Imperial Metals

Press Release

Imperial Reports 2013 Financial Results

Vancouver – **March 31, 2014 | Imperial Metals Corporation (the "Company") (III-TSX)** reports financial results for its fiscal year ended December 31, 2013[(1)]. Net income for the year ended December 31, 2013 was $41.0 million ($0.55 per share) compared to net income of $32.6 million ($0.44 per share) in 2012. In addition to variances in revenues and income from mine operations, variations in net income period over period are predominately attributable to movements in foreign exchange and realized and unrealized gains and losses on derivative instruments and taxes.

In 2013 net income was negatively impacted by foreign exchange losses of $2.5 million compared to foreign exchange losses of $0.5 million in 2012 primarily on foreign exchange movements on the increased US Dollar debt being carried by the Company. The average CDN/US Dollar exchange rate in 2013 was 1.03 compared to an average of 1.00 in 2012, and at December 31, 2013 the CDN/US Dollar exchange rate was 1.06.

In 2013 the Company recorded gains on derivative instruments of $1.6 million compared to losses of $2.8 million in 2012. The decrease in the copper and gold price compared to the price in the derivative contracts resulted in a gain in 2013 compared to a loss in 2012.

Revenues were $187.8 million in 2013 compared to $199.4 million in 2012. Revenues are impacted by the timing and quantity of concentrate shipments, metal prices and exchange rate, and period end revaluations of revenue attributed to concentrate shipments where copper price will settle at a future date. The decrease in revenue in 2013 over 2012 is due to lower copper and gold prices partially offset by a weaker Canadian dollar and a larger volume of concentrate shipped for the year. There were eight concentrate shipments in 2013 compared to seven shipments in 2012. The increase in shipment volumes was more than offset by lower copper and gold prices in 2013 compared to 2012.

The London Metals Exchange cash settlement copper price per pound averaged US$3.32 in 2013 compared to US$3.61 in 2012. The London Metals Exchange cash settlement gold price per troy ounce averaged US$1,411 in 2013 compared to US$1,667 in 2012. The CDN Dollar compared to the US Dollar averaged about 3% lower in 2013 than in 2012. In CDN Dollar terms the average copper price in 2013 was CDN$3.42 per pound compared to CDN$3.61 per pound in 2012 and the average gold price in 2013 was CDN$1,451 per ounce compared to CDN$1,667 per ounce in 2012.

Revenue in 2013 was decreased by a $7.1 million negative revenue revaluation compared to a negative revenue revaluation of $2.5 million in 2012. Negative revenue revaluations are the result of the copper price on the settlement date and/or the current period balance sheet date being lower than when the revenue was initially recorded or the copper price at the last balance sheet date. The copper price started the year at US$3.67 per pound and ended the year at US$3.35 per pound, compared to the prior year where the copper price started the year at US$3.48 per pound and ended the year US$3.59 per pound.

Income from mine operations increased to $64.3 million from $56.9 million in 2012 as result improved contribution margins from mine operations.

The Company recorded $8.3 million as its equity share of Huckleberry's net income during 2013 compared to $5.5 million equity income in 2012.

Income and mining tax expense increased by $4.3 million from 2012 to 2013 due primarily to higher income before taxes.

Cash flow increased to $78.2 million in 2013 from $66.6 million in 2012. Cash flow is a measure used by the Company to evaluate its performance, however, it is not a term recognized under IFRS in Canada. Cash flow is defined as cash flow from operations before the net change in non-cash working capital balances, income and mining taxes paid, and interest paid. The Company believes cash flow is useful to investors and it is one of the measures used by management to assess the financial performance of the Company.

Capital expenditures of $397.2 million in 2013, inclusive of equipment financed by long term debt and capitalized interest, were up from $147.9 million in 2012. The expenditures in 2013 were financed by cash flow from the Mount Polley mine, short term and non-current debt and $38.9 million in equipment financing. At December 31, 2013 the Company had $3.1 million (December, 2012-$2.8 million) in cash. The short term debt balance at December 31, 2013 was $132.4 million

(December 31, 2012-$92.4 million). The increase in the short term debt is primarily due to funding the development of the Red Chris project with short term debt which subsequent to year end was fully repaid from the long term financings.

