

NEWS RELEASE

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Imperial Reports 2010 Third Quarter Financial Results

Vancouver, BC – **November 15, 2010** – **Imperial Metals Corporation (TSX:III)** reports comparative financial results for the three and nine months ended September 30, 2010 and September 30, 2009 as summarized below and discussed in detail in the Management's Discussion and Analysis.

| | Three Months Ended Sept 30 | | Nine Months Ended Sept 30 | |
|--|----------------------------|----------|---------------------------|-----------|
| | 2010 | 2009 | 2010 | 2009 |
| <i>(unaudited) in thousands except per share amounts</i> | | | | |
| Revenues | \$68,692 | \$53,788 | \$191,591 | \$137,583 |
| Operating Income | \$22,011 | \$17,609 | \$29,322 | \$21,058 |
| Net Income (Loss) | \$7,051 | \$4,544 | \$17,518 | \$(9,356) |
| Net Income (Loss) Per Share | \$0.19 | \$0.14 | \$0.49 | \$(0.29) |
| Adjusted Net Income ⁽¹⁾ | \$12,880 | \$9,812 | \$20,907 | \$23,668 |
| Adjusted Net Income Per Share ⁽¹⁾ | \$0.35 | \$0.31 | \$0.58 | \$0.74 |
| Cash Flow ⁽¹⁾ | \$25,885 | \$15,856 | \$43,915 | \$36,027 |
| Cash Flow Per Share ⁽¹⁾ | \$0.71 | \$0.49 | \$1.22 | \$1.12 |

Revenues were \$68.7 million in the September 2010 quarter compared to \$53.8 million in the 2009 quarter. There were two concentrate shipments from each of Mount Polley and Huckleberry in the 2010 and 2009 quarters. The copper price increased during the September 2010 quarter resulting in a positive revenue adjustment of \$8.8 million, while increasing prices during the 2009 quarter resulted in a positive adjustment of \$5.8 million.

Operating income for the three months ended September 2010 increased to \$22.0 million from \$17.6 million in the September 2009 quarter due to improved operating margins resulting from higher copper prices.

The Company recorded net income of \$7.1 million in the September 2010 quarter compared to net income of \$4.5 million in the 2009 quarter. Adjusted net income in the quarter was \$12.9 million or \$0.35 per share, versus \$9.8 million or \$0.31 per share in the September 2009 quarter. Adjusted net income is calculated by removing the unrealized gains and losses, net of related income taxes, resulting from mark to market revaluation of copper and foreign exchange hedging and removing the unrealized share based compensation expense, net of taxes. While not a term recognized under generally accepted accounting principles management believes that its calculation of adjusted net income is a better reflection of operating performance in the quarter.

Losses on derivative instruments were \$10.9 million in the September 2010 quarter compared to losses of \$10.6 million in the September 2009 quarter. Unrealized losses on copper and currency derivatives of \$8.2 million in the September 2010 quarter compared to unrealized losses of \$12.1 million in the September 2009 quarter. The Company realized losses of \$2.7 million on copper and currency derivatives in the September 2010 quarter compared to gains of \$1.4 million in the 2009 quarter.

⁽¹⁾ Adjusted Net Income, Adjusted Net Income Per Share, Cash Flow and Cash Flow Per Share are measures used by the Company to evaluate its performance; however, they are not terms recognized under generally accepted accounting principles. Adjusted Net Income is defined as net income adjusted for certain items of a non-operational nature that pertain to future quarters as described in further detail in the Management's Discussion and Analysis under the heading Adjusted Net Income. Cash Flow is defined as cash flow from operations before net change in working capital balances. Adjusted Net Income and Cash Flow Per Share are the same measures divided by the weighted average number of common shares outstanding during the quarter.

The Company believes these measures are useful to investors because they are included in the measures that are used by management in assessing the financial performance of the Company.

Cash flow increased to \$25.9 million in the September 2010 quarter compared to \$15.9 million in the 2009 quarter. The \$10.0 million increase is primarily the result of increased operating margins at the Mount Polley and Huckleberry mines.

