
Imperial Extends Credit Facilities and Refinances US\$98.455 Million of its Senior Unsecured Notes

Vancouver | **March 14, 2019** | **Imperial Metals Corporation** (the "Company") (TSX:III) announces that it has obtained extensions regarding the maturity date of a number of its credit facilities as follows:

- The Senior Credit Facility maturity date has been extended from March 15, 2019 to September 5, 2019.
- The Second Lien Credit Facility maturity date has been extended from March 15, 2019 to September 9, 2019.
- The Bridge Loan maturity date has been extended from March 15, 2019 to September 11, 2019.
- The Junior Credit Facility maturity date has been extended from March 15, 2019 to September 12, 2019.

The Company also announces that it has agreed to refinance US\$98,445,000 of its 7% US\$325 million Senior Unsecured Notes due March 15, 2019 (the "Senior Notes"). The Company has requested that Edco Capital Corporation ("Edco"), and Edco has agreed, to subscribe for US\$98,445,000 of additional Senior Notes (principal amount of US\$1,000 each) on the same terms and conditions as the existing Senior Notes. Such funding will enable the Company to repay an equal dollar amount of the principal of the Senior Notes that are payable in full Friday March 15, 2019, being US\$98,445,000. The remaining existing holders of Senior Notes in the principal amount of US\$226,555,000 have agreed, as has Edco in respect to the additional Senior Notes, to extend the maturity date of the Senior Notes until September 15, 2019. The refinancing and extension of the maturity date of the Senior Notes, as described, is a requirement to achieve the loan extensions set out above.

As Edco is a related party of the Company, the issue of additional Senior Notes to Edco is a related party transaction. Accordingly, the transaction was considered and unanimously approved by the directors of the Company who are independent of Edco and its affiliates and who do not own any of the Senior Notes (the "Independent Directors"), and by the full Board of Directors of the Company after considering both legal and financial advice from external advisors.

The Independent Directors and the full Board of Directors both unanimously concluded that the Company could utilize existing exemptions from formal valuation requirements and minority vote requirements of applicable related party transaction securities rules on the basis of the serious financial difficulty facing the Company in the interim period pending completion of the previously announced transaction with Newcrest Mining Limited ("Newcrest"). The Newcrest asset purchase and joint venture transaction, which is subject to a number of closing conditions, when completed will permit the Company to repay the Senior Notes as well as the other above mentioned credit facilities in full. The Independent Directors and the full Board of Directors also unanimously concluded that the Company could also rely on another exemption from the minority vote requirement as the additional Senior Notes represent non convertible indebtedness being issued to Edco on commercially reasonable terms that are not less advantageous to the Company than arms length third party terms.

About Imperial

Imperial is a Vancouver based exploration, mine development and operating company. The Company, through its subsidiaries, owns the Red Chris, Mount Polley and Huckleberry copper mines in British Columbia. Imperial also holds a 50% interest in the Ruddock Creek lead/zinc property. Imperial recently announced an agreement with Newcrest to sell a 70% interest in Red Chris to Newcrest for US\$806.5 million, while retaining a 30% interest in the mine. The Company and Newcrest will form a joint venture for the operation of the Red Chris mine going forward, with Newcrest acting as the operator.

Company Contacts

Brian Kynoch | President | 604.669.8959

Andre Deepwell | Chief Financial Officer | 604.488.2666

Sabine Goetz | Shareholder Communications | 604.488.2657 | investor@imperialmetals.com

Forward-Looking Information and Risks Notice

Forward-looking statements relate to future events or future performance and reflect Company management's expectations or beliefs regarding future events and include, but are not limited to, statements regarding extensions of the maturity dates obtained for the Senior Credit Facility, the Second Lien Credit Facility, the Bridge Loan, the Senior Notes and the Junior Credit Facility the completion of the joint venture transaction with Newcrest, the completion of the issue of additional Senior Notes to Edco and various contemplated repayments of the Senior Notes and other credit facilities. By their very

nature forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Such factors include, among others, risk factors detailed from time to time in the Company's interim and annual financial statements and management's discussion and analysis of those statements, all of which are filed and available for review on **sedar.com**. Although the Company has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurance that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward looking statements.