



Mount Polley Mining Corporation

an Imperial Metals company

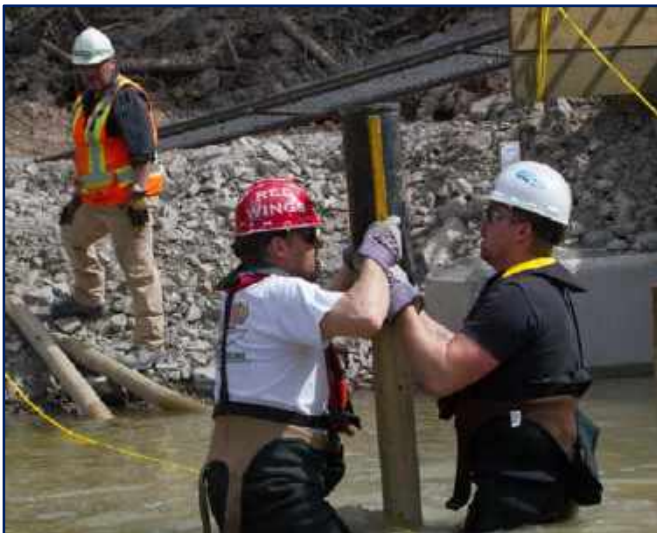
Box 12 • Likely, BC V0L 1N0 • T 250.790.2215 • F 250.790.2613

Community Update Bulletin » May 13, 2015

LAY-OFFS AT THE MINE

Last week Mount Polley Mining Corporation (MPMC) had to make the difficult decision to lay off 120 employees. We hope to be able to call back many who have been laid off through the temporary restart of mine operations.

Management would like to thank everyone who has worked for MPMC during the past ten months. We recognize and appreciate that we are extremely fortunate to have such hard working and dedicated employees who have made extraordinary efforts, going beyond expectations, to repair the damage caused by the 2014 breach. Our employees, past and present, deserve a tremendous amount of respect, and we thank them all for their support of the Company and for rising to the challenge put before them.



Installation of fish exclusion barrier at Polley Lake outlet site



TEMPORARY RESTART OF MINE OPERATIONS

The public comment period on the permit application of the temporary restart official closed on May 2, 2015. Questions for MPMC can continue to be directed to inquiries@imperialmetals.com.

The Cariboo Regional Mine Development Review Committee met on April 30 to review MPMC's response to comments from members of the Committee. MPMC is in the process of completing its submission to government on the consultations, including responses to the public.

There will also be further public consultation on permit amendments for both the short and long term water management strategies.

MINE SITE WATER MANAGEMENT

Mount Polley has a positive water balance. This means the amount of rainfall that lands on the mine's footprint is more than can be used or evaporated. In an average year, that is about 6 million m³ of water. Whether the mine restarts or not, managing this water is necessary. This will continue to be a reality into the future, and Mount Polley is developing a long term water management strategy that involves forecasting volumes, identifying suitable long term and resilient treatment methods, and selecting a long term, suitable discharge location. Mount Polley has been consulting with the Likely community and with local First Nations on this strategy.

Currently, all mine contact water is directed into Springer pit as a temporary solution following the foundation failure of the tailings dam. The Springer pit has a finite capacity and there is a near-term need to discharge the water, which we will treat first. While our vision is long term, we also need a short term solution to address the finite capacity of the Springer pit.

MPMC has developed an effective side-wide water balance simulation model using a computer platform called Goldsim® to help with planning, has been carrying out short term treatment studies to identify a best-available technology, and has been evaluating suitable options for effluent discharge.



TSF REPAIR

Installation of the plastic cement cut-off wall using a Cutter Soil Mixer (CSM) was completed on April 29.

A comprehensive quality assurance program was undertaken during construction of the cut-off to ensure the wall met or exceeded the design requirements. The machine remains on-site in case the comprehensive quality assurance program identifies need for further panel installation.

The final testing will be completed by the end of May at which time all CSM equipment will be demobilized from site.



QUESNEL LAKE & QUESNEL RIVER WATER QUALITY

These charts present the latest turbidity data from key monitoring sites in Quesnel Lake and Quesnel River.

Figure 1. Turbidity and temperature profiles at station QUL-18 (in the West Basin, downstream of Hazeltine Creek)

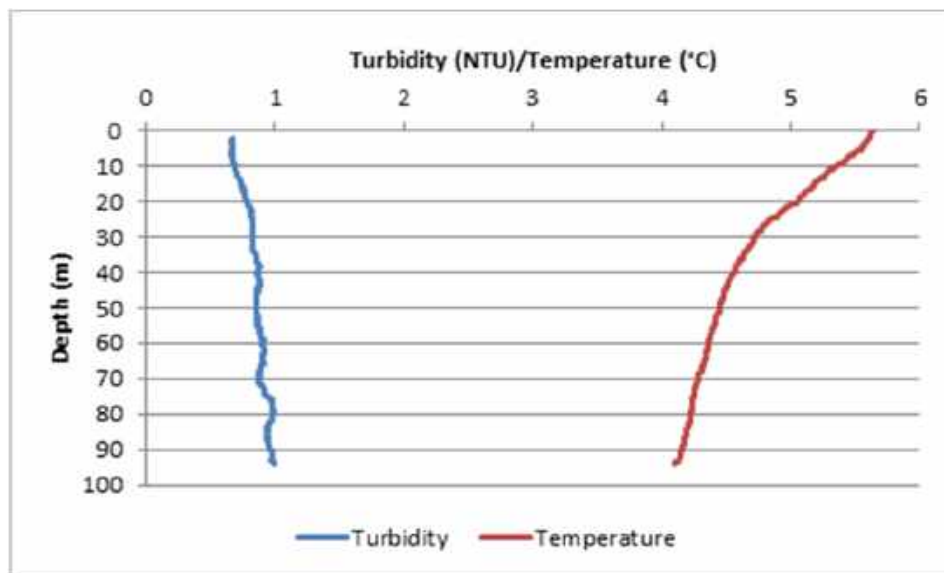


Figure 2. Turbidity time series at QUR-1



WATER DELIVERY & WATER FILTERS

The MoE April 29, 2015 memorandum entitled “Quesnel River Water Quality for Samples Collected February 17 to April 14, 2015 Compared to Drinking Water Guidelines” states “There were no exceedances for the data at the Likely Bridge location.” MoE also advised “While chemical parameters may not be of concern, residents should still follow Health Canada protocols for treating raw drinking water.”

Water quality continues to improve in Quesnel Lake and Quesnel River. The most recent results from the Ministry of Environment quoted above indicate that there have been no exceedances of Drinking Water Quality Guidelines since mid-February. This is consistent with MPMC’s results. Therefore, MPMC will be discontinuing the delivery of drinking water and provision of water filters as of the end of May 2015. If water conditions deteriorate as a result of any new sedimentation from the Mount Polley site, the Company will re-evaluate drinking water deliveries and/or provision of water filters to Likely and area residents whose primary source of drinking water is Quesnel Lake or upper Quesnel River.

HAZELTINE CREEK REHABILITATION

A 15 person re-vegetation crew are working to plant 20,000 willow whips and 30,000 shrubs in lower Hazeltime Creek (twinberry, red-osier dogwood and prickly rose).



