MOUNT POLLEY MINING CORPORATION MOUNT POLLEY MINE

TAILINGS STORAGE FACILITY REPORT ON 2008 ANNUAL INSPECTION







#### PREPARED FOR

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Knight Piésold

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## MOUNT POLLEY MINING CORPORATION

#### A DIVISION OF IMPERIAL METALS CORPORATION

April 8, 2009

Ministry of Energy of Mines and Petroleum Resources

7th floor 1675 Douglas Street Victoria BC V8W 9N3

Attention: Ramy Kamels Sr. Geotechnical Engineer

RE: Tailings Storage Facility - Report on 2008 Annual Inspection - Copy 5

Dear Sir:

Please find a copy of our 2008 Geotechnical Annual Inspection for our Tailings Storage Facility at the Mount Polley Project.

Should you have any questions, please do not hesitate to contact me at 250 790 2215 extension 409.

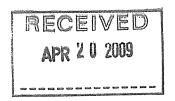
Sincere

Ron Martel C.E.T, CCEP

Environmental Superintendent Mount Polley Mining Corporation

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## MOUNT POLLEY MINING CORPORATION MOUNT POLLEY MINE

TAILINGS STORAGE FACILITY
REPORT ON 2008 ANNUAL INSPECTION
(REF. NO. VA101-1/24-1)

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### MOUNT POLLEY MINING CORPORATION MOUNT POLLEY MINE

# TAILINGS STORAGE FACILITY REPORT ON 2008 ANNUAL INSPECTION (REF. NO. VA101-01/24-1)

#### **EXECUTIVE SUMMARY**

The Mount Polley copper and gold mine is owned by Mount Polley Mining Corporation (MPMC). It is located 56 kilometres northeast of Williams Lake, in central British Columbia. Mr. Les Galbraith, P. Eng., of Knight Piésold completed an annual inspection of the Tailings Storage Facility Inspection and associated works on September 25, 2008 in the company of Mr. Matthew Silbernagel.

The Tailings Storage Facility (TSF) consists of the Main, Perimeter, and South Embankments. The TSF consists of earthfill embankments with a low permeability core zone constructed with locally borrowed fine grained glacial till materials. The tailings embankments have been designed for staged expansion using the modified centreline construction method. The Stage 6a construction program, which involved raising the TSF embankments to an elevation of 954 m, was in process at the time of the inspection. The Main Embankment is the highest of the three embankments at approximately 41 m high.

The Canadian Dam Association updated their 'Dam Safety Guidelines' in 2007. The updated classification of the TSF is now "significant", which is analogous to the previous "low" classification. The update has not changed the design criteria for the Mt. Polley TSF.

The TSF embankments were in good condition with no geotechnical issues outstanding. No major unexpected or uncontrolled seepage was observed from the embankments.

The TSF is required to have sufficient live storage capacity for containment of runoff from the 72-hour PMP at all times, plus 0.7 m of freeboard for wave run-up. MPMC has operated the tailings pond within these tolerances over the past year. The site water balance is updated regularly by MPMC with periodic reviews by Knight Piésold.

The TSF instrumentation currently consists of four slope inclinometers installed at the Main Embankment and 68 operating vibrating wire piezometers installed in the Main, Perimeter and South Embankments. The piezometers monitor the pore pressures in the foundation materials, embankment fill materials, the tailings mass, and the embankment drains. There have been no significant deviations in the inclinometers and no unexpected or anomalous pore pressures reading in the vibrating wire piezometers. However, inclinometer SI01-02 is showing slight deviations at an approximate depth of 10 m below ground in the lacustrine silts. The short term recommended action is to increase the monitoring frequency of the instrumentation to weekly, with weekly reporting to Knight Piésold, and increasing the buttress at the Main Embankment.

previously

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The Southeast Sediment Pond, Millsite Sump, and South Bootjack Dam were observed to be in good condition with no geotechnical issues outstanding. The Southeast Sediment Pond is no longer in service and runoff that previously reported to the Southeast Sediment Pond is now being routed to the Perimeter Embankment Seepage Collection Pond.

The Operations, Maintenance and Surveillance Manual (OMS Manual) and the Emergency Preparedness and Response Plan are updated on a regular basis to remain current with the development of the mine site.

A Dam Safety Review (DSR) was performed in 2006. The next Dam Safety Review should be carried out by 2011, or during detailed closure design, whichever is earlier.



### MOUNT POLLEY MINING CORPORATION MOUNT POLLEY MINE

# TAILINGS STORAGE FACILITY REPORT ON 2008 ANNUAL INSPECTION (REF. NO. VA101-01/24-1)

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### MOUNT POLLEY MINING CORPORATION MOUNT POLLEY MINE

# TAILINGS STORAGE FACILITY REPORT ON 2008 ANNUAL INSPECTION (REF. NO. VA101-1/24-1)

#### **SECTION 1.0 - INTRODUCTION**

#### 1.1 PROJECT DESCRIPTION

The Mount Polley Copper and gold mine is owned by Mount Polley Mining Corporation (MPMC). It is located 56 kilometres northeast of Williams Lake, in central British Columbia. The project site is accessible by paved road from Williams Lake to Morehead Lake and then by gravel road for the final 12 km. Mount Polley Mine started production in 1997 and had milled approximately 27.5 million tonnes of ore prior to suspending operations from October 2001 to March 2005. MPMC is currently mining the South East Zone, Springer and Wight Pits, having closed the Bell Pit in early September 2008. The tailings material from the operation is deposited as slurry into the Tailings Storage Facility (TSF). Process water is collected and recycled back to the mill for recycle in the milling process. The mine throughput is approximately 20,000 tpd. Aerial photographs of the Mount Polley Mine obtained in October 2005 are shown on Figures 1.1 and 1.2. The overall site plan showing the Stage 6 footprint of the Tailings Storage Facility is shown on Drawing 101-1/18-100. The Stage 6 TSF General Arrangement is shown on Drawing 101-1/18-102.

#### 1.2 SCOPE OF REPORT

Mount Polley Mining Corporation requested that Knight Piésold complete an annual inspection of the Tailings Storage Facility and prepare an Annual Inspection Report that meets the guidelines outlined by the Ministry of Energy, Mines and Petroleum Resources (MEMPR). Mr. Les Galbraith, P. Eng., conducted the 2008 annual inspection on September 25, 2008 in the company of Mr. Matthew Silbernagel of MPMC. This report presents the results of the annual inspection. The inspection involved making visual observations of the Tailings Storage Facility and includes a review of the TSF instrumentation records. This report also includes a review of the ancillary works, which includes the tailings and reclaim pipelines, the millsite sump, the Southeast Sediment Pond and the South Bootiack Dam.

The Stage 6a construction program, which involves raising the TSF embankments to an elevation of 954m, was in progress at the time of the inspection. Knight Piésold has provided the design, technical specifications, and QA/QC for all of the Stages of the TSF, including the current Stage 6a construction program.

Regular on-going inspections of the Tailings Storage Facility (TSF) and Ancillary Works have been completed by Knight Piésold to ensure the safety and security of the system. Previous annual inspections of the TSF by Knight Piésold were completed in 2001 (KP Ref. 11162/14-2),



2002 (KP Ref. VA101-00001/3-1), 2004 (KP Ref. VA101-00001/7-1), 2005 (KP Ref. VA101-00001/11-1), and 2007 (KP Ref. VA101-01/20-1)

A Dam Safety Review (DSR) for the Tailings Storage Facility was completed in October 2006. The results of the DSR were issued in a report to Imperial Metals Corporation in December 2006. The DSR review concluded that the Mount Polley TSF is adhering to an excellent dam safety program and confirmed that the TSF is performing as designed and meets or exceeds the guidelines set forth by the appropriate guidelines for dam safety. The DSR also provided recommendations concerning the hazard classification, design storm, pond and beach management, instrumentation, and the foundation stability at the Main Embankment. The Dam Safety Review recommendations and the Knight Piésold comments are included in Appendix C.

The Canadian Dam Association updated their 'Dam Safety Guidelines' in 2007. The update has not changed the design criteria for the Mt. Polley TSF however the dam is now classified in the 'Significant' category rather than the low. The new classification table is shown on Table 2.1.

Selected photographs taken during the site inspection are included in Appendix D.



#### **SECTION 2.0 - TAILINGS STORAGE FACILITY**

#### 2.1 GENERAL

The principal objectives of the TSF are to provide secure containment for tailings solids and to ensure that the regional groundwater and surface water flows are not adversely affected during or after mining operations. The design and operation of the TSF is integrated with the overall water management objectives for the entire mine development, in that surface runoff from disturbed catchment areas is controlled, collected and contained on site. An additional requirement for the TSF is to allow for effective reclamation of the tailings impoundment and associated disturbed areas at closure.

The TSF at Mount Polley includes the Perimeter, Main, and South Embankments. The Stage 6a construction program, which involved raising the TSF embankments to an elevation of 954 m, was in progress at the time of the inspection. The heights of the TSF embankments corresponding to a crest elevation of 954 m will be approximately 23 m, 41 m, and 13 m for the Perimeter Embankment, Main Embankment and the South Embankment respectively. The TSF Stage 6a plan and section drawings for the Main, Perimeter, and South Embankments are shown on the following drawings:

•	VA101-1/18-210 Rev 1	Stage 6 Main Embankment Plan
•	VA101-1/18-215 Rev 1	Stage 6 Main Embankment – Section
•	VA101-1/18-216 Rev 0	Stage 6 Main Embankment – Detail
•	VA101-1/18-220 Rev 1	Stage 6 Perimeter Embankment – Plan
•	VA101-1/18-225 Rev 1	Stage 6 Perimeter Embankment - Section
•	VA101-1/18-226 Rev 0	Stage 6 Perimeter Embankment – Detail
•	VA101-1/18-230 Rev 1	Stage 6 South Embankment – Plan
•	VA101-1/18-235 Rev 1	Stage 6 South Embankment - Section 1, and
	VA101-1/18-236 Rev 0	Stage 6 South Embankment - Section 2.

