



MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

TAILINGS STORAGE FACILITY 2012 ANNUAL REVIEW

FINAL

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April 8, 2013

Project No.: 1197001

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Dear Luke,

Re: Tailings Storage Facility 2012 Annual Review

Please find attached the abovementioned report. Should you have any questions or comments, please contact the undersigned.

Yours sincerely,

BGC ENGINEERING INC.
per:

Daryl Dufault, P.Eng.
Senior Geotechnical Engineer

SUMMARY

This report presents the annual review of the operation and performance of the Mount Polley Mine Corporation (MPMC) tailings storage facility (TSF) for 2012. This report has been prepared in accordance with the requirements of the British Columbia Ministry of Energy and Mines (MEM). The following points give a general summary of the 2012 TSF activities and key developments.

1. Classification of the dam(s) in terms of Consequence of Failure (ref. Canadian Dam Association, Dam Safety Guidelines [2007])

A formal dam safety review was conducted in 2006 (AMEC 2006). That review assigned a “Low” hazard classification based on 1999 Canadian Dam Association (CDA 1999) guidelines. CDA updated their Dam Safety Guidelines rating in 2007 (CDA 2007), and under the new classification the TSF is classified under “Significant” category (see Classification System Table ES-1). It is worth noting that the design criteria for the embankment dams at the Mount Polley TSF, in terms of earthquake and inflow design flood criteria, are consistent with a “high” consequence classification.

2. Embankment Design Changes

The 2012 Stage 8 TSF embankment raise design targeted an elevation of 963.5 m. In the early summer, MPMC requested an engineering design package for submission to the MEM supporting a raise of the embankment to a crest elevation of 965 m. The design package included the change in the alignment of the embankment core from the modified (upstream) centreline design (which was completed to El. 963.5 m) to a centreline core raise geometry above El. 963.5 m.

3. Embankment Instrumentation Summary

Locations of piezometers and inclinometers within the dam are shown on the AMEC drawings provided in Appendix A. Piezometer and inclinometer data plots are provided in Appendices D and E respectively. In 2012, two replacement inclinometers were installed along the Perimeter Embankment.

Table ES-2 summarizes previously and newly installed slope inclinometers.

Piezometer readings in 2012 indicated the following general trends for the TSF embankment:

- Pore pressures in foundation soils in and around the TSF embankment were noted as stable with minor fluctuations
- Pore pressures in the till core generally indicated a slightly increasing trend in response to the rising pond level.

- Pore pressures in the filters and drains downstream of the till core remained unchanged throughout the year.
- Pore pressures in the tailings and fill upstream of the core experienced an upward trend in response to the rising pond level. Piezometers installed at lower elevations within the tailings experienced lower response relative to the piezometers near the pond elevation, due the downward gradients resulting from the presence of the upstream under-drainage system.

Table ES- 1. CDA (2007) Consequence Classification Scheme.

| Dam Class | Population at Risk [note 1] | Incremental Losses | | |
|--------------------|-----------------------------|-----------------------|--|---|
| | | Loss of Life [note 2] | Environmental and Cultural Values | Infrastructure and Economics |
| Low | None | 0 | Minimal short-term loss No long-term loss | Low economic losses; area contains limited infrastructure or services |
| Significant | Temporary only | Unspecified | No significant loss or deterioration of fish or wildlife habitat Loss of marginal habitat only Restoration or compensation in kind highly possible | Losses to recreational facilities, seasonal workplaces, and infrequently used transportation routes |
| High | Permanent | 10 or fewer | Significant loss or deterioration of <i>important</i> fish or wildlife habitat Restoration or compensation in kind highly possible | High economic losses affecting infrastructure, public transportation, and commercial facilities |
| Very High | Permanent | 100 or fewer | Significant loss or deterioration of <i>critical</i> fish or wildlife habitat Restoration or compensation in kind possible but impractical | Very high economic losses affecting important infrastructure or services (e.g. highway, industrial facility, storage facilities for dangerous substances) |
| Extreme | Permanent | More than 100 | Major loss of <i>critical</i> fish or wildlife habitat Restoration or compensation in kind impossible | Extreme losses affecting critical infrastructure or services (e.g. hospital, major industrial complex, major storage facilities for dangerous substances) |

Note 1. Definitions for population at risk:

None – There is no identifiable population at risk, so there is no possibility of loss of life other than through unforeseeable misadventure.

Temporary – People are only temporarily in the dam-breach inundation zone (e.g. seasonal cottage use, passing through on transportation routes, participating in recreational activities).

Permanent – The population at risk is ordinarily located in the dam-breach inundation zone (e.g. as permanent residents); three consequence classes (high, very high, extreme) are proposed to allow for more detailed estimates of potential loss of life (to assist in decision-making if the appropriate analysis is carried out).

Note 2. Implications for loss of life:

Unspecified – The appropriate level of safety required at a dam where people are temporarily at risk depends on the number of people, the exposure time, the nature of their activity, and other conditions. A higher class could be appropriate, depending on the requirements. However, the design flood requirement, for example, might not be higher if the temporary population is not likely to be present during the flood season.

Table ES- 2. Piezometer Summary.

| Embankment | Installed Prior to 2011 | | 2011 Installed | Total (Functional) |
|--------------|-------------------------|------------------|-------------------|--------------------|
| | (Functional) | (Non-functional) | | |
| Main | 40 | 26 | 15 | 55 |
| Perimeter | 10 | 9 | 5 | 15 |
| South | 8 | 2 | 3 | 11 |
| Total | 58 | 37 | 23 | 81 |

As part of the 2012 instrument installation program, two (2) additional inclinometers were installed in the embankment for a total of nine (9) functioning slope inclinometers as shown in Table ES-3. Newly installed slope inclinometers were not initialized until early 2013 and readings are therefore not included in this report. The last 2012 reading of the inclinometers was conducted on August 25, 2012, and is presented in Appendix E.

Table ES- 3. Slope Inclinometer Summary.

| Embankment | Installed Prior to 2011 | | 2012 Installed | Total (Functional) |
|--------------|-------------------------|------------------|-------------------|-----------------------|
| | (Functional) | (Non-functional) | | |
| Main | 6 | 1 | 0 | 6 |
| Perimeter | 1 | 0 | 2 | 3 |
| Total | 7 | 1 | 2 | 9 |

4. Significant Changes to Dam Stability and/or Surface Water Control

There were no significant changes to dam stability. Based on limit equilibrium stability analyses, the 3.7 m Stage 8/8A crest raise had a negligible impact on the factor of safety of the dams, with values still in excess of 1.3 under static loading, short term construction conditions.

5. For major tailings impoundments, as described in Part 10.5.2 of the Health, Safety and Reclamation Code for Mines in British Columbia, all operating dams shall have a current Operations, Maintenance and Surveillance (OMS) Manual. The annual report shall indicate the latest revision date of the OMS Manual.

The OMS manual is a living document and was last updated by MPMC in 2012, to reflect the changes in instrumentation with the investigation and instrumentation installation program that was carried out in 2011.

6. Scheduled Date for formal Dam Safety Review (ref. Canadian Dam Association, Dam Safety Guidelines)

A formal Dam Safety Review (DSR) is planned to be conducted in 2016.

7. Summary of 2012 Construction

The 2012 raising of the dam is documented by AMEC (2013). AMEC was present on site for critical, non-routine aspects of foundation preparation and fill placement. During this period, AMEC's role was to verify that construction methods employed were consistent with design expectations, material specifications were adhered to, and monitoring and testing requirements were understood by MPMC personnel. AMEC's time on site was also used to verify that daily technical/progress reports were being completed properly, QA/QC roles and reporting responsibilities were thoroughly understood by all parties, and lines of communication between the site and AMEC office-based support were clearly established and functional. Once satisfied that the MPMC's field inspectors were fully trained and prepared to undertake the construction monitoring and reporting role with remote support required by AMEC, AMEC's monitoring presence was reduced to monthly visits, with monitoring of construction progress carried out via reports and photographs issued by MPMC. The timing of AMEC's site visits varied somewhat to align with key construction activities such as foundation preparation and approval, and till core trench approval.

Stage 8/8A construction involved raising the crest of the embankment approximately 3.7 m from El. 960.1 m to El. 963.8 m.

8. Overall Performance of the Tailings Management Facility

Observations and data obtained over the course of 2012 indicate that the tailings storage facility continues to perform in a satisfactory manner.

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LIMITATIONS

BGC Engineering Inc. (BGC) prepared this document for the account of Mount Polley Mining Corporation (MPMC). The material in it reflects the judgment of BGC staff in light of the information available to BGC at the time of document preparation. Any use which a third party makes of this document or any reliance on decisions to be based on it is the responsibility of such third parties. BGC accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions based on this document.

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1.0 INTRODUCTION

The Mount Polley Mine (MPM) is located in central British Columbia, approximately 60 km northeast of Williams Lake. The main access route is via Likely Road. The turnoff to the MPM is located approximately 1.5 km east of Morehead Lake with the MPM located another eleven km to the southeast, along the Bootjack Lake Forest Service Road. The MPM commenced production in June 13, 1997. Ore is crushed and processed by selective flotation to produce a copper-gold concentrate. The mill throughput rate is approximately 20,000 tonnes per day (approx. 7.3 million tonnes per year). Mill tailings are discharged as slurry into the Tailings Storage Facility (TSF) located on the south area of the Mine property.

Tailings slurry is conveyed from the concentrator to the TSF via a tailings discharge pipeline. The tailings are deposited into the impoundment through moveable or fixed spigots on the embankment crest. A floating reclaim pump recycles process water from the supernatant pond in the TSF for use in the mill processing circuit. Sediment ponds and seepage collection ponds are designed to intercept runoff from the surface and seepage from the embankment respectively. Drains, instrumentation and monitoring wells are constructed in and around the TSF to assist in monitoring the performance of the facility.

Figure 1-1 shows an aerial view of the site from September 6th, 2012. AMEC Environment and Infrastructure (AMEC) drawings provided in Appendix A provide a plan and instrumentation sections of the dam, based on the 2011 construction. The 2012 construction is documented by AMEC (2013). Drawing 2011AB.07 in Appendix A presents a plan of the MPM site as of the end of 2011 construction.

Mount Polley Mining Corporation (MPMC) milled approximately 36 M tonnes of ore between start-up in 1997 and October 2001. The mine entered into care and maintenance status for the period from October 2001 to February 2005, and operations re-started in March 2005.

The starter dam for the TSF embankment was constructed in 1996 to a crest elevation of 927.0 m. The starter dam comprised a homogeneous compacted till fill embankment. Discharge of the tailings into the impoundment commenced in the summer of 1997. The TSF embankment was raised in subsequent years as follows:

- To elevation 934.0 m in 1997.
- To elevation 936.0 m in 1998.
- To elevation 937.0 m in 1999.
- To elevation 941.0 m in 2000.
- To elevation 942.5 m in 2001.
- To elevation 944.0 m in 2004.
- To elevation 946.0 m in 2005.
- To elevation 949.0 m in 2006.
- To elevation 950.9 m in 2007.
- To elevation 951.9 m in 2008.
- To elevation 953.9 m in 2009.
- To elevation 958.0 m in 2010.
- To elevation 960.1 m in 2011.
- To elevation 963.8 m in 2012.

The TSF embankments are zoned earth and rockfill dams (see drawings 2011AB08 through 15 in Appendix A). In 2012, MPMC crews and equipment were responsible for the placement of Zone U, Zone T, and Zone C. Placement of Zone S and Zone F was performed by Peterson Contracting Ltd. (Contractor).

This report presents the 2012 annual review of the MPM TSF. The 2012 construction is documented by AMEC (2013).

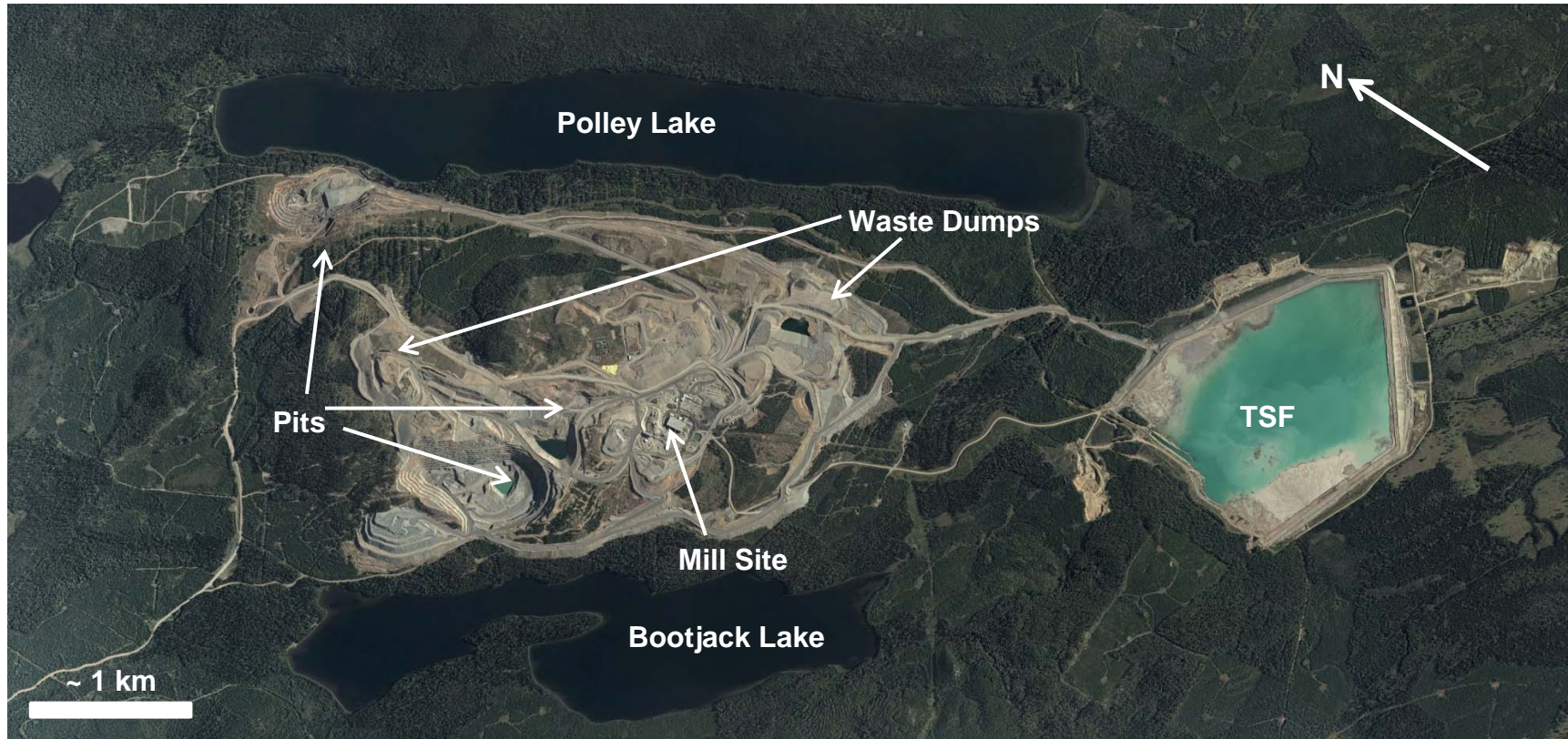


Figure 1-1. Aerial View of Mine Site: September 6, 2012.

2.0 PROJECT BACKGROUND

MPM is a copper and gold mine owned by Imperial Metals Corporation and operated by MPMC. The site is located 56 km northeast of Williams Lake, British Columbia. MPM began production in 1997 and operated until October 2001, when operations were suspended for economic reasons. In March 2005, the mine restarted production and has been in continuous operation since. The current mill throughput is approximately 20,000 tpd. Tailings are deposited as slurry into the TSF. The TSF is comprised of one overall embankment that is approximately 4.3 km in length. The embankment, based upon original separate embankments, is subdivided into three (3) sections; referred to as the Main Embankment, Perimeter Embankment and South Embankment.

The overall embankment has incorporated a staged expansion design utilizing a modified centerline (partial upstream) construction methodology through Stage 8 and transitioned to centreline construction with the initiation of Stage 8a in late 2012. The latest expansion was completed in October 2012, and entailed a 3.7 m embankment raise to a crest elevation of 963.8 m. The 2012 construction is documented by AMEC (2013). The AMEC drawings provided in Appendix A include sections illustrating the design of the dam. The dam section comprises a compacted till starter dam, above which the till core zone (Zone S) was raised, until Stage 8a, via a partial upstream shift (i.e. modified centerline) for each annual raise. Downstream of the core is a graded filter zone (Zone F), and a transition rockfill zone (Zone T), providing for a filter sequence between the Zone S and the Zone C (downstream shell of rockfill). Upstream support for the modified centerline raises of the till core is provided by Zone U (select fill, comprising tailings sand and waste rock).

A system of foundation drains underlies the downstream shell of the dam, and is installed within the base of the tailings deposit, and immediately to the upstream of the till core. These drainage features are discussed in Section 3.7.1.

The design and construction monitoring of the TSF embankments from mine start up to early 2011 was completed under the direction of Knight Piésold Limited (Knight Piésold). AMEC assumed the design consultant role for the TSF embankment as of January 28, 2011. AMEC's leads on the project were Todd Martin, P.Eng., and Daryl Dufault, P.Eng., both now with BGC Engineering Inc. (BGC), and co-authors of this annual review report.

3.0 OPERATION OF THE TAILINGS STORAGE FACILITY

3.1. General

The MPM TSF is comprised of one overall embankment that is currently approximately 4.3 km in length. The embankment is subdivided into three (3) sections; referred to as the Main Embankment, Perimeter Embankment and South Embankment. Heights vary along the embankment and are approximately 49 m, 31 m, and 21 m for the Main, Perimeter and South Embankments respectively. Sections of the embankment are shown on AMEC Drawings 2011AB.08 through 2011AB.15 in Appendix A.

3.2. Tailings Discharge and Beach Management

Tailings are transported from the mill to the impoundment via an approximately 7 km long HDPE pipeline. The pipeline design flow is 20,000 tpd at about 35% solids by dry weight.

In 2012, given the orientation of the gravity-fed tailings line, insufficient tailings line pressure prevented cell construction along the central portion of the Main Embankment. As shown in Figure 3-1, 2012 cell construction was carried out from Corner 5 advancing along the Perimeter Embankment to the Main Embankment, where single-point discharge was employed at Sta. 24+00 to facilitate the beach development. Cellular development was employed along the South Embankment and around Corner 3 where single-point discharge was resumed at Sta. 18+50. The tailings delivery line is currently being redesigned with the expectation that the new alignment will allow for upstream tailings cell construction to take place along the Main Embankment in 2013.

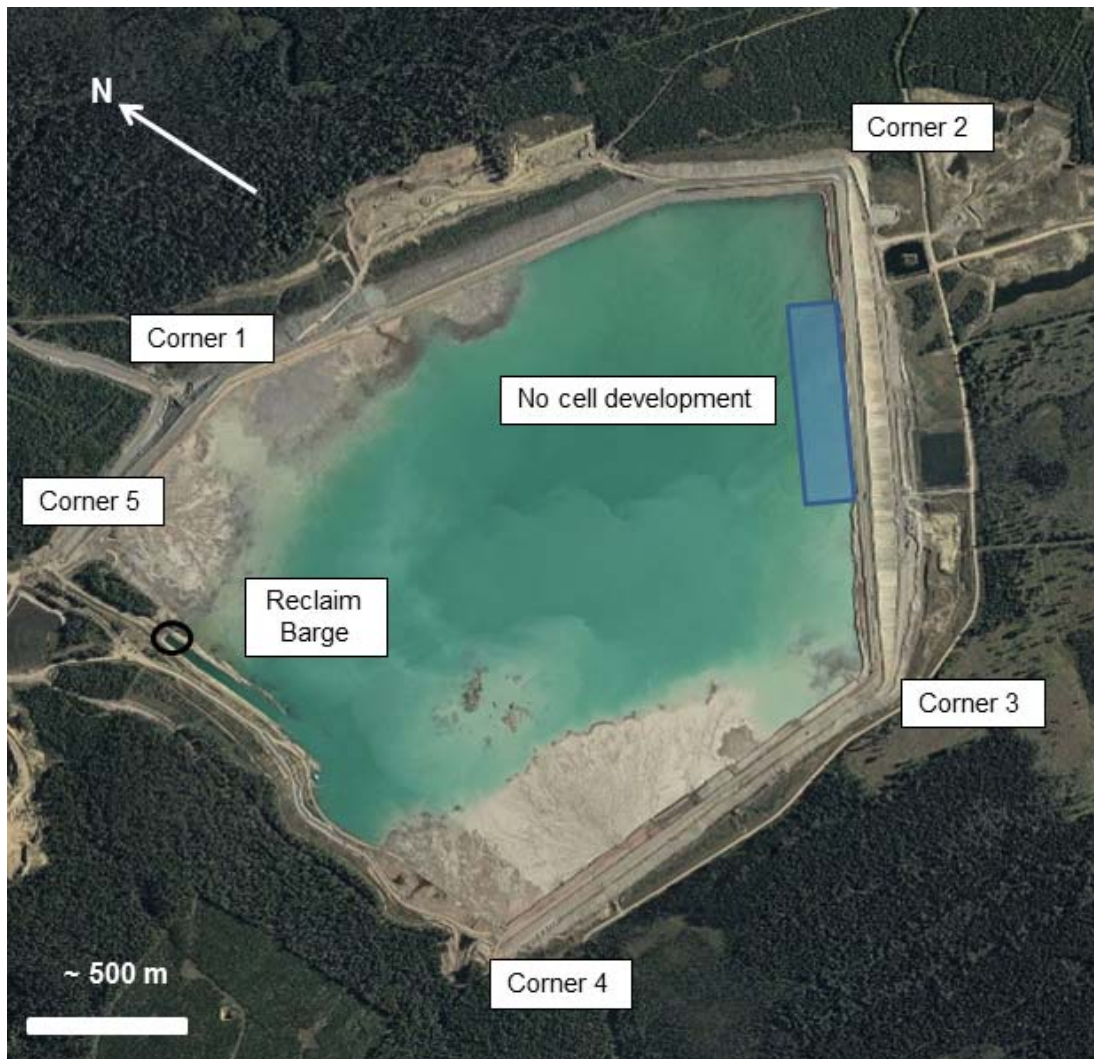


Figure 3-1. Tailings Storage Facility Plan.

3.3. Process Water Reclaim

The tailings pond supernatant is recycled to the mill for use as process water. It is transported via the reclaim pumping system, which consists of a barge mounted pump, pipeline and booster pump station.

3.4. Operations, Maintenance and Surveillance Manual

The Operations, Maintenance and Surveillance (OMS) Manual is a living document and was updated in 2012 to reflect the change in Engineer of Record and the addition of new instrumentation and the updated instrumentation surveillance and reporting plan.

3.5. Flood Storage and Freeboard Requirements

Flood storage and freeboard requirements for the TSF are outlined in the OMS manual and are as follows:

The TSF is required to have sufficient live storage capacity for containment of runoff from the entire contributing catchment area during a 24-hour Probable Maximum Precipitation (PMP) event. The TSF design also incorporates a freeboard allowance for wave run-up. Therefore, the normal and maximum operating pond levels are as follows:

- Normal Operating Level – Water level at least 1.3 meters below the embankment crest;
- Maximum Operating Level – Water level is 1 meter below the embankment crest, which also means the loss of storage capacity for a 24-hour PMP event.

Tailings deposition would cease if the pond level reaches maximum operating level and the removal of water from the pond would commence using the reclaim barge. The area downstream of the dam will also be evacuated and access restricted as per the Emergency Preparedness Plan.

The impoundment is operated without an emergency overflow spillway. As such, contingency measures are required such that emergency discharge of surplus water can be undertaken in the extremely unlikely event of the 24-hour PMP (or larger) runoff inflow event. One such contingency is the shutdown of the mill and evacuation of water using the reclaim barge.

3.6. Seepage Collection Ponds

Seepage collection ponds are located downstream of each of the three embankments that create the TSF. The seepage collection ponds collect seepage from the embankments, embankment drain discharge, and runoff from the embankment and reporting catchments. Records indicate that the ponds were excavated into glacial till of low hydraulic conductivity. The ponds were observed to be in good condition when visited in August 2012 by Daryl Dufault, P.Eng.

3.7. Drain Flow Data

3.7.1. Design Description

Drainage systems are installed upstream and downstream of the till core, as discussed in Section 2. Selected Knight Piésold figures and design drawings, from Knight Piésold (1995, 2005), illustrate the design and design intent of the drainage system, and are provided in Appendix B. Select photos of perimeter drains are included in Appendix C.

Upstream Drainage System

The design objective of the upstream drainage system is to lower the phreatic surface within the tailings in proximity to the dam, increasing embankment stability and seepage control,

and facilitating consolidation of the upstream tailings to provide sufficient support for the modified centerline (slight upstream) raising geometry of the till core. This is illustrated in Knight Piésold Figure 6.7 (Appendix B). The upstream drainage system comprises:

- Basin groundwater drains upstream of the Main Embankment (see Knight Piésold Dwg. 1625.102, Appendix B). These drains extend below the Main Embankment, and discharge into the drain monitoring sump immediately upstream of the Main Embankment seepage collection pond.
- Upstream toe drains (see Knight Piésold Dwg. 1625.111, Appendix B) constructed level with the starter dam crest at El. 931 m. These drains extend below the Main Embankment at both abutments (see Knight Piésold Dwg. 110, Appendix B), and are conducted in pipes to the aforementioned drain monitoring sump.
- Upstream toe drains were also constructed within the Perimeter Embankment and the South Embankment portions of the dam.

Flow reporting to the upstream drainage system is channeled via pipes below the till core of the dam to the downstream seepage monitoring sumps and the Main Embankment seepage collection pond sump. Referring to the Knight Piésold design drawings in Appendix B, the details for the upstream drainage system pipes where they pass below the Zone S till core are as given in Table 3.1.

Table 3-1. Upstream drainage system: pipelines passing below the core.

| Knight Piésold Drawing No. | Detail Reference | Description | Station |
|-----------------------------------|-------------------------|---|-----------------|
| 1625.109 | Detail B | Basin groundwater drain outlets. 150 mm HDPE DR21 pipe, with a "seepage collar" of compacted till with 10% bentonite. Two such pipes indicated on the key plan on Drawing 1625.109. | 20+50 |
| 1625.102 1625.111 | Detail E Detail C | Main Embankment upstream toe drain outlets. 150 mm HDPE DR21 pipes. Two of these indicated on Drawing 1625.102 (key plan) and Drawing 110. | 15+75 and 26+75 |
| 120 255 | Plan Section | Perimeter Embankment upstream toe drain outlet. 150 mm HDPE DR21 pipe. Reinforced concrete encasement | 46+75 |
| 230 240 | Plan Section | South Embankment upstream toe drain outlet. 250 mm diameter steel pipe, reinforced concrete encasement | 13+25 |

Downstream Drainage System

The downstream drainage system comprises a series of longitudinal perforated drain pipes to conduct collected seepage flow to the monitoring sumps and the collection ponds. The function of the drains is to reduce seepage pressures associated with upward hydraulic gradients within the foundation soils below the dam, on the downstream side of the till core. The locations of these drains, and the design details, are shown on the Knight Piésold drawings in Appendix B.

3.7.2. Flow Data

Flows from the upstream toe drains and downstream foundation drains of the Main Embankment are measured at the sump located at the Main Embankment seepage collection pond.

Upstream toe drains and downstream foundation drains from the Perimeter and South Embankments discharge into ditches which carry the flow to their respective seepage collection ponds where it is measured at the end of pipe. Water from the upstream toe and foundation drains is recycled to the TSF.

Measurement of drain flows into the Main Embankment seepage collection pond requires that the sediment control pond be pumped down to a low level to allow for safe entry into the sump. In 2011 and 2012, Main Embankment drain readings were not measured and MPMC was out of compliance with the OMS requirements. MPMC continues to work on revising the monitoring system in an attempt to capture drain flow readings in compliance with the OMS requirements. It is critical that this deficiency be rectified in 2013, as monitoring of drain flows is mandatory in terms of detecting changes in seepage conditions.

In 2012, frequency of drain flow readings from the South and Perimeter Embankments varied from monthly to bi-weekly as weather permitted. Frequency of historic readings varied similarly, with some gaps of a month or more. Main, South and Perimeter Embankment drain readings are presented in Figure 3-2.

Drain flows at the Main Embankment during the initial years of production were relatively steady at less than 1 l/s. In 2000, flow rates increased to approximately 5 l/s, likely in response to an increased pond elevation. Between 2001 and 2005, the mine was in care and maintenance and the pond elevation was relatively constant. Flow rates increased again shortly after production resumed in 2005, to between 10 l/s and 20 l/s again likely due to an increase in pond elevation. Drain flows at the Main Embankment have not been measured since 2010, as discussed above.

Drain flows at the Perimeter Embankment were measured starting in 2006, following construction of this portion of the embankment. Drain flows at the South Embankment were measured starting in 2011, following construction of this portion of the embankment. Flows reporting to the respective drains are influenced by the upstream sand cell placement activity with flow peaks coinciding with active placement in the respective sump areas, and by beach

widths, which are typically at a minimum immediately following the freshet, which is when spikes in drain flows are apparent. There appears to be a step increase in flow rate measured at the perimeter drain between 2009 and 2011, from approximately 8 l/s to ranging from 20 l/s to 50 l/s; this is likely in response to an increase in pond elevation.

There is no note of any turbidity observed in the drain water.

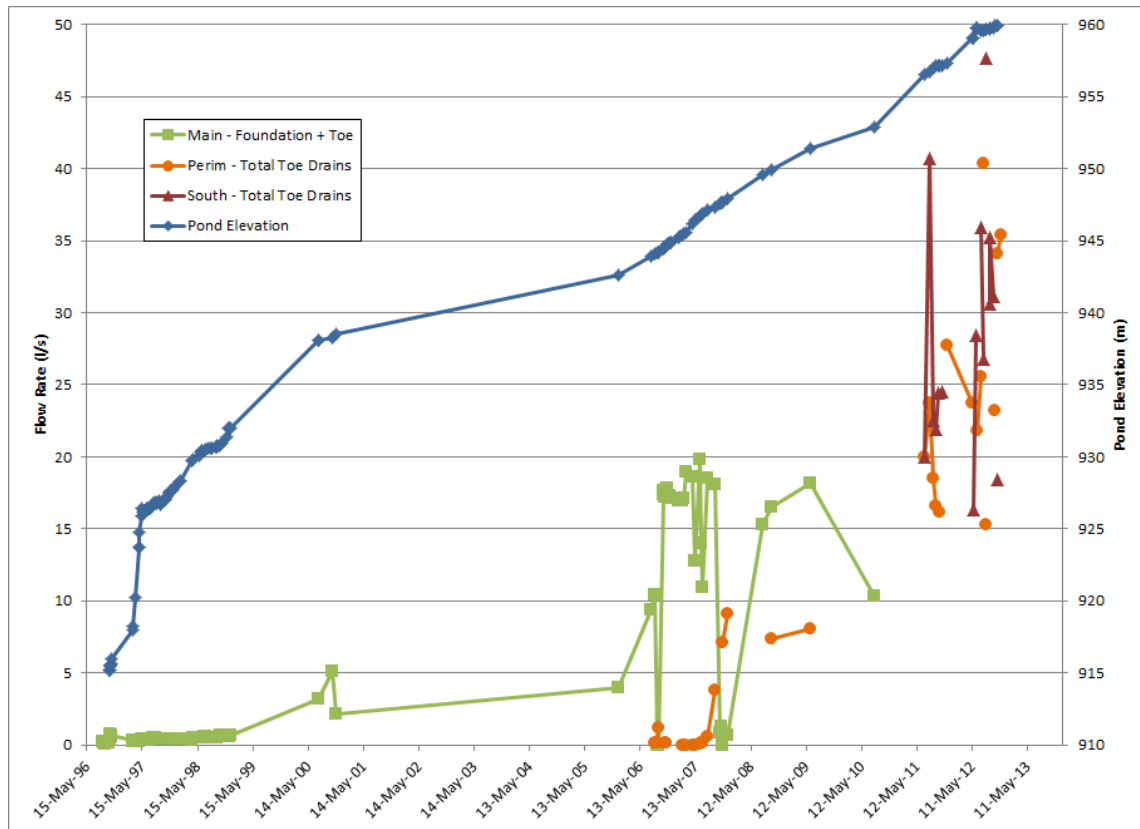


Figure 3-2. Drain Flow Readings.

4.0 SUMMARY OF 2012 CONSTRUCTION

The 2012 Stage 8 TSF embankment raise design was to an elevation of 963.5 m and the Stage 8A raise to an elevation of 965 m. Construction of the Stage 8 and partial completion of 8A raises entailed a raise of approximately 3.7 m from approximate El. 960.1 m to El. 963.8 m. Construction monitoring and quality control during the 2012 construction season was mainly carried out by MPMC personnel. AMEC undertook regular site visits and carried out quality assurance activities, as described in AMEC (2013). Select photos taken during 2012 construction are included in Appendix C.

5.0 EMBANKMENT INSPECTION AND MONITORING

5.1. General

The design and construction monitoring of the TSF embankments from mine start-up to early 2011 had been completed under the direction of Knight Piésold. AMEC assumed the role of Engineer of Record for the TSF embankment as of January 28, 2011. Knight Piésold provided the historical raw instrumentation data collected from the impoundment instrumentation. The raw data was reprocessed, and working piezometers renamed to simplify data management. The revised naming convention for piezometers is presented on AMEC Drawings 2011AB.08 through 2011AB.15. The piezometric data organized by planes is presented in Appendix D

5.2. New Instrumentation

In late 2012, a site wide groundwater monitoring well installation program was conducted. During the program, two additional slope inclinometers were installed downstream of the Perimeter Embankment, to supplement existing piezometers that indicated potential of being rendered inoperative in the near future.

Table 5-1 and Table 5-2 summarize the status of vibrating wire piezometers and inclinometers installed in the TSF.

Table 5-1. Piezometer Summary.

| Embankment | Installed Prior to 2011 | | 2011 Installed | Total (Functional) |
|--------------|-------------------------|------------------|-------------------|--------------------|
| | (Functional) | (Non-functional) | | |
| Main | 40 | 26 | 15 | 55 |
| Perimeter | 10 | 9 | 5 | 15 |
| South | 8 | 2 | 3 | 11 |
| Total | 58 | 37 | 23 | 81 |

Table 5-2. Inclinometer Summary.

| Embankment | Installed Prior to 2011 | | 2012 Installed | Total (Functional) |
|--------------|-------------------------|------------------|-------------------|-----------------------|
| | (Functional) | (Non-functional) | | |
| Main | 6 | 1 | 0 | 6 |
| Perimeter | 1 | 0 | 2 | 3 |
| Total | 7 | 1 | 2 | 9 |

5.3. Vibrating Wire Piezometers

Piezometers are read by MPMC personnel. The piezometer data, in terms of piezometric elevation head, dam crest elevation, and pond level versus time, are presented in Appendix D. AMEC (2012b) provided recommended threshold levels for the piezometers on the basis of stability analyses, for piezometers installed within the foundation of the dam. The recommended threshold levels were as outlined in Table 5-3. It is important to note that a single piezometer in a given section indicating a yellow or red condition would not necessarily represent a concern, given that such conditions would need to be observed throughout the section in question to indicate unacceptable factor of safety conditions.

Table 5-3. Piezometers Threshold Levels (AMEC, 2012b).

| Condition | Main Embankment Foundation Piezometer | |
|-----------|---------------------------------------|---------------------------|
| | Elevation (m) | Above original ground (m) |
| RED | > 925 m | >13 m |
| YELLOW | 921 m to 925 m | 9 m to 13 m |
| GREEN | < 921 m | < 9 m |

As per AMEC (2012b), red, yellow, and green conditions were defined as follows:

- Red (factor of safety at or below 1.1) – If the foundation piezometers indicate a red condition, crest raising is to cease. The designer is to be informed immediately, and a corrective course of action will be implemented as per the designer's direction, including intensified monitoring, and placement of a stabilization buttress to flatten the overall slope in the embankment area of concern.
- Yellow (factor of safety above 1.1 and below 1.3) – If the foundation piezometers indicate a yellow condition, work should be temporarily suspended in around the embankment, the designer is to be informed, and a corrective action will be implemented as per direction of the designer. Access to the embankment should be limited to essential personnel.
- Green (factor of safety above 1.3) – If the foundation piezometers indicate a green condition, work in and around the embankment is to continue as needed.

All foundation piezometers remained within the “green” zone through 2012.

In 2012, the piezometers indicated the following general trends for the TSF embankment:

- Pore pressures in foundation soils in and around the TSF embankment were noted as stable with minor fluctuations. All foundation piezometric levels remained within the green limits given in Table 5-3.

- Pore pressures in the till core were found to be stable, with a slightly increasing trend in response to the rising pond level, and also possibly with some slight response to crest raising.
- Pore pressures in filter and drain zones remained unchanged throughout the year.
- Pore pressures in the tailings and upstream fill experienced an upward trend in response to the rising pond level. Piezometers installed at lower elevations within the upstream tailings experienced lower responses relative to the piezometers near the pond elevation, likely the result of proximity to the upstream under-drainage system, and indicative of continued downward gradients in the tailings as a result of the upstream drains.

5.4. Inclinerometers

The inclinometers are read by MPMC personnel. Inclinometer data for 2012 is provided in Appendix E. The location of the inclinometers are shown in plan and sections on the AMEC drawings in Appendix A. The base of each inclinometer is seated within bedrock to provide a fixed bottom reference point for monitoring of horizontal displacements. The main point of interest is the response within the foundation glaciolacustrine/glaciofluvial unit to the ongoing raising of the dams. The portions of the inclinometers raised through the rockfill shell of the dam are inevitably affected by construction activity.

AMEC (2012) provided recommended threshold levels for the inclinometers, referring specifically to any zones of relatively concentrated shear within the foundation that would be indicative of incipient instability. The recommended threshold levels are given in Table 5-4.

Table 5-4. Inclinerometers Threshold Levels (AMEC, 2012b).

| Condition | Inclinometer movement rate (in defined depth intervals within the foundation soils) | |
|-----------|---|---------------|
| | (mm/day) | (bi-weekly) |
| RED | > 1 mm/day | >14mm |
| YELLOW | 0.5 mm/day to 1.0 mm/day | 7 mm to 14 mm |
| GREEN | < 0.5 mm/day | <7 mm |

The threshold levels are defined as given in Table 5-5.

Table 5-5. Inclinometers Threshold Levels (AMEC, 2012b).

| Category | Description | Action |
|--------------|---|--|
| Green | Movement rates are acceptably low and in line with previous movement rates noted in the dam foundation. | Nominal conditions, no actions required. |
| Yellow Light | Movement rates significantly higher than previously experienced in dam foundation. | Inform TSF designer and appropriate regulatory agencies immediately. Carry out more frequent monitoring of selected piezometers/inclinometers as directed by designer. |
| Red Light | Relatively rapid movement rates. | Inform TSF designer and appropriate regulatory agencies immediately. Cease construction in the problematic area. Designer to assess situation and the need for additional remedial construction measures, such as localized buttressing. |

A summary of the inclinometer displacements is provided in Table 5-6.

SI11-04 has to date indicated an anomalous pattern of displacement suggestive of compression rather than net lateral displacement, although a faulty installation could be a contributor to the displacement pattern indicated. This slope inclinometer should be reinitialized when the compression displacement stabilizes. A replacement inclinometer was installed nearby in 2012, given concern that SI11-04 might soon become inoperative.

Apart from the anomalous behavior indicated by SI11-04, all movements remained well within the “green” zone given in Table 5-4.

Table 5-6. Inclinator Data Summary

| Inclinom. No. | Section/ Station | AMEC Dwg. No. | Zones of discrete shear in foundation? | Downstream displacement in 2012 (mm) | Overall displacement rate (mm/year) since installation | Other comments |
|---------------|------------------|------------------|---|--------------------------------------|--|--|
| SI01-02 | K 24+60 | AB2011.3 | Yes, concentrated between 17-19 m depth | About 4 mm | 4 mm/year | More significant movement in 2012 along the B-axis (i.e. parallel to the dam axis) than along the A-axis. |
| SI06-01 | A 20+00 | AB2011.11 | No | Essentially none | About 1.3 mm/year | |
| SI06-02 | Between A and B | Not on a section | No | Essentially none | About 0.7 mm/year | |
| SI06-03 | B 22+40 | AB2011.12 | Yes, in glaciolacustrine at 15-16 m depth | 3 mm | 1.4 mm/year | |
| SI11-01 | C 18+50 | AB2011.10 | None | None | Perhaps 1 mm per year overall | Displacement at top of casing is within fill, not foundation |
| SI11-02 | K 24+60 | AB2011.13 | None | None | None | Some minor displacement indicated in the B-axis |
| SI11-04 | D 39+90 | AB2011.15 | None | Unclear | Unclear – but no net downstream displacement indicated | Pattern is of compression of the inclinometer casing, possibly due to settlement. No net downstream displacement indicated. Replacement installed in 2012. |

6.0 TAILINGS STORAGE FACILITY: WATER MANAGEMENT AND IMPOUNDMENT RAISING SCHEDULE

6.1. General

MPMC maintains the water/mass balance model which is updated monthly with actual tonnages (milled/mined), precipitation data and surveyed pond water elevations to maintain the accuracy of the model and pond level projections. The MPM balance has not been reviewed by BGC. This section therefore provides a general overview of the water balance and site water management as provided by MPMC.

It is BGC's understanding that currently the total inflow from precipitation and surface runoff exceeds losses from evaporation and storage of water within the voids of deposited tailings. Thus, MPM is operating under a net annual water balance surplus condition, with the accumulating surplus being stored in the TSF and the Cariboo Pit. MPMC transfers water as needed between the TSF and the Cariboo Pit.

6.2. Mass Balance

Survey and pond soundings of the impoundment area were last updated by MPMC personnel in July 2012. The updated survey data was used by MPMC to create a revised storage elevation curve for the tailings impoundment, which was incorporated into the mass balance model. The updated mass balance model was then used to predict average tailings and pond level/volume within the TSF. In turn, that level plus the PMF event determines the required dam crest elevations and the dam raising schedule.

The mass balance model is updated on a regular basis with actual tonnages (milled/mined) and surveyed pond water elevations to calibrate the model and increase the accuracy of pond level projections.

6.3. Overview of Mass Balance Model

The mass balance model projections are based on a number of parameters and assumptions, including those listed below:

- Tailings elevations predicted in the TSF are on the basis of the tailings tonnages projected by the design mine plan and assumed in-situ dry density.
- Predicted pond water levels do not take into account the water transferred between the TSF and the Cariboo Pit.