Planting at Hazeltime Creek



Cutting willows for planting at Hazeltime Creek



Newly planted Red Osier Dogwood in lower Hazeltime Creek



Willow wattle planting at Hazeltime Creek

POLLEY LAKE



Rainbow Trout now spawning in streams running into Polley Lake



Weir structure at outlet from Polley Lake now complete

Sources for information about the work being done at Mount Polley:

- Mount Polley Updates » www.imperialmetals.com
- Ministry of Environment » Mount Polley » www.env.gov.bc.ca/eemp/incidents/2014/mount-polley/
- Likely Library » request Mount Polley information binder containing copies of website pages



Mount Polley Mining Corporation

an Imperial Metals company

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

Community Update Bulletin » April 1, 2015

TEMPORARY RESTART OF MINING OPERATIONS

Mount Polley Mining Corporation (MPMC or Mount Polley) made a formal resubmission of the permit amendment applications to Ministry of Mines (MEM) and Ministry of Environment (MoE) for a Temporary Return to Operations on March 20, 2015. The Cariboo Regional Mine Development Review Committee met March 31, 2015 to discuss the applications with representatives from MPMC and Imperial Metals.

The temporary restart application includes a proposal to operate to a maximum mill throughput of 4 million tonnes or approximately one-half year's normal production. Ore would be produced from mining of the Cariboo Pit and the underground operation, as well as stockpiles, and the Springer pit would be used for tailings and water storage.

A temporary restart of operations would bring benefits to the local community, the region and the Company including: retaining skilled employees and increasing employment numbers, continuing opportunities for local business who provide services to the mine, open pit sourcing of construction material for site remediation and tailings storage facility (TSF) repair work, and some revenue to help defray costs of remediation and repair work.

The permit application process involves a 30 day public consultation period starting from the date the Company publicly advertises the permit application. The Company is responsible for tracking and responding to public comments. We are encouraging the public to provide us with their input on the permit applications, which will be available for review at the Williams Lake and Likely public libraries, and on the MEM website.

Email addresses for public comments: inquiries@imperialmetals.com and MtPolleyMinePermit@gov.bc.ca.

We plan to have another public community meeting in Williams Lake on April 22, and a meeting for First Nations on April 23.

WATER MANAGEMENT

Since MPMC received its original mine development certificate in 1992, it has been recognized the mine would need to discharge water from the site. As part of our ongoing planning for the future, for a restart, ongoing operations or closure, the mine is investigating options for water discharge.

On March 18, 2015 an information notice entitled *Mount Polley Mine Water Management Planning* was distributed to Likely residents and posted it to the Mount Polley Updates webpage. This notice summarized the evolution of the water balance at the mine since operations began in 1997. As stated in the notice “**regardless of whether or not the Mount Polley mine operates again**, the estimated 5.9 million cubic metres per year [of mine-influenced water] must be managed in a responsible manner and all options that are available for this volume will involve discharge of treated water to a water body”.

We acknowledge area residents and First Nations will have concerns about the mine discharging water to the surrounding environment but we are committed to communicating with the local community and discussing openly how we will approach our water management planning and what options we are considering for discharge.

QUESNEL LAKE & QUESNEL RIVER TURBIDITY

The water quality monitoring program currently consists of weekly samples at:

QUR-1 (Quesnel River at the Quesnel River Research Centre);

HAC-08 (Hazeltnite Creek upstream of the sedimentation ponds);

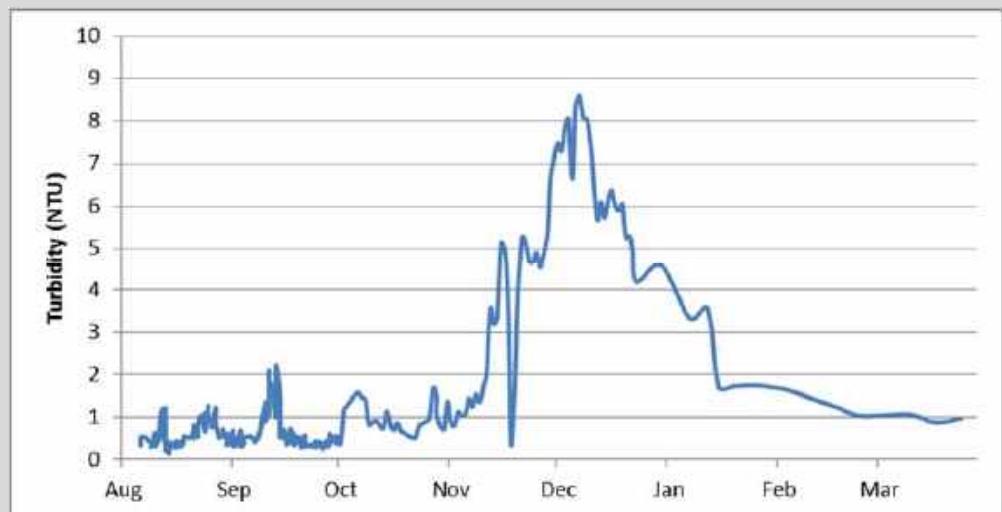
HAC-01b (Hazeltnite Creek at the outlet of the sedimentation ponds);

EDC-02 (Edney Creek downstream of the new confluence with Hazeltnite Creek, just upstream of Quesnel Lake); and

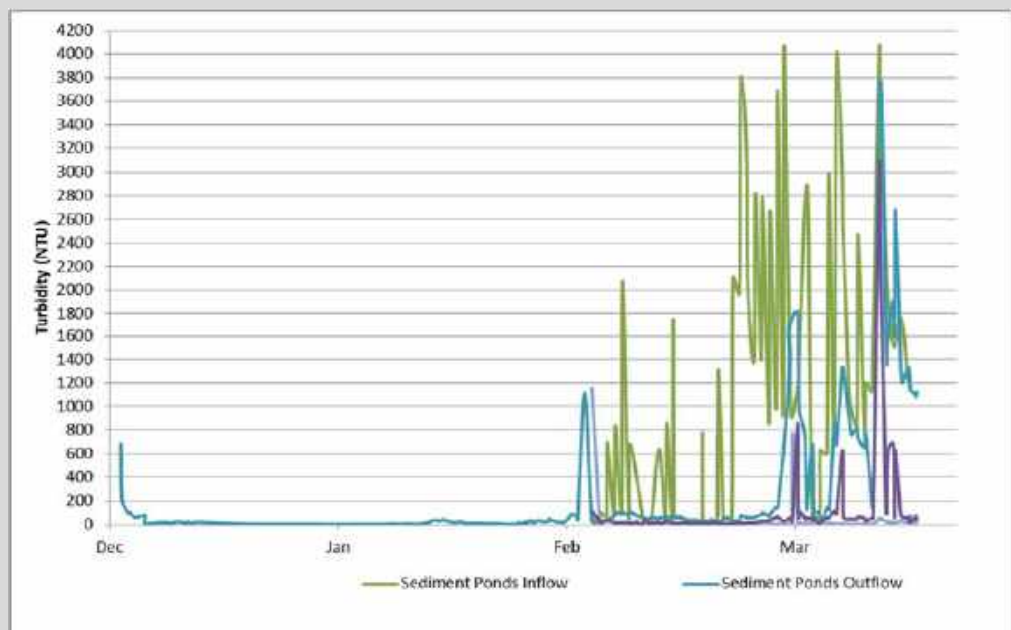
EDC-01 (Edney Creek just upstream from the confluence with Hazeltnite).