#### 2.2 TAILINGS STORAGE FACILITY HAZARD CLASSIFICATION

The classification of the TSF, which was previously rated as "HIGH", was reviewed as part of the Dam Safety Review in 2006. The Dam Safety Review concluded that the hazard classification be reviewed assuming that the owner's costs are not included in the rating selection. This was discussed with MPMC and it was agreed that the owner's costs should not be included in the classification of the TSF embankments. The hazard classification for the TSF embankments was therefore reduced to "LOW" based on the 1999 Canadian Dam Association (CDA) and the British Columbia Dam Safety Regulation guidelines.

The CDA updated their 'Dam Safety Guidelines' in 2007. The updated classification of the TSF is now "SIGNIFICANT", which is analogous to the previous "LOW" classification. The update has not changed the design criteria for the Mt. Polley TSF. Table 2.1 shows the 2006 revised CDA classifications.



#### 2.3 TAILINGS STORAGE FACILITY COMPONENTS

The main components of the TSF are as follows:

- The TSF embankments, incorporate the following zones and materials:
  - o Zone S Core zone fine grained glacial till.
  - Zone U Upstream shell zone parameters vary depending on material availability.
  - o Zone CS Upstream shell cycloned or spigotted tailings sand.
  - o Zone B Embankment shell zones fine grained glacial till.
  - o Zone F Filter, drainage zones, and chimney drain processed sand and gravel.
  - o Zone T Transition filter zone select well-graded fine-grained rockfill.
  - o Zone C Downstream shell zone rockfill.
- A low permeability basin liner (natural and constructed) covers the base of the entire facility, at a nominal depth of at least 2 m. The low permeability basin liner has proven to be effective in minimizing seepage from the TSF as there have been no indications of adverse water quality reporting to the groundwater monitoring wells.
- A foundation drain and pressure relief well system located downstream of the Stage 1B Main Embankment. The foundation drain and pressure relief well system prevent the build-up of excess pore pressure in the foundation and transfer groundwater and/or seepage to the Main Embankment Seepage Collection Pond.
- Embankment drainage provisions, which include foundation drains, Chimney, Longitudinal and Outlet Drains, and upstream toe drains.
- Seepage collection ponds located downstream of the Main and Perimeter Embankments and a seepage collection sump located downstream of the South Embankment. The ponds and sump were excavated in low permeability soils and collect water from the embankment drains and from local runoff.
- Instrumentation in the tailings, earthfill embankments and embankment foundations. This
  includes vibrating wire piezometers and slope inclinometers.
- A system of groundwater quality monitoring wells installed around the TSF.

The tailings embankments have been designed for staged expansion using the modified centreline construction method.

#### 2.4 TAILINGS AND RECLAIM PIPELINES

The tailings pipeline comprises 7 km of HDPE pipe of varying diameters and pressure ratings extending from the mill down to the crest of the tailings embankment. The tailings pipeline has a design flow of 20,000 tpd at 35% solids by dry weight. The reclaim pipeline system returns water from the TSF to the mill site for re-use in the process. The system comprises a pump barge, a reclaim pipeline and a reclaim booster pump station.

#### 2.5 TSF CONSTRUCTION ACTIVITIES DURING PAST YEAR

The construction activities at the TSF during the past year were related to the Stage 6a expansion that involved raising the crest elevation to 954 m, an increase of 3 m from the Stage 5



crest elevation. The diversion ditch located on the west side of the TSF, which routes clean runoff from the undisturbed catchment area above the TSF, was also relocated to higher ground. The Stage 6a program was in progress at the time of the inspection. Details of the Stage 6a construction programs will be issued in the construction report following the Stage 6a construction program.

#### 2.6 **ANCILLARY WORKS**

Ancillary works that are key to the operation of the TSF include the following:

- Mill Site Sump. Runoff from the Mill Site is routed and stored in the Mill Site Sump. Excess
  water from the sump is routed into the tailings pipeline near the mill for storage in the TSF.
- Southeast Sediment Pond. Runoff from the Southeast Rock Disposal Site and the
  dewatering from the Northeast Zone and associated waste dumps was previously directed to
  the Southeast Sediment Pond. Water from the Southeast Sediment Pond was routed to the
  reclaim pipeline at the reclaim booster pump station. The Southeast Sediment Pond was
  drained in 2008 and runoff that was previously routed to the Southeast Sediment Pond is
  currently being routed to the Perimeter Embankment Seepage Collection Pond via a newly
  constructed diversion ditch.



#### **SECTION 3.0 - 2008 ANNUAL INSPECTION**

#### 3.1 WATER MANAGEMENT

#### 3.1.1 General

MPMC mine personnel complete on-going surface water monitoring and water management activities to ensure compliance with the current mine permits. The Annual Inspection evaluated the physical aspects of the water management program at the TSF. Knight Piésold has not reviewed the geochemical characteristics of the water management operations. This report instead focuses on the aspects of the water management plan that are significant from a dam safety perspective.

#### 3.1.2 Surface Water Control

Surface water control at the mine site comprises the interception of runoff from disturbed (and some undisturbed) catchment areas for diversion into the TSF. Surface water control structures include the following:

- The Bell and Cariboo Pits, and the Mill Site Area Surface water from the Bell and Cariboo Pits and Mill Site Area is routed into the Mill Site Sump where it is transferred to the TSF via the tailings pipeline.
- Southeast Rock Disposal Site Surface water is intercepted by runoff collection ditches and transferred to the Perimeter Embankment Seepage Collection Pond via a diversion ditch.
- North East Zone Pit and Waste Dumps Surface and groundwater from the North East Zone and Waste Dumps are directed to the Perimeter Embankment Seepage Collection Pond via a diversion ditch.
- Tailings Storage Facility Area Clean surface water runoff from the undisturbed catchment area above the impoundment is routed around the TSF to reduce the accumulation of water within the impoundment. The diversion ditch on the west side of the TSF was relocated to higher ground in 2008. The diversion ditch was unobstructed at the time of the inspection and the water flowing in the ditch was clear.

#### 3.1.3 Water Balance Review

MPMC mine personnel complete on-going surface water monitoring and water management activities to ensure compliance with the current mine permits. The water balance for the TSF is updated regularly by MPMC with periodic reviews by Knight Piésold.

The mine site is currently operating with a water surplus, as total inflows from precipitation and surface runoff exceed losses from evaporation, void retention in the tailings mass in the TSF, and seepage removal. Site surplus water is currently being stored in the TSF and the Cariboo Pit. MPMC is currently exploring ways to discharge



water from the site to reduce the increasing site storage requirements in the TSF and the Cariboo Pit.

The Mount Polley Mine has undergone considerable development in the last couple of years. The water balance is reviewed and updated by MPMC on a monthly basis to ensure that it is current with the on-going development of the mine site.

#### 3.1.4 Impoundment Freeboard Requirements

The design basis for the TSF includes a freeboard allowance to contain the 72-hour PMP event, which corresponds to approximately 1,070,000 m³. This would result in an increase in the TSF pond elevation of approximately 0.6 m. The freeboard requirement for wave run-up is approximately 0.8 m, for a total freeboard requirement of 1.4 m. The supernatant pond was at elevation 949.9 m at the time of Mr. Galbraith's inspection on September 25, 2008. The freeboard requirement of 1.4 m has been maintained during the previous year by MPMC.

#### 3.1.5 Drain Flow Data

The upstream toe drain and foundation drains at the Main Embankment flow into the sump at the Main Embankment Seepage Collection Pond where the flows are measured. The flow rates have been measured since July 2000; however the flow rates from the drains were not monitored during the Care and Maintenance Period as the drain outlets were submerged within the sump. This condition was anticipated as flow monitoring is only possible during operations when the seepage pond level has been pumped down. The seepage pond was pumped down in when the mining operations started up again in December 2005 and flow measurements resumed.

The upstream toe drain at the Perimeter Embankment drains into the Perimeter Embankment Seepage Collection Pond via a ditch. The flow rates are currently measured at the end of the pipe which exits the concrete encasement.

The water from the foundation drains and upstream toe drains is pumped back into the TSF. The flow rates for the foundation drains are shown on Figure 3.1. The flow rates for the upstream toe drains are shown on Figure 3.2. The flows from foundation drains FD-1 to FD-5 have remained fairly constant during the past year at less than 0.4 l/s. The flows at the ME Corner foundation drain have decreased in the last year due to the development of a tailings beach in this area. The flows from the upstream toe drains fluctuate throughout the year in response to the tailings deposition location and the tailings pond location. The flow from the Main Embankment upstream toe drain averaged approximately 11 l/s during 2008 with the flow from the Perimeter upstream toe drains have remained relatively constant, with the total flow increasing due to the commissioning of the Perimeter Embankment upstream toe drain. The water flowing from the upstream toe drains was clear.



Samples from the Foundation Drains and the Upstream Toe Drains are collected by MPMC for water quality testing. The results are available from MPMC and are reported in the Annual Environmental Reports.

#### 3.1.6 Seepage Collection Ponds

The Main and Perimeter Embankment seepage collection ponds are located immediately downstream of their respective embankments. These ponds were excavated in low permeability glacial till materials in 1996 and collect water from the embankment drain systems and from local runoff. The seepage collection ponds were observed to be in good condition with no observed erosion activity.

The South Embankment sump was excavated in 2006. The water flowing into the sump at the South Embankment is currently limited to runoff from the downstream slope of the embankment. The water was being released to a vegetated area down gradient of the access road at the time of the inspection.

Photos of the Seepage Collection Ponds and the South Embankment sump are included in Appendix D.

#### 3.1.7 External Water

MPMC staff carries out water quality monitoring of external water regularly. The water being monitored includes surface water from ditches, streams, creeks and lakes, as well as groundwater from monitoring wells. The results of the site water quality monitoring are reported by Mount Polley in the Annual Environmental and Reclamation Report. This report is submitted to the appropriate Agencies (Ministry of Environment and the Ministry of Energy, Mines and Petroleum Resources).