The TSF is required to have sufficient live storage capacity for containment of runoff from the entire contributing catchment area during a 24-hour PMP event. In addition, the TSF design also incorporates an allowance for wave run-up above the pond level that would result from the 24-hour PMP event.

6.4. Dam Raising Schedule

MPMC is managing the site water balance, and establishes the required dam raising schedule. It is understood that the 2013 Stage 9 Embankment raise is a planned 3.7 m to crest El. 967.5 m, targeted for completion by the end of September 2013. The impoundment filling curve with predicted and actual pond levels and embankment elevations through the 2014 season is presented in Figure 6-1.

6.5. Mine Planning

The 2016 Mine Plan remains unchanged and forms the basis for future dam raises. The TSF embankment is reaching the final crest elevation (El. 970 m) considered in the original design. Should additional capacity be needed for future mine expansion, additional design will need to be completed to raise the impoundment beyond El. 970 m.

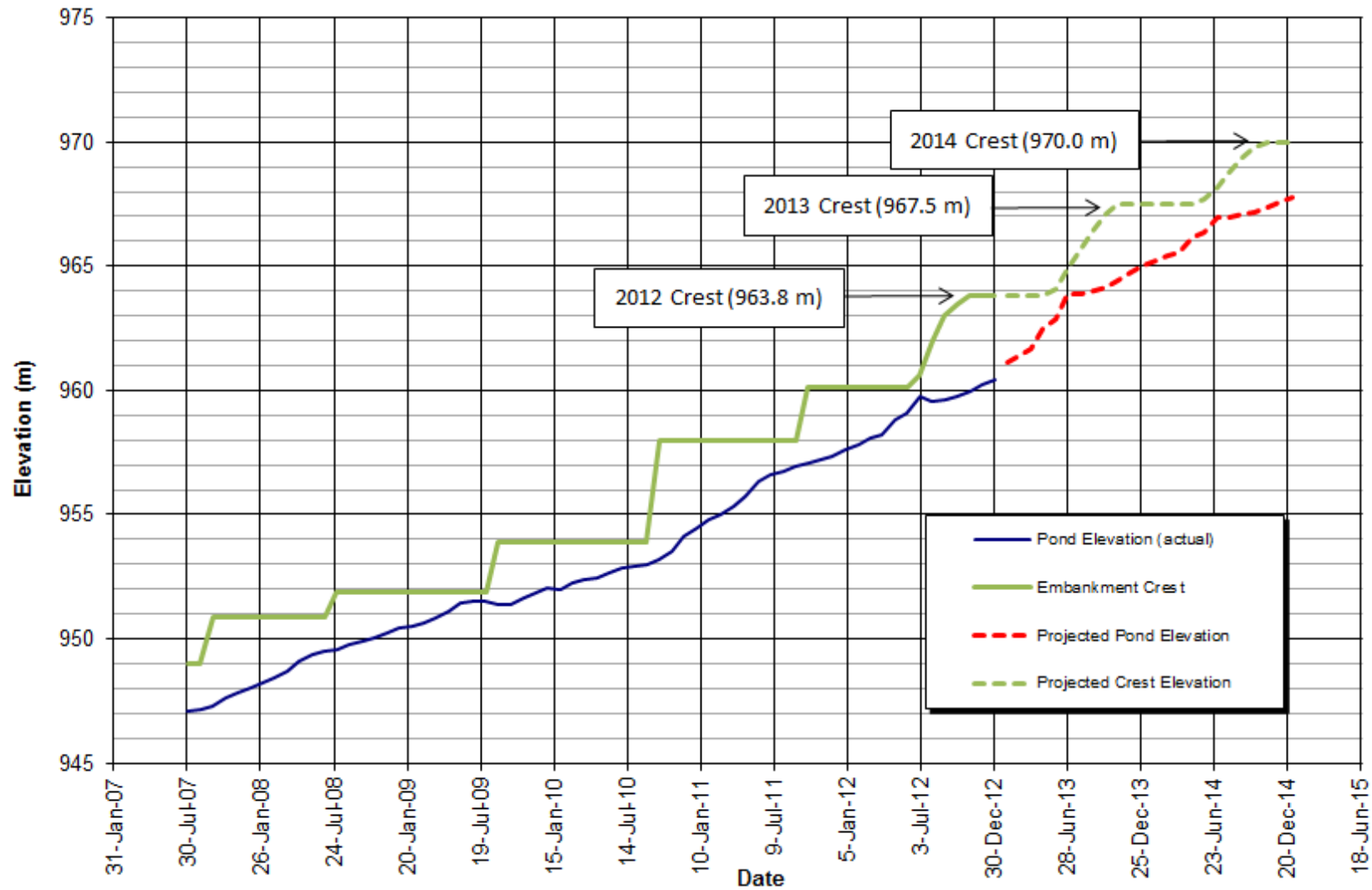


Figure 6-1. Impoundment Storage Elevation Curve.

7.0 SURFACE WATER MANAGMENT

Currently, the total inflow into the TSF from precipitation and surface runoff exceeds losses from evaporation and storage of water within the voids of deposited tailings. Thus, MPM is operating under a net annual water surplus condition, with the accumulating surplus being stored in the TSF and the Cariboo Pit. MPMC transfers water as needed between the TSF and the Cariboo Pit. Some water is reclaimed (recycled) in the milling process, while all excess mine-influenced water is collected and reports to the TSF. Ditch and sump systems are in place such that any and all mine-influenced water is collected and contained.

Wherever possible, clean (non-mine-influenced) water is separated from mine-influenced water and returned to the surrounding receiving environment.

In addition to the seepage directed to the Main, South and Perimeter sumps, two zones of seepage were observed. Near Corner 3, seepage was observed exiting the toe of the embankment, flowing north along the toe and disappearing into the ground near the Main Embankment sump. Site personnel indicated that there was a foundation drain installed near the south abutment of the Main Embankment during the early stages of construction and for several years no flow had been observed and flow monitoring was discontinued. The seepage was sampled in 2012, and tested and was shown to have a similar chemistry to tailings pond effluent. In consideration that the Corner 3 seepage is likely tailings effluent and does not report to the Main Embankment sump, MPMC has implemented temporary measures (ditching) to capture this seepage and transfer it to the Main Embankment sump.

The second zone of seepage was observed from where the upgraded mine haul road intersects the Perimeter Embankment near Corner 1. The area where this seepage was observed was different than in previous years and it was determined that the recent haul road upgrade has impacted the flow path of the seepage flow. However, the seepage is captured and continues to flow to the Perimeter Embankment sump.

8.0 CONCLUSIONS AND RECOMMENDATIONS

Conclusions drawn on the basis of this annual review are as follows:

1. The TSF embankment was raised to a minimum crest elevation (till core) of 963.8 m in 2012.
2. Monitoring of the TSF embankment via instrumentation and visual inspections indicated the following:
 - a. Surveys of inclinometers within the downstream shell of the dam indicate that movements are minor and well within tolerable limits.
 - b. Foundation pore pressures have been stable.
 - c. Pore pressures in the till fill of the dam have increased slightly due to the pore pressure increase of the tailings.
 - d. The TSF embankment is performing in accordance with its design intent.

Recommendations made on the basis of this annual review and as-built report are as follows:

1. Toe drain flows need to be measured and recorded per requirements described in the OMS manual.
2. The current design for the TSF is to a crest elevation of 970 m, which is currently planned for completion in 2014. A new design for the TSF will be required should mining continue past 2014.

9.0 CLOSURE

We trust the above satisfies your requirements at this time. Should you have any questions or comments, please do not hesitate to contact us.

Yours sincerely,

BGC ENGINEERING INC.
per:

Todd Martin, P.Eng., P.Geo.
Senior Geotechnical Engineer

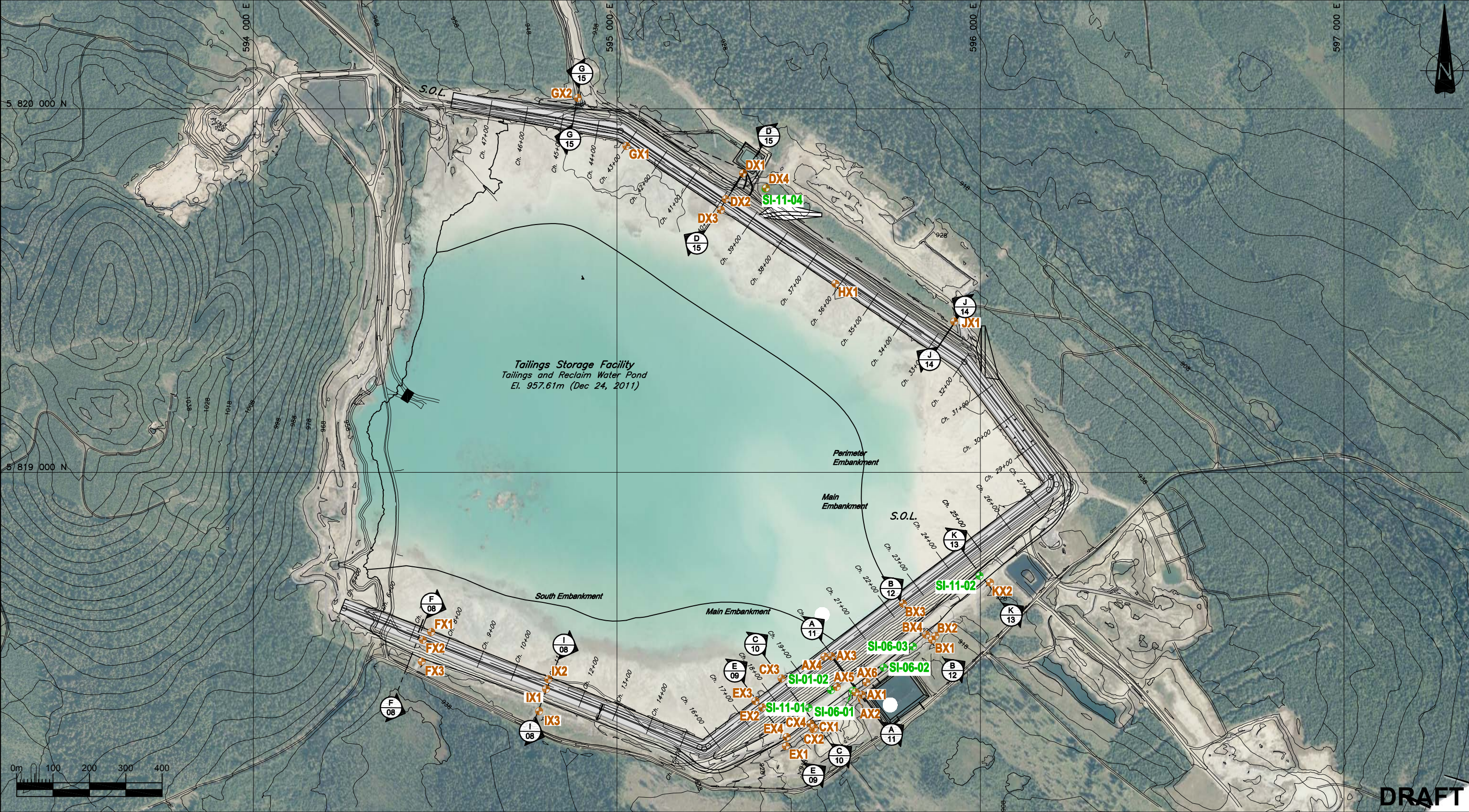
Daryl Dufault, P.Eng.
Senior Geotechnical Engineer

Reviewed by:
Thomas G. Harper, P.E.
Senior Civil Engineer

REFERENCES

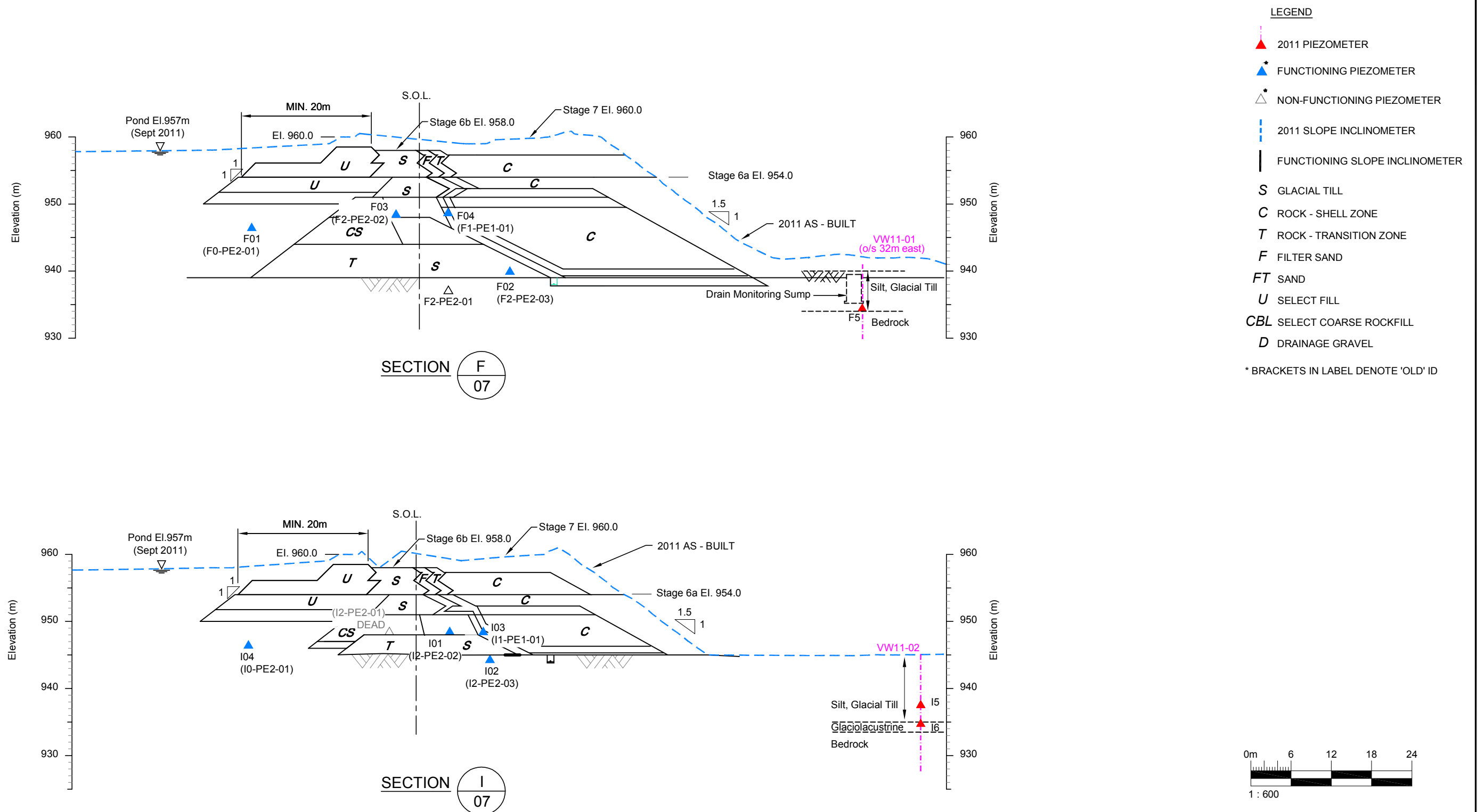
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APPENDIX A AMEC DRAWINGS



| | | | | | | |
|--|---|---|--|--|---|--------------------------------|
| LEGEND:  Slope Inclinator Location  Vibrating Wire Location | CLIENT LOGO:  | CLIENT: IMPERIAL METALS | | DWN BY: BB | PROJECT: MOUNT POLLEY MINE TAILING STORAGE FACILITY | DATE: MARCH 2012 |
| | | AMEC Environment & Infrastructure Suite 600 - 4445 Lougheed Highway Burnaby, BC V5C 0E4 Tel. 604-294-3811 Fax 604-294-4664  | | CHK'D BY: DO | | PROJECT NO: VM00560 |
| NOTES: 1. BASE DATA FROM KP DRAWINGS 102_R0.dwg, 'dam-clip.dwg' AND 2011 AIRBORNE SURVEY PROVIDED BY MPMC. 2. S.O.L. - SETTING OUT LINE | | | | DATUM: NAD83 | TITLE: MONITORING STATIONS TAILINGS EMBANKMENT PLAN VIEW | REV. NO: A |
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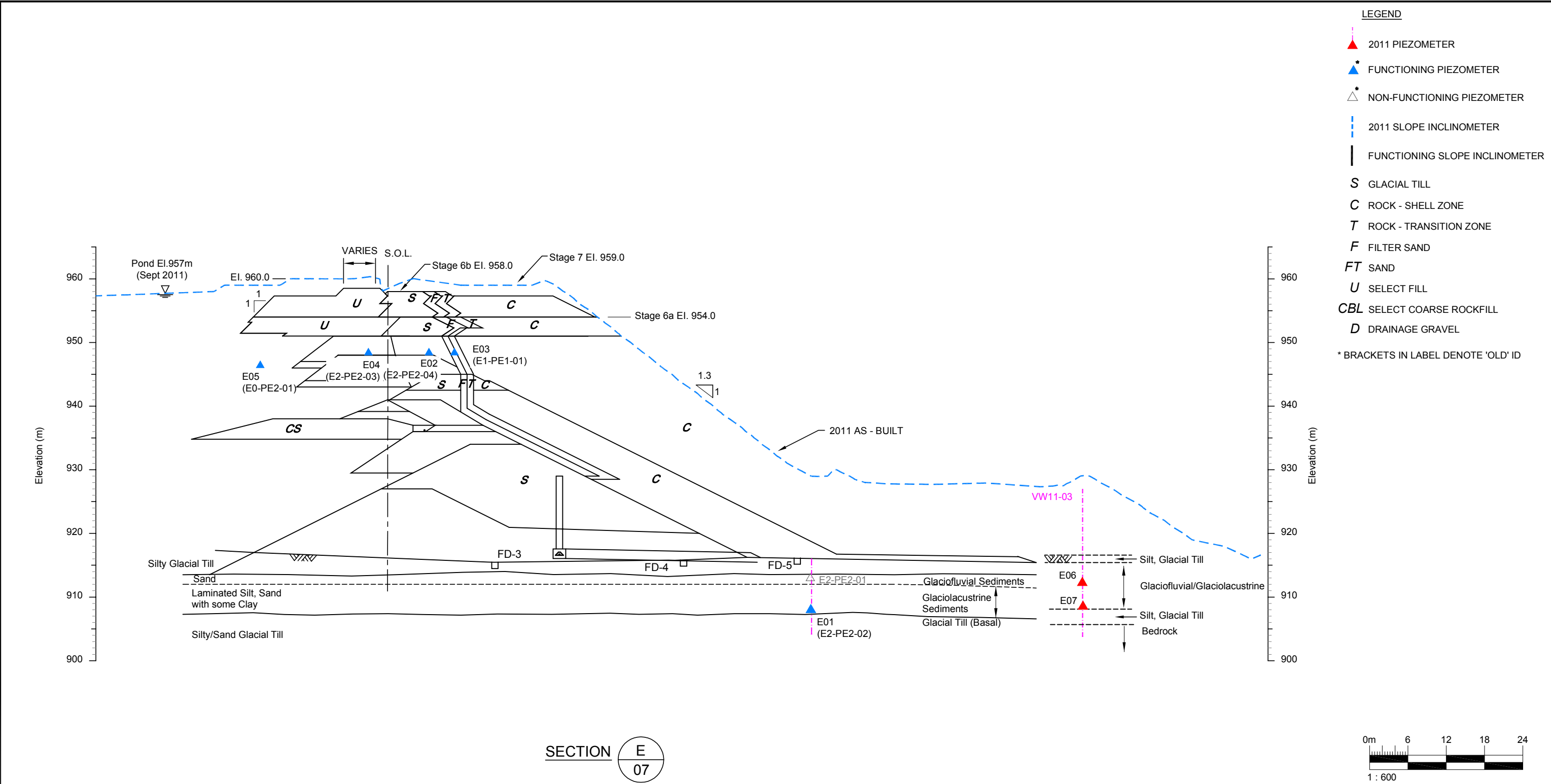
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| <div>NOTES:</div> <div>1. SECTIONS ORIGINATING FROM KNIGHT PIESOLD 2010 TSF ANNUAL CONSTRUCTION REPORT.</div> <div>2. 2011 AS-BUILT BASED ON SEPTEMBER 2011 FLYOVER SURVEY PROVIDED BY MPMC.</div> | <div>CLIENT LOGO:</div> <div></div> | <div>CLIENT:</div> <div>IMPERIAL METALS</div> | | <div>DWN BY:</div> <div>YC/BB</div> | <div>PROJECT:</div> <div>MOUNT POLLEY MINE TAILING STORAGE FACILITY</div> | <div>DATE:</div> <div>MARCH 2012</div> |
| | | | | <div>CHK'D BY:</div> <div>DO</div> | | <div>PROJECT NO:</div> <div>VM00560</div> |
| | | | | <div>DATUM:</div> <div>N/A</div> | | <div>REV. NO:</div> <div>A</div> |
| | | <div>AMEC Environment & Infrastructure</div> <div>Suite 600 - 4445 Lougheed Highway Burnaby, BC V5C 0E4 Tel. 604-294-3811 Fax 604-294-4664</div> <div></div> | | <div>TITLE:</div> <div>SECTIONS F 7+20 & I 11+00 SOUTH EMBANKMENT INSTRUMENTATION</div> | | <div>FIGURE NO:</div> <div>AB2011.08</div> |
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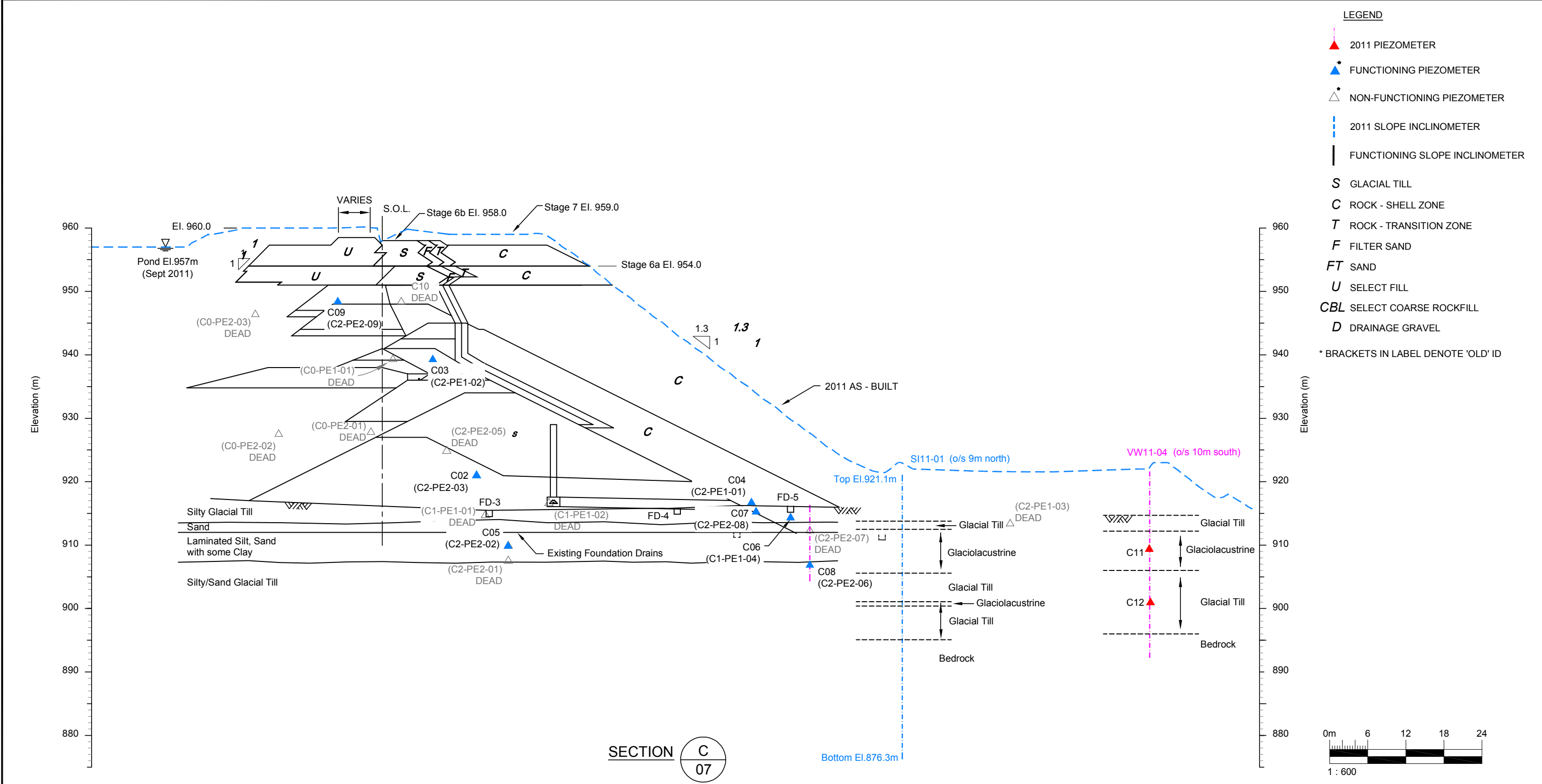
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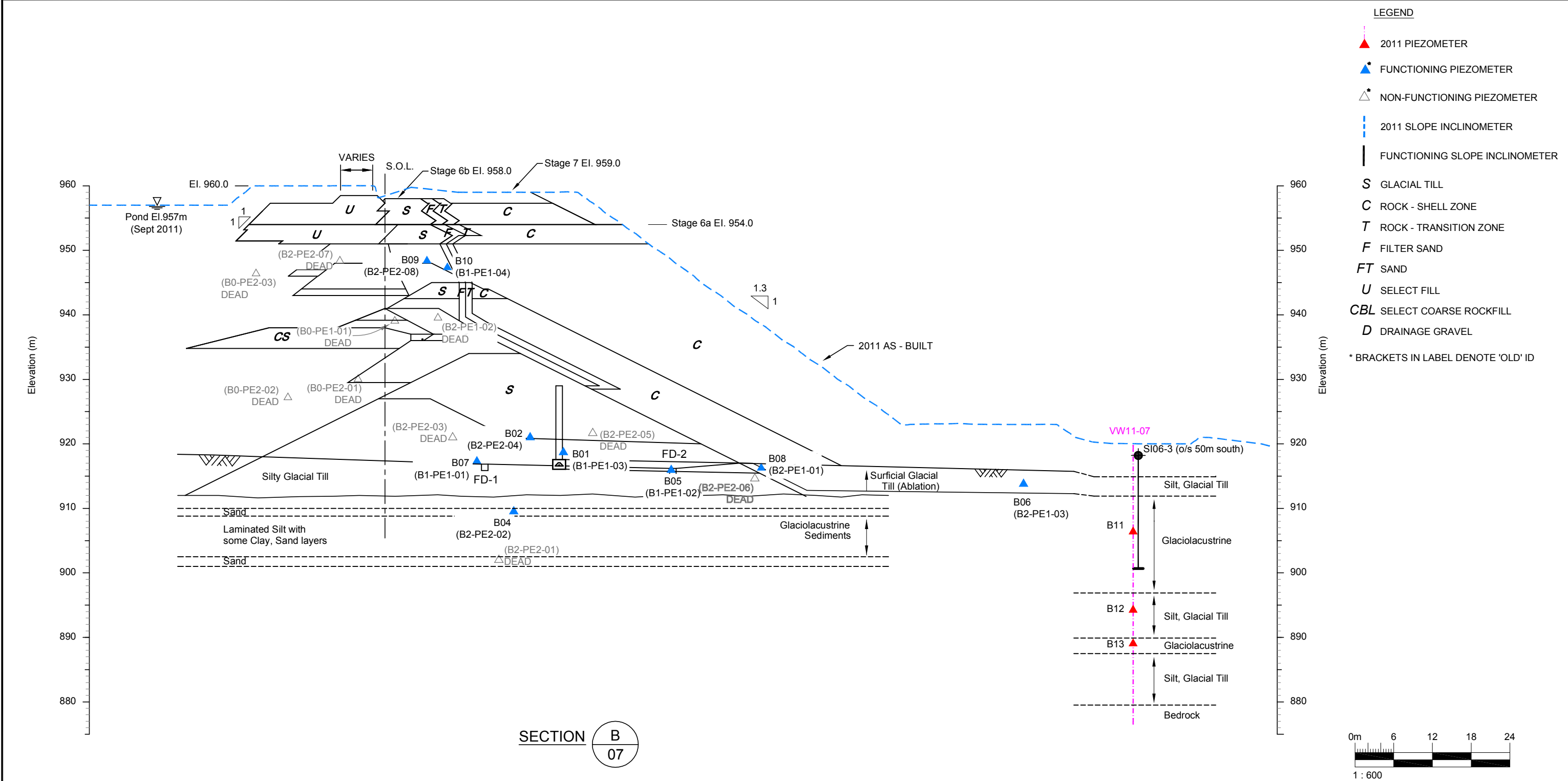
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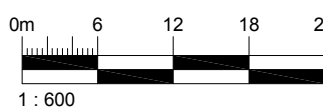
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| | | <div>AMEC Environment & Infrastructure</div> <div>Suite 600 - 4445 Lougheed Highway Burnaby, BC V5C 0E4 Tel. 604-294-3811 Fax 604-294-4664</div> <div></div> | | <div>TITLE:</div> <div>SECTION C 18+50 MAIN EMBANKMENT INSTRUMENTATION</div> | <div>FIGURE NO:</div> <div>AB2011.10</div> | |
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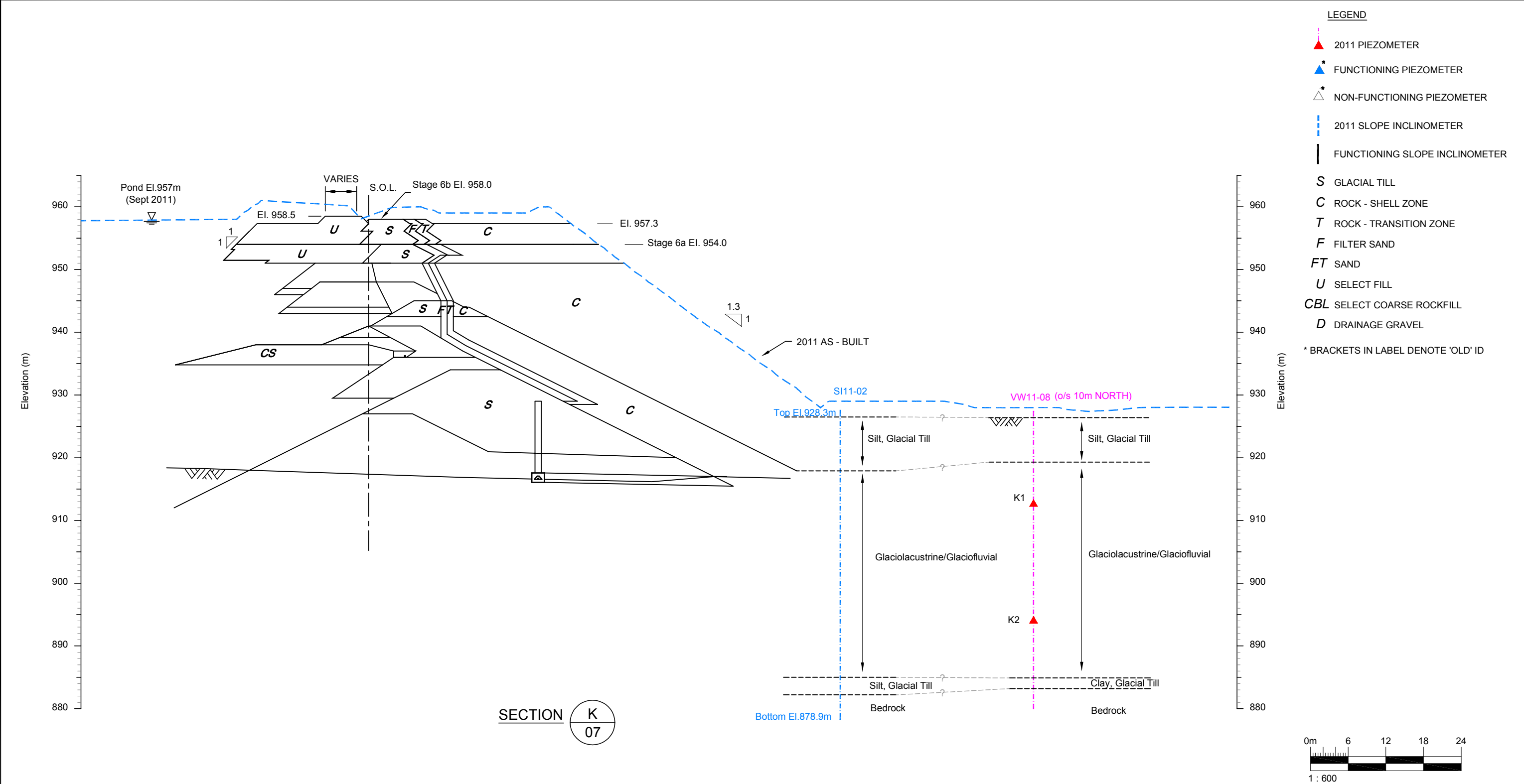
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 - FUNCTIONING PIEZOMETER
 - NON-FUNCTIONING PIEZOMETER
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 - FUNCTIONING SLOPE INCLINOMETER
 - GLACIAL TILL
 - ROCK - SHELL ZONE
 - ROCK - TRANSITION ZONE
 - FILTER SAND
 - SAND
 - SELECT FILL
 - SELECT COARSE ROCKFILL
 - DRAINAGE GRAVEL
 - * BRACKETS IN LABEL DENOTE 'OLD' ID



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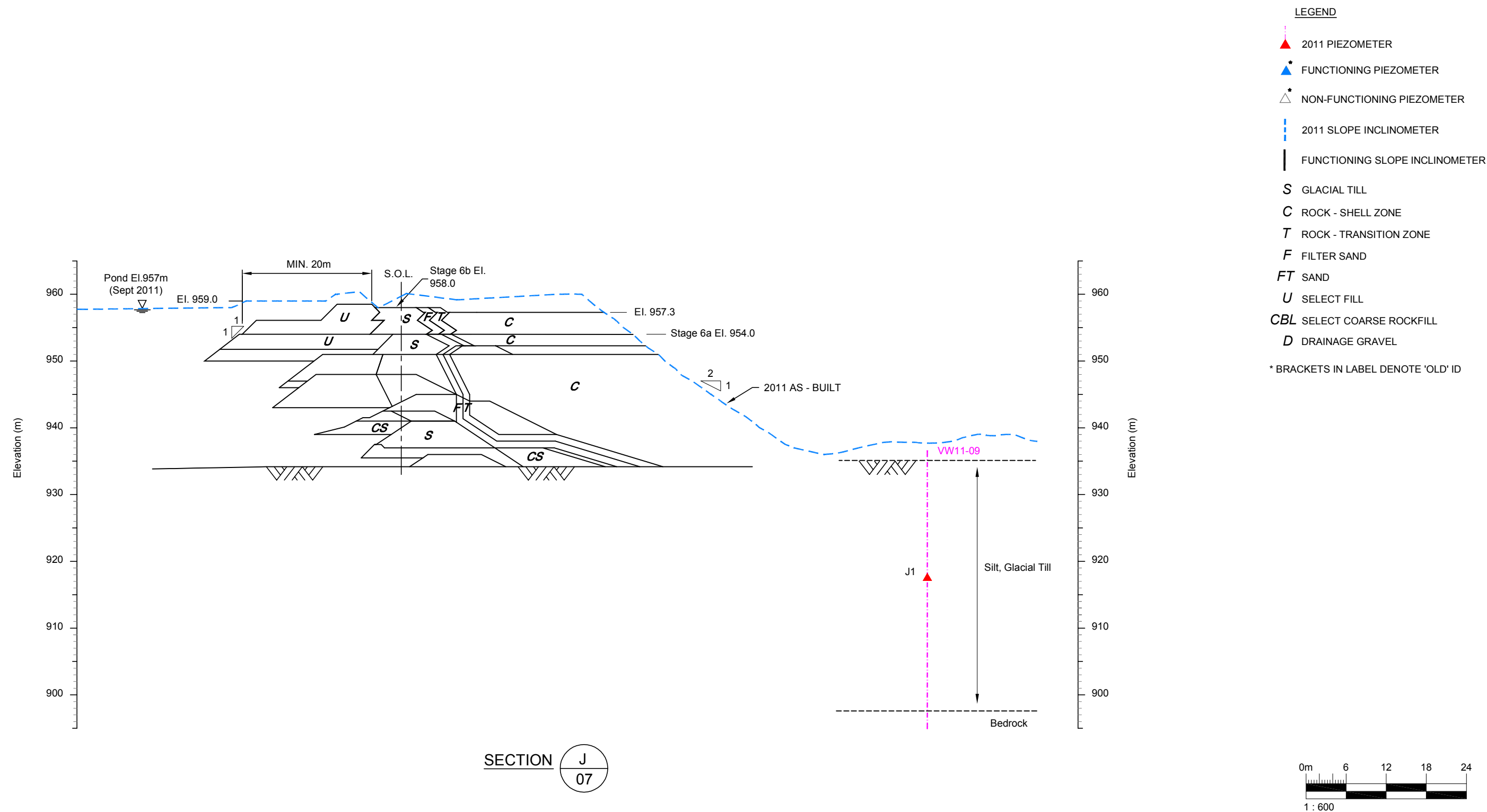
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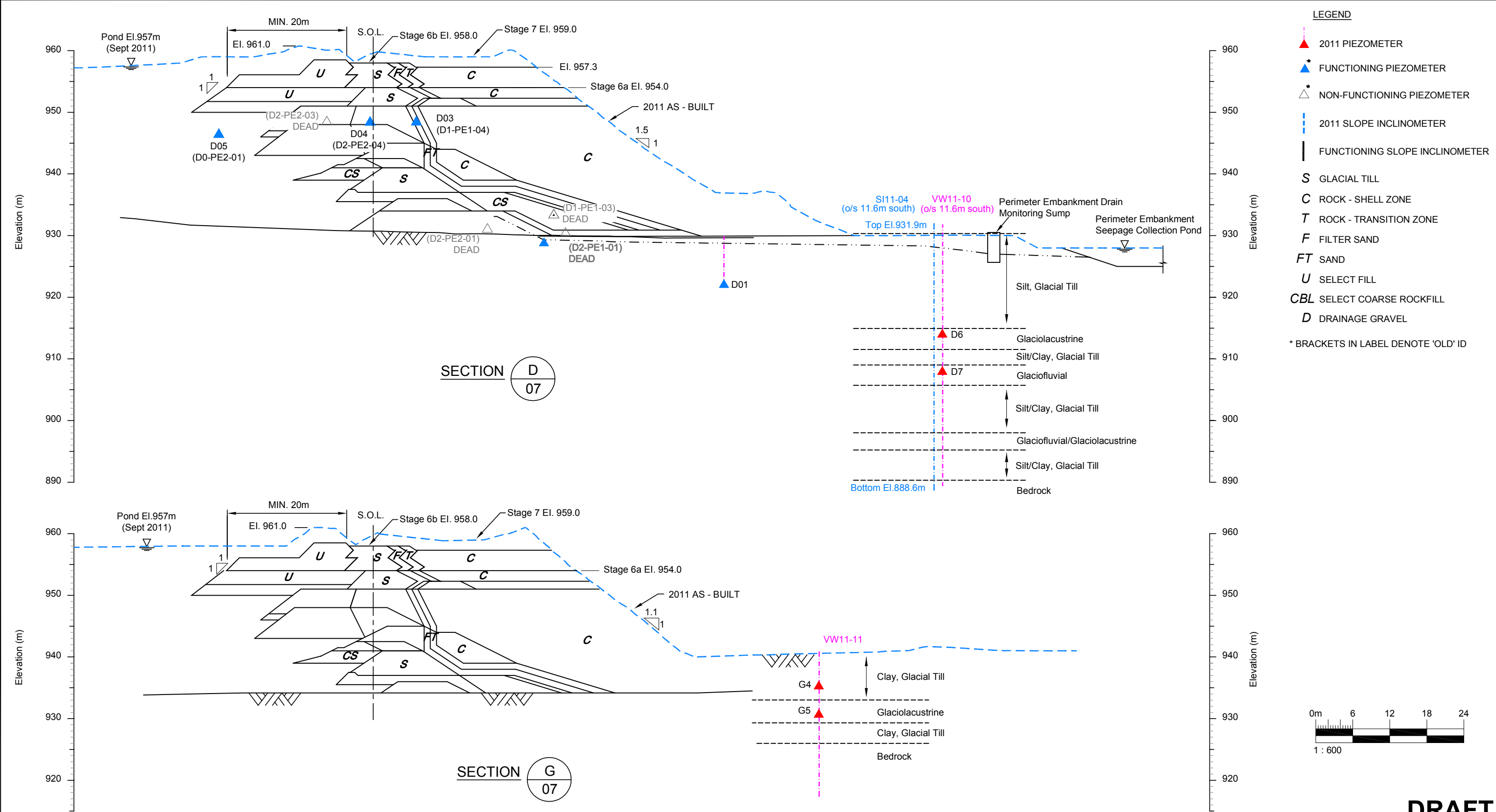
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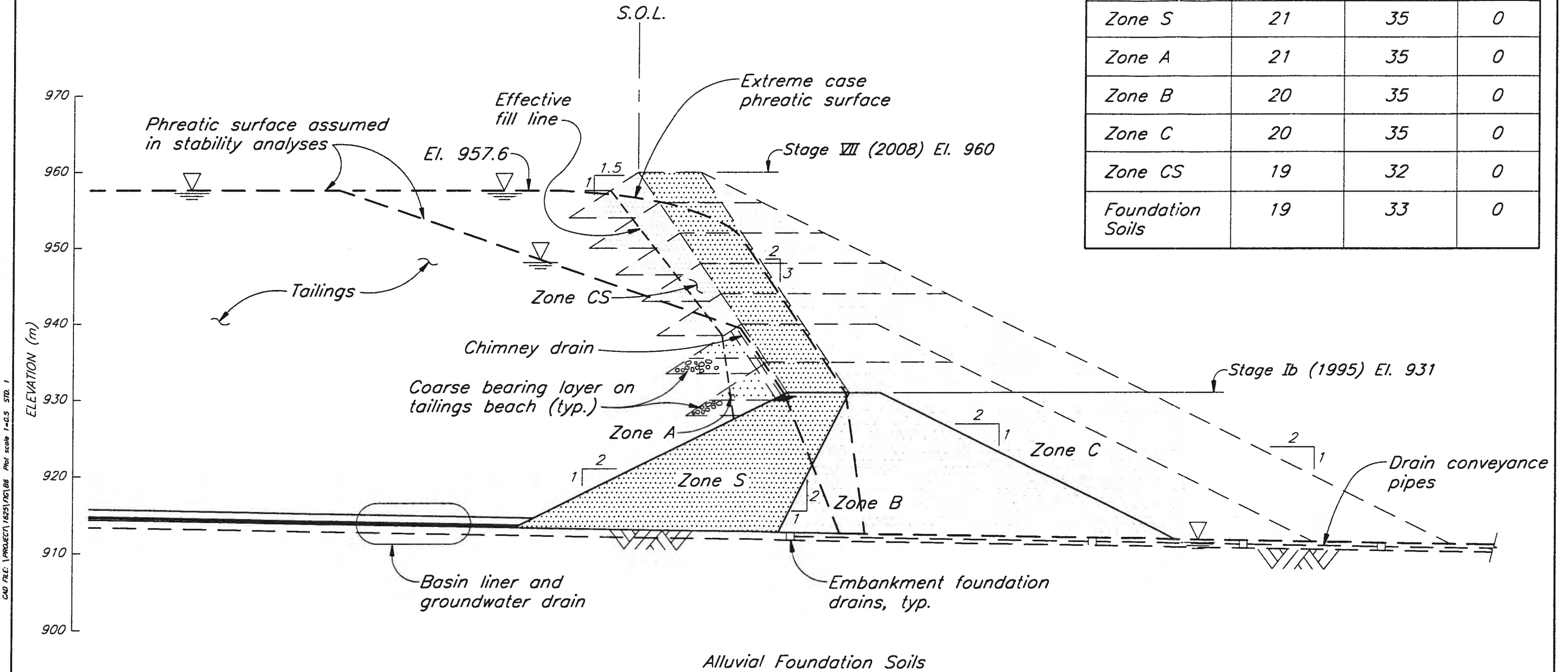
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APPENDIX B