We are also maintaining our continuous monitoring program with our sondes (dataloggers) that are deployed at monitoring site QUR-1 (Figure 1) and at HAC-01b (Figure 2). The sondes measure field parameters (turbidity, pH, specific conductance, dissolved oxygen, and temperature) every 15 minutes.

*Figure 1.
Turbidity time series at
sample location QUR-1 (Aug
6 –Mar 24) near the Quesnel
River Research Centre.*



*Figure 2.
Turbidity time series graph
for Hazeltnite Creek
upstream of the
sedimentation ponds (Feb
15–Mar 31), downstream of
the sedimentation ponds
(Dec 12–Mar 31), for Edney
Creek in its new channel
(Feb 15– Mar 31), and the
combined Edney/Hazeltnite
Creek outflow into Quesnel
Lake (Feb 15–Mar 31).*



Monitoring of Quesnel Lake (weather permitting) is currently ongoing to monitor lake turnover. This typically includes weekly field parameter profiles at sites: QUL-2a, QUL-18, QUL-54, QUL-55, QUL-56, QUL-40a, and samples at sites: QUL-2a, QUL-18, QUL-55, QUL-40a. (refer to our weekly reports posted on the Mount Polley Updates webpage www.imperialmetals.com/s/Mt_Polley_Update.asp?ReportID=677021 for sample location maps, and see Figure 3 for example profiles.)

These data show we are continuing to see improvements in the water quality of Quesnel Lake and Quesnel River. In particular our March 18 sample from QUR-1 measured 0.87 Nephelometric Turbidity Unit (ntu). Ministry of Environment water quality results also indicate “There were no exceedances observed for the data available at the Likely Bridge location”.

(MoE Memorandum March 25, 2015: Quesnel River Water Quality for samples collected February 17 to March 19, 2015 compared to Drinking Water Guidelines.)

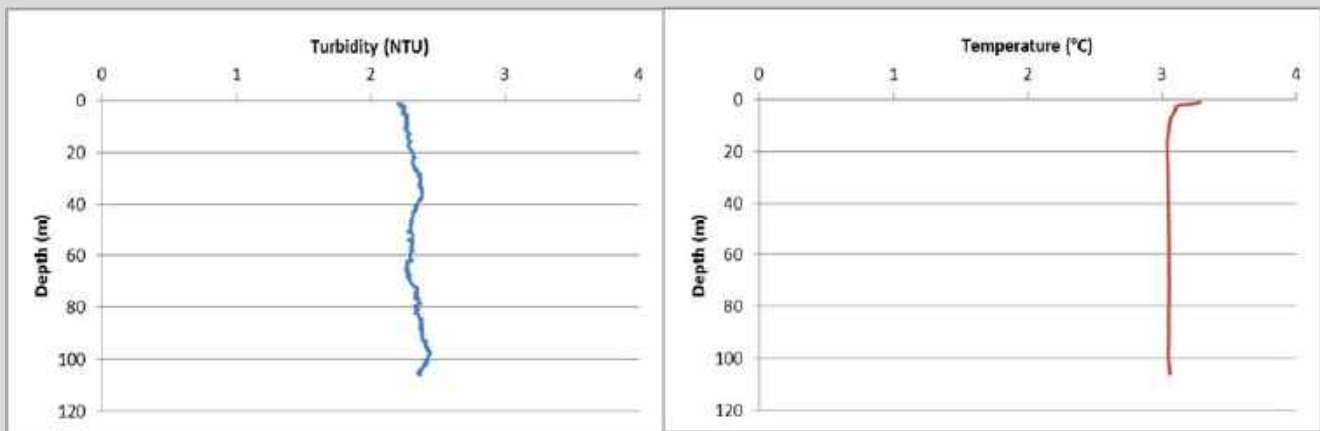


Figure 3.

Turbidity and temperature profiles from site QUL-18 (Mar 24) located in Quesnel Lake between Hazeltine Creek and Likely

SEDIMENT CONTROL AND EROSION MEASURES & HAZELTINE CREEK REHABILITATION

The new silt curtain installed in Quesnel Lake near the mouth of the new Edney (Hazeltine) Creek channel is in good condition and operating well. Environmental Monitors continue to monitor creek sediment and erosion control and rehabilitation work in Hazeltine Creek.



We continue the construction and ‘rocking in’ of the Hazeltine Creek channel and have completed this work on approximately 50% of the creek. Capping of exposed glacial sediments, re-contouring and application of wood chip mulch and coarse woody debris for reclamation purposes has been completed on much of the area of Lower Hazeltine Creek. Planting of willow whips and wattles will be initiated soon.

<< *Excavator placing wood chips in lower Hazeltine Creek near the Ditch Road bridge.*

POLLEY LAKE OUTLET

Construction of the Polley Lake outlet structure is nearly complete, and construction of the floodplain and channel grade downstream is underway.



Aerial (drone) image of the Polley Lake outlet weir structure under construction.

TAILINGS STORAGE FACILITY (TSF) CONSTRUCTION

The amendment to permit M-200 approving repair of the TSF breach area to manage 2015 freshet was received from MEM on December 17, 2014. Work presently being completed under this approval includes:

- ongoing foundation preparation and material placement
- CSM (cutter soil mixing) machine operating on the cut-off wall construction (in progress)
- foundation preparation and placement immediately downstream of cut-off wall (Phase 2 footprint) (in progress)

INDEPENDENT ENGINEERING REVIEW PANEL

We have established our own Independent Engineering Review Panel. The role of the panel is to provide an independent review of and advice to MPMC on the TSF breach repair. Our intention is to retain this panel to provide us with ongoing advice on TSF operations. The panel is comprised of three leading experts in relevant fields of study important to the design, construction and operation of TSF's. The first meeting of the expert panel took place on March 2, 3 and 4.

Following are sources for ongoing information about the work being done at Mount Polley:

- Imperial Metals/Mount Polley Updates » www.imperialmetals.com
- Ministry of Environment/Mount Polley » www.env.gov.bc.ca/eemp/incidents/2014/mount-polley/
- Likely Library » request to see the Mount Polley information binder, containing copies of the documents posted on the Mount Polley Update webpages.

The next public meeting will be in Williams Lake on April 22, and the next meeting for First Nations will be on April 23. Notices will be distributed before the meeting dates.



