

Mirage Resources Corporation

In January 1996, the Company sold 4,083,460 shares of Mirage Resources Corporation to Kinross Gold Corporation in consideration of 698,936 free trading common shares of Kinross. The Mirage shares sold by Imperial represented the entire stake of Imperial in Mirage. The Kinross shares acquired in this transaction were subsequently sold on the open market netting Imperial \$8,850,000.

Giant Copper

The 100% owned Giant Copper property is located 40 km southeast of Hope, British Columbia. Because of uncertainty over mine development in the area of the property, little or no exploration was carried out at Giant Copper from 1990 to 1994. Exploration activity resumed in the fall of 1995 following the British Columbia Government's decision to draw the boundaries of the new Skagit Valley Park outside the property. A buffer zone has been established around the Giant Copper claims which cover 41 km², and access to them has been guaranteed.

Eight holes totalling 4,559 feet were completed and 41 continuous channel samples from surface outcrop of mineralized breccia were collected during the 1995 program. All but two holes intersected intervals of copper, gold, silver and molybdenum.



1995 drilling at the AM Zone - Giant Copper.

The open pit resource at Giant Copper was revised upward following last year's exploration program to 29.5 million tons grading 0.653% copper, 0.011 oz/t gold and 0.360 oz/t silver. The next phase of drilling will test for new extensions of the AM Zone together with other highly prospective but largely untested breccia zones on the property.

Goldstream Mine

Mining operations at Goldstream were terminated in January 1996 when the economic mining limits of the ore body were reached. During the operating period, which commenced in June 1991, the mine produced 144.5 million pounds of copper and 13 million pounds of zinc in concentrate generating gross revenues of \$191,873,000. During the active mining period, the Company operated and held a 50% interest in Goldstream through Bethlehem Resources Corporation, a wholly owned subsidiary.

In March 1996 the Company's wholly owned subsidiary Bethlehem Resources (1996) Corporation entered into an agreement to increase its interest in the mine, production facilities and tailings dam disposal area to 100%. Although some of the equipment at Goldstream will be used in the development of Mount Polley, the Goldstream facility will essentially be maintained on a stand-by basis pending the outcome of exploration programs on properties in the area of the Goldstream Mine such as Rain and Cottonbelt, in which the Company retains significant direct and indirect interests.

Cathedral Gold Corporation

The Company holds 5.5 million shares of Cathedral Gold Corporation representing approximately 40% of Cathedral's issued and outstanding shares.

Cathedral made progress on several fronts in 1995. In Guyana, South America, Cathedral defined a geological resource of 190,000 ounces on the Hicks Zone gold deposit and expanded its exploration activities onto adjoining prospecting licenses and optioned property. Three separate zones of gold mineralization were identified on the East Kaburi Prospecting License and five drill holes were completed at the Tallman property to test the strike extent of a rich gold bearing quartz vein which on surface has averaged 3.3 ounces of gold per ton across 1.5 metres over a strike length of 100 metres.

