

SCHEDULE “A”**IMPERIAL METALS CORPORATION**
(the “Company”)**STATEMENT OF CORPORATE GOVERNANCE PRACTICES****1. Board of Directors**

- (a) *Disclose the identity of directors who are independent.*

The Board of Directors considers that three of the four current Directors are independent according to the definition of “independence” set out in MI 52-110, Audit Committees. The three directors considered independent are Messrs. Lebel, Moeller and Yurkowski.

- (b) *Disclose the identity of directors who are not independent, and describe the basis for that determination.*

Mr. Kynoch, by virtue of his office as the President of the Corporation, is not considered to be an independent director of the Company.

- (c) *Disclose whether or not a majority of directors are independent. If a majority of directors are not independent, describe what the board of directors (the **board**) does to facilitate its exercise of independent judgement in carrying out its responsibilities.*

As described in (a) and (b) above, the Board considers that a majority of the directors are independent according to the definition of “independence” set out in MI 52-110.

- (d) *If a director is presently a director of any other issuer that is a reporting issuer (or the equivalent) in a jurisdiction or a foreign jurisdiction, identify both the director and the other issuer.*

NAME OF DIRECTOR	OTHER REPORTING ISSUERS
Larry G.J. Moeller	Ceramic Protection Corporation Chamaelo Exploration Ltd. Magellan Aerospace Corporation Orbus Pharma Inc.
J. Brian Kynoch	Cross Lake Minerals Ltd. Selkirk Metals Corporation
Pierre Lebel	Asia Gold Corporation Ashton Mining of Canada Inc. Jinshan Gold Mines Inc. Home Equity Income Trust Sepp’s Gourmet Foods Ltd. zed.i. Solutions Inc.

- (e) *Disclose whether or not the independent directors hold regularly scheduled meetings at which non-independent directors and members of management are not in attendance. If the independent directors hold such meetings, disclose the number of meetings held since the beginning of the issuer's most recently completed financial year. If the independent directors do not hold such meetings, describe what the board does to facilitate open and candid discussion among its independent directors.*

Meetings of independent directors are not regularly scheduled but communication among this group occurs on an ongoing basis as needs arise from regularly scheduled meetings of the Board. The number of these informal meetings has not been recorded, but it would not be less than six in the fiscal year that commenced on January 1, 2005. The Board believes that adequate structures and processes are in place to facilitate the functioning of the Board with a level of independence of the Company's Management.

- (f) *Disclose whether or not the chair of the board is an independent director. If the board has a chair or lead director who is an independent director, disclose the identity of the independent chair or lead director, and describe his or her role and responsibilities. If the board has neither a chair that is independent nor a lead director that is independent, describe what the board does to provide leadership for its independent directors.*

Mr. Lebel, an independent director, is Chair of the Board and presides as such at each meeting. A description of the responsibilities of the Chair of the Board is attached as Schedule "C" to this Information Circular.

- (g) *Disclose the attendance record of each director for all board meetings held since the beginning of the issuer's most recently completed financial year.*

Since the beginning of the fiscal year that commenced on January 1, 2005, until the date of this Management Proxy Circular, the Board of Directors has held a total of five meetings. Each Director holding office at the time attended all of these meetings.

2. Board Mandate

Disclose the text of the board's written mandate. If the board does not have a written mandate, describe how the board delineates its role and responsibilities.

A copy of the Board Mandate is attached as Schedule "B" to this Information Circular.

3. Position Descriptions

- (a) *Disclose whether or not the board has developed written position descriptions for the chair and the chair of each board committee. If the board has not developed written position descriptions for the chair and/or the chair of each board committee, briefly describe how the board delineates the role and responsibilities of each such position.*

The Board operates under the Board Mandate. In addition, the Board has approved written position descriptions for the positions of President (who acts as CEO), Chairman and Director. Charters have been adopted for each of the committees of the Board outlining their principal responsibilities.

- (b) *Disclose whether or not the board and CEO have developed a written position description for the CEO. If the board and CEO have not developed such a position description, briefly describe how the board delineates the role and responsibilities of the CEO.*

See (a) above.

4. Orientation and Continuing Education

- (a) *Briefly describe what measures the board takes to orient new directors regarding*
- (i) *the role of the board, its committees and its directors, and*
 - (ii) *the nature and operation of the issuer's business.*

The Board requires that each new director be provided with a written orientation package relating to the Company as well as information on the responsibilities and liabilities of directors. New directors also meet with existing directors and senior management personnel of the Company to learn about the functions and activities of the Company.

- (b) *Briefly describe what measures, if any, the board takes to provide continuing education for its directors. If the board does not provide continuing education, describe how the board ensures that its directors maintain the skill and knowledge necessary to meet their obligations as directors.*

The Corporate Governance and Nominating Committee has overall responsibility for regularly assessing the skills, experience and knowledge represented on the Board for adequacy and effectiveness. To date, no formal continuing education program has been established for Board members.

