NEWS RELEASE

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IMPERIAL REPORTS 2011 FINANCIAL RESULTS

Vancouver, BC – **March 30, 2012 – Imperial Metals Corporation (TSX:III)** reports financial results for its fiscal year ended December 31, 2011[(1)]. Net income for the year ended December 31, 2011 was $48.7 million ($0.66 per share) compared to net income of $38.4 million ($0.53 per share) in 2010. Variations in net income period over period were predominately attributable to movements in foreign exchange, realized and unrealized gains and losses on derivative instruments, share based compensation, bad debt recovery and taxes.

Revenues were $253.2 million in 2011 compared to $246.3 million in 2010. Variations in revenue 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 increase in revenue in 2011 over 2010 is due to higher metal prices, which more than offset lower sales volumes. Revenue in 2011 was decreased by a $16.3 million negative revenue revaluation compared to a positive revenue revaluation of $5.5 million in 2010.

This is the first annual reporting for the Company under International Financial Reporting Standard (“IFRS”). While the conversion did not have a significant impact on the Company’s net income, certain line items formerly disclosed under Canadian Generally Accepted Accounting Practices (“CGAAP”) have been reclassified within the financial statement for the current and comparative year.

SELECTED ANNUAL FINANCIAL INFORMATION		Years Ended December 31	
[expressed in thousands of Canadian dollars, except share amounts]	2011	2010	2009[(4)]
Total Revenues	$253,175	$246,271	$201,137
Net Income (Loss)	$48,708	$38,375	$(12,759)
Net Income (Loss) per share[(5)]	$0.66	$0.53	$(0.20)
Diluted Income (Loss) per share[(5)]	$0.65	$0.52	$(0.20)
Adjusted Net Income [(2)]	$31,333	$45,695	$41,112
Adjusted Net Income per share [(2)(5)]	$0.42	$0.63	$0.64
Working Capital [(3)]	$76,499	$71,631	$28,054
Total Assets	$486,379	$442,020	$373,071
Total Long Term Debt (including current portion)	$1,612	$2,515	$2,656
Cash dividends declared per common share[(5)]	$0.00	$0.00	$0.00
Cash Flow [(1)]	$87,715	$78,392	$54,552
Cash Flow per share [(1) (5)]	$1.19	$1.08	$0.84

(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 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 Calculation of Adjusted Net Income for details of the calculation of these amounts for 2011 and 2010.
(3) Defined as current assets less current liabilities.
(4) Information for 2009 is presented in accordance with CGAAP and was not required to be restated to IFRS.
(5) Restated for two-for-one share split effective December 5, 2011.

The reporting currency of the Company is the Canadian Dollar.

Effective December 5, 2011 the Company’s directors approved a share split of Imperial’s issued and outstanding common shares on a two-for-one basis. All common share and per common share amounts have been restated to retroactively reflect the share split.

Income from mine operations decreased to $64.3 million from $74.3 million in 2010 as result of lower contribution margins from mine operations and lower sales volumes. In the 2011 period, net income was positively impacted by net realized and unrealized gains on derivative instruments of $14.3 million compared to losses of $11.2 million in the comparative period. The Company recognized a bad debt recovery of $14.1 million on realized gains on its derivative instruments in the 2011 period.

Income and mining tax expense increased by $29.7 million from 2010 to 2011 with $19.5 million of the change resulting from an increase in deferred BC Mineral taxes. BC Mineral taxes are initially payable at the rate of 2% of net mine operating margin, which excludes capital and certain other costs. After recovery of invested capital, including imputed interest, and recovery of the 2% advance tax, the BC Mineral tax rate is 13%, reflecting that the mine has reached payout.

At December 31, 2010 management revised its estimates related to the expectations of future taxable income for BC Mineral tax purposes for both the Mount Polley and Huckleberry mines as the mines were expected to reach payout. This resulted in a $9.8 million reduction in income and mining tax expense for the year ended December 31, 2010 upon recording the deferred tax assets, primarily the anticipated recovery of the 2% advance tax. The benefit of these tax assets had not been previously recognized due to uncertainty regarding realization thereof.