Mount Polley Mining Corporation

an Imperial Metals company

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

Community Update Bulletin » February 22, 2015

LOWER HAZELTINE CREEK

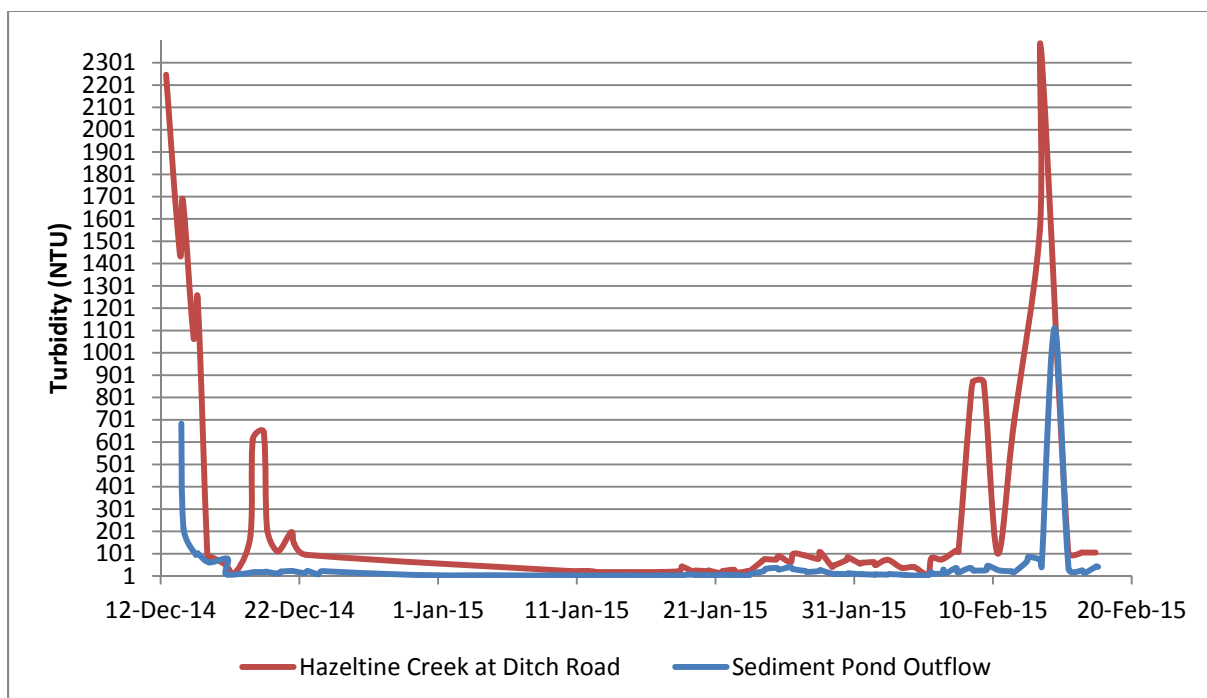


Lower Hazeltine and Edney Creek-Feb/15

An additional silt curtain has been mobilized to the site and plans are in place to install it, in Quesnel Lake near the discharge from the Lower Hazeltine Creek sedimentation ponds, next week depending on weather conditions. The silt curtain at the mouth of the old Hazeltine Creek channel is no longer functioning, but all major flows are passing through the new Hazeltine (Edney) Creek channel.

Restoration work and foreshore stabilization on the South Point (adjacent to the historic Hazeltine Creek mouth) is anticipated to be completed next week. A trained Environmental Monitor is supervising this lakeshore work. Burning of waste woody debris that is non-merchantable and not selected for use in reclamation is ongoing. Reconstruction work (channel excavation and placement of bed materials) in Lower Hazeltine Creek (Reach 4) is ongoing.

Figure 1. Turbidity time series graph: Hazeltine Creek at Ditch Road and at outflow of Lower Hazeltine Creek sedimentation ponds



EDNEY CREEK RESTORATION

Edney Creek was flowing through the Lower Hazeltine sedimentation ponds until February 14th when the creek was diverted into its new channel, which joins Hazeltine Creek downstream of the sedimentation ponds. This diversion was earlier than planned due to unseasonable weather conditions creating higher than anticipated flows.

Some planned habitat features have not yet been incorporated in the new channel and consideration is being given to completing them during a low flow period. The Edney Creek fish barrier was compromised during the high flow event and is being repaired. A fish salvage will be conducted prior to removing the water from Edney Creek to do additional construction.



Edney Creek New Channel-Feb/15

UPPER AND MIDDLE HAZELTINE CREEK

Channel excavation in Reach 1 (Polley Lake to TSF) is complete and rock liner material has been placed. The next step will be to place the bed material and construct the habitat design features.

Channel excavation in Reach 2 (TSF to Gavin Lk Rd Bridge) is complete. Excavation of tailings adjacent to the channel and placement of the rock liner material is ongoing.

In Reach 3 (below Gavin Lk Rd Bridge to the canyon), road access is being established to carry out the planned works, ditching for the pump-around system is ongoing, and preparation/excavation of the creek channel is underway.

POLLEY LAKE

Polley Lake ice elevation is at 922.03 metres (Feb 17/15).

Water levels are currently within the typical range. The lake is frozen and all pumping infrastructure was removed in late November. Ice elevation surveys are being taken weekly.

A tender for construction of the Polley Lake outlet structure has been distributed and closes on Feb 18/15.

GENERAL EROSION AND SEDIMENT CONTROL WORKS

Environmental Monitors are monitoring creek restoration work in Edney Creek, as well as in Upper, Middle, and Lower Hazeltine Creek. In the past week 3,127 tonnes of tailings were excavated from Hazeltine Creek and returned to the TSF, and 5,340 tonnes of till was excavated from the Hazeltine Creek channel area and stockpiled for future reclamation use. 29,630 tonnes of construction rock material (including 1,240 tonnes excavated from within the channel area) were hauled to the Hazeltine and Edney Creek areas for use in restoration work.

TAILINGS STORAGE FACILITY RECONSTRUCTION



Foreground: cut-off wall for breach repair; Background: Polley Lake and Hazeltine Creek-Feb/15

The amendment to permit M-200 approving repair of the TSF breach to manage 2015 freshet was received from the Ministry of Mines on Dec 17/14. Ongoing work presently being completed under this approval includes:

- Foundation preparation and material placement for Perimeter Embankment buttressing
- Upstream Fill material placement for the cut-off wall
- Cut-off Wall Aggregate material placement
- Transition material placement for the cut-off wall
- Compacted Rockfill material placement for the cut-off wall
- Buttress placement immediately downstream of the cut-off wall (Phase 1 footprint)
- Mobilization of CSM Contractor infrastructure and equipment is ongoing.

QUESNEL LAKE AND QUESNEL RIVER TURBIDITY

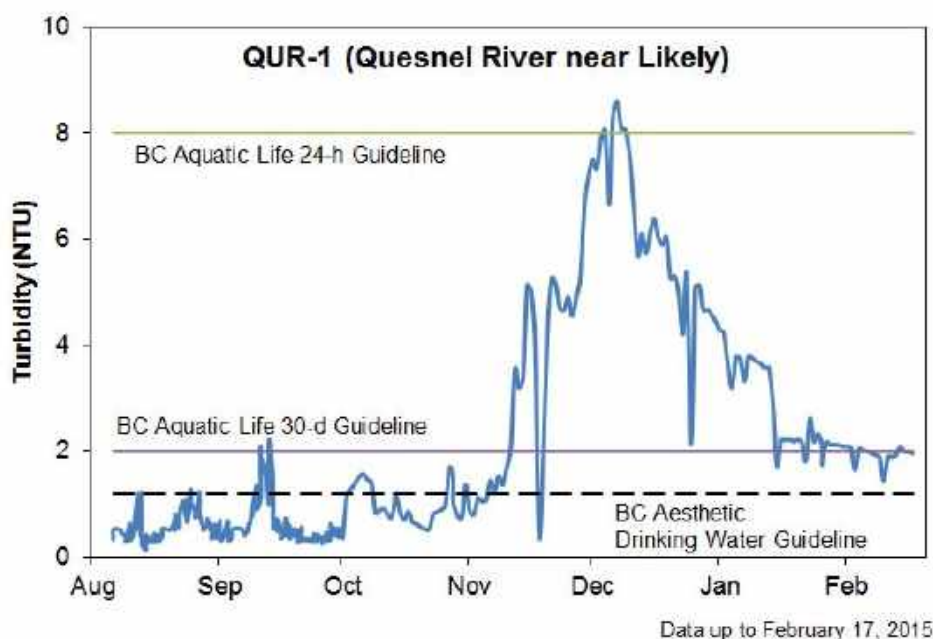
The water quality monitoring program currently consists of weekly samples at:

- QUR-1 (Quesnel River at the Quesnel River Research Centre)
- HAC-08 (Hazelton Creek upstream of the sedimentation ponds and the confluence with Edney Creek)
- HAC-01b (Hazelton Creek at the outlet of the sedimentation ponds, just upstream of Quesnel Lake)

Weekly sampling at EDC-02 in Edney Creek downstream of the new confluence with Hazelton Creek (downstream of the sedimentation ponds and just upstream of Quesnel Lake) is planned to commence next week.