SELECTED KNIGHT PIÉSOLD DESIGN DRAWINGS

IMPERIAL METALS CORPORATION
MT. POLLEY PROJECT
EMBANKMENT STABILITY ANALYSES
GEOMETRY AND MATERIAL PARAMETERS

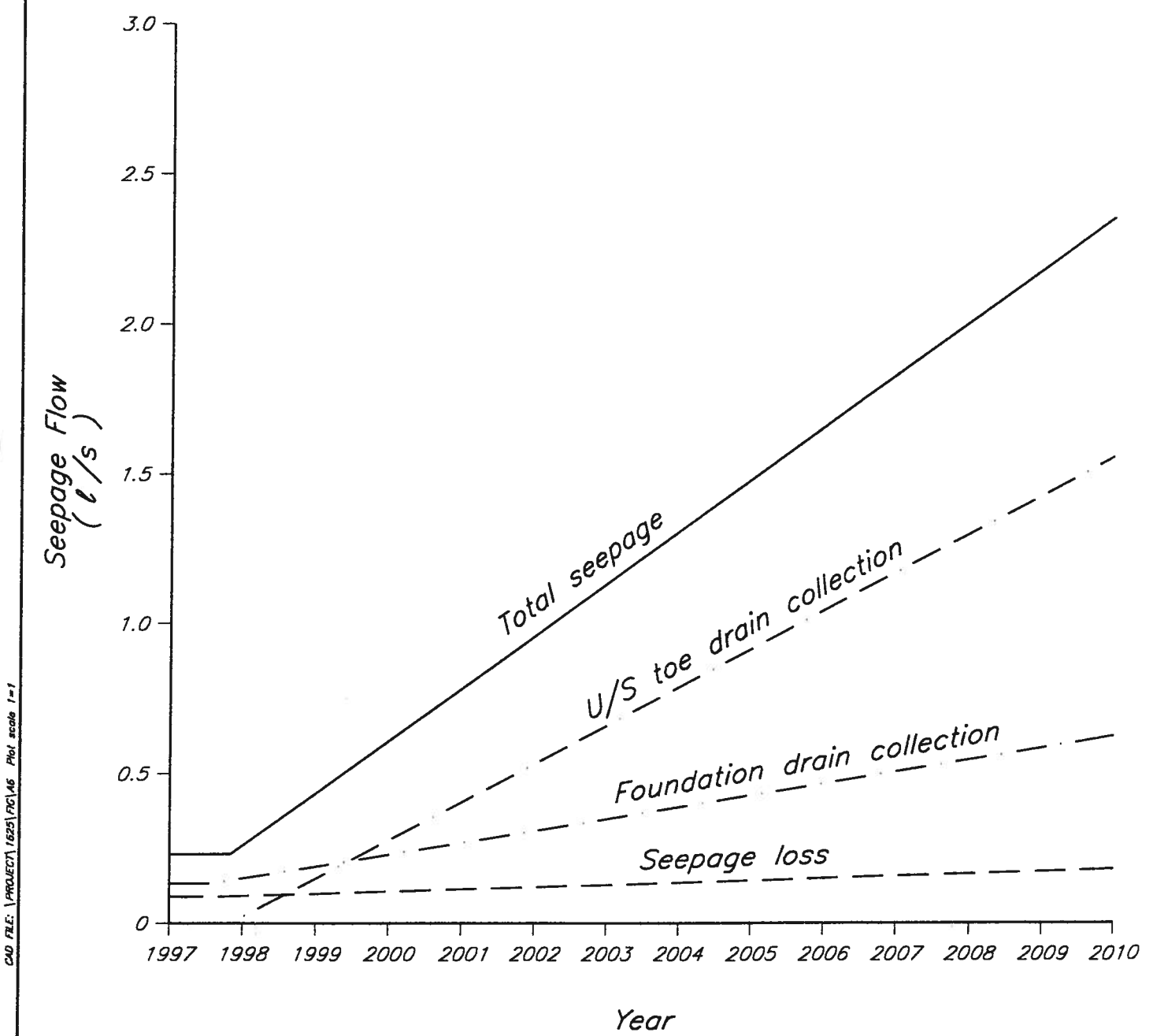
| MATERIAL TYPE | UNIT Wt. (kN/m ³) | ϕ' (degrees) | c_u, c' (kPa) |
|---------------------------------|----------------------------------|----------------------|--------------------|
| Partially Consolidated Tailings | 18 | - | 10-55 |
| Consolidated Tailings | 19 | 30 | 0 |
| Zone S | 21 | 35 | 0 |
| Zone A | 21 | 35 | 0 |
| Zone B | 20 | 35 | 0 |
| Zone C | 20 | 35 | 0 |
| Zone CS | 19 | 32 | 0 |
| Foundation Soils | 19 | 33 | 0 |



May 24, 1995
KNIGHT PIESOLD LTD.
CONSULTING ENGINEERS

FIGURE 6.7

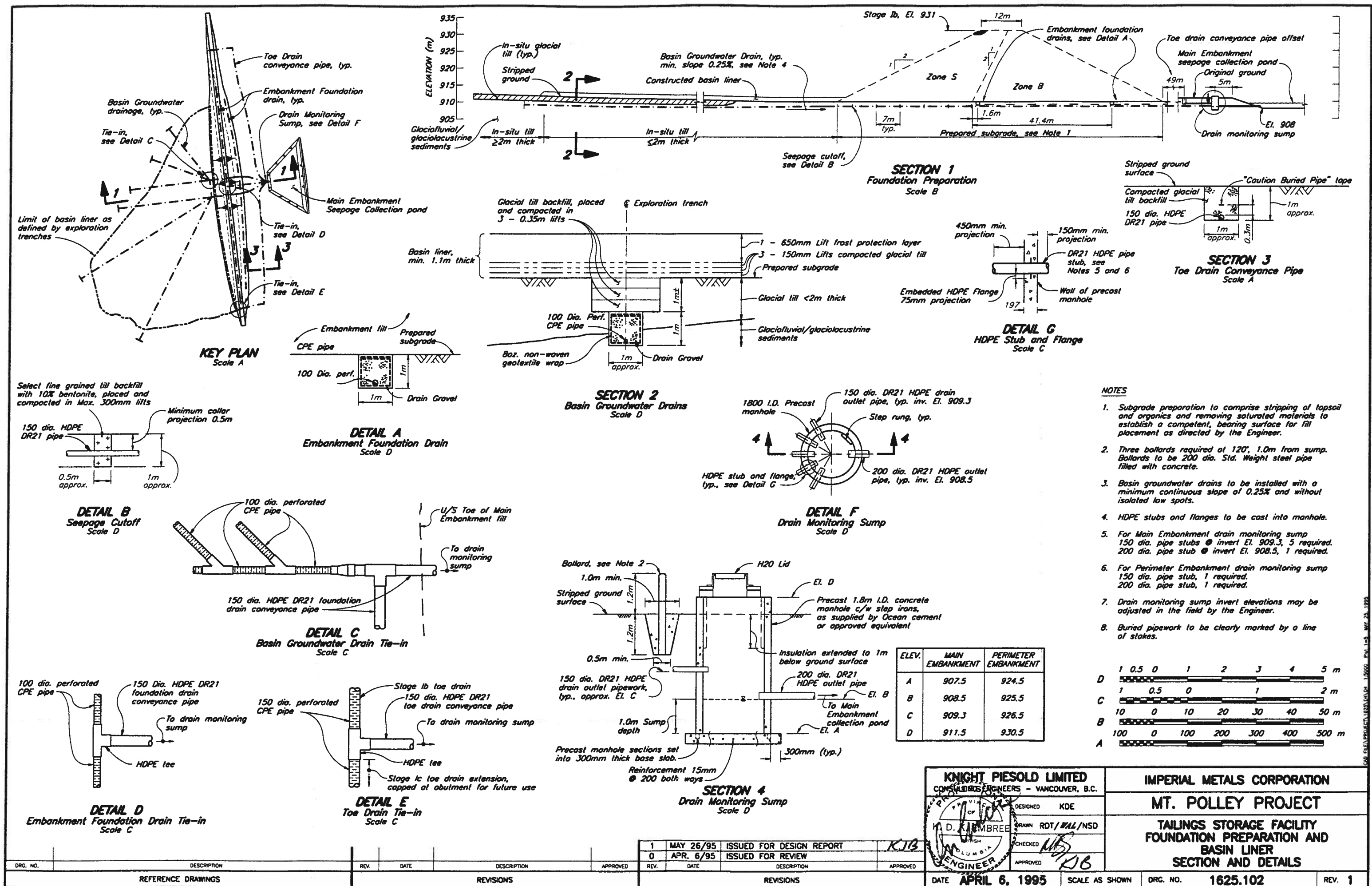
IMPERIAL METALS CORPORATION
MT. POLLEY PROJECT
SEEPAGE FLOW DEVELOPMENT
MAIN EMBANKMENT

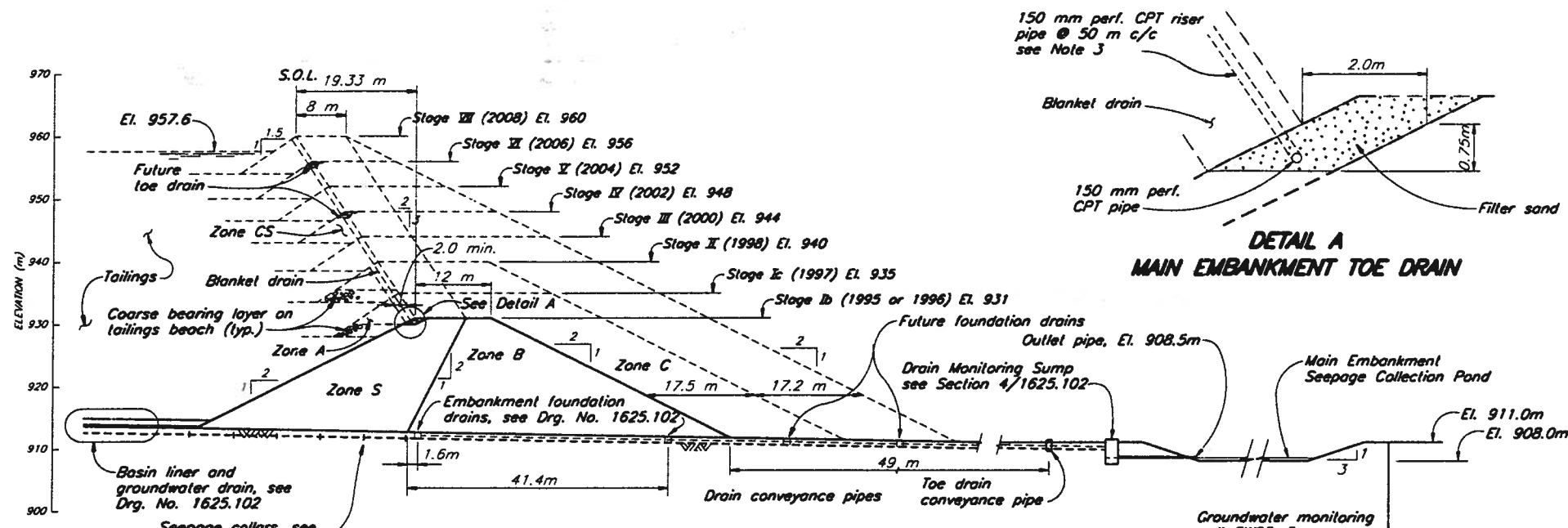


CAD FILE: PROJECT\1625\FIG146 Plot scale 1=1

March 31, 1995
KNIGHT PIESOLD LTD.
CONSULTING ENGINEERS

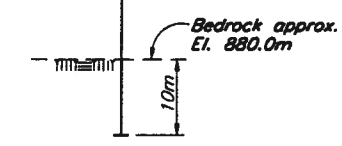
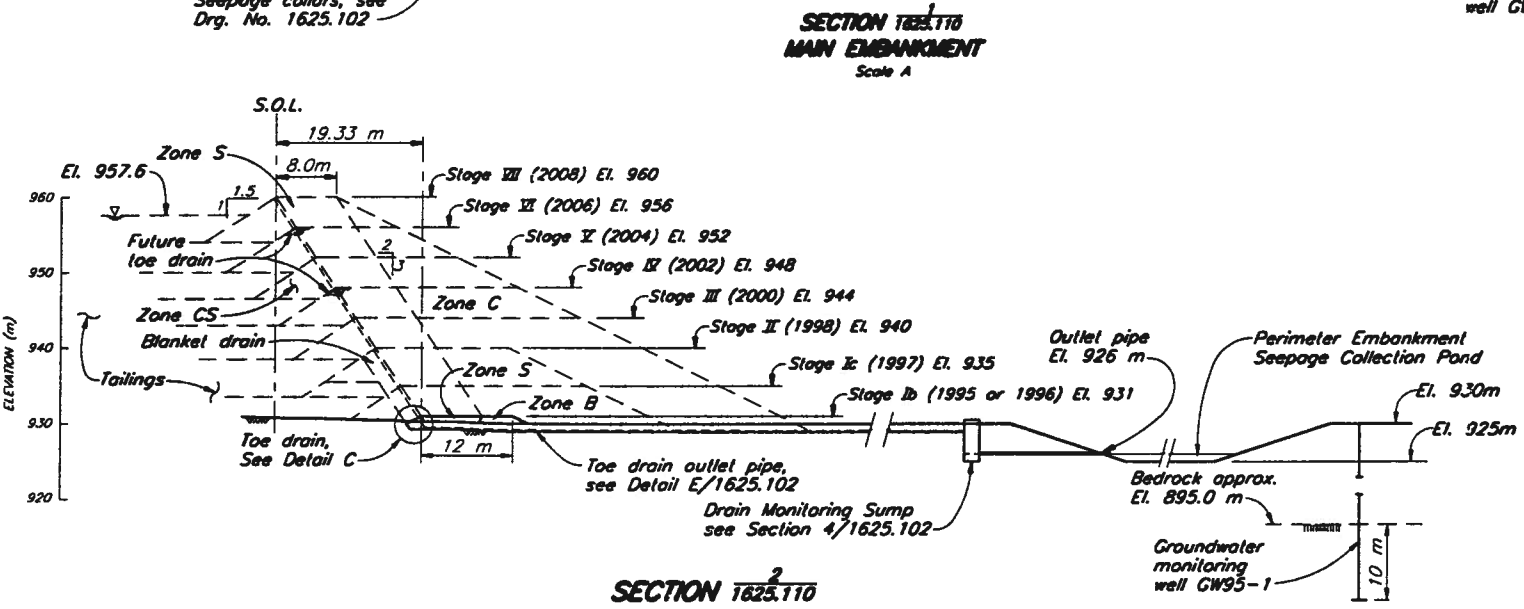
FIGURE 7.2



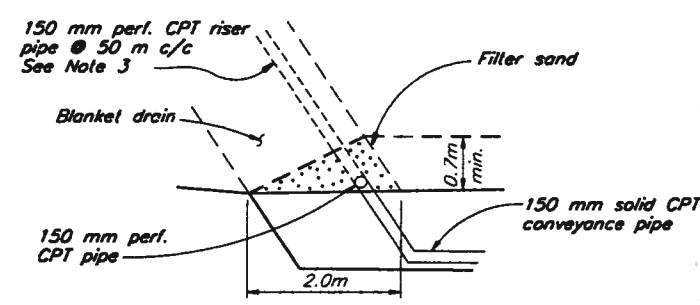


**DETAIL A
MAIN EMBANKMENT TOE DRAIN**

| ZONE | MATERIAL TYPE | PLACEMENT AND COMPACTION REQUIREMENTS |
|----------------------|---|---|
| Coarse Bearing Layer | Free draining, unweathered waste rock fill or coarse sandy gravel | Placed and spread in maximum 1.0 m thick layers. Compaction as directed by the Engineer. |
| Chimney/Toe Drain | Filter sand | Placed and spread in maximum 1.0 m thick layers. Vibratory compaction as directed by the Engineer. |
| Drains | Drain Gravel | Placed and compacted as shown on the Drawings |
| S | Glacial till | Placed, moisture conditioned and spread in maximum 300 mm thick layers (after compaction). Vibratory compaction to 95% of modified proctor maximum dry density. |
| A | Glacial till | Placed, moisture conditioned and spread in maximum 600 mm thick layers (after compaction). Vibratory compaction to 90% of modified proctor maximum dry density. |
| B | Glacial till | Placed, moisture conditioned and spread in maximum 600 mm thick layers (after compaction). Vibratory compaction to 90% of modified proctor maximum dry density. |
| C | Random fill | Glacial till or other approved material placed in maximum 600 mm thick layers (after compaction). Vibratory compaction as required by the Engineer. |
| CS | Cycloned sand | Placed and spread in maximum 1.0 m thick layers. Vibratory compaction as directed by the Engineer. |

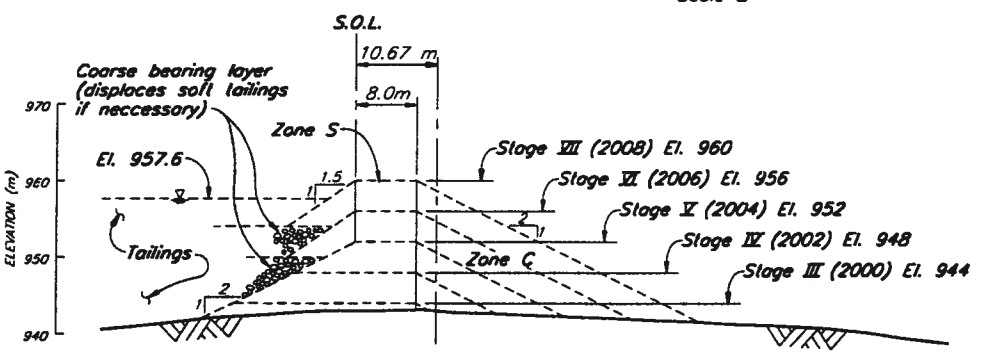


**DETAIL B
UPSTREAM VIEW OF STAGE 1b
MAIN EMBANKMENT
N.T.S.**



**DETAIL C
PERIMETER EMBANKMENT TOE DRAIN**

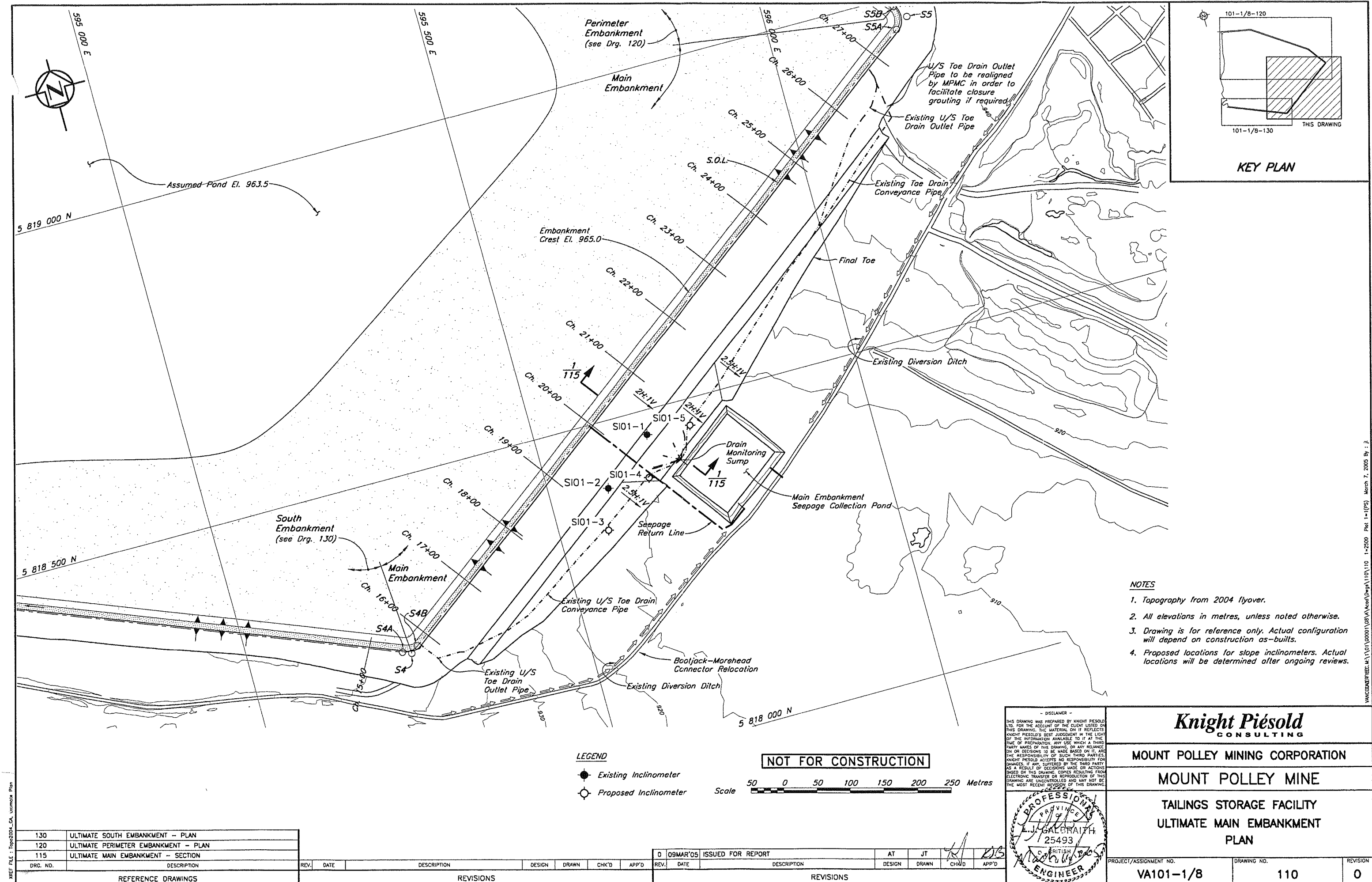
- NOTES**
- Groundwater monitoring wells to be installed by Others.
 - Perimeter Embankment slopes 2H:1V as per Main Embankment.
 - Perimeter Embankment seepage collection pond to be located in the field by the Engineer. Pipework invert elevations may be adjusted in the field by the Engineer.
 - CPT Riser pipes to be installed for extensions during future embankment raises. Stages IV and VI will include a toe drain that is connected to existing outlet pipework. Additional outlet pipework to seepage ponds will be included if required.



**SECTION 1625.110
SOUTH EMBANKMENT**

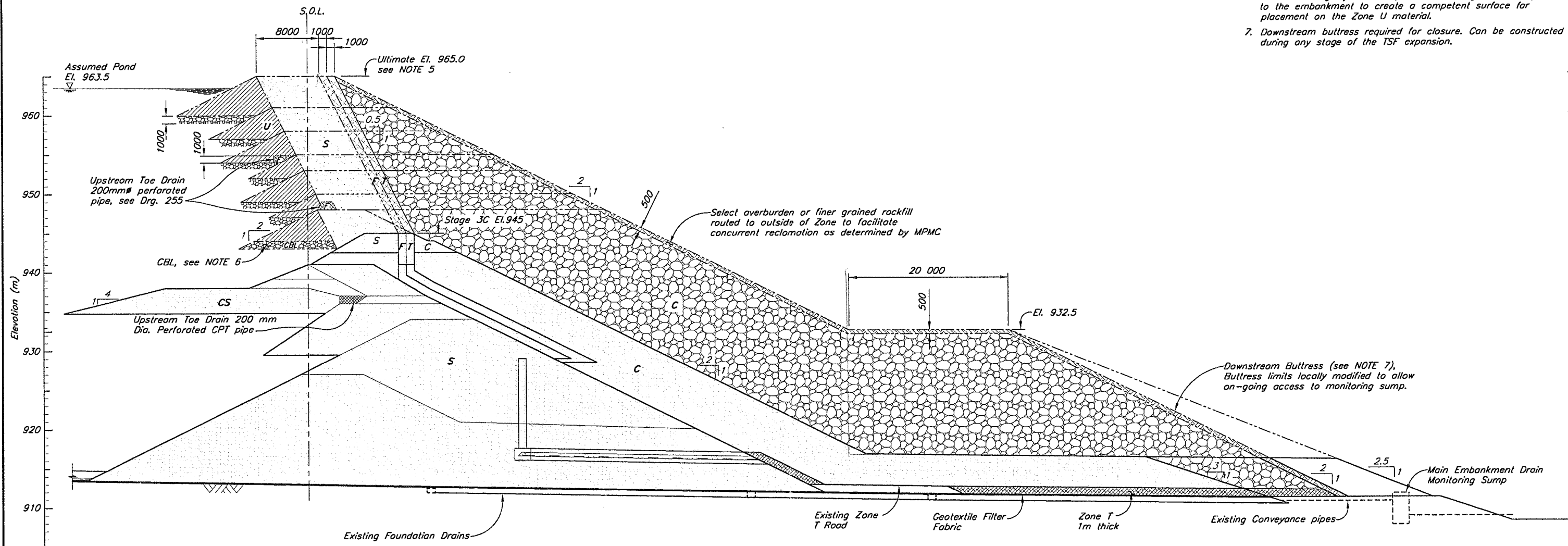
| | | | | | | | | | | | |
|--|--|---|--|--------------------------------|--|--------------------------------|--|---|--|--|--|
| 1625.102 TAILINGS STORAGE FACILITY - FOUNDATION PREPARATION AND BASIN LINER - SECTIONS AND DETAILS | | 1625.110 TAILINGS STORAGE FACILITY - STAGE 1a/1b TAILINGS IMPOUNDMENT - GENERAL ARRANGEMENT | | REV. DATE DESCRIPTION APPROVED | | REV. DATE DESCRIPTION APPROVED | | KNIGHT PIESOLD LIMITED CONSULTING ENGINEERS - VANCOUVER, B.C. | | IMPERIAL METALS CORPORATION | |
| 1625.102 TAILINGS STORAGE FACILITY - FOUNDATION PREPARATION AND BASIN LINER - SECTIONS AND DETAILS | | 1625.110 TAILINGS STORAGE FACILITY - STAGE 1a/1b TAILINGS IMPOUNDMENT - GENERAL ARRANGEMENT | | REV. DATE DESCRIPTION APPROVED | | REV. DATE DESCRIPTION APPROVED | | DESIGNED KDE | | MT. POLLEY PROJECT | |
| 1625.102 TAILINGS STORAGE FACILITY - FOUNDATION PREPARATION AND BASIN LINER - SECTIONS AND DETAILS | | 1625.110 TAILINGS STORAGE FACILITY - STAGE 1a/1b TAILINGS IMPOUNDMENT - GENERAL ARRANGEMENT | | REV. DATE DESCRIPTION APPROVED | | REV. DATE DESCRIPTION APPROVED | | DRAWN KAL/YY | | TAILINGS STORAGE FACILITY TAILINGS EMBANKMENT SECTIONS AND DETAILS | |
| 1625.102 TAILINGS STORAGE FACILITY - FOUNDATION PREPARATION AND BASIN LINER - SECTIONS AND DETAILS | | 1625.110 TAILINGS STORAGE FACILITY - STAGE 1a/1b TAILINGS IMPOUNDMENT - GENERAL ARRANGEMENT | | REV. DATE DESCRIPTION APPROVED | | REV. DATE DESCRIPTION APPROVED | | CHECKED KJB | | TAILINGS STORAGE FACILITY TAILINGS EMBANKMENT SECTIONS AND DETAILS | |
| 1625.102 TAILINGS STORAGE FACILITY - FOUNDATION PREPARATION AND BASIN LINER - SECTIONS AND DETAILS | | 1625.110 TAILINGS STORAGE FACILITY - STAGE 1a/1b TAILINGS IMPOUNDMENT - GENERAL ARRANGEMENT | | REV. DATE DESCRIPTION APPROVED | | REV. DATE DESCRIPTION APPROVED | | APPROVED KJB | | TAILINGS STORAGE FACILITY TAILINGS EMBANKMENT SECTIONS AND DETAILS | |
| 1625.102 TAILINGS STORAGE FACILITY - FOUNDATION PREPARATION AND BASIN LINER - SECTIONS AND DETAILS | | 1625.110 TAILINGS STORAGE FACILITY - STAGE 1a/1b TAILINGS IMPOUNDMENT - GENERAL ARRANGEMENT | | REV. DATE DESCRIPTION APPROVED | | REV. DATE DESCRIPTION APPROVED | | DATE APRIL 6, 1995 | | SCALE AS SHOWN | |
| 1625.102 TAILINGS STORAGE FACILITY - FOUNDATION PREPARATION AND BASIN LINER - SECTIONS AND DETAILS | | 1625.110 TAILINGS STORAGE FACILITY - STAGE 1a/1b TAILINGS IMPOUNDMENT - GENERAL ARRANGEMENT | | REV. DATE DESCRIPTION APPROVED | | REV. DATE DESCRIPTION APPROVED | | DRG. NO. 1625.111 | | REV. 1 | |

CAD FILE PROJECT 1625.110.DWG 1:500 Plot 1-403 MAY 25, 1995



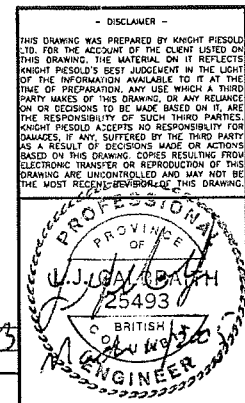
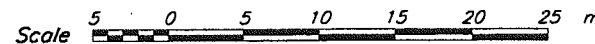
NOTES

1. For zone material specifications and legend see Drg. 104.
2. All dimensions in millimetres and elevations in metres, unless noted otherwise.
3. Minimum lines and grades shown. Lines and grades may be extended upstream and downstream during Stage 4 construction.
4. Drawing is for reference only. IFC drawings will be issued for each stage construction.
5. Crest details to be revised to suit final reclamation objectives. A suitable wearing course, topsoil cover and revegetation are anticipated.
6. Coarse bearing layer to be placed on tailings beach adjacent to the embankment to create a competent surface for placement on the Zone U material.
7. Downstream buttress required for closure. Can be constructed during any stage of the TSF expansion.



SECTION 1/110

NOT FOR CONSTRUCTION



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MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

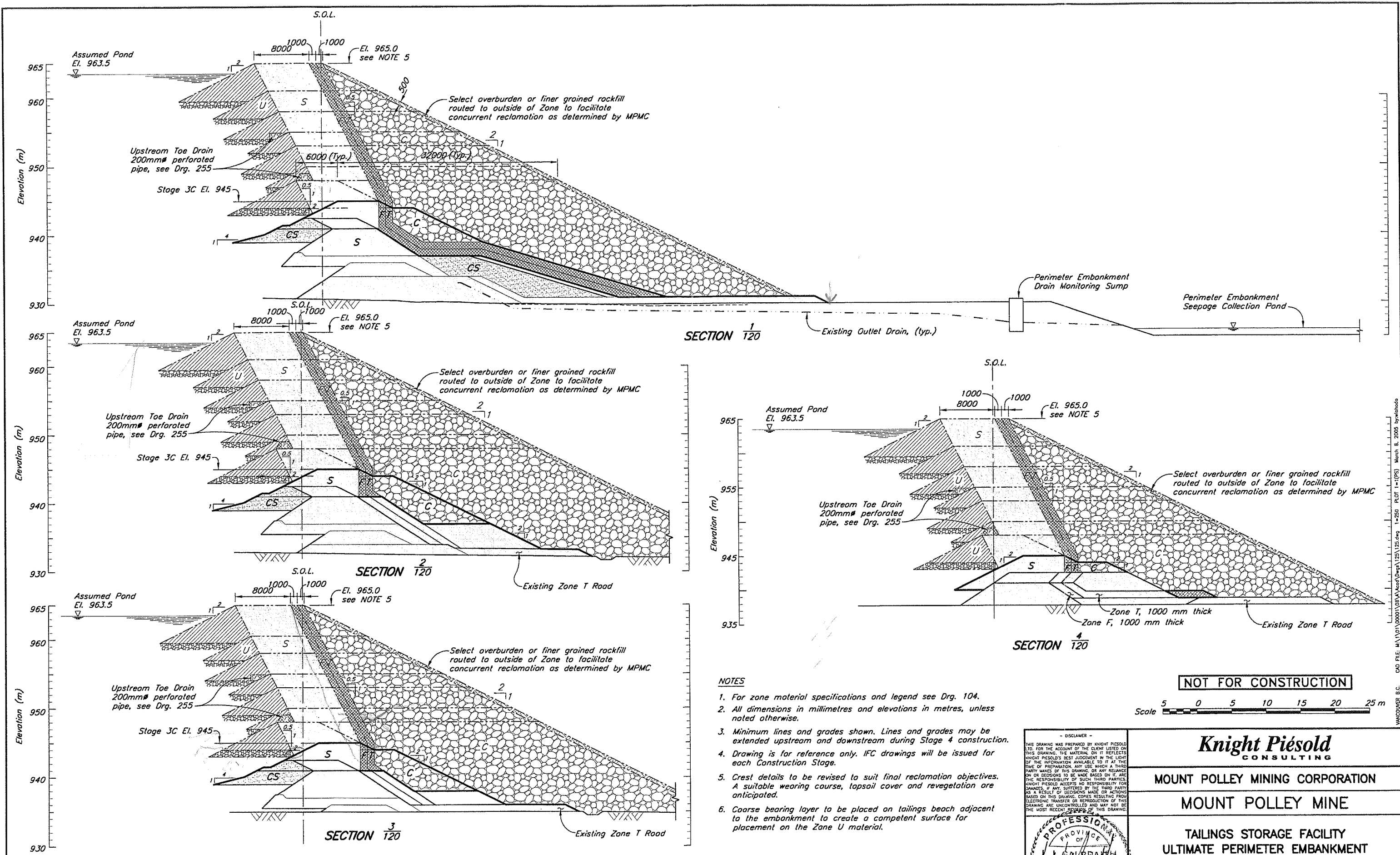
**TAILINGS STORAGE FACILITY
ULTIMATE MAIN EMBANKMENT
SECTION**

PROJECT/ASSIGNMENT NO. **VA101-1/8** DRAWING NO. **115** REVISION **0**

| 110 | ULTIMATE MAIN EMBANKMENT - PLAN |
|--------------------|--|
| 104 | ULTIMATE TAILINGS EMBANKMENT - MATERIAL SPECIFICATIONS |
| DRG. NO. | DESCRIPTION |
| REFERENCE DRAWINGS | |

| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
|-----------|------|-------------|--------|-------|-------|-------|
| REVISIONS | | | | | | |

| | | | | | | |
|-----------|---------|-------------------|--------|-------|------------------|------------------|
| 0 | 09MAR05 | ISSUED FOR REPORT | AT | JT | CHK'D | APP'D |
| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
| REVISIONS | | | | | | |



- NOTES**
1. For zone material specifications and legend see Drg. 104.
 2. All dimensions in millimetres and elevations in metres, unless noted otherwise.
 3. Minimum lines and grades shown. Lines and grades may be extended upstream and downstream during Stage 4 construction.
 4. Drawing is for reference only. IFC drawings will be issued for each Construction Stage.
 5. Crest details to be revised to suit final reclamation objectives. A suitable wearing course, topsoil cover and revegetation are anticipated.
 6. Coarse bearing layer to be placed on tailings beach adjacent to the embankment to create a competent surface for placement on the Zone U material.

| | | | | | | | | | | | | | | | |
|--------------------|--|------|------|-------------|--------|-------|-------|-----------|---|----------|-------------------|-----------|----|----|----|
| 120 | ULTIMATE PERIMETER EMBANKMENT - PLAN | REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D | 0 | 09MAR'05 | ISSUED FOR REPORT | AT | JT | KT | KT |
| 104 | ULTIMATE TAILINGS EMBANKMENT - MATERIAL SPECIFICATIONS | REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D | 0 | 09MAR'05 | ISSUED FOR REPORT | AT | JT | KT | KT |
| DRG. NO. | DESCRIPTION | REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D | 0 | 09MAR'05 | ISSUED FOR REPORT | AT | JT | KT | KT |
| REFERENCE DRAWINGS | | | | REVISIONS | | | | REVISIONS | | | | REVISIONS | | | |

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MOUNT POLLEY MINE

TAILINGS STORAGE FACILITY
ULTIMATE PERIMETER EMBANKMENT
SECTIONS

PROJECT/ASSIGNMENT NO. VA101-1/8

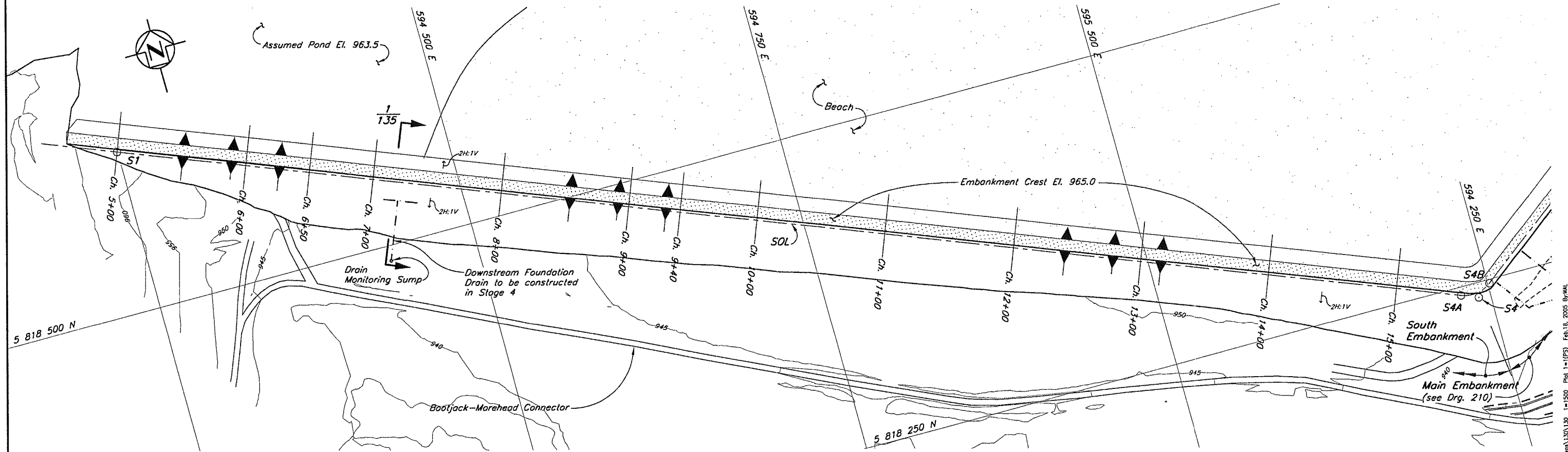
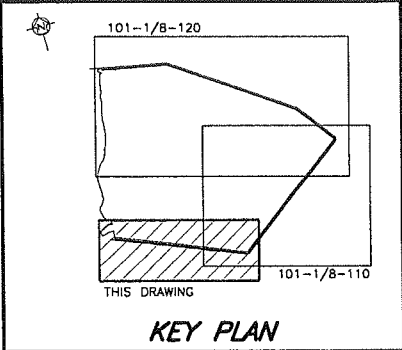
DRAWING NO. 125

REVISION 0

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PROFESSIONAL
J. H. HARRISON
25493
B.C. ENGINEER



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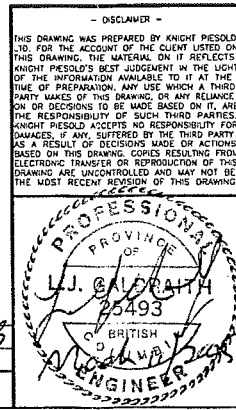
NOTES

1. Topography from 2004 Flyover.
2. All dimensions in millimetres and elevations in metres, unless noted otherwise.
3. Drawing is for reference only.

| | |
|--------------------|--|
| 135 | ULTIMATE SOUTH EMBANKMENT - SECTION |
| 120 | ULTIMATE PERIMETER EMBANKMENT - PLAN |
| 110 | ULTIMATE MAIN EMBANKMENT - PLAN |
| 104 | ULTIMATE TAILINGS EMBANKMENT - MATERIAL SPECIFICATIONS |
| DRG. NO. | DESCRIPTION |
| REFERENCE DRAWINGS | |

| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
|-----------|------|-------------|--------|-------|-------|-------|
| REVISIONS | | | | | | |


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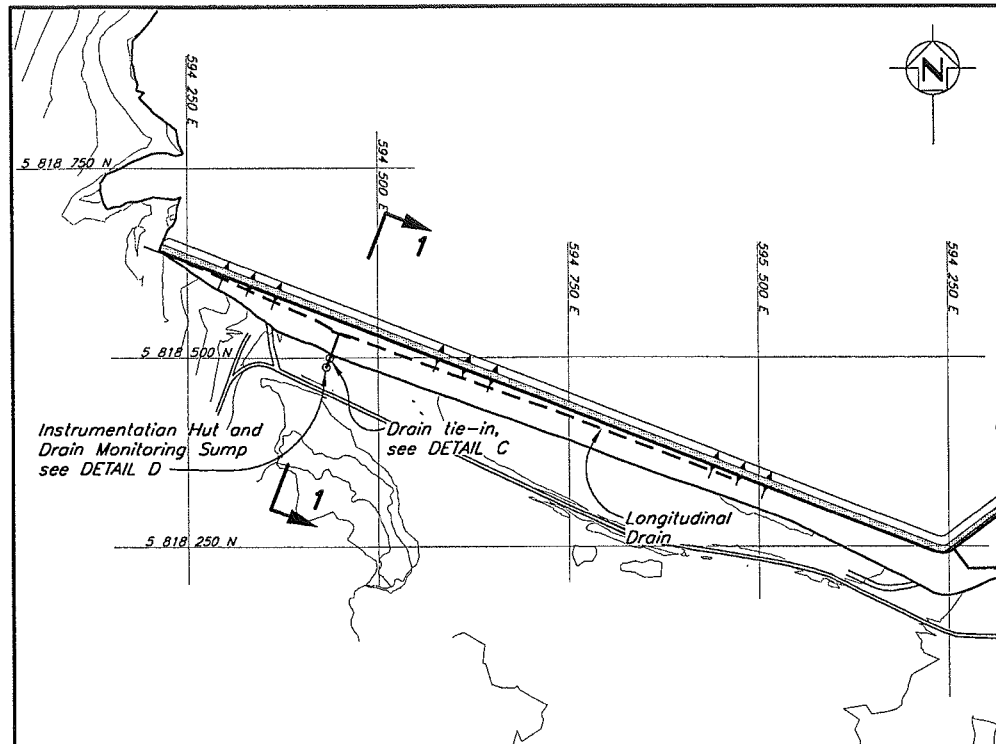


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| MOUNT POLLEY MINING CORPORATION | | |
| MOUNT POLLEY MINE | | |
| TAILINGS STORAGE FACILITY ULTIMATE SOUTH EMBANKMENT PLAN | | |
| PROJECT/ASSIGNMENT NO. | DRAWING NO. | REVISION |
| VA101-1/8 | 130 | 0 |

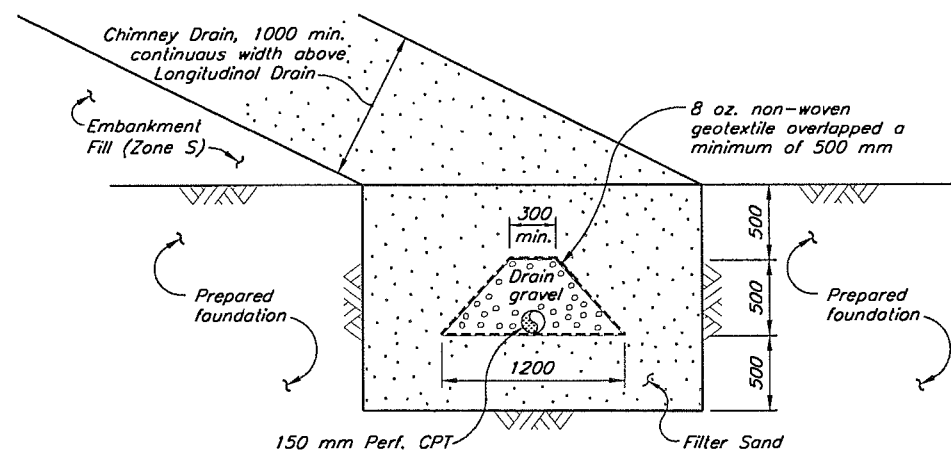
1. For zone material specifications and legend see Drg. 104
2. All dimensions in millimetres and elevations in metres, unless noted otherwise.
3. Minimum lines and grades shown. Lines and grades may be extended upstream and downstream during Stage 4 construction.
4. Outlet drain/downstream foundation drain to be constructed in Stage 4
5. Drawing is for reference only. IFC drawings will be issued for each stage construction.
6. Crest details to be revised to suit final reclamation objectives. A suitable wearing course, topsoil cover and revegetation are anticipated.
7. Coarse bearing layer to be placed on tailings beach adjacent to the embankment to create a competent surface for placement on the Zone U material.



