

NEWS RELEASE

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Imperial Reports Production Statistics and Updated Mount Polley Reserve/Resource

Vancouver (January 23, 2006) - **Imperial Metals Corporation (III-TSX)** announced today its 2005 production and 2006 production forecast for its two operating mines. The Mount Polley (100% interest) open pit copper/gold mine and the Huckleberry (50% interest) open pit copper/molybdenum mine, both located in British Columbia.

Imperial's equity share of 2005 production was 67 million pounds copper, 35,000 ounces gold, 367,000 ounces silver and 270,000 pounds molybdenum. The Company's equity share of production planned for 2006 is 109 million pounds copper, 53,000 ounces gold, 685,000 ounces silver and 331,000 pounds molybdenum.

Mount Polley

The Mount Polley mine recommenced operations on March 8, 2005. Production statistics for the fourth quarter and the year ended December 31 are provided below.

<i>2005 Mount Polley Mine Production (unaudited)</i>	Three Months Ended December 31, 2005	Year Ended December 31, 2005
Ore milled (tonnes)	1,477,020	4,814,083
Ore milled per calendar day (tonnes)	16,055	16,209
Grade % - Copper	0.449	0.391
Grade g/t - Gold	0.256	0.295
Recovery % - Copper	82.6	73.1
Recovery % - Gold	69.2	67.1
Copper produced (lbs)	12,076,569	30,328,771
Gold produced (oz)	8,399	30,635
Silver produced (oz)	97,411	234,355

Planned production for 2006 is 70 million pounds copper, 48,000 ounces gold and 483,000 ounces silver.

Current Reserves and Resources

The reserve and resource estimate for Mount Polley, previously reported February 21, 2005, has been updated to January 1, 2006. The current estimate incorporates the Southeast Zone and reflects ten months of mine production. The Southeast Zone has been permitted for mining and is included in the long term mine plan.

Reserves:

Total proven and probable reserves in the Wight, Bell, Springer and Southeast open pits are 40.9 million tonnes, grading 0.448% copper and 0.318 g/t gold, which contain 405 million pounds of copper and 419 thousand ounces of gold.

Resources:

Measured and indicated resources (which are additional to proven and probable reserves) increased to 79.2 million tonnes, from 68.5 million tonnes in 2005, grading 0.35% copper and 0.28 g/t gold (a copper equivalent grade of 0.58%) containing 615 million pounds of copper and 732 thousand ounces of gold. Inferred resources of 27 million tonnes, primarily contained in the Springer deposit, grade 0.30% copper and 0.29 g/t gold (a copper equivalent grade of 0.53%) containing 179 million pounds of copper and 254 thousand ounces of gold.

The ore reserves and resources were calculated and verified by Greg Gillstrom, P. Eng., Geological Engineer, a Qualified Person as defined by National Instrument 43-101. Technical assistance was provided by Art Frye, Manager of Project Development, Imperial Metals Corporation. The complete updated reserve and resource table is available as an attachment to this news release and can be viewed on the Company's website.

Exploration Update

Mining activities on upper benches at the Bell pit have encountered more mineralization than predicated by the block model. Diamond drilling is now underway in the south and east portions of the Bell pit to check the extent of the additional mineralization.

The diamond drill will then move to the Tall Fir Zone, discovered by reconnaissance percussion drilling conducted in 2005. The Tall Fir Zone shows potential to host a sizeable body of gold/copper mineralization. Other zones to be tested will include the Wagon Wheel, Ace, Pond, Southeast, Area 9, North Slope, 71, Skid, Boundary, Knob East, Junction and the Wayne Zone. The Wayne Zone was discovered by percussion drilling in December 2005 when anomalous copper was encountered in the four holes drilled in that zone. One hole intercepted 13.7 metres grading 0.42% copper and 0.08 g/t gold starting at a depth of 0.9 metres.

Previously unreported assay results from the Southeast, 92 and Pond zones have been included on an updated to the table of assay results, which is available on the Company's website. Included are the following significant intervals:

- Pond Zone diamond drill hole PZ05-04 intersected 58.2 metres grading 0.38% copper, 0.32 g/t gold and 4.70 g/t silver; and
- Southeast Zone diamond drill hole SE05-49 intercepted 100.4 metres grading 0.42% copper and 0.80 g/t gold starting at a depth of 176.6 metres.

The last phase of 2005 exploration indicated that both the Pond and Southeast zones warrant additional drilling, and that the drilling has significantly increased the size of the Southeast Zone. The current estimate for the Southeast Zone of 2.1 million tonnes of reserves grading 0.273% copper and 0.514 g/t gold, and the 14.2 million tonnes of resources grading 0.247% copper and 0.462 g/t gold, is a significant increase over the February 2005 measured and indicated resource estimate which was 3.5 million tonnes grading 0.215% copper and 0.377 g/t gold.

Huckleberry

Production statistics for the year ended December 31 are provided below.

<i>2005 Huckleberry Mine Production (100% - Imperial owns 50%)</i>		
<i>(unaudited)</i>		
	Year Ended	Year Ended
	2005	2004
Ore milled (tonnes)	6,951,000	6,867,153
Ore milled per calendar day (tonnes)	19,044	18,763
Ore milled per operating day (tonnes)	20,790	20,543
Grade (%) – Copper	0.552	0.454
Grade (%) – Molybdenum	0.014	0.014
Recovery (%) – Copper	87.40	85.87
Recovery (%) – Molybdenum	24.80	20.41
Copper produced (lbs)	73,897,000	62,924,920
Molybdenum produced (lbs)	539,949	426,658

2006 Huckleberry Mine Production Forecast

Planned production for 2006 is 78 million pounds copper, 11,000 ounces gold, 403,000 ounces silver and 662,000 pounds molybdenum. The current mine plan calls for operations to continue until the third quarter of 2007.

