

886944

→ Red
Chris**Schroeter, Tom EMPR:EX**

From: Ryan.Kuffner@international.gc.ca
Sent: Tue, October 24, 2006 12:30 PM
To: Lefebure, Dave EMPR:EX
Cc: Schroeter, Tom EMPR:EX
Subject: BC Metals

Hi Dave,

Further to our conversation this morning, I'm surprised to find Ottawa got us this time! See below.

Cheers,

Ryan

MiningWatch Canada Files Complaint About Misrepresentation to Investors by bcMetals Thursday September 14, 2006 10:14 AM On September 8, 2006, MiningWatch Canada filed a formal complaint with securities regulators in British Columbia and Toronto, charging that bcMetals has misrepresented the risks of its proposed Red Chris Mine in northern British Columbia to its investors.

MiningWatch has asked the B.C. Securities Commission to investigate whether bcMetals has acted contrary to the British Columbia Securities Act, its regulations, and national standards on disclosure, by failing to report material information or material changes to investors and securities regulators.

The Complaint says that press releases issued by bcMetals mislead the public about the potential effects of litigation brought by MiningWatch against the Federal Government and bcMetals Corporation in June.

Company releases issued on June 9 and June 27, 2006, incorrectly suggest that all federal environmental approvals for the proposed Red Chris Mine have been received or will shortly be issued, and omit any mention of the litigation and its risks to the company.

On Friday June 9, 2006, MiningWatch filed a Judicial Review Application in Federal Court seeking to quash the approval made under section 20 of the Canadian Environmental Assessment Act ("CEAA") for the proposed Red Chris Mine Project in north-western British Columbia ("CEAA Screening Approval.") At the core of MiningWatch's Application is the failure of the Federal Government respondents to conduct a federal public consultation as mandated by section 21 of CEAA.

The MiningWatch Canada litigation asks the Federal Court to prohibit the issuance of authorizations necessary for this mine. It specifically asks the Court to prohibit the future issuance of federal environmental approvals required under the Fisheries Act and Explosives Act to bcMetals, and to prohibit a decision by the federal Cabinet to amend the Metal Mining Effluent Regulation ("MMER") which is needed in order to allow bcMetals to turn fish-bearing creek headwaters into the mine's tailings dump.

MiningWatch sees this as a test case of the newly amended CEAA to ensure compliance with environmental law and the protection of the public's right to be consulted on large mine proposals.

2006-10-29

"Investors are entitled to know whether the mining companies they may chose to invest in are embroiled in legal proceedings under environmental law. Without disclosure from mining companies, regulators like the B.C. Securities Commission are deprived of their ability to protect the integrity of markets," states the complaint.

The Ontario Superior Court has recently strongly criticized a junior mining exploration company for failing to disclose to investors the nature and extent of community opposition to mine exploration and development. The Court observed that such an approach leads both to greater community opposition and to investment difficulties for the company.

MiningWatch is a national non-profit organization whose members are environmental, social justice, Aboriginal and labour organisations from across the country. Its mandate is to protect against threats to water and air quality, fish and wildlife habitat, and community interests posed by irresponsible mining policies and practices in Canada and internationally.

Ryan Kuffner (PLEASE NOTE NEW EMAIL ADDRESS)

Trade Commissioner/ Délégué commercial

International Trade Canada/ Commerce internationale Canada

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www.infoexport.gc.ca

Red Chris Feb. 2/07
 - chat with Rick Bailes
 @ \$1.50 /share for beta
Red Chris = value
 of \$60M
 → stock should/kould
 be worth > \$3 /share!

→ Red Chris

Schroeter, Tom EMPR:EX

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]
Sent: Thu, November 16, 2006 3:06 PM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Reports on Acquisitions in Connection with bcMetals

**PRESS RELEASE**

**Imperial
Metals**

Imperial Metals Corporation

TSX: III [Stock Quote](#) [Stock Chart](#)
[Other Recent News](#)

Sent - Nov. 17/06

November 16, 2006

Imperial Reports on Acquisitions in Connection with bcMetals

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - Nov. 16, 2006) - Imperial Metals Corporation (TSX:III) reports that, in connection with the formal take over bid (the "Offer") by its wholly owned subsidiary, CAT-Gold Corporation ("CAT-Gold") for all of the common shares (the "Shares") of bcMetals Corporation ("bcMetals") at a cash price of \$0.95 per Share and all of the outstanding Out-Of-The-Money Warrants of bcMetals (the "Warrants") at a cash price of \$0.02 per Warrant, CAT-Gold has taken up and paid for and owns 3,625,694 Shares representing approximately 9.5% of the issued and outstanding Shares of bcMetals, and has paid for 1,636,666 Warrants representing approximately 35% of the outstanding Warrants. CAT-Gold has requested that the 1,636,666 Warrants deposited under the Offer, which are not transferable, be cancelled.

CAT-Gold now owns 6,639,694 Shares, representing approximately 17.3% of the issued and outstanding bcMetals Shares.

The purpose of the Offer was to acquire all of the issued and outstanding Shares and Warrants. CAT-Gold is presently reviewing its options and may in the future acquire additional Shares of bcMetals.

To obtain a copy of the report relating to this disclosure or for any other information please see contact information below.