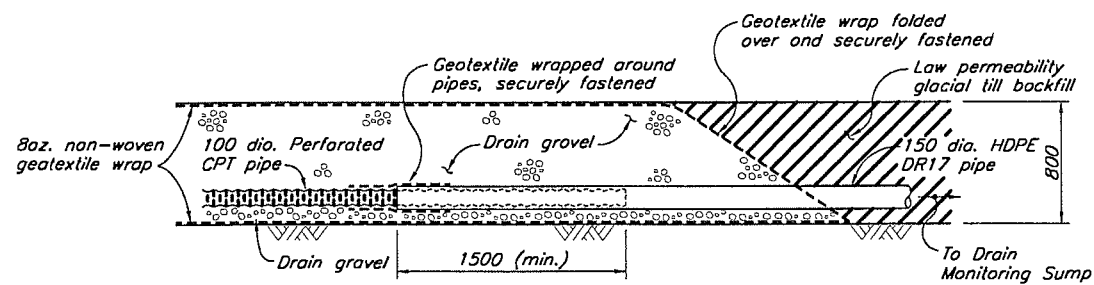
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| - DISCUSS - THIS DRAWING WAS PREPARED BY KNIGHT PIESOLD & CO. FOR THE PURPOSE OF THE WORK LISTED ON THIS DRAWING. THE MATERIAL ON IT REFLECTS KNIGHT PIESOLD'S BEST ADVICE AT THE TIME OF THE INFORMATION AVAILABLE TO IT AT THE TIME OF PREPARATION. ANY USE WHICH PARTIES MAKE OF THIS DRAWING, OR ANY RELIANCE ON OR DECISIONS TO BE MADE BASED ON IT, ARE THE RESPONSIBILITY OF SUCH THIRD PARTIES. KNIGHT PIESOLD ACCEPTS NO RESPONSIBILITY FOR DAMAGES, IF ANY, SUFFERED BY THE THIRD PARTY AS A RESULT OF DECISIONS MADE OR ACTIONS TAKEN ON THIS DRAWING, OR ANY RESULTING FROM ELECTRONIC TRANSFER OR REPRODUCTION OF THIS DRAWING ARE UNINTENDED AND MAY NOT BE THE MOST RECENT REVISION OF THIS DRAWING. | <div style="text-align: center;">  <h1 style="margin: 0;">Knight Piesold</h1> <h2 style="margin: 0;">CONSULTING</h2> </div> | <h1 style="margin: 0;">MOUNT POLLEY MINING CORPORATION</h1> <h2 style="margin: 0;">MOUNT POLLEY MINE</h2> |
| | | |



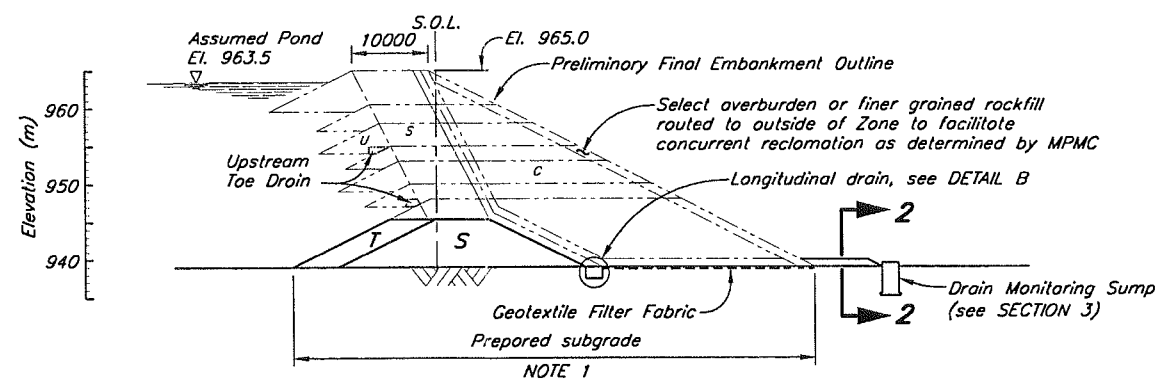
SOUTH EMBANKMENT PLAN
Scale A



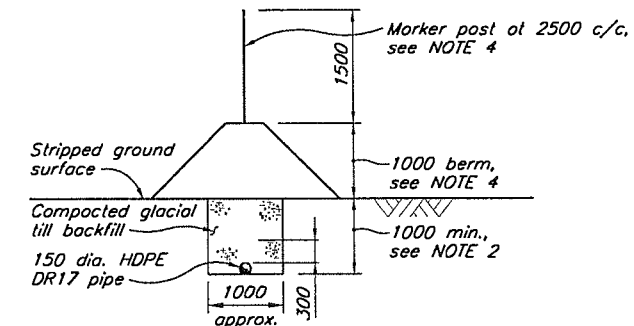
DETAIL B, LONGITUDINAL DRAIN
Scale C



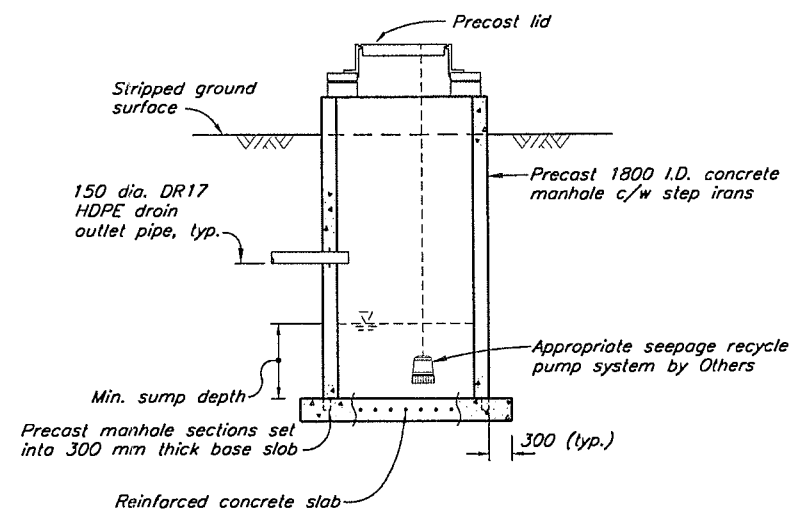
DETAIL C EMBANKMENT FOUNDATION DRAIN TIE-IN (IN SECTION)
Scale C



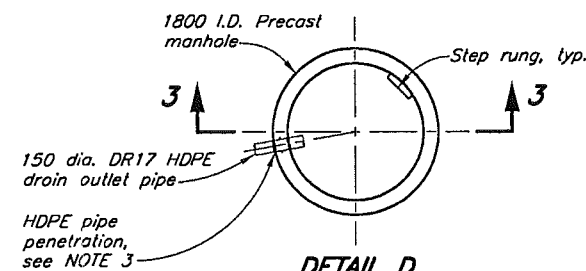
SECTION 1
Scale B



SECTION 2
Scale D



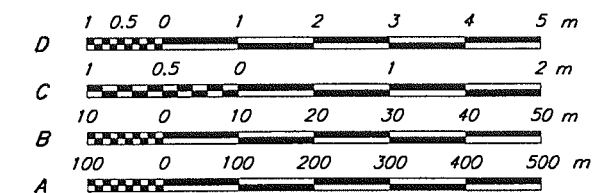
SECTION 3
Scale D



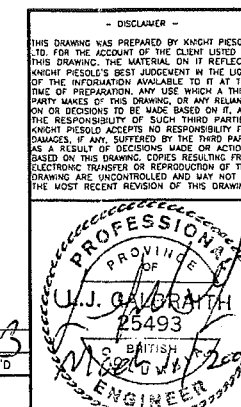
DETAIL D DRAIN MONITORING SUMP
Scale D

NOTES

1. Subgrade preparation to comprise stripping of topsoil and organics and removing saturated materials to establish a competent, bearing surface for fill placement as directed by the Engineer.
2. All pipework to have a minimum of 1 m of cover for frost protection.
3. All HDPE pipe penetrations to be water tight.
4. Buried pipework to be covered by a berm and clearly marked by a line of stakes.
5. Drain Monitoring Sump is conceptual only. Details to be provided in the Stage 4 design of the TSF.



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MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

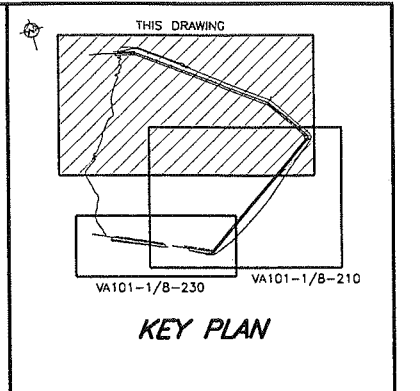
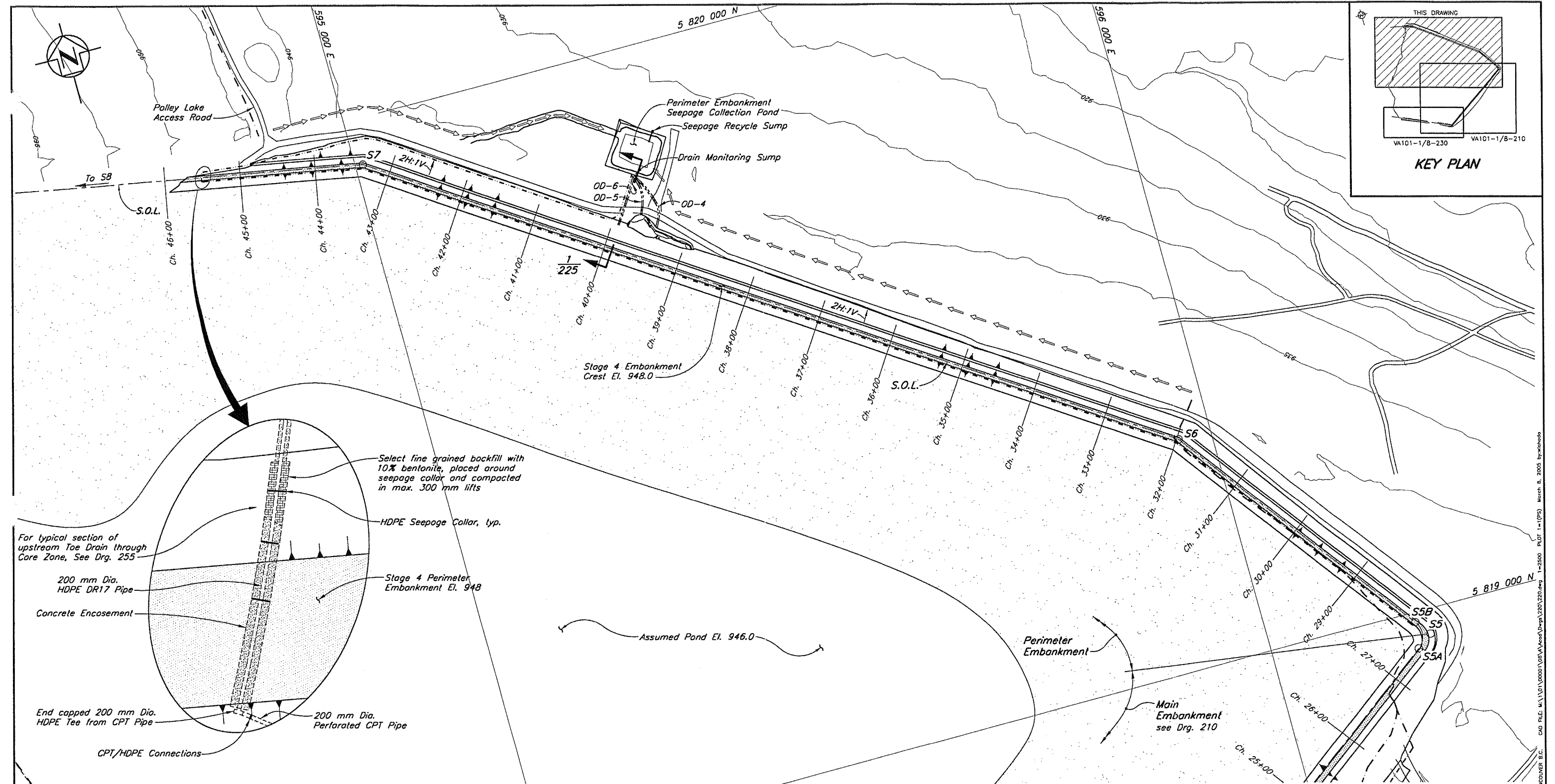
**TAILINGS STORAGE FACILITY
SOUTH EMBANKMENT
LONGITUDINAL AND FOUNDATION DRAIN
SECTIONS AND DETAILS**

| PROJECT/ASSIGNMENT NO. | DRAWING NO. | REVISION |
|------------------------|-------------|----------|
| VA101-1/8 | 140 | 0 |

| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
|------|------|-------------------------------------|--------|-------|-------|-------|
| 135 | | ULTIMATE SOUTH EMBANKMENT - SECTION | | | | |
| 130 | | ULTIMATE SOUTH EMBANKMENT - PLAN | | | | |

| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
|------|------|-------------|--------|-------|-------|-------|
| | | | | | | |

| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
|------|----------|-------------------|--------|-------|-------|-------|
| 0 | 09MAR'05 | ISSUED FOR REPORT | AT | ND | | |

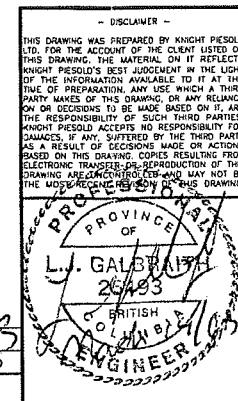
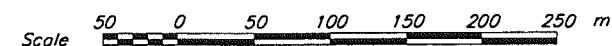


| EMBANKMENT SETTING OUT POINTS | | | |
|-------------------------------|---------------|-------------|----------|
| Point | Northing | Easting | Chainage |
| S1 | 5 818 626.163 | 594 249.555 | 5+00.00 |
| S4A | 5 818 243.621 | 595 227.361 | 15+49.97 |
| S4B | 5 818 246.923 | 595 251.497 | 15+77.87 |
| S4 | 5 818 238.539 | 595 240.350 | 15+63.92 |
| S5A | 5 818 951.971 | 596 188.906 | 27+50.83 |
| S5B | 5 818 986.958 | 596 193.873 | 28+00.78 |
| S5 | 5 818 966.983 | 596 208.866 | 27+75.80 |
| S6 | 5 819 304.035 | 595 955.881 | 31+97.23 |
| S7 | 5 819 939.748 | 595 010.249 | 43+36.69 |
| S8 | 5 820 053.034 | 594 396.471 | 49+60.83 |

NOTES

- Topography from 2004 flyover.
- All dimensions in millimetres and elevations in metres, unless noted otherwise.
- Stage 4 construction dimensions and volumes assume a Stage 3C crest elevation of El. 945m.
- Upstream toe drain pipe to be realigned by MPMC in order to facilitate closure grouting if required.

NOT FOR CONSTRUCTION

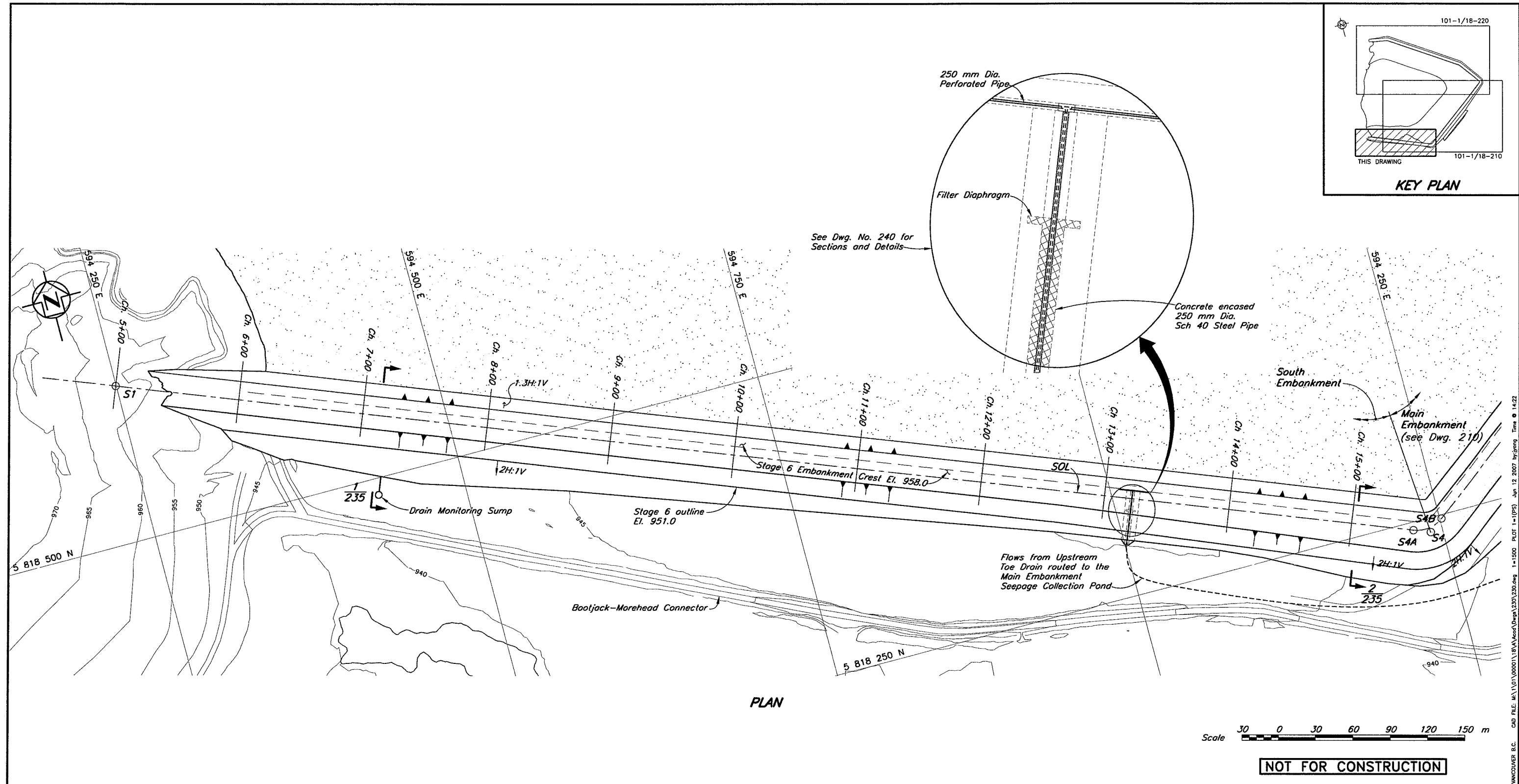


| | | |
|---|---------------------------|----------------------|
| Knight Piésold CONSULTING | | |
| MOUNT POLLEY MINING CORPORATION | | |
| MOUNT POLLEY MINE | | |
| TAILINGS STORAGE FACILITY STAGE 4 PERIMETER EMBANKMENT PLAN | | |
| PROJECT/ASSIGNMENT NO. VA101-1/8 | DRAWING NO. 220 | REVISION 0 |

| | |
|--------------------|---|
| 230 | STAGE 4 SOUTH EMBANKMENT - PLAN |
| 225 | STAGE 4 PERIMETER EMBANKMENT - SECTIONS |
| 210 | STAGE 4 MAIN EMBANKMENT - PLAN |
| DRG. NO. | DESCRIPTION |
| REFERENCE DRAWINGS | |

| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
|-----------|------|-------------|--------|-------|-------|-------|
| REVISIONS | | | | | | |

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| 0 | 09/MAR/05 | ISSUED FOR REPORT | AT | JT | CHK'D | APP'D |
| REVISIONS | | | | | | |



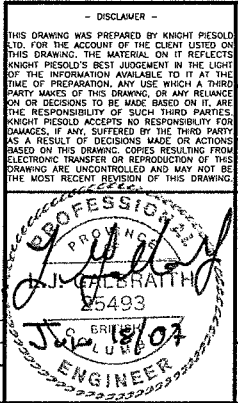
NOTES

1. Topography from 2004 flyover.
2. All dimensions in millimetres and elevations in metres, unless noted otherwise.

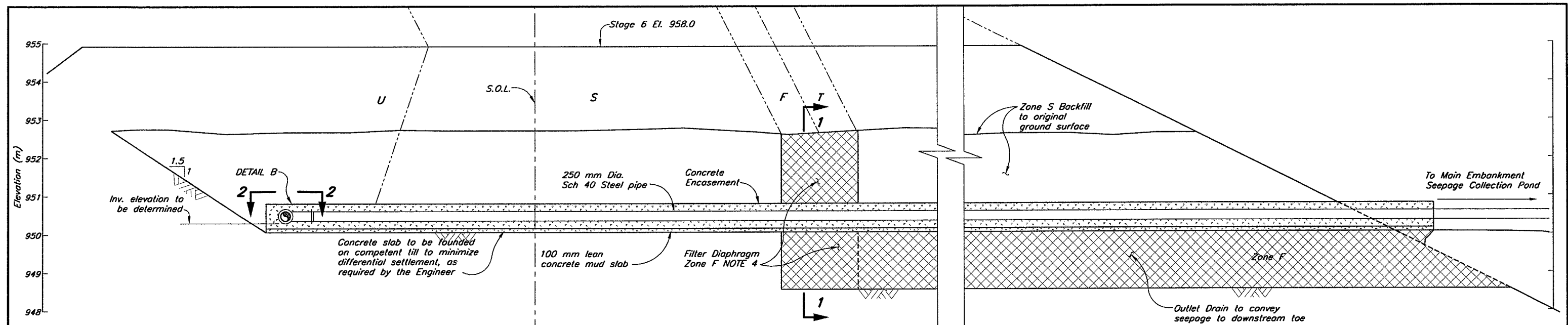
| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
|----------|------|---|--------|-------|-------|-------|
| 235 | | STAGE 6 SOUTH EMBANKMENT - SECTIONS | | | | |
| 220 | | STAGE 6 PERIMETER EMBANKMENT - PLAN | | | | |
| 210 | | STAGE 6 MAIN EMBANKMENT - PLAN | | | | |
| 104 | | STAGE 6 TAILINGS EMBANKMENT - MATERIAL SPECIFICATIONS | | | | |
| ORG. NO. | | DESCRIPTION | | | | |

| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
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| 0 | 08JUN'07 | ISSUED FOR STAGE 6 PERMITTING | LJG | JY | 88 | 213 |

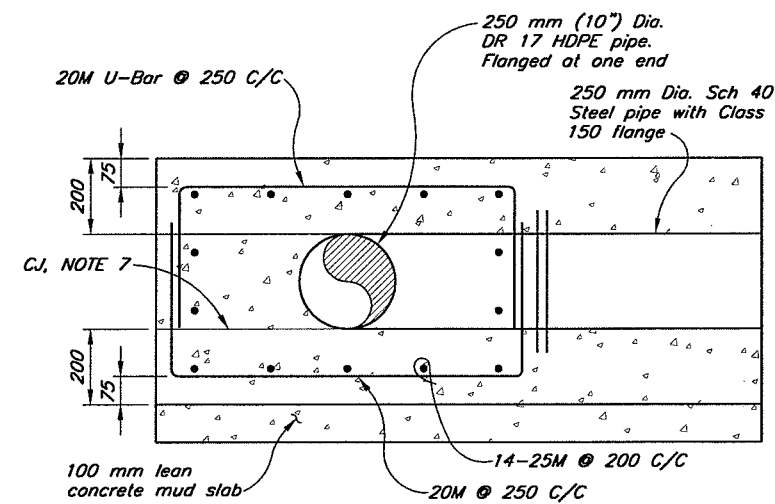
| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
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| 0 | 08JUN'07 | ISSUED FOR STAGE 6 PERMITTING | LJG | JY | 88 | 213 |



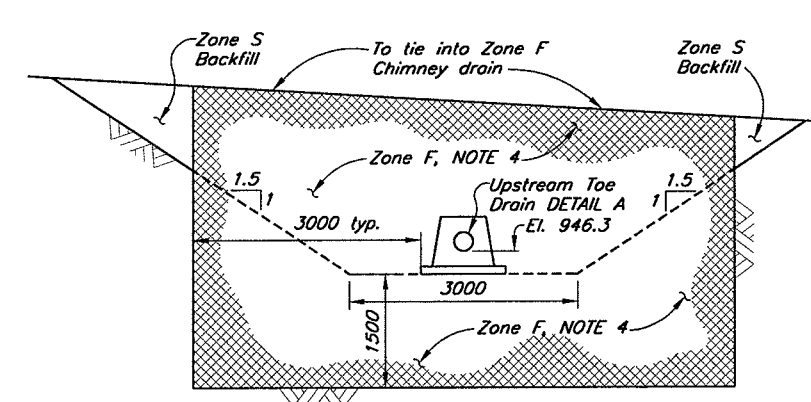
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|-------------------------------|-------------|----------|
| Knight Piesold CONSULTING | | |
| MOUNT POLLEY MINE CORPORATION | | |
| MOUNT POLLEY MINE | | |
| TAILINGS STORAGE FACILITY | | |
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| PROJECT/ASSIGNMENT NO. | DRAWING NO. | REVISION |
| VA101-1/18 | 230 | 0 |



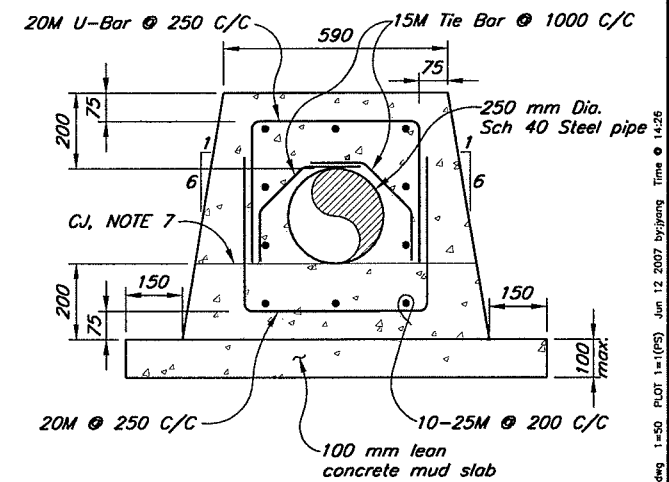
TYPICAL SECTION OF UPSTREAM TOE DRAIN AT ABUTMENTS
Scale A



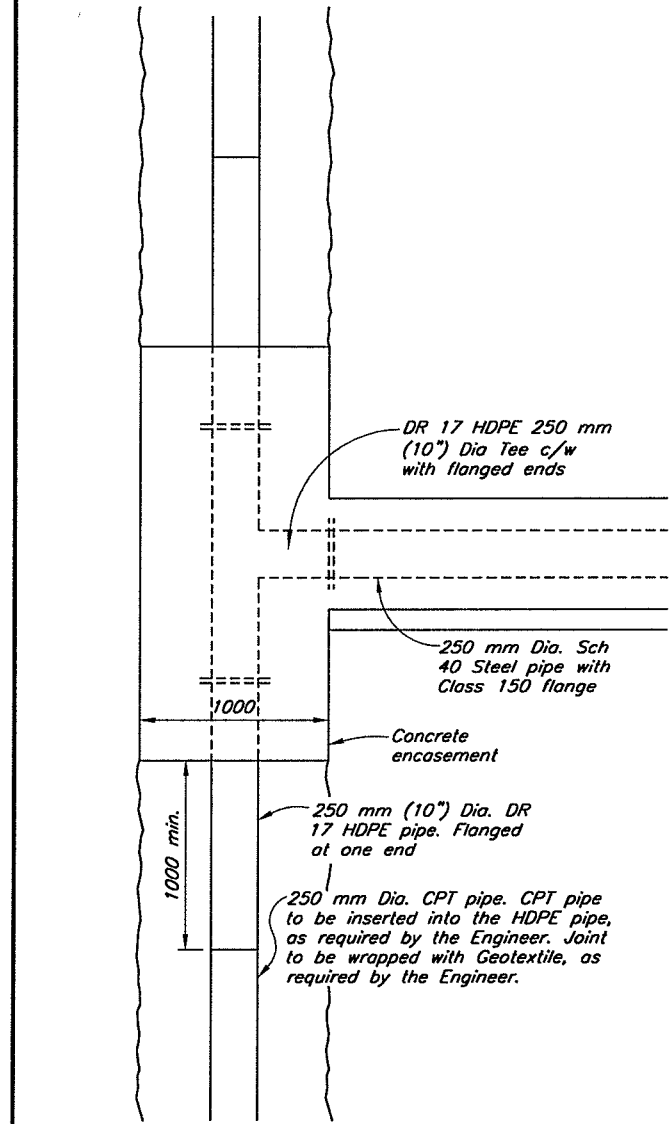
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CONCRETE ENCASUREMENT REINFORCEMENT DETAILS
Scale B



SECTION 1 - FILTER DIAPHRAGM
Scale A



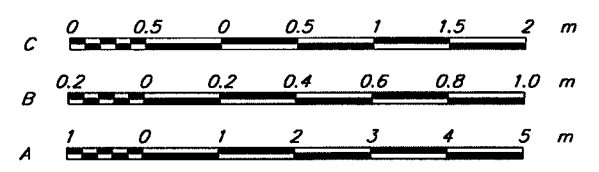
DETAIL A - OUTLET DRAIN
CONCRETE ENCASEMENT REINFORCEMENT DETAILS
Scale B



SECTION 2
UPSTREAM TOE DRAIN TO OUTLET DRAIN CONNECTION
Scale C

NOTES

- Concrete strength: Type C30-20 (30 MPa with 20 mm coarse aggregate).
- Minimum concrete cover 40mm.
- Reinforcement steel to CSA G30.18 Grade 400R.
- Zone F to be placed and spread in maximum 300 mm thick layers and compacted as approved by the Engineer.
- All dimensions in millimetres and elevations in metres, unless noted otherwise.
- Upstream Toe Drain Steel pipe and HDPE elbows to be pressure tested for 2 hours at 640 kPa (100 psi.) prior to and after encasing in concrete.
- After casting first pour and once concrete has achieved initial set, pressure blast horizontal construction joint surface to remove all laitance and expose top surface of coarse aggregate. Do not over-blast or undercut coarse aggregate. Remove all dirt, dust, rubbish and other deleterious material from surface of construction joint prior to casting second pour.

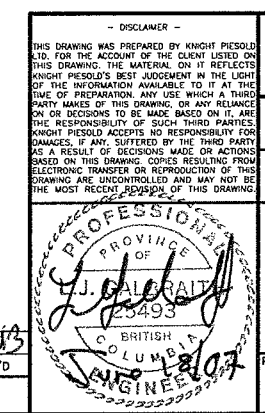


NOT FOR CONSTRUCTION

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|--------------------|--|
| 220 | STAGE 6 PERIMETER EMBANKMENT - PLAN |
| 125 | ULTIMATE PERIMETER EMBANKMENT - SECTIONS |
| 120 | ULTIMATE PERIMETER EMBANKMENT - PLAN |
| DRG. NO. | DESCRIPTION |
| REFERENCE DRAWINGS | |

| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
|-----------|------|-------------|--------|-------|-------|-------|
| REVISIONS | | | | | | |

| 0 | 08JUN'07 | ISSUED FOR STAGE 6 PERMITTING | LJC | JY | BB | KJB |
|-----------|----------|-------------------------------|--------|-------|-------|-------|
| REV. | DATE | DESCRIPTION | DESIGN | DRAWN | CHK'D | APP'D |
| REVISIONS | | | | | | |



Knight Piésold
CONSULTING

MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

TAILINGS STORAGE FACILITY
STAGE 6 - SOUTH EMBANKMENT
UPSTREAM TOE DRAIN
SECTIONS AND DETAILS

PROJECT/ASSIGNMENT NO. **VA101-1/18** DRAWING NO. **240** REVISION **0**

APPENDIX C SITE PHOTOGRAPHS



Photo 1: South embankment fill placement near corner 4.

Photo 2: South embankment abutment tie-in

Photo 3: Zone U sand cell construction along South embankment.

Photo 4: Compacted and trimmed Zone S (glacial till) along South embankment

Photo 5: South embankment Zone C (downstream shell), looking west. Drain extension shown.

Photo 6: South embankment Zone C (downstream shell), looking west. Drain pumpback to impoundment shown.

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 Fax. (604) 684-5909

Mount Polley Mine
 Tailings Storage Facility
 2012 Annual Review Photos

DATE PREPARED: March 2013
 SCALE: NTS
 PREPARED BY: D.Dufault
 PROJECT No: 1197

Photos 1 to 6
South Embankment

Taken: August 2012



Photo 7: Main embankment, looking north.



Photo 10: Main embankment downstream toe, looking north at ABR pond and Main embankment sump.



Photo 8: Main embankment, looking north at Main embankment collection pond.



Photo 11: Corner 3 seep



Photo 9: Main embankment downstream toe, looking south at Main embankment collection pond.



Photo 12: Corner 3 seep flow, evidence of previous monitoring

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Mount Polley Mine

Tailings Storage Facility
2012 Annual Review Photos

DATE PREPARED: March 2013

SCALE: NTS

PREPARED BY: D.Dufault

PROJECT No: 1197

Photos 7 to 11
Main Embankment

Taken: August 2012



Photo 12: Perimeter embankment new access at Corner 1, looking northeast.

Photo 15: Perimeter embankment crest looking east.



Photo 13: Perimeter drain discharge as impacted by haul road connection.

Photo 16: Perimeter embankment toe, looking west.



Photo 14: Perimeter embankment downstream looking east northeast.

Photo 17: Perimeter embankment toe, looking west.



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Mount Polley Mine

Tailings Storage Facility
2012 Annual Review Photos

DATE PREPARED: March 2013
SCALE: NTS
PREPARED BY: D.Dufault
PROJECT No: 1197

Photos 12 to 17
Perimeter Embankment

Taken: August 2012

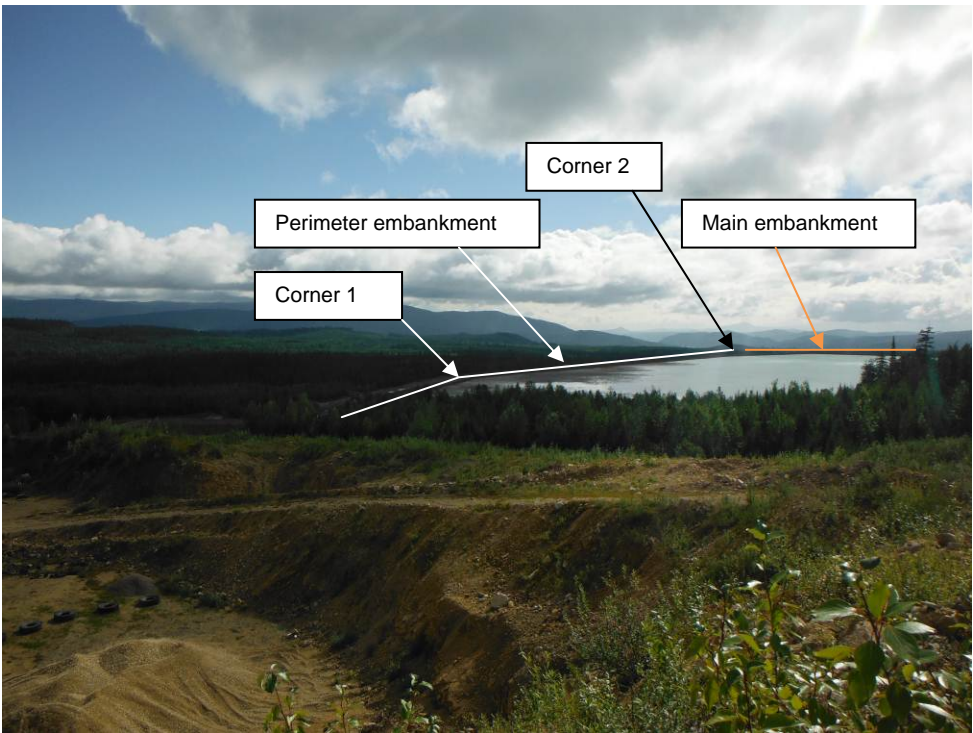


Photo 18: looking northeast at the Perimeter embankment and north end of Main embankment.

Photo 21: Perimeter borrow pit



Photo 19: Glaciolacustrine unit (GLU) encountered in Perimeter borrow pit.



Photo 20: 'Punchy' GLU material, unsuitable for use as Zone S core.



