



Mount Polley Mining Corporation

an Imperial Metals company

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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 2 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 1 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.

Communications

The Community Update Newsletter for the second quarter was published in July on the MPMC [website](#) and distributed to the surrounding communities.

MPMC met with the Participation Agreement Implementation Committee (IC) on April 11, 2018 to discuss ongoing remediation activities, site and monitoring updates.

MPMC met with the Public Liaison Committee (PLC) on June 26, 2018 to discuss environmental and operational updates as well as the status of PLC in terms of inter-committee relations, purpose of the PLC, core values needed, membership status, and possible amendments to the Terms of Reference.

Upcoming communications/meetings:

A Community Update will be published for the third quarter of 2018.

A public site tour was planned for July 14, 2018; however due to the ongoing labour dispute with its unionized workforce, MPMC decided to postpone it until the matter is resolved.

Rehabilitation Work

Hazeltine Creek Rehabilitation

Approximately 3,030 willow cuttings were planted in the second quarter of 2018 (Q2) along 2.6 kilometers of the lower floodplain in reach 2 of Hazeltine Creek. Additional planting of 58,600 alder and 192,480 conifers (pine, spruce, and cedar) plugs started at the end of Q2 for upland areas throughout the entire affected area and will continue in Q3.

Ongoing spawning surveys are completed weekly to monitor fish activity in the creek as far as the Gavin Lake bridge fish fence.

Polley Flats

No remediation work was undertaken in the Polley Flats area in Q2.

Quesnel and Polley Lake

No remediation work was undertaken around Quesnel and Polley Lake in Q2 2018. Periodic inspection of shoreline conditions was completed. Planting of alder and conifers will extend to the Quesnel Lake shoreline.

Projected Remediation – Q3 2018

MPMC has been involved in a labour dispute with its unionized workforce, therefore some remediation work planned in Q2 has been pushed back to Q3 2018.

Remediation work planned for Q3 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 tree line east of Hazeltine Creek. Primary drainage control will be maintained/established during the construction.

Construction of fish habitat features in reach 3 of the Hazeltine Creek channel is planned for Q3.