



COMMUNITY UPDATE Q1 2021

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Upper Hazeltine Creek: carefully placed tree trunks and boulders creating productive trout habitat

A letter from the Mount Polley Team,

Happy spring - we would like to thank you for your continued support and hope everyone is continuing to stay safe and healthy as we look forward to the future.

A Covid-19 update - Mount Polley employees continue to take additional precautions to minimize the risks of COVID19 transmission and illness as recommended by the Provincial Health Officer.

Employees and site visitors are required to sign off on a daily COVID-19 Questionnaire before entering the site and will be turned away if showing symptoms of illness.

MOUNT POLLEY MINE: CARE AND MAINTENANCE

Below we cover key bulletins that highlight areas of focus with regards to Mount Polley mine’s care and maintenance:

- | | |
|--|---|
| 1. The environmental monitoring programs continue and are on track | 2. Closure research projects continue as planned |
| 3. Remediation of Hazeltine Creek continued at Lower Hazeltine, projected to be complete in 2021 | 4. Workforce consists of fourteen staff plus additional contractors |
| 5. Site water management continues, including the near-continuous operation of the water treatment plant | 6. Exploration Geological Mapping of new areas on mine site |
| 7. CANMAG started shipping magnetite at the end of Q1 | |

ENVIRONMENTAL MONITORING UPDATE

Quarter 1 routine monitoring activities completed:

- Weekly Water Treatment Plant (WTP) water quality sampling including monthly/quarterly toxicity sampling
- Monthly water quality sampling at Hazeltine Creek
- Monthly & Quarterly water quality sampling of surface & mine affected waters including groundwater, mine seepage
- Polley Lake and pit lakes water quality sampling
- Monthly/quarterly site inspections
- Reporting—monthly, quarterly, annual
- Monitoring planning as per the Comprehensive Environmental Management Plan (CEMP) and ENV Permit 11678
- CEMP development
- Plans Development

Environmental monitoring is conducted in accordance with the Environmental Management Act (EMA) Permit 11678 and the approved Comprehensive Environmental Monitoring Plan (CEMP) requirements.



Figure 1 Winter water sampling in unnamed creek near the mine site

Site Specific Management Plans – Several updated and new site-specific management plans were developed during Q1 of 2021. These plans are regulatory requirements and will govern company policy in their respective subjects. The plans were developed by Qualified Professionals with the aid of Mount Polley staff for the benefit of MPMC and stakeholders and have been submitted the relevant regulatory agencies. The recent submissions include:

- Wildlife Management Plan
- Biosolids Management Plan
- Site Water Management Plan
- Mine Emergency Response Plan
- NW Sump, 9k Sump and STD workplan and implementation schedule

MPMC WATER TREATMENT PLANT (WTP) UPDATE

In Quarter 1, the total treated water discharged to Quesnel Lake was $\sim 1,592,581 \text{ m}^3$ with an average discharge rate of $\sim 0.2 \text{ m}^3/\text{second}$.

The plant operated continuously for most of Quarter 1. Water quality samples were collected weekly at the Water Treatment Plant (WTP) at the influent (E19) and effluent (HAD-3) sites throughout the quarter.

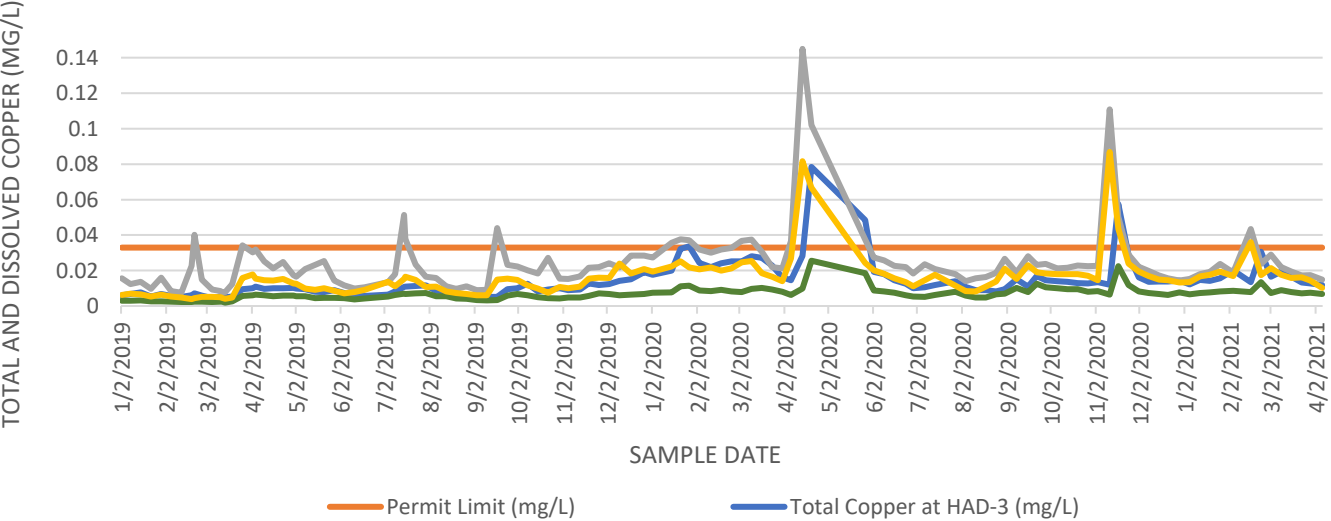
Permit 11678 Amendment Application for Bypass