Selected Annual Financial Information

[expressed in thousands, except share amounts]	Years Ended December 31 2013	2012	2011
Total Revenues	$187,805	$199,373	$165,590
Net Income	$40,954	$32,626	$48,708
Net Income per share	$0.55	$0.44	$0.66
Diluted Income per share	$0.54	$0.43	$0.65
Adjusted Net Income (2)	$40,051	$36,807	$31,333
Adjusted Net Income per share (2)	$0.54	$0.50	$0.42
Adjusted EBITDA(2)	$86,600	$72,585	$67,465
Working Capital (deficiency) (3)	($162,758)	($74,438)	$8,599
Total Assets	$975,451	$600,348	$457,755
Total Long Term Debt (including current portion)	$244,382	$8,341	$1,612
Cash dividends declared per common share	$0.00	$0.00	$0.00
Cash Flow (1)	$78,213	$66,646	$53,116
Cash Flow per share (1)	$1.05	$0.90	$0.72

(1) Cash flow and cash flow per share are measures used by the Company to evaluate its performance however they are not terms recognized under IFRS. Cash flow is defined as cash flow from operations before the net change in non-cash working capital balances, income and mining taxes, and interest paid and cash flow per share is the same measure divided by the weighted average number of common shares outstanding during the period.
(2) Refer to table under heading Non-IFRS Measures for details of the calculation of these amounts
(3) Defined as current assets less current liabilities.

Non-IFRS Measures

In March 2014 the Company added two non-IFRS financial measures, Adjusted EBITDA *(Earnings Before Interest, Taxes, Depreciation and Amortization)* and cash cost per pound of copper produced, which are described further below. The Company expects to include these financial measures in future quarterly and annual financial reports.

Adjusted Net Income

Adjusted net income in 2013 was $40.1 million ($0.54 per share) compared to $36.8 million ($0.50 per share) in 2012. Adjusted net income is calculated by removing the gains or losses, net of related income taxes, resulting from mark to market revaluation of copper derivative instruments not related to the current period, net of taxes, as further described in the MD&A[1] under the heading *Non-IFRS Measures Adjusted Net Income*.

Adjusted EBITDA

Adjusted EBITDA in 2013 was $86.6 million compared to $72.6 million in 2012.

We define Adjusted EBITDA as net income (loss) before interest expense, taxes and depletion and depreciation and as adjusted for the items described below.

Adjusted EBITDA is not necessarily comparable to similarly titled measures used by other companies. We believe that the presentation of Adjusted EBITDA is appropriate to provide additional information to investors about certain non-cash or unusual items that we do not expect to continue at the same level in the future, or other items that we do not believe to be reflective of our ongoing operating performance. We further believe that our presentation of this non-IFRS financial measure provides information that is useful to investors because it is an important indicator of the strength of our operations and the performance of our core business.

Adjusted EBITDA is not a measurement of operating performance or liquidity under IFRS and should not be considered as a substitute for earnings from operations, net income or cash generated by operating activities computed in accordance with IFRS. Adjusted EBITDA, further described in the MD&A[1] under the heading *Non-IFRS Measures Adjusted EBITDA*, has limitations as an analytical tool. Because of these limitations Adjusted EBITDA should not be considered as a measure of discretionary cash available to us to invest in the growth of our business.

Adjustments to EBIDTA include: interest expense, accretion of future site reclamation provisions, depletion and depreciation, income and mining taxes, unrealized losses (gains) on derivative instruments, foreign exchange losses (gains), share based compensation, bad debt expense (recovery), revaluation losses (gains) on marketable securities, losses (gains) on sale of mineral properties, write down of mineral properties. Refer to the table in the MD&A[1] under the heading *Non-IFRS Measures Adjusted EBITDA* for details of the calculation of Adjusted EBITDA.

Cash Cost Per Pound of Copper Produced	Years Ended December 31	
	2013	2012
	US$/lb	*US$/lb*
Mount Polley	$0.88	$1.20
Huckleberry	$2.10	$2.53
Composite *(100% Mount Polley and 50% Huckleberry based on pounds of copper produced)*	$1.31	$1.65

The cash cost per pound of copper produced, derived from the sum of cash production costs, transportation and offsite costs, treatment and refining costs, net of by-product and other revenues, divided by the number of pounds of copper produced during the period, is a non-IFRS financial measure that does not have a standardized meaning under IFRS, and as a result may not be comparable to similar measures presented by other companies. Management uses this non-IFRS financial measure to monitor operating costs and profitability. The Company is primarily a copper producer and therefore calculates this non-IFRS financial measure individually for its two copper producing mines, Mount Polley and Huckleberry, and on a composite basis for these two mines. Refer to the table in the MD&A[(1)] under the heading *Non-IFRS Measures Estimated Cash Cost per Pound of Copper Produced* for details of the calculation of cash cost per pound of copper produced for 2013 and 2012.