The monitoring program also includes a sonde (datalogger) that is deployed in the Quesnel River at monitoring site QUR-1. The sonde measures field parameters (turbidity, pH, specific conductance, dissolved oxygen, and temperature) every 15 minutes. A second sonde which measures the same parameters at the same frequency is deployed at the outlet of the Lower Hazelton Creek sedimentation ponds.

Figure 2. Time series graph of turbidity at site QUI01



TEMPORARY RESTART OF MINING OPERATIONS

Alternatives to a restart of modified mine operations have been studied, and consulted on with First Nations. A formal application is under review by the province.

Following are sources for ongoing information about the work being done at Mount Polley:

- Imperial Metals/Mount Polley Updates » www.imperialmetals.com
- Ministry of Environment/Mount Polley » www.env.gov.bc.ca/eemp/incidents/2014/mount-polley/
- Likely Library » request to see the Mount Polley information binder, containing copies of the documents posted on the Mount Polley Update webpages.

The next Likely Community Meeting is scheduled for March 2015. Stay tuned for details.



Mount Polley Mining Corporation

an Imperial Metals company

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

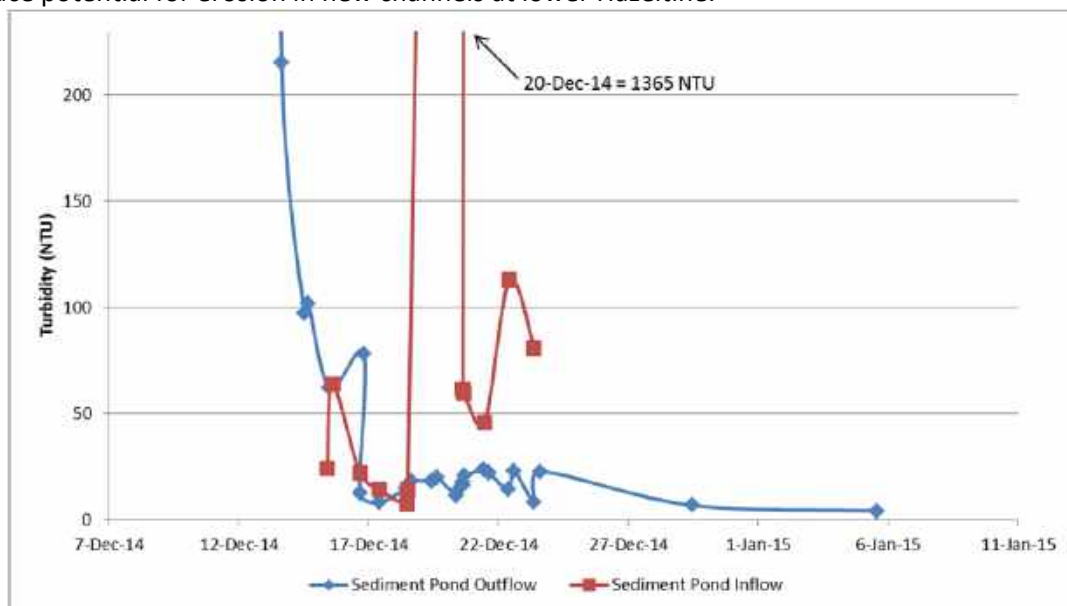
Community Update Bulletin » January 13, 2015

LOWER HAZELTINE CREEK SEDIMENT AND EROSION CONTROL UPDATE



Sediment pond outlet with Quesnel Lake in background-Dec 16/14

Sediment ponds in lower Hazeltine Creek area were commissioned on December 12. On December 29, turbidity at the outlet of the ponds measured NTU 6.84, a very significant reduction from the greater than 200 NTU measured in mid-December (refer to chart below). Tailings material will be removed from certain areas during construction in order to reduce potential for erosion in new channels at lower Hazeltine.



FLOCCULANT TESTING

Mount Polley has initiated a project with Golder Associates to develop a potential contingency measure using flocculent and coagulant substances in case the ponds do not adequately remove very small suspended sediment particles. We are doing this work as a precaution now in case it becomes necessary, however the substances would only be used if agreed to be necessary by the Ministry of Environment (MoE), they are shown (in the lab) to be effective, and if subsequent testing shows that these substances are safe to use.

Flocculants and coagulants are widely used in various water treatment processes, including drinking water treatment but some can be toxic to aquatic organisms.

At present, discharge waters from the pond would not indicate the substances should be used, however should this change in the future, the work we are doing now will advance our knowledge so that application, if necessary, would not be delayed.



Samples after settling

EDNEY CREEK RESTORATION UPDATE



Edney Bridge and fish exclusion fence-Nov 24/14



Fish exclusion fence-Jan 6/15

The vast majority of Edney Creek, a tributary to lower Hazeltine Creek, was unaffected by the debris flow. However, the mouth of Edney Creek was affected in a manner that prevented the two-way movement of fish from Edney Creek to Quesnel Lake. Using known stream restoration techniques, the mouth of Edney Creek has been rehabilitated so the original Edney Creek channel elevation was matched to the elevation of the outflow. This work has relied on input from the technical specialists engaged by the Williams Lake Indian Band and the Soda Creek First Nation.

At this time, Edney Creek is temporarily diverted to the sediment control ponds to allow stream rehabilitation work in the affected portion from Edney Creek to Quesnel Lake. A temporary crossing of Edney Creek has also been installed so Mount Polley's construction team can access the downstream area where the new channel will be constructed. Once built, we look forward to reconnecting Edney Creek to Quesnel Lake in a fish passable channel.

UPPER HAZELTINE CREEK SEDIMENT AND EROSION CONTROL UPDATE

Prior to Christmas, access was created or under development to much of the upper Hazeltine Creek area to facilitate erosion control and concurrent stream restoration work. We are undertaking work to prevent erosion as seasonal flows increase in Hazeltine Creek. We have proposed to MoE and DFO that MPMC concurrently construct new channel habitat at the same time. This approach was supported and we feel it provides the opportunity to quickly return fish to Hazeltine Creek.

Tailings residues in the new channel are being removed, and returned to the TSF, and we have begun placement of some temporary rock fill. We are continuing to construct access to other areas of Hazeltine Creek to allow equipment to carry out work to control erosion of Hazeltine Creek and to construct new aquatic habitat. An environmental monitor is providing third party oversight of the construction.

A plan is being developed for placement of coarse woody debris and planting of willow whips and other vegetative cover in the Spring as part of the erosion control and habitat reconstruction in the area. Engineering design work for the new outlet from Polley Lake is near completion.



