News Release

Imperial Reports Second Quarter 2026 Financial Results

Vancouver | **August 6, 2026** | **Imperial Metals Corporation** (the "Company" or "Imperial") (TSX:III) reports financial results for the three and six months ended June 30, 2026. Imperial's consolidated production for the second quarter of 2026 totalled 8,759,242 pounds copper and 11,226 ounces gold.

"We completed a very strategic quarter for Imperial as both mines, Mount Polley and Red Chris, received key authorizations that extend their permitted mine life. At Mount Polley, we worked through some lower grade ore to position the operation for access to higher grade mineralization that will be exposed for mining later this year", said the President, Brian Kynoch. "Supported by good copper and gold prices, we continued investing in our operations even during this period of lower grades from both mines. The permits received for the tailing dam raise at Mount Polley and transition to block cave mining at Red Chris position the Company to deliver returns in the coming years."

FINANCIAL

Total revenue was $166.5 million in the June 2026 quarter compared to $175.8 million in the 2025 comparative quarter.

In the June 2026 quarter, Mount Polley mine had 1.0 concentrate shipments (2025-1.9 concentrate shipments). The Red Chris mine (100% basis) had 4.0 concentrate shipments (2025-5.0 concentrate shipments).

Variations in revenue are impacted by the timing and quantity of concentrate shipments, metal prices and exchange rates, and period end revaluations of revenue attributed to concentrate shipments where copper and gold prices will settle at a future date.

At June 30, 2026, the Company had not hedged any copper, gold or US/CDN Dollar exchange.

Revenue revaluation for the June 2026 quarter was $4.6 million, compared to $2.2 million in the comparative quarter of 2025. Revenue revaluations arise from changes in metal prices between the initial recognition of revenue and the settlement date and/or the reporting balance sheet date, together with adjustments to payable metal quantities following receipt of final assay results.

Net income for the June 2026 quarter was $22.0 million ($0.12 income per share) compared to net income of $40.6 million ($0.25 income per share) in the 2025 comparative quarter. The decrease in net income of $18.6 million was primarily due to the following factors:

- Income from mine operations decreased to $47.3 million in the June 2026 quarter from $81.3 million in the June 2025 quarter, a decrease of $34.0 million, partially offset by:
- Net interest expense decreased to $3.6 million in the June 2026 quarter from $6.8 million in the June 2025 quarter, increasing net income by $3.2 million; and
- Tax expense decreased to $13.5 million in the June 2026 quarter from $26.5 million in the June 2025 quarter, increasing net income by $13.0 million.

Capital expenditures including leases were $67.0 million in the June 2026 quarter, an increase of $2.9 million from $64.1 million in the 2025 comparative quarter. The June 2026 quarter expenditures included $29.8 million in exploration and development, $12.4 million for tailings dam construction and $24.8 million of other capital.

OPERATIONS

During the quarter ended June 30, 2026, Imperial's consolidated metal production was 8.8 million pounds copper (Q2 2025-16.5 million pounds copper) and 11,226 ounces gold (Q2 2025-17,848 ounces gold).

Mount Polley Mine

Mount Polley metal production for the second quarter of 2026 was 3.382 million pounds copper and 6,848 ounces gold, compared to 9.496 million pounds copper and 11,061 ounces gold produced during the second quarter of 2025. Copper production was down 64% and gold production was down 38%, on lower grades, recoveries and throughput compared to the second quarter of 2025. Throughput in the second quarter of 2026 was 18,498 tonnes per day compared to 19,331 tonnes per day in the second quarter of 2025. Compared to the first quarter of 2026, throughput was up 12%, copper production was down 23% and gold production was down 10%.

	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Ore milled - *tonnes*	1,683,357	1,759,093	3,183,106	3,480,862
Ore milled per calendar day - *tonnes*	18,498	19,331	17,586	19,231
Grade % - copper	0.152	0.295	0.168	0.288
Grade g/t - gold	0.199	0.286	0.215	0.280
Recovery % - copper	60.2	83.0	66.0	83.2
Recovery % - gold	63.6	68.4	65.7	69.1
Copper - *000's pounds*	3,382	9,496	7,781	18,400
Gold - *ounces*	6,848	11,061	14,457	21,682

Mill feed for the second quarter of 2026 was sourced 44% from the Springer pit Phase 5 pushback supplemented by 15% from Phase 4 and C2 pit, and 41% from lower grade stockpiles. The high percentage of low-grade stockpile material delivered to the mill resulted in lower copper and gold grades being milled. By the fourth quarter of 2026 higher grade material from Phase 5 should begin to be delivered to the mill and reduce or eliminate the need to process lower grade stockpiles.