CONTACT INFORMATION

Imperial Metals Corporation
 Brian Kynoch
 President
 (604) 669-8959
 Fax: (604) 687-4030

or

Imperial Metals Corporation
 Andre Deepwell
 Chief Financial Officer
 (604) 488-2666

→ Red Chris

Schroeter, Tom EMPR:EX

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]
Sent: Fri, December 22, 2006 5:50 AM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Reaches Agreement with bcMetals to Make Bid

**PRESS RELEASE**

**Imperial
Metals**

Imperial Metals Corporation

TSX: III [Stock Quote](#) [Stock Chart](#)
[Other Recent News](#)

December 22, 2006

Imperial Reaches Agreement with bcMetals to Make Bid

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - Dec. 22, 2006) - Imperial Metals Corporation (TSX:III) announced today that it has reached an agreement with bcMetals Corporation ("bcMetals") under which Imperial, through its wholly owned subsidiary Cat-Gold Corporation, will make an all-cash offer to purchase all of the outstanding common shares, and out-of-the-money securities of bcMetals for \$1.10 per common share and \$0.02 per out-of-the-money security.

The offer by Imperial represents a 69.4% premium over the closing price of bcMetal's common shares for the 20 active trading days prior to Imperial's previous unsolicited take-over bid for bcMetals announced on September 8, 2006 and which was terminated on November 8, 2006. The Imperial offer also represents a 4.8% premium over the highly-conditional take-over bid for bcMetals made on November 23, 2006 by a subsidiary of Taseko Mines Limited, which expires at 4:30pm (Pacific) on Friday, December 29, 2006.

The board of directors of bcMetals has determined that the Imperial offer is fair to bcMetals' shareholders, and is in the best interest of bcMetals and its shareholders and accordingly, has recommended that shareholders of bcMetals accept Imperial's offer. The board of directors of bcMetals evaluated Imperial's offer with the assistance of Genuity Capital Markets, its financial advisor, and Capital West Partners. Capital West Partners has provided its oral opinion to the board of directors of bcMetals that the consideration to be received under the Imperial offer is fair, from a financial point of view, to shareholders of bcMetals, other than Imperial and its affiliates. bcMetals' board of directors has also determined to recommend that shareholders reject the offer by Taseko and a notice of change to its directors' circular to that effect will be mailed shortly.

Each of bcMetals' directors and officers has indicated their intention to tender their common shares and out-of-the-money securities to the Imperial offer.

Imperial has agreed to mail the offer and a board circular to bcMetals' shareholders as soon as reasonably practicable, and in no event later than Monday, January 15, 2006. The offer will remain open for acceptance for no less than 35 days from the date of mailing. Completion of the offer is subject to certain conditions, including there having been deposited to the offer a number of common shares equal to the greater of (i) 66 2/3% of the common shares outstanding at the expiration of the Imperial offer (on a fully diluted basis); and (ii) a simple majority of the common shares outstanding at the expiration of the Imperial offer (on a fully diluted basis), excluding the common shares held by the Imperial and its affiliates immediately prior to the expiry of the offer. The Imperial offer will also be subject to the master agreement dated October 9, 2006 with Global International Jiangxi Copper Mining Company Limited being terminated without material cost or obligation to bcMetals, other than the termination fee of US\$1 million payable to Global under that agreement.

Under the terms of a support agreement between Imperial and bcMetals, bcMetals has the right to consider superior proposals from other parties in certain circumstances, but Imperial has the right to match any such offers. The support agreement also provides for the

payment of a cash break fee to Imperial by bcMetals of \$1.8 million under certain circumstances if the offer is not completed.

Following a successful completion of the offer, Imperial intends and expects, but is not required, to take steps to acquire all remaining outstanding bcMetals common shares. Imperial currently owns 7,389,694 common shares, approximately 19.25% of bcMetals.

This news release does not constitute an offer to buy or an invitation to sell, or the solicitation of an offer to buy or invitation to sell, any of the securities of bcMetals. Such an offer may only be made pursuant to an offer and takeover bid circular filed with securities regulatory authorities in Canada.

Investors and security holders are urged to read the offer and takeover bid circular regarding the proposed transaction when it becomes available, because it will contain important information. Investors may obtain a copy of the offer and takeover bid circular when it is filed by Imperial with the Canadian provincial securities regulators on SEDAR.

The offer and takeover bid circular may also be obtained once it has been mailed, on Imperial's website or by directing a request to Imperial.

CONTACT INFORMATION

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(604) 669-8959

or

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Chief Financial Officer
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Email: info@imperialmetals.com
Website: www.imperialmetals.com

INDUSTRY: Manufacturing and Production - Mining and Metals

→ Red Chris

Schroeter, Tom EMPR:EX

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]
Sent: Thu, January 4, 2007 2:59 PM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Mails Offer to Securityholders of bcMetals

**PRESS RELEASE**

**Imperial
Metals**

Imperial Metals Corporation

TSX: III [Stock Quote](#) [Stock Chart](#)
[Other Recent News](#)

January 4, 2007

Imperial Mails Offer to Securityholders of bcMetals

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - Jan. 4, 2007) - Imperial Metals Corporation (TSX:III) reports its wholly-owned subsidiary, CAT-Gold Corporation has today mailed its previously announced offer ("Offer") to acquire all the outstanding common shares and out-of-the-money options and warrants of bcMetals Corporation (TSX VENTURE:C) at a price of \$1.10 per common share and \$0.02 per out-of-the-money option and warrant, to be paid in cash. The Offer represents a premium of 69.4% over the average closing price for the common shares of bcMetals for the 20 active trading days prior to the announcement of CAT-Gold's initial offer on September 8, 2006 which was subsequently terminated. The Offer price also matches the price of the an outstanding unsolicited takeover bid for the common shares and out-of-the-money warrants of bcMetals made by Taseko Acquisitions sub Ltd., a subsidiary of Taseko Mines Limited, dated November 23, 2006, and varied and extended on December 28, 2006.

