s 30% portion of the second quarter production was 6.6 million pounds copper and 5,862 ounces gold.

Exploration Update

Exploration drilling at the East Ridge zone continues to define and expand the high grade mineralization which remains open to the east and depth. An additional 32 holes were completed during the quarter for a total of 30,482 metres. All exploration holes intersected mineralization. Five dedicated geotechnical holes were also drilled. The East Ridge mineralized corridor (>0.4% copper and >0.4 g/t gold) extends over 900 metres long, up to 1,000 metres high and 125 metres wide, with higher grade (>0.8% copper and >0.8 g/t gold) in several smaller pods over an area 500 metres high, 400 metres long and 100 metres wide.

An Exploration Target has been defined for East Ridge. The Exploration Target ranges from a lower tonnage of approximately 170 million tonnes at 0.5% copper and 0.5 g/t gold containing 2.0 billion pounds copper and 2.8 million ounces gold to an upper tonnage of approximately 300 million tonnes at 0.4% copper and 0.4 g/t gold containing 2.9 billion pounds copper and 4.3 million ounces gold. The grades and tonnages are estimates based on continuity of mineralization defined by exploration diamond drilling results (previously reported including relevant sections and plans) with the lower range estimate in the area having a nominal drill hole spacing of 100 metres by 100 metres and the upper range estimate extended into the area with a nominal drill hole spacing of 100 metres by 200 metres.

The East Ridge Exploration Target is outside of the current Mineral Resource estimate. The potential tonnage and grade of the Exploration Target for East Ridge is conceptual in nature. There has been insufficient exploration to estimate a Mineral Resource and it is uncertain if further exploration will result in the estimation of a Mineral Resource.

Progress toward block cave mining is continuing with the development of the exploration decline having reached 1,703 metres as of July 13, 2022. The Feasibility Study is expected to be released in the first half of 2023.

Underground drilling of the East Ridge zone from the exploration decline has been initiated. This drilling will focus on extending the East Ridge mineralization to depth and to the east. Drilling from underground will significantly reduce the meterage required to further test the East Ridge and the surface disturbance required to construct drill pads and roads.

Drilling results from the second quarter include hole RC786 which returned 482 metres of 0.43% copper and 0.26 g/t gold from 712 metres including 32 metres of 0.80% copper and 0.88 g/t gold from 948 metres. This hole is 100 meters above previously reported hole RC773, testing the upward extent of the East Ridge on this section, and confirms the mineralization remains open up-dip on this section. Hole RC789W was drilled on the same section and returned 154 metres from 1242 metres of 0.47% copper and 0.46 g/t gold including 16 metres of 1.2% copper and 1.5 g/t gold from 1370 metres and 10 metres of 1.5% copper and 2.0 g/t gold also from 1370 metres. Hole RC789W is located 100 metres below hole RC773 and 100 metres above hole RC779, both of which have been previously reported (See Figure 31¹).

Hole RC795 returned 92 metres of 0.55% copper and 0.41 g/t gold from 1324 metres including 16 metres from 1390 metres of 0.97% copper and 0.59 g/t gold. Hole RC795 is 100 meters above previously reported RC785 (see Figure 32¹).

Hole RC797 returned 152 metres at 0.41% copper and 0.12 g/t gold from 1,288 metres and demonstrates the system is present and remains open to the east (see Figure 34¹).

Approximately 50,000 metres of growth-related drilling targeting mineralization definition and continuity is planned for the second half of 2022 with eight drill rigs.

Significant results since last release:

Hole ID	From (m)	To (m)	Width (m)	Copper (%)	Gold (g/t)
RC786	712	1194	482	0.43	0.26
Including	948	980	32	0.80	0.88
RC789W	1242	1396	154	0.47	0.46
including	1370	1386	16	1.2	1.5
including	1370	1380	10	1.5	2.0
RC795	1324	1416	92	0.55	0.41
including	1390	1406	16	0.97	0.59
RC797	1288	1440	152	0.41	0.12

Greg Gillstrom, P.Eng., Senior Geological Engineer with Imperial Metals, 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 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.

¹ Cross section, plan view maps and drill hole 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%), and the Red Chris mine (30%). Imperial also holds a portfolio of 23 greenfield exploration properties in British Columbia.

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Cautionary Note Regarding Forward-Looking Statements

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 Company management's expectations or beliefs regarding future events and include, but are not limited to, statements regarding the Company's expectations with respect to the current and planned drilling programs at Red Chris, including plans to define the extent and continuity of the mineralization in the East Ridge zone; the potential tonnage and grade of the Exploration Target, including the uncertainty for a Mineral Resource estimate; and the expected timing of the Feasibility Study.

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 the Company 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, the Company has applied certain factors and assumptions that are based on information currently available to the Company as well as the Company's current beliefs and assumptions. These factors and assumptions and beliefs and assumptions include, the risk factors detailed from time to time in the Company'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 the Company 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, events or results not to be as anticipated, estimated or intended, many of which are beyond the Company's ability to control or predict. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements and all forward-looking statements in this news release are qualified by these cautionary statements. Such information is given only as of the date of this news release. The Company does not assume any obligation to update its forward-looking information to reflect new information, subsequent events or otherwise, except as required by law.