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Mt. Polley

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IMPERIAL METALS CORPORATION

NEWS RELEASE

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 CONTACTS: Eric X. Lavarack, Director of Investor Relations (604) 669-8959
 Pierre B. Lebel, President

IMPERIAL REPORTS SECOND QUARTER 1990 RESULTS

Imperial Metals Corporation recorded net income of \$40,000 (0.2¢ per share) on operating revenues of \$1,126,000 during the quarter ended September 30, 1990, compared to earnings of \$809,000 (3.9¢ per share) on revenues of \$1,276,000 in the corresponding 1989 quarter.

Operations during the six months to September 30, 1990 generated revenues of \$1,973,000 and a small operating loss of \$46,000 compared to revenues of \$2,095,000 and a loss of \$20,000 in the comparative period. After property and investment charges, a net loss of \$165,000 (0.8¢ per share) was incurred during the six months compared to net income of \$1,331,000 (6.8¢ per share) in 1989. The 1989 results include a gain of \$1,989,000 earned on the sale of a 5% interest in Imperial's U.K. affiliate, Anglesey Mining plc.

Imperial's working capital declined during the six months from \$5.4 million to \$4.3 million principally as a result of further investment in the Crow Butte and Mount Polley projects. The Company remains virtually debt free.

MOUNT POLLEY

A Stage I Report was submitted and filed with the B.C. Mine Development Steering Committee on September 7, 1990. All agencies have now completed their review of the Stage I Report and have started to submit comments. The Company is working toward approval in principle by the end of December.

All facets of the Mount Polley Project are progressing well and pointing to commencement of production by the end of 1992. Discussions are now underway aimed at securing firm commitments for project debt and equity financing required to commence mine development and construction.

A number of Pacific Rim based smelters have indicated a keen interest in Mount Polley concentrates which will grade 25% copper and 1.5 oz/t gold with no penalty elements. The Company expects to conclude a conditional concentrate sales agreement in the very near future.

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