Full details of the Offer are included in the formal offer and takeover bid circular mailed today and filed with securities regulators. The Offer will be open for acceptance until Friday, February 9, 2007 (the "Expiry Time").

The Offer will be subject to a minimum tender condition requiring that the number of Common Shares validly tendered to the Offer at or prior to the Expiry Time is equal to the greater of (i) 66 2/3% of the Common Shares outstanding at the Expiry Time (on a fully diluted basis), including the Common Shares held by CAT-Gold and its affiliates; and (ii) a simple majority of the Common Shares outstanding at the Expiry Time (on a fully diluted basis), excluding the Common Shares held by CAT-Gold and its affiliates prior to the Expiry Time. In determining whether this minimum tender condition has been satisfied, all out-of-the-money options and warrants tendered to the Offer will not be included in the calculation of the number of fully diluted Common Shares.

The Offer is also subject to other conditions, including termination of an agreement among bcMetals, Global International Jiangxi Copper Mining Company Limited and their affiliates in respect of bcMetals' Red Chris property without material cost or obligation to bcMetals (other than as provided for by the relevant agreements); absence of materially adverse developments in certain litigation in which bcMetals is currently involved; and receipt of all necessary regulatory approvals.

The Imperial Offer is significantly more certain than the Taseko offer which is conditional on receipt by Taseko of a legal opinion on the merits of litigation involving bcMetals and Trafigura Beheer B.V. The legal opinion must satisfy Taseko that such litigation constitutes an acceptable level of risk relating to bcMetals' future operations. This condition gives Taseko a broad discretion to determine, in its sole judgment, whether to proceed with or terminate its offer. Accordingly, tendering to Taseko's offer constitutes little more than the grant of an option to Taseko to acquire shares and warrants of bcMetals. By contrast, Imperial's condition in respect of this same litigation is only that no material adverse developments have occurred following the date of its December 21, 2006 bid support agreement with bcMetals.

Imperial currently holds approximately 19.25% (7,389,694) of the issued and outstanding common shares of bcMetals.

Schroeter, Tom EMPR:EX

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]
Sent: Tue, January 16, 2007 4:19 PM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Purchases Common Shares of bcMetals Corporation

→ Red Chris

SW - Jan. 17/07

**PRESS RELEASE**

**Imperial
Metals**

Imperial Metals Corporation

TSX: III

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January 16, 2007

Imperial Purchases Common Shares of bcMetals Corporation

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - Jan. 16, 2007) - Imperial Metals Corporation (TSX:III) reports its wholly owned subsidiary CAT-Gold Corporation ("CAT-Gold") has purchased 110,300 common shares of bcMetals Corporation ("bcMetals") today through the TSX Venture Exchange representing approximately 0.29% of the issued and outstanding common shares of bcMetals. The highest price paid for bcMetals shares purchased today was \$1.16 per share.

The documents for Imperial's formal offer and takeover bid ("Offer") to acquire all of the outstanding common shares of bcMetals and all of the out-of-the-money options and warrants of bcMetals were mailed and filed with securities regulators on January 4, 2007. The Offer is open for acceptance until Friday, February 9, 2007.

Since the date of the Offer, Imperial has purchased 1,164,800 shares of bcMetals at an average price of \$1.15 per share. Imperial currently holds 8,554,494 (22.29%) of the issued and outstanding common shares of bcMetals.

CONTACT INFORMATION

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 Email: info@imperialmetals.com
 Website: www.imperialmetals.com

INDUSTRY: Manufacturing and Production - Mining and Metals

Schroeter, Tom EMPR:EX

→ Red
Chris

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]

Sent: Wed, January 17, 2007 5:05 AM

To: Schroeter, Tom EMPR:EX

Subject: Imperial Raises Bid for bcMetals



SW - Jan. 18/07

PRESS RELEASE



Imperial Metals Corporation

TSX: III

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January 17, 2007

Imperial Raises Bid for bcMetals

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - Jan. 17, 2007) - Imperial Metals Corporation (TSX:III) today announced that its wholly owned subsidiary, CAT-Gold Corporation, will increase its all-cash offer to acquire the outstanding common shares of bcMetals Corporation to \$1.165 per share.

In addition to increasing the bid price, CAT-Gold will also remove its condition regarding the proposed joint venture between bcMetals and Global International Jiangxi Copper Company Limited from its bid.

The expiry time for CAT-Gold's bid remains unchanged. The bid remains open for acceptance until 4:00 pm (Pacific time) on Friday, February 9, 2007. The minimum tender condition of CAT-Gold's offer remains unchanged at 50% plus one of the outstanding common shares of bcMetals, on a fully diluted basis (but assuming cancellation of all out-of-the-money securities of bcMetals), inclusive of the common shares owned by CAT-Gold and its affiliates.

