
Imperial Reports Second Quarter Production and Red Chris Construction Progress

Vancouver – **July 15, 2014** | **Imperial Metals Corporation (III-TSX)** reports that metal production for the second quarter 2014 from its Mount Polley, Huckleberry⁽¹⁾ and Sterling mines was, on an aggregate basis, 16.6 million pounds copper, 13,867 ounces gold and 59,289 ounces silver.

At Mount Polley the second quarter average daily throughput was 23,404 tonnes per day, up by 23% compared to the first quarter. Metal production totalled 12.0 million pounds copper, 11,867 ounces gold and 33,813 ounces silver; increases of 46%, 24% and 35% respectively compared to the first quarter 2014.

Huckleberry copper production was up 67% in the second quarter 2014 compared to the first quarter, from 5.5 million pounds to 9.2 million pounds. The SAG mill has performed well since the restart on April 5, with throughput averaging 15,213 tonnes per day for the second quarter, up from the first quarter average of 9,967 tonnes per day. Softer ore from the Main Zone pit and adjustments in the mill resulted in a steady increase in the mill throughput rate during the second quarter. In the first week of July, the mill throughput averaged 20,433 tonnes per day.

Sterling mining operations resumed on June 17, 2014 after the mine received an air emissions permit issued in accordance with new regulations. Due to the suspension of operations no gold was shipped during the second quarter compared to 2,104 ounces gold shipped during the first quarter. Subsequent to the end of the second quarter, approximately 1,500 ounces gold was shipped in early July.

On-site construction at Red Chris is well advanced. Interior steel, mechanical installation, and the tailings and reclaim water systems are 93% complete. Piping and electrical work (including the powerline from Tatogga to the minesite) continues to progress at a satisfactory rate, and will be completed on time for the commissioning and start-up of milling operations at Red Chris. Mining operations have already commenced at Red Chris with the first excavation of ore grade material from the East zone. This material is being stockpiled for commencement of milling operations.

The 287kv Northwest Transmission Line (NTL) from Skeena substation near Terrace to Bob Quinn is now complete, and BC Hydro reports the Bob Quinn substation was energized today. Construction of the 93km Iskut extension of the NTL from Bob Quinn to Tatogga continues to progress. All towers for the Iskut extension are targeted to be in place by the end of July. Energization of the Iskut extension has been delayed somewhat as a result of the delivery of faulty implosion sleeves. These sleeves are used to splice the conductors. Implosion sleeves are specifically designed metallic sleeves with a small engineered charge wrapped around the sleeve. The charge creates an implosive compression, seamlessly joining two conductor ends. At present the new implosion sleeves are targeted to be on site by the end of July. Due to delays associated with the faulty implosion sleeves, the completion and energization of the Iskut extension is now anticipated to be in September 2014. Commissioning and start up of the Red Chris milling operations will follow.

⁽¹⁾ stated as Imperial's 50% allocation of Huckleberry production

About Imperial

Imperial is an exploration, mine development and operating company based in Vancouver, British Columbia. The Company operates the Mount Polley copper/gold mine in British Columbia and the Sterling gold mine in Nevada. Imperial has 50% interest in the Huckleberry copper mine and has 50% interest in the Ruddock Creek lead/zinc property, both in British Columbia. Imperial is in development of its wholly owned Red Chris copper/gold property in British Columbia.

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Cautionary Note Regarding “Forward-Looking Information”

This press release contains “forward-looking information” or “forward-looking statements” within the meaning of Canadian and United States Securities Laws, which we will refer to as “forward-looking information”. Except for statements of historical fact relating to the Company, certain information contained herein constitutes forward-looking information. If we discuss mine plans; costs and timing of current and proposed

exploration, development, production and marketing; capital expenditures; construction of transmission lines; cash flow; working capital requirements and the requirement for additional capital; operations; revenue; margins and earnings; future prices of copper and gold; future foreign currency exchange rates; future accounting changes; future prices for marketable securities; future resolution of contingent liabilities; receipt of permits; or other matters that have not yet occurred, we are making statements considered to be *forward-looking information* or *forward-looking statements* under Canadian and United States Securities Laws.

The forward-looking information in this press release may include words and phrases about the future, such as: *plan, expect, forecast, intend, anticipate, estimate, budget, scheduled, believe, may, could, would, might or will*. We can give no assurance the forward-looking information will prove to be accurate. It is based on a number of assumptions management believes to be reasonable, including but not limited to: the continued operation of the Company's mining operations, no material adverse change in the market price of commodities or exchange rates, that the mining operations will operate and the mining projects will be completed in accordance with their estimates and achieve stated production outcomes and such other assumptions and factors as set out herein. It is also subject to risks associated with our business, including but not limited to: risks inherent in the mining and metals business; commodity price fluctuations and hedging; competition for mining properties; sale of products and future market access; mineral reserves and recovery estimates; currency fluctuations; interest rate risks; financing risks; regulatory and permitting risks; environmental risks; joint venture risks; foreign activity risks; legal proceedings; and other risks that are set out in the Company's current Management's Discussion & Analysis. If our assumptions prove to be incorrect or risks materialize, our actual results and events may vary materially from what we currently expect as provided in this press release. We recommend review of the Company's current Management's Discussion & Analysis, which includes discussion of material risks that could cause actual results to differ materially from our current expectations. Forward-looking information is designed to help you understand management's current views of our near and longer term prospects, and it may not be appropriate for other purposes. We will not necessarily update this information unless we are required to by securities laws.