

WESTERN CANADIAN INVESTMENTS

NO. 84 (2000) MAY 2, 2000

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IMPERIAL METALS CORPORATION

[IPM-T] 79,950,578 SHS.

YEAR ENDED DECEMBER 31, 1999	1999	1998
REVENUES	\$98,088,000	\$94,701,000
OPERATING LOSS	\$1,893,000	\$1,833,000
CASH FLOW	\$10,937,000	\$8,279,000
CASH FLOW PER SHARE	14¢	11¢
NET LOSS	\$6,070,000	\$41,489,000
NET LOSS PER SHARE	8¢	56¢

YEAR END REPORT - Pierre Lebel, president, Imperial Metals Corp. reports financial and production results for the year ended 31Dec99. Cash flow from operations was positive as improved operating efficiencies offset the lower copper, gold and molybdenum prices. The operating loss, which takes depletion and depreciation items into account, was \$1,900,000 in 1999, equal to the operating loss in 1998. Non-cash writedowns of mineral properties totalling \$1,800,000 in 1999 and \$30,600,000 in 1998 were major contributors to net losses for those years.

Metal recoveries and mill production rates increased at both the 52.5% owned Mount Polley Mine 56 km northeast of Williams Lake, BC, and at the 50% owned Huckleberry mine 123 km southwest of Houston, BC. (SEE MT. POLLEY & HUCKLEBERRY PRODUCTION DATA OVERLEAF P.3) At Mount Polley, gold recoveries were up 9.3%, copper recoveries were up 34.9% and the daily mill production rate was up 21.6% to 19,426 tonnes/day. At Huckleberry, copper recoveries were up 1.7%, molybdenum recoveries were up 53.8% and the daily mill production rate was up 6.2% to 19,050 tonnes/day.

Imperial's share of production from the Mount Polley and the Huckleberry mines was 60,000,000 pounds of copper, 52,282 ounces of gold, and 488,000 pounds of molybdenum, equivalent to production attributable to Imperial in 1998 despite a reduction in Imperial's interest in both mines.

At the Silvertip project in northern BC 80 km west of Watson Lake, Yukon, the 1998 reconnaissance geophysical survey that identified a large, deep anomaly was followed up in 1999 with a more detailed survey. PERUVIAN GOLD LTD. [PVO-CDNX] holds an option to earn a 60% interest with Imperial able to back-in for a 60% interest. (SEE DETAILS IN GCNL NO.30, 14Feb2000, P.4) The original anomaly was confirmed and other anomalies were identified. The largest of these was drill tested, resulting in a 31.4 metre intercept grading 318 grams silver/tonne, 8.65% zinc and 5.53% lead. This is the thickest intercept encountered on the property to date and represents a different style of mineralization from that previously encountered at Silvertip. A follow up underground drilling program began in October with dewatering and rehabilitation of existing underground workings.

A total of 3,210 metres of diamond drilling was completed by

early February 2000. Results from this drilling significantly enhanced the project with the identification and confirmation of multi phase, high grade, feeder style sulphide mineralization.

During the year, Imperial exercised an option from CATHEDRAL GOLD CORP. [CAT-T] to increase its interest in the Sterling gold mine near Beatty, Nevada from 10% to 50% through property expenditures. At year end, an additional 50% interest was acquired as part of a debt settlement arrangement with Cathedral. (SEE GCNL NO.73, 13Apr2000, P.6 FOR MORE DETAILS) It has operated for 20 years as a high grade, low production rate open pit and underground heap leach mine. Although known ore reserves have run out, the ore heaps remain in production with sufficient gold to cover ongoing costs. Sterling is highly regarded for its exploration potential and Imperial's exploration efforts will focus on both high grade underground targets and low grade, large tonnage near surface targets. (SEE GCNL NO.45, 6Mar2000, P.4 FOR PREVIOUS SILVERTIP PROJECT INFORMATION)

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Mount Polley Production Statistics

Representing 100% of mine production, 52% of which is allocable to Imperial (55% prior to August 1, 1999).

	1999	1998
Ore milled (tonnes)	7,090,465	5,829,701
Ore milled per calendar day (tonnes)	19,426	15,972
Ore milled per operating day (tonnes)	21,299	17,506
Grade (%) - Copper	0.343	0.363
Grade (g/t) - Gold	0.566	0.766
Recovery (%) - Copper	69.35	51.40
Recovery (%) - Gold	77.40	70.80
Copper produced (lbs)	37,100,904	23,920,437
Gold produced (ounces)	99,585	101,729

Huckleberry Production Statistics

Representing 100% of mine production, 50% of which is allocable to Imperial (60% prior to July 1, 1999).

	1999	1998
Waste removed from pits (tonnes)	2,301,900	7,078,200
Ore milled (tonnes)	6,958,700	6,549,997
Ore milled per calendar day (tonnes)	19,050	17,945
Ore milled per operating day (tonnes)	20,440	20,357
Grade (%) - Copper	0.586	0.629
Grade (%) - Molybdenum	0.017	0.017
Recovery (%) - Copper	90.9	89.4
Recovery (%) - Molybdenum	38.0	24.7
Metal produced (lbs) - Copper	81,657,000	81,278,000
Metal produced (lbs) - Molybdenum	976,700	550,000

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