Derivative Instruments

During 2013 the Company recorded gains of $1.6 million on derivative instruments compared to losses of $2.8 million in 2012. These gains and losses result from the mark to market valuation of the derivative instruments based on changes in the price of copper and gold. These amounts include realized gains of $0.1 million in 2013 and realized losses of $0.4 million in 2012. The Company does not use hedge accounting therefore accounting rules require that derivative instruments be recorded at fair value on each statement of financial position date, with the adjustment resulting from the revaluation being charged to the statement of income as a gain or loss.

The Company utilizes a variety of derivative instruments including the purchase of puts, forward sales and the use of min/max zero cost collars. The Company's income or loss from derivative instruments may be very volatile from period to period as a result of changes in the copper and gold prices compared to the copper and gold prices at the time when these contracts were entered into and the type and length of time to maturity of the contracts.

Derivative instruments for Mount Polley cover about 71% of the estimated copper settlements through to December 2014 via min/max zero cost collars and 61% of the estimated gold settlements via min/max zero cost collars through December 2015.

At December 31, 2013 the Company has net unrealized gains on its derivative instruments. This represents an increase in fair value of the derivative instruments from the dates of purchase to December 31, 2013.

FOURTH QUARTER RESULTS

Mineral sales revenues in the fourth quarter of 2013 were $44.0 million, $14.6 million lower than in the same quarter of 2012. There were a total of two shipments in each of the fourth quarters of 2013 and 2012 from Mount Polley. Sales revenue is recorded when title for concentrate is transferred on ship loading. Variations in quarterly revenue attributed to the timing of concentrate shipments can be expected in the normal course of business.

The decrease in revenue in the 2013 quarter is largely due to lower copper and gold prices.

The Company recorded net income of $8.1 million ($0.11 per share) in the fourth quarter of 2013 compared to net income of $11.7 million ($0.16 per share) in the prior year quarter.

Expenditures for exploration and ongoing capital projects at Mount Polley, Red Chris and Sterling totaled $117.4 million during the three months ended December 31, 2013 compared to $52.2 million in the 2012 comparative quarter. The increase of $65.2 million in 2013 was primarily due to higher development expenditures at Red Chris.

DEVELOPMENTS DURING 2013

MOUNT POLLEY MINE

At Mount Polley, 2013 production totaled 38.5 million pounds copper and 45,823 ounces gold, compared to the 33.8 million pounds copper and 52,236 ounces gold produced in 2012. Copper production was up on higher grades and recovery, while gold production was lower with lower gold grades being treated. The annual average mill throughput was 21,799 tonnes per day down slightly from the record of 22,191 tonnes per day set in 2012. Mining at Mount Polley continues to be focused on the lower benches of the phase 3 Springer pit, which has lower levels of oxidation and as a result, copper and gold recovery were both higher in 2013 than in 2012. Forecast production for 2014 from Mount Polley is 44.0 million pounds copper, 47,000 ounces gold and 120,000 ounces silver.

ANNUAL PRODUCTION	2013	2012	2011
Ore milled - tonnes	7,956,738	8,121,878	7,716,856
Ore milled per calendar day - tonnes	21,799	22,191	21,142
Grade % - copper	0.295	0.280	0.265
Grade g/t - gold	0.263	0.304	0.272
Recovery % - copper	74.46	67.40	58.70
Recovery % - gold	68.09	65.70	62.90
Copper - lbs	38,501,165	33,789,600	26,450,426
Gold - oz	45,823	52,236	42,514
Silver - oz	123,999	116,101	95,786

Underground activities at the Boundary zone continued with the excavation of the ramps, and installation of a ventilation system, and other facilities required to mine a test stope of approximately 250,000 tonnes. Blast hole drilling is underway with 3,900 metres completed by end of March 2014. This operation is schedule to deliver approximately 700 tonnes of ore per day to the mill starting in April 2014. This higher grade underground ore is a key reason for the planned increase in copper production in 2014.

At January 1, 2014 remaining reserves for Mount Polley were 86.0 million tonnes grading 0.295% copper and 0.303 g/t gold.