A notice of variation will be filed with applicable securities regulatory authorities and mailed to bcMetals' shareholders and holders of out-of-the-money securities presently. The price of CAT-Gold's all-cash offer to purchase the outstanding out-of-the-money securities of bcMetals remains unchanged, at \$0.02 per out-of-the-money security.

CAT-Gold's bid is financially superior to the unsolicited bid for the common shares and out-of-the-money warrants of bcMetals made by Taseko Mines Limited.

Imperial and its affiliates currently hold approximately 22% (8,554,494 shares) of the issued and outstanding common shares of bcMetals, on a fully diluted basis (but assuming cancellation of all out-of-the-money securities of bcMetals), compared to Taseko's approximately 5% holding (1,918,600 shares), on a similar fully diluted basis. Accordingly, less shares are required to be tendered into CAT-Gold's bid than are required to be tendered into Taseko's bid for the minimum tendering condition to be met.

In accordance with the terms of the Support Agreement between bcMetals, CAT-Gold and Imperial, CAT-Gold and Imperial have notified bcMetals of their offer to amend the Support Agreement and the terms of CAT-Gold's offer for the common shares and out-of-the-money securities of bcMetals on the terms set out in this press release, which more than "matches" the current Taseko offer.

Investors and security holders of bcMetals are urged to read the formal offer and takeover bid circular of CAT-Gold Corporation dated January 3, 2007, and any amendments thereto when they become available, as they contain important information. A copy of the formal offer and takeover bid circular will be available on Imperial's website www.imperialmetals.com, the SEDAR website www.sedar.com, or by direct request to Imperial.

Schroeter, Tom EMPR:EX

→ Red Christ

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]
Sent: Fri, January 26, 2007 5:06 AM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Raises Bid for bcMetals to C\$1.30



PRESS RELEASE



**Imperial
Metals**

Imperial Metals Corporation

TSX: III [Stock Quote](#) [Stock Chart](#)
[Other Recent News](#)

January 26, 2007

Imperial Raises Bid for bcMetals to C\$1.30

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - Jan. 26, 2007) - Imperial Metals Corporation (TSX:III) today announced that it's wholly owned subsidiary, CAT-Gold Corporation, will increase its all-cash offer to acquire the outstanding common shares of bcMetals Corporation to \$1.30 per share.

The expiry time for CAT-Gold's bid remains unchanged. The bid remains open for acceptance until 4:00 pm (Pacific time) on Friday, February 9, 2007. The minimum tender condition of CAT-Gold's offer remains unchanged at 50% plus one of the outstanding common shares of bcMetals, on a fully diluted basis (but assuming cancellation of all out-of-the-money securities of bcMetals), inclusive of the common shares owned by CAT-Gold and its affiliates.

A notice of variation will be filed with applicable securities regulatory authorities and mailed to bcMetals' shareholders and holders of out-of-the-money securities presently. The price of CAT-Gold's all-cash offer to purchase the outstanding out-of-the-money securities of bcMetals remains unchanged, at \$0.02 per out-of-the-money security.

CAT-Gold's bid is financially superior to the unsolicited bid for the common shares and out-of-the-money warrants of bcMetals made by Taseko Mines Limited.

Imperial and its affiliates currently hold approximately 22% (9,299,894 shares) of the issued and outstanding common shares of bcMetals, on a fully diluted basis (but assuming cancellation of all out-of-the-money securities of bcMetals), compared to Taseko's approximately 5% holding (1,918,600 shares), on a similar fully diluted basis. Accordingly, less shares are required to be tendered into CAT-Gold's bid than are required to be tendered into Taseko's bid for the minimum tendering condition to be met.

In accordance with the terms of the Support Agreement between bcMetals, CAT-Gold and Imperial, CAT-Gold and Imperial have notified bcMetals of their offer to amend the Support Agreement and the terms of CAT-Gold's offer for the common shares and out-of-the-money securities of bcMetals on the terms set out in this press release, which more than "matches" the current Taseko offer.

Investors and security holders of bcMetals are urged to read the formal offer and takeover bid circular of CAT-Gold Corporation dated January 3, 2007, and any amendments thereto when they become available, as they contain important information. A copy of the formal offer and takeover bid circular will be available on Imperial's website www.imperialmetals.com, the SEDAR website www.sedar.com, or by direct request to Imperial.

Schroeter, Tom EMPR:EX→ Red
Chris

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]
Sent: Tue, January 30, 2007 2:06 PM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Raises Bid for bcMetals to C\$1.50



PRESS RELEASE

**Imperial Metals Corporation**

TSX: III
 Other Recent News

[Stock Quote](#) [Stock Chart](#)

January 30, 2007

Imperial Raises Bid for bcMetals to C\$1.50

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - Jan. 30, 2007) - Imperial Metals Corporation (TSX:III) today announced that its wholly owned subsidiary, CAT-Gold Corporation, will increase its all-cash offer to acquire the outstanding common shares of bcMetals Corporation to \$1.50 per share.

The expiry time for CAT-Gold's bid remains unchanged. The bid remains open for acceptance until 12:00 midnight (Pacific time) on Friday, February 9, 2007. The minimum tender condition of CAT-Gold's offer remains unchanged at 50% plus one of the outstanding common shares of bcMetals, on a fully diluted basis (but assuming cancellation of all out-of-the-money securities of bcMetals), inclusive of the common shares owned by CAT-Gold and its affiliates.

