

NEWS RELEASE

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Mount Polley Update on Mineral Reserve /Resource Estimates and Exploration Drilling

Vancouver – **May 17, 2010** - **Imperial Metals Corporation (III-TSX)** reports the updated mineral reserve and mineral resource estimates for its wholly owned Mount Polley open pit copper/gold mine located in central British Columbia.

The Mount Polley reserve and resource estimate has been updated as of January 1, 2010 and incorporates open pit mining from the Southeast, C2, Pond, Boundary and Springer pits. Reserves are 40.5 million tonnes of 0.318% copper, 0.282 g/t gold and 0.606 g/t silver. The current reserve provides for a mine life to the fourth quarter of 2015 and contains 284 million pounds of copper and 367 thousand ounces of gold. The stripping ratio on the remaining reserve is now less than 2 to 1.

Mount Polley Proven and Probable Reserves ⁽¹⁾
March 2010 update based on January 1, 2010 topography

	Tonnes Ore	Copper Eq	Grade		Stripping Ratio	Contained Metal	
			Copper %	Gold g/t		Copper (lbs) 000's	Gold (oz) 000's
Total	40,498,052	0.498	0.318	0.282	1.8	284,251.7	367.3

⁽¹⁾ Released in 2009 Annual Information Form dated March 30, 2010.

In addition to the updated Mount Polley reserve there are 167.7 million tonnes of mineral resources in the measured and indicated category, and 3.66 million tonnes of mineral resources in the inferred category. For three of the zones where underground mining is being considered, a resource category including only blocks with a mill head value (MHV) of over \$40.00/tonne and \$80.00/tonne have been included. MHV is the total value of the recovered metals in one tonne of mill feed, minus all costs excluding mining. These costs include milling, concentrate transportation, smelting and refining costs.

A 500 metre long ramp is currently being collared in the Wight pit. The ramp will be used to further explore and access the 517,066 tonnes grading 2.45% copper, 1.50 g/t gold and 14.00 g/t silver of measured and indicated resource in Boundary/Zuke zone.

Resource values were identified by summing all blocks that fall outside of the economic pit and having a block grade greater than 0.25 copper equivalent. The copper equivalent was calculated using relative recovery and metal price for copper, gold and silver. The resources were classified as inferred, indicated and measured based on three items: minimum number of drill holes used in the estimate; minimum number of composites; and the maximum distance to the nearest composite.

The parameters used in the updated Mount Polley resource are based on revised pit designs and the current Mount Polley production schedule. The current pit designs were based on US\$2.75 copper, US\$950.00 gold, US\$12.00 silver and \$1.05 CDN/US exchange rate.

Mount Polley: Resource by Zone Excluding Pit Reserves [*]								
<i>[resource values based on 0.25 Copper Equivalent Cut-Off]</i>								
Zone	Tonnes Ore	Grade				Contained Metal		
		Copper Eq	Copper %	Gold g/t	Silver g/t	Copper (lbs) 000's	Gold (oz) 000's	Silver (oz) 000's
Boundary/Zuke								
Measured+Indicated	3,711,373	0.824	0.595	0.372	3.109	48,677.5	44.4	371.0
<i>including MHV > \$40.00/Tonne</i>	517,066	3.363	2.450	1.500	13.993	27,929.5	24.9	232.6
<i>including MHV > \$80.00/Tonne</i>	295,329	4.631	3.433	1.996	17.780	22,351.7	19.0	168.8
Inferred	20,728	0.496	0.365	0.213	1.453	166.9	0.1	1.0
Northeast								
Measured+Indicated	20,819,548	0.708	0.566	0.210	3.972	259,985.3	140.7	2,658.6
<i>including MHV > \$40.00/Tonne</i>	3,063,499	1.425	1.156	0.392	8.476	78,091.4	38.6	834.8
<i>including MHV > \$80.00/Tonne</i>	222,831	2.503	2.031	0.687	15.009	9,977.9	4.9	107.5
Inferred	2,296,482	0.433	0.341	0.142	1.873	17,269.3	10.5	138.3
Springer								
Measured+Indicated	79,640,594	0.491	0.303	0.297	0.347	531,834.4	759.7	888.8
Inferred	411,954	0.405	0.235	0.267	0.256	2,136.1	3.5	3.4
Junction								
Measured+Indicated	16,900,421	0.437	0.291	0.232	n/a	108,366.3	126.1	n/a
Inferred	32,643	0.381	0.244	0.219	n/a	175.7	0.2	n/a
Bell								
Measured+Indicated	10,538,533	0.416	0.232	0.234	n/a	54,004.3	79.1	n/a
Inferred	828,312	0.372	0.236	0.174	n/a	4,309.6	4.6	n/a
C2								
Measured+Indicated	13,135,522	0.418	0.214	0.326	n/a	61,884.6	137.6	n/a
Southeast								
Measured+Indicated	19,475,055	0.431	0.164	0.417	1.080	70,311.2	260.9	676.4
Inferred	70,105	0.425	0.226	0.310	0.869	349.8	0.7	2.0
Pond								
Measured+Indicated	3,449,455	0.673	0.476	0.287	5.423	36,200.8	31.8	601.4
<i>including MHV > \$40.00/Tonne</i>	583,248	1.573	1.144	0.622	13.903	14,707.1	11.7	260.7
Total Resource								
Measured+Indicated	167,670,501	0.506	0.317	0.293		1,171,264.5	1,580.5	n/a
<i>including MHV > \$40.00/Tonne</i>	4,163,813	1.686	1.315	.562	9.921	120,728.0	75.2	1328.2
<i>including MHV > \$80.00/Tonne</i>	518,160	3.716	2.830	1.433	16.588	32,329.6	23.9	276.3
Inferred	3,660,224	0.416	0.302	0.168		24,407.3	19.7	n/a

n/a silver assay values not significant in this zone

* Proven and Probable Reserves are not included in these resource values

The ore reserves and resources were calculated and verified by Art Frye, Mine Operations Manager, Mount Polley Mining Corporation, and Greg Gillstrom, P. Eng., Geological Engineer, Imperial Metals Corporation, the designated Qualified Person as defined by National Instrument 43-101. Mr. Gillstrom and Mr. Frye have reviewed the contents of this release.