Stripping activities for the Phase 5 pushback continued during the quarter with approximately 6.032 million tonnes of rock mined from this pushback. Approximately 2.725 million tonnes of non-acid generating rock from the pushback were delivered to the tailings storage facility embankment for buttress construction.

Exploration program

Diamond drilling started in February 2026 and initially followed up on the successful results from the first drilling campaign at the Mount Polley mine in more than a decade in the Bell Pit area. Since February 2026, there have been 41 diamond drill holes completed totaling 8,620 metres focusing on the historic Bell Pit area, the expansion of the Cariboo Zone laterally and to depth.

Exploration, development, and capital expenditures in the second quarter of 2026 were $30.3 million compared to $33.7 million in the 2025 comparative quarter.

Red Chris Mine

Red Chris production (100%) for the second quarter of 2026 was 17.924 million pounds copper and 14,591 ounces gold compared to 23.479 million pounds copper and 22,624 ounces gold during the same quarter of 2025. Both copper and gold production were down compared to the second quarter of 2025, with copper production down 24% and gold production down 36%.

The decrease in copper production was a result of a 18% decrease in copper grade (0.45% vs. 0.55%) with higher recovery and lower throughput. The decrease in gold production was a result of lower gold grade in the mill feed (0.35 g/t gold vs. 0.49 g/t gold) and lower throughput, with similar gold recovery (59.4% vs. 60.0%) compared to the same quarter last year.

Both copper and gold production remain on track to achieve the budgeted 2026 production, and the guidance for 2026 Red Chris production (100%) remains 60.0 – 66.0 million pounds of copper and 47,500 – 52,500 ounces of gold.

Imperial's 30% portion of Red Chris mine for the second quarter of 2026 was 5.377 million pounds copper and 4,377 ounces gold.

100% Red Chris mine production	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Ore milled - *tonnes*	2,155,695	2,393,788	4,106,038	4,443,263
Ore milled per calendar day - *tonnes*	23,689	26,305	22,561	24,414
Grade % - copper	0.450	0.547	0.482	0.580
Grade g/t - gold	0.354	0.490	0.421	0.514
Recovery % - copper	83.8	81.4	84.6	82.0
Recovery % - gold	59.4	60.0	62.5	60.3
Copper - *000's pounds*	17,924	23,479	36,905	46,606
Gold - *ounces*	14,591	22,624	34,699	44,287

Imperial's 30% share of exploration, development, and capital expenditures were $35.0 million in the June 2026 quarter compared to $30.2 million in the 2025 comparative quarter.

Block Cave Feasibility Study

The Red Chris feasibility study for a block cave expansion operation is advancing. The key permits are in hand with approval from both the Province of British Columbia and Tahltan First Nation. Completion of the feasibility study and, subject to the study outcomes, joint venture approval are expected in the second half of 2026.

Exploration Program

There have been three diamond drills operating at Red Chris during the last quarter, one underground for geotechnical information and two surface drills completing geotechnical information for the proposed block cave and exploration in the Far West zone. Additional surface drilling will be continuing in the Far West zone and then the drill rig will be moving to explore the South Boundary fault offset Main zone target. There will be continued surface exploration outside of the known zones along strike of the Red Chris porphyry stock.

Huckleberry Mine

Huckleberry operations ceased in August 2016 and the mine remains on care and maintenance status.

Following the successful drilling program in 2025 of an underexplored area southwest of the Main Zone Pit, where all nine drillholes intersected copper, molybdenum, silver, and gold mineralization, a program of re-assaying available historic core for gold and silver was completed. A follow-up 2026 drilling program included drilling additional 22 diamond drill holes, with all the holes intersecting significant copper, molybdenum, silver and gold.