Exploration, development and capital expenditures at Mount Polley were $74.5 million in 2013 (2012-$29.5 million).

HUCKLEBERRY MINE

Increase in copper grade and recovery in 2013 resulted in 41.2 million pounds copper produced, up 17% from 35.1 million pounds in 2012. Huckleberry's 2014 forecast production was to be 42.0 million pounds copper and 200,000 ounces silver, however with the failure of the SAG mill bull gear on February 26, 2014 this production level will likely not be met. Crews have been working diligently to fully assess and repair the damage caused by this failure. In early April, Huckleberry plans to resume normal operations with the SAG mill rotating in the opposite direction. The damaged bull gear will be replaced later this year.

ANNUAL PRODUCTION*	2013	2012	2011
Ore milled – tonnes	5,895,193	5,876,900	5,684,300
Ore milled per calendar day - tonnes	16,151	16,057	15,573
Grade % – Copper	0.346	0.301	0.396
Recovery % - Copper	91.6	90.0	91.7
Copper – lbs	41,212,818	35,112,000	45,510,000
Gold – oz	2,983	2,578	3,195
Silver – oz	238,028	191,787	223,557

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

Huckleberry's income from mine operations was $31.2 million in 2013 compared to $24.8 million in 2012. Huckleberry's income from mine operations increased due to a greater number of shipments in the period (seven in 2013 versus six in 2012).

During 2013 Huckleberry completed 18 drill holes for a total of 5,242 metres of diamond drilling in the mine site area. The majority of this work was directed towards filling in gaps in historic drilling and expanding resources directly to the west, south, southwest and northeast of the planned Main Zone Optimization (MZO) pit. Several holes were also drilled at the limits of the MZ Deep target, an extensive zone located between the Main and East zone pits, to determine the extent of the zone and to determine its relationship to the other ore zones at Huckleberry. This drilling, in conjunction with drilling data from 2012, appears to indicate the presence of a geological continuity of dominantly low-grade mineralization at depth between Huckleberry's major ore bodies.

A geochemical soil sampling program on the adjacent Huckleberry North claims was also completed in 2013. Results from this program will be used to guide additional work on these claims in 2014.

The new tailings storage facility (TMF-3) construction on the starter and saddle dams, as well as the piping, pumping, cycloning and power infrastructure required to operate the TMF3 was completed in August 2013 and is now being operated. The TMF-3 is being used for storage of tailings and potentially acid generating (PAG) waste, generated by the operation.

Huckleberry ore reserves at December 31, 2013 were 42,746,600 tonnes grading 0.330% copper and 0.009% molybdenum. The strip ratio is approximately 0.7 to 1.0 including the backfilled waste and tailings that must be removed from the MZO pit.

Exploration, development and capital expenditures at Huckleberry were $77.7 million in 2013 compared to $88.3 million in 2012.

Imperial holds a 50% interest in Huckleberry Mines Ltd. The remaining 50% interest is held by a consortium consisting of Mitsubishi Materials Corporation, Dowa Mining Co. Ltd. and Furukawa Co.

Note 5 to the audited Consolidated Financial Statements of the Company for the year ended December 31, 2013 discloses information on the impact of Huckleberry operations on the financial position and results of operations of Imperial.

RED CHRIS MINE CONSTRUCTION UPDATE

To December 31, 2013 the Company had incurred expenditures of $438.8 million on the construction of Red Chris of which $47.8 million was in accounts payable and accruals at that date. Until closing of the long term financing arrangements for the Red Chris project in March 2014, the expenditures on Red Chris were financed from cash flow from operations, a line of credit facility from the Company's bankers, equipment loans and a $250.0 million line of credit facility from Edco Capital Corporation. Concurrent with the closing of the long term financing arrangements after year end, the existing bank line of credit and the line of credit facility from Edco Capital Corporation were repaid in full and cancelled.

The long term financing arrangements for the Company, to be utilized primarily for the construction of Red Chris, consist of US$325.0 million 7% five year senior unsecured notes, a senior secured $200.0 million revolving credit facility, and a five year $75.0 million junior unsecured credit facility with Edco Capital Corporation.

The 287kv Northwest Transmission Line (NTL) from Skeena substation to Bob Quinn is under construction by BC Hydro with a targeted completion date of May 2014. The 93 kilometre Iskut extension of the NTL from Bob Quinn to Tatogga is under construction by the Company with a targeted completion date of June 2014.

