

Imperial Reports on Drilling at Mount Polley

Vancouver | **April 10, 2017** | **Imperial Metals Corporation** (the “Company”) (TSX:III) reports results from the completed underground drilling program at Mount Polley in the Martel and Green zones located beneath the Wight pit, approximately 400 metres east of the recently developed and mined Boundary zone. The results included in this release are from the final 16 holes in this program, MU-17-10 to MU-17-25. Martel zone highlights include 124.32 metres grading 1.36% copper and 0.25 g/t gold in drill hole MU-17-24, which included 18.90 metres grading 2.52% copper and 0.66 g/t gold. The Green zone best intercept was hole MU-17-18, which intercepted 8.65 metres grading 4.41% copper and 1.95 g/t gold.

The underground exploration program consisted of 6,680 metres in 25 holes, and complements surface drilling done mainly in 2003-2005. Four drill stations were established at 25-metre intervals along an exploration drift about 400 metres east of the Boundary zone underground workings. Holes were drilled on azimuths ranging from 070° to 090° at shallow to moderate angles, crossing the Brown Wall fault and into the Martel breccia. The results of the first nine holes were released on February 28, 2017. Following are the significant mineralized intercepts from the final 16 holes:

Martel Zone Intercepts

Hole #	Total Length (m)	Interval from (m)	Interval to (m)	Interval Length (m)	Copper %	Gold g/t
MU-17-10	202.08	104.22	186.86	82.64	1.25	0.15
incl.		165.56	186.86	21.30	1.78	0.04
MU-17-11	279.50	95.00	220.00	125.00	0.87	0.21
incl.		119.97	195.79	75.82	1.19	0.25
MU-17-12	329.18	87.50	240.00	152.50	0.90	0.32
incl.		175.70	240.00	64.30	1.24	0.46
MU-17-13	191.11	105.00	172.50	67.50	1.16	0.13
MU-17-14	243.84	85.00	238.71	153.71	0.98	0.51
incl.		116.50	153.44	36.94	1.64	0.55
incl.		166.55	222.50	55.95	1.07	0.58
MU-17-15	185.01	107.59	163.38	55.79	1.04	0.05
MU-17-16	243.84	91.07	202.50	111.43	0.99	0.26
incl.		118.52	145.00	26.48	1.41	0.26
incl.		158.00	202.50	44.50	1.30	0.39
MU-17-18	295.66	107.50	283.27	175.77	0.87	0.29
incl.		125.60	182.33	56.73	1.02	0.24
MU-17-19	181.97	109.50	167.50	58.00	1.30	0.13
MU-17-20	181.97	139.09	170.0	30.91	0.88	0.07
incl.		157.50	167.50	10.00	1.40	0.08
MU-17-21	289.56	93.67	256.60	162.93	0.79	0.30
incl.		121.84	180.76	58.92	1.10	0.33
incl.		205.88	227.50	21.62	1.08	0.32
MU-17-22	282.55	140.91	175.00	34.09	0.80	0.11
MU-17-23	234.40	94.97	218.63	123.66	1.28	0.38
incl.		152.50	164.96	12.46	2.51	1.11
incl.		195.00	207.50	12.50	2.00	0.15
MU-17-24	231.65	95.82	220.14	124.32	1.36	0.25
incl.		150.00	168.90	18.90	2.52	0.66
incl.		187.40	200.00	12.60	3.10	0.20

MU-17-25	295.66	135.00	282.50	147.50	1.07	0.59
incl.		256.13	276.38	20.25	2.72	2.65

Green Zone Intercepts

Hole #	Total Length (m)	Interval from (m)	Interval to (m)	Interval Length (m)	Copper %	Gold g/t
MU-17-18	295.66	258.85	267.50	8.65	4.41	1.95
and		281.57	283.27	1.70	7.02	1.73
MU-17-21	289.56	243.50	248.52	5.02	1.97	1.59
and		252.50	256.60	4.10	1.86	0.41
MU-17-25	295.66	279.88	282.50	2.62	9.66	2.66

Note all intervals are the entire length and true widths have not been determined.

This mineralization, originally called the Northeast zone after its 2003 discovery, is believed to have formed in a vertical hydrothermal breccia body within a complex of monzonitic intrusions. It now occurs in two large segments which were formerly contiguous but are now separated by the steeply southwest-dipping Brown Wall fault. The upper hanging wall portion was mined in the Wight pit (2005-2009). The deeper portion was dropped down slightly and offset to the northwest, and is known as the Martel zone, the top of which was exposed in the bottom of the final Wight pit. In the underground drill holes, Martel mineralization generally begins immediately after crossing the Brown Wall fault, and consists of chalcopyrite and bornite disseminated in a polyolithic breccia matrix, in fine to coarse infill between clasts, or in veins. Late to post-mineral monzonitic dikes cut the breccia, the largest being 10-14 metres thick, obliquely bisecting the Martel zone; otherwise, internal dilution by dikes is limited. The Martel zone measures approximately 130 metres long, 170 metres high, and 140 metres wide perpendicular to the Brown Wall fault plane; the southernmost hole in the program indicates the zone is thinning in this direction but is still open. Along its northeastern fringe, the Martel zone gives way to monzonitic wall rock and dikes, in between which are discontinuous lenses of distinct and very high-grade, bornite-rich breccia mineralization collectively termed the Green zone. The Green zone was intercepted in several holes over various but mainly narrow widths, and displays a roughly vertical disposition; it may be more structurally controlled than the main body of the Martel.

Now that all results have been received, a revised resource estimate will be completed. The objective is to complete a mine plan and economic analysis as soon as possible.

Chris Rees, P.Geo., the designated Qualified Person as defined by National Instrument 43-101 for the exploration program, has reviewed this news release. Mount Polley samples for the diamond drilling reported were analysed at the mine laboratory, and some samples have been sent to Acme Analytical Laboratories in Vancouver for further analysis. 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 usually irregular in shape and thus true thicknesses estimates have not been provided in this release.

About Imperial

Imperial is a Vancouver based exploration, mine development and operating company. The Company, through its subsidiaries, owns the Red Chris, Mount Polley and Huckleberry copper mines in British Columbia, and the Sterling gold mine in Nevada. Imperial also holds a 50% interest in the Ruddock Creek lead/zinc property 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 expectations that assays will be obtained by the end of March 2017 for the remaining drill holes in the Mount Polley mine underground drilling program targeting the Martel and Green zones located beneath the Wight pit; expectations that all results, once received, will be loaded into the block model for this area, a revised resource estimate will be completed, and based on the results to date, mine planning with two options for mine development will be considered; and in general, statements with respect to the estimation of mineral reserves and mineral resources. 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

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