#### 3.2 TAILINGS STORAGE FACILITY

Pertinent observations regarding the condition of the TSF were as follows:

• Tailings sand is currently being used as an upstream Zone U construction material. Zone U forms the upstream shell zone immediately adjacent to Zone S (low permeability core zone) and is required to provide upstream support of the Zone S material during modified centerline construction. The sand cell construction method involves discharging tailings into constructed cells along the upstream side of the embankment. The sand cell construction was taking place at the Perimeter Embankment at the time of the inspection. Prolonged discharge of tailings from the Perimeter Embankment has previously resulted in the tailings pond migrating over to the Main Embankment, which has resulted in increased flows reporting to the Main Embankment upstream toe drain. MPMC purchased additional HDPE pipe in 2007 to facilitate the deposition of tailings around the entire facility without having to relocate the



tailings pipeline and are now able to quickly develop tailings beaches in response to the pond encroaching on the embankments.

- No signs of instability were observed in the embankment fill slopes.
- No major unexpected or uncontrolled seepage was observed from the embankments, including fill slope and foundations.

The TSF was observed to be in good condition with no geotechnical issues outstanding. Selected photographs of the TSF are presented in Appendix D. The Operations, Maintenance and Surveillance Manual (OMS Manual) and the Emergency Preparedness and Response Plan (EPP document) for the TSF are live documents that are revised as necessary by MPMC.

#### 3.3 **ANCILLARY WORKS**

#### 3.3.1 Tailings and Reclaim Pipelines

The tailings pipeline was in operation at the time of the inspection with tailings being discharged at the Perimeter Embankment for construction of the sand cells. There have been no reported problems with the tailings pipeline under normal operating conditions.

The reclaim pipeline was recycling supernatant water back to the mill for use in the process at the time of the inspection. There have been no reported problems with the reclaim pipeline and the pipeline was observed to be in sound condition.

#### 3.3.2 Mill Site Sump

Surface water from the Bell and Cariboo Pits and Mill Site Area is routed into the Mill Site Sump where it is transferred to the TSF via the tailings pipeline. The embankments at the Mill Site Sump were observed to be in good condition, and no cracks, seepage or slumping was noted. The emergency overflow culvert was clear of obstructions.

Photos of the Mill Site Sump and the Mill Site Sump spillway are included in Appendix D.

#### 3.3.3 Southeast Sediment Pond

The Southeast Sediment Pond is no longer in service and runoff that previously reported to the Southeast Sediment Pond is now being routed to the Perimeter Embankment Seepage Collection Pond.

Observations made at the Southeast Sediment Pond and Southeast Rock Disposal Site runoff ditch include:

- The embankment fill slopes (inside and outside) were in good shape, with no signs of instability. No cracks were observed on the crest. No seepage or slumping of the slopes was observed.
- Grassy re-vegetation has become well established on the downstream embankment slopes.



Photos of the Southeast Sediment Pond and the route of the new ditch are included in Appendix D.

#### 3.3.4 South Bootjack Dam

The South Bootjack Dam was observed to be in good condition at the time of the inspection. Observations include the following:

- The water level was low.
- Both upstream and downstream fill slopes were in good condition, with no evidence of seepage or slumping.
- No cracks were observed on the dam crest.
- The spillway contained some minor vegetation, but was generally unobstructed.

A photo of the South Bootjack Dam is included in Appendix D.



#### **SECTION 4.0 - INSTRUMENTATION**

#### 4.1 PIEZOMETER DATA

#### 4.1.1 General

Vibrating wire piezometers have been installed at the TSF along nine planes, designated as monitoring planes A to I. Monitoring planes A, B, C and E are located on the Main Embankment, monitoring planes D, G, and H are located on the Perimeter Embankment, and monitoring planes F and I are located on the South Embankment. The location of the TSF monitoring planes are shown on Drawing 345. The Monitoring Planes are shown in section on Drawings 356, 357, 358, and 359. The piezometers are grouped into tailings, foundation, fill and drain piezometers. The results from each group are discussed below. The timeline plots for the piezometers are included in Appendix A.

#### 4.1.2 <u>Tailings Piezometers</u>

A total of 19 piezometers have been installed in the tailings mass of which 11 remain in operation. Timeline plots of the tailings piezometer data are included in Appendix A1.

The pore pressures in three tailings piezometers located below the elevation of the Main Embankment upstream toe drain show a slight increasing trend as the pond and tailings elevation increases; however the pore pressures are below the pond level in the TSF.

#### 4.1.3 <u>Embankment Foundation Piezometers</u>

A total of 21 piezometers have been installed in the embankment foundations of which 12 remain in operation. Timeline plots of the embankment foundation piezometers are included in Appendix A2.

Artesian conditions are present in 4 of the 10 foundation piezometers installed under the Main Embankment. This is consistent with baseline data, and no changes have occurred. The piezometers installed in this area are used to monitor the pore pressures and to confirm that they remain below the threshold level of 6 m above ground level (KP Ref. No. 1162/7-2). No unexpected high pore pressure increases were noted during the reporting period with the artesian pressures ranging from 0.23 m to 3.37 m above ground. The artesian head values (above ground surface level) measured in September 2008 are summarized in Table 4.1.

#### 4.1.4 Embankment Fill Piezometers

A total of 32 piezometers have been installed in the embankment fill materials of which 22 remain in operation. Timeline plots of the embankment fill piezometer data are included in Appendix A3.



There have been no significant changes in the trends for most of the embankment fill piezometers. Piezometer A2-PE2-O3, which is located at the Main Embankment, shows a slight increase in pore pressures corresponding to the placement of fill during the Stage 6 construction program. This trend has been observed in the past with this piezometer and it is anticipated that the slightly elevated pore pressures will dissipate following the construction programs as they have previously.

#### 4.1.5 Drain Piezometers

A total of 20 piezometers have been installed in the embankment drains, including foundation drains, chimney drain and outlet drains, of which 15 remain in operation. Timeline plots for the drain piezometers are shown in Appendix A4.

The majority of the drain piezometers showed near-zero pore pressures, indicating that the drains are functioning as intended. Piezometer A1-PE1-04 showed an increase in pore pressures starting in approximately June 2006. This piezometer is located in the upstream toe drain at the Main Embankment and the increased pressures are a result of the tailings pond being in close proximity to the Main Embankment. The positive trend of the pore pressures coincides with the increased flow rates measured from the Main Embankment upstream toe drain.

#### 4.2 <u>SLOPE INCLINOMETERS</u>

Three new slope inclinometers were installed downstream of the toe of the Main Embankment during the Stage 4 construction program. One of the inclinometers installed in 2001 (SI01-01) was damaged during the placement of the shell zone material and is no longer functioning. The last reading for SI01-01 was March 2006. There are four functioning inclinometers installed at the Main Embankment.

The results of the inclinometer readings indicate that there have not been any significant deviations measured in the three of the inclinometers since their installation. However, inclinometer SI01-02 is showing slight deviations at an approximate depth of 10 m below ground in the lacustrine silts. This is being closely monitored by MPMC; the recommended action involves increasing the monitoring frequency of the inclinometers to a weekly basis and increasing the buttress at the Main Embankment. Additional inclinometers may also be installed if required. The results of the readings for inclinometers are included in Appendix B.

#### 4.3 SURVEY MONUMENT DATA

There are currently no survey monuments installed on the TSF embankment crests due to the ongoing construction of the TSF embankments.



#### **SECTION 5.0 - SUMMARY AND RECOMMENDATIONS**

Mr. Les Galbraith, P. Eng., of Knight Piésold completed an annual inspection of the Tailings Storage Inspection and associated works on September 25, 2008 in the company of Mr. Matthew Silbernagel. The TSF at Mount Polley includes the Perimeter, Main, and South Embankments. The embankments are zoned earthfill embankments that are constructed using the modified centreline construction method. The heights of the TSF embankments corresponding to a crest elevation of 954 m will be approximately 23 m, 41 m, and 13 m for the Perimeter, Main and South Embankment respectively.

The Canadian Dam Association updated their 'Dam Safety Guidelines' in 2007. The updated classification of the TSF is now "significant", which is analogous to the previous "low" classification. The update has not changed the design criteria for the Mt. Polley TSF.

The TSF embankments were observed to be in good condition. No seepage or slumping was observed and no signs of instability were observed in the embankment fill slopes. No major unexpected or uncontrolled seepage was observed from the embankments.

The minimum required freeboard requirements for the TSF were achieved during the past year. The recommended minimum tailings beach widths were generally being achieved by MPMC. MPMC purchased additional HDPE pipe in 2007 to facilitate the deposition of tailings around the entire facility without having to relocate the tailings pipeline and are now able to quickly develop tailings beaches in response to the pond encroaching on the embankments.

The instrumentation at the TSF consists of vibrating wire piezometers and inclinometers. There have been no unexpected or anomalous pore pressures reading in the vibrating wire piezometers installed in the TSF Embankments. There are four operating inclinometers installed through the lacustrine unit at the Main Embankment. The inclinometer readings indicate that there have not been any significant deviations measured in the inclinometers since their installation. However, inclinometer SI01-02 is showing slight deviations at an approximate depth of 10 m below ground in the lacustrine silts. The short term recommended action is to increase the monitoring frequency of the instrumentation to weekly, with weekly reporting to Knight Piésold, and increasing the buttress at the Main Embankment.

The Southeast Sediment Pond, Millsite Sump, and South Bootjack Dam were observed to be in good condition with no geotechnical issues outstanding. The Southeast Sediment Pond is no longer in service and runoff that previously reported to the Southeast Sediment Pond is now being routed to the Perimeter Embankment Seepage Collection Pond.

#### Recommendations for on-going operations of the TSF are summarized below:

- Increasing the monitoring frequency of the instrumentation at the Main Embankment to weekly until the minor deflections in inclinometer SI01-12 have stabilized.
- Increasing the buttress at the Main Embankment (volume to be determined).

