

NEWS RELEASE

Imperial Metals Corporation
 580 Hornby Street, Suite 200
 Vancouver, B.C.
 Canada V6C 3B6
 Tel: 604.669.8959
 Fax: 604.687.4030
www.imperialmetals.com

MOUNT POLLEY EXPLORATION EXPANDS SPRINGER ZONE

Vancouver – **August 21, 2012 - Imperial Metals Corporation (III-TSX)** reports the latest results from 2012 Mount Polley exploration which confirm that copper/gold mineralization extends to depth below the bottom of the Phase 5 Springer pit. The drill program was focused below the north and central areas of the Springer pit. Some holes intersected long intervals of continuous mineralization. Hole SD12-132, a vertical hole from the bottom of the Springer pit, intercepted 432.5 metres grading 0.29% copper and 0.25 g/t gold starting at 22.5 metres below the current pit elevation. Springer zone exploration diamond drilling in 2012 has totalled 16,381 metres to the end of hole SD12-142.

This current drilling confirms the copper/gold mineralization identified by historic drilling below the south end of the Springer Phase 5 pit extends to the north. The drill program revealed long intercepts of copper/gold mineralization which expand the known mineralization to depths in excess of 500 metres below the Springer Phase 5 pit design in the north end. All drill holes reported in this area intersected one or more significant intervals of Springer style copper/gold mineralization. The deep mineralization is strongly dominated by sulphide minerals with an average ratio of 12.68% oxide copper to total copper in the reported intervals.

Most drilling was from the bottom of the Springer pit, however four drill holes (SD12-129, SD12-135, SD12-138 and SD12-140) were drilled from west of the pit and were designed to cut across beneath the planned Phase 5 Springer pit. Hole SD12-117 (ref: NR May 29/12) drilled at this orientation intersected 312.2 metres grading 0.30% copper and 0.31 g/t gold, including 70 metres grading 0.78% copper and 0.81 g/t gold. Current hole SD12-129 was collared 200 metres to the north at the same azimuth (90°) and dip (-50°) and encountered a similar zone of 400 metres grading 0.29% copper and 0.27 g/t gold, including a higher grade 87.5 metre zone of 0.40% copper and 0.45 g/t gold.

Intercepts from the Springer zone⁽¹⁾:

Springer Drill Hole #	Total Length (m)	Interval from (m)	Interval to (m)	Interval Length (m)	Copper %	Gold g/t
SD12-129	831.2	302.5	702.5	400.0	0.29	0.27
including		420.0	507.5	87.5	0.40	0.45
SD12-130	762.6	137.8	215.0	77.2	0.22	0.34
SD12-131	741.3	35.0	217.5	182.5	0.39	0.40
and		387.9	635.0	247.1	0.29	0.31
SD12-132	587.4	22.5	455.0	432.5	0.29	0.25
SD12-133	599.2	6.1	57.5	51.4	0.42	0.60
and		95.0	129.9	34.9	0.40	0.56
SD12-134	372.5	100.0	110.0	10.0	0.38	0.32
SD12-135	544.4	85.0	175.0	90.0	0.26	0.19
and		290.0	535.0	245.0	0.21	0.17
SD12-136	406.0	15.0	97.5	82.5	0.33	0.28
and		262.3	302.5	40.2	0.26	0.43
SD12-137	500.5	42.5	292.5	250.0	0.23	0.22
including		42.5	190.0	147.5	0.26	0.28
SD12-138	655.9	335.0	510.0	175.0	0.26	0.25
SD12-139	592.8	6.1	312.5	306.4	0.25	0.27
and		367.5	460.0	92.5	0.21	0.29
SD12-140	592.8	422.5	445.0	22.5	0.27	0.26
and		522.5	540.0	17.5	0.27	0.24
and		572.5	592.8	20.3	0.32	0.23
SD12-141	783.9	6.1	87.5	81.4	0.23	0.23
and		105.0	322.5	217.5	0.28	0.34
and		437.5	705.0	267.5	0.27	0.27
SD12-142		355.0	492.3	137.3	0.25	0.24

The successful drilling below the Springer pit indicates high potential to extend known mineralization at depth below the adjacent Cariboo pit. The recently announced mine plan (ref: NR May 29/12), which will extend the mine life to 2023, includes mining laterally and at depth below the existing Cariboo pit in order to access deeper parts of Springer zone. Diamond drills are currently testing underexplored areas adjacent to the planned Cariboo pit.

The T zone, a new zone of mineralization was discovered approximately 500 metres to the north of the Springer pit. Drilling was undertaken in the area based on a geologic model that predicted a similar geologic environment to the area hosting mineralization at the now mined out Bell pit, as well as north Springer. Three holes were drilled in the T zone and all intersected short zones of copper/gold mineralization with similar grades to those seen in the Springer drilling. More work is needed to fully understand the T zone mineralization genesis, but hitting these intercepts in the first three holes is seen by the exploration group as an encouraging sign. A limited amount of trenching and pitting has also been completed, and a mapping crew has examined the zone and is compiling data for further analysis.

Intercepts from the T zone⁽¹⁾:

T zone	Total	Interval	Interval	Interval		
Drill Hole #	Length (m)	from (m)	to (m)	Length (m)	Copper %	Gold g/t
TZ12-01	786.1	220.0	235.0	15.0	0.25	0.05
and		260.0	280.0	20.0	0.25	0.09
and		587.5	605.0	17.5	0.16	0.19
and		677.5	747.5	70.0	0.23	0.29
TZ12-02	483.7	157.5	180.0	22.5	0.17	0.23
TZ12-03	555.4	362.5	380.0	17.5	0.14	0.15
and		470.0	555.4	85.4	0.16	0.18
including		510.0	520.0	10.0	0.33	0.34

Steve Robertson, P.Geo., the designated Qualified Person as defined by National Instrument 43-101 for the exploration programs, has reviewed this news release. Mount Polley samples for the diamond drilling reported were analyzed at the Mount Polley mine laboratory and at Acme Analytical Laboratories in Vancouver. A full QA/QC program using blanks, standards and duplicates was maintained for all diamond drilling samples submitted to the labs. The porphyry and breccia related mineralized areas at Mount Polley are irregular in shape and true thicknesses have not been estimated.

Imperial is an exploration, mine development and operating company based in Vancouver, British Columbia. The Company operates the Mount Polley open pit copper/gold mine and has 50% interest in the Huckleberry open pit copper/molybdenum mine. Imperial is developing its wholly owned Red Chris copper/gold property and the Ruddock Creek lead/zinc property (65% joint venture) and is operator of its wholly owned Sterling gold heap leach property. All the Company's properties are located in British Columbia with the exception of Sterling which is in Nevada, USA.

Documents available on www.imperialmetals.com: ⁽¹⁾ Springer pit drill plan; ⁽²⁾ Springer pit vertical section

Contacts: Brian Kynoch, President 604.669.8959; Gordon Keevil, Vice President Corporate Development 604.488.2677; Sabine Goetz, Investor Relations 604.488.2657 // www.imperialmetals.com // info@imperialmetals.com

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