



Mount Polley Mining Corporation

an Imperial Metals company

Box 12 • Likely, BC V0L 1N0 • T 250.790.2215 • F 250.790.2268

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Dear Local Residents:

The Mount Polley Mine has a positive water balance, which means that there is more yearly rainfall at the site than there is evaporation. This water surplus was forecast before the mine started operation and was discussed with our neighbouring communities during the original consultations that were carried out, along with the Environmental Assessment process, during the 1990s. At that time, the authorized plan was to settle the surplus water in sedimentation ponds and discharge to the local lakes and creeks near the mine.

Recently, we have retained qualified environmental professionals to review and modernize the previous plans and make sure that we are applying best practices to manage surplus site water. This work resulted in a detailed Technical Assessment Report which has been posted on the Imperial Metals website (<https://www.imperialmetals.com/our-operations-and-projects/operations/mount-polley-mine/long-term-water-management-plan-application>).

The report recommends that we approach water discharge in two phases: firstly, remove suspended particulates with a water treatment plant using modern technology, and then discharge the treated water at depth into Quesnel Lake; and, secondly, continue to undertake studies of passive treatment, with a goal to distribute the treated water to the local watersheds. Studies into the passive treatment of surplus site water and distributed discharge into the local watersheds will continue in parallel to the first phase of water treatment and discharge to Quesnel Lake, with transition into the second phase being completed after the site is reclaimed, or earlier (during operations) if possible.

The permit amendment that we are now seeking is for the first phase of water discharge. This would be implemented by changing some of the routing of the currently authorized discharge to Quesnel Lake; however, the water originates from the same sources as the water currently being discharged and will be subject to the same treatment. We have been discharging treated water into Quesnel Lake from our water treatment plant since December 1, 2015 and the lake water quality has been carefully monitored since that time. The monitoring indicates that this discharge has not had adverse effects on the water uses of Quesnel Lake. The Technical Assessment Report evaluates the new routing options, takes a longer time horizon view and evaluates our proposed permit amendment, and concludes that water uses will not be impacted. We are aware of the importance of Quesnel Lake to its users and we continue to closely monitor our operations and surrounding environment to be sure that Quesnel Lake water uses are not negatively impacted.

Mount Polley agrees with the consultants' recommendations for our interim and long term water management plan and we encourage everyone in the community to review the Technical Assessment Report and to provide us with their feedback during the upcoming permit consultation process.

In closing, all of us who work at the Mount Polley Mine would like to extend our thanks to all the members of our local First Nations and the citizens of the local communities who have provided input to the process of getting the mine operating and protecting the environment. We take our responsibility to our community and the environment in which we operate seriously, and we strive to be positive contributors to the community.

Yours sincerely,

Dale Reimer,
General Manager, Mount Polley Mine