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- Ensure that the instrumentation is being monitored at the required frequency, as reported in the Operations, Maintenance and Surveillance Manual, (KP Ref. No. 101-1/9-1). This includes readings of the piezometers and inclinometers.
- Continue to update the Operations, Maintenance and Surveillance Manual and the Emergency Preparedness and Response Plan Manuals as required.
- Continue with the deposition of tailings from around the facility to facilitate the development of tailings beaches and manage the location of the tailings pond.
- Continue regular monitoring of the water quality and levels in the surrounding groundwater wells.
- Continue regular monitoring of the tailings pond elevation. The TSF is required to have sufficient live storage capacity for containment of runoff from the 72-hour PMP, in addition to regular inflows from other precipitation runoff, including the spring freshet, while maintaining the minimum freeboard requirements.
- Review the Water Management Plan and site water balance on a regular basis to ensure they are consistent with updated plans for ongoing operations and development of the mine site.

A Dam Safety Review was completed in 2006. The next Dam Safety Review should be carried out by 2011, or during detailed closure design, whichever is earlier.



#### **SECTION 6.0 - CERTIFICATION**

This report was prepared and approved by the undersigned.



Prepared by:

Les Galbraith, P.Eng. Senior Engineer

Approved by:

Ken J. Brouwer, P.Eng. Managing Director

This report was prepared by Knight Piésold Ltd. for the account of Mount Polley Mining Corporation. The material in it reflects Knight Piésold's best judgement in light of the information available to it at the time of preparation. Any use which a third party makes of this report, or any reliance on or decisions to be made based on it, is the responsibility of such third parties. Knight Piésold Ltd. accepts no responsibility for damages, if any, suffered by any third party as a result of decisions made or actions, based on this report. This numbered report is a controlled document. Any reproductions of this report are uncontrolled and may not be the most recent revision.



#### TABLE 2.1

### MOUNT POLLEY MINING CORPORATION MOUNT POLLEY MINE

### TAILINGS STORAGE FACILITY DAM CLASSIFICATION

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	Population at risk <sup>1</sup>	Incremental losses			
Dam Class		Loss of life 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 important 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 critical 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)	

#### NOTES

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 IUNFORESEEABLE 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).

#### 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.

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REV	DATE	DESCRIPTION	PREP'D	CHK'D	APP'D



#### **TABLE 4.1**

### MOUNT POLLEY MINING CORPORATION MOUNT POLLEY PROJECT

### TAILINGS STORAGE FACILITY 2008 ANNUAL INSPECTION MAXIMUM ARTESIAN HEAD VALUES FOR EMBANKMENT FOUNDATION PIEZOMETERS

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Sept 2008 Pressure   Sept 2008 Arte					
Piezometer	Piezometer Elevation	Surface Elevation	1 -	I -	
			Elevation	Pressure	
	(m)	(m)	(m)	(m)	
A2-PE2-01	903.68	912.67	No Longer Functioning	-	
A2-PE2-02	909.77	912.67	No Longer Functioning	-	
A2-PE2-06	898.01	912.91	No Longer Functioning	_	
A2-PE2-07	902.81	912.91	915.91	3.00	
A2-PE2-08	907.56	913.36	912.49	-0.87	
B2-PE1-03	914.05	915.55	915.55	0.00	
B2-PE2-01	901.98	916.98	No Longer Functioning	•	
B2-PE2-02	909.51	916.98	920.35	3.37	
B2-PE2-06	914.59	916.89	No Longer Functioning	-	
C2-PE1-03	912.59	-	No Longer Functioning	-	
C2-PE2-02	910.53	915.71	916.64	0.93	
C2-PE2-06	906.84	915.99	914.82	-1.17	
C2-PE2-07	912.29	915.99	No Longer Functioning	-	
C2-PE2-08	914.03	915.99	914.37	-1.62	
D2-PE2-02	927.32	930.92	931.15	0.23	
E2-PE2-01	914.21	918.81	917.19	-1.62	
E2-PE2-02	909.66	918.81	916.48	-2.33	

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REV	DATE	DESCRIPTION	PREP'D	CHKD	APP'D



#### NOTE:

1. PHOTO TAKEN IN OCTOBER 2005.

MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

AERIAL PHOTOGRAPH OF MOUNT POLLEY MINE LOOKING NORTHWEST

Knight Piésold

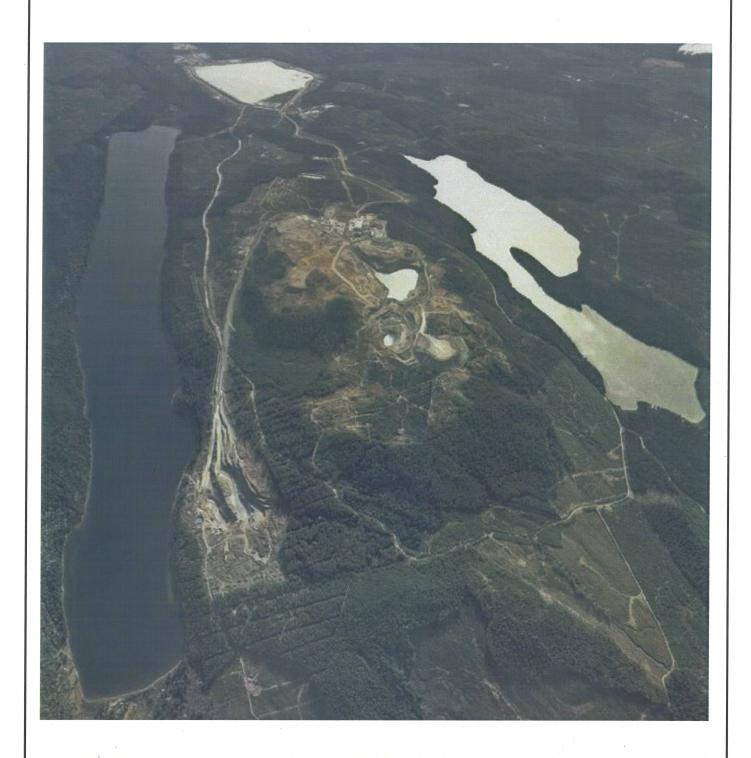
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FIGURE 1.1

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REV	DATE	DESCRIPTION	PREP'D	CHK'D	APP'D