Income and mining tax expense for the year ended December 31, 2011 includes $11.8 million for BC Mineral taxes, $2.1 million paid in cash and $9.7 million in deferred income taxes. The Company utilized most of the deferred tax asset recorded at December 31, 2010 to offset cash taxes payable in 2011.

For years after 2011 the Company's effective tax rate will be closer to 38%, comprised of 25% federal and provincial income taxes and 13% BC Mineral taxes.

Adjusted net income in 2011 was $31.3 million ($0.42 per share) compared to $45.7 million ($0.63 per share) in 2010. Adjusted net income is calculated by removing the gains or losses, net of related income taxes, resulting from mark to market revaluation of copper and foreign exchange derivative instruments not related to the current period, removing the unrealized share based compensation expense, net of taxes, as further detailed on the following table.

CALCULATION OF ADJUSTED NET INCOME [expressed in thousands of Canadian dollars, except share amounts]	Years Ended December 31 2011	 2010
Net income as reported	$48,708	$38,375
Unrealized (gain) loss on derivative instruments, net of tax (a)	(17,375)	787
Unrealized share based compensation expense, net of tax (b)	-	6,533
Adjusted Net Income (c)	$31,333	$45,695
Adjusted Net Income Per Share (c)	$0.42	$0.63

(a) Derivative financial instruments are recorded at fair value on the Company's Statement of Financial Position, with changes in the fair value, net of taxes, flowing through net income. The amounts ultimately realized may be materially different than reflected in the financial statements due to changes in prices of the underlying copper and foreign exchange hedged.
(b) Effective with the June 30, 2007 quarter until May 19, 2010, the Company's employee stock option plan provided for a cash payment option. Accordingly, the intrinsic value of the outstanding vested options was recorded as a liability on the Company's Statement of Financial Position and quarterly changes in the intrinsic value, net of taxes, flowed through net income during that time period. No tax recovery is recorded effective December 31, 2009 due to changes in legislation regarding the expected deductibility of this expense. As further described under the heading Share Based Compensation Expense, the change in the options plans by the Company changed accounting for share based compensation in the June 2010 quarter.
(c) Adjusted net income and adjusted net income per share are not terms recognized under IFRS in Canada, however it does show the current year's financial results excluding the effect of items not settling in the current year. The Company believes these measures are useful to investors because they are included in the measures that are used by management in assessing the financial performance of the Company.

Cash flow increased to $87.7 million in 2011 from $78.4 million in 2010. The $9.3 million increase is primarily the result of the bad debt recovery of $14.1 million in 2011. 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. 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 were $72.2 million, up from $52.6 million in 2010. Expenditures in both the 2011 and 2010 were primarily financed by cash flow from the Mount Polley and Huckleberry mines and short term debt. At December 31, 2011 the Company had $62.0 million (2010-$30.3 million) in cash and short term investments, inclusive of the Company's share of cash and short term investments of Huckleberry of $55.9 million (2010-$30.2 million). The short term debt balance at December 31, 2011 was $26.9 million.

DERIVATIVE INSTRUMENTS

In the year ending December 31, 2011 the Company utilized copper and foreign exchange derivative instruments. During 2011 the Company recorded gains of $14.3 million on derivative instruments compared to losses of $11.2 million in 2010. These gains and losses result from the mark to market valuation of the derivative instruments based on changes in the price of copper. These amounts include realized losses of $9.3 million in 2011 and $10.1 million in 2010. 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 price and exchange rates compared to the copper price and exchange rate 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 59% of the estimated copper settlements through February 2013 via min/max zero cost collars. Derivative instruments for Huckleberry include puts and min/max zero cost collars extending out to April 2014 covering about 47% of the estimated copper settlements in the period.

UPDATE FOR 2011

MOUNT POLLEY

The reserve estimate for Mount Polley has been updated as of March 27, 2012[(2)]. The current estimate incorporates open pit mining of the Springer, Boundary, C2, Caribou, and WX zones, and reflects the fourteen months of mine production since the January 1, 2011 estimate.