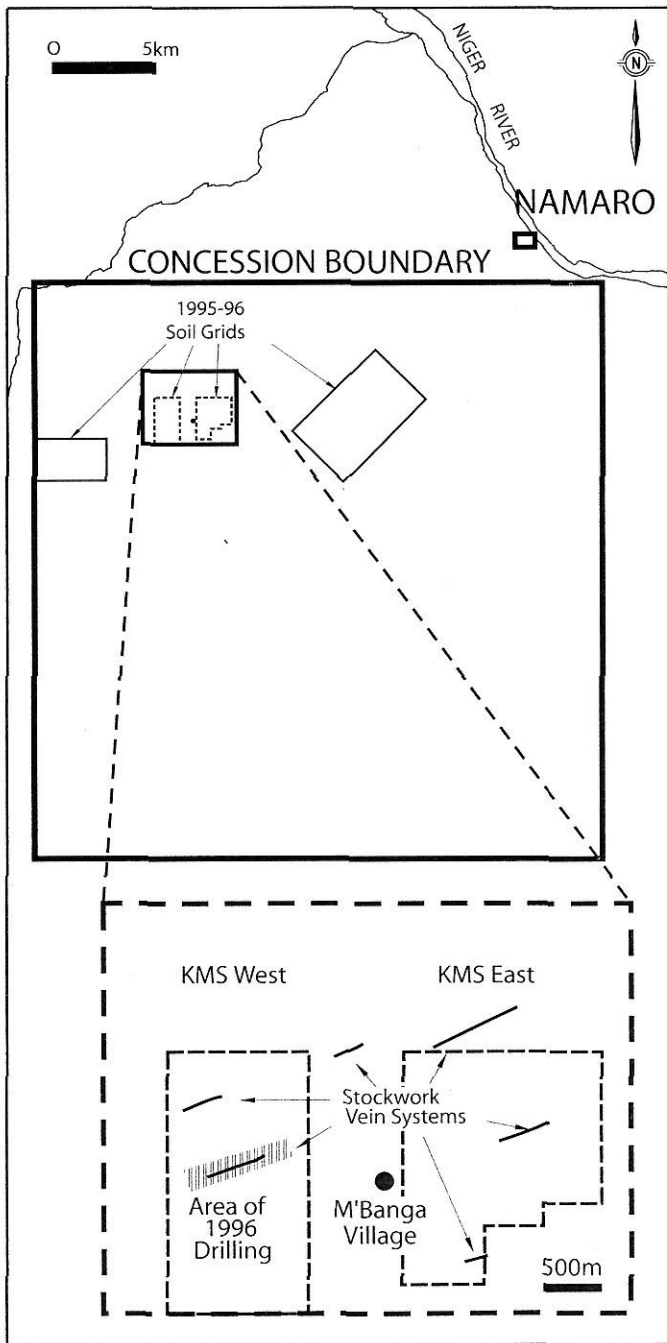
In March 1996 Cathedral and Imperial entered into an agreement with Placer Dome Inc. whereby Placer can earn a 65% interest in the Sterling Mine joint venture property and a 55% interest in the adjacent Goldspar Option property by carrying out minimum annual exploration and development expenditures and presenting a positive bankable feasibility study which provides for the economic development of an ore body in excess of 750,000 mineable ounces of gold. Imperial holds a 10% interest in the Sterling Mine and surrounding property.

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Following the signing of a 60% Imperial, 40% Sumitomo Joint Venture Agreement, Imperial initiated a program to include landsat and radar imagery, airborne magnetometer and radiometrics, ground geophysics, soil sampling using a reverse circulation drill, with follow-up trenching and diamond drilling. The primary focus of this program is the anomalous geochemical areas previously established by the MMAJ work.

From mid-October, 1995 to the end of March 1996 over 4,000 reverse circulation soil samples were collected and eleven trenches were completed. From this work a zone 25 to 30 metres wide and at least 300 metres in length grading 0.89 g/t in near surface saprolites, has been identified. Starting in May 1996 a 1500 metre drill program will test the lateral and dip extent of the zone.

M'Banga Gold Concession



Further drilling and trenching will be predicated on the first phase results.

Giant Copper

The 100% owned Giant Copper property near Hope, British Columbia is a high priority advanced exploration project. Because of uncertainty over mine development in the area of the property, little or no exploration was carried out at Giant Copper from 1990 to 1994. Exploration activity resumed in the fall of 1995 following the British Columbia Government's decision to draw the boundaries of the new Skagit Valley Park outside the property. The Giant Copper claims cover 41 km² and access to them has been guaranteed.

The property is well located, relatively unexplored and holds a substantial reserve of copper and gold. The challenge now is to find additional near surface mineralization with similar grades to existing reserves. The existence of many known mineralized zones make it highly prospective for discovery of new ore bodies.

Property Wide Reconnaissance

Completion of airborne geophysics will be the first step in looking outward from the areas of historical work on the property. Flying is planned for April, allowing time for the final maps to be prepared before mid-May when field crews will be mobilized.

Completed = several new targets. [PM, May 31]

This data will be used to plan for reconnaissance work, and aid in the positioning of grids and diamond drill holes. Geophysical coverage of the entire property will allow the comparison of known mineralized zones with other anomalies on the property. This will be a very useful tool as a significant portion of the property remains unexplored by today's standards, and is relatively difficult to access.

