

## News Release

### Imperial Reports 2017 Production and 2018 Production Targets

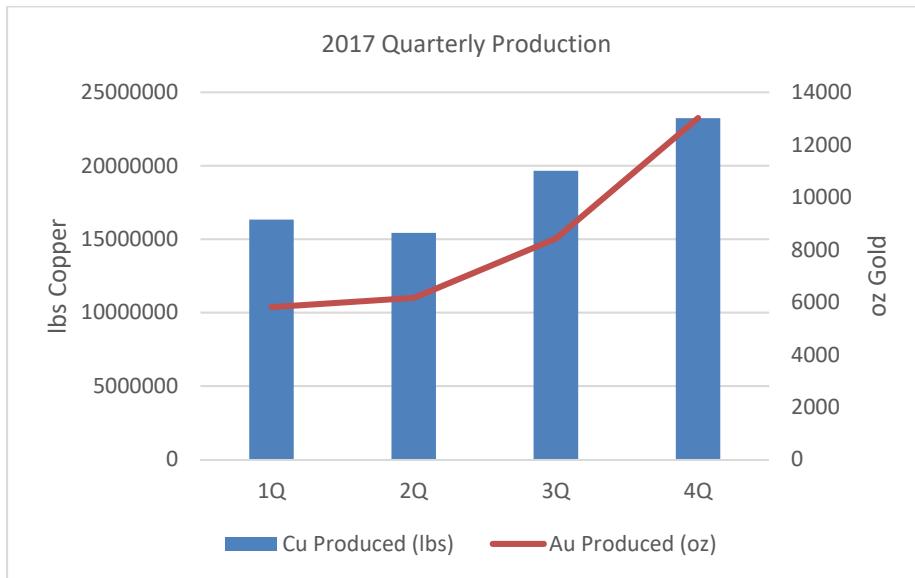
Vancouver | **January 11, 2018** | **Imperial Metals Corporation** (the “Company”) (TSX:III) reports its 2017 metals production from all operations totaled 93.7 million pounds copper and 81,425 thousand ounces gold.

#### **Red Chris Mine**

In 2017, the Red Chris mill achieved 95% of design capacity averaging 28,433 tonnes per calendar day.

Fourth quarter production totaled 23.23 million pounds copper and 13,020 ounces gold, compared to 19.65 million pounds copper and 8,426 ounces gold in the 2017 third quarter, an increase of 18% and 55% respectively. Copper and gold grades were higher in the fourth quarter and averaged 0.52% copper and 0.324 g/t gold, with the higher grades delivered to the mill from the lower benches in the Main zone pit. Metal recoveries also increased to 81.03% for copper and 49.99% for gold. The average copper recovery for the fourth quarter sets a new record high for Red Chris, and the gold recovery is a record high for a quarter during which only Main Zone ores were treated.

The quarterly production chart highlights the significant rise in gold production between the 2017 first and fourth quarters from 5,811 to 13,020 ounces. This is the result of the gold grade increasing from 0.201 g/t to 0.324 g/t, and gold recovery increasing from 37.43% to 49.99%. Copper production during the year increased approximately 42% from the first quarter to year end as a result of better grade and recovery.



	3 Months Ended December 31		Year Ended December 31	
	2017	2016	2017	2016
Ore milled - tonnes	2,498,900	2,291,150	10,378,181	9,651,738
Ore milled per calendar day - tonnes	27,162	24,904	28,433	26,371
Grade % - copper	0.520	0.382	0.413	0.507
Grade g/t - gold	0.324	0.193	0.233	0.309
Recovery % - copper	81.03	75.96	79.01	77.52
Recovery % - gold	49.99	32.83	43.00	49.04
Copper – 000's pounds	23,234	14,659	74,636	83,614
Gold – ounces	13,020	4,661	33,416	47,088
Silver – ounces	43,884	25,918	133,157	190,624

The 2018 production target for Red Chris is 72-77 million pounds copper and 31-33 thousand ounces gold.

## Mount Polley Mine

Fourth quarter production totaled 4.02 million pounds copper and 10,252 ounces gold, a slight increase compared to 3.98 million pounds copper and 9,989 ounces gold in the 2017 third quarter. Ore release from the Cariboo pit was slower than planned at the beginning of the year as the forest fires in the Cariboo region affected mining operations this summer. The reduction in mill feed available from the Cariboo pit resulted in a higher percentage of mill feed coming from stockpiles in the fourth quarter.

	3 Months Ended December 31		Year Ended December 31	
	2017	2016	2017	2016
Ore milled - tonnes	1,806,399	1,632,355	6,723,188	6,684,824
Ore milled per calendar day - tonnes	19,635	17,743	18,420	18,265
Grade % - copper	0.178	0.208	0.199	0.247
Grade g/t - gold	0.283	0.326	0.322	0.310
Recovery % - copper	56.77	66.60	64.53	69.66
Recovery % - gold	62.47	66.00	68.93	69.78
Copper - 000's pounds	4,023	4,977	19,071	25,339
Gold - ounces	10,252	11,291	48,009	46,444
Silver - ounces	7,888	11,237	36,626	90,125

Approximately 5 million tonnes of mill tailings were stored in the Springer pit following the resumption of operations in 2015. To remove the tailings from the Springer pit and gain access to the ore beneath, a dredge is being mobilized to pump the tailings from the pit to the repaired and buttressed tailings facility. We expect this to be complete by early 2019.

Mining in the Cariboo pit will be completed in mid-2018. The mine then will rely on stockpiled ore to provide mill feed for the balance of the year. This will result in a temporary reduction in mine operations staff in 2018 and 2019.

The 2018 production target for Mount Polley is 17-19 million pounds copper and 44-47 thousand ounces gold.

## About Imperial

Imperial is a Vancouver 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.

## Company Contacts

Brian Kynoch | President | 604.669.8959

Andre Deepwell | Chief Financial Officer | 604.488.2666

Gordon Keevil | Vice President Corporate Development | 604.488.2677

Sabine Goetz | Shareholder Communications | 604.488.2657 | [investor@imperialmetals.com](mailto: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, 2018 production targets for the Red Chris and Mount Polley mines; the expected completion of the dredging of Mount Polley's Springer pit by early 2019; expectations that mining in Mount Polley's Cariboo pit will be completed in mid-2018 after which stockpiled ore will provide mill feed for the balance of the year; anticipated temporary reductions in mine operations staff in 2018 and 2019. 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". Forward-looking information is not based on historical facts, but rather on then current expectations, beliefs, assumptions, estimates and forecasts about the business and the industry and markets in which Imperial operates, including assumptions regarding Red Chris mine and Mount Polley mine operations being conducted in accordance with our current plans, and assumptions regarding receipt of any required approvals. Such statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations. We can give no assurance that the forward-looking information will prove to be accurate.

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, operational risks and hazards, including unanticipated environmental, industrial and geological events and developments and the inability to insure against all risks; risks of failure of plant, equipment, processes, transportation and other infrastructure to operate as anticipated; 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 on [sedar.com](http://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.