Construction of access roads and right of way clearing for the Iskut extension of the NTL is 100% complete. A 150 person camp and laydown yards were established along the route to store and assemble lattice structure components. An experienced power line constructor has installed to date approximately 57% of the foundations and assembled 82% of the structures; the remaining foundations and structures, hardware and conductor will be installed in the coming months.

Red Chris on-site work began in May 2012. The current status of site work is:

- A construction camp to house 480 employees and contractors is fully operational;
- truck shop, warehouse and concentrate shed is complete and currently being used as dry storage for equipment;
- concrete placement and structural steel erection are complete for the coarse ore handling facilities, the primary crusher building, the mechanically stabilized earth wall, the overland conveyor, the transfer towers and the reclaim tunnel;
- concrete foundations for the 287kv main substation and the reagent building are complete;
- pre-engineered process plant building is fully enclosed and internal concrete is approximately 97% complete;
- mechanical installations site wide are approximately 50% complete;
- North Starter Dam has been built to 1097 metre elevation providing adequate water storage for mill startup;
- tailings and reclaim system of pipelines and booster pump house is approximately 25% complete.

Planned activities in 2014 will include the final installation of the primary crusher, process water tanks, interior steel, grinding mills, electrical equipment, reagent building and tailings system. Construction of the 287kv 17 kilometre power line from Tatogga to the mine site began in January 2014. Mine pre-development began in January 2014 with the start of stripping of overburden from the East zone of the Red Chris mine. The Company is targeting to commence commissioning of the Red Chris mine in June 2014 and to achieve full operations in the fourth quarter of 2014.

The cost of constructing the Red Chris mine is now forecast to be $540 million, approximately 8.0% over the December 2012 estimate. The major areas of increase are:

- Certain contractor tenders for 2013 Request for Proposals were above the cost estimate. These increases were mitigated in part by Red Chris choosing to self-perform the mechanical and piping installations;
- Tailings impoundment area earthwork construction costs overran as additional borrow materials were excavated to uncover suitable filter zone and till core for placement and compaction. The filter zone was screened, hauled and placed with small equipment at extra cost. The additional sand and gravel overburden exposed during borrow development was placed on the future 2015-2016 dam construction footprint, which will result in lower tailing dam construction costs in 2015 than previously forecast. Both these activities were not budgeted in the original estimate.

STERLING MINE

ANNUAL PRODUCTION	2013	2012
Ore Stacked – tons	160,789	77,944
Gold Grade – oz/ton	0.083	0.082
Gold ounces – added to heap	13,348	6,393
Gold ounces - in-process & poured	7,142	3,613
Gold shipped - ounces	7,431	2,852

Sterling shipped 7,431 ounces gold in 2013. Forecast production for 2014 from Sterling is 8,000 ounces gold. An engineering design was submitted and approved by the Nevada Division of Environmental Protection to increase the permitted height of the leach pad, and to line the “wedge” area between the old and new heaps. At year’s end the leach pad surface had been leveled to allow for dumping to the greater height. Installation of the additional liner will depend upon the need for added capacity. These design changes add 130,000 tons to the leach pad capacity.

Underground production will continue from the stoping until the known reserves are exhausted mid-year. Any positive results from the underground drill program have the potential to add to the mine’s expected life.

Permitting and planning for an open pit mine and a new heap leach pad are underway, for the potential mining of previously uneconomic mineralization on the property.

Exploration, development and capital expenditures, net of preproduction revenues including capitalized depreciation totaled a $1.7 million recovery in 2013, compared to a total expenditure of $6.2 million in 2012. The Sterling mine recommenced operations on July 2012 and reached commercial production in March 2013. In accordance with the Company’s accounting policy, all revenue and related operating costs prior to commercial production were applied to the carrying value of the Sterling mineral property.

RUDDOCK CREEK JOINT VENTURE PROJECT

The Joint Venture completed a field program in 2013 which included site infrastructure studies, metallurgical testing including dense media separation, spiral, flotation, mineralogical, acid base accounting, and humidity cell testing. The work included collecting and testing mineralized material from each of the Lower E, Creek and V zones, and collecting and testing representative samples of each rock type identified on the property. The collection of baseline environmental and geotechnical information included trenching and geotechnical core drilling in order to provide data for future permitting and engineering studies. Surface exploration carried out during the quarter included detailed geological and structural mapping in a number of areas, as well as the collection of mineralized and non-mineralized rock samples for age-dating purposes. A higher capacity water control structure for the underground discharge was constructed. Ongoing consultations continued with area First Nations.

