

NEWS RELEASE

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Ruddock Creek Project - Memorandum of Understanding Completed

Vancouver, BC – **July 12, 2010** – **Imperial Metals Corporation (TSX:III)** has agreed to option a 50% working interest in its 100% owned Ruddock Creek zinc/lead project to Itochu Corporation and Mitsui Mining and Smelting Co. Ltd. (“Itochu and Mitsui”). Itochu and Mitsui may exercise the option by funding the next \$20 million of exploration expenditures on the project over a maximum three year period. Execution of a definitive agreement is subject to final due diligence and management approval. In the meantime, the project is being readied for commencement of exploration.

The Ruddock Creek zinc/lead project, located 100 kilometres north-northwest of Revelstoke, British Columbia was acquired by Imperial as a result of the November 2009 merger with Selkirk Metals Corp. Between 2004 and 2009 Selkirk conducted extensive exploration including over one kilometre of underground development, and surface and underground diamond drilling totaling 25,688 metres. Prior to 2004, historical drilling carried out by Falconbridge and Cominco totaled 7,244 metres. The focus of exploration to date has been at the E zone which has been defined from surface outcrop down plunge for a length of approximately 1.2 kilometres and is the only zone that has been drilled in sufficient detail to estimate a resource. The 43-101 compliant resources for the E zone at various cut-offs are shown on the table below.

Cutoff Grade % Zn+Pb	INDICATED ⁽¹⁾				INFERRED ⁽¹⁾			
	Tonnes <i>000's</i>	% Zn	% Pb	% comb Zn+Pb	Tonnes <i>000's</i>	% Zn	% Pb	% comb Zn+Pb
1.0	3,062	6.46	1.33	7.79	1,654	6.13	1.20	7.33
2.0	2,847	6.85	1.41	8.26	1,648	6.14	1.20	7.34
3.0	2,613	7.28	1.50	8.78	1,614	6.23	1.21	7.44
4.0	2,338	7.79	1.61	9.40	1,492	6.50	1.26	7.76
5.0	2,012	8.43	1.75	10.18	1,336	6.82	1.31	8.13
6.0	1,731	9.06	1.89	10.95	1,038	7.44	1.45	8.89
7.0	1,490	9.64	2.02	11.66	794	8.05	1.57	9.62
8.0	1,257	10.29	2.15	12.44	589	8.68	1.69	10.37

⁽¹⁾ 43-101 Technical Report filed July 20, 2009 on SEDAR www.sedar.com

Exploration in 2010 is expected to include dewatering and extension of the underground development to the west providing access for underground diamond drilling designed to extend the E zone further down dip. In addition, surface exploration including diamond drilling will test other zones within the Ruddock Creek Sulphide Horizon (“Horizon”) which has been defined in sufficient detail to confirm continuity over a length of approximately five kilometres in an east-west direction. Along the Horizon, other significant zones of mineralization include the Creek, F, T, U, V and Q zones. Work on these other zones has included surface mapping, sampling, airborne and ground geophysical surveys, and limited diamond drilling on the Creek, U and Q zones.

Imperial is a mine development and operating company based in Vancouver, British Columbia. The Company's key properties are the Mount Polley open pit copper/gold producing mine in central British Columbia, the Huckleberry open pit copper/molybdenum producing mine in northern British Columbia, and the development stage Red Chris copper/gold property in northwest British Columbia and Sterling gold property in southwest Nevada.

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