A notice of variation will be filed with applicable securities regulatory authorities and mailed to bcMetals' shareholders and holders of out-of-the-money securities today. The price of CAT-Gold's all-cash offer to purchase the outstanding out-of-the-money securities of bcMetals remains unchanged, at \$0.02 per out-of-the-money security.

CAT-Gold's bid is financially superior to the unsolicited bid for the common shares and out-of-the-money warrants of bcMetals made by Taseko Mines Limited.

Imperial and its affiliates currently hold approximately 22% (9,299,894 shares) of the issued and outstanding common shares of bcMetals, on a fully diluted basis (but assuming cancellation of all out-of-the-money securities of bcMetals), compared to Taseko's approximately 5% holding (1,918,600 shares), on a similar fully diluted basis. Accordingly, less shares are required to be tendered into CAT-Gold's bid than are required to be tendered into Taseko's bid for the minimum tendering condition to be met.

In accordance with the terms of the Support Agreement between bcMetals, CAT-Gold and Imperial, CAT-Gold and Imperial have notified bcMetals of their offer to amend the Support Agreement and the terms of CAT-Gold's offer for the common shares and out-of-the-money securities of bcMetals on the terms set out in this press release, which more than "matches" the current Taseko offer.

Investors and security holders of bcMetals are urged to read the formal offer and takeover bid circular of CAT-Gold Corporation dated January 3, 2007, and any amendments thereto when they become available, as they contain important information. A copy of the formal offer and takeover bid circular will be available on Imperial's website www.imperialmetals.com, the SEDAR website www.sedar.com, or by direct request to Imperial.

→ Red
Chris

Schroeter, Tom EMPR:EX

From: Schroeter, Tom EMPR:EX
Sent: Fri, February 2, 2007 8:46 AM
To: 'Ian Smith'
Subject: RE:

Glad you got it. Thanks for the confirmation.

Tom

Tom Schroeter, P.Eng./P.Geo.
Senior Regional Geologist
Geological Survey Branch
Mining and Minerals Division
Ministry of Energy, Mines and Petroleum Resources

Direct Telephone 604 660-2812
Messages & Enquiries 604 660-2708
Facsimile 604 775-0313
email tom.schroeter@gov.bc.ca

From: Ian Smith [<mailto:ismith@bcmetalscorp.com>]
Sent: Fri, February 2, 2007 8:33 AM
To: Schroeter, Tom EMPR:EX
Subject:

Tom,

Thanks very much for your BC presentation. Much appreciated.

Cheers - Ian

Ian Smith
President & CEO
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Vancouver, BC, Canada
V6C 2T6
Phone: 604 683-0140
Fax: 604 683-0126
ismith@bcmetalscorp.com
www.bcmetalscorp.com

→ Red
Chms

Schroeter, Tom EMPR:EX

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]
Sent: Fri, February 16, 2007 7:38 PM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Takes Up bcMetals Shares and Extends its Offer

**PRESS RELEASE**

**Imperial
Metals**

Imperial Metals Corporation

TSX: III [Stock Quote](#) [Stock Chart](#)
[Other Recent News](#)

February 16, 2007

SN - Feb. 19/07

Imperial Takes Up bcMetals Shares and Extends its Offer

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - Feb. 16, 2007) - Imperial Metals Corporation (TSX:III) reports that all of the conditions of the offer by its wholly-owned subsidiary, CAT-Gold Corporation, to acquire all of the shares and out-of-the-money securities of bcMetals Corporation have been met.

CAT-Gold has given notice to the depository to take-up and accept for payment all of the shares and out-of-the-money securities deposited pursuant to the offer. Imperial will announce the number of deposited shares and out-of-the-money securities forthwith. CAT-Gold will pay for such shares and out-of-the-money securities on or before February 21, 2007.

In order to enable the remaining bcMetals shareholders to receive prompt payment of the same consideration paid to those bcMetal shareholders who have already tendered, CAT-Gold's offer has been extended until 4:00 pm (Vancouver time) on March 5, 2007. The price of CAT-Gold's all-cash offer is \$1.70 per common share and \$0.02 per out-of-the-money security. A notice of variation and change will be filed with applicable securities regulatory authorities and mailed to bcMetals' shareholders and holders of out-of-the-money securities on or about Monday, February 19, 2007.

As noted in the circular for the CAT-Gold offer, Imperial and CAT-Gold intend to take such actions as are necessary, including if necessary calling a special meeting of bcMetals' shareholders, to effect a compulsory acquisition or subsequent acquisition transaction that will result in Imperial owning 100% of the bcMetals common shares. Imperial and CAT-Gold intend to vote the bcMetals' common shares held by them in favour of any subsequent acquisition transaction. In accordance with the requirements of Ontario Securities Commission Rule 61-501 and Policy Statement Q-27 of L'Autorite des marches financiers du Quebec, the votes attached to 1,610,825 bcMetals' common shares deposited to the offer by Ian Smith, the former President and Chief Executive Officer of bcMetals, will be excluded in obtaining minority approval for any subsequent acquisition transaction involving bcMetals and Imperial or its affiliates.

