



NEWS RELEASE

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Imperial Reports on 2010 Production and Update on Exploration

Vancouver – **March 21, 2011 - Imperial Metals Corporation (III-TSX)** reports its 2010 production was 57.6 million pounds copper, 48,369 ounces gold, 318,591 ounces silver and 42,014 pounds molybdenum. Imperial's planned production from the Mount Polley and Huckleberry mines in 2011 is anticipated to be 51.5 million pounds copper, 45,400 ounces gold and 149,000 ounces silver. Imperial's metal production represents 100% from Mount Polley and 50% from Huckleberry.

2010 Mine Production

Annual Production ⁽¹⁾ for the years ended December 31	Planned 2011 ⁽²⁾	2010	2009
Copper (lbs)	51,500,000	57,597,611	56,826,266
Gold (oz)	45,400	48,369	51,153
Silver (oz)	149,000	318,591	336,462
Molybdenum (lbs)	0	42,014	7,234

⁽¹⁾ Mount Polley 100%; Huckleberry 50%

⁽²⁾ This is forward-looking information. Refer to the Cautionary Note Regarding Forward-Looking Information below.

Quarterly Production ⁽¹⁾	1Q2010	2Q2010	3Q2010	4Q2010
Copper (lbs)	13,108,511	15,116,191	14,308,541	15,064,368
Gold (oz)	13,127	12,801	11,783	10,658
Silver (oz)	56,433	74,991	84,862	102,305
Molybdenum (lbs)	10,896	18,583	4,634	7,901

⁽¹⁾ Mount Polley 100%; Huckleberry 50%

Mill feed from the Springer pit at Mount Polley is expected to generate 32.0 million pounds copper, 44,000 ounces gold and 55,000 ounces silver in 2011. Mount Polley is an open pit copper/gold mine producing an average of 20,000 tonnes per day. The mine is located eight kilometres southwest of Likely and 100 kilometres (by road) northeast of Williams Lake, British Columbia.

The Main Zone Extension is the sole source of mill feed for production of copper concentrates at Huckleberry mine. No production of molybdenum is planned for 2011, however, the molybdenum circuit is available for operation depending on grades and prices. Huckleberry is an open pit copper/molybdenum mine producing an average of 15,000 tonnes per day. Imperial holds a 50% interest in Huckleberry Mines Ltd., owner of the Huckleberry mine, which is located 123 kilometres southwest of Houston, British Columbia.

Concentrate Shipments

Huckleberry Mines Ltd. has reported that Force Majeure has been declared by Mitsubishi, Furukawa and Dow for concentrate shipments to their Japanese smelters following the March 11, 2011 earthquake and tsunami which damaged port facilities at the Onahama smelter. Huckleberry has a life of mine contract with Mitsubishi, Furukawa and Dow. This declaration has no immediate impact, and acceptance of a shipment at sea and the next shipment scheduled for month end have been confirmed for Naoshima smelter. While it is not clear how disruptive this event of Force Majeure will be, best estimates are that some shipments may be delayed, but all shipments planned for 2011 will be made.

Red Chris and Mount Polley Exploration Update

Exploration drilling at Red Chris resumed on January 9, 2011 following a brief seasonal shutdown on December 15, 2010. The exploration program continues to focus on exploration of deep resources although the scope of work is expanding to include more geotechnical work. Two deep-capacity diamond drills, one geotechnical diamond drill and one cable tool water well rig are presently operating at Red Chris. A new 60 person capacity exploration camp is fully operational.

Exploration at the Mount Polley property remains focused on the Boundary and WX zones. The underground ramp at the Boundary zone was completed on February 18, 2011 at a total length of 502 metres, of which 25 metres of this length was in

mineralized breccia. The results of 22 probe holes extending 6.5 metres on each side of the ramp, ahead of each round through the mineralized zone, are shown on the ramp plan view map⁽³⁾. Within the target zone, assays from some of these probe holes returned copper values exceeding 4%. Underground diamond drilling designed to provide detailed information for stope design is currently underway. At the completion of this drilling, the results will be used to determine the underground mining potential of this zone.