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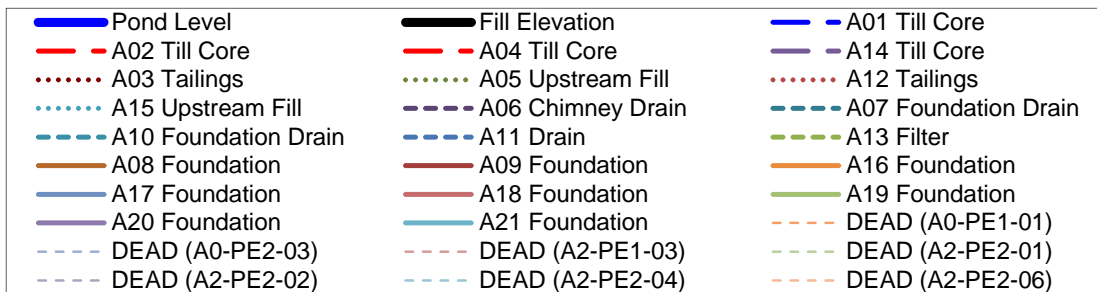
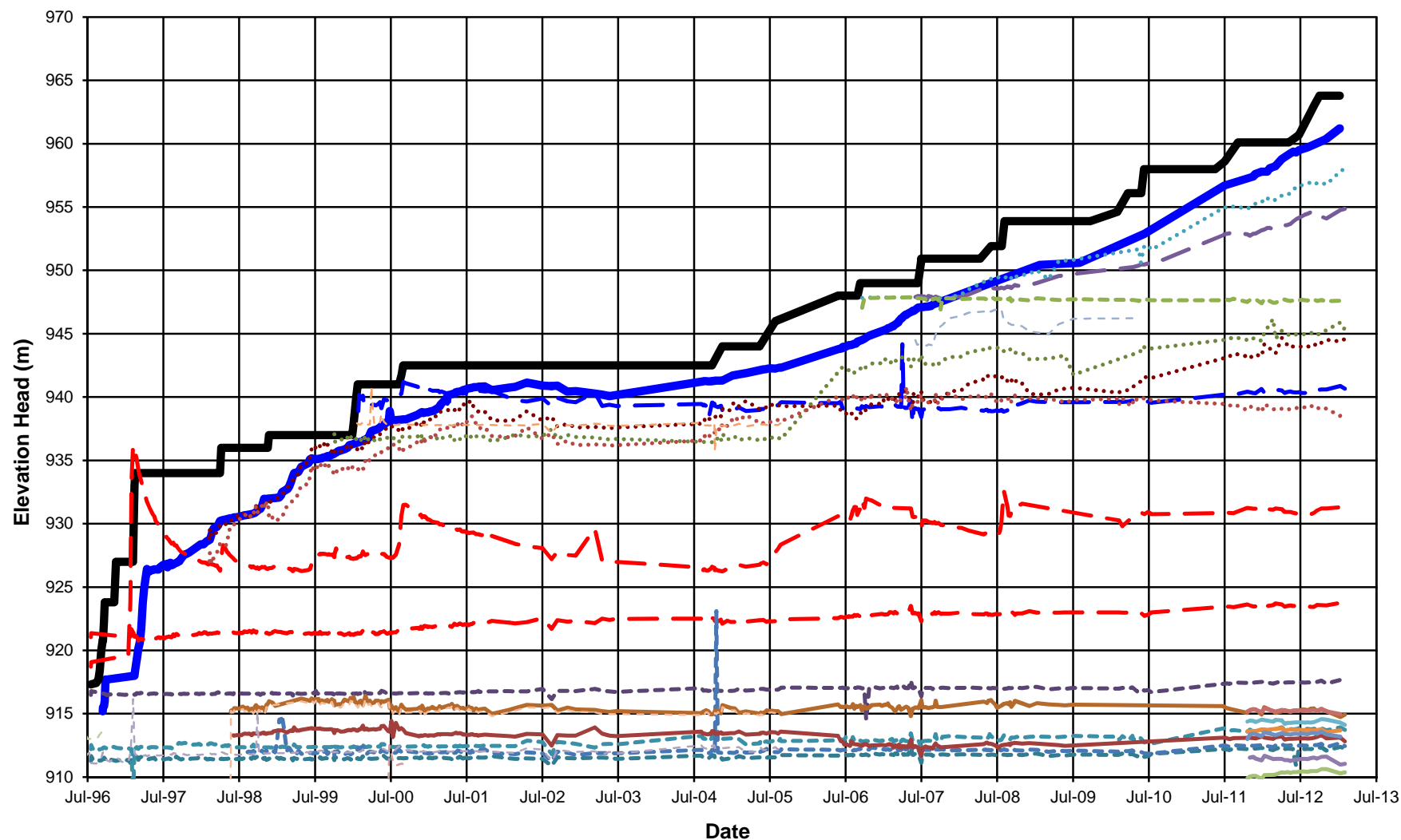
Mount Polley Mine
Tailings Storage Facility
2012 Annual Review Photos

DATE PREPARED: March 2013
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PREPARED BY: D.Dufault
PROJECT No: 1197

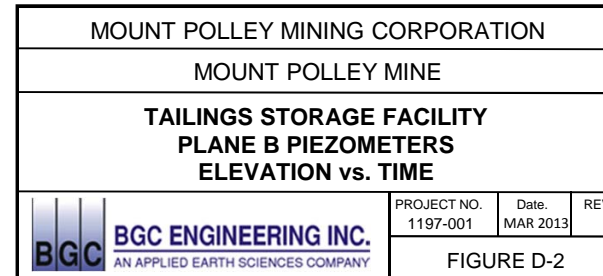
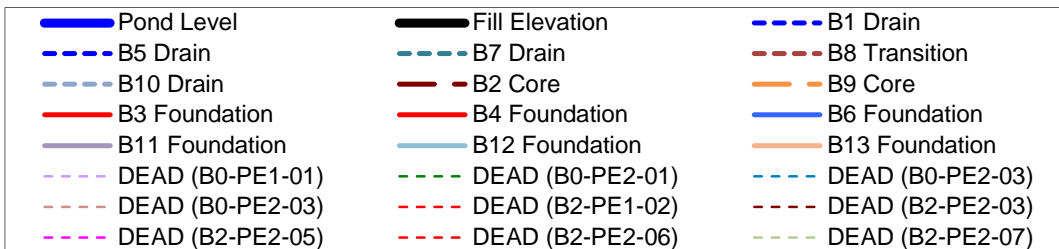
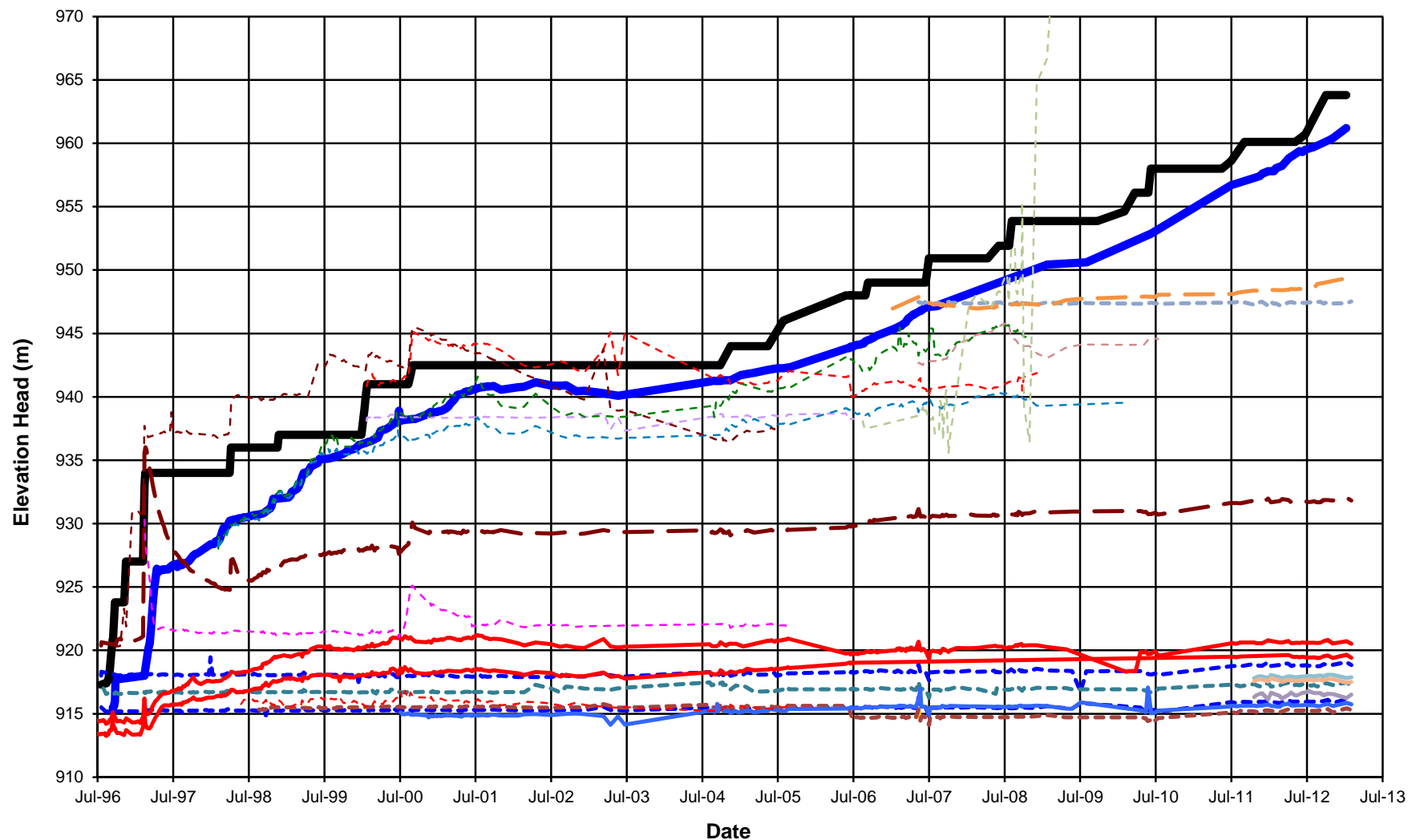
Photos 18 to 21
General

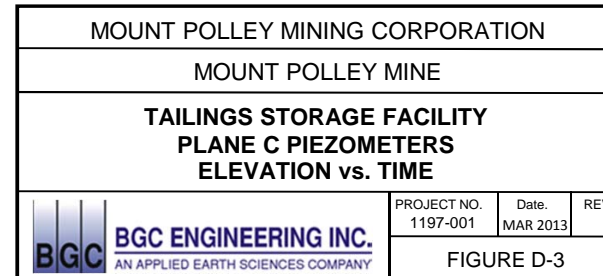
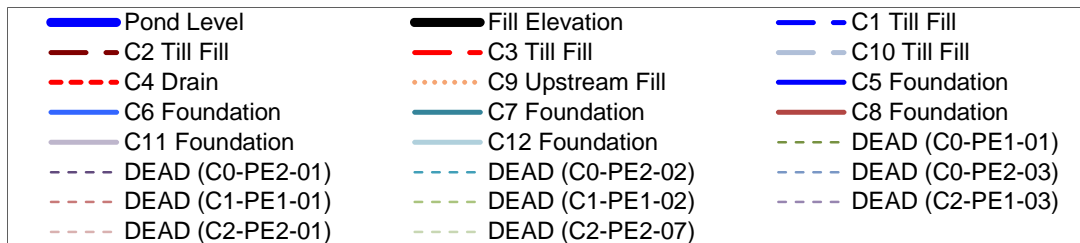
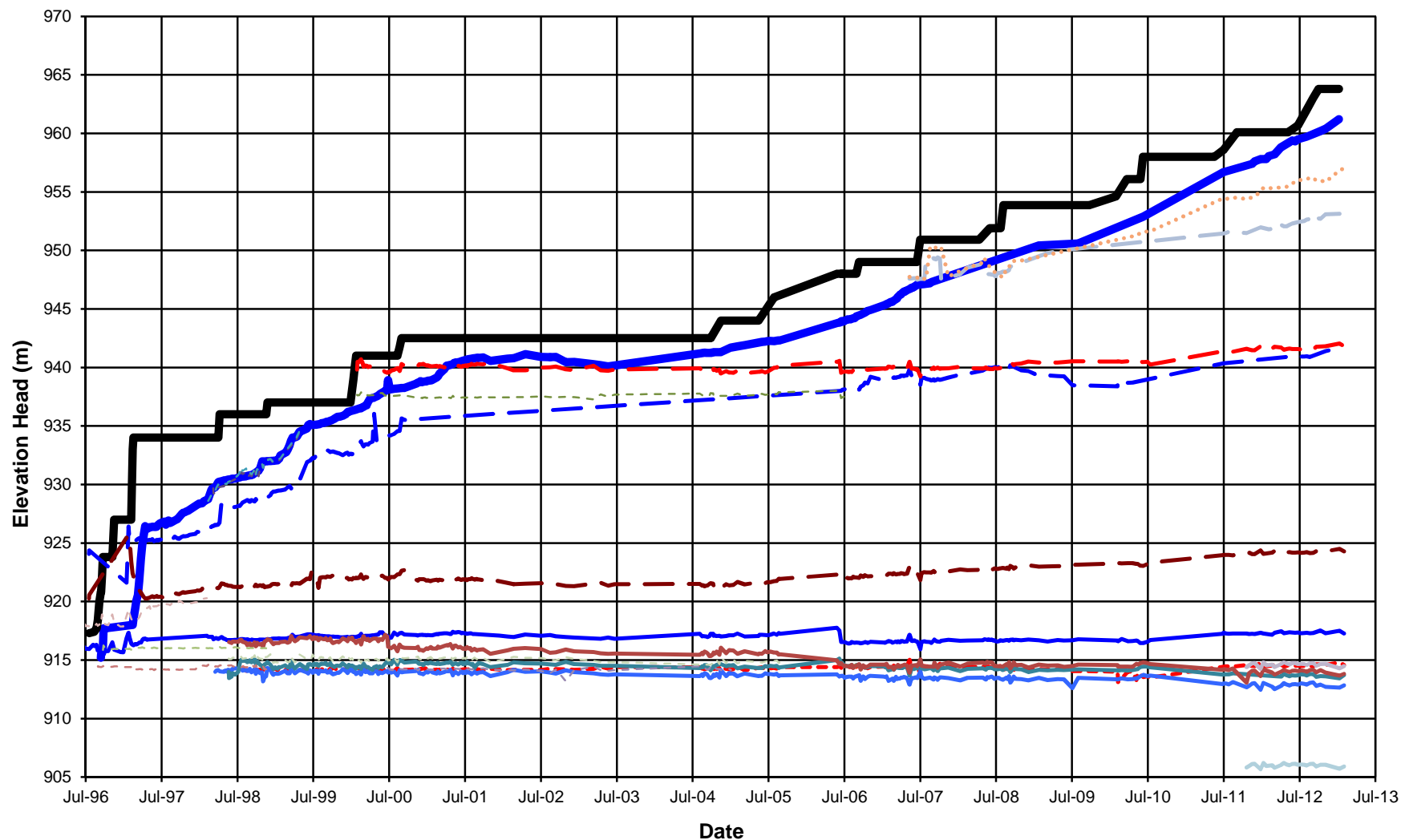
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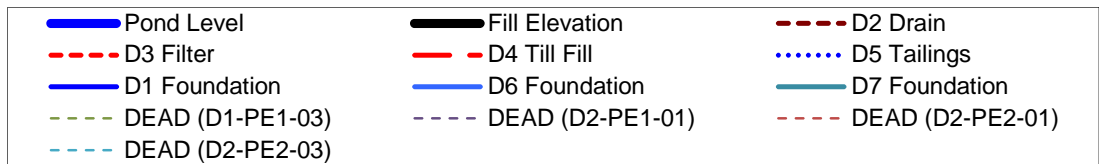
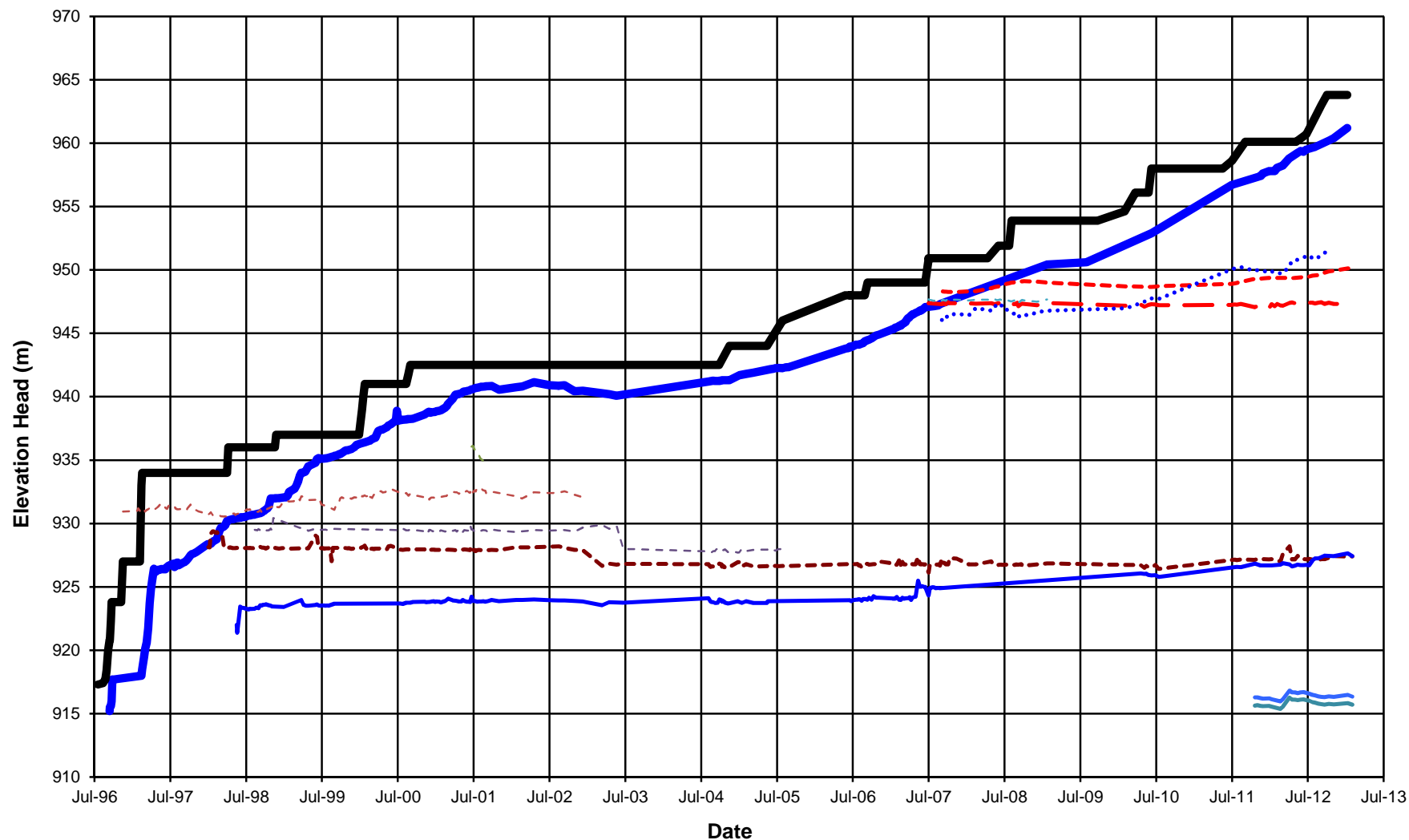
APPENDIX D PIEZOMETER DATA PLOTS




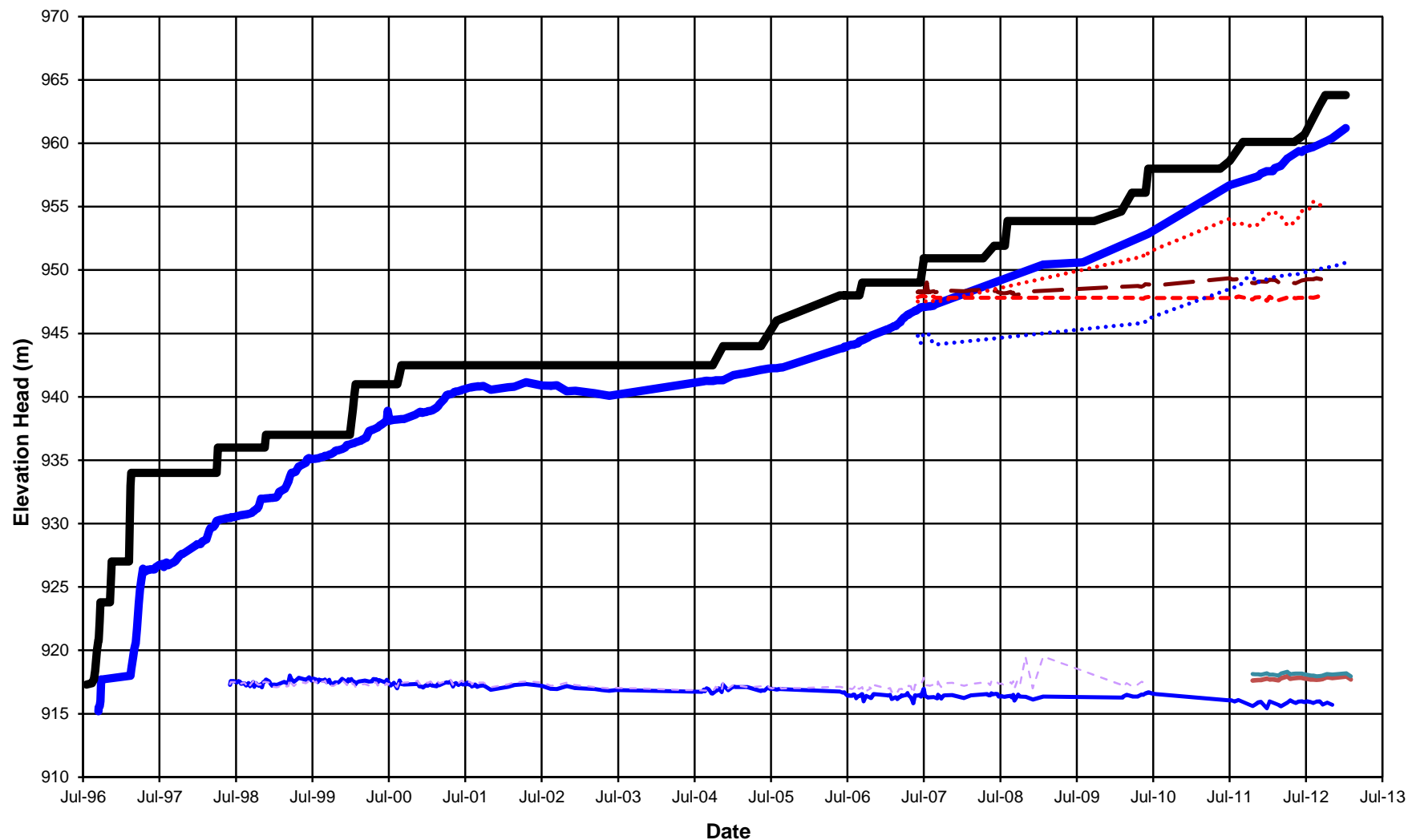
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| MOUNT POLLEY MINING CORPORATION | | | |
| MOUNT POLLEY MINE | | | |
| TAILINGS STORAGE FACILITY PLANE A PIEZOMETERS ELEVATION vs. TIME | | | |
| BGC ENGINEERING INC. AN APPLIED EARTH SCIENCES COMPANY | PROJECT NO. | Date. | REV. |
| | 1197-001 | MAR 2013 | |
| FIGURE D-1 | | | |







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| MOUNT POLLEY MINING CORPORATION | | |
| MOUNT POLLEY MINE | | |
| TAILINGS STORAGE FACILITY PLANE D PIEZOMETERS ELEVATION vs. TIME | | |
|  BGC ENGINEERING INC. AN APPLIED EARTH SCIENCES COMPANY | PROJECT NO. 1197-001 | Date. MAR 2013 |
| REV. FIGURE D-4 | | |



- Pond Level
- - - E3 Filter
- E1 Foundation
- - - DEAD (E2-PE2-01)
- Fill Elevation
- E4 Tailings
- E6 Foundation
- E5 Tailings
- - - E2 Till Core
- E7 Foundation

MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

**TAILINGS STORAGE FACILITY
PLANE E PIEZOMETERS
ELEVATION vs. TIME**



BGC ENGINEERING INC.
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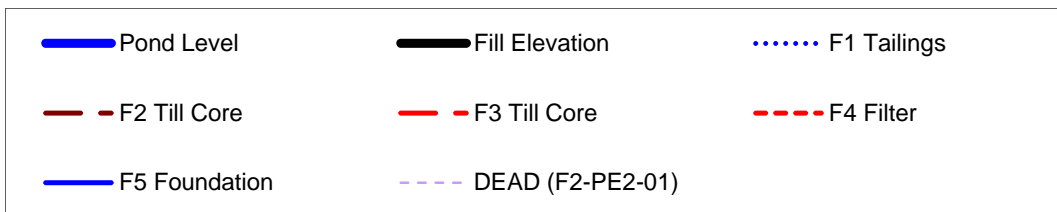
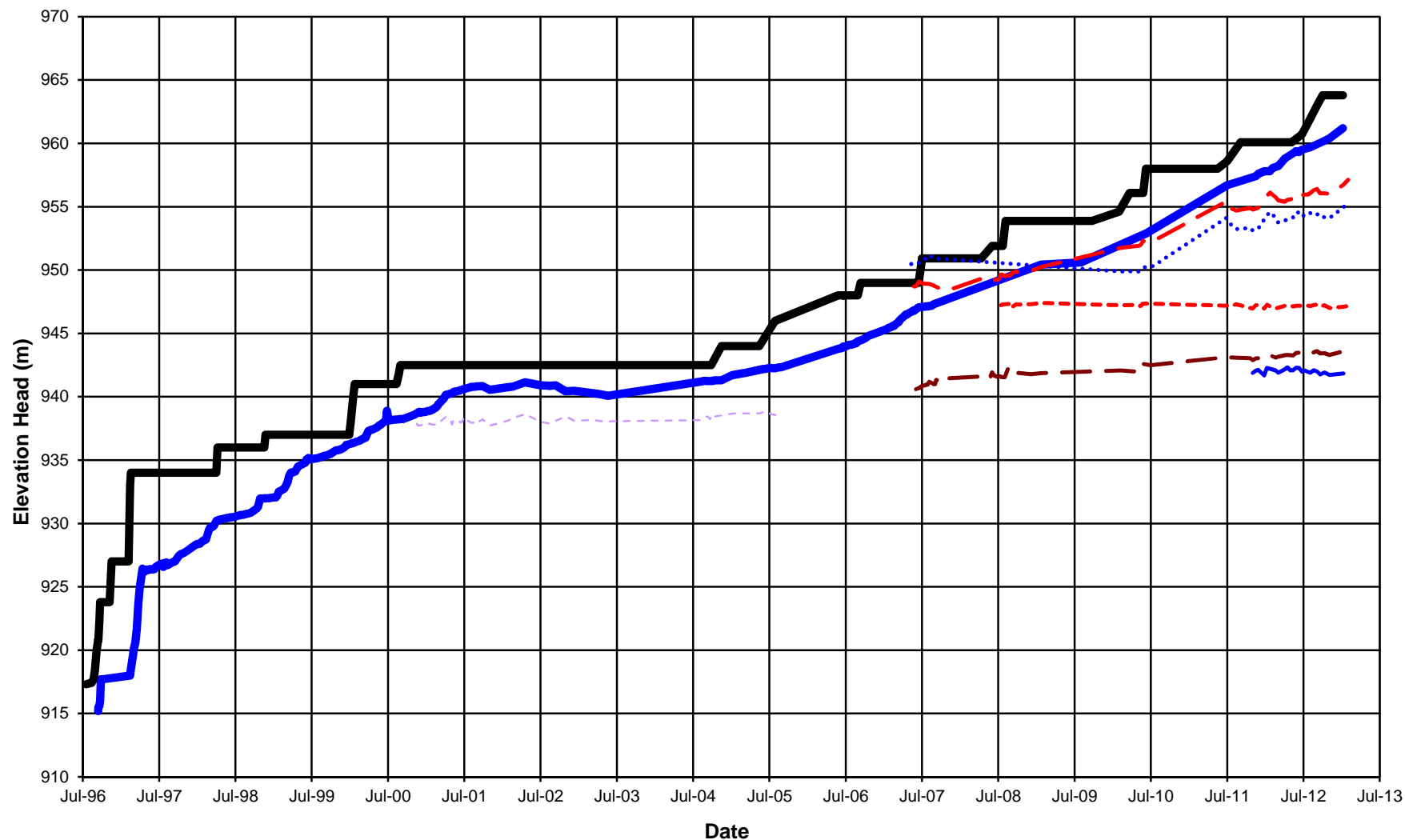
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1197-001

Date.
MAR 2013

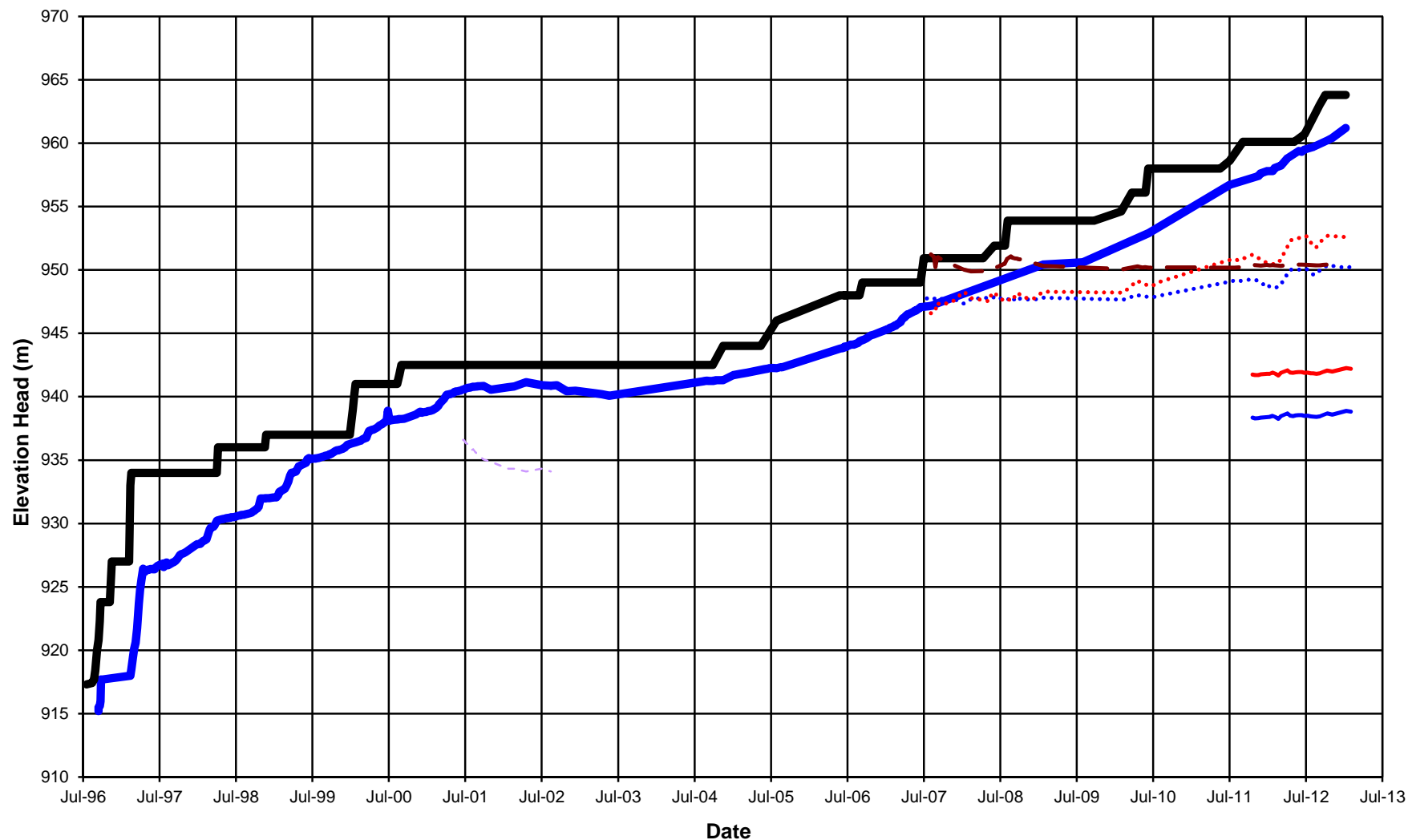
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FIGURE D-5

AMEC010406_0071



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| MOUNT POLLEY MINING CORPORATION | | |
| MOUNT POLLEY MINE | | |
| TAILINGS STORAGE FACILITY PLANE F PIEZOMETERS ELEVATION vs. TIME | | |
| BGC ENGINEERING INC. AN APPLIED EARTH SCIENCES COMPANY | PROJECT NO. 1197-001 | Date. MAR 2013 |
| | REV. FIGURE D-6 | |



- Pond Level
- Fill Elevation
- G1 Upstream Fill
- G3 Tailings
- - - G2 Till Core
- G4 Foundation
- G5 Foundation
- - - DEAD (G1-PE1-01)

MOUNT POLLEY MINING CORPORATION

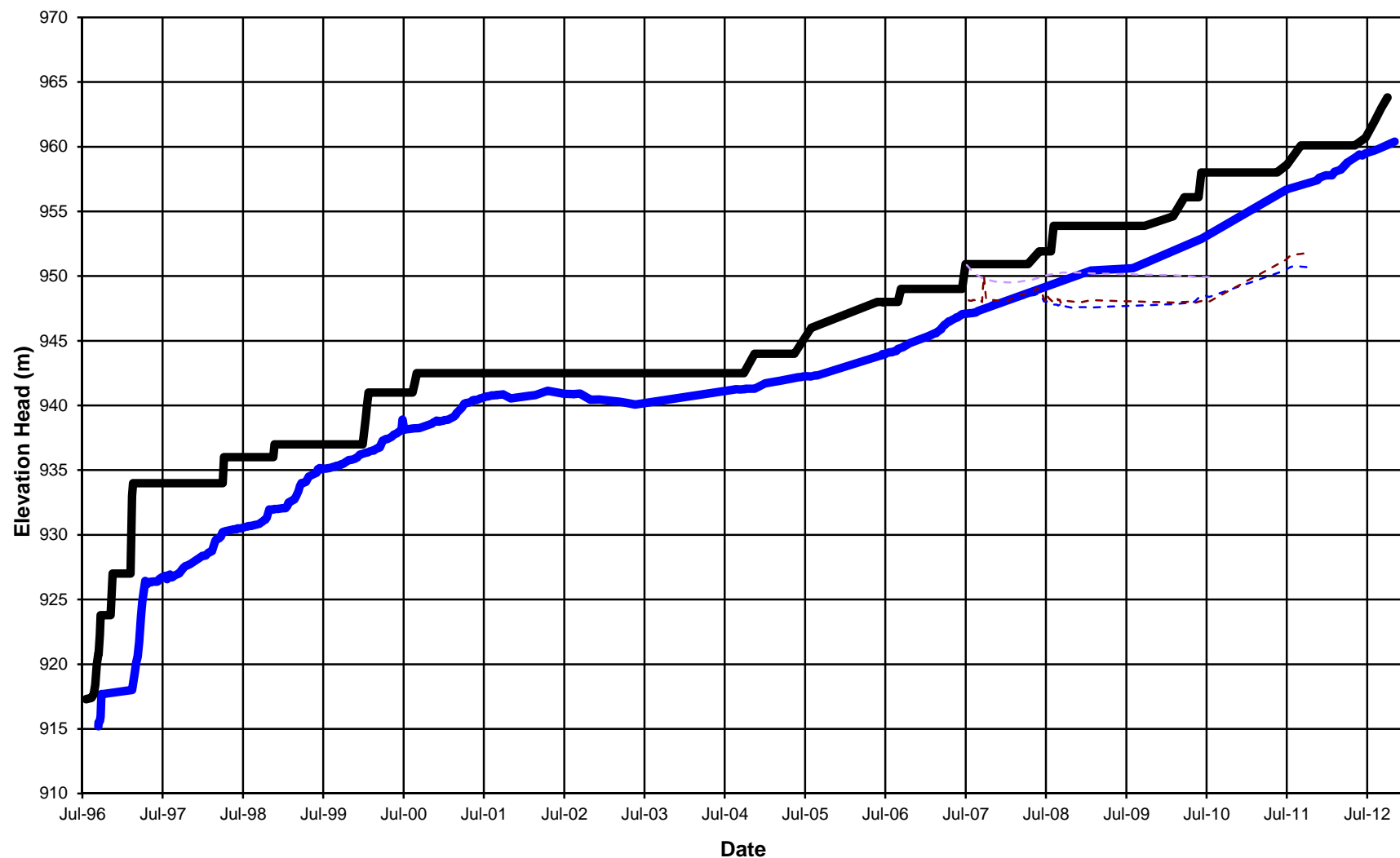
MOUNT POLLEY MINE

**TAILINGS STORAGE FACILITY
PLANE G PIEZOMETERS
ELEVATION vs. TIME**



| | | |
|-------------------------|-------------------|------|
| PROJECT NO. 1197-001 | Date. MAR 2013 | REV. |
|-------------------------|-------------------|------|

FIGURE D-7



— Pond Level

— Fill Elevation

- - - (DEAD) H1 Tailings

- - - (DEAD) H2 Upstream Fill

- - - DEAD (H2-PE2-02)

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**TAILINGS STORAGE FACILITY
PLANE H PIEZOMETERS
ELEVATION vs. TIME**



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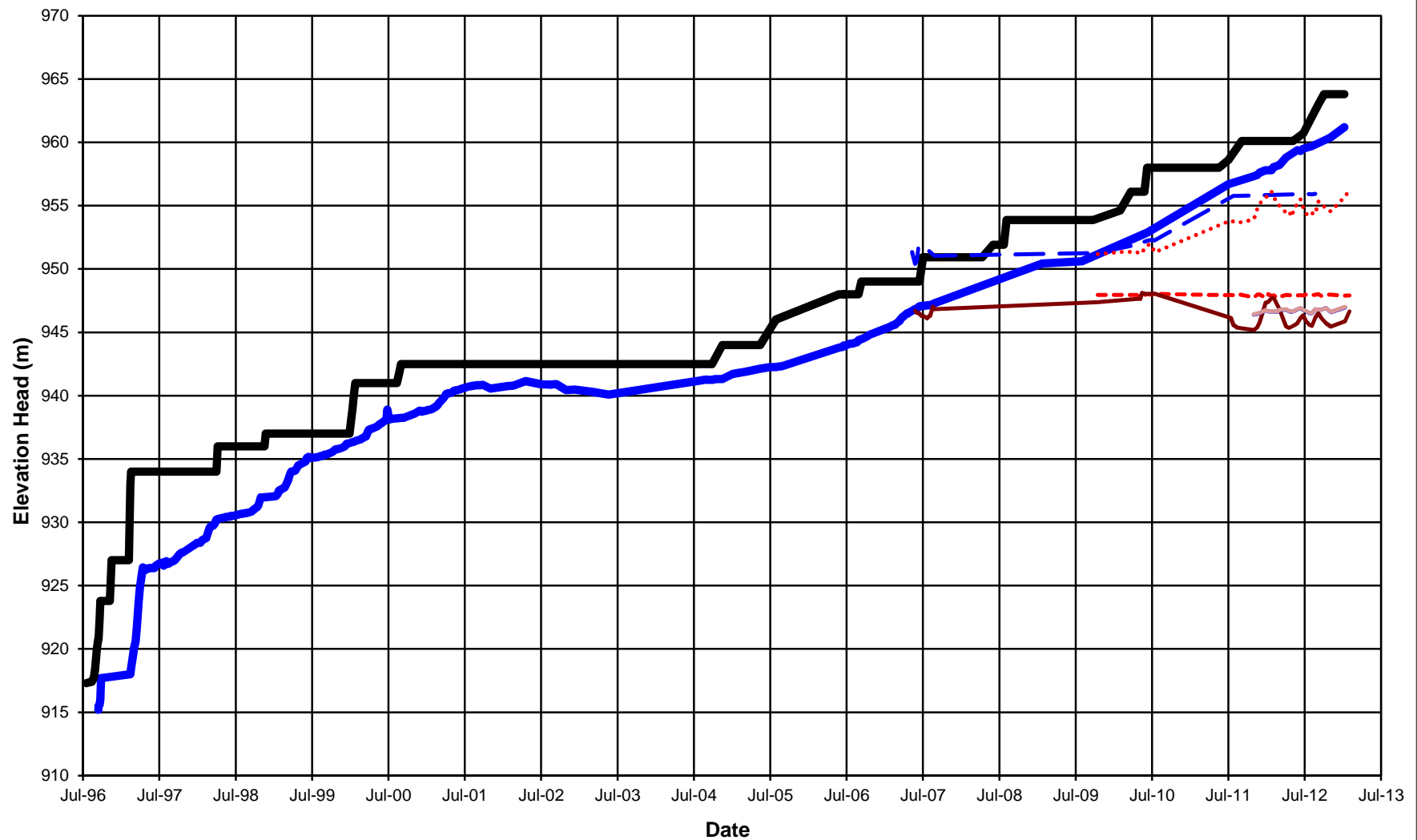
PROJECT NO.
1197-001

Date.
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FIGURE D-8

AMEC010406_0074



- Pond Level
- Fill Elevation
- - I1 Till Core
- - - I3 Filter
- I4 Tailings
- I2 Foundation
- I5 Foundation
- I6 Foundation
- - - DEAD (I2-PE2-01)

MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

**TAILINGS STORAGE FACILITY
PLANE I PIEZOMETERS
ELEVATION vs. TIME**



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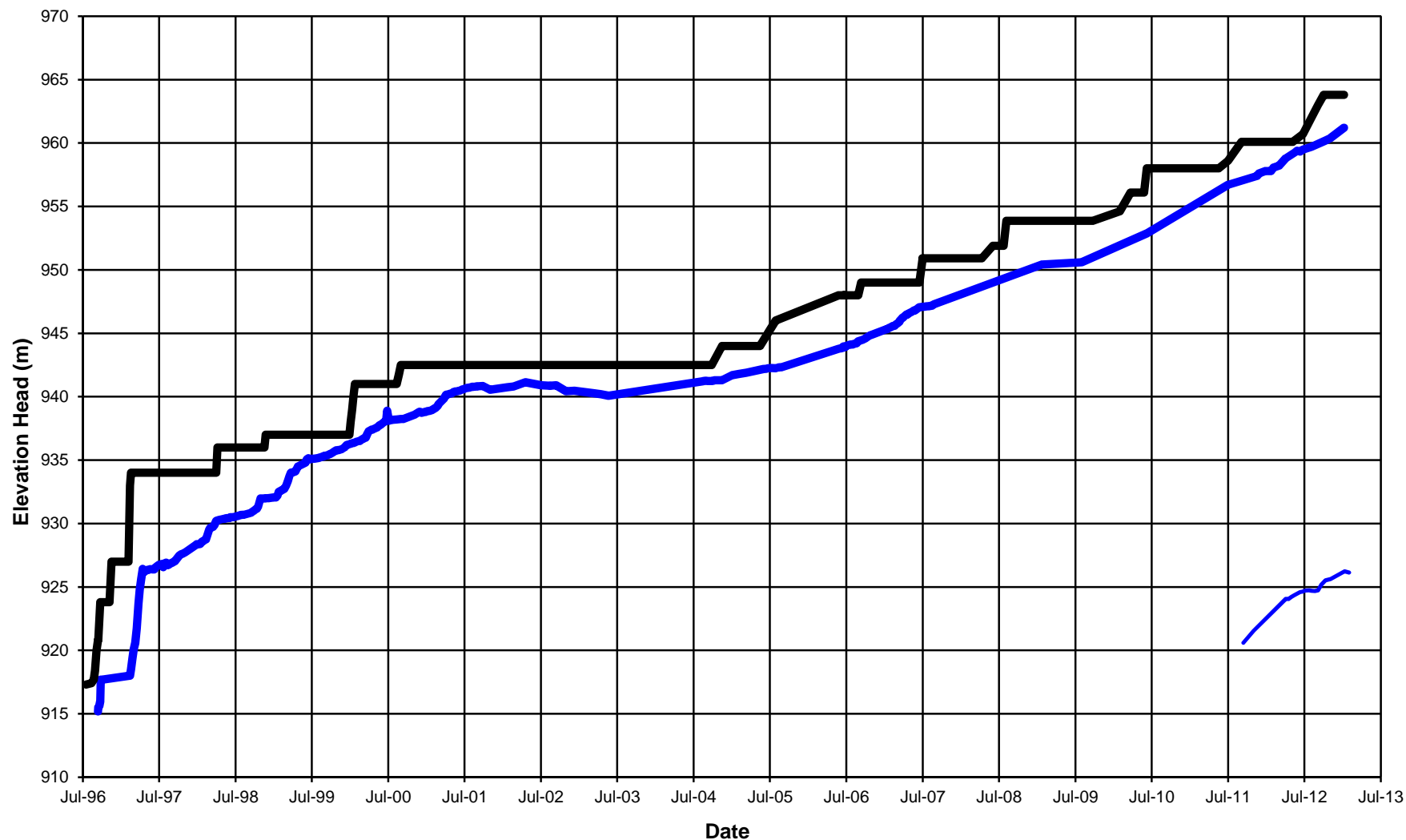
PROJECT NO.
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FIGURE D-9