#### NOTE:

1. PHOTO TAKEN IN OCTOBER 2005.

MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

AERIAL PHOTOGRAPH OF MOUNT POLLEY MINE LOOKING SOUTH

Knight Piésold

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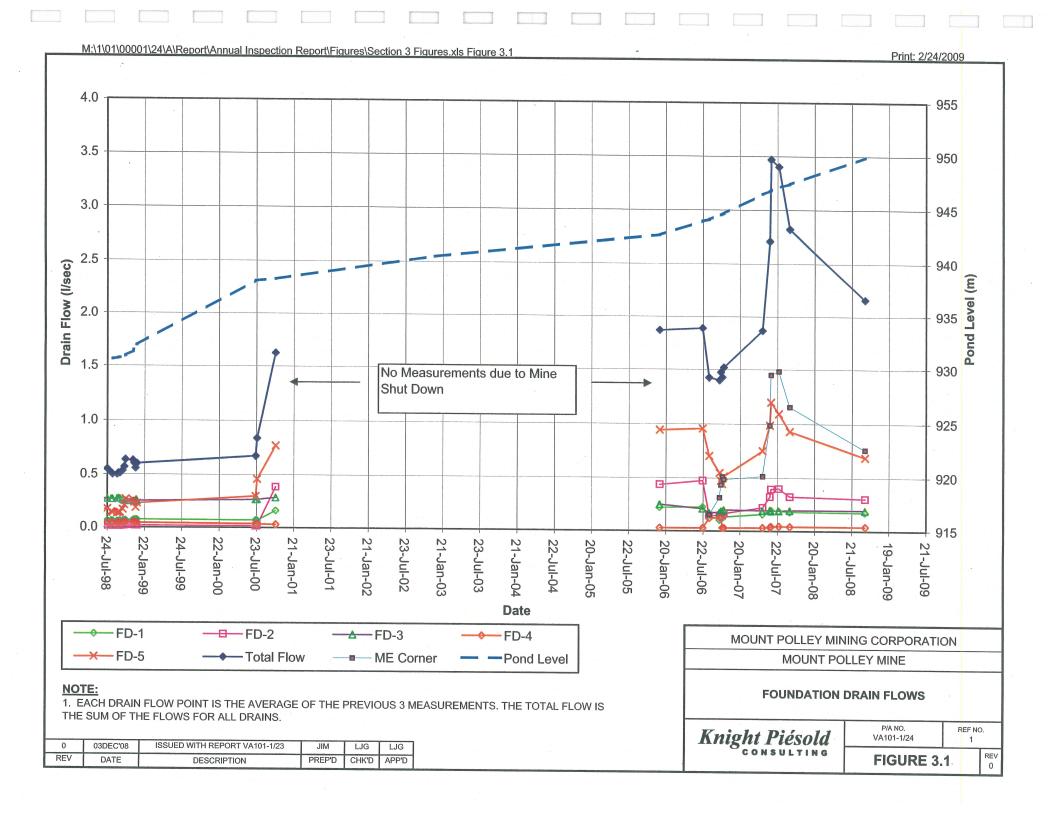
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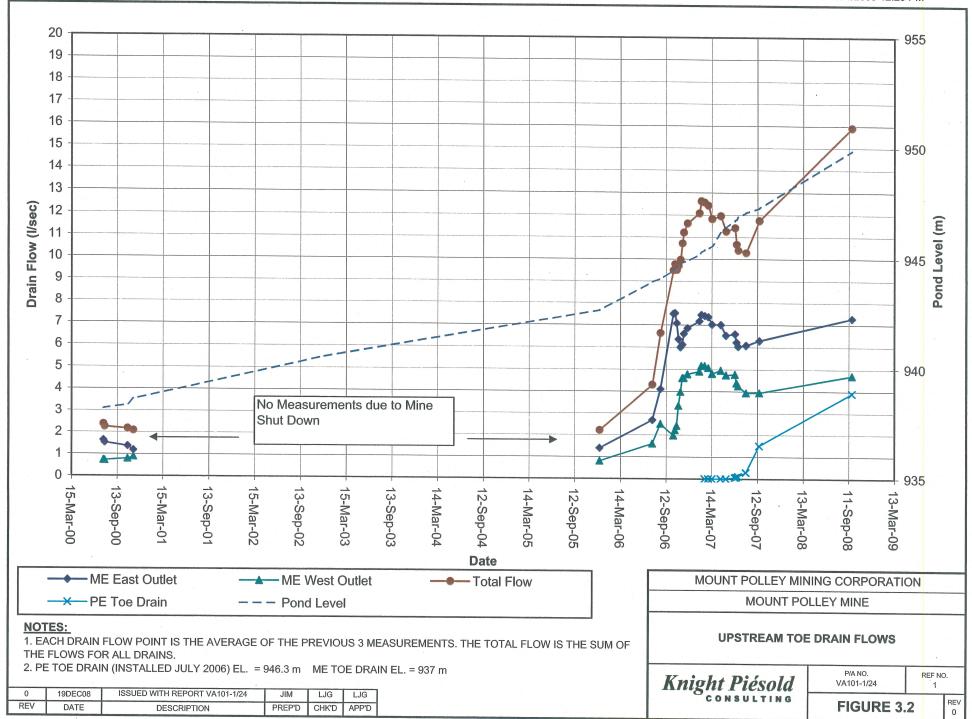