As of March 1, 2012, total Mount Polley reserves are 87.3 million tonnes of 0.292% copper, 0.302 g/t gold and 0.297 g/t silver compared to 45.8 million tonnes of 0.306% copper, 0.262 g/t gold and 0.471 g/t silver at January 1, 2011.

The current mine life for Mount Polley is to the second quarter of 2023.

The reserve increases stated are a result of a complete re-evaluation of the Main zone deposits at Mount Polley. This includes the Springer, Cariboo, C2, and WX zones. A mine life re-evaluation was prompted by a combination of continuing exploration results and strong metal prices.

ANNUAL PRODUCTION FOR THE YEARS ENDED DECEMBER 31	2011	2010	2009
Ore milled (tonnes)	7,716,856	7,894,596	7,045,737
Ore milled per calendar day (tonnes)	21,142	21,629	19,303
Grade % - Copper	0.265	0.322	0.371
Grade g/t – Gold	0.272	0.281	0.322
Recovery % – Copper	58.70	62.19	58.80
Recovery % – Gold	62.90	65.62	67.70
Copper (lbs)	26,450,426	34,842,611	33,860,500
Gold (oz)	42,514	46,771	49,412
Silver (oz)	95,786	206,812	202,992

Copper and gold production in 2011 at Mount Polley were down on account of lower grades and recoveries while mill throughput was maintained near the 2010 record level of 21,629 tonnes per day. The lower grades were expected in 2011 as virtually all mill feed was obtained from the Springer Pit, with no higher grade, lower oxide material available from other sources. Phase 2 was completed in June, after which mill feed was supplied almost exclusively from Phase 3 in the northern portion of the Pit. The formula used to estimate recovery from the northern Springer ore has been adjusted to reflect the lower recoveries obtained in 2011.

Mount Polley production for 2012 is estimated at 34 million pounds copper, 46,800 ounces gold, and 90,000 ounces silver. Mining in 2012 will focus on lower benches of the Phase 3 Springer pit with higher copper grades and lower levels of oxide material. Pre-stripping of Phase 4 benches will commence in the third quarter of 2012.

Two new initiatives at Mount Polley will help the mine meet its 2012 production goals. Firstly, the addition of a P&H 2300 shovel with a 23 cubic metre bucket (purchased from the Kemess mine) drastically reduces loading times for the fleet of Caterpillar 785 haul trucks. This increase in mining productivity should decrease mining costs and ensure movement of waste tonnes required to access to the deeper higher grade ore in the Springer pit. Secondly, excavation of ramps and other underground facilities required in the Boundary zone to test mine approximately 300,000 tonnes grading 1.26% copper, 0.85 g/t gold and 5.5 g/t silver will be completed in 2012. Following this work the mining of the test stope, using a modified sub-level caving method, is planned to confirm the costs and efficacy of this underground mining method for the rock conditions in the Boundary zone.

The new mine site access road and Springer pit ramp system was commissioned in November 2011. The new ramp will provide shorter ore and waste hauls from the Springer pit.

Exploration, development and capital expenditures at Mount Polley were $25.2 million in 2011 compared to $26.7 million in 2010. Based on the drill results achieved in 2011, exploration is expected to continue in all zones near the Springer pit. Drilling commenced in the Springer zone in early February 2012 to test areas below the current mine plan. At the Boundary zone, both surface and underground drilling were conducted in early 2011 to provide confidence in those areas currently being developed by underground mining. Further exploration of the numerous underground targets at Boundary zone will be considered.

Exploration of early stage targets was also undertaken at the Polley Mountain, Skid and Ace zones. The Skid zone drilling was the most encouraging with three of the four holes encountering mineralization and providing good incentive for additional work in 2012. Surface exploration focused on targets within the C2 and Cariboo areas. In the fourth quarter, 23 drill holes totalling 9,205 metres were completed.

An updated resource statement for Mount Polley is anticipated in the third quarter of 2012 when the current phase of exploration drilling is complete.