AMEC010406_0075



— Pond Level

— Fill Elevation

— J1 Foundation

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MOUNT POLLEY MINE

**TAILINGS STORAGE FACILITY
PLANE J PIEZOMETERS
ELEVATION vs. TIME**



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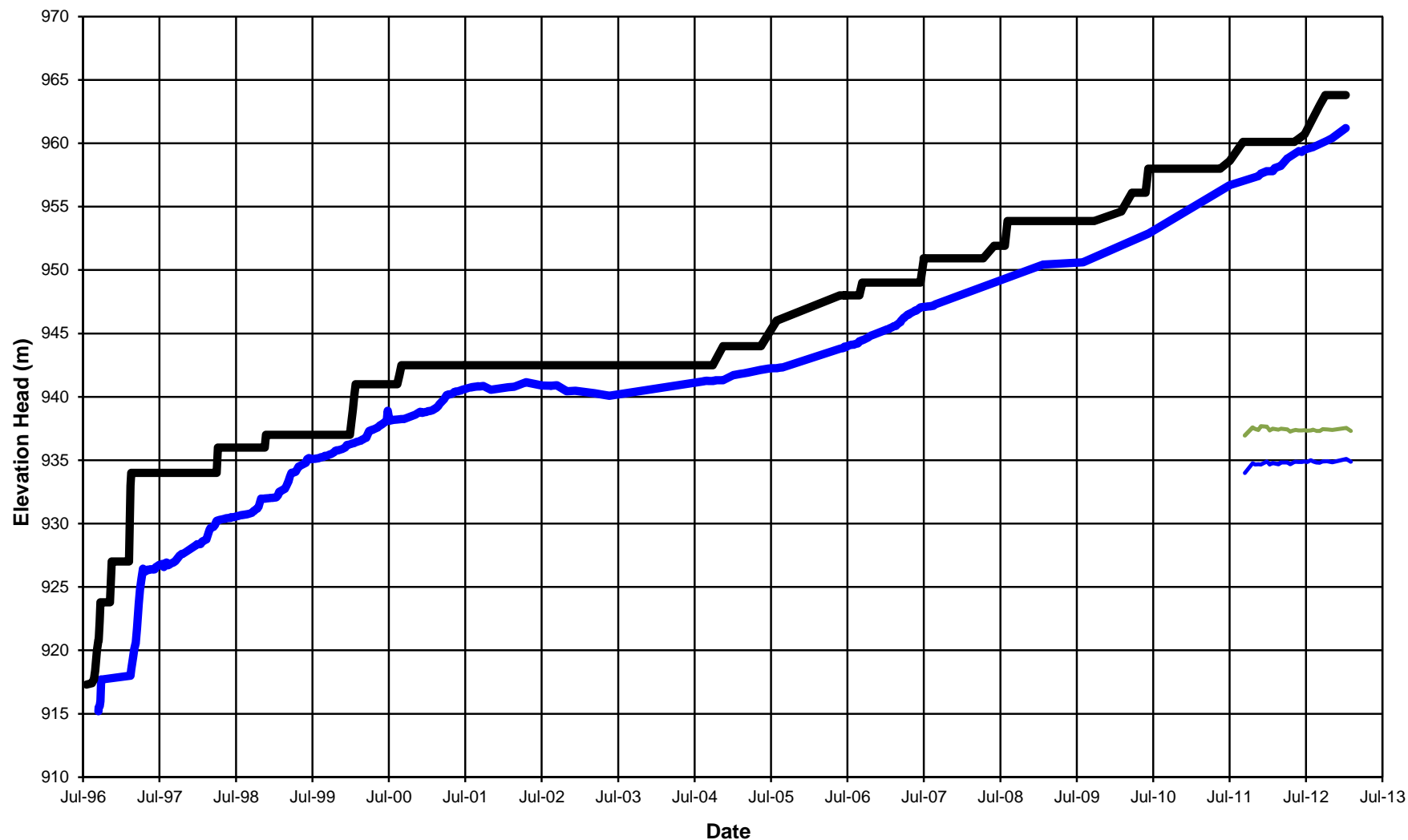
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1197-001

Date.
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FIGURE D-10

AMEC010406_0076



MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

**TAILINGS STORAGE FACILITY
PLANE K PIEZOMETERS
ELEVATION vs. TIME**



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PROJECT NO.
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Date.
MAR 2013

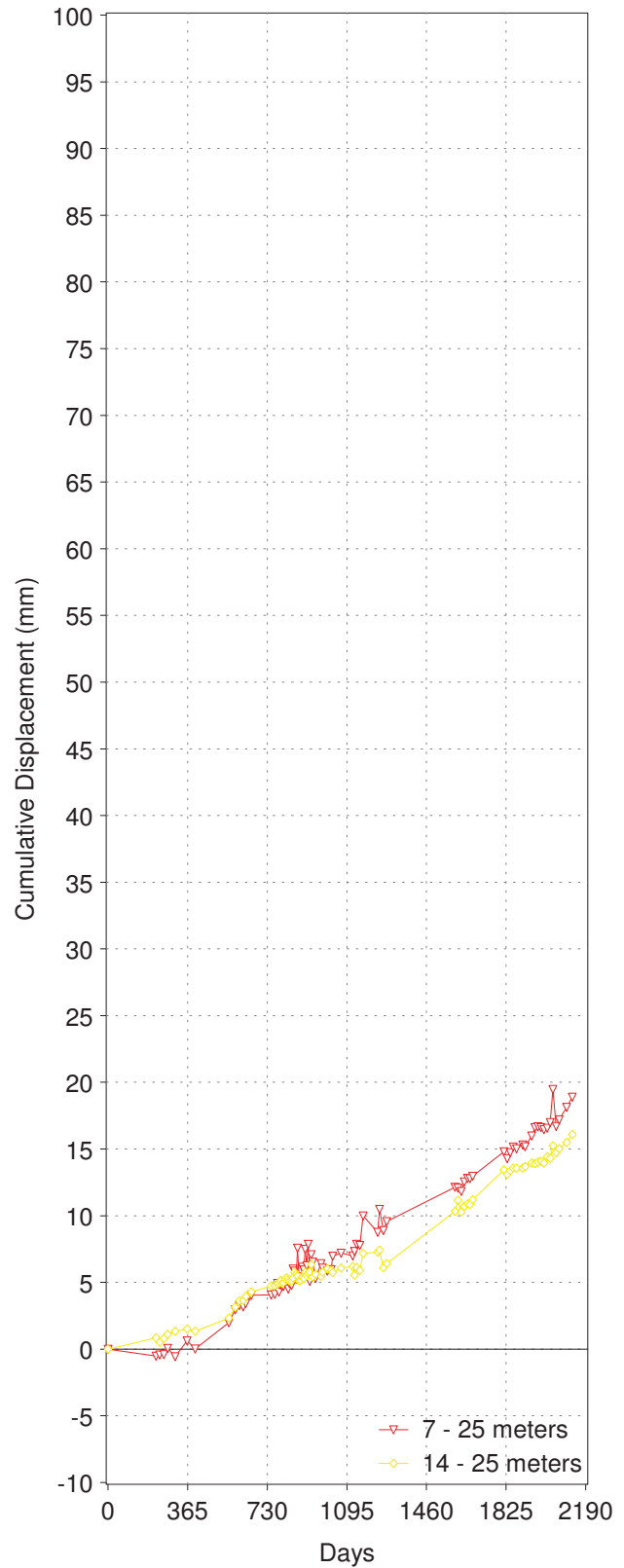
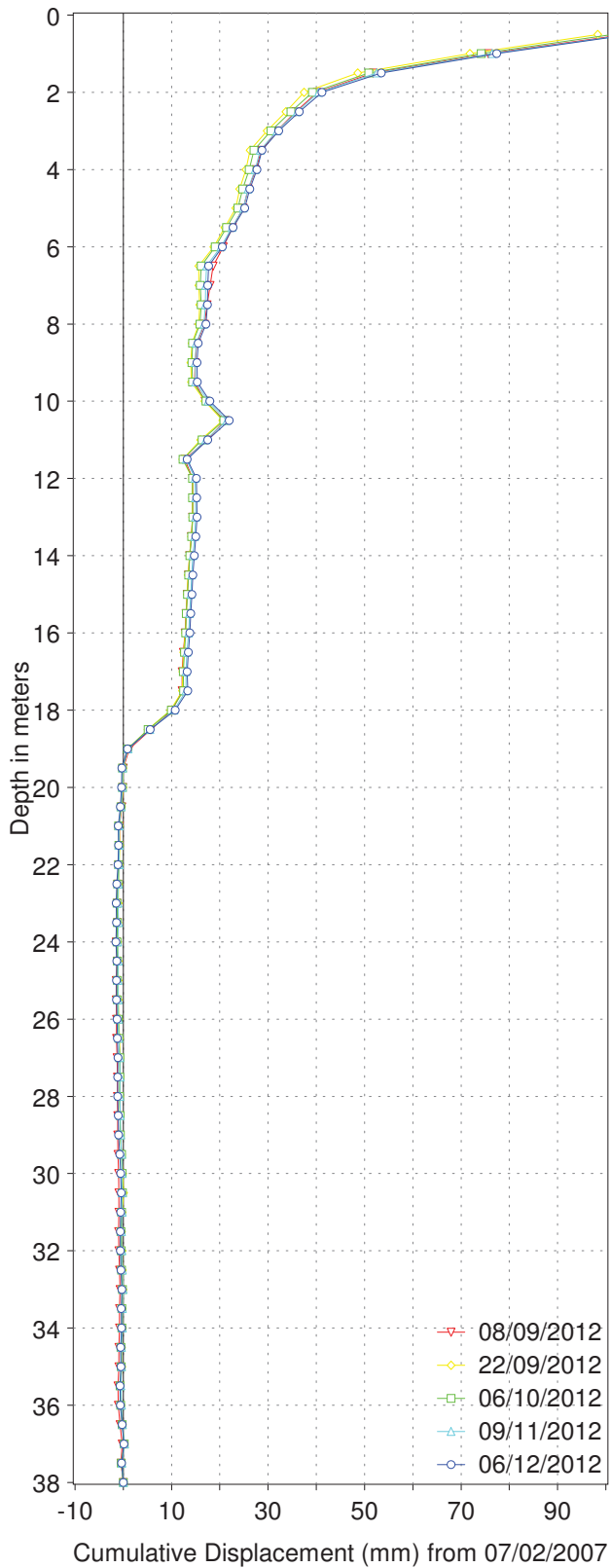
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FIGURE D-11

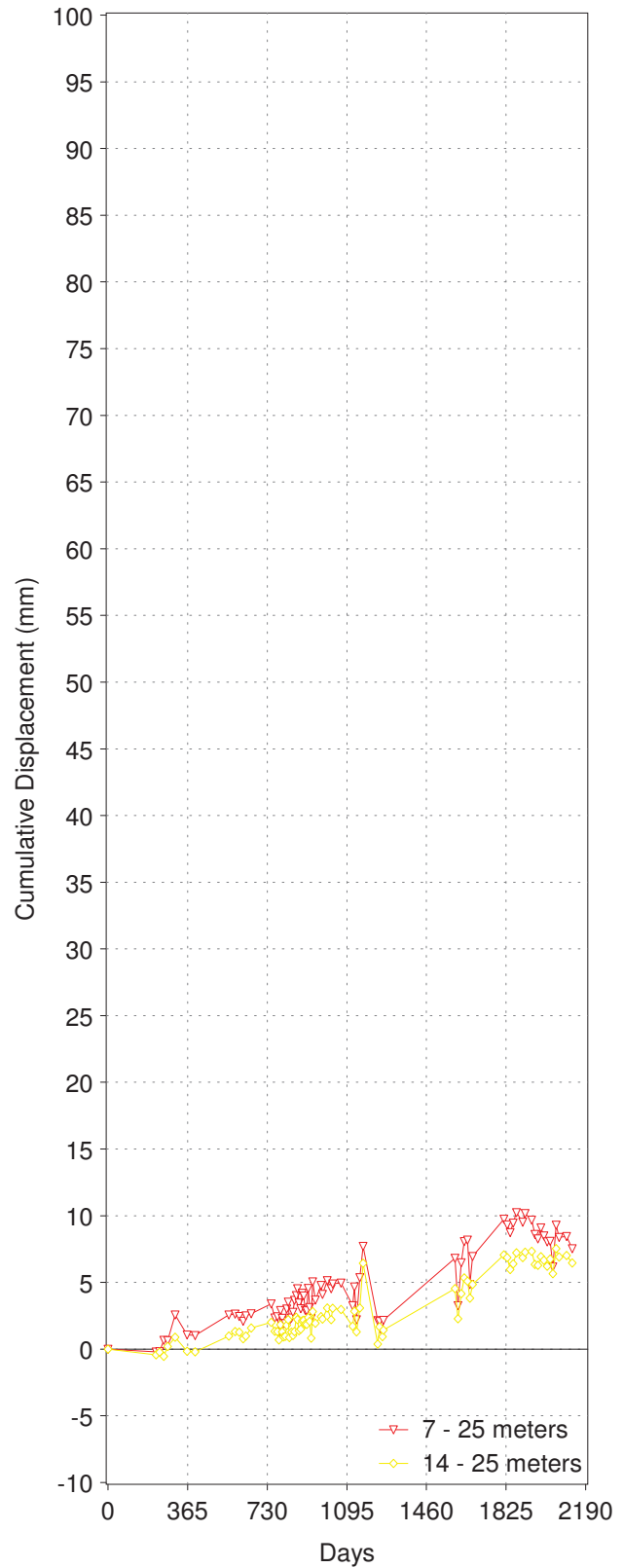
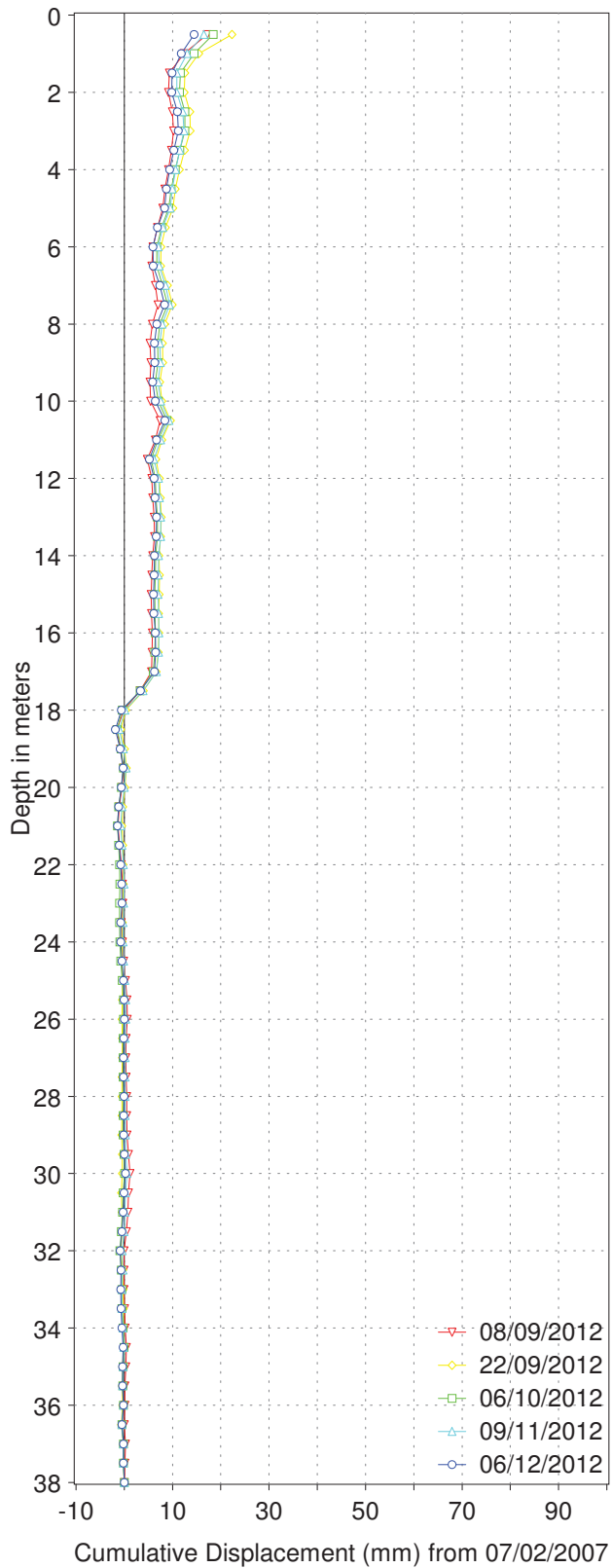
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APPENDIX E INCLINOMETER DATA PLOTS

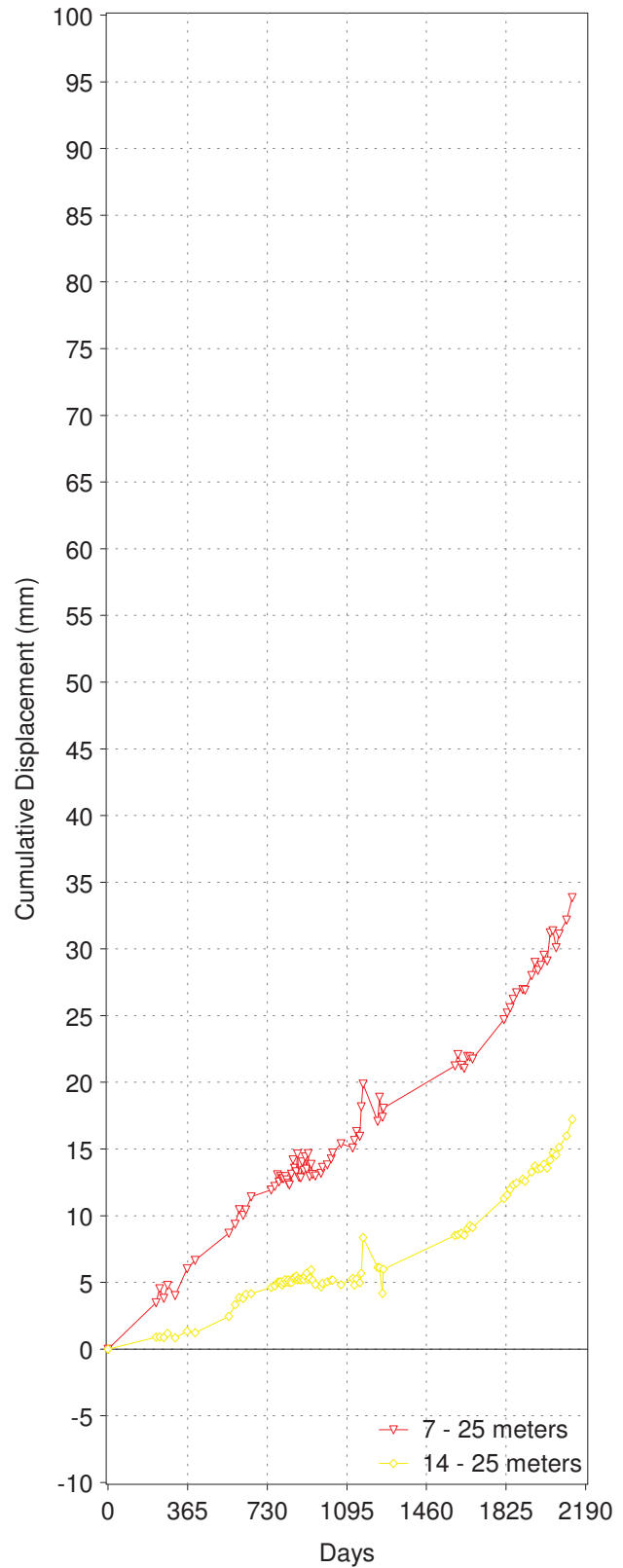
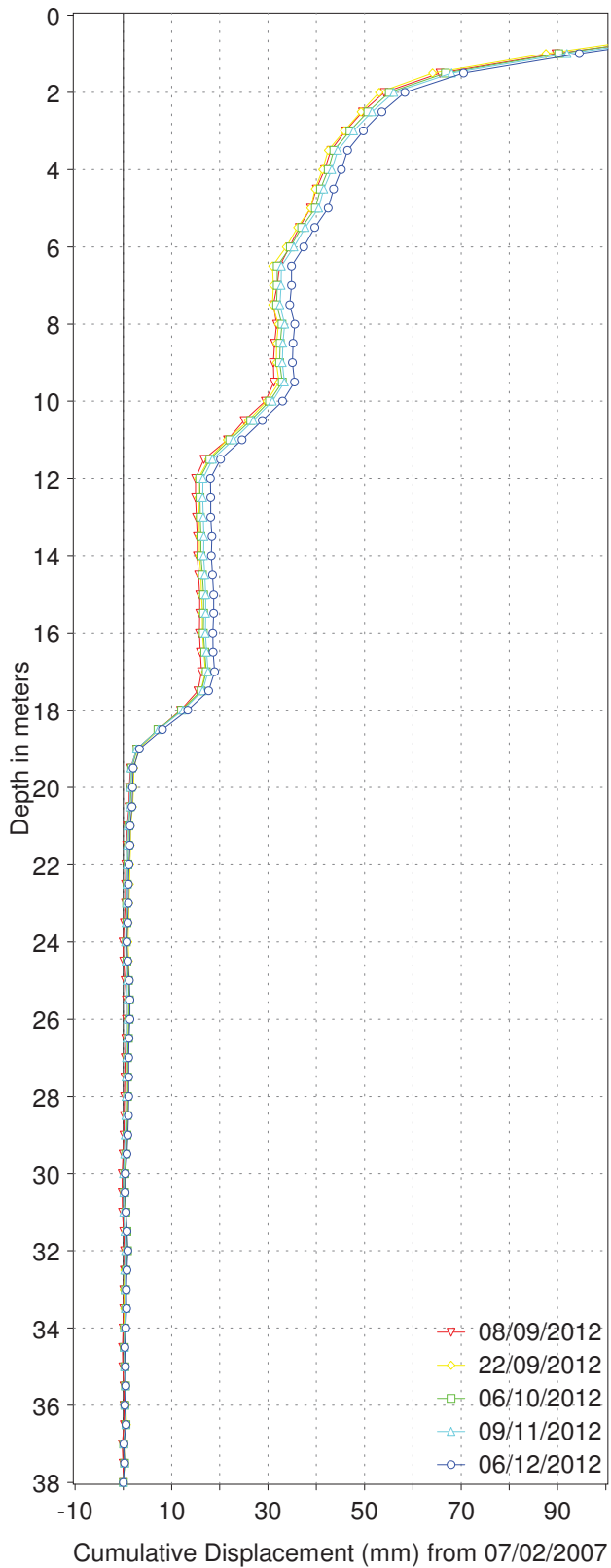
Mt. Polley
Cumulative & Time Displacement
SI01-02 A-Axis



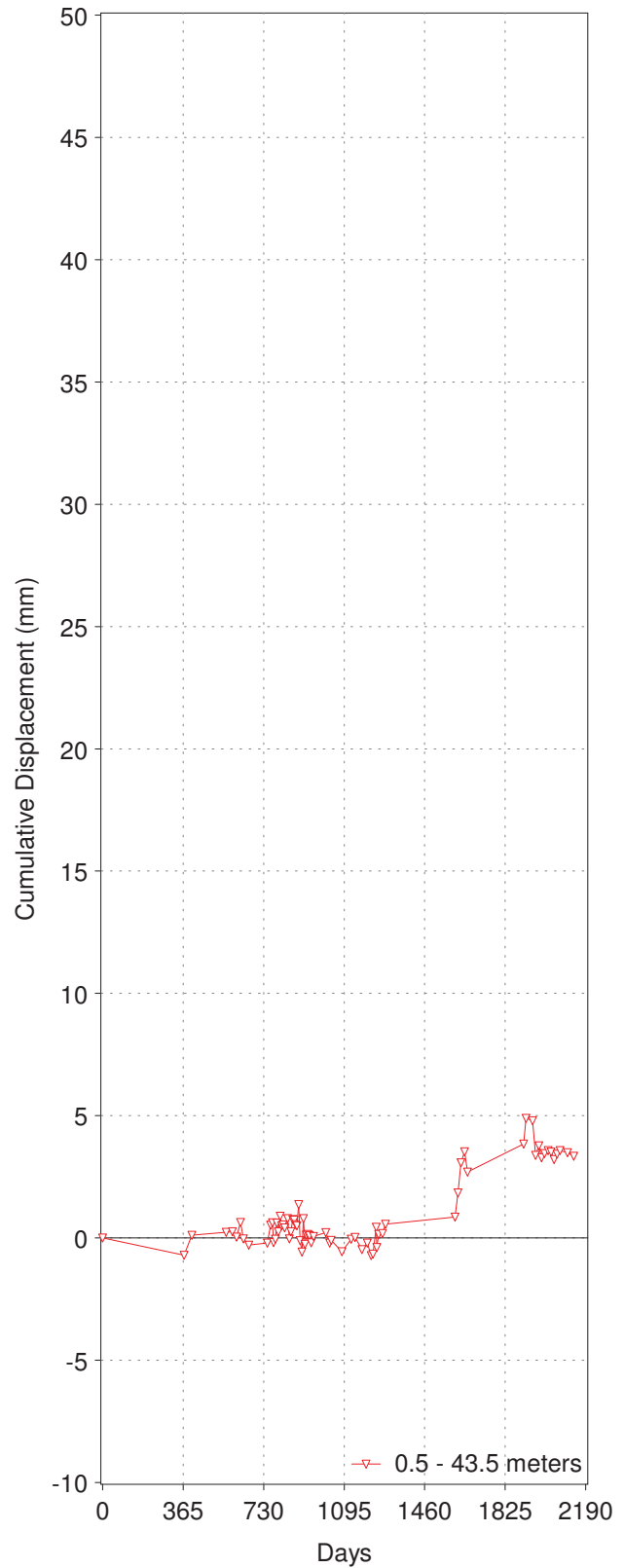
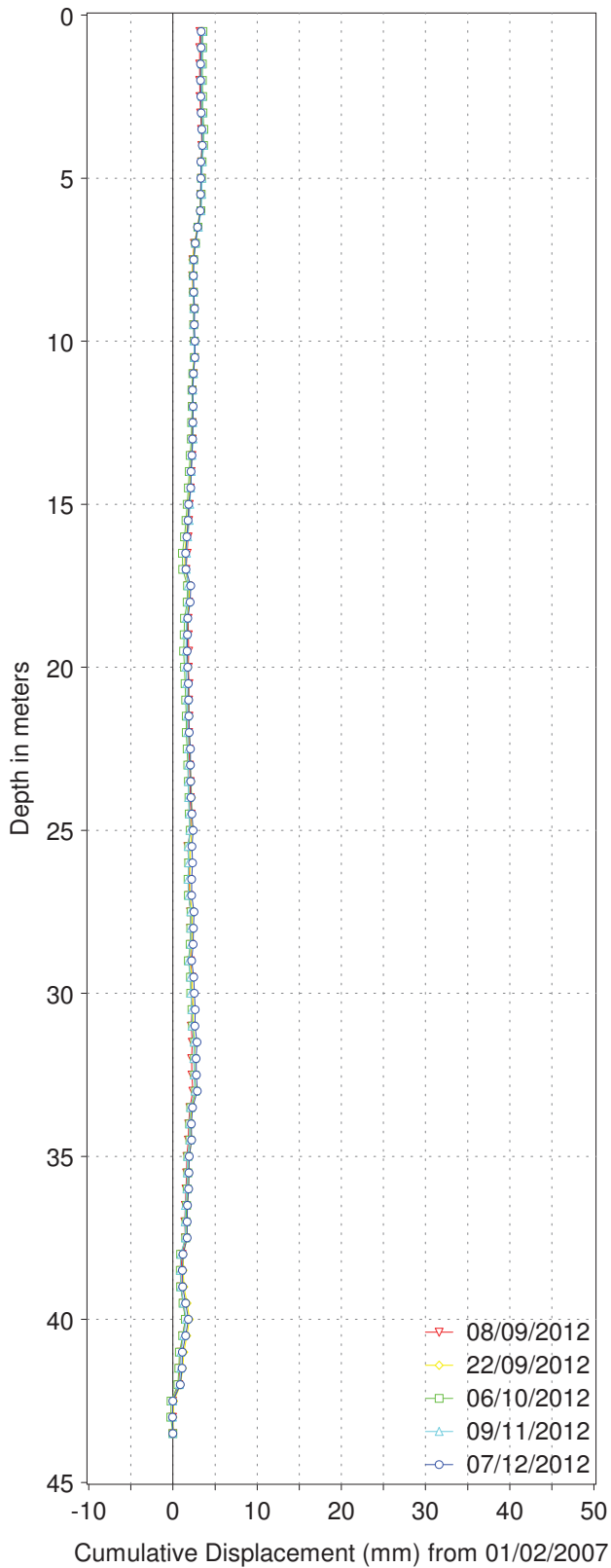
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Cumulative & Incremental Displacement
SI01-02 B-Axis



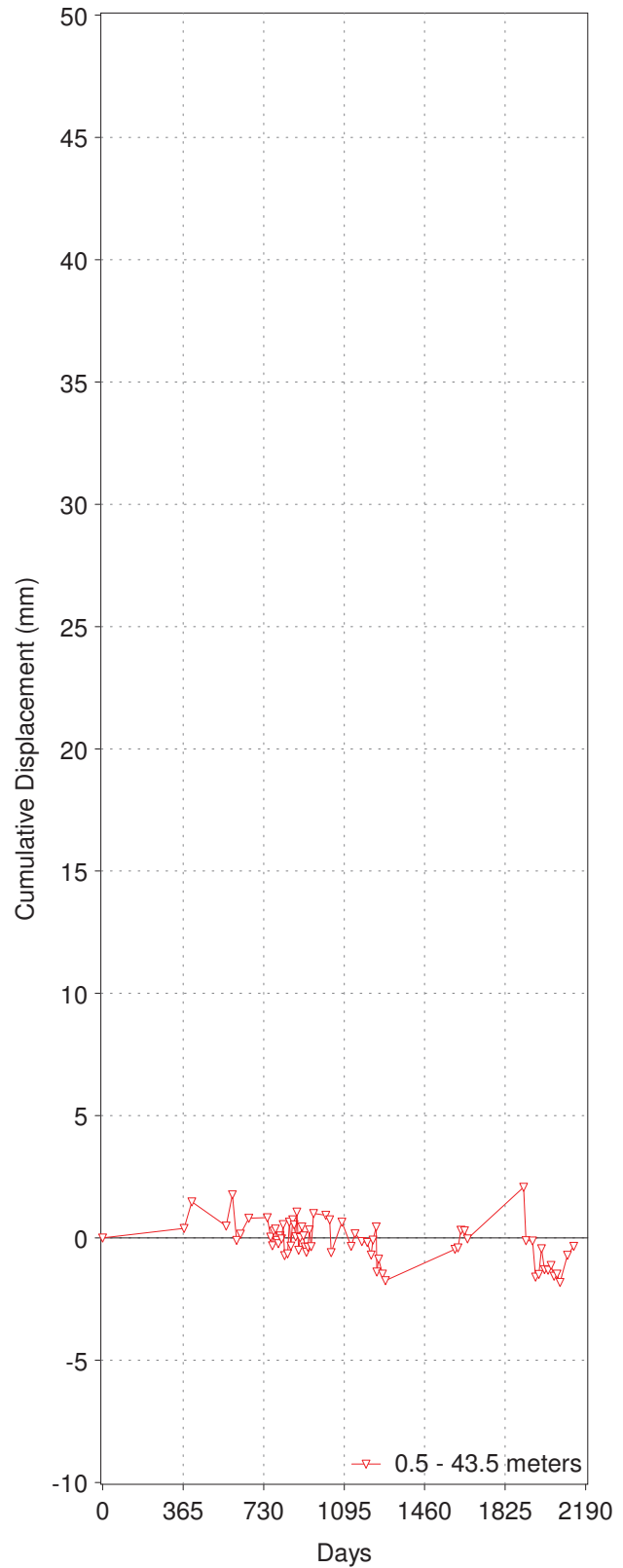
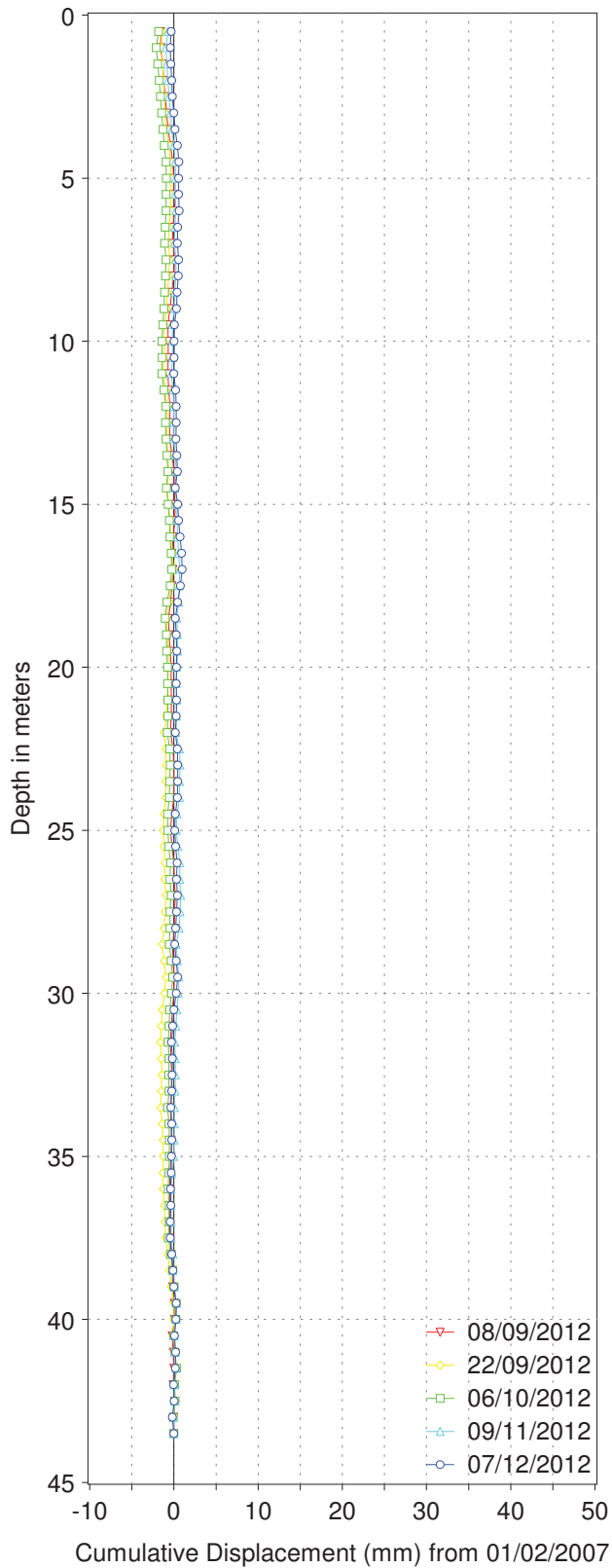
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Cumulative & Incremental Displacement
SI01-02 AB-Axis



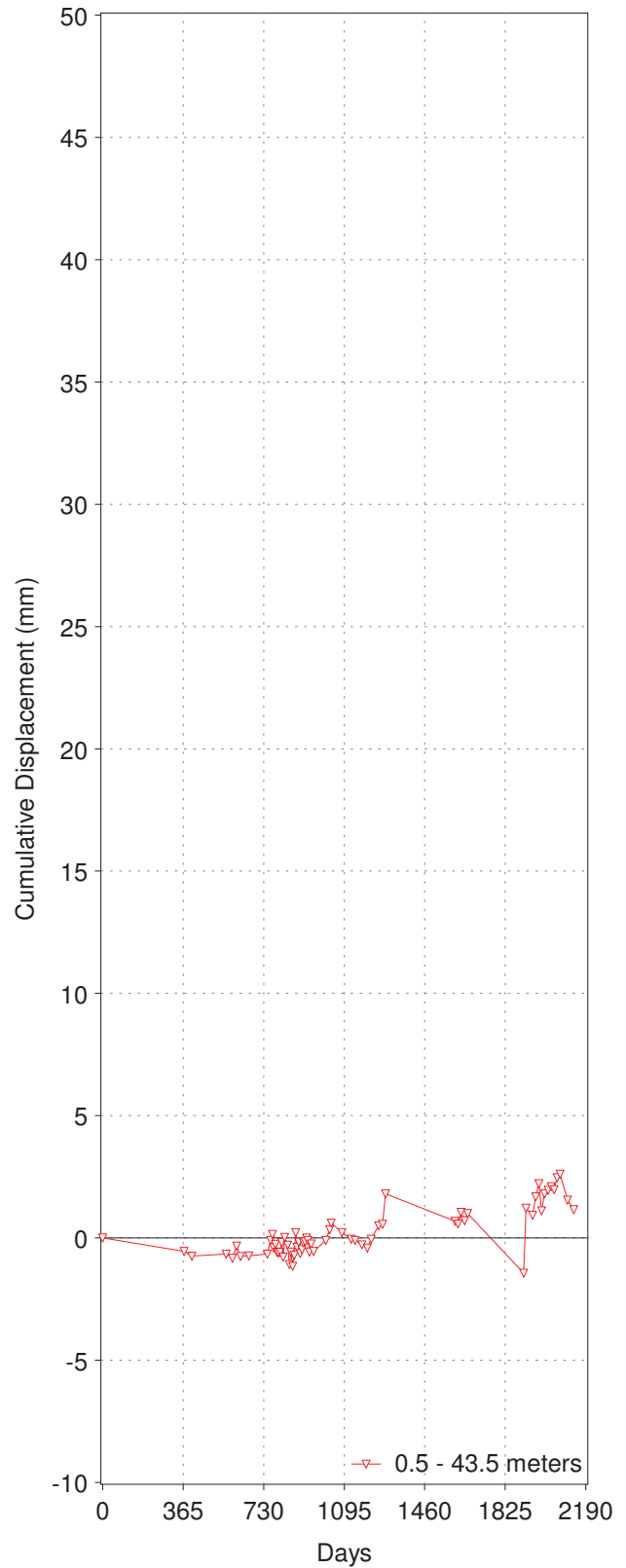
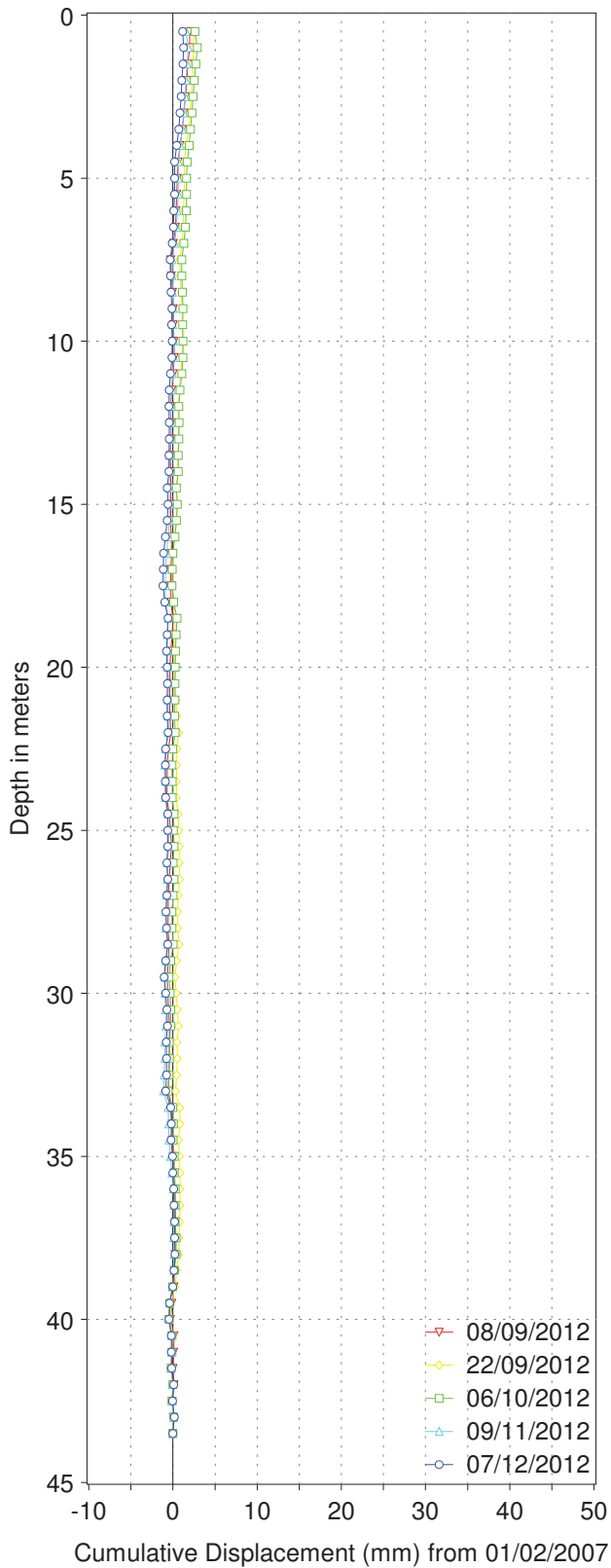
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Cumulative & Time Displacement
SI06-01 A-Axis