Exploration Update

Drilling was initiated in late January and has been ongoing at Junction, Springer, WX, Boundary, Pond and Southeast zones with focus on exploration and definition of near pit resources. Exploration drilling also took the first major step to test high priority anomalies from the 2009 Titan geophysical survey. Drilling on the Titan anomalies provided confidence that major geologic features can be identified using the technique and has led to development of additional exploration targets, including a potential faulted offset of the Pond zone at the Ace zone.

Pond zone drilling targeted skarn hosted mineralization below the Pond pit which was initiated in the fall of 2009. Highlights of the drilling include drill hole PZ10-55 which returned 90.0 metres grading 1.23% copper and 0.60 g/t gold and included a higher grade 15.5 metre section grading 3.73% copper and 2.09 g/t gold. Drill hole PZ10-58 returned 13.3 metres grading 1.93% copper and 0.39 g/t gold at 147.5 metres, and PZ10-52 returned 12.2 metres grading 4.25% copper and 1.26 g/t gold including 5.7 metres of 8.34% copper and 2.22 g/t gold. The Pond zone appears to be structurally terminated at the south end but work is now underway to predict the offset location of a potential continuation of that zone. The 2009 geophysical survey is playing a key role in that predictive targeting and thus far has proven to be an effective technique to reveal major geologic breaks which had not been previously well defined.

Pond	Total	Interval	Interval	Interval			
Drill Hole #	Length (m)	from (m)	to (m)	Length (m)	Copper %	Gold g/t	Silver g/t
PZ10-52	384.3	283.9	296.1	12.2	4.25	1.26	34.37
<i>including</i>		290.3	296.1	5.7	8.34	2.22	65.1
PZ10-55	326.4	147.5	237.5	90.0	1.23	0.60	13.9
<i>including</i>		213.9	229.4	15.5	3.73	2.09	44.9
PZ10-58	325.2	147.5	160.8	13.3	1.93	0.39	29.1

New drilling at the Boundary zone includes two holes drilled from surface to follow up on the 2009 success, including ND10-102 which intersected 111.4 metres grading 0.97% copper and 0.70 g/t gold, including 10.3 metres of 1.51% copper and 1.64 g/t gold and 31.4 metres grading 2.33% copper and 1.46 g/t gold. Also a near horizontal hole was collared at the north end of the Wight pit, to provide geotechnical information for the planned 500 metre decline ramp. Drilling in this area will include underground drilling from the decline when it is complete, and surface drilling on the west side of Boundary zone.

Boundary	Total	Interval	Interval	Interval		
Drill Hole #	Length (m)	from (m)	to (m)	Length (m)	Copper %	Gold g/t
ND10-102	395.3	210.0	321.4	111.4	0.97	0.70
<i>including</i>		210.0	220.4	10.3	1.51	1.64
<i>including</i>		290.0	321.4	31.4	2.33	1.46

Junction zone is currently a high priority target at Mount Polley due to its proximity to the Springer pit. Drill hole JZ10-46 was collared 240 metres north of the planned northern rim of the Springer pit and intersected 109.1 metres of 0.19% copper and 0.28 g/t gold, including 40.1 metres grading 0.25% copper and 0.51 g/t gold, both intervals starting at 139.9 metres depth. These intercepts are particularly intriguing in that the gold to copper ratio is high relative to values normally observed at Springer. This zone discovered in 2009 now has a 16.9 million tonne measured and indicated resource and will be an area of focus for exploration in 2010.

Junction	Total	Interval	Interval	Interval		
Drill Hole #	Length (m)	from (m)	to (m)	Length (m)	Copper %	Gold g/t
JZ10-46	249.0	139.9	249.0	109.1	0.19	0.28
<i>including</i>		139.9	180.0	40.1	0.25	0.51
JZ10-47	394.4	365.0	392.5	27.5	0.33	0.13

The WX zone, like the Junction, is also a high priority target due to proximity to the Springer pit. Located directly south of Springer, the WX has returned intercepts of relative good grades, and a notable high gold to copper ratio. Drill hole WX10-03 includes 160.0 metres grading 0.24% copper and 0.37 g/t gold, including 14.2 metres grading 0.52% copper and 1.25 g/t gold. Near depth at 345.0 metres drilling returned 7.5 metres grading 0.33% copper and 1.86 g/t gold.

WX Drill Hole #	Total Length (m)	Interval from (m)	Interval to (m)	Interval Length (m)	Copper %	Gold g/t
WX10-03	380.1	50.0	210.0	160.0	0.24	0.37
<i>including</i>		158.3	172.5	14.2	0.52	1.25
<i>and</i>		345.0	352.5	7.5	0.33	1.86

Exploration drilling is expected to continue with two drill rigs for the rest of the 2010 exploration season. Imperial will continue to conduct mapping, trenching and other supportive exploration techniques to aid in the generation of new drill targets. A drill plan map is available on the Company's website.

Steve Robertson, P.Geo. is the designated Qualified Person as defined by National Instrument 43-101 for the exploration programs. Samples for the diamond drilling reported at Mount Polley were analyzed at the Mount Polley mine laboratory and Acme Analytical Laboratories in Vancouver. A full QA/QC program using blanks, standards and duplicates was maintained for all 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.

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