HUCKLEBERRY MINE

Copper production in 2011was 42.8 million pounds, a decrease of 2.68 million pounds from 2010. The lower grade and recovery were expected as the 2011 mine plan included a significant portion of mill feed from low grade stockpiles while the pushback of the Main Zone extension pit was being completed. In 2012 the majority of mill feed will be from low grade stockpiles, and copper production is estimated to be approximately 33.0 million pounds.

ANNUAL PRODUCTION* FOR THE YEARS ENDED DECEMBER 31	2011	2010	2009
Ore milled (tonnes)	5,929,700	5,684,300	6,133,700
Ore milled per calendar day (tonnes)	16,246	15,573	16,805
Grade % – Copper	0.365	0.396	0.377
Grade % – Molybdenum	0.007	0.007	0.006
Recovery % – Copper	89.9	91.7	90.2
Copper (lbs)	42,830,000	45,510,000	45,931,532
Gold (oz)	3,520	3,195	3,482
Silver (oz)	218,150	223,557	266,940
Molybdenum (lbs)	6,929	84,027	14,467

*50% allocable to Imperial

The financial results from Huckleberry continue to have a significant impact on Imperial's results. Imperial's share of Huckleberry's income from mine operations was $38.1 million in 2011 compared to $36.8 million in 2010. Huckleberry's income increased due to higher copper prices.

The mineral reserve estimate for the Main Zone Optimization (MZO) pit is 39.7 million tonnes grading 0.343% copper. Mining this additional reserve will extend the mine life from 2014 to 2021. The strip ratio, including the waste rock and tailings that will be removed from the old Main zone pit, is 1.51 to 1.0. Overall strip ratio including the Main Zone extension pit is 1.46 to 1.0.

From startup in 1997 to December 31, 2010 the aggregate production at Huckleberry was approximately 870 million pounds copper, 8.0 million pounds molybdenum, 105,000 ounces gold and 3.4 million ounces silver. With the implementation of the MZO plan, production from 2011 to 2021 is estimated to be 424 million pounds copper, with copper production averaging 43.2 million pounds per year from 2011 to 2019. Production in 2020 and 2021 is reduced as low grade stockpiles are milled.

In late December 2011 permit amendments for Huckleberry mine were received and the board of directors of Huckleberry Mines Ltd. formally approved the Main Zone Optimization plan to extend the life of Huckleberry mine to 2021. The logging of the project area is complete and new mining equipment has started to arrive on site.

Exploration in 2011 included a ground geophysics (Titan 24) survey consisting of four lines, each averaging 2.5 kilometres. The lines extended from the eastern portions of the mining claim to the west, encompassing an area that includes the mined out Main Zone pit and a portion of the MZO pit. Exploration also included 3,695 metres of diamond drilling designed to test the Titan 24 targets and to investigate a possible extension of the MZO pit into the old NAG (non acid generating) quarry. Drilling in the old NAG quarry yielded interesting near surface results. While the grades are low, this mineralization starts near the surface and mining in this area could generate NAG waste which would be used, rather than quarried rock, for construction of the new tailings facility. Drilling in the NAG quarry area and other areas in the vicinity of the Main Zone pit will continue into 2012 as part of Huckleberry's 2012 exploration initiative.

Exploration, development and capital expenditures at Huckleberry were $6.8 million in 2011 compared to $4.0 million in 2010.

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

RED CHRIS

Exploration, development and capital expenditures at Red Chris were $32.6 million in 2011 compared to $17.5 million 2010.

At Red Chris, 116 exploration drill holes totalling 16,500 metres were completed. The exploration drilling included 102 shallow reconnaissance drill holes and 14 diamond drill holes. A total of 86 condemnation and geotechnical holes were drilled, totalling 2,038 metres. An updated resource calculation based on 2010 and 2011 drilling was completed in February 2012. The measured and indicated resource, at a 0.2% copper equivalent (CuEq) cutoff, now totals 1.218 billion tonnes grading 0.327% copper, 0.327 g/t gold and 1.114 g/t silver.