The Company has commenced preliminary work on the cost of restarting Huckleberry and is targeting to have a completed reopening plan by the end of 2026 that includes a mine plan optimized with the new diamond drilling data.

For the June 2026 quarter, Huckleberry incurred idle mine costs comprised of $2.6 million in operating costs and compared to $1.7 million in operating cost and $0.3 million in depreciation expense in the comparable quarter of 2025.

Exploration, development, and capital expenditures were $0.9 million in June 2026 quarter compared to $0.1 million in June 2025 quarter.

TECHNICAL INFORMATION

The technical and scientific information related to the Company's mineral projects has been reviewed and approved by Steve Robertson, P.Geo., Imperial's Vice President Corporate Development, and a designated Qualified Person as defined by NI 43-101.

EARNINGS AND CASH FLOW

Select Quarter Financial Information

expressed in thousands of dollars, except share and per share amounts	Three Months Ended June 30		Six Months Ended June 30	
	2026	2025	2026	2025
Operations:				
Total revenues	$166,517	$175,751	$321,088	$352,370
Net income	$21,982	$40,550	$36,384	$81,887
Net income per share	$0.12	$0.25	$0.20	$0.50
Diluted income per share	$0.12	$0.25	$0.20	$0.50
Adjusted net income	$22,607	$40,550	$37,000	$81,887
Adjusted net income per share	$0.13	$0.25	$0.21	$0.50
Adjusted EBITDA	$69,970	$99,471	$140,739	$197,140
Cash earnings	$69,167	$97,697	$137,708	$193,706
Cash earnings per share	$0.39	$0.60	$0.77	$1.19
Working capital deficiency	$(69,949)	$(119,604)	$(69,949)	$(119,604)
Total assets	$1,991,599	$1,708,810	$1,991,599	$1,708,810
Total debt (including current portion)	$197,503	$277,264	$197,503	$277,264

NON-GAAP FINANCIAL MEASURES

The Company reports on four non-GAAP financial measures: adjusted net income, adjusted EBITDA, cash earnings and cash cost per pound of copper produced, which are described in detail below. 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.

Adjusted net income, adjusted EBITDA, cash earnings and cash cost per pound of copper are not standardized financial measures under IFRS Accounting Standards and might not be comparable to similar financial measures disclosed by other issuers.

Adjusted Net Income and Adjusted Net Income Per Share

Adjusted net income is derived from operating net income by removing the gains or losses, resulting from acquisition and disposal of property, net of tax, unrealized foreign exchange gains or losses on long term debt, net of tax and other non-recurring items. Adjusted net income in the June 2026 quarter was $22.6 million ($0.13 per share) compared to an adjusted net income of $40.6 million ($0.25 per share) in the 2025 comparative quarter. We believe that the presentation of Adjusted Net Income helps investors better understand the results of our normal operating activities and the ongoing cash generating potential of our business.

Adjusted EBITDA

Adjusted EBITDA in the June 2026 quarter was $70.0 million compared to $99.5 million in the 2025 comparative quarter. We define Adjusted EBITDA as net income before interest expense, taxes, depletion, and depreciation, and as adjusted for certain other items.

Cash Earnings and Cash Earnings Per Share

Cash earnings in the June 2026 quarter was $69.2 million compared to $97.7 million in the 2025 comparative quarter. Cash earnings per share was $0.39 in the June 2026 quarter compared to $0.60 in the 2025 comparative quarter.

Cash earnings and cash earnings per share are measures used by the Company to evaluate its performance; however, they are not terms recognized under IFRS Accounting Standards. We believe that the presentation of cash earnings and cash earnings per share is appropriate to provide additional information to investors about how well the Company can earn cash to pay its debts and manage its operating expenses and investment. Cash earnings 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. Cash earnings per share is the same measure divided by the weighted average number of common shares outstanding during the year.

Cash Cost Per Pound of Copper Produced

Management uses this non-GAAP financial measure to monitor operating costs and profitability. The Company is primarily a copper producer and therefore calculates this non-GAAP financial measure individually for its two operating copper mines, Mount Polley and Red Chris (30% share), and on a composite basis for these mines.