5. Ethical Business Conduct

- (a) *Disclose whether or not the board has adopted a written code for the directors, officers and employees. If the board has adopted a written code:*
- (i) *disclose how a person or company may obtain a copy of the code;*
 - (ii) *describe how the board monitors compliance with its code, or if the board does not monitor compliance, explain whether and how the board satisfies itself regarding compliance with its code; and*
 - (iii) *provide a cross-reference to any material change report filed since the beginning of the issuer's most recently completed financial year that pertains to any conduct of a director or executive officer that constitutes a departure from the code.*

The Company does not currently have a formal written code for ethical business conduct.

- (b) *Describe any steps the board takes to ensure directors exercise independent judgement in considering transactions and agreements in respect of which a director or executive officer has a material interest.*

The Company is established under and is therefore governed by the provisions of the *Business Corporations Act (British Columbia)* (the "BCA"). Pursuant to the BCA, a director or officer of the Company must disclose to the Company in writing or by requesting that it be entered in the

minutes of meetings of the Board, the nature and extent of any interest that he or she has in material contract or material transaction, whether made or proposed, with the Company, if the director or officer: (a) is a party to the contract or transaction; (b) is a director or an officer, or an individual acting in a similar capacity, of a party to the contract or transaction; or (c) has a material interest in a party to the contract or transaction. The interested director cannot vote on any resolution to approve the contract or transaction.

- (c) *Describe any other steps the board takes to encourage and promote a culture of ethical business conduct.*

While there is no formal corporate policy on ethical business conduct, the Company carries out its business in accordance with the rules and regulations of all regulatory agencies to which it is subject. This culture of compliance is stressed to all levels of management of the Company to ensure that business is conducted in an ethical and proper manner at all times.

6. Nomination of Directors

- (a) *Describe the process by which the board identifies new candidates for board nomination.*

The process by which the board identifies new candidates for board nomination is outlined in the Company's Corporate Governance and Nominating Committee Charter, copy of which is attached as Schedule "D" to this Information Circular.

- (b) *Disclose whether or not the board has a nominating committee composed entirely of independent directors. If the board does not have a nominating committee composed entirely of independent directors, describe what steps the board takes to encourage an objective nomination process.*

The Corporate Governance and Nominating Committee is comprised of two members who are entirely independent directors and one that is not. The Committee comprises Messrs. Lebel and Moeller, both of whom are non-management, independent directors and Mr. Kynoch, who is part of the management of the Company. Mr. Kynoch sits on this Committee as he has extensive knowledge of the mining industry and the individuals working within it and related to it. The Board feels that this knowledge is critical to selecting and evaluating suitable candidates for nomination to the Board.

- (c) *If the board has a nominating committee, describe the responsibilities, powers and operation of the nominating committee.*

The responsibilities, powers and operation of the Corporate Governance and Nominating Committee is outlined in its Charter, copy of which is attached as Schedule "D" to this Information Circular.

7. Compensation

- (a) *Describe the process by which the board determines the compensation for the issuer's directors and officers.*

The Compensation Committee is responsible for reviewing the adequacy and form of compensation provided to directors and officers. A copy of the Compensation Committee Charter is attached as Schedule "E" to this Information Circular.

- (b) *Disclose whether or not the board has a compensation committee composed entirely of independent directors. If the board does not have a compensation committee composed entirely of independent directors, describe what steps the board takes to ensure an objective process for determining such compensation.*

The Compensation Committee is composed of three independent directors (Pierre Lebel (Chair of the Board of the Company), Larry Moeller and Edward Yurkowski). Mr. Lebel was previously an officer of the Company from December 7, 2001 to January 21, 2003.

- (c) *If the board has a compensation committee, describe the responsibilities, powers and operation of the compensation committee.*

The responsibilities, powers and operation of the Compensation Committee is outlined in its Charter. A copy of the Compensation Committee Charter is attached as Schedule "E" to this Information Circular.

- (d) *If a compensation consultant or advisor has, at any time since the beginning of the issuer's most recently completed financial year, been retained to assist in determining compensation for any of the issuer's directors and officers, disclose the identity of the consultant or advisor and briefly summarize the mandate for which they have been retained. If the consultant or advisor has been retained to perform any other work for the issuer, state that fact and briefly describe the nature of the work.*

During the fiscal year ended December 31, 2005, no outside consultant or advisor was retained by the Company.

8. Other Board Committees

If the board has standing committees other than the audit, compensation and nominating committees, identify the committees and describe their function.

Other than the Audit Committee and Compensation Committee, the Board has a Corporate Governance and Nominating Committee. A copy of the Corporate Governance and Nominating Committee Charter is attached as Schedule "D" to this Information Circular.

9. Assessments

Disclose whether or not the board, its committees and individual directors are regularly assessed with respect to their effectiveness and contribution. If assessments are regularly conducted, describe the process used for the assessments. If assessments are not regularly conducted, describe how the board satisfies itself that the board, its committees, and its individual directors are performing effectively.

The Corporate Governance and Nominating Committee has the responsibility for reviewing the performance of the Board as outlined in its Charter. In addition to the Board assessment, each Committee of the Board is to self assess their effectiveness and contribution annually as outlined in their Charters.