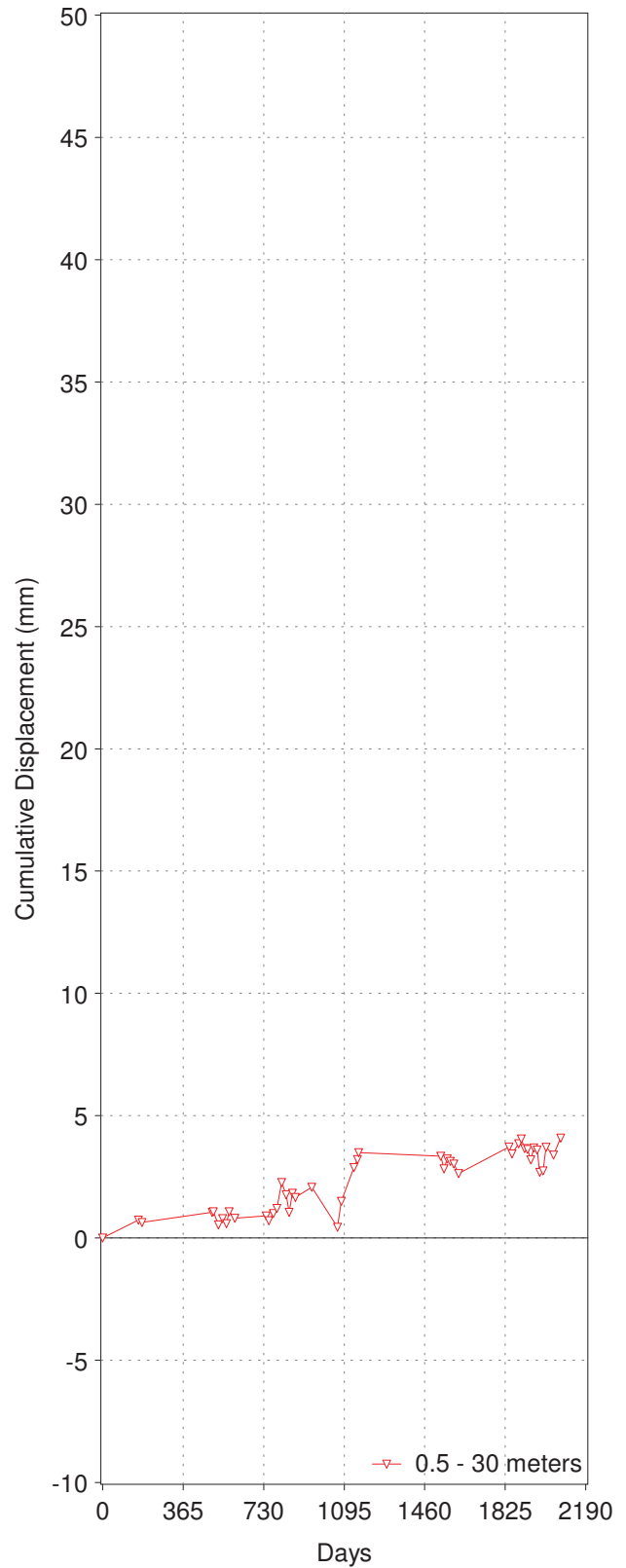
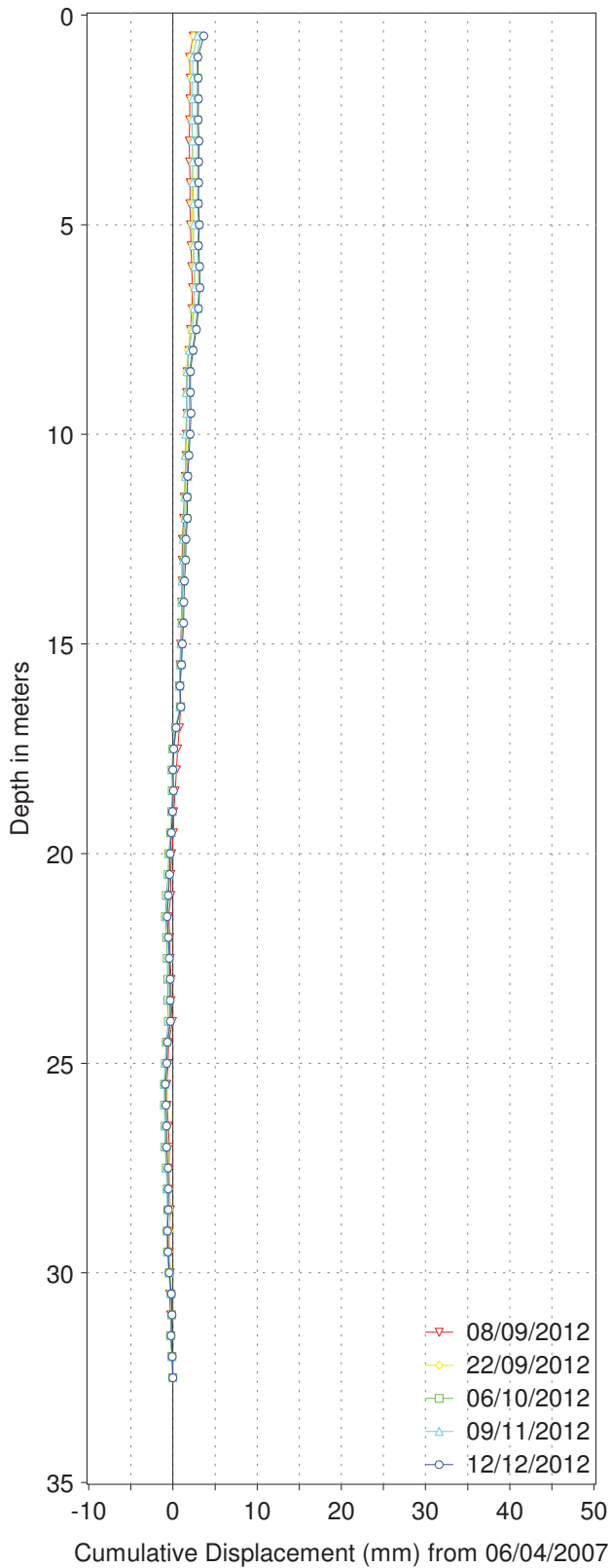
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Cumulative & Time Displacement
SI06-01 B-Axis



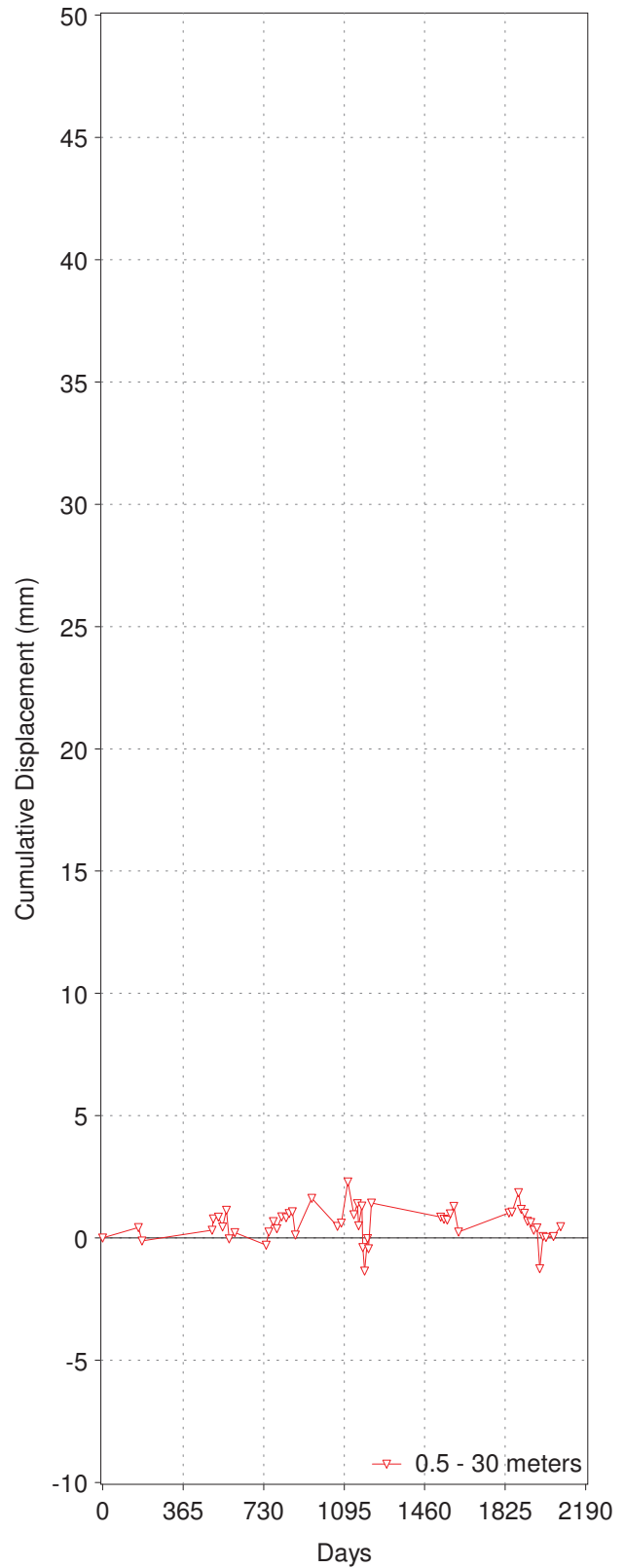
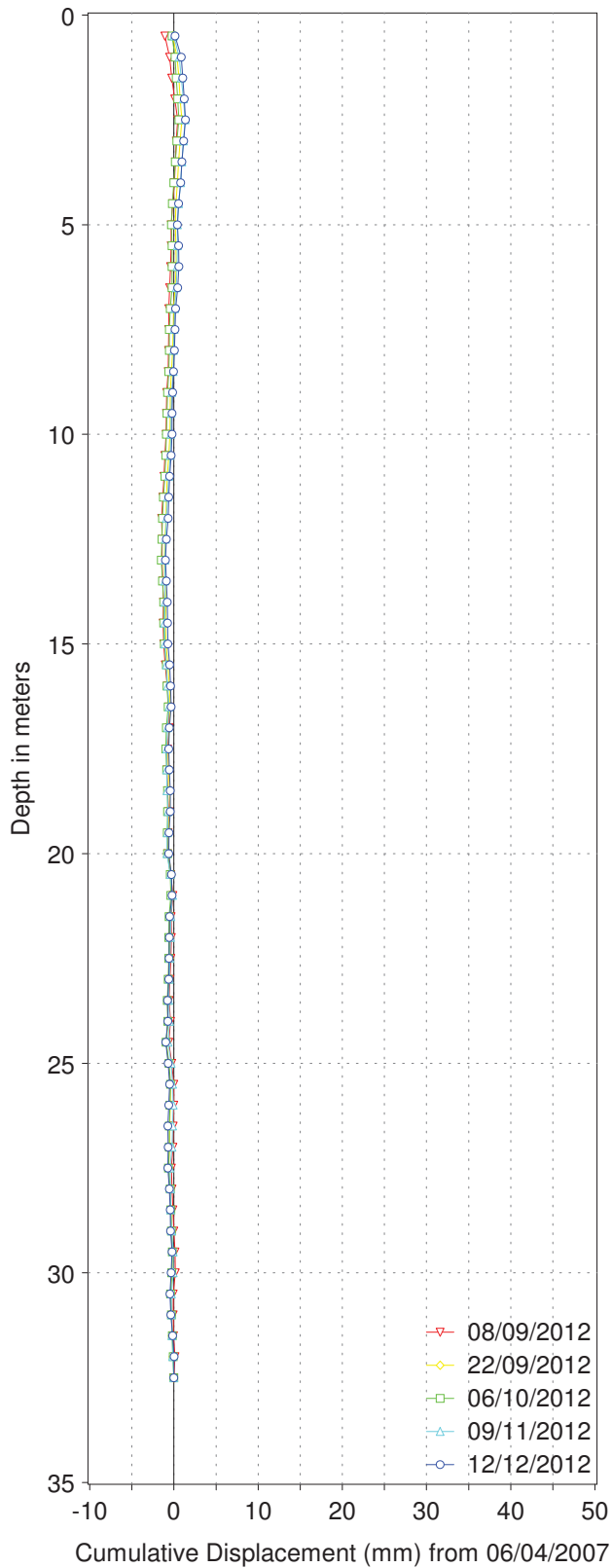
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Cumulative & Time Displacement
SI06-01 AB-Axis



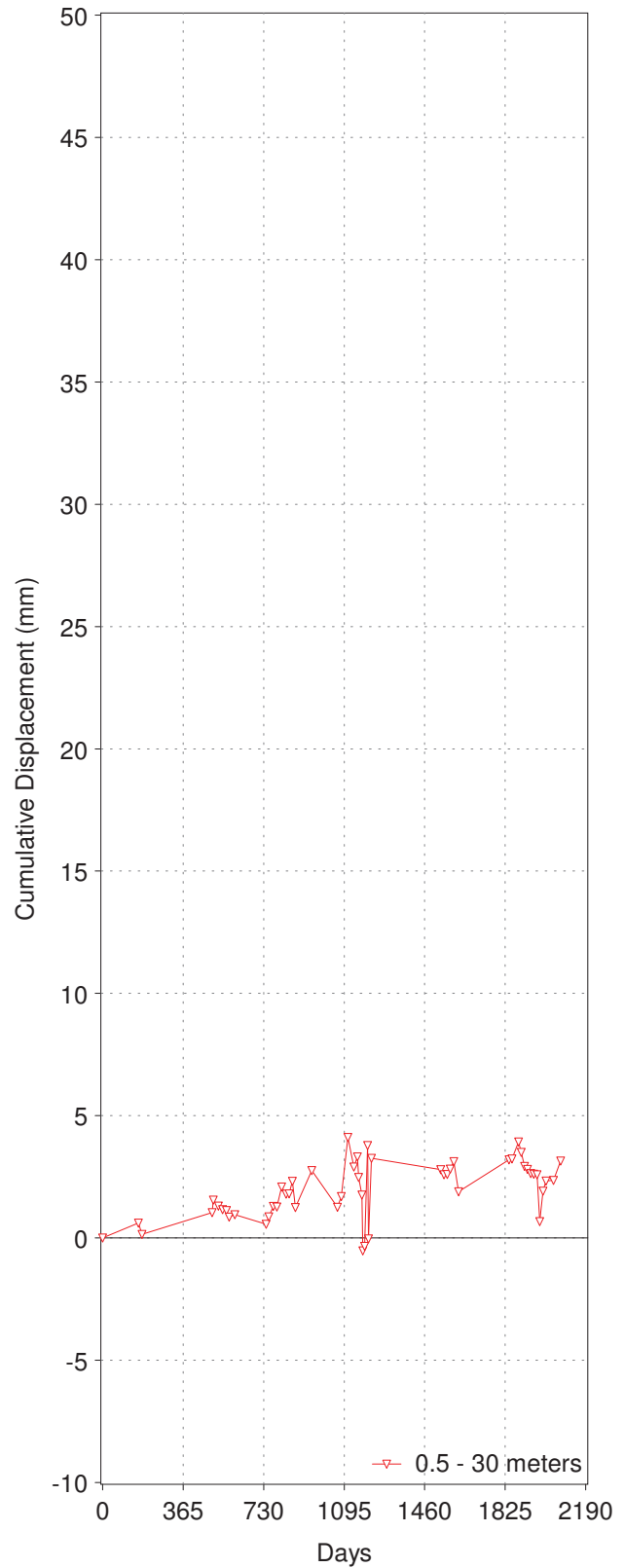
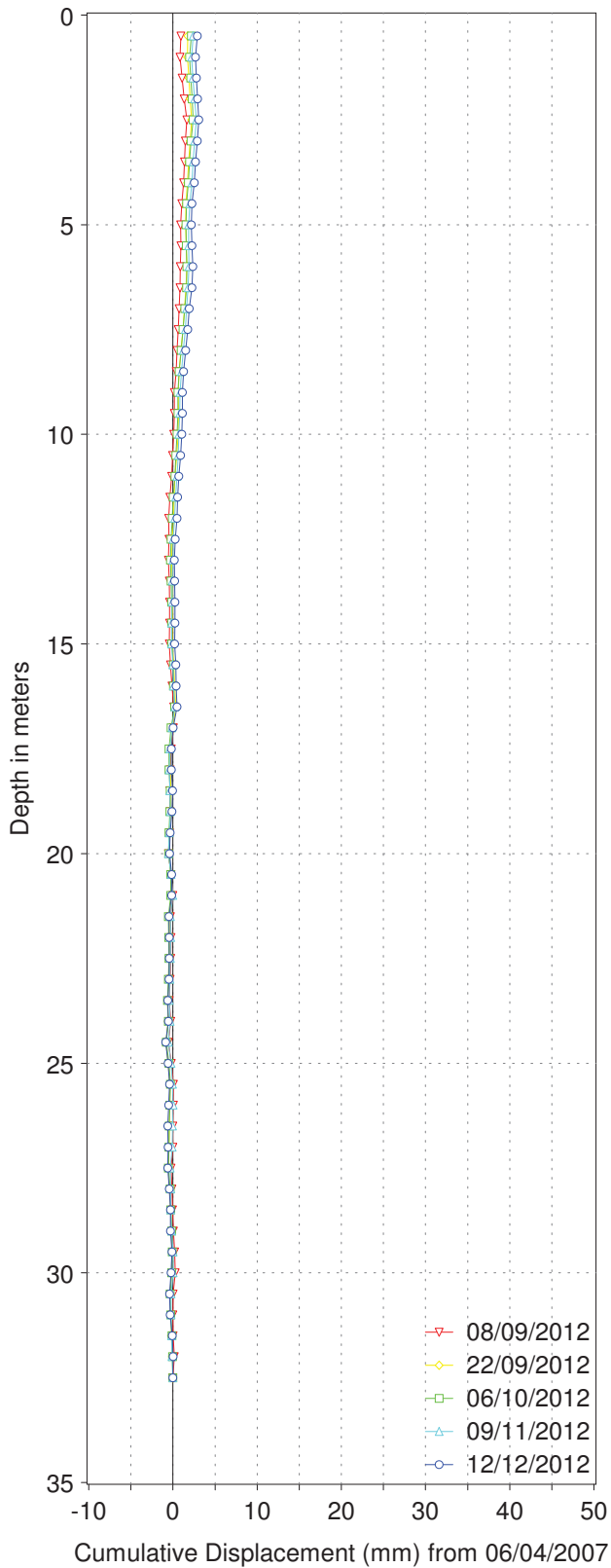
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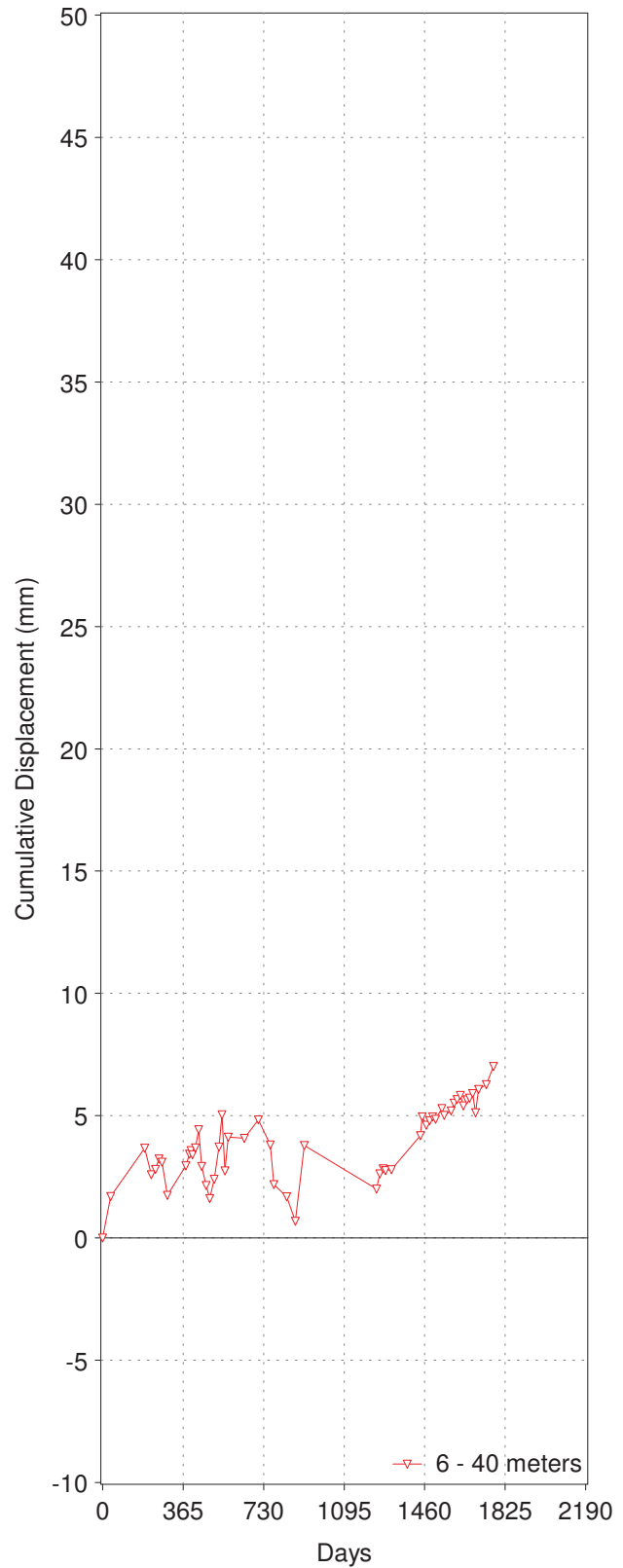
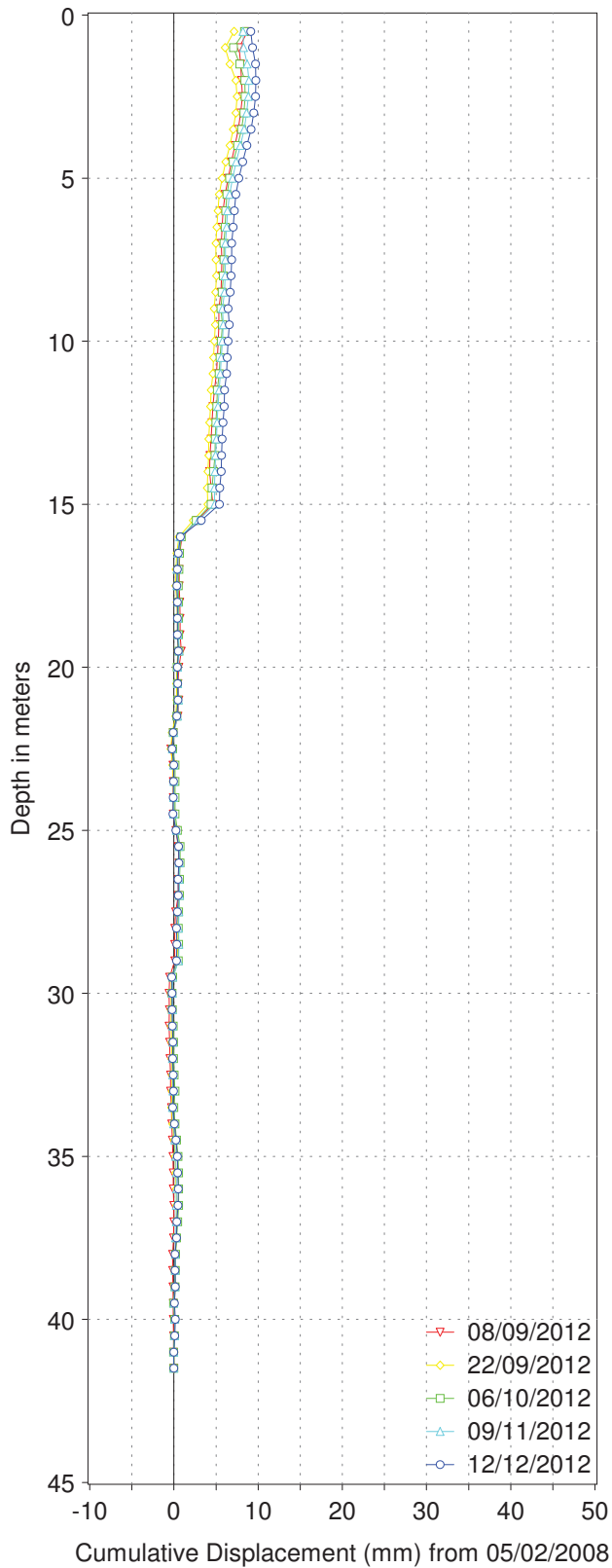
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Cumulative & Time Displacement
SI06-02 B-Axis



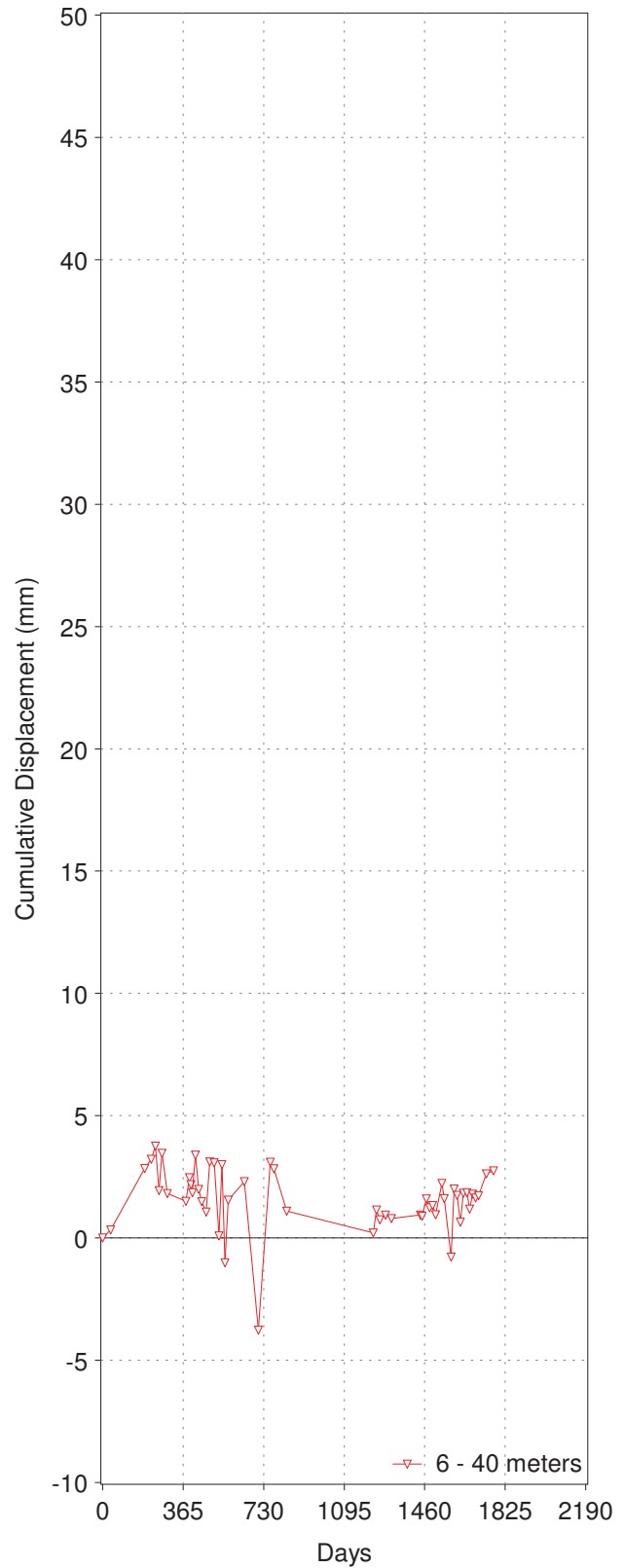
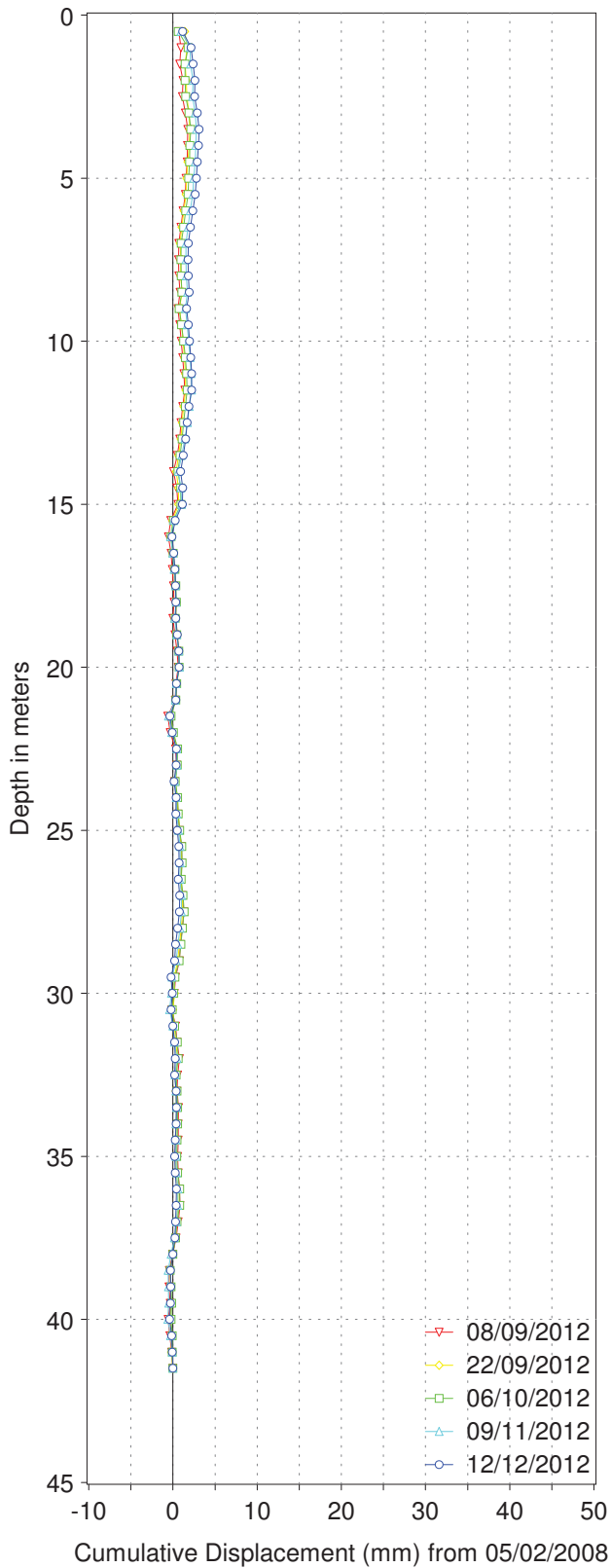
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Cumulative & Time Displacement
SI06-02 AB-Axis



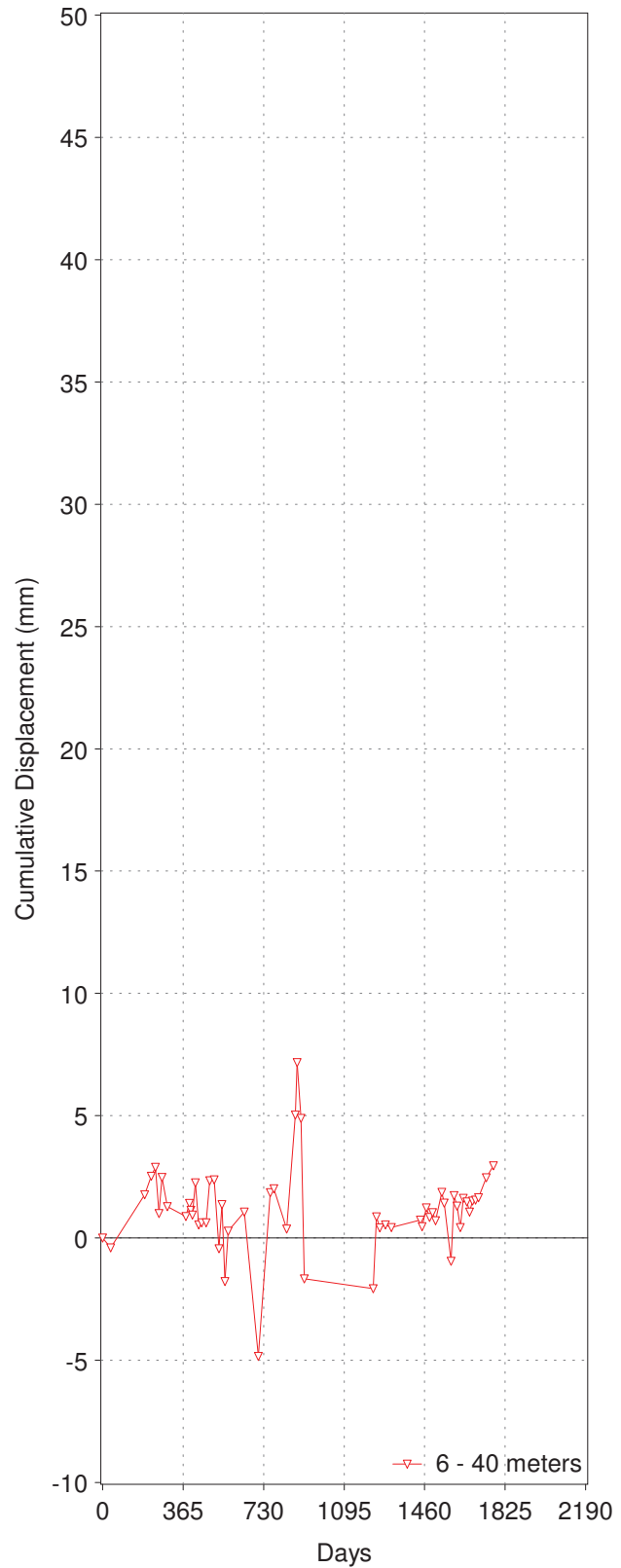
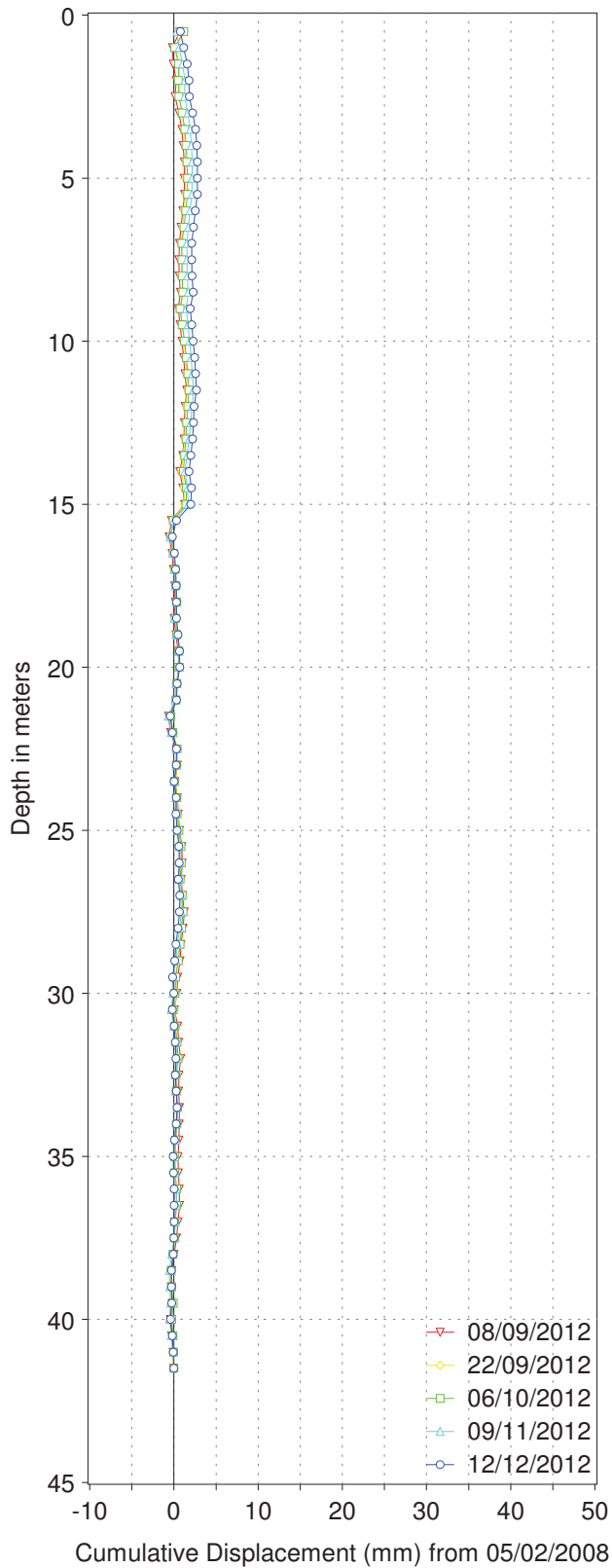
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SI06-03 A-Axis



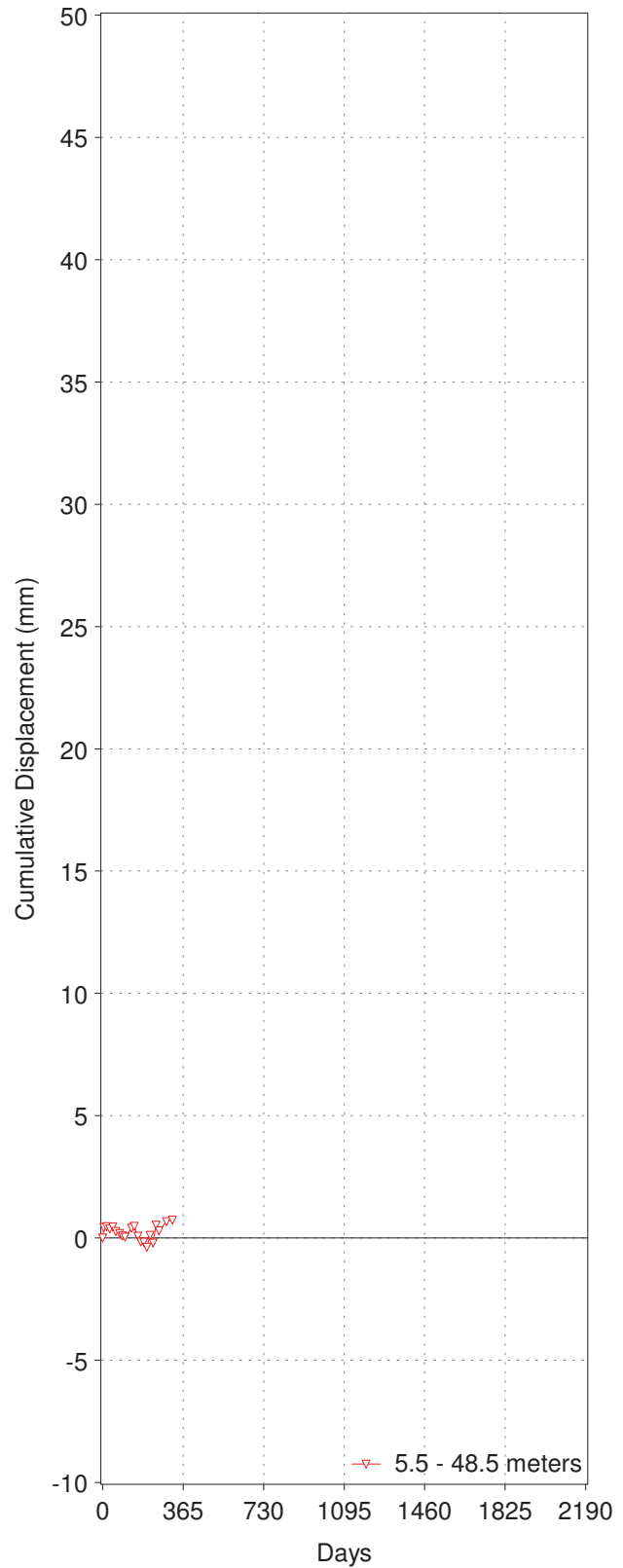
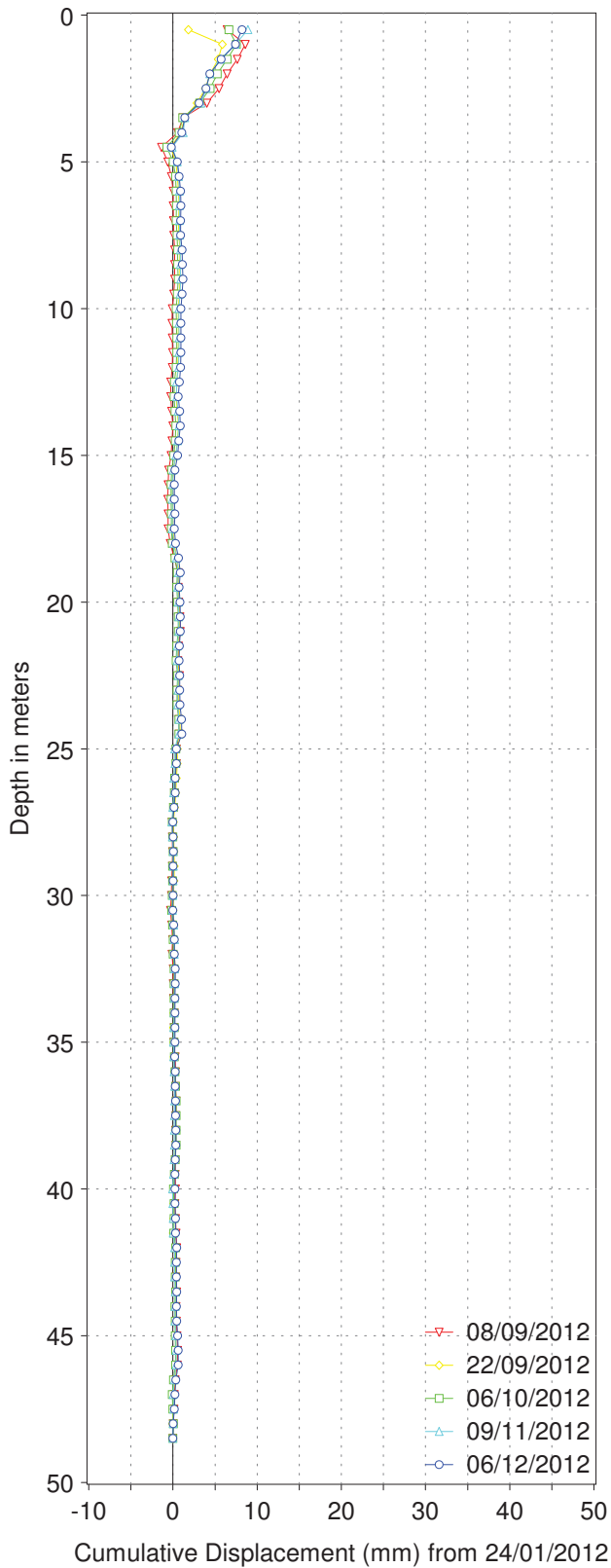
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SI06-03 B-Axis