Capital expenditures increased to \$13.9 million from \$7.3 million in the comparative 2009 quarter. Expenditures in the September 2010 quarter were primarily financed from cash flow from the Mount Polley and Huckleberry mines.

At September 30, 2010 the Company had \$35.7 million in cash and cash equivalents and short term investments.

During the September 2010 quarter the Company did not purchase any common shares for cancellation.

Mount Polley Mine

| Production <i>(unaudited)</i> | Nine Months Ended Sept 30 | |
|--------------------------------------|---------------------------|------------|
| | 2010 | 2009 |
| Ore milled (tonnes) | 5,943,967 | 5,217,744 |
| Ore milled per calendar day (tonnes) | 21,773 | 19,113 |
| Grade % - Copper | 0.324 | 0.389 |
| Grade g/t - Gold | 0.287 | 0.319 |
| Recovery % – Copper | 62.97 | 58.66 |
| Recovery % – Gold | 66.67 | 67.63 |
| Copper produced (lbs) | 26,701,243 | 26,262,166 |
| Gold produced (oz) | 36,571 | 36,196 |
| Silver produced (oz) | 142,182 | 173,534 |

Mill throughput averaged 22,563 tonnes per day during the third quarter. With almost 6 million tonnes milled to the end of the third quarter, a record annual mill throughput is likely to be achieved in 2010. Copper and gold production for the 2010 nine month period are both up slightly from the same period in 2009.

A plant is being installed in the Mount Polley concentrator, which is designed to recover fine magnetite from the tailings stream, which can be sold as dense media for use in coal wash plants. This new addition to the plant is expected to be completed during the 2010 fourth quarter.

In the third quarter period, Mount Polley exploration focused on expanding the WX zone and included drilling of 24 surface diamond drill holes totaling 12,955 metres. The underground ramp, which will provide access to more fully explore and to test mine higher grade mineralization in the Boundary zone, had advanced 224.5 metres by the end of September.

Exploration expenditures at Mount Polley were \$2.9 million in the September 2010 quarter compared to \$1.4 million in the September 2009 quarter.

The wholly owned Mount Polley open pit copper/gold mine is located 56 kilometres northeast of Williams Lake, British Columbia.

Huckleberry Mine

| Production (100% - Imperial owns 50%) (unaudited) | Nine Months Ended Sept 30 | |
|--|---------------------------|------------|
| | 2010 | 2009 |
| Ore milled (tonnes) | 4,156,900 | 4,498,800 |
| Ore milled per calendar day (tonnes) | 15,227 | 16,479 |
| Grade (%) – Copper | 0.378 | 0.374 |
| Grade (%) – Molybdenum | 0.007 | 0.006 |
| Recovery (%) – Copper | 91.30 | 90.60 |
| Copper produced (lbs) | 31,664,000 | 33,607,000 |
| Gold produced (oz) | 2,279 | 2,583 |
| Silver produced (oz) | 148,206 | 197,541 |
| Molybdenum produced (lbs) | 68,226 | 14,467 |

Copper production for the 2010 nine month period was 31.7 million pounds compared to 33.6 million pounds in the same period in 2009. Huckleberry's production was impacted during the quarter by wildfires. Mine and mill operations were temporarily suspended for seven days beginning on August 16 as a precautionary measure due to wildfires burning approximately 50 kilometres from the plant site.

Huckleberry's exploration plans for 2010 included the drilling of 21 diamond drill holes totaling about 4,400 metres. To date 18 holes have been completed. The remaining holes are expected to be completed by the end of November. The holes have been designed to test the Main zone perimeter and depth extent. The results will be added to the data base and then used to investigate potential Main zone pit expansions.

Imperial owns 50% of the Huckleberry open pit copper/molybdenum mine located 123 kilometres southwest of Houston, British Columbia.

Red Chris

Exploration and development expenditures at the Red Chris copper/gold property were \$5.4 million in the September 2010 quarter compared to \$2.1 million in the September 2009 quarter.