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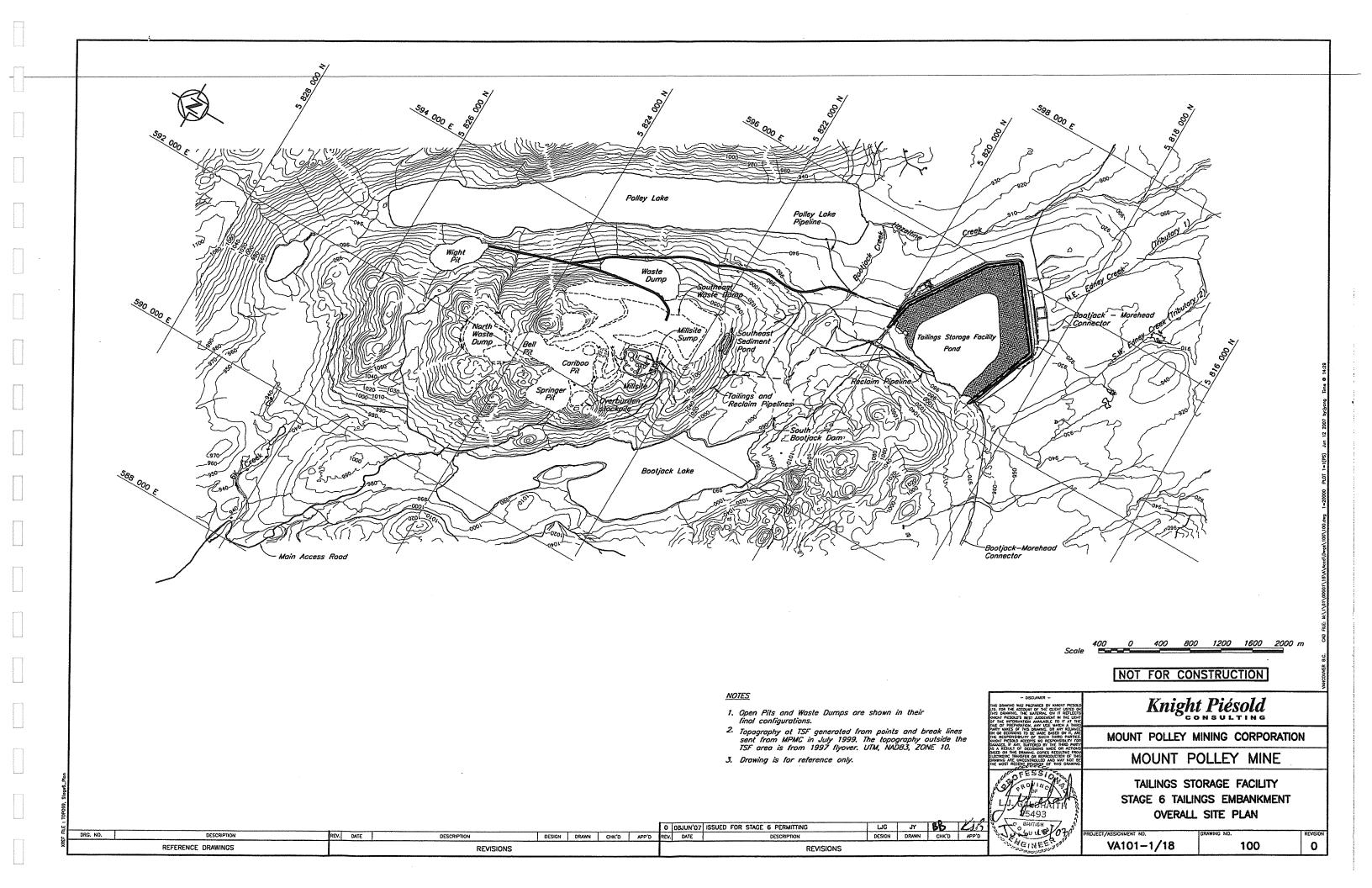
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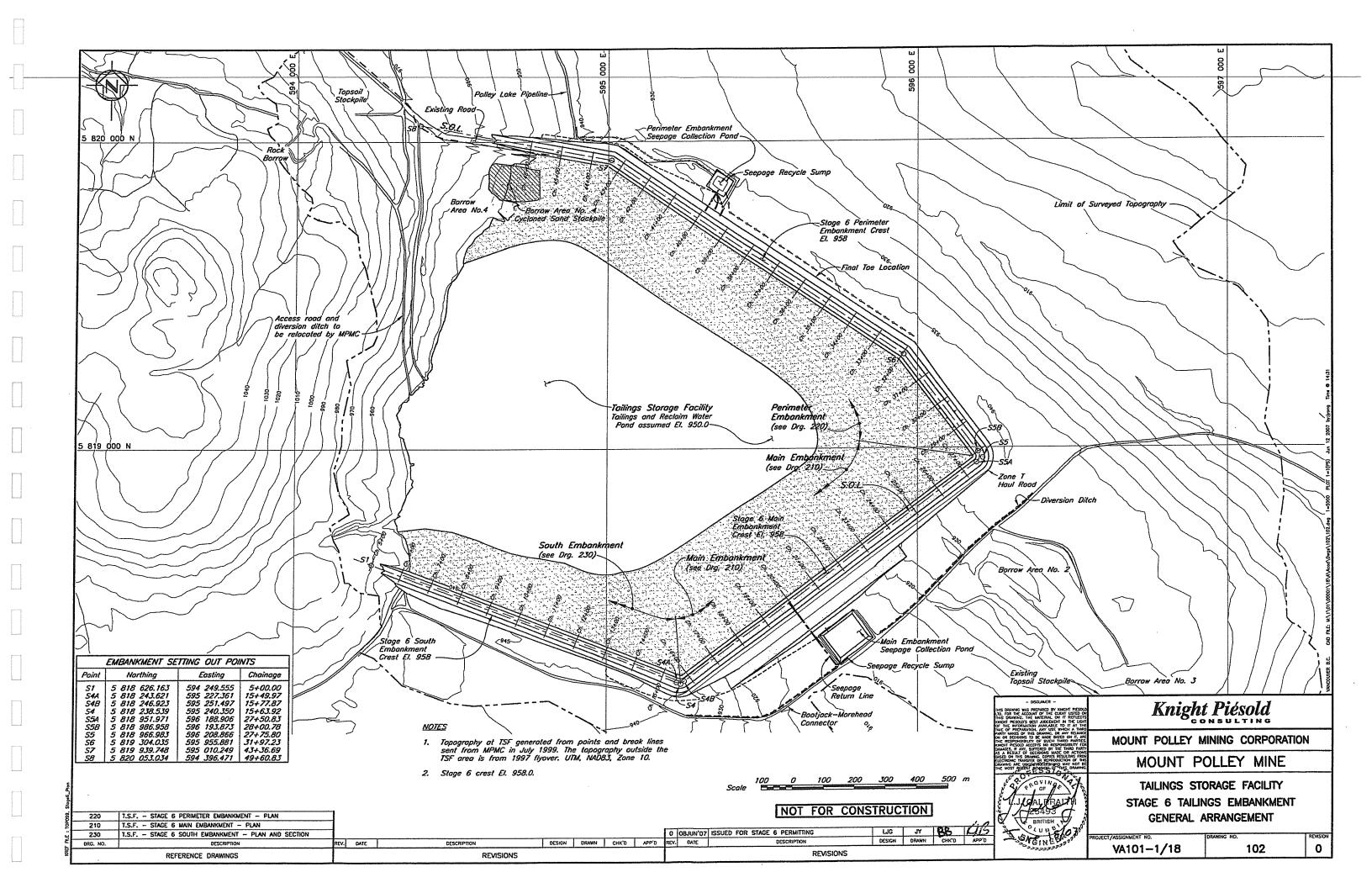
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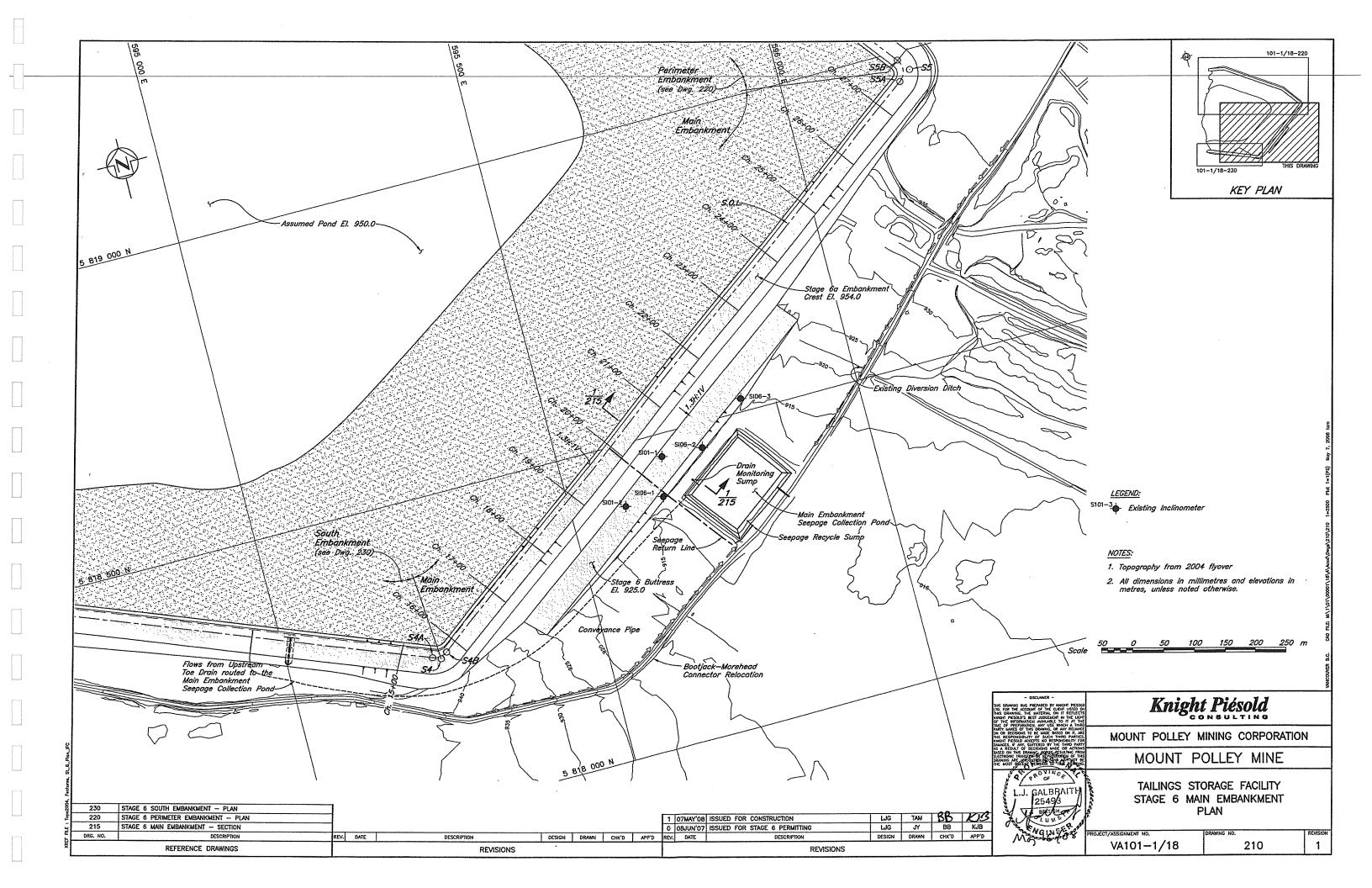
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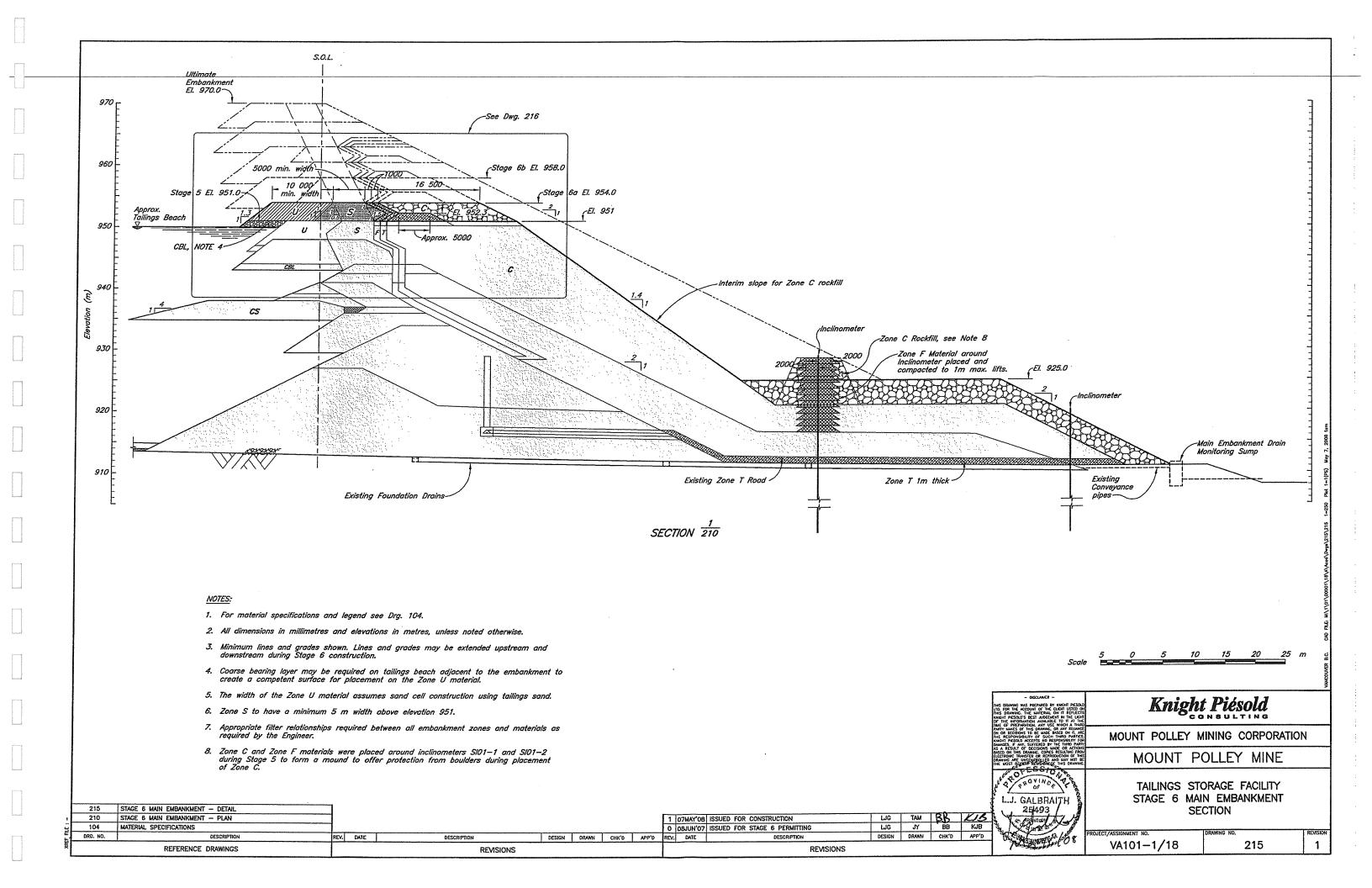


