

NEWS RELEASE

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Imperial Reports Mount Polley Mine Underground Drilling Intersects 35 metres of 4.80% Copper, 2.76 g/t Gold and 39.17 g/t Silver

Vancouver – **August 23, 2011 - Imperial Metals Corporation (III-TSX)** reports results from ongoing exploration drilling at Mount Polley mine. Mount Polley is an operating open pit copper/gold mine located eight kilometres southwest of Likely and 100 kilometres (by road) northeast of Williams Lake, British Columbia.

Boundary Underground Zone

Underground diamond drilling⁽¹⁾⁽²⁾ has been successful in delineating a block of breccia-hosted copper/gold mineralization at the Boundary zone. The results include 35.0 metres of breccia hosted mineralization in hole NDU11-189 grading 4.80% copper, 2.76 g/t gold and 39.17 g/t silver, including 9.1 metres of 7.97% copper, 3.45 g/t gold and 71.06 g/t silver. Underground exploration has been paused as the operation team prepares to conduct further underground ramping and level excavation to confirm an appropriate underground mining method for the block.

Results from 46 underground drill holes completed to date in the Boundary zone have confirmed continuity of high grade copper/gold/silver mineralization hosted in a brecciated monzonite.

Selected significant intervals from Boundary underground drilling:

Boundary UG			Total			Interval	Copper	Gold	Silver	CuEq
Drill Hole #	Az	Dip	Length (m)	From (m)	To (m)	Length (m)	%	g/t	g/t	%*
NDU11-169	210°	20°	170.1	27.5	50.2	22.7	2.52	1.19	24.05	3.55
NDU11-178	270°	54°	81.8	0.0	25.0	25.0	3.22	1.62	14.67	4.47
NDU11-185	130°	-54°	170.1	0.0	75.8	75.8	2.32	1.24	19.22	3.35
NDU11-188	123°	-9°	142.3	0.0	27.5	27.5	4.15	2.05	19.95	5.75
NDU11-189	137°	-22°	151.5	0.0	35.0	35.0	4.80	2.76	39.17	7.05
including				0.0	9.1	9.1	7.97	3.45	71.06	10.98

⁽⁴⁾ complete assay results available on website

*CuEq% = Cu% + (Au g/t / 1.44) + (Ag g/t / 116)

Drilling to date at the Boundary zone indicates that the high grade mineralization occurs in a number of distinct breccia zones that are relatively small compared to the other zones at Mount Polley. Imperial field staff have commenced a more detailed surface exploration program on a tighter grid to identify other high grade breccia bodies in the area that may have been overlooked by wider spaced exploration. Additional surface and underground drilling is planned as part of the ongoing exploration program.

WX/C2/Cariboo Surface Drilling

In the vicinity of the Springer pit, surface exploration drilling continues at the WX, C2 and Cariboo zones⁽³⁾. Exploration drilling in this area since 2009 has totalled 51,532 metres in 96 drill holes.

The proximity to the existing infrastructure, higher commodity prices and high gold to copper ratio in the WX/C2 zones makes the long stretches of modest grade economically significant. Hole WX11-61 is a prime example of this gold rich mineralization intersecting 309.7 metres grading 0.20% copper and 0.45 g/t gold, but also hosts small intervals of high grade such as 32.3 metres of 1.00% copper and 1.47 g/t gold. Hole C211-87 returned 294.8 metres grading 0.31% copper and 0.37 g/t gold including 30.9 metres at 1.04% copper and 1.19 g/t gold. A near surface intercept in drill hole C211-94 returned 100.1 metres of 0.40% copper and 0.56 g/t gold, including 27.5 metres of 0.70% copper and 1.28 g/t gold. The mineralization at WX zone has similar characteristics to C2 and may be a faulted and off-set continuation of the C2 zone. However, an important distinction is the absence of oxidation of the copper mineralization in the WX zone, which should result in higher copper recoveries from this zone.

At the Springer zone, drilling targets are relatively abundant at depth as strong mineralization is known to continue well below the currently planned pit. Hole SD11-107 was drilled to explore below the planned pit and intercepted 442.5 metres grading 0.21% copper and 0.27 g/t gold. Further drilling will continue to define mineralization below the Springer pit as part of the overall evaluation of the potential of the WX, C2, Cariboo and Springer zones.

Selected significant intercepts from surface drilling at WX, C2 and Springer:

Drill Hole #	Total		Interval		Copper %	Gold g/t
	Length (m)	From (m)	To (m)	Length (m)		
WX11-61	630.6	80.0	389.7	309.7	0.20	0.45
including		230.2	262.5	32.3	1.00	1.47
C211-87	572.1	218.5	513.3	294.8	0.31	0.37
including		221.6	252.5	30.9	1.04	1.19
C211-94	611.7	17.4	117.5	100.1	0.40	0.56
including		72.5	100.0	27.5	0.70	1.28
SD11-107	1233.1	145.0	587.5	442.5	0.21	0.27

⁽⁴⁾ complete assay results available on website

Exploration drilling continues at Mount Polley with two surface diamond drills, while field crews continue to conduct supportive work including ground magnetometer and biogeochemical sampling in an effort to generate new targets.

Steve Robertson, P.Geo., the designated Qualified Person as defined by National Instrument 43-101 for the exploration programs, has reviewed this news release. Mount Polley samples for the diamond drilling reported were analyzed at the Mount Polley mine laboratory and at Acme Analytical Laboratories in Vancouver. A full QA/QC program using blanks, standards and duplicates was maintained for all diamond drilling samples submitted to the labs. The porphyry and breccia related deposits at Mount Polley are irregular in shape and true thicknesses have not been estimated.

Imperial is a mine development and operating company based in Vancouver, British Columbia. The Company's key properties are two open pit mines: Mount Polley copper/gold mine and Huckleberry copper/molybdenum mine, both in British Columbia, as well as development stage Red Chris copper/gold property in British Columbia and Sterling gold property in Nevada.

Documents available on www.imperialmetals.com:

⁽¹⁾ Boundary zone plan map; ⁽²⁾ lower Boundary zone vertical section; ⁽³⁾ exploration update drill plan; ⁽⁴⁾ 2011 drill results

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