One region scheduled for reconnaissance is the Silver Daisy area near the bottom of the Tram-line. The target is bulk mineable mineralization in the wallrock of the known high grade sulfide veins. This type of search led to the discovery of significant disseminated mineralization in the area surrounding high grade veins at the Invermay Zone. Significant brecciation was noted in mapping done in the Tram-line area in 1957, but high grade veins were the target in those days and no work has been done in the area since.

A second area of reconnaissance interest lies to the south of the AM Zone, just east of the 26 mile grid. Analysis of faults similar to the Giant Fault, adjacent to the regional Hozameen Fault, show a high incidence of significant right lateral displacement. This suggests that it may be possible to find an offset counterpart to the AM Zone in this unexplored portion of the property.

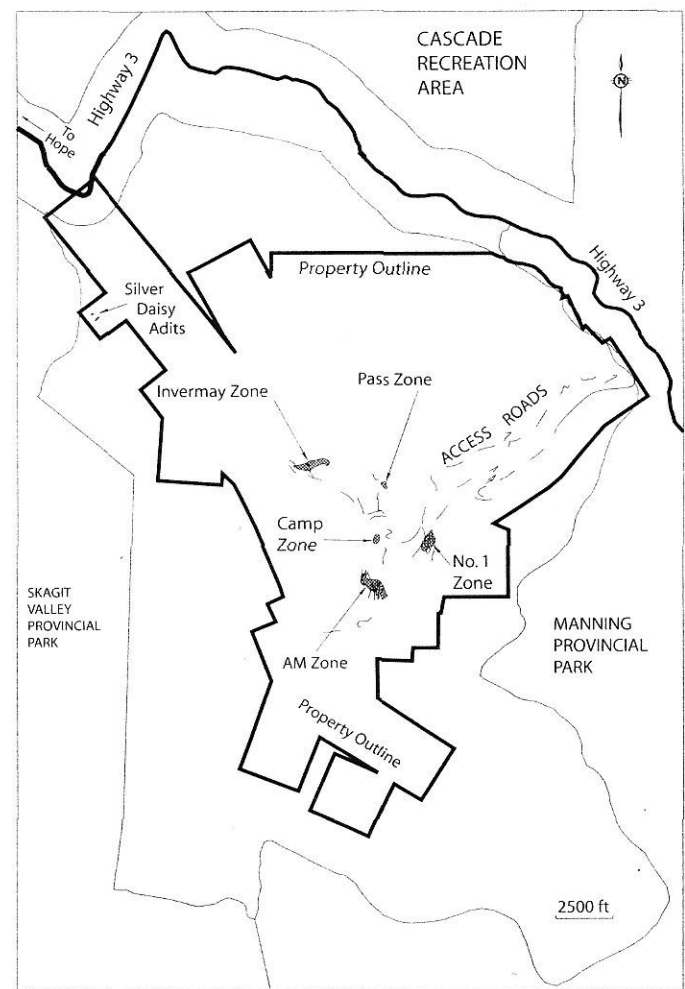
Invermay Zone

Work on the Invermay Zone dates back to the 1930's when high grade lead - zinc - silver veins were discovered and mined. Later exploration proved the wallrock to have low grade disseminated mineralization. This zone is still open to the south and warrants drilling in that direction. Due to the relatively limited amount of information in the area, a grid will be installed for soil sampling, mapping, magnetics, ground geophysics and induced polarization.

Number 1 Zone

The Number 1 Zone was first discovered in 1989 and is still open to the west and southeast. Drilling to the west of the zone will entail setting up on a hole which was started in the winter of 1990 but was never completed due to weather conditions. The casing is still in place and set in bedrock. A second hole will be drilled from the bottom of a gully to the east to test the limits of the zone.

Giant Copper property map.



AM Zone

The AM Zone has been extensively explored in the past, and is host to an open pit resource of 29.5 million tons grading 0.653% copper, 0.011 oz/t gold and 0.360 oz/t silver. Although the zone

remains open to depth the focus of this year's program is increasing near surface tonnage. Two additional holes, totalling 1100 feet, will be drilled on the eastern side of the breccia. Surrounding data indicates that the area has high potential to provide additional ore.