A deep diamond drilling program commenced in August 2011 at the Gully zone. Results represent the first significant deep drilling step out from the proposed open pit since Imperial acquired the property in 2007. Results from three diamond drill holes totalling 3,248 metres indicate the mineralized system extends at least one kilometre west of the current Red Chris project pit design. The longest mineralized intercept came from drill hole RC11-477 which returned 807.5 metres grading 0.31% copper and 0.29 g/t gold, including 427.5 metres of 0.39% copper and 0.35 g/t gold. Historic drilling in the Gully zone had penetrated to about 350 metres, with a maximum depth of 470 metres, and had encountered strong alteration and widely distributed copper/gold mineralization. Two diamond drill holes were also completed in the East Ridge area, which is up to 1.5 kilometres to the east of the eastern rim of the proposed open pit.

The focus of activities at Red Chris in 2012 will be development of a 30,000 tonnes per day production facility.

Engineering and procurement for the Red Chris mine development is proceeding with approximately 25% of the engineering complete, and procurement of major long lead items including the SAG mill, ball mill and primary crusher completed. Permitting work continues and permits to allow the on-site construction are expected to be issued in April 2012. Work on the construction of the BC Hydro Northwest Transmission Line (NTL) is underway with the installation of the first construction camp at Bob Quinn. Other camps along the route from Terrace to Bob Quinn will be constructed as the work progresses. Permitting, clearing and other work is to proceed from both ends. Completion of the NTL is now expected by May 2014. Imperial's goal is to complete the mine construction, connect to the NTL and begin commissioning of the concentrator at Red Chris as soon as the NTL is finished.

STERLING

Exploration, development and capital expenditures at Sterling were $6.1 million in 2011 compared to $1.8 million in 2010.

The 144 zone at Sterling is being developed for production with excavation of a ramp to the upper level of the breccia zone, along with an ore pass connecting this level to the main haulage. A drift from the 3180 foot level was completed to the base of the proposed vent raise that will provide ventilation for the mine and will provide a means of secondary emergency route from the underground. The 3292 ramp was completed and 150 feet of development on this level, and a total of 2,241 feet of underground development work were completed in 2011.

Following Imperial's board of directors approval of the plan to restart gold production at Sterling, work on the construction of a new leach pad and recovery plant began in the third quarter of 2011. Underground development generated a surface stockpile of 20,000 tons grading 0.09 ounces per short ton by the 2011 year end. By the end of February 2012 this surface stockpile has grown to 30,000 tons grading 0.10 ounces per short ton. The recovery plant and solution application to the heap will commence operations in April 2012. Carbon columns and related piping have been water tested, and the new 3.5 acre leach pad is lined and being prepared for loading.

RUDDOCK CREEK

In July 2010 the Company signed a Memorandum of Understanding with Itochu Corporation and Mitsui Mining and Smelting Co. Ltd. ("Itochu/Mitsui"), whereby Itochu/Mitsui may earn up to a 50% interest in the property by providing $20.0 million in exploration and development funding on or before March 31, 2013.

Exploration, development and capital expenditures incurred by the Company at Ruddock Creek were $0.4 million in 2011 compared to under $0.1 million in 2010. In addition, Itochu/Mitsui incurred $9.9 million in 2011 compared to $3.9 million in 2010 pursuant to the Memorandum of Understanding.

At the Ruddock Creek property a total of 27,496 metres of surface drilling and 19,579 metres of underground drilling, along with 1,291 metres of decline and 180 metres of incline on the E zone, were completed at the 2011 year end. Work conducted in 2011 included 13,688 metres of underground drilling and the extension of the decline by 254 metres to 1,291 metres from surface. During 2011, exploration on other known zones along the 5 kilometre strike length of the Ruddock Creek Sulphide Horizon included 17 drill holes totalling 5,701 metres in the Creek zone, 8 drill holes totalling 3,147 metres in the V zone, and 5 drill holes totalling 1,893 metres in the Q zone. Drilling on the Q and V zones confirmed zinc/lead mineralization over mineable widths over 4 kilometres west of the E zone confirming the potential to further expand the resource. The surface diamond drilling in the Creek zone was completed to provide a drill hole spacing of approximately 50 metres in this zone.