Channel excavation in upper Hazeltine Creek-Jan 1/15

TAILINGS STORAGE FACILITY RECONSTRUCTION

MPMC received a permit to repair the TSF on December 17. This is part of our site water management plan to control spring melt and contain the remaining tailings. Foundation preparations have been advanced and new construction materials have started to be placed in the breach area and along the perimeter embankment as buttressing. The work to place materials to fix the breach began January 6, 2015.



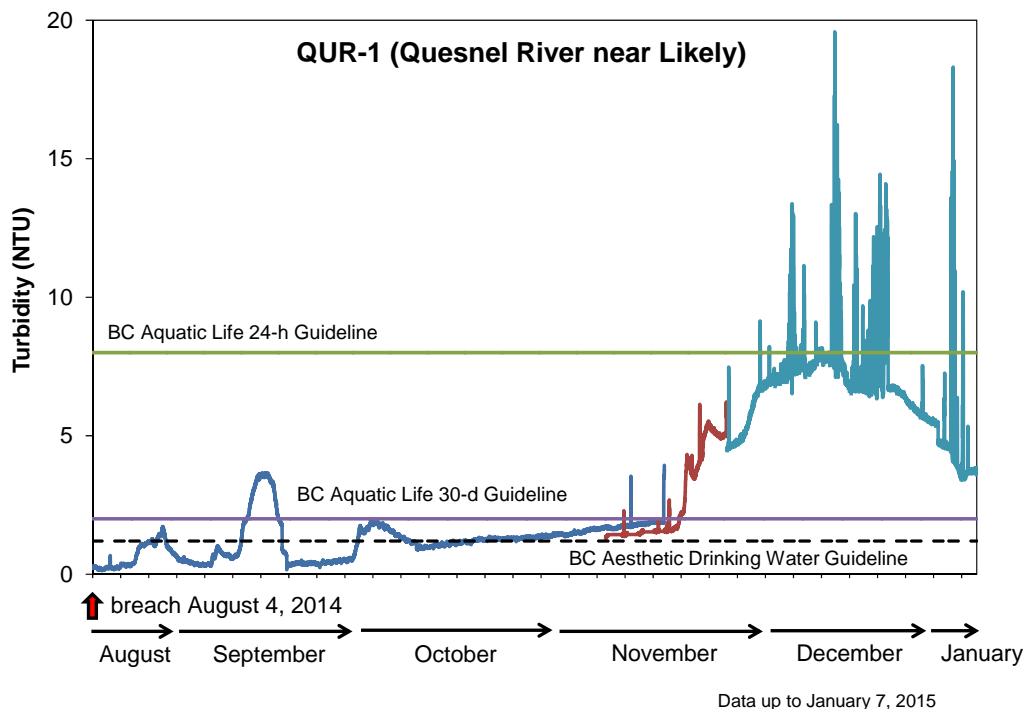
POLLEY LAKE MONITORING

We continue to monitor Polley Lake water levels. Lake level readings are taken once per week, though at present the lake is ice-covered. The frozen lake level is at 921.8 metres. There is very little, to no outflow, from Polley Lake at this time. Shortly following the spill, reduced oxygen levels were identified by our monitoring in the deep portions of Polley Lake. Our ongoing monitoring has confirmed that oxygen levels have returned to acceptable levels. Further sampling through the ice is planned for the winter.

QUESNEL LAKE AND QUESNEL RIVER TURBIDITY

Water quality monitoring continues with weekly sampling at the Quesnel River Research Centre (QRRC), the Hazeltine Creek outlet and Gavin Lake Road bridge. The plans to provide a real-time connection to the automated Mount Polley data logger (the sonde instrument) at the QRRC have been delayed due to technical issues but data continues to be collected.

Parts for the real-time connection are currently on order. Our recent measurements (*refer to chart*) indicate a peak in turbidity was reached at QRRC in early December. As of the preparation of this bulletin update, turbidity is currently in the 3-4 NTU range. We are continuing to monitor turbidity and water chemistry.



TEMPORARY RESTART OF MINING OPERATIONS

Alternatives to a restart of modified mine operations have been studied, and consulted on with First Nations. A formal application is under review with the expectation of a restart of modified operations in 2Q 2015.



Following are sources for ongoing information about the work being done at Mount Polley:

- Imperial Metals/Mount Polley Updates » www.imperialmetals.com
- Ministry of Environment/Mount Polley » www.env.gov.bc.ca/eemp/incidents/2014/mount-polley/
- Likely Library » request to see the Mount Polley information binder, containing copies of the documents posted on the Mount Polley Update webpages.

The next Likely Community Meeting is scheduled for March, 2015. Stay tuned for details.



Mount Polley Mining Corporation

an Imperial Metals company

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

Community Update Bulletin » December 17, 2014

QUESNEL LAKE CLOUDINESS UPDATE

If you have been to Likely recently, you will have noticed that since the latter half of November, Quesnel Lake has been cloudy or *turbid*. Throughout late summer and fall, the cloudy water was trapped beneath a naturally occurring temperature layer called a *thermocline* that extended to a depth of 35 to 40 metres. The cloudiness comes from what are believed to be very small particles of ancient lake sediment that were scoured out during the Hazelton Creek debris flow.

The particles are so small that they did not settle. As winter came on, the thermocline dispersed and lake mixing that is part of normal lake overturn has distributed the cloudy water throughout the West Arm, particularly towards Likely. It is flowing out of the lake into the Quesnel River with turbidity (cloudiness) readings of approximately 7 to 8 turbidity units.

Information on the computer simulation of the West Arm of the lake was sent to residents in an information bulletin dated November 14 (see website: *Imperial Metals/Mount Polley Updates/Information Resource*). The computer model predicts that the lake should clear up by next summer. In the meantime, for those residents who drink water from Quesnel Lake, Mount Polley is providing home delivered bottled water.



Steve Robertson (Imperial) & Lee Nikl (Golder)



Upper Hazelton Creek Nov 2014.

We have also been testing different types of filter cartridges to find one that effectively reduces the cloudiness, and we have had initial success. Once we have tested these in day to day use, we will provide upgraded filter cartridges to all residents who source their drinking water from Quesnel Lake. As Interior Health have advised, the water chemistry is not of concern, just the cloudiness of the water, which we are working to solve.

As Quesnel Lake begins to freeze over, there is limited access for safe water sample collection. Over the winter months the turbidity readings in the Quesnel River will provide a good glimpse into the turbidity of the lake, now that it has mixed.

**see section on Quesnel River Water Quality*

EDNEY CREEK RESTORATION

The tailings dam breach and resulting debris flow down Hazeltine Creek impacted the mouth of Edney Creek, a lower Hazeltine tributary, however the vast majority of Edney Creek remains productive habitat for fish and other aquatic life.

Mount Polley had to act quickly to control erosion and to build a temporary crossing so we could access the southern edge of Hazeltine Creek.

Our technical team, with input from the Williams Lake and Soda Creek bands, Natural Resource coordinators and their consultant, worked together to develop a solution to do all this while simultaneously restoring the mouth of Edney Creek. A restored channel is under construction and will act to reconnect Edney Creek fish with Quesnel Lake when it is done.