MPMC has surplus water stored on site that meets the effluent permit water quality limits.

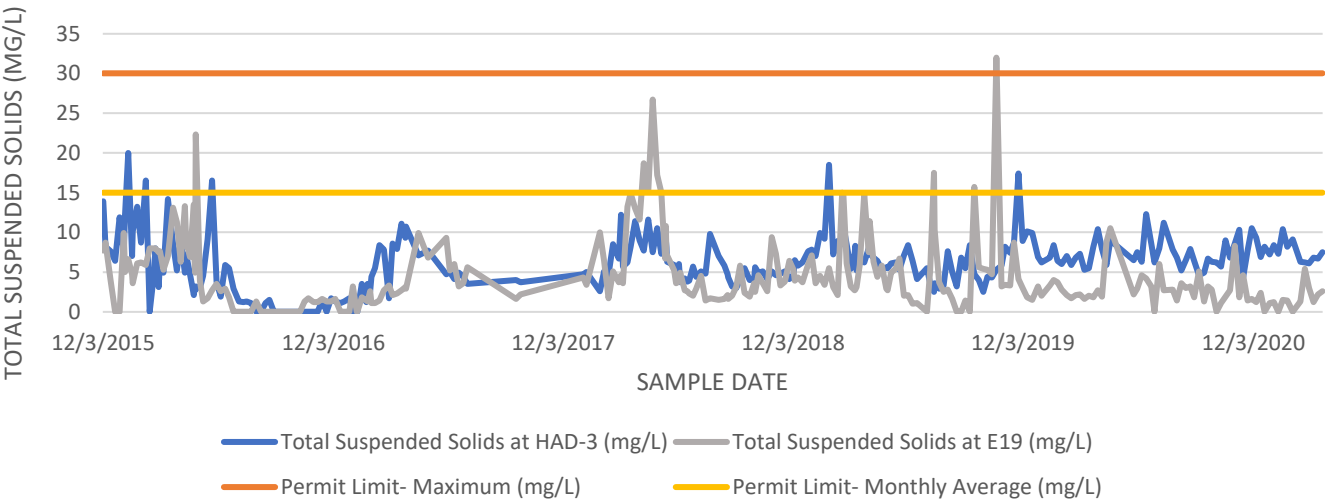
MPMC applied to BC-ENV to discharge the surplus water directly to Quesnel Lake, bypassing the chemical addition process in the WTP. A Technical Assessment Report in support of the permit amendment application was recently submitted to BC-ENV.

MPMC WATER TREATMENT PLANT GRAPH - UPDATE

Total and Dissolved Copper Concentrations (mg/L) at HAD-3 and E19



Total Suspended Solids (mg/L) at HAD-3 and E19 from 2015-2021



HAZELTINE AND EDNEY CREEK REMEDIATION

No remediation work was completed in Hazeltine and Edney Creeks in Q1. Routine water quality monitoring was completed as per the Comprehensive Environmental Monitoring Plan. Budgeting and planning activities were undertaken for the upcoming construction season.

