

VANCOUVER, BC--(Marketwired - August 31, 2016) - [iMetal Resources Inc.](#) (TSX VENTURE: IMR) ("IMR") is pleased to announce results from one of their recent three-hole diamond drill program on IMR's newly acquired property in Carheil, Quebec and details from a petrology report by AGAT Laboratories (Calgary). Carheil is located 130 km north of the town of La Sarre, in the Abitibi region of Quebec, the most mining friendly district in the world.

DDH 1603 was drilled at a -55- degree angle intersecting graphitic sedimentary rocks at a depth of approx. 95 meters. Samples collected from the graphite zone represent a near perpendicular section through the sequence. A review of the petrology of the graphite intersection indicates the presence of Jumbo-sized graphite flakes in combination with Large and Medium to Small graphite flakes within a zone grading 1.67% Cg over 4.67 meters, from 144.56-149.23 meters in the hole. The Jumbo-sized flakes occur in a 1.1 meter sample grading 7.48% Cg. The largest Jumbo flake identified measured over 785 Microns, (a Jumbo flake is any flake that measures greater than 300 Microns). A petrology report from AGAT Laboratories in Calgary for the remaining 2 holes drilled 25 meters apart is pending.

Previously, a review by IMR of historical geophysical survey reports based on exploration by Noranda Exploration and described in a March 7, 2016 news release, documented the presence of a strong several km-long electromagnetic conductor that extended beyond the Carheil property boundaries. On this basis IMR has exercised the option to acquire from Skyworld Holdings (see October 22nd, 2015 press release) full ownership of the Carheil property issuing a total of 1.9 Million shares. This will allow IMR to control 100% of this geophysical anomaly.

An exploration program is now being planned to explore the EM conductor for additional graphite intersections. More detailed information is available on www.imetalresources.ca.

In addition to the continued exploration for graphite, the Company is also going to pursue opportunities for gold within the boundaries of its current permit. Future work will be directed both to graphite and gold exploration.

Dr. Mark Fedikow is a Qualified Person under the guidelines of National Instrument 43-101 and he has reviewed and approved the geological information contained in this news release.

ON BEHALF OF THE BOARD OF DIRECTORS

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