Investors and security holders of bcMetals are urged to read the formal offer and takeover bid circular of CAT-Gold Corporation dated January 3, 2007, and any amendments thereto when they become available, as they contain important information. A copy of the formal offer and takeover bid circular will be available on Imperial's website www.imperialmetals.com, the SEDAR website www.sedar.com, or by direct request to Imperial.

CONTACT INFORMATION

Imperial Metals Corporation

→ Ref
Chris**Schroeter, Tom EMPR:EX**

From: CCNMatthews [CCNMatthews.Release@ccnmatthews.com]
Sent: Mon, March 5, 2007 7:03 PM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Takes Up Additional bcMetals Shares

**PRESS RELEASE**

**Imperial
Metals**

Imperial Metals Corporation

TSX: III

[Stock Quote](#)[Stock Chart](#)[Other Recent News](#)**March 5, 2007****Imperial Takes Up Additional bcMetals Shares**

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - March 5, 2007) - Imperial Metals Corporation (TSX:III) reports that as of 4:00 p.m. (Vancouver time) on March 5, 2007, approximately 3.4 million additional common shares and 0.2 million out-of-the-money warrants of bcMetals Corporation had been validly deposited to the offer by Imperial's wholly-owned subsidiary, CAT-Gold Corporation, to acquire all of the shares and out-of-the-money securities of bcMetals. Together with approximately 39.6 million shares of bcMetals held prior to today's take-up, Imperial will own, indirectly, approximately 43.0 million shares, or 97.8% of bcMetals' outstanding shares.

CAT-Gold has given notice to the depositary to take-up and accept for payment all of the additional shares and out-of-the-money securities deposited pursuant to the offer. CAT-Gold will pay for such shares and out-of-the-money securities on or before March 8, 2007.

Including the shares taken up today, Imperial has acquired approximately 33.7 million shares pursuant to CAT-Gold's offer, representing approximately 92.1% of bcMetals' outstanding shares other than any shares held by Imperial or CAT-Gold as of the date of the offer. Under applicable corporate legislation, Imperial may now exercise a statutory right of compulsory acquisition to purchase the remaining 2.2% of bcMetals shares not already owned by Imperial.

As noted in the circular for the CAT-Gold offer, Imperial and CAT-Gold intend to take such actions as are necessary, including effecting a compulsory acquisition, that will result in Imperial owning 100% of the bcMetals common shares.

Investors and security holders of bcMetals are urged to read the formal offer and takeover bid circular of CAT-Gold Corporation dated January 3, 2007, and any amendments thereto when they become available, as they contain important information. A copy of the formal offer and takeover bid circular will be available on Imperial's website www.imperialmetals.com, the SEDAR website www.sedar.com, or by direct request to Imperial.

CONTACT INFORMATION

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INDUSTRY: Manufacturing and Production - Mining and Metals


Schroeter, Tom EMPR:EX

From: CCNMatthews [CCNMatthews.Release@ccnmattthews.com]
Sent: Monday, May 14, 2007 12:13 PM
To: Schroeter, Tom EMPR:EX
Subject: Imperial Reports Results for the First Quarter 2007

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PRESS RELEASE

 Imperial Metals	Imperial Metals Corporation		
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May 14, 2007

Imperial Reports Results for the First Quarter 2007

VANCOUVER, BRITISH COLUMBIA--(CCNMatthews - May 14, 2007) - Imperial Metals Corporation (TSX:III) reports comparative financial results for the three months ended March 31, 2007 and March 31, 2006 are summarized below and discussed in detail in the Management's Discussion and Analysis.

	Three Months Ended	
	March 31, 2007	March 31, 2006
(unaudited) in thousands except per share amounts	(000's)	(000's)
Revenues	\$54,246	\$27,315
Operating Income	\$13,733	\$ 6,557
Net (Loss) Income	\$(1,922)	\$ 660
Adjusted Net Income (1)	\$10,708	\$ 2,762
Adjusted Net Income Per Share (1)	\$ 0.35	\$ 0.10
Cash Flow (1)	\$22,056	\$ 1,976
Cash Flow Per Share (1)	\$ 0.72	\$ 0.07

(1) Adjusted Net Income, Adjusted Net Income Per Share, Cash flow and Cash Flow Per Share are measures used by the Company to evaluate its performance; however, they are not terms recognized under generally accepted accounting principles. Adjusted Net Income is defined as net income excluding the revaluation of hedges settling in future periods. Cash Flow is defined as cash flow from operations before net change in working capital balances. Adjusted Net Income and Cash Flow Per Share are the same measures divided by the weighted average number of common shares outstanding during the period.

Effective January 1, 2007 Imperial regained joint control of Huckleberry and in accordance with generally accepted accounting principles

will account for Huckleberry on the proportionate consolidation basis commencing January 1, 2007. Revenues from 50% owned Huckleberry are comparable to those at Mount Polley. Consequently this change in accounting will increase income statement line items by approximately 50%. This estimate is based on equal shipments of concentrate per quarter, however actual results will vary by mine due to shipping schedules.

Revenues were \$54.2 million in the March 2007 quarter compared to \$27.3 million in the 2006 quarter. Shipments of concentrate in both the 2007 quarter and the 2006 March quarters were below normal quarterly average shipment levels due to timing and availability of ocean and rail transportation. Variations in quarterly revenue attributed to the timing of concentrate shipments can be expected in the normal course of business with either production exceeding shipments, as was the case in the first quarter of 2007, or vice versa. It is expected that shipments for the second quarter of 2007 will be in excess of normal quarterly average shipment levels.