Five deep capacity diamond drill rigs were in operation during the quarter. The 2010 exploration program focused on drilling the Red Chris mineralized system to at least 1,000 metres below surface in the area of the proposed open pit. In the 2010 program, a total of 95 drill holes totaling 43,523 metres, including 31 exploration, 23 condemnation holes and 41 geotechnical holes at the proposed open pit, tailings impoundment and plant site areas have been completed to September 30, 2010. Positive assay results were received, in particular from drill hole RC10-393, which included 317.5 metres grading 1.08% copper, 1.46 g/t gold and 4.28 g/t silver within a 1,112.5 metre mineralized section grading 0.54% copper, 0.61 g/t gold and 1.96 g/t silver. This is one of the longest mineralized intercepts obtained to date at Red Chris. RC10-388, one of the first holes in the deep Main zone since 2007, tested the western edge of the known Main zone and intersected five intervals of copper/gold mineralization including 380.0 metres grading 0.34% copper and 0.50 g/t gold. Two holes were collared near the western rim of the proposed open pit and add a significant dimension to the known extent of Main zone mineralization. RC10-392 returned 232.5 metres grading 0.39% copper and 0.48 g/t gold and RC10-388 returned 1,047.3 metres grading 0.22% copper and 0.34 g/t gold.

Mines Act permitting through the Northwest Mine Development Review Committee is underway. Phase one of the geotechnical and condemnation drilling in the tailings impoundment areas was completed in the September 2010 quarter.

The Red Chris property in northwest British Columbia is 80 kilometres south of Dease Lake and 18 kilometres southeast of the village of Iskut.

Sterling

At the Sterling property, gold grades from face and wall sampling of the 3220 level exceeded expectations and averaged 0.12 ounces per ton gold over 368.5 feet. During the quarter, 381 feet of underground drifting along the 3220 level was completed. The underground development continues and information obtained will be used to confirm mining methods, expected recoveries and minable reserves.

The Sterling property is located 115 miles northwest of Las Vegas, Nevada.

Catface

The 2010 diamond drill program at the Catface copper/molybdenum property was completed in late September. A total of 3,548 metres was drilled in 13 holes to test the Cliff and Irishman Creek zones. Results from the first hole, CF-10-56, confirmed the north south continuity of the Cliff zone intercepting 755 metres grading 0.46% copper and 0.006% molybdenum, including a higher grade section of 275.5 metres grading 0.60% copper and 0.014% molybdenum. Results from the remaining holes which tested the Irishman Creek zone and the southern extent of the Cliff zone are pending.

The Catface property is located on Catface Peninsula on the west coast of Vancouver Island, west of Port Alberni, British Columbia.

Ruddock Creek

Exploration at the Ruddock Creek zinc/lead property restarted in early July and included surface diamond drilling testing the Creek zone and the installation and operation of a pumping system to dewater the E zone decline. The Creek zone drilling finished in mid-October with 18 holes totaling 3583.6 metres completed. Assay results are pending. The E zone decline is now dewatered. It will be extended an additional 400 metres. This additional development will provide access for underground diamond drilling to explore the E zone to depth. The current program commenced following the signing of a Memorandum of Understanding with Itochu Corporation and Mitsui Mining and Smelting Co. Ltd., whereby Itochu/Mitsui may earn up to a 50% interest in Ruddock Creek by providing \$20.0 million in exploration and development funding by March 31, 2013.

Ruddock Creek is located in the Scrip Range of the Monashee Mountains in southeast British Columbia, approximately 155 kilometres northeast of Kamloops.

Outlook

Strong copper and gold prices have allowed the Company to fund extensive exploration programs from operating cash flow. Exploration at Red Chris is on target to achieve 50,000 metres of core drilling this year, and underground development work is underway at the Mount Polley, Sterling and Ruddock Creek properties.

Throughput at Mount Polley continues to be excellent, and a newly installed magnetite recovery circuit is in the final stage of commissioning. This circuit will enable Mount Polley to produce dense media for coal wash plants.

Detailed financial information is provided in the Management's Discussion and Analysis in the Third Quarter Report available on the Company's website and on SEDAR [www.sedar.com].

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