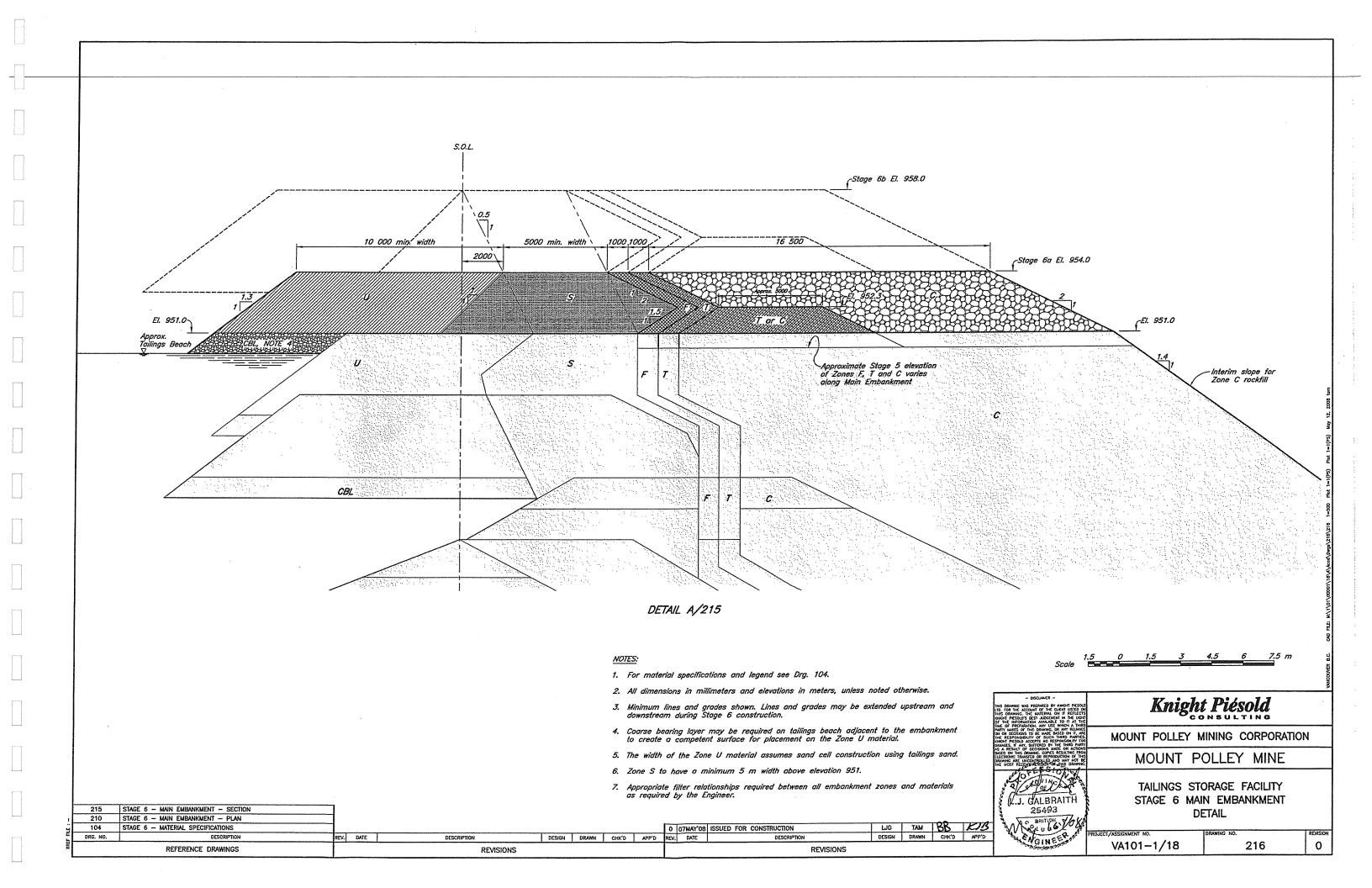


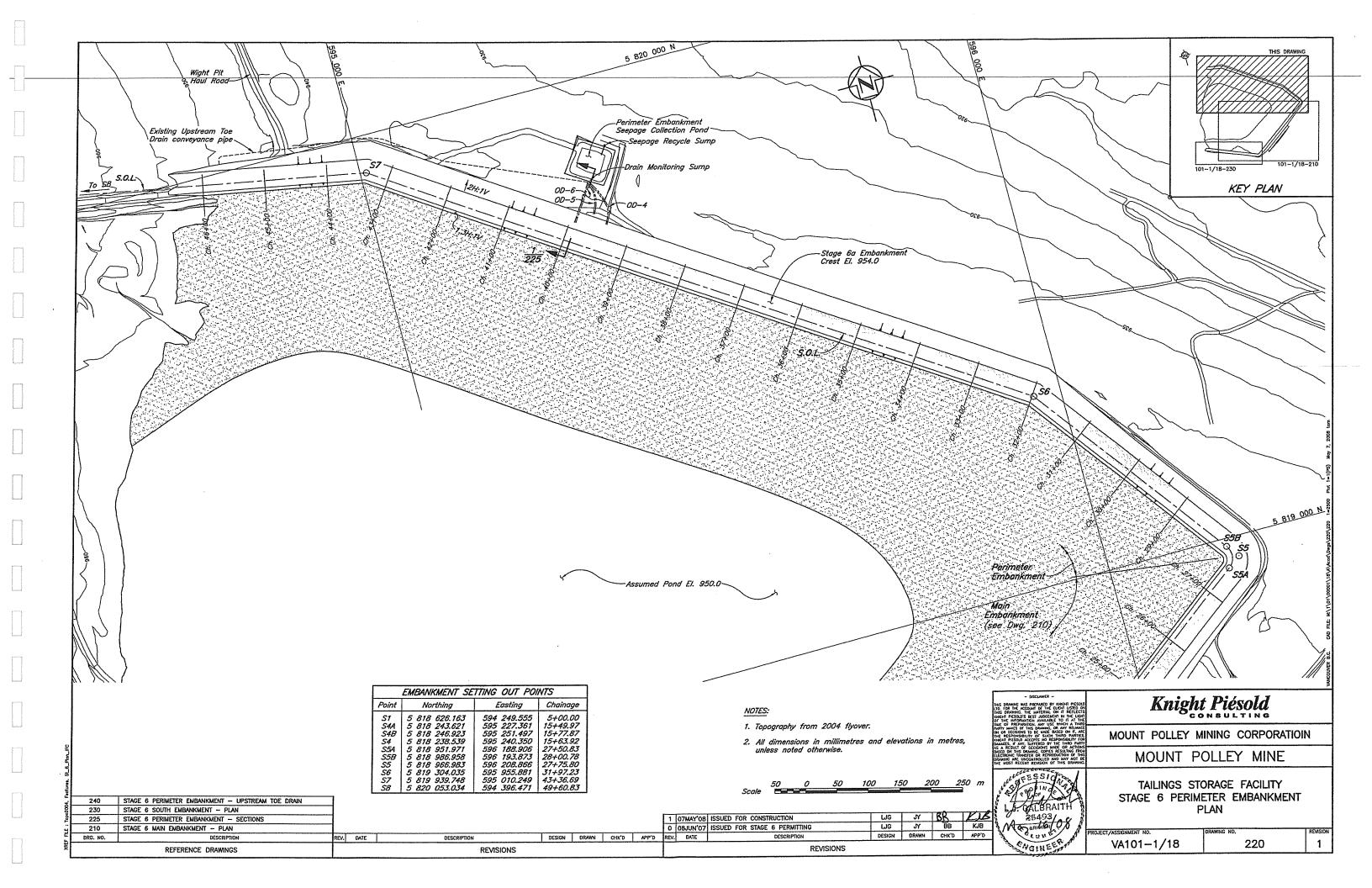


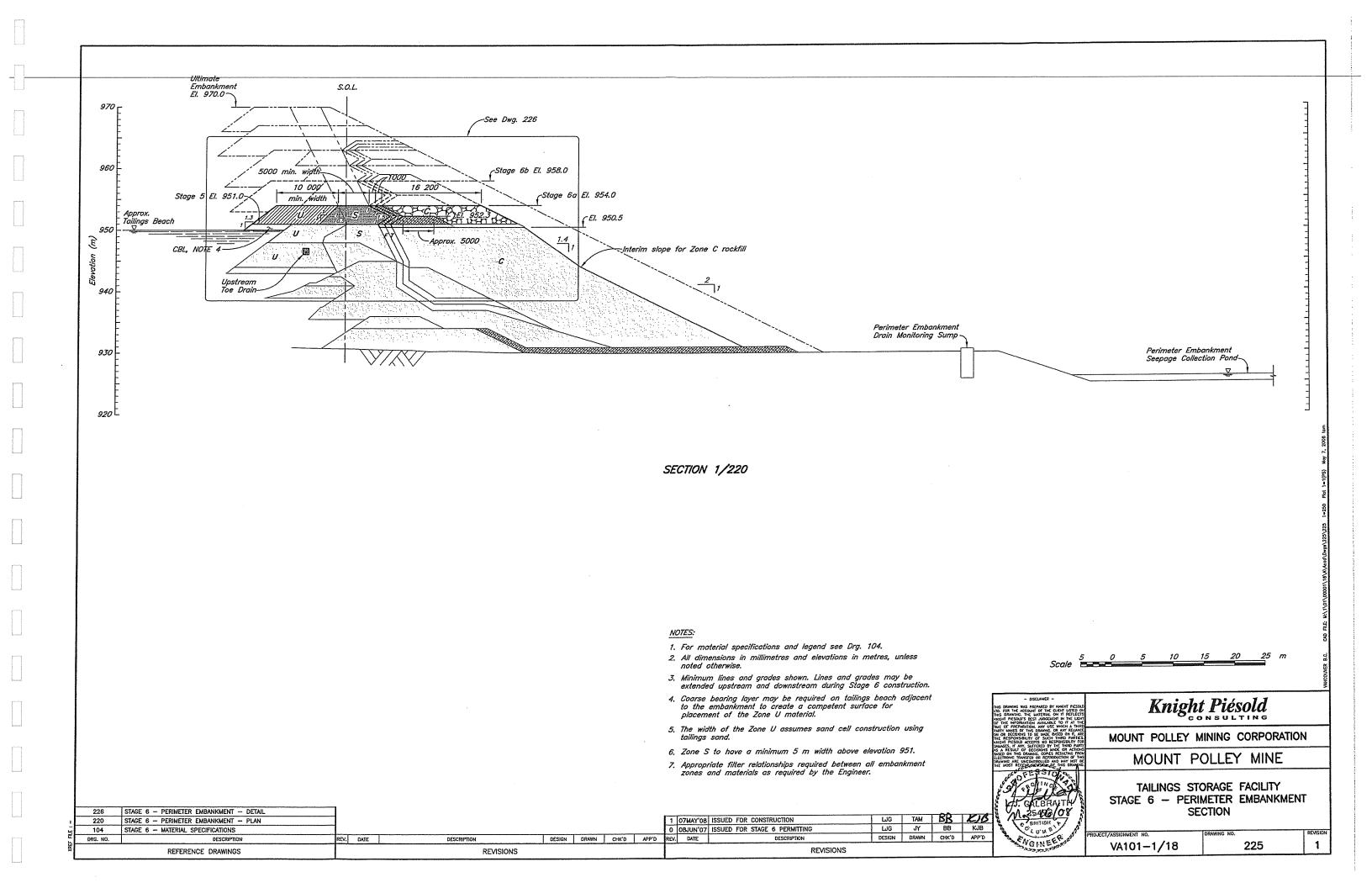