Operating income for the three months ended March 31, 2007 increased to \$13.7 million from \$6.6 million in the March 2006 quarter. In 2006 the Company recorded equity income from the Huckleberry mine of \$4.0 million. Due to the change in accounting policy there is no comparable item in 2007.

The loss on derivative instruments was \$15.9 million in the quarter compared to a loss of \$11.0 million in comparable the 2006 quarter. This loss is related to hedges on 70.5 million pounds of copper settling outside the March 2007 quarter. An additional 23.8 million pounds of copper was hedged from April 1 to May 10, 2007 covering periods to December 2009.

Net loss in the quarter, including unrealized losses on derivative instruments was \$1.9 million compared to a net income of \$0.7 million in the 2006 quarter.

Adjusted net income in the quarter was \$10.7 million or \$0.35 per share. Adjusted net income is calculated by removing the losses, net of related income taxes, resulting from mark to market revaluation of copper hedging not related to the quarter.

Cash flow increased to \$22.1 million in the March 2007 quarter compared to \$2.0 million in 2006. The \$20.1 million increase is the result of significantly higher cash flow from Mount Polley and the inclusion of the 50% of cash flow from Huckleberry.

Capital expenditures were \$9.0 million, up significantly from \$2.4 million in the previous quarter as the Company increased exploration spending and capital programs at Mount Polley.

The Company completed the acquisition of bcMetals Corporation in the March 2007 period at a net cash cost of \$58.9 million, financed by cash on hand and a \$40 million short term loan facility.

Expenditures in the March 2007 quarter were financed from cash flow from the Mount Polley and Huckleberry mines and short term debt. At March 31, 2007 the Company had \$29.3 million in cash and cash equivalents and short term investments including \$20.8 million representing the Company's 50% share of Huckleberry cash and cash equivalents and short term investments.

Imperial is a mine development and operating mining company based in Vancouver, British Columbia. The Company's main properties are the Mount Polley open pit copper/gold mine (100%) in central British Columbia, the Huckleberry open pit copper/molybdenum mine (50%) in northern British Columbia, the development stage Red Chris property (100%) in northern British Columbia, and the development stage Sterling gold mine (100%) in southwest Nevada.

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→ Red Chris

Edco at a discount. The effective interest rate charged by Edco on these receivables was 8% per annum. The tax receivables were collected prior to December 31, 2005.

Further details on related party transactions can be found in Note 15 to the audited consolidated financial statements for the year ended December 31, 2006.

OTHER

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported on a timely basis to senior management, so that appropriate decisions can be made regarding public disclosure. As at the end of the period covered by this management's discussion and analysis, management evaluated the effectiveness of the Company's disclosure controls and procedures as required by Canadian securities laws.

Based on that evaluation, management has concluded that, as of the end of the period covered by this management's discussion and analysis, the disclosure controls were effective to provide reasonable assurance that information required to be disclosed in the Company's annual filings and interim filings (as such term are defined under Multilateral Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings) and other reports filed or submitted under Canadian securities laws is recorded, processed, summarized and reported within the time periods specified by those laws, and that material information is accumulated and communicated to management as appropriate to allow timely decisions regarding required disclosure.

Internal Controls and Procedures

The Company evaluated the design of its internal control and procedures over financial reporting as defined under Multilateral Instrument 52-109 for the year ended December 31, 2006. Based on this evaluation, management has concluded that the design of these internal controls and procedures over financial reporting was effective.

Additional information about the Company, including the Company's Annual Information Form, is available on SEDAR at www.sedar.com.

As of March 16, 2007 the Company had 30,772,398 common shares outstanding. On a diluted basis the Company had 35,765,316 common shares outstanding at March 16, 2007.

OUTLOOK

Operations, Earnings and Cash Flow

Imperial's equity share of production from the Mount Polley mine and the Huckleberry mine is expected to be about 98.0 million lbs copper, 58,800 ounces gold, 596,000 ounces silver and 210,000 lbs molybdenum during 2007 and given continued strong metals prices it is expected to generate strong cash flow for exploration and repayment of debt, including the \$40.0 million in short term debt incurred in early 2007 to acquire bcMetals. Cash flow protection for 2007 is supported by

derivative instruments that will see the Company receive certain minimum average copper prices as disclosed under the heading Derivative Instruments.

However, the quarterly revenues will fluctuate depending on the timing of concentrate sales which is dependant on the availability and scheduling of transportation.

Net income and income per share are affected a number of external factors including fluctuations in metal prices and changes in the US/CDN Dollar exchange rate. The changes to budgeted 2007 pre tax income before the affects of derivative instruments for changes in key factors is as follows:

Factor	Change in Sensitivity	Effect on Net Income	Effect on Income per Share
Copper price	US\$0.01 per lb	\$7,400,000	\$0.24
US/CDN Dollar Exchange Rate	US\$0.01	\$1,660,000	\$0.05
Gold price	US\$10.00 per oz	\$44,000	\$0.01

Exploration

Exploration expenditures at Mount Polley have been budgeted at \$7.5 million for 2007 to complete a minimum of 40,000 metres of diamond drilling. In late 2006 the Company recommenced development and exploration at its wholly owned Sterling mine property near Beatty, Nevada. The program includes the excavation of an underground ramp to access the 144 Zone along with underground and surface drilling. The total cost for Sterling is budgeted at \$7.1 million for 2007. Drilling at Giant Copper is budgeted at \$1.2 million and the Company's share of Huckleberry's exploration budget for 2007 is budgeted at \$0.7 million. An exploration and development budget for Red Chris has not yet been set.