Mitchell Bay

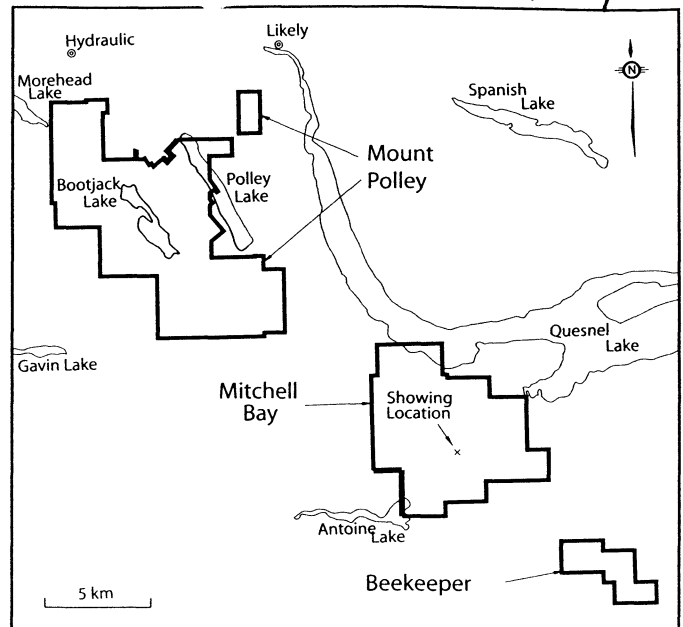
The Mitchell Bay property was acquired by Imperial Metals in early 1996 by way of staking and optioning existing claims. Impetus for obtaining the property was the discovery of a copper-gold showing by a local prospector. Analysis of a grab sample collected by the prospector returned 2.28% copper and 0.576 oz/t gold. The rock sample is a pervasively altered porphyritic intrusive.

Mitchell Bay is a very exciting discovery due to both the excellent grades indicated from the discovery showing, and its proximity to the Mount Polley property, less than 5 km Northwest. Substantial snow cover has thus far prohibited examination of the property but a full scale exploration program will begin in April with an airborne geophysical survey covering the entire property. Subsequent work will then concentrate on geological mapping and sampling of the discovery showing and delineation of the extent of the showing and related zones of mineralization.

If successful, this initial exploration will be followed by trenching, grid work, ground geophysics, soil sampling, mapping, and diamond drilling.

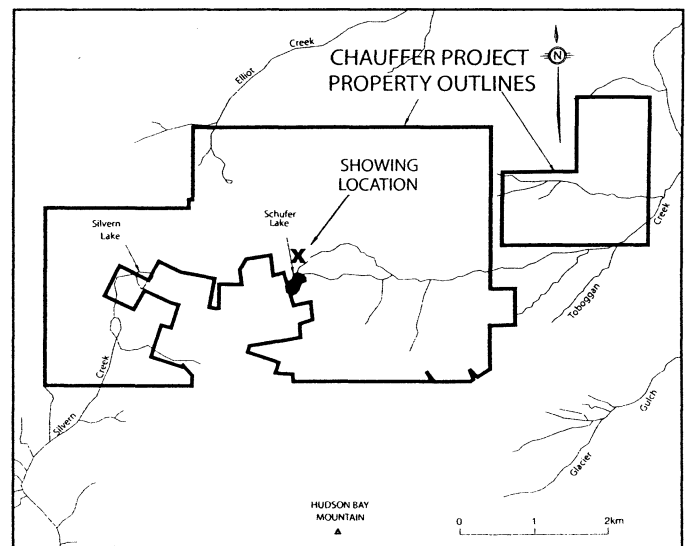
Mapping by previous geological contractors has indicated that the rocks underlying the property are intensely potassically altered, indicating the local presence of a multiphase intrusive, commonly associated with porphyry gold / copper deposits like Mount Polley.

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Imperial holds options to acquire a 100% interest in the Mitchell Bay property.

Chauffer



In October 1995 Imperial optioned a 100% interest in the Chauffer property near Smithers, British Columbia. The property was staked on a showing discovered by local prospectors in an