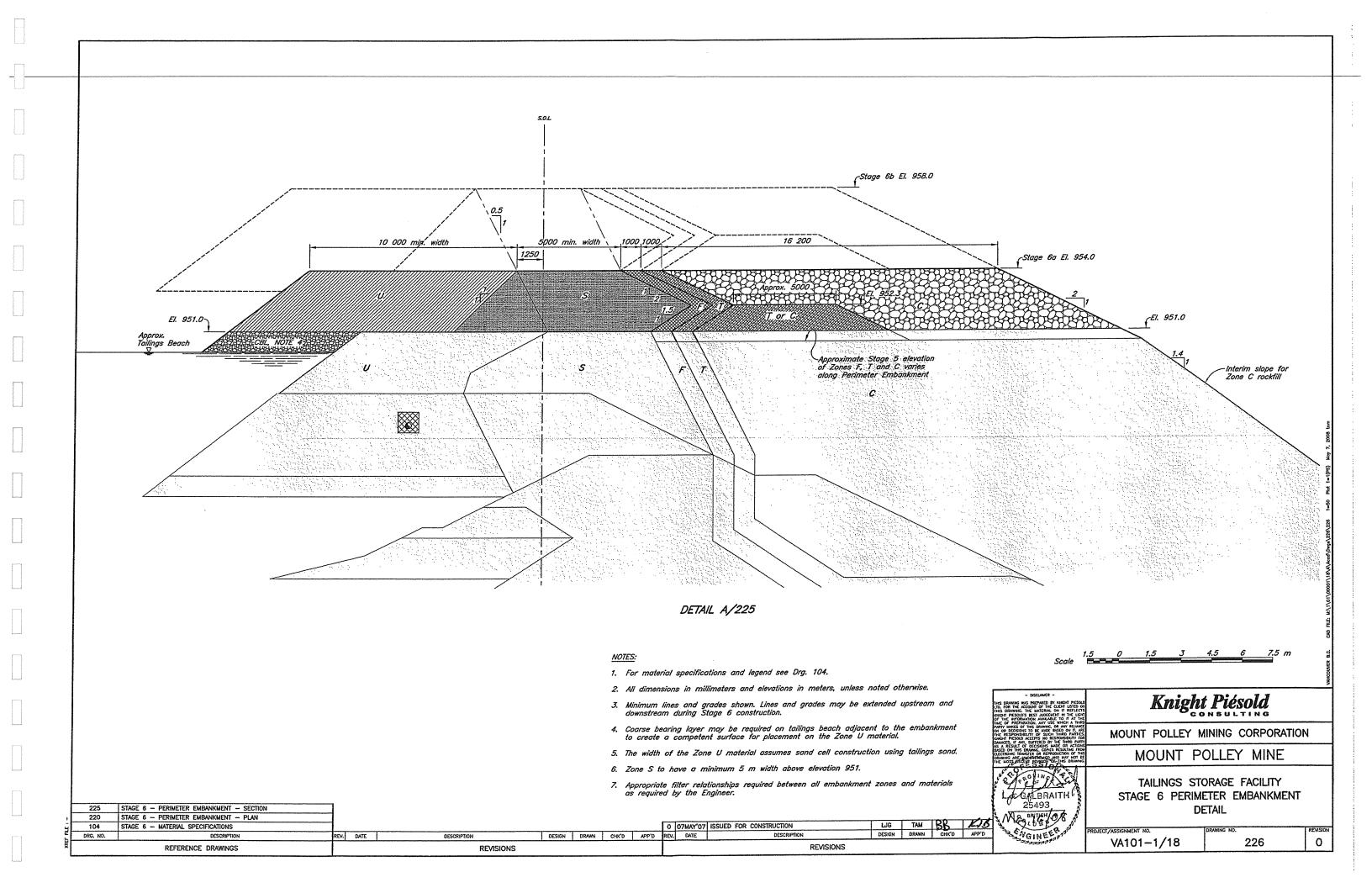


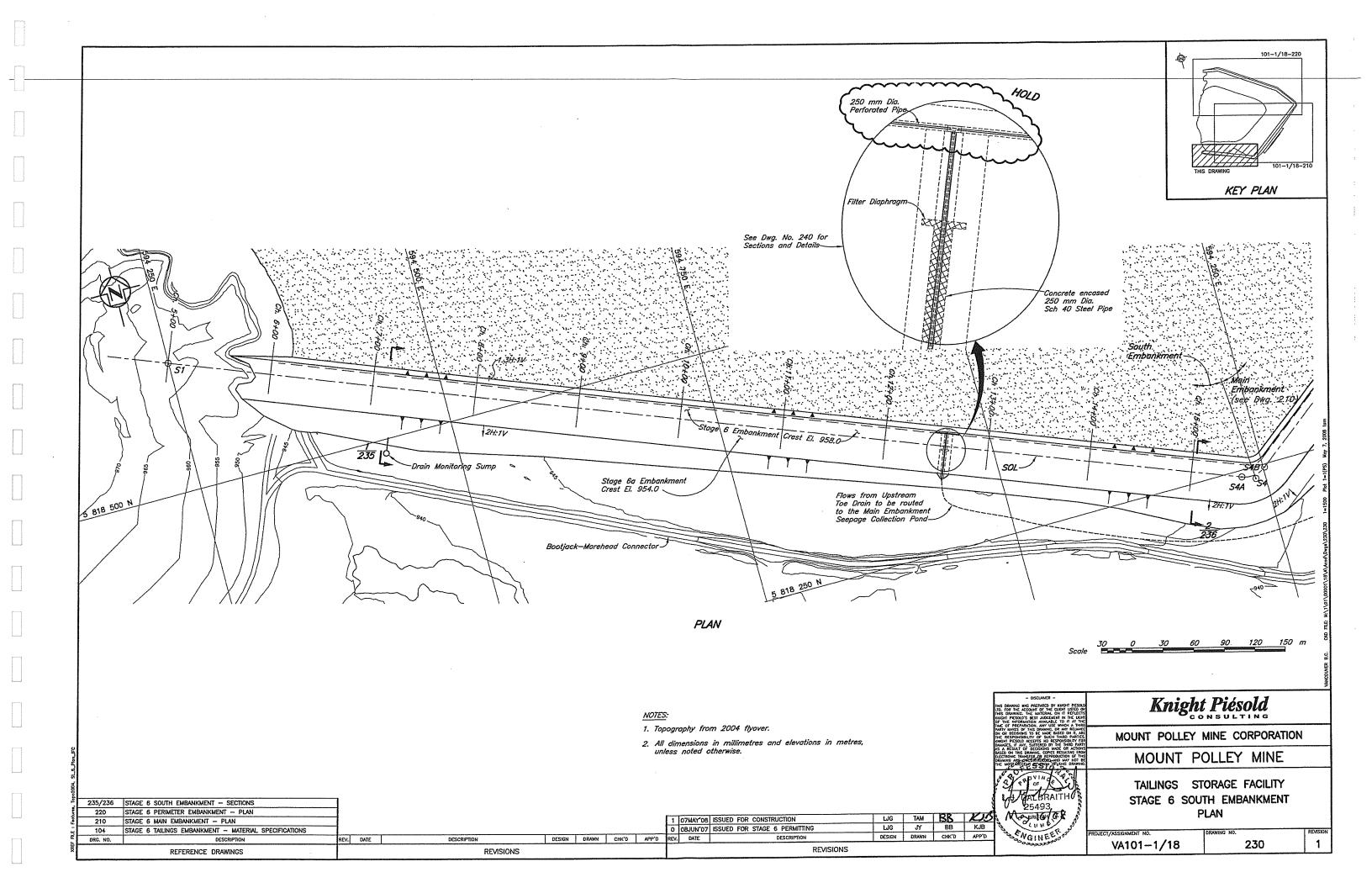


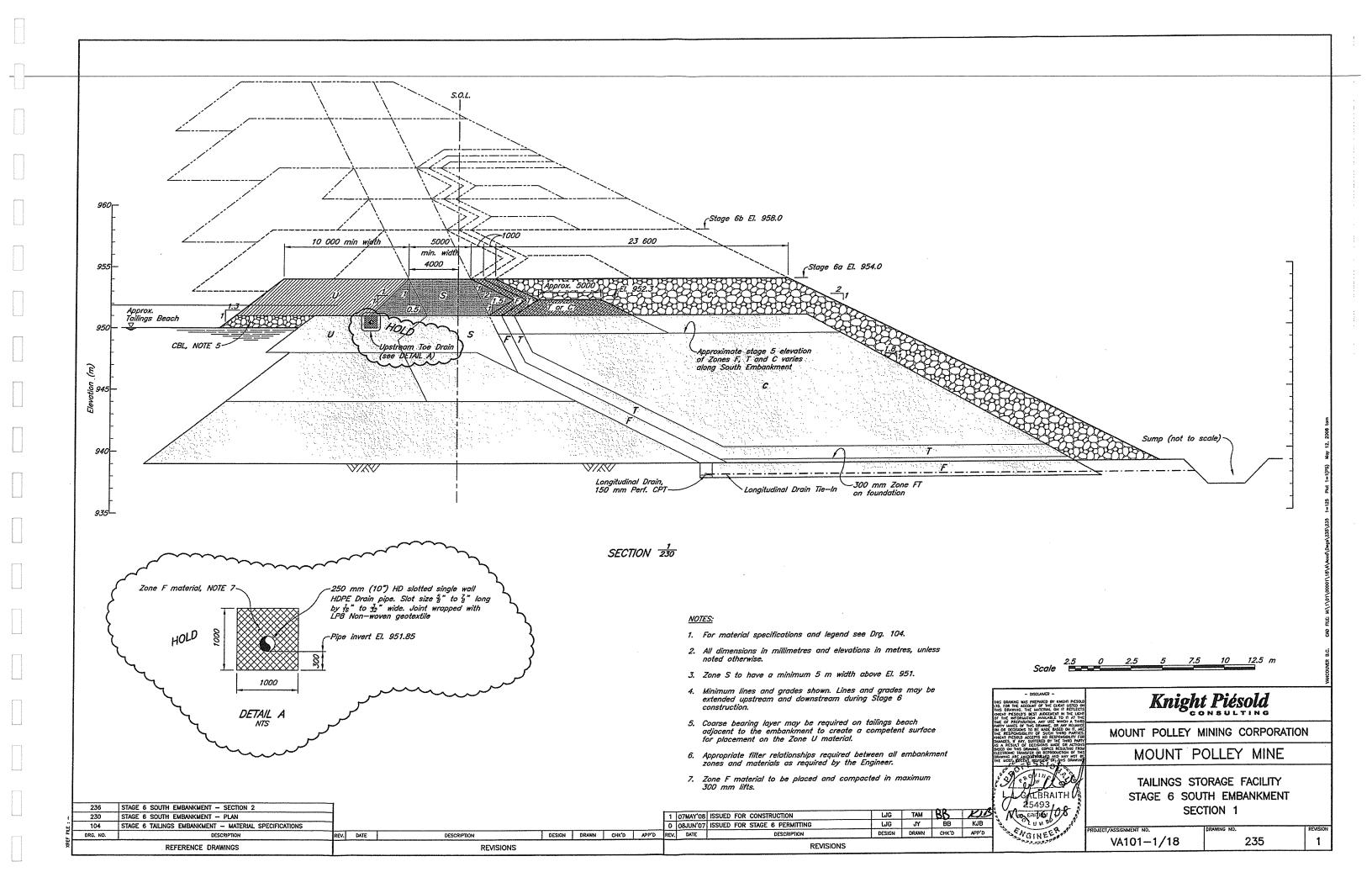