Remediation Update Gallery

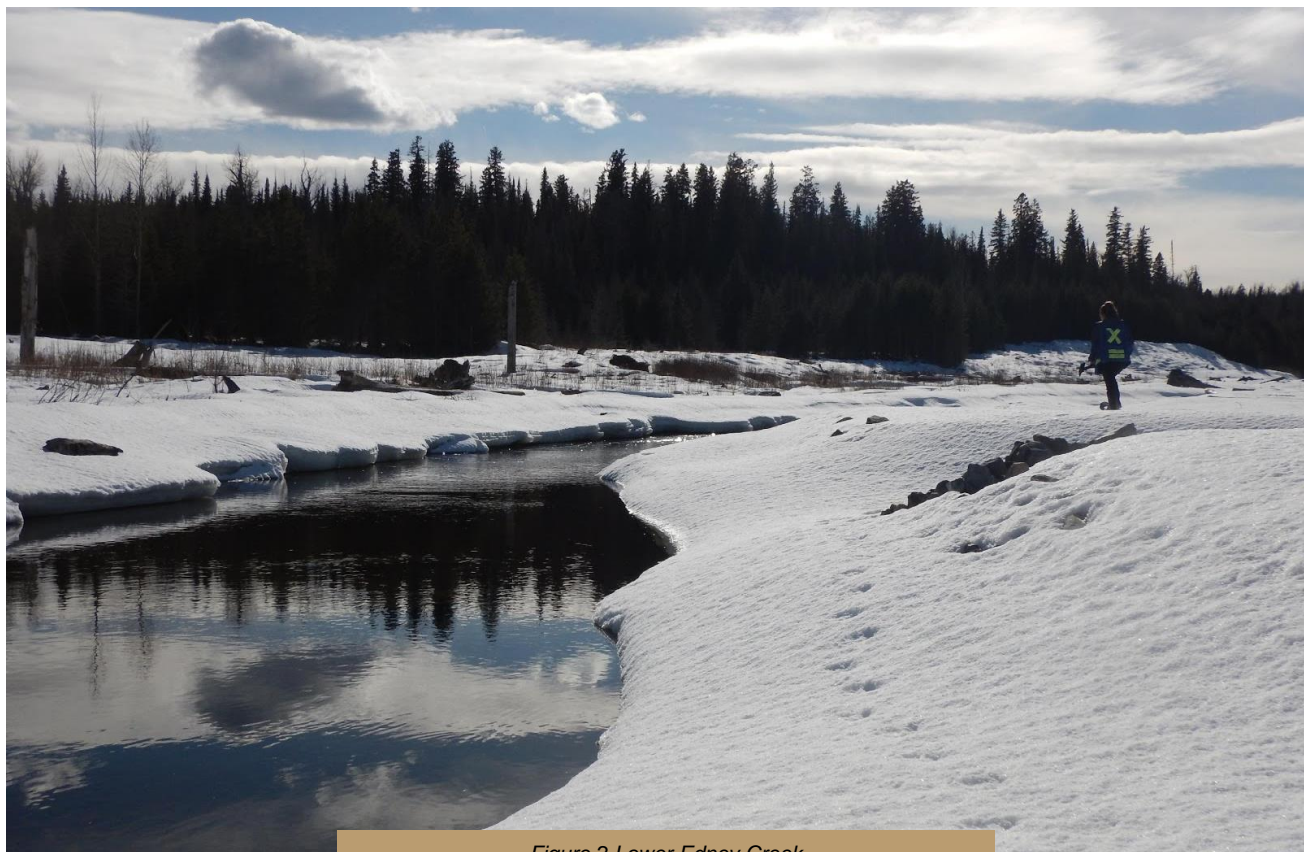


Figure 2 Lower Edney Creek



Figure 3 Constructed habitat wetland at lower reaches of Hazeltine and Edney Creeks



Figure 4 Lower Edney Creek

EXPLORATION UPDATE

In late 2019, a comprehensive exploration program consisting of a geochemical MMI-soil sample survey and geophysical 3D-IP survey was carried out over the Frypan/Morehead area located west and north of the Mount Polley mine. The target area is roughly 3 by 3 kilometers in size, largely till covered, and shows a similar magnetic response to that obtained over the Mount Polley mine host rock of monzonite and hydrothermally altered monzonite breccia pipes.

During June 2020, an additional 3D-IP survey was conducted over the Mount Polley mine site to identify the geophysical response of the known mineralization.

Interpretation of the new geophysical data sets led to numerous high priority targets both in the Frypan/Morehead area and on the mine site.

A drill program was planned to test the new high priority targets on and off the mine site and to expand zones of known mineralization on the mine site. The first phase of drilling was carried out at the end of 2020 and further drilling will be considered for 2021.

MPMC EVENTS

Quarter 1, 2021

April 7

Public Liaison Committee (PLC) Meeting via conference call

Upcoming

July 14, 2021

Public Liaison Committee (PLC) Meeting via conference call

RESOURCES

mountpolley.com

imperialmetals.com

BC Mine Information Page: <https://mines.nrs.gov.bc.ca/>

BC Ministry of Environment Natural Resource and Enforcement Database:
<https://a100.gov.bc.ca/pub/ocers/searchApproved.do?submitType=menu>

If you have any questions regarding the Community Update, please email Gabriel Holmes at gabriel.holmes@mountpolley.com