Variations from period to period in the cash cost per pound of copper produced are the result of many factors including: grade, metal recoveries, amount of stripping charged to operations, mine and mill operating conditions, labour and other cost inputs, transportation and warehousing costs, treatment and refining costs, the amount of by-product and other revenues, the US$ to CDN$ exchange rate and the amount of copper produced.

Calculation of Cash Cost Per Pound of Copper Produced

expressed in thousands, except cash cost per pound of copper produced	Three Months Ended June 30, 2026		
	Mount Polley	Red Chris	Composite
Cash cost of copper produced in US$	$9,705	$3,651	$13,356
Copper produced – 000's pounds	*3,382*	*5,384*	*8,766*
Cash cost per lb copper produced in US$	$2.87	$0.68	$1.52

expressed in thousands, except cash cost per pound of copper produced	Three Months Ended June 30, 2025		
	Mount Polley	Red Chris	Composite
Cash cost of copper produced in US$	$(13,951)	$8,525	$(5,426)
Copper produced – 000's pounds	*9,496*	*7,044*	*16,540*
Cash cost per lb copper produced in US$	$(1.47)	$1.21	$(0.33)

expressed in thousands, except cash cost per pound of copper produced	Six Months Ended June 30, 2026		
	Mount Polley	Red Chris	Composite
Cash cost of copper produced in US$	$12,872	$2,280	$15,152
Copper produced – 000's pounds	*7,781*	*11,079*	*18,860*
Cash cost per lb copper produced in US$	$1.65	$0.21	$0.80

expressed in thousands, except cash cost per pound of copper produced	Six Months Ended June 30, 2025		
	Mount Polley	Red Chris	Composite
Cash cost of copper produced in US$	$(19,529)	$18,123	$(1,406)
Copper produced – 000's pounds	*18,400*	*13,982*	*32,382*
Cash cost per lb copper produced in US$	$(1.06)	$1.30	$(0.04)

For detailed information, refer to Imperial's 2026 Second Quarter Management's Discussion and Analysis available on *imperialmetals.com* and *sedarplus.ca.*

About Imperial

Imperial is a Vancouver based exploration, mine development and operating company with holdings that include the Mount Polley mine (100%), the Huckleberry mine (100%), and the Red Chris mine (30%). Imperial also holds a portfolio of 23 greenfield exploration properties in British Columbia.

Company Contacts

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Cautionary Note Regarding Forward-Looking Statements

Certain information contained in this news release are not statements of historical fact and are "forward-looking" statements. 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 the Company's expectations with respect to: the extension of permitted mine life for both the Mount Polley and Red Chris mines as a result of receiving amendments to key authorizations, the receipt of which positions the Company to deliver returns in the coming years; the expected delivery of higher grade material from Phase 5 to Mount Polley's mill in the fourth quarter of 2026 which should reduce or eliminate the need to process lower grade stockpiles; the expectation that the Mount Polley mine will meet the range of guidance for 2026 production; the expected completion of the Red Chris feasibility study and, subject to the study outcomes, joint venture approval by the second half of 2026; planned additional surface drilling at the Red Chris mine in the Far West zone and the South Boundary fault offset Main zone target, in addition to surface exploration outside of the known zones along strike of the Red Chris porphyry stock; ongoing updates to optimize plans for reopening the Huckleberry mine, including data from the diamond drilling and re-assaying of historic core to develop a new block model for the Main zone, with a targeted completion date for the reopening plan by the end of 2026; and more general statements regarding the Company's expectations with respect to its business and operations; metal pricing and demand; fluctuation of revenues; metal production guidance and estimates; and expectations regarding the usefulness of non-IFRS financial measures including adjusted net income (loss), adjusted EBITDA, cash earnings and cash cost per pound of copper.

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. 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.

In making the forward-looking statements in this news release, the Company has applied certain factors and assumptions that are based on information currently available to the Company as well as the Company's current beliefs and assumptions. These factors and assumptions and beliefs and assumptions include hazards and risks disclosed with the "Risk Factors" section of the Company's current Annual Information Form, and other public filings which are available for review on Imperial's SEDAR+ profile at sedarplus.ca. 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, many of which are beyond the Company's ability to control or predict. 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 and all forward-looking statements in this news release are qualified by these cautionary statements.