

Imperial Reports 2015 Production

Vancouver – **January 19, 2016** | **Imperial Metals Corporation (the “Company”) (III-TSX)** reports that its 2015 base and precious metals production from the Red Chris, Mount Polley, Huckleberry and Sterling mines was 88.1 million pounds copper, 44.7 thousand ounces gold and 224.5 thousand ounces silver. Production in 2015 included Red Chris production which began mill operations on February 17. Mount Polley mine restarted modified mill operations in August.

Red Chris Mine

Copper production for the 2015 fourth quarter was 20.38 million pounds copper and 10,025 ounces gold. The mill achieved an average throughput of 27,174 tonnes per day.

Mining activities continued in the Main and East zones, with the bulk of the mill feed (approximately 77%) from the Main zone blended with higher grade East zone ores (approximately 23%). The ore grade averaged 0.502% copper and 0.298 g/t gold. During the fourth quarter the mining rate averaged 77,261 tonnes per day, up from the average of 68,931 tonnes per day achieved in the third quarter. Two Caterpillar 793 haul trucks and an excavator transferred from Mount Polley to Red Chris were operational prior to year end, resulting in a mining rate of 84,448 tonnes per day in December.

Milling activities were impacted during the fourth quarter of 2015 as a result of premature wear issues experienced on the SAG mill discharge trunnion liners, a 40 hour power outage by BC Hydro to conduct maintenance on the Skeena to Bob Quinn 287kV transmission line, and water clarity issues which developed during the final week in December, likely due to a buildup of ice in the tailings pond. To deal with the premature wear issues a new set of redesigned discharge trunnion liners have been installed and are working well. The BC Hydro outage was caused by the need to adjust the spacing between the conductors and the fibre optic cable on one of the long spans that had been causing power outages on the line. This adjustment should improve power reliability over the long term. The water clarity conditions extended into January and are being resolved by increased pumping of well water, and by adjusting the location of discharged tailings.

Red Chris Production	Three Months Ended December 31, 2015	Year Ended* December 31, 2015
Ore milled - tonnes	2,500,016	8,171,879
Ore milled per calendar day - tonnes	27,174	25,698
Grade % - copper	0.502	0.477
Grade g/t - gold	0.298	0.261
Recovery % - copper	73.7	68.1
Recovery % - gold	41.7	37.9
Copper - lbs	20,384,923	58,485,922
Gold - oz	10,025	25,949
Silver - oz	33,986	95,232

*production from February 17 to December 31, 2015

The 2016 production target for Red Chris is 90.0 to 100.0 million pounds copper and 60,000 to 70,000 ounces gold.

Mount Polley Mine

Mount Polley restarted operations on August 5, 2015 following receipt of permit amendments which allowed recommencement of the mine using a modified operation plan to use of the Springer pit to contain the tailings produced.

During the 2015 fourth quarter a total of 1.2 million tonnes of ore were treated, producing 5.10 million pounds copper and 10,430 ounces gold. The mill operated at approximately 50% capacity until late November when continuous operation of the plant was started, utilizing about 80% of capacity.

Mount Polley Production	Three Months Ended		Years Ended December 31	
	December 31, 2015		2015 ⁽¹⁾	2014 ⁽²⁾
Ore milled - tonnes	1,185,419	1,781,799	4,548,182	
Ore milled per calendar day - tonnes	12,885	11,958	21,056	
Grade % - copper	0.286	0.293	0.321	
Grade g/t - gold	0.382	0.368	0.260	
Recovery % - copper	68.2	69.6	76.0	
Recovery % - gold	71.6	72.1	68.1	
Copper - lbs	5,097,944	8,007,328	24,489,725	
Gold - oz	10,430	15,190	25,901	
Silver - oz	14,054	25,911	74,770	

(1) production from August 5 to December 31, 2015

(2) production from January 1 to August 4, 2014

Huckleberry Mine

Huckleberry production in the fourth quarter was in line with targets with throughput averaging 18,885 tonnes per day and production of about 9.66 million pounds copper. During the quarter the copper grade averaged 0.287% and copper recovery was 88%.

Huckleberry mine achieved 98.3% of its targeted production for 2015. Imperial's share of Huckleberry production was 21.63 million pounds copper.

Huckleberry Production*	Three Months Ended December 31		Years Ended December 31	
	2015	2014	2015	2014
Ore milled – tonnes	1,737,423	1,228,369	6,763,061	5,080,503
Ore milled per calendar day – tonnes	18,885	13,352	18,529	13,919
Grade % – copper	0.287	0.361	0.325	0.338
Recovery % – copper	88.0	89.4	89.3	89.9
Copper – lbs	9,664,776	8,750,052	43,273,334	34,017,340
Gold - oz	959	667	3,576	2,702
Silver – oz	48,442	44,521	206,781	183,221

*production stated 100% - Imperial's allocation is 50%

Huckleberry Mines Ltd. suspended pit operations at Huckleberry mine on January 6, 2016. The mine will retain 62% of its work force to continue milling stockpiled ore into early 2016. Huckleberry made significant efforts to reduce mine operating costs, however the realized savings were not sufficient to offset declining copper prices.

Sterling Mine

Sterling underground mining operations were terminated at the end of May 2015. Residual gold continues to be recovered from the heap and 624 ounces were shipped from site during the fourth quarter. In 2015 a total of 1,740 ounces of gold were shipped from the site compared to 5,725 ounces in 2014.

About Imperial

Imperial is an exploration, mine development and operating company based in Vancouver, British Columbia. The Company, through its subsidiaries, owns the Mount Polley copper/gold mine in British Columbia, the Sterling gold mine in Nevada and the Red Chris copper/gold mine in northern British Columbia. Imperial holds a 50% interest in Huckleberry Mines Ltd. and a 50% interest in the Ruddock Creek lead/zinc property, both in British Columbia.

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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, specific statements regarding the resolution of water issues at the Red Chris mine through the increased pumping of wells and adjustments to the location of discharged tailings, the 2016 Red Chris production

target, and the retention by Huckleberry Mines Ltd. of approximately 160 employees of its 260 workforce to continue milling stockpiled ore into early 2016, and in general, statements with respect to the estimation of mineral reserves and mineral resources, the conversion of mineral resources to mineral reserves, the realization of mineral reserve estimates, the timing and amount of estimated future production, costs of production, capital expenditures, and success of mining operations. In certain cases, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "outlook", "budget", "scheduled", "estimates", "forecasts", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or "will be taken", "occur" or "be achieved" or the negative of these terms or comparable terminology. In this document certain forward-looking statements are identified by words including "guidance", "expectations", "targeted", "plan", "planned", "estimated", "calls for" and "expected". 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, risks related to changes in project parameters as plans continue to be refined; future prices of mineral resources; possible variations in ore reserves, grade or recovery rates; accidents; dependence on key personnel; labour pool constraints; labour disputes; availability of infrastructure required for the development of mining projects; delays in obtaining governmental approvals or financing or in the completion of development or construction activities; counterparty risks associated with sales of our metals; changes in general economic conditions; increased operating and capital costs; and other risks of the mining industry as well as those 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 [sedar.com](http://www.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.