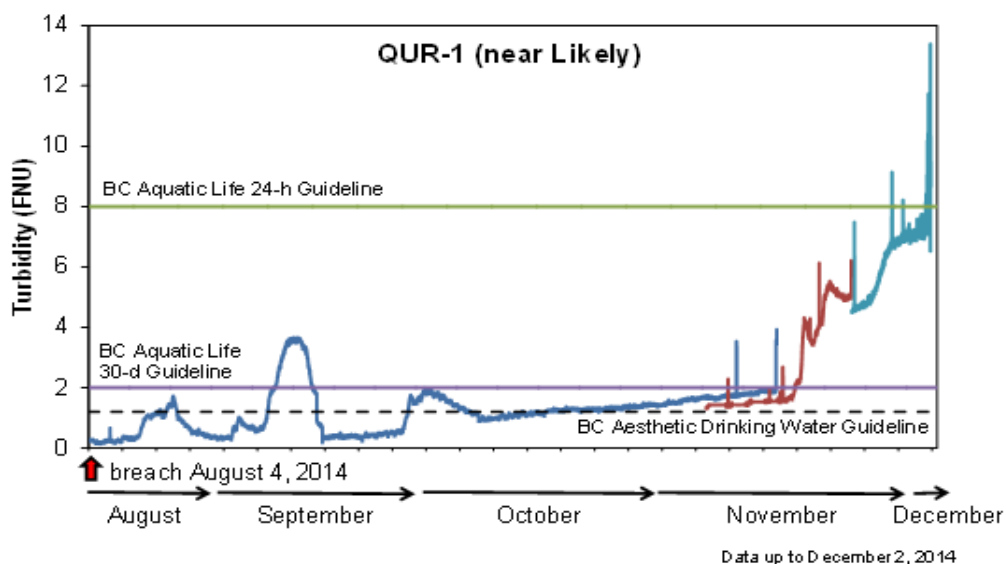
Edney Creek diversion pumps plumbed in to allow channel construction in the dry.

QUESNEL RIVER WATER QUALITY

Turbidity (cloudiness) is measured continually in the Quesnel River at the Quesnel River Research Centre (QRRC) near Likely, with an instrument called a Sonde. While peaks in turbidity occurred in the summer, since mid-November turbidity has continued to increase. This increase is the result of seasonal mixing in Quesnel Lake and outflow of cloudier water. Plans are underway to connect the Sonde instrument to the internet, in partnership with the QRRC, so turbidity data can be viewed in real time. This will allow cloudiness to be tracked in the river over the winter when there is no access to the lake for direct sampling.



Turbidity in Quesnel River measured over time with a Sonde instrument.

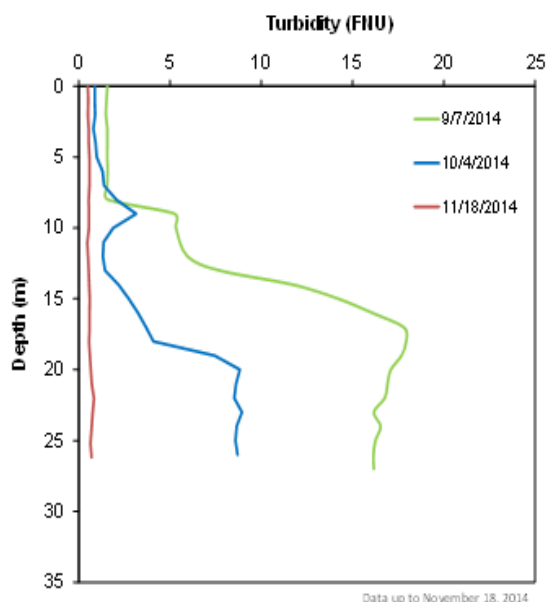


POLLEY LAKE WATER QUALITY

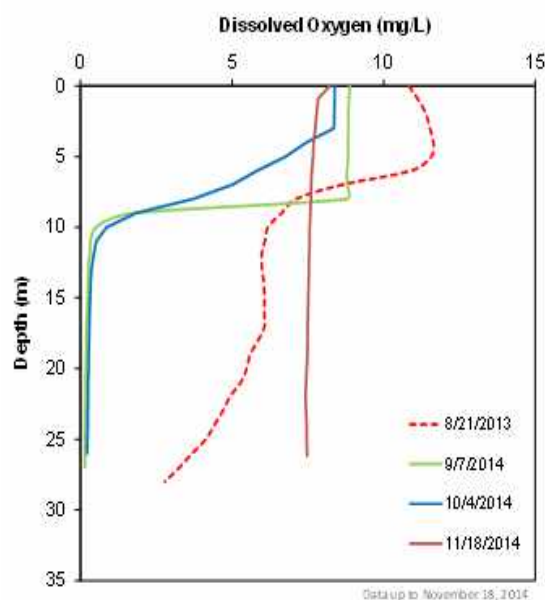


Prior to the tailings dam breach, spring and summer concentrations of dissolved oxygen throughout the water column of Polley Lake were within a range of 5-12 mg/L, considered to be normal. Following the breach, while dissolved oxygen near the surface remained in a normal range, concentrations were low below 10 metres. In late October, seasonal mixing in the lake occurred and dissolved oxygen was consistent throughout the water column and has returned to within an acceptable range for fish.

Turbidity and dissolved oxygen levels with depth are shown in the charts below. Most recent measurements (Nov 18/14) show dissolved oxygen levels have returned to normal. Polley Lake turbidity levels are now also back to a normal level, in contrast to the turbidity levels in Quesnel Lake. We are currently undertaking some research to try to understand why the turbidity in Quesnel Lake is so different from that of Polley Lake.



Turbidity measured in Polley Lake with depth and over time. Red line is the most recent measurement (Nov 18/14).



Dissolved oxygen measured in Polley Lake with depth and over time. Dotted line is before the breach. Red line is the most recent measurement (Nov 18/14).

AUTOMATED DATA BUOYS IN QUESNEL LAKE

In a cooperative research program, Mount Polley has purchased a number of scientific research instruments, including 7 turbidity/fluorescence recorders, 7 turbidity sensors, 2 conductivity/temperature sensors, 5 depth/temperature sensors and 16 temperature sensors for use in five buoyed moorings recently installed in Quesnel Lake by the Department of Fisheries and Oceans researchers with the assistance of staff from the UNBC Quesnel River Research Centre. In addition, the BC Ministry of the Environment has committed to funding to support logistics costs related to the deployment and retrieval of the instruments.

These instruments will provide monitoring data for Mount Polley when the lake is covered with ice, and will provide long term research data on the physical limnology of Quesnel Lake.

Physical limnology is a branch of science that deals with the structure of lakes, movement of lake water and other physical lake processes and conditions. Data from Mount Polley's own studies of Quesnel Lake's physical limnology are also being made available to the research community and the equipment purchased by Mount Polley for this study will be gifted to a non-commercial research group or institution when the Mount Polley monitoring work is completed.



Cables with instruments for Quesnel Lake moorings. Photo: S. Albers, QRRRC.

MOUNT POLLEY UPDATES

Outlet for the sedimentation pond under construction in lower Hazelton Creek



For ongoing information about the work being done at Mount Polley, visit these websites:

- Imperial Metals/Mount Polley Updates » www.imperialmetals.com
- Ministry of Environment/Mount Polley » www.env.gov.bc.ca/eemp/incidents/2014/mount-polley/

If you do not have access to a computer, the Likely Library has a Mount Polley information binder available to patrons, containing copies of the documents posted on the Mount Polley Update webpages.

Next Likely community meeting is scheduled for January 13, 2015. We hope to see you there.



Mount Polley Mining Corporation

an Imperial Metals company

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

Community Update Bulletin | Oct 17, 2014

Mount Polley Site Tour – Saturday October 25, 2014

A site tour of Mount Polley has been organized for local Likely residents and the Soda Creek and Williams Lake Indian Bands for Saturday October 25, 2014.