Expl'n

The Company continues to evaluate exploration opportunities both on currently owned properties and on new prospects.

Development

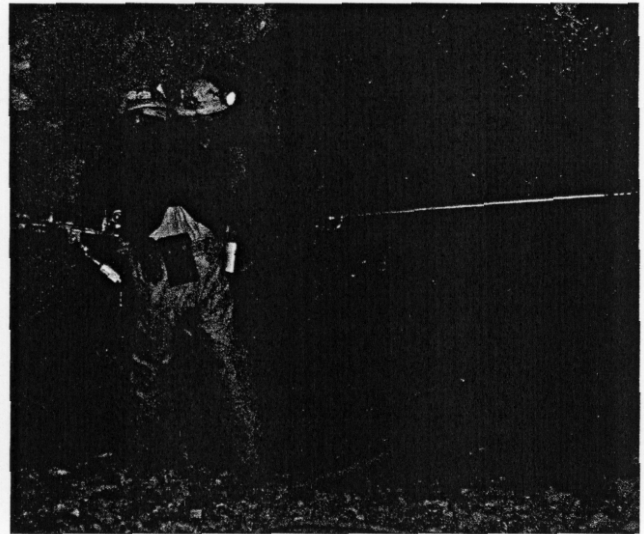
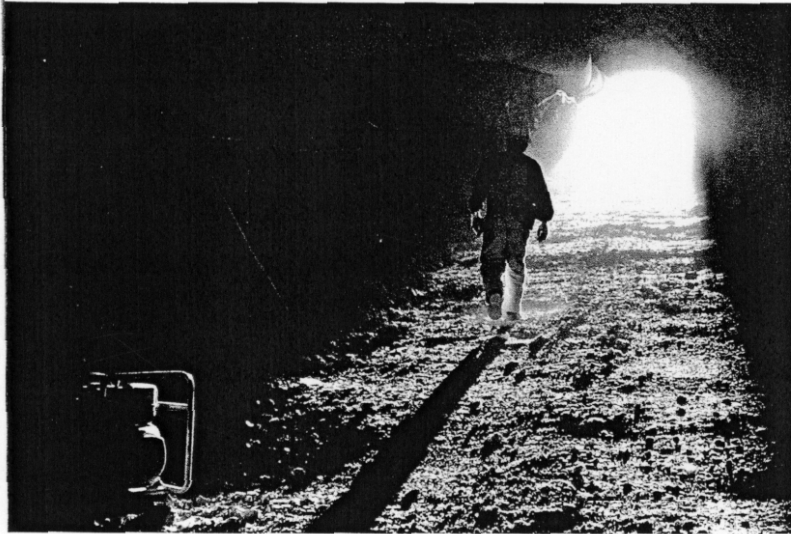
Development of the Red Chris project acquired with the purchase of bcMetals will be dependant on the timing of the construction of a power line to serve the northwest portion of British Columbia. The Company will review the information on the Red Chris project to maximize the economics of the project. Some development work is expected to be completed during 2007 to advance the Red Chris property towards production.

Financing

Debt repayment and working capital requirements for 2007 are expected to be met from cash on hand and cash flow from the Mount Polley and Huckleberry mines. The \$40.0 million short term loan facility to assist with the purchase of bcMetals is expected to be repaid from cash flow during 2007. Selective long debt financings may also be entered into during 2007. The Company currently does not forecast the requirement for any equity financings during 2007.

Acquisitions

In early 2007 the Company completed the acquisition of bcMetals and management continues to evaluate potential acquisitions to further grow the Company.



At the 100% owned Sterling gold property, a former producer located near Beatty, Nevada the excavation of a 1,200 metre underground ramp into the 144 Zone is now underway. The ramp will provide access to the 144 Zone for the exploration of the zone from underground and for the restart gold production operations. Equally encouraging, a regional exploration program at Sterling resulted in the discovery of several new surface showings with grab samples grading up to 5.4 g/t gold. Several promising targets were identified for drilling. As part of this regional program, additional ground was acquired increasing our mineral rights holdings in this play to 5,244.8 hectares (12,620 acres).

Red
Chris

Subsequent to year end, Imperial acquired the Red Chris project, located in northwest British Columbia, 365 kilometres north of Smithers. Red Chris is our most ambitious project with a reserve of 276 million tonnes grading 0.349% copper and 0.266 g/t gold, based on an independent feasibility study completed in 2004. This reserve provides a mine life of 25 years at a processing rate of 30,000 tonnes per day. The study showed the project to be viable, subject to the extension of the North American power grid 230 kilometres to the north along Highway 37 from its current terminus at Meziadin junction.

The Red Chris project has received both federal and provincial government environmental approvals, and it contains over 2 billion pounds copper, more than double the copper reserve at Mount Polley and Huckleberry combined. Recent exploration at Red Chris demonstrated that the deposit still has significant potential for expansion. Diamond drill hole 06-324, drilled in 2006, showed the deposit extends to depth by intersecting 271 metres of mineralization below the depth of mineralization drilled in