The Ruddock Creek Joint Venture is owned by Imperial (50%), Mitsui Mining and Smelting Co. Ltd. (30%) and Itochu Corporation (20%). The Ruddock Creek zinc/lead property is located 155 kilometres northeast of Kamloops in the Scrip Range of the Monashee Mountains in southeast British Columbia.

OUTLOOK FOR 2014

OPERATIONS, EARNINGS AND CASH FLOW

Base and precious metals production allocable to Imperial in 2014 from the Mount Polley, Huckleberry and Sterling mines is anticipated to be 65.0 million pounds copper, 56,700 ounces gold and 220,000 ounces silver. The copper production estimate will be impacted by the bull gear failure at Huckleberry. Huckleberry production originally estimated at 42.0 million pounds copper will likely be lower.

Cash flow protection for the balance of 2014 is supported by derivative instruments that will see the Company receive certain minimum prices for copper and gold as disclosed under the heading Derivative Instruments. However, the quarterly revenues will fluctuate depending on copper and gold prices, the CDN Dollar/US Dollar exchange rate, and the timing of concentrate sales which is dependent on concentrate production and the availability and scheduling of transportation.

EXPLORATION

Exploration in 2014 will be limited in scope, and will be conducted at our existing mining operations: Mount Polley, Huckleberry and Sterling. Mount Polley will continue to focus on the excavation of a test stope in the Boundary zone. A minor exploration program will be conducted at Huckleberry, and work will focus on interpretation of information collected over the last two years. Underground drilling at Sterling will continue in the vicinity of the underground workings.

Development

At Mount Polley the majority of ore delivery is from phase 3 of the Springer pit. Stripping effort at Mount Polley is being directed at a pushback of the Cariboo pit. Underground ore is scheduled to be delivered to the mill this year.

At Huckleberry, MZO pit stripping and ore release will continue throughout 2014. The continuation of the TMF-3 construction (Phase 2) will commence in the 2014 second quarter.

At Red Chris planned activities in 2014 include the final installation of the primary crusher, process water tanks, interior steel, grinding mills, electrical equipment, reagent building and tailings system. Construction of the 287kv 17 kilometre power line from Tatogga to the mine site began in January 2014. Mine pre-development began in January 2014 with the start of stripping of overburden from the East zone of the Red Chris mine. The Company is targeting to commence commissioning of the Red Chris mine in June 2014 and to achieve full operations in the fourth quarter of 2014.

Financing

Based on current plans, assumptions, and the debt financings completed in March 2014, the Company expects to have sufficient cash resources to support its normal operating and capital requirements on an ongoing basis.

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(1) Information Related to this Press Release
Detailed financial information is provided in the Company's 2013 Annual Report for the year ended December 31, 2013 available on *www.imperialmetals.com* and on *www.sedar.com*.

EARNINGS ANNOUNCEMENT CONFERENCE CALL
SCHEDULED FOR APRIL 1, 2014 10:00am PDT | 11:00am MDT | 1:00pm EDT

Management will discuss the 2013 Financial Results provided in this press release.
Following are call-in numbers to participate in the earnings announcement conference call:

778.383.7413 local Vancouver
416.764.8609 local Toronto
587.880.2175 local Calgary | Edmonton
888.390.0605 toll free North America

The conference call will be available for replay until April 8, 2014 by dialing
888.390.0541 or 416.764.8677 | replay PIN #642700

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/molybdenum mine and has 50% interest in the Ruddock Creek lead/zinc property, both in British Columbia. The Company 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. When we discuss mine plans; costs and timing of current and proposed exploration or development; development; production and marketing; capital expenditures; construction of transmission lines; construction of the Red Chris mine; 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. We refer to them in this press release as forward-looking information. 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, targeted, believe, may, could, would, might or will*. Forward-looking information includes disclosure relating to project development plans, costs and timing.

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, volatility in the Company's share price 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: the risk that further advances may not be available under credit facilities; risks associated with maintaining substantial levels of indebtedness including potential financial constraints on operations; 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 *Management's Discussion & Analysis* in its 2013 Annual Report.

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 you review the Company's most recent *Annual Information Form* and *Management's Discussion & Analysis* in its 2013 Annual Report, 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.