All residents interested in the site tour can sign up via the website, and must utilize the bus we have arranged for transportation to the mine site (see information below). Individuals arriving at the mine site in their own vehicles will be unable to access the property.

If you wish to participate in this tour, you can sign up via www.imperialmetals.com | *Mount Polley Updates-Community Outreach* – or call #250-790-2215 - before Friday, October 24, 2014 at 12:00 noon.

LIKELY RESIDENTS

Pick up location: in front of Likely Hotel
Time: arrive by 8:30am; bus departs at 9:00am
Lunch will be provided at Mount Polley prior to departure
Bus will return everyone to the Likely Hotel by approximately 1:30pm.

SODA CREEK INDIAN BAND

Pick up location: in front of Deep Lake Community Hall
Time: arrive at Community Hall by 10:30am; bus will depart at 11:00am
Lunch will be provided at the mine site, prior to the site tour
Bus will return everyone to the Community Hall by approximately 6:00pm.

WILLIAMS LAKE INDIAN BAND

Pick up location: parking lot across from Sugar Cane Community Centre
Time: arrive at Community Centre by 11:30pm; bus will depart at 12:00pm
Lunch will be provided at the mine site, prior to the site tour
Bus will return everyone to the Community Centre by approximately 5:30pm.

IMPORTANT INFORMATION

Tour participants are required to present government issued photo identification and will be required to sign a liability waiver prior to departure from the Likely, Deep Lake and Sugar Cane pick up locations.

Tour participants are required to wear weather appropriate clothing including heavy soled footwear (no running shoes, sandals, high heeled footwear).

Personal protection equipment will be provided at the mine site.

If you have questions about the site tour – call #250-790-2215.



Mount Polley Mining Corporation

an Imperial Metals company

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

Community Update Bulletin | Oct 9, 2014

First Aid

- no lost time incidents to date

Main Dyke and Satellite Dykes

- all rock work now complete on dykes to secure tailings inside the impoundment, and to provide access to impoundment area where water is gathering

Breach and Central Sumps

- “contact water” is now fully captured and retained on site
- the sumps have contained the water effectively
- additional sumps are now being constructed to capture water from heavy rain events



Water Quality in Quesnel Lake

- water samples to date continue to show Quesnel Lake water does not pose a risk to human health
- Imperial is supplying and installing filters in homes that exclusively use lake water
- 65 to 70% of home water filter installation requests have been completed, a number of installations were scheduled for Likely and Mitchell Bay this week
- dissolved metal concentrations are below levels of concern for aquatic life
- weekly reports to MOE from Mount Polley Mine are now being posted to Imperial Metals' website

Airshed Quality

- dust sampling stations on the Mount Polley property are monitored monthly for air quality
- data were reviewed from August 2104 and there is no indication of any unusual air quality on the property during the month when the breach occurred

Quesnel Lake

- Hazeltine Creek Outlet: Cleanup of woody debris continues
- A couple of loads of wood were shipped to Tolko
- More wood will be moved from Lower Hazeltine when there is room for it at the reload
- A tub grinder has been installed at Raft Creek and wood chips are being produced
- Mitchell Bay: Crews continue to dewater woody debris at West Fraser reload and shore cleanup continues



Lower Hazeltine Creek

- Bridges on Gavin Lake Road and Ditch Road have been completed. Native vegetation and grasses have already started to colonize the area around the bridge abutments
- Work is beginning on sediment control structures (settling ponds) for Lower Hazeltine Creek



Environmental Sampling

- EBA Tetra Tech data analysis of materials on the bottom of Quesnel Lake and modeling of the Quesnel Lake plume are underway
- sampling of water, sediment and fish continues (see weekly reports to MOE)

Polley Lake Reduction

- water level is now very close to pre-breach level, and we are now switching to maintenance pumping from south end of Polley Lake and discharging below tailings plug into Hazeltine Creek

Grass Seeding

- 22,500 kg of fast germinating grasses were applied by helicopter Sept 11-13 over the entire TSF, exposed areas downstream of Polley Lake, and through the Hazeltine Creek channel, to provide ground cover and root structure to reduce erosion
- the grass seeds have already begun to germinate; seeded areas will be monitored for progress of the vegetative cover (photo below is grass sprouting on top of tailings)



Mount Polley Updates on Website

- Imperial website www.imperialmetals.com continues to be updated as information is available
- Copies of these Community Bulletins are posted there
- Weekly reports from MPMC to MOE are now posted to the website



Mount Polley Mining Corporation

an Imperial Metals company

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

Community Update Bulletin | Sept 25, 2014

First Aid

- no lost time incidents to date

Main Dyke

- constructed to secure tailings inside the impoundment
- construction completed on Sept 22

Satellite Dyke

- constructed to provide access to access impoundment where water is gathering; sumps are being constructed to capture water
- access will also be used to assist in stabilization of steep tailings channels within impoundment
- construction completed on Sept 9

Breach Sump

- capturing water that filters through the Main Dyke

Central Sump

- new sump constructed to collect all water in the impoundment area so it can be put into the reclaim system and pumped to Springer Pit
- “contact water” is now fully captured and retained on site



Water Quality in Quesnel Lake

- all water samples to date continue to show Quesnel Lake water does not pose a risk to human health
- Imperial is supplying and installing filters in homes (58% of requests are complete) that exclusively use lake water
- dissolved metals concentrations are below levels of concern for aquatic life

Quesnel Lake

- Hazeltine Creek Outlet: Cleanup of woody debris continues. Tub grinder will be installed at Raft Creek to produce hog fuel to assist in reclamation efforts. Bridge is going in on the Gavin Lake Road; Ditch Road Bridge will be next. Access will allow us to begin working on sediment control plan in Lower Hazeltine Creek.
- Mitchell Bay: Crews continue to dewater woody debris at West Fraser reload. Shore cleanup continues.



Environmental Sampling

- EBA Tetra Tech research vessels have completed their work on Quesnel Lake; data analysis and modeling are underway
- sampling of water, sediment and fish continues

Polley Lake Reduction

- water Level: 922.45m; cumulative decrease 85cm; reduction is halfway back to pre-breach level
- pumping:
 - north end: pumping into Wight Pit and then to Springer Pit
 - south end: six pumps (1 spare) pumping from Polley Lake and discharging below tailings plug into Hazeltine Creek

Grass Seeding

- 22,500 kg of fast germinating grasses were applied by helicopter Sept 11-13 over the entire TSF, exposed areas downstream of Polley Lake and through the Hazeltine Creek channel
- we anticipate the seeding will perform several beneficial functions:
 - *ground cover* - on exposed soils, when rain strikes the soil, the energy of the rain drop can loosen and mobilize the soil which leads to the start of a process of erosion. Ground cover provides a cushion against this energy and reduces the initial mobilization of the soil;
 - *root structure* - roots from the plants will improve the abilities of the soils to hold together
 - *wind erosion* - exposed soils, particularly when dry, can also be eroded by the action of wind across those soils. A plant cover over the soils (and tailings) is expected to reduce the potential for wind erosion to cause dispersal of the tailings as dust.
- the grass seeds have already begun to germinate; seeded areas will be monitored for progress of the vegetative cover



Mount Polley Updates on Website

- Imperial website www.imperialmetals.com continues to be updated as information is available