A comprehensive report will be completed in 2012, including an update of the National Instrument 43-101 compliant report *Mineral Resource Estimate, Ruddock Creek Deposit* dated July 2009. The report will be used to determine the next phase of exploration and development on the Ruddock Creek property.

To December 31, 2011 Itochu/Mitsui had funded $14.0 million to trigger the first earn-in, creating the Ruddock Creek Joint Venture and providing them with a 35% interest in the Ruddock Creek property and certain related assets and liabilities. To December 31, 2011 approximately $13.8 million had been spent on the property pursuant to the Memorandum of Understanding. Itochu/Mitsui have confirmed they plan to fund a further $6.0 million in expenditures at Ruddock to earn a further 15% interest in the property.

FOURTH QUARTER RESULTS

Mineral sales volumes in the fourth quarter of 2011 were $47.2 million, $7.8 million lower than in the same quarter of 2010. There were a total of three shipments in each of the fourth quarters of 2011 and 2010, one from Mount Polley and two from Huckleberry. 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 2011 quarter is largely due to a negative revaluation of $0.3 million when copper prices dropped from when the revenue was initially recorded. This is compared to a positive $6.1 million revenue revaluation in the fourth quarter of 2010 when copper prices increased from when the revenue was initially recorded.

The Company recorded a net income of $3.3 million ($0.09 per share) in the fourth quarter of 2011 compared to net income of $19.2 million ($0.26 per share) in the prior year quarter. In addition to the negative revenue revaluation in 2011, income in the fourth quarter 2011 compared to the fourth quarter of 2010 was lower as a result of higher fuel and labour costs and higher tax expense.

Expenditures for exploration and ongoing capital projects at Mount Polley, Huckleberry, Red Chris and Sterling totalled $19.7 million during the three months ended December 31, 2011. The increase from $6.1 million in the 2010 period was due to higher exploration and development expenditures at Red Chris, Huckleberry and Sterling.

OUTLOOK FOR 2011

OPERATIONS, EARNINGS AND CASH FLOW

Base and precious metals production allocable to Imperial in 2012 from the Mount Polley and Huckleberry mines is anticipated to be 50.5 million pounds copper, 48,000 ounces gold and 160,000 ounces silver. Cash flow protection for 2012 is supported by derivative instruments that will see the Company receive certain minimum average copper prices and exchange rates as disclosed under the heading Derivative Instruments. However, the quarterly revenues will fluctuate depending on copper and gold prices, the US Dollar/CDN Dollar exchange rate, and the timing of concentrate sales which is dependent on the availability and scheduling of transportation.

EXPLORATION

The Company's plans for 2012 include exploration at the Mount Polley, Red Chris, Ruddock Creek and Sterling properties. Ongoing exploration at Mount Polley will continue to focus on defining underground higher grade mineralization at the Boundary zone, and further testing of the mineralized zones in the vicinity of the Springer pit. Red Chris exploration drilling will test targets outside the current open pit design. Ruddock Creek exploration continues to be funded by the joint venture partners and will focus on drilling in the Q, V and U zones. Underground development and drilling at Sterling will continue in the 144 Zone. The Company continues to evaluate exploration opportunities both on currently owned properties and new prospects.

DEVELOPMENT

Mount Polley plans to produce 34.0 million pounds of copper in 2012. To achieve this production goal, the Company has added a P&H 2300 shovel with a 23 cubic metre bucket which will significantly reduce loading times for the fleet of Caterpillar 785 haul trucks. This will decrease mining costs and increase mining productivity ensuring the movement of waste material required to access the deeper higher grade ore in the Springer pit. In addition, underground excavation of ramps and other facilities in the Boundary zone, required to test mine approximately 300,000 tonnes grading 1.26% copper, 0.85 g/t gold and 5.5 g/t silver using a modified sub-level caving method, is planned to confirm the costs and efficacy of this underground mining method.

At Huckleberry mine construction of a new tailings storage facility to provide storage for the waste and tailings from the Main Zone Optimization pit will be the focus of construction work at Huckleberry.