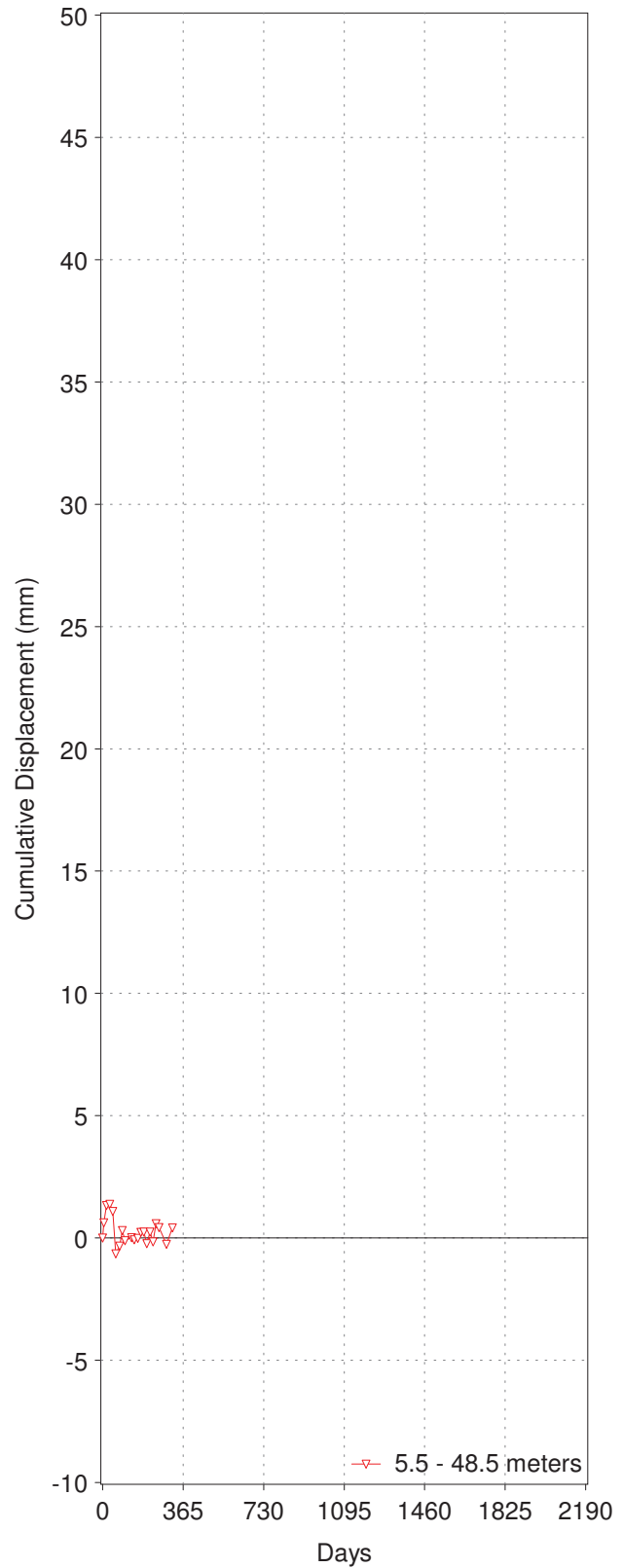
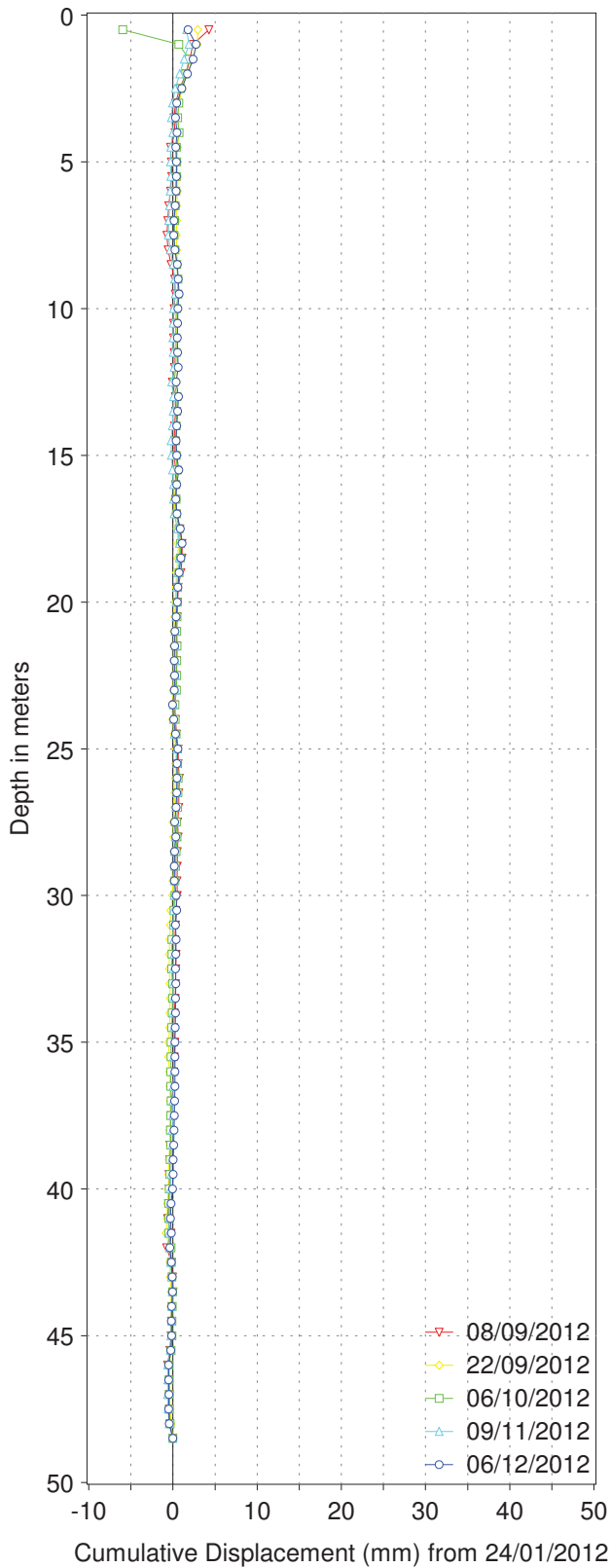
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SI06-03 AB-Axis



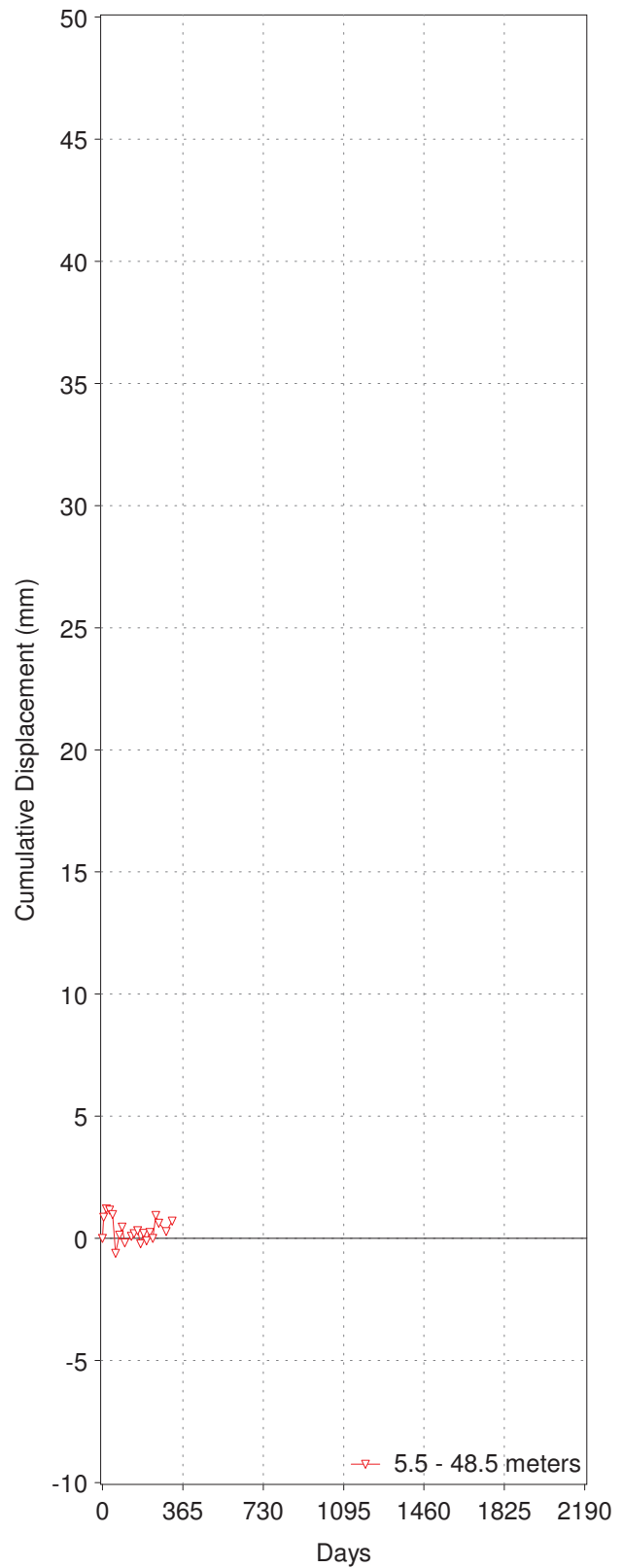
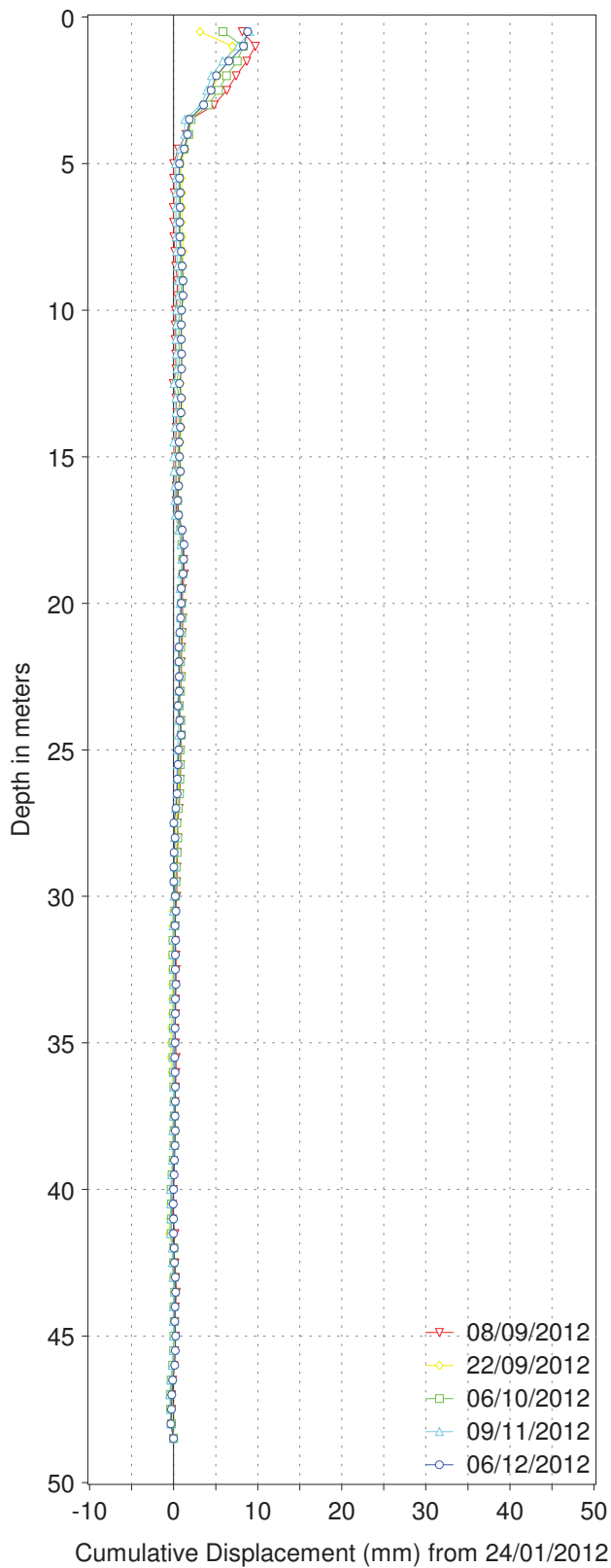
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Cumulative & Time Displacement
SI11-01 A-Axis



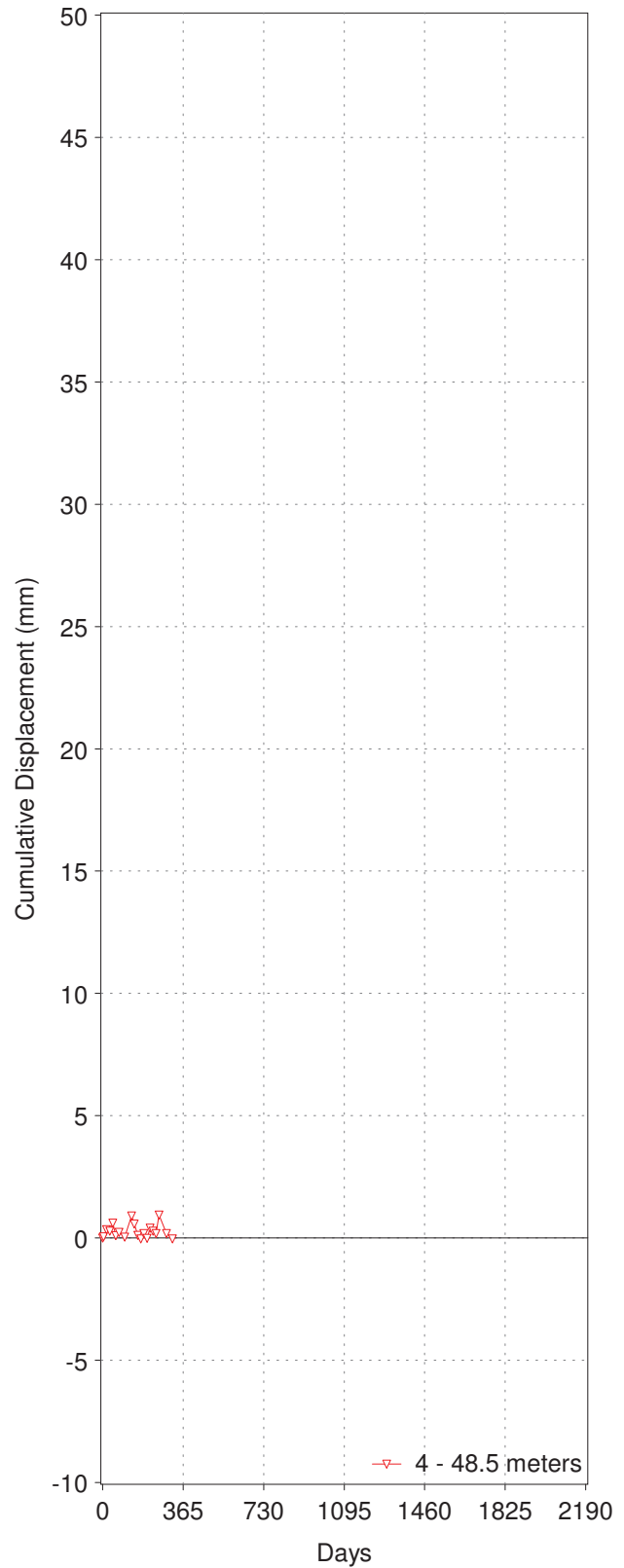
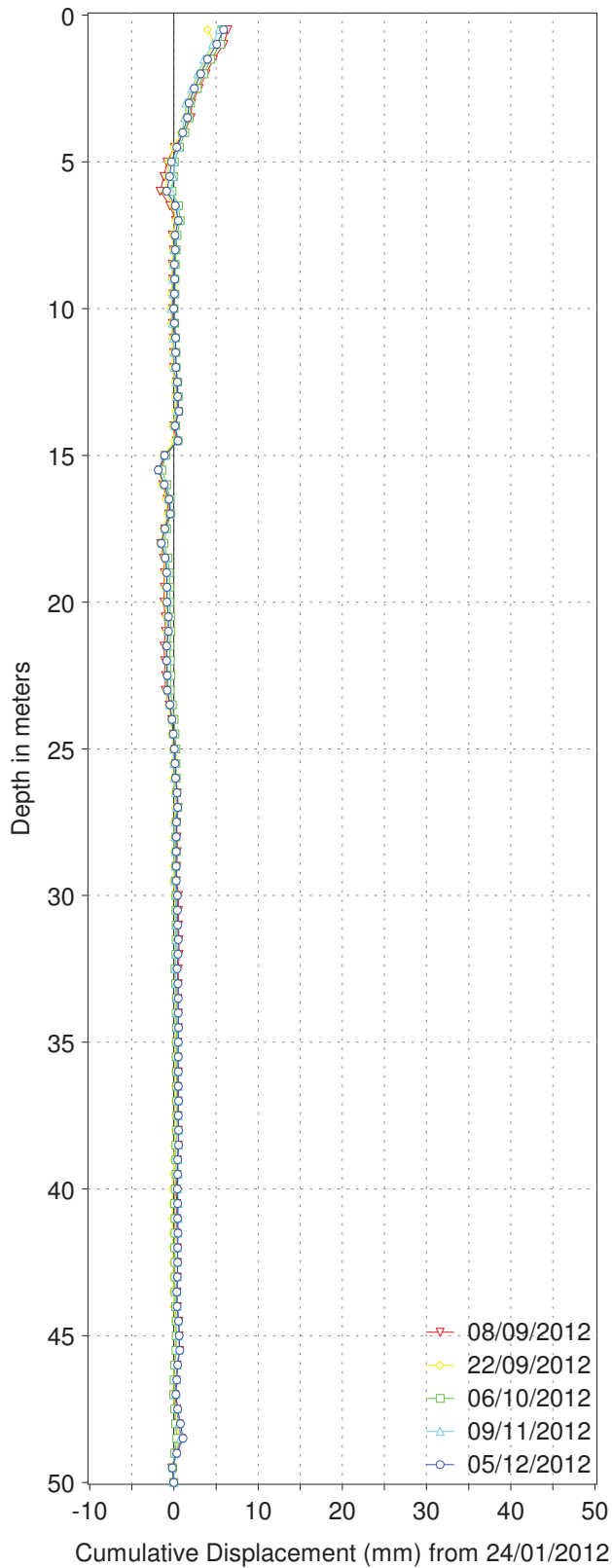
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Cumulative & Time Displacement
SI11-01 B-Axis



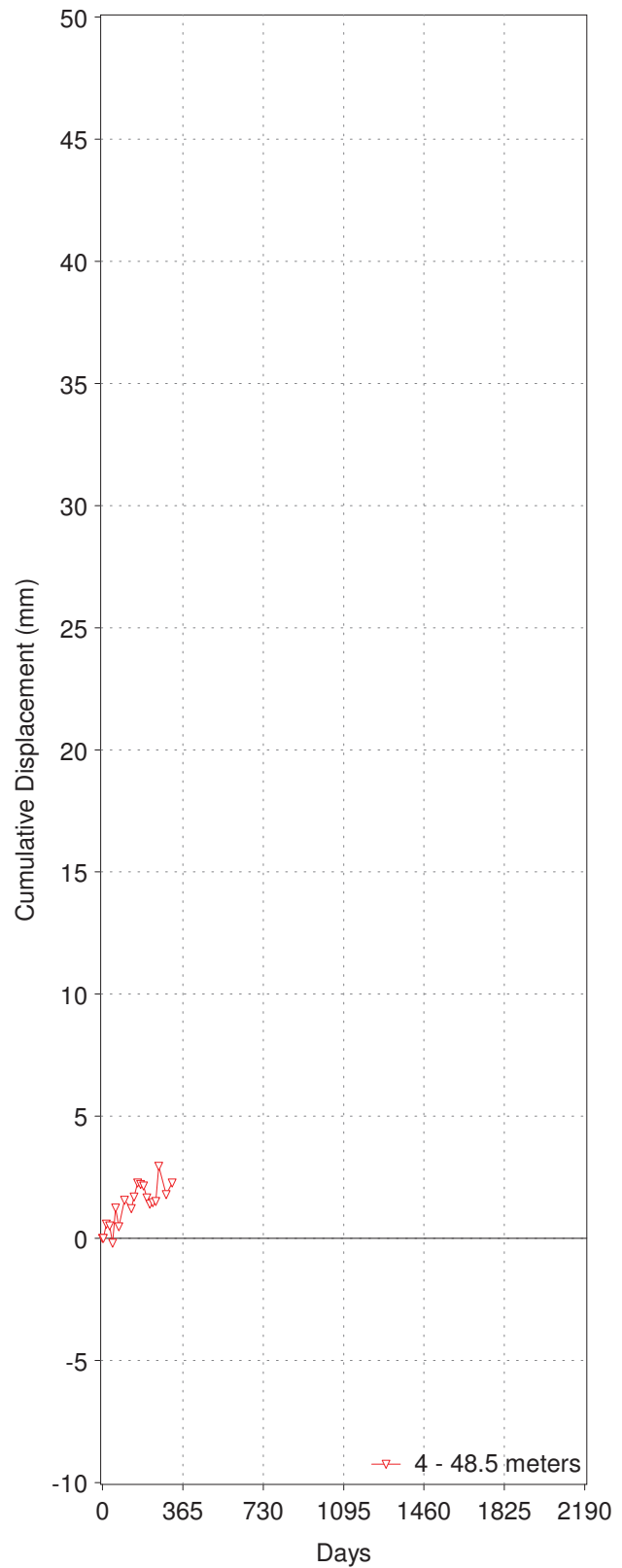
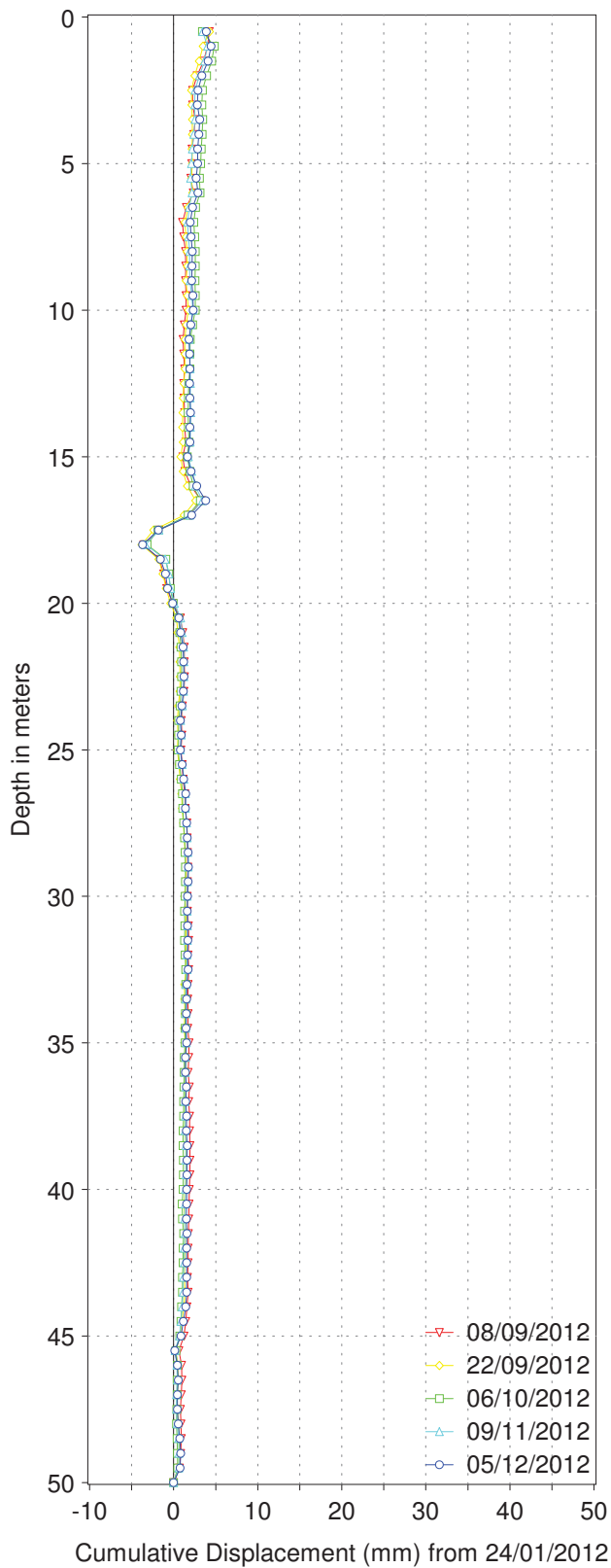
Mt. Polley
Cumulative & Time Displacement
SI11-01 AB-Axis



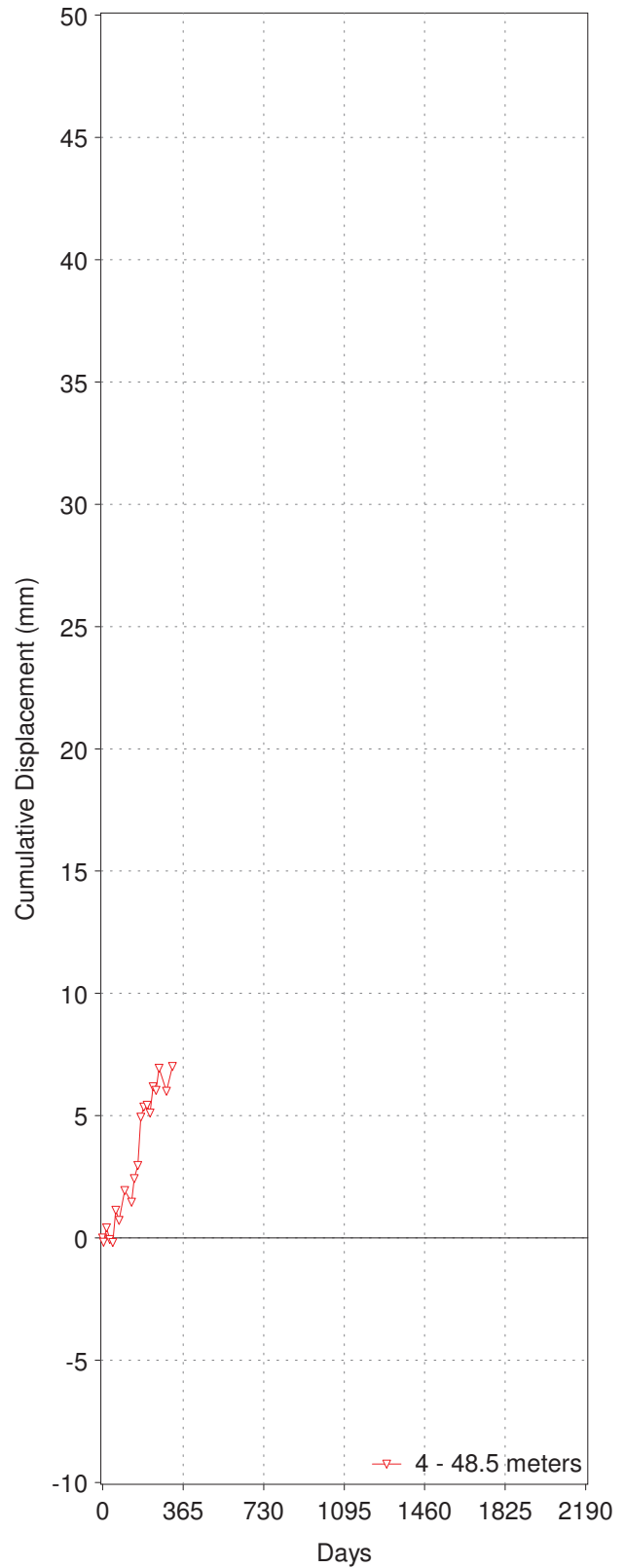
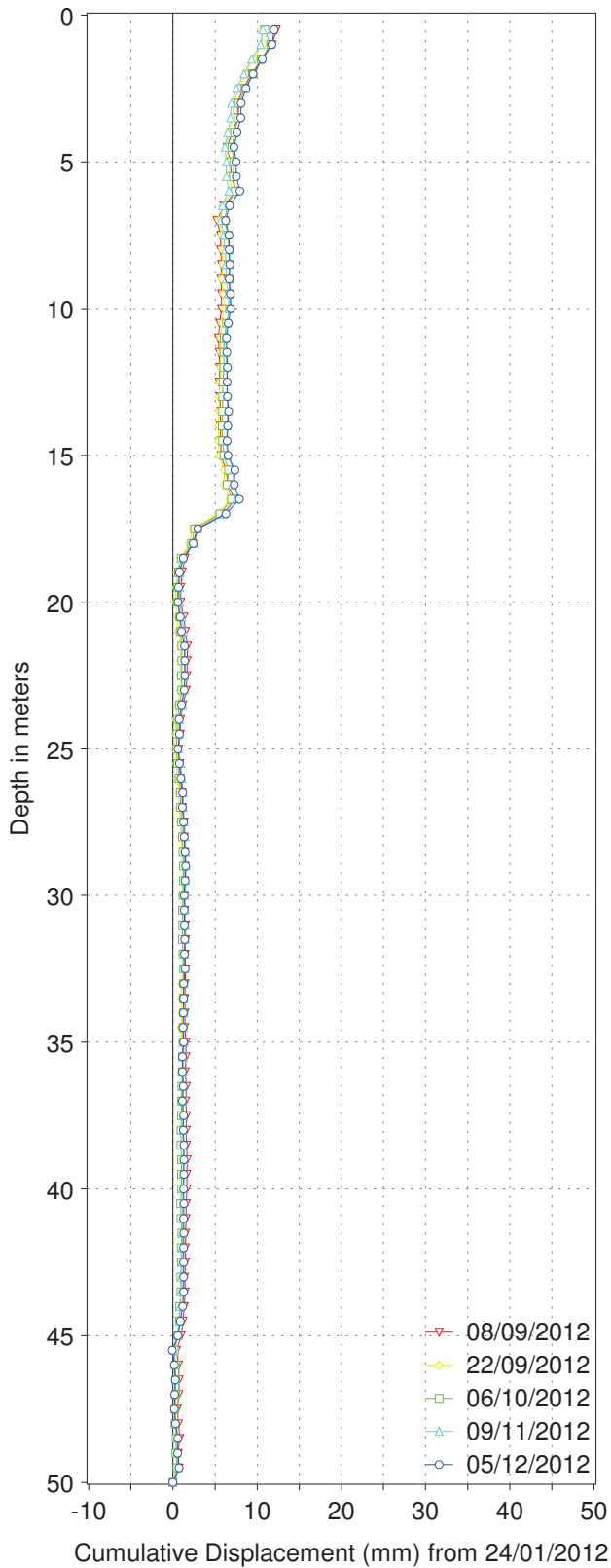
Mt. Polley
Cumulative & Time Displacement
SI11-02 A-Axis



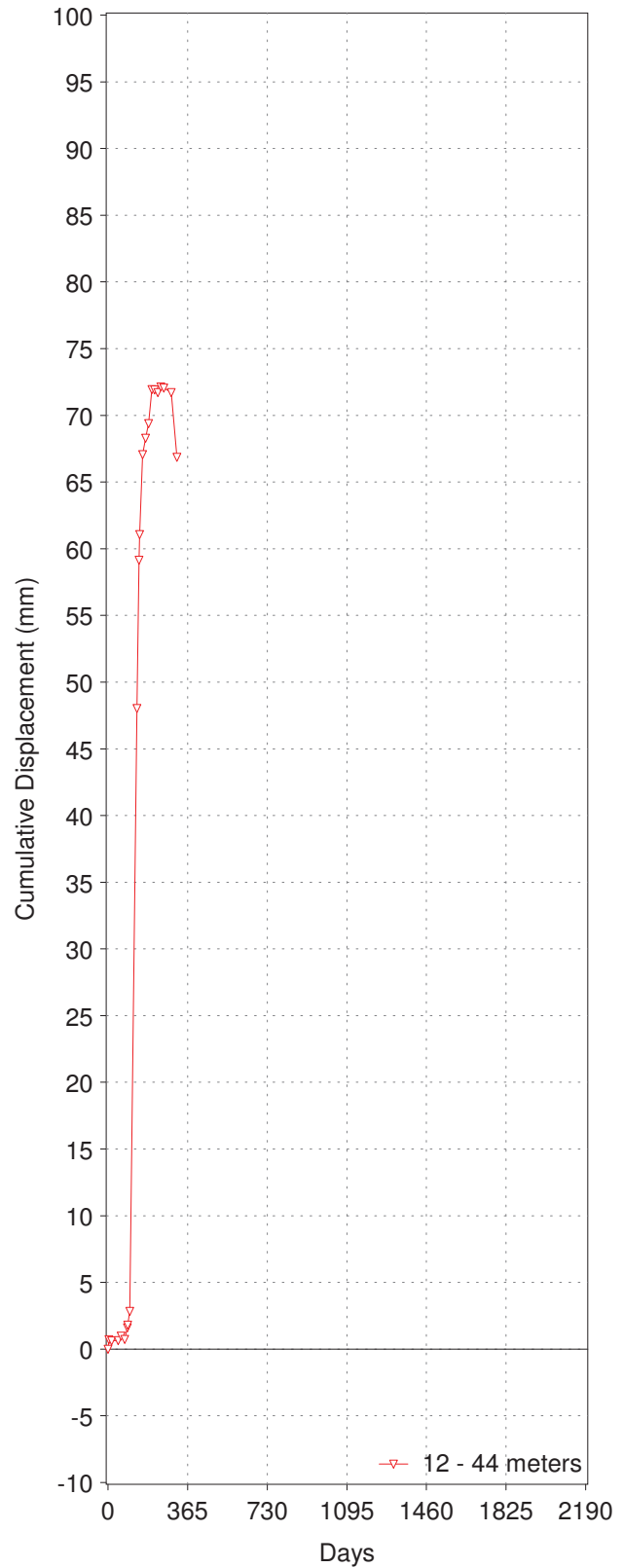
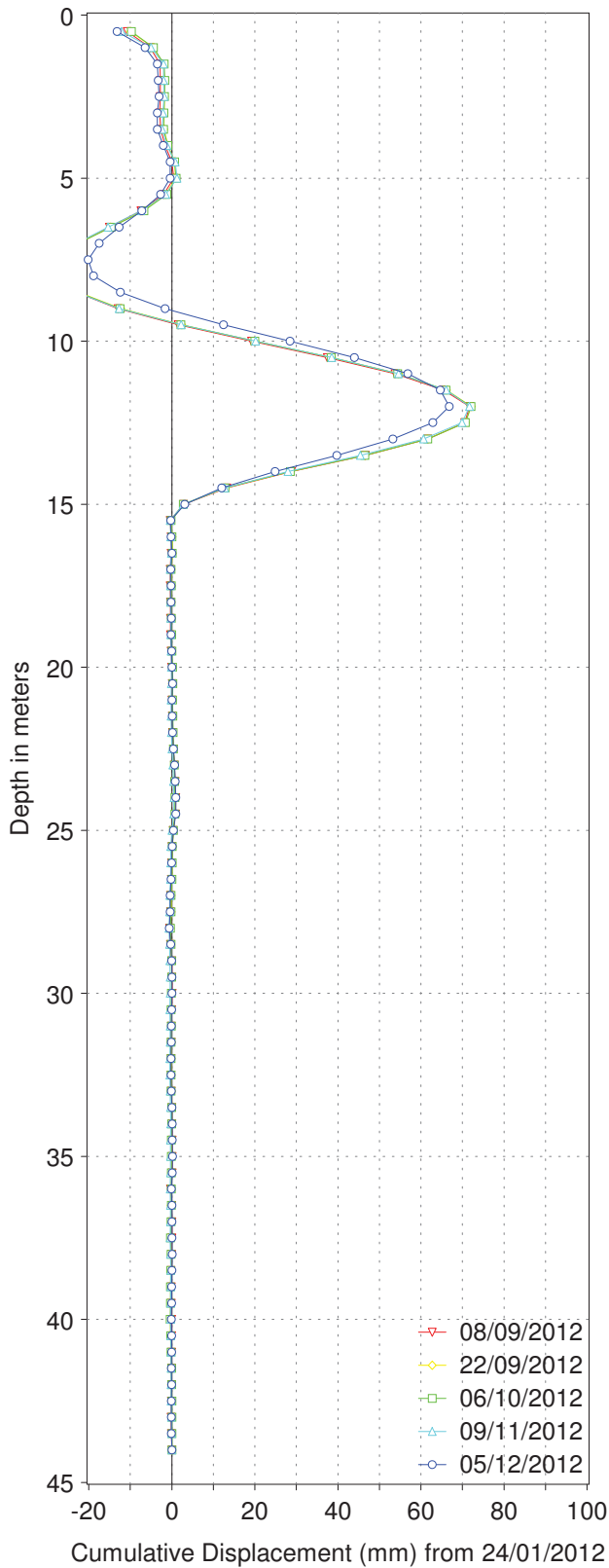
Mt. Polley
Cumulative & Time Displacement
SI11-02 B-Axis



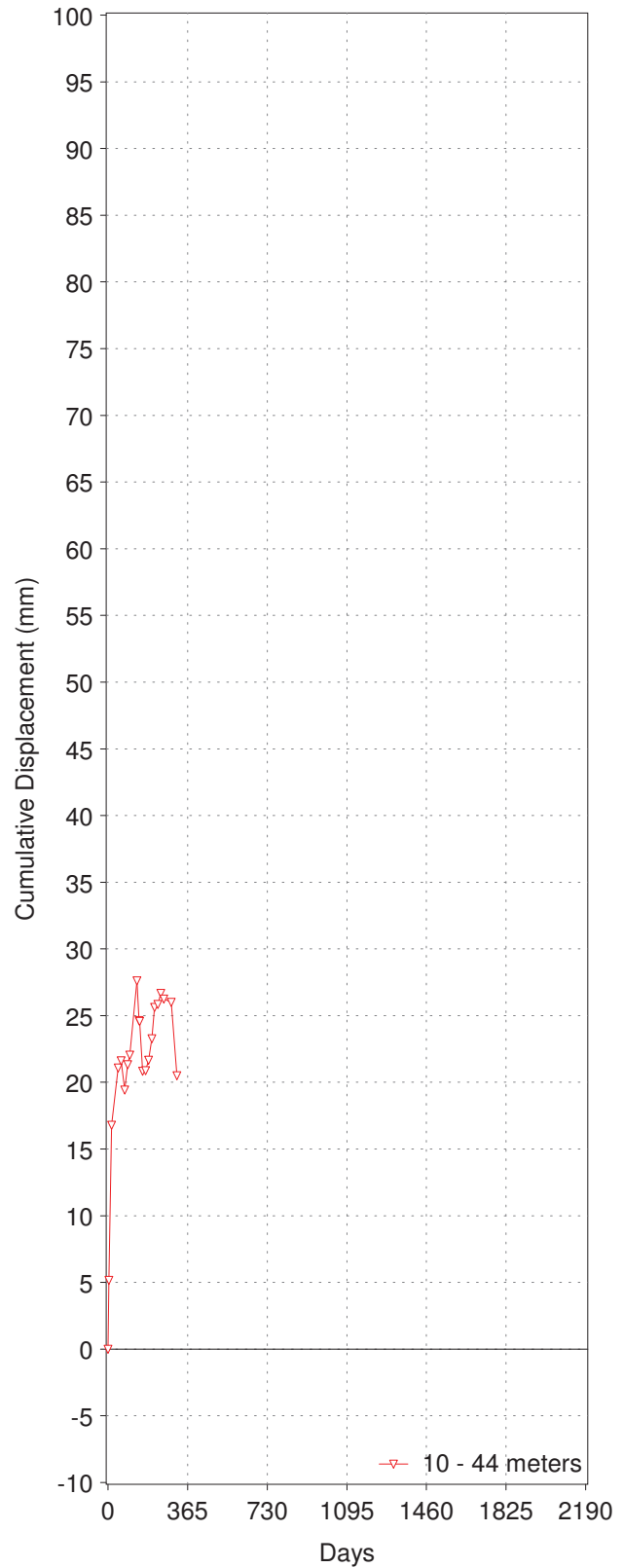
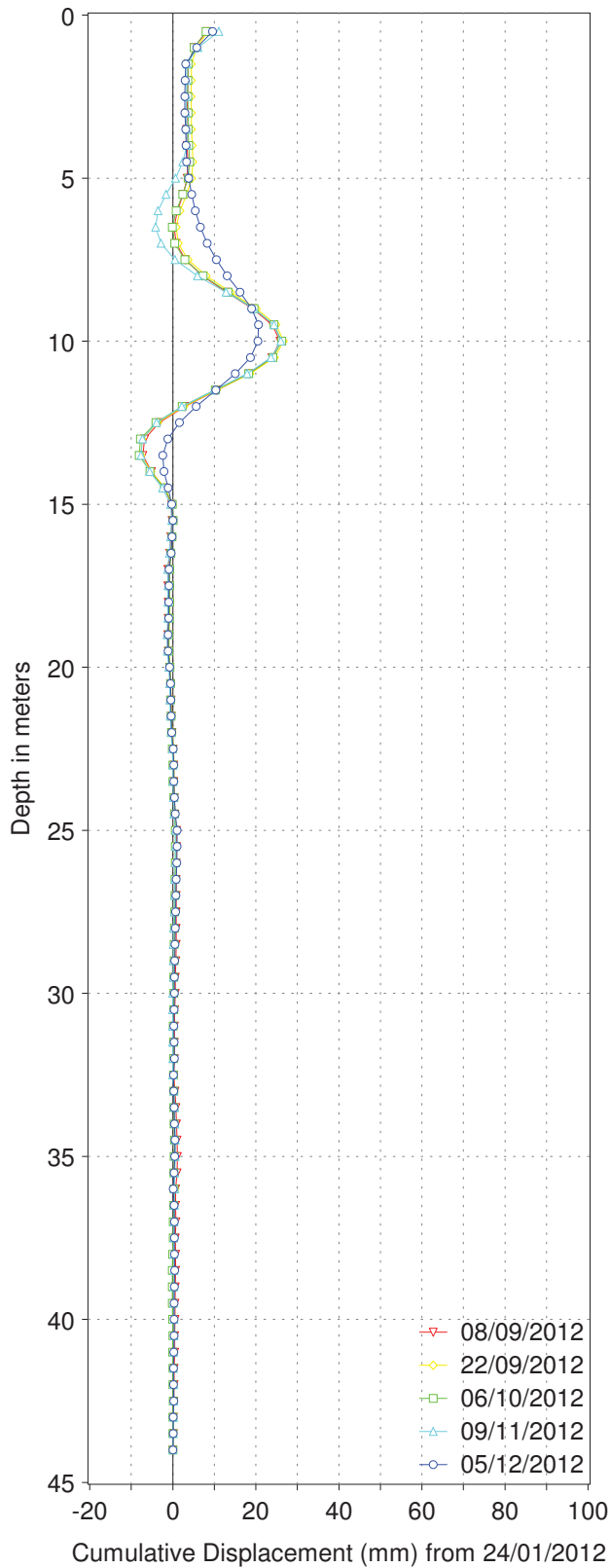
Mt. Polley
Cumulative & Time Displacement
SI11-02 AB-Axis



Mt. Polley
Cumulative & Time Displacement
SI11-04 A-Axis



Mt. Polley
Cumulative & Time Displacement
SI11-04 B-Axis



Mt. Polley
Cumulative & Time Displacement
SI11-04 AB-Axis

