



Mount Polley Mining Corporation

an Imperial Metals company

Box 12 • Likely, BC V0L 1N0 • T 250.790.2215 • F 250.790.2613

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Via Email: Douglas Hill, P.Eng.

BC Ministry of Environment

Regional Operations Director – Mining

Environmental Protection

RE: Pollution Abatement Order 107461

2018 QUARTER 1 UPDATE REPORT

Mount Polley Mining Corporation (MPMC) received an amendment to Pollution Abatement Order (PAO) 107461 from the Ministry of Environment, and Climate Change Strategy (ENV) on June 9, 2017 requiring the submission of a status update report on a quarterly basis, (from a monthly schedule) focusing on the requirements of the PAO. The reporting frequency was reduced to reflect the stability of conditions and monitoring results.

This report satisfies the requirement of Section 6.0 of the amended PAO. In general, this report will include a summary of PAO-related activities undertaken in the previous three months and a projection of planned activities for the upcoming three months in regards to the:

- Implementation status of the requirements of this order;
- Summary of communications with stakeholders and the public relating to the TSF breach and its impacts; and
- Activities taken by MPMC towards the restoration and contaminant remediation efforts in the spill-impacted area of Hazeltine Creek, Polley Lake and Quesnel Lake.

For previous information, see the Quarter 4 Update Report available on the Imperial Metals website [here](#).

Implementation Status of PAO Requirements

All deliverables under the amended PAO 107461 have been submitted. Below is a summary of their status:

The Conceptual Remediation Plan was submitted on January 31, 2018 and is presently under review by ENV.

The final Human Health Risk Assessment was submitted to ENV on May 29, 2017 and was accepted by ENV on June 28, 2017. The revised Ecological Risk Assessment was submitted on December 15, 2017 and was accepted by ENV on January 31, 2018.

The draft Discharge Management Plan was submitted on July 15, 2017. An extension was granted due to the wildfire situation and the final version of the plan was submitted on October 16, 2017. The Discharge Management Plan was accepted by ENV on November 16, 2017.

Communications

The first quarter Community Update Newsletter was published on April 3 on the MPMC [website](#) and distributed to the surrounding communities.

MPMC met with the Public Liaison Committee (PLC) on February 15, 2018 to discuss the ongoing remediation activities, site and monitoring updates, as well as an update about the passive water treatment project.

Upcoming communications/meetings:

MPMC will host a meeting with Implementation Committee (IC) in early April. The IC is comprised of First Nations representatives and their consultants.

Another Community Update will be published for the second quarter of 2018.

Rehabilitation Work

Hazeltine Creek Rehabilitation

Minor remediation work was completed in the Polley Flats area in Q1 2018. This work included the placement of till material in preparation for spring planting. Willow harvesting was completed in mid-March in preparation for spring planting. The harvested stock (approximately 3200 cuttings) is currently buried in cold storage until the soil is workable.

A series of three (3) fish exclusion barriers were installed at the downstream end of reach 2 in preparation for the planned re-introduction of fish into Hazeltine Creek.

Polley Flats

Remediation work recommenced at the end of Q1 in the Polley Flats area. Stockpiled soil was spread over ~ 0.7 ha in an area where tailings were removed in the fall of 2017.

Quesnel and Polley Lake

No remediation work was undertaken around Quesnel and Polley Lake in Q1 2018. Periodic inspection of shoreline conditions was completed.

Projected Remediation – Q2 2018

Remediation work planned for Q2 2018 includes further soil placement in the Polley Flats area. This will include the removal and remediation of the road south of the Polley Lake control structure creating continuous remediation from the Plug Access Road to the treeline east of Hazeltine Creek. Primary drainage control will be maintained/established during the construction.

Planting is anticipated to commence in May or June 2018. Plug stock planting is planned for upland areas throughout the entire affected area, and willow planting is planned for the lower floodplain (reach 2).