On surface at the Boundary zone, drilling focused on the area of the proposed open pit, particularly in the ramp area⁽³⁾. Areas of near surface mineralization were further defined by 40 metre rotary holes. Surface drilling in the Boundary zone is currently on standby to allow for engineering work to optimize the mine plan in the Boundary pit area.

Exploration continues at the WX zone where 24,440 metres of diamond drilling was completed in 2010. Mineralization has been discovered near surface, adjacent to the main haul road in the north end of the zone. Close spaced rotary drilling provided better definition of this near surface material. Mineralization in the WX zone at depth was also further defined to the south and has now been established over a strike of 350 metres. Drilling continues in this area.

Exploration results from both the Boundary and WX zones are available in the Mount Polley drill results summary⁽³⁾. This year, Imperial plans to initiate exploration at depth beneath the Cariboo pit. In that area, historic drilling from the pre-mining era was less than 200 metres deep.

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 deposits at Mount Polley are irregular in shape and true thicknesses have not been estimated.

Imperial is a mine development and operating company based in Vancouver, British Columbia. The Company's key properties are two open pit mines: the Mount Polley copper/gold mine and the Huckleberry copper/molybdenum mine, both in British Columbia, and two development stage properties: Red Chris (copper/gold) in British Columbia and Sterling (gold) in Nevada.

⁽³⁾ WX & Boundary Zone Drill Plan; Boundary Zone Ramp Plan View; & Drill Results Summary are available on Imperial website: www.imperialmetals.com

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CAUTIONARY NOTE REGARDING "FORWARD-LOOKING INFORMATION":

THIS NEWS RELEASE CONTAINS "FORWARD-LOOKING STATEMENTS" WITHIN THE MEANING OF CANADIAN AND UNITED STATES SECURITIES LAWS. EXCEPT FOR STATEMENTS OF FACT RELATING TO THE COMPANY, CERTAIN INFORMATION CONTAINED HEREIN CONSTITUTES FORWARD-LOOKING STATEMENTS.

WHEN WE DISCUSS OUR SHARE OF PLANNED PRODUCTION FROM HUCKLEBERRY; PRODUCTION FROM MOUNT POLLEY; COSTS AND TIMING OF CURRENT AND PROPOSED DEVELOPMENT, PRODUCTION AND MARKETING; TIMING OF SHIPMENTS TO JAPAN; CAPITAL EXPENDITURES; CASH FLOW, WORKING CAPITAL REQUIREMENTS AND THE REQUIREMENT FOR ADDITIONAL CAPITAL; REVENUE, MARGINS AND EARNINGS; FUTURE PRICE OF COPPER AND GOLD; FUTURE FOREIGN CURRENCY EXCHANGE RATES; FUTURE ACCOUNTING CHANGES; FUTURE PRICES FOR MARKETABLE SECURITIES; FUTURE RESOLUTION OF CONTINGENT LIABILITIES, OR OTHER THINGS THAT HAVE NOT YET HAPPENED IN THIS NEWS RELEASE, WE ARE MAKING STATEMENTS CONSIDERED TO BE *FORWARD-LOOKING INFORMATION* OR *FORWARD-LOOKING STATEMENTS* UNDER CANADIAN AND UNITED STATES SECURITIES LAWS. WE REFER TO THEM IN THIS NEWS RELEASE AS *FORWARD-LOOKING INFORMATION*. THE FORWARD-LOOKING INFORMATION IN THIS NEWS RELEASE TYPICALLY INCLUDES WORDS AND PHRASES ABOUT THE FUTURE, SUCH AS: *PLAN, EXPECT, FORECAST, INTEND, ANTICIPATE, ESTIMATE, BUDGET, SCHEDULED, BELIEVE, MAY, COULD, WOULD, MIGHT AND WILL*.

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