Imperial's audited financial results for the year ended December 31, 2005 are scheduled for release on March 30, 2006.

Imperial Metals Corporation is a Canadian mine development and operating company headquartered in Vancouver, British Columbia.

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Table Attachment to News Release dated January 23, 2006

Mount Polley Proven and Probable Reserves – January 1, 2006 Update

<i>Zone/Pit</i>	<i>Tonnes Ore</i>	<i>Copper %</i>	<i>**Copper (lbs)</i>	<i>Gold g/t</i>	<i>**Gold (oz)</i>	<i>Silver* (oz)</i>
Wight	7,935,000	0.871	152,323,086	0.282	72,040	1,621,772
Bell	6,675,500	0.297	43,768,815	0.316	67,773	n/s
Springer	24,266,000	0.367	196,270,751	0.313	244,458	n/s
Southeast	2,100,402	0.273	12,641,391	0.514	34,710	81,238
Total	40,976,902	0.448	405,004,043	0.318	418,980	1,703,010

* Silver Reserve, contained metal, only significant in the Wight and Southeast pits

** Reserves, contained metal

Outside the designed pits, resources for the various mineralized zones at Mount Polley have been estimated and are shown on the table below.

Resource By Zone Excluding Pit Reserves - January 1, 2006 Update

Zone	Tonnes	Copper Equivalent	Copper %	Gold g/t	Silver g/t
Northeast					
Measured	14,297,702	0.779	0.609	0.190	4.384
Indicated	1,387,308	0.830	0.636	0.221	4.616
Inferred	1,835,195	0.773	0.600	0.197	4.160
Bell					
Measured	9,562,373	0.420	0.233	0.238	n/s*
Indicated	976,160	0.376	0.227	0.190	n/s*
Inferred	828,312	0.372	0.236	0.174	n/s*
Springer					
Measured	20,033,640	0.554	0.342	0.270	n/s*
Indicated	12,865,244	0.531	0.318	0.272	n/s*
Inferred	23,055,896	0.519	0.282	0.302	n/s*
C2					
Measured/Indicated	5,891,159	0.475	0.236	0.304	n/s*
Inferred	1,448,995	0.450	0.223	0.288	n/s*
Southeast					
Measured/Indicated	14,229,738	0.622	0.247	0.462	1.338
Total Resource					
Measured/Indicated	79,243,324	0.584	0.352	0.287	n/s*
Inferred	27,168,398	0.528	0.299	0.290	n/s*

n/s* silver values are only economically significant in the Northeast Zone

Table Attachment to News Release dated January 23, 2006

The parameters used in this update are the same as those used in the Mount Polley Feasibility Study, dated August 1, 2004. Some of the key parameters used in the calculation of the resource estimate are shown on the following two tables.

Resource Classification			
	Minimum # of Drill Holes Used for Estimate	Minimum # of Composites	Max Distance to Nearest Composite
Inferred	1	3	60m
Indicated	2	3	50m
Measured	3	5	25m

Copper Equivalent Calculation by Zone	
Resource Values Based on 0.3 Copper Equivalent Cut-Off	
Northeast Zone	EqCu = Copper + Gold / 1.44 + Silver / 116
Bell Zone	EqCu = Copper + Gold / 1.27
Springer Zone	EqCu = Copper + Gold / 1.27
C2 Zone	EqCu = Copper + Gold / 1.27
Southeast Zone	EqCu = Copper + Gold / 1.27 + Silver / 116

The economic mineral reserves and resources at Mount Polley mine were calculated as follows:

- A 3D block model was constructed using Minesight Mining Software.
- The property was zoned based on geological zones, the blocks and drill holes were then coded to reflect the zones.
- The Drill holes were composited to 5 metre down the hole composites.
- Mineralized zones were identified within the geological zones, by kriging an indicator to identify the blocks that have a high probability of having greater than a 0.15 copper grade.
- The drill hole composites were then coded to match the indicator codes in the block model.
- Outlier grades were capped using standard statistical methods.
- SAGE 2001 software was used to generate variograms for Cu, Au, Ag and Fe in each zone.
- Grades were kriged into the block model, using zone and indicator matching.
- An oxide ratio number for each block was interpolated using an ID3 method, with zone and indicator matching. The oxide ratio number is used in the mill recovery formula.
- The mill recoverable grades were calculated using formulas based on historic recoveries as well as on and off site metallurgical test work.
- A dollar value was calculated for each block based on a copper price (US\$1.50/lb), gold price (US\$450.00/oz), silver price (US\$7.00/oz.), US/Can Exchange Rate (\$0.869), along with mining, shipping and smelting costs.
- Lerchs-Grossman pit optimization software was used to identify economic pit shell based on the above economic parameters.
- Pit designs were created using the economic pit shells and recommended design parameters from Golder Geotechnical Consultants of Vancouver.
- Resource values were identified by summing all block that fall outside of the economic pit and having a block grade greater than 0.30 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 the following three items; minimum number of drill holes used in the estimate, minimum number of composites, and the maximum distance to the nearest composite.

The ore reserves and resources were calculated and verified by Greg Gillstrom, P. Eng., Geological Engineer, a Qualified Person as defined by National Instrument 43-101. Technical assistance was provided by Art Frye, Manager of Project Development, Imperial Metals Corporation.