Engineering and procurement for the Red Chris mine development is proceeding with approximately 25% of the engineering complete, and procurement of major long lead items including the SAG mill, ball mill and primary crusher completed. Permitting work continues and permits to allow the on-site construction are expected to be issued in April 2012. Work on the construction of the BC Hydro Northwest Transmission Line (NTL) is underway with the installation of the first construction camp at Bob Quinn. Other camps along the route from Terrace to Bob Quinn will be constructed as the work progresses. Permitting, clearing and other work is to proceed from both ends. Completion of the NTL is now expected by May 2014. Imperial's goal is to complete the mine construction, connect to the NTL and begin commissioning of the concentrator at Red Chris as soon as the NTL is finished.

At the Sterling gold property in Nevada, underground development had generated a surface stockpile of 20,000 tons grading 0.09 ounces per short ton by the 2011 year end, and by the end of February 2012 the surface stockpile had grown to 30,000 tons grading 0.10 ounces per short ton. The recovery plant and solution application to the heap will commence operations in April 2012. Carbon columns and related piping have been water tested, and the new 3.5 acre leach pad is lined and being prepared for loading.

FINANCING

Based on current plans and assumptions, the Company expects to have sufficient cash resources to support its normal operating requirements on an ongoing basis. The Company expects to continue to utilize short term debt facilities to manage its day to day financing needs. The Company will need to secure further debt financing in 2012 to fund construction costs for the Red Chris project.

Documents available on www.imperialmetals.com and www.sedar.com: (1) 2011 Annual Report (2) 2011 Annual Information Form

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CAUTIONARY NOTE REGARDING "FORWARD-LOOKING INFORMATION":

THIS INFORMATION IS A REVIEW OF THE COMPANY'S OPERATIONS AND FINANCIAL POSITION AS AT AND FOR THE YEAR ENDED DECEMBER 31, 2011, AND PLANS FOR THE FUTURE BASED ON FACTS AND CIRCUMSTANCES AS OF MARCH 30, 2012. EXCEPT FOR STATEMENTS OF HISTORICAL FACT RELATING TO THE COMPANY, INCLUDING OUR 50% INTEREST IN HUCKLEBERRY, CERTAIN INFORMATION CONTAINED HEREIN CONSTITUTES FORWARD-LOOKING STATEMENTS.

WHEN WE DISCUSS MINE PLANS; OUR COSTS AND TIMING OF CURRENT AND PROPOSED EXPLORATION; DEVELOPMENT; PRODUCTION AND MARKETING; CAPITAL EXPENDITURES; THE CONSTRUCTION OF THE NORTHWEST TRANSMISSION LINE; CASHFLOW; 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 THINGS THAT HAVE NOT YET HAPPENED IN THIS REVIEW 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 REVIEW AS *FORWARD-LOOKING INFORMATION*.

THE FORWARD-LOOKING INFORMATION IN THIS REVIEW TYPICALLY INCLUDES WORDS AND PHRASES ABOUT THE FUTURE, SUCH AS: *PLAN*, *EXPECT*, *FORECAST*, *INTEND*, *ANTICIPATE*, *ESTIMATE*, *BUDGET*, *SCHEDULED*, *BELIEVE*, *MAY*, *COULD*, *WOULD*, *MIGHT*, *WILL*. WE CAN GIVE NO ASSURANCE THAT 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 AND 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: 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 RISK; FINANCING RISK; ENVIRONMENTAL RISK; FOREIGN ACTIVITIES; LEGAL PROCEEDINGS; AND OTHER RISKS THAT ARE SET OUT IN OUR ANNUAL INFORMATION FORM AND BELOW.

IF OUR ASSUMPTIONS PROVE TO BE INCORRECT OR RISKS MATERIALIZE, OUR ACTUAL RESULTS AND EVENTS MAY VARY MATERIALLY FROM WHAT WE CURRENTLY EXPECT AS SET OUT IN THIS REVIEW.

WE RECOMMEND THAT YOU REVIEW OUR ANNUAL INFORMATION FORM AND THIS NEWS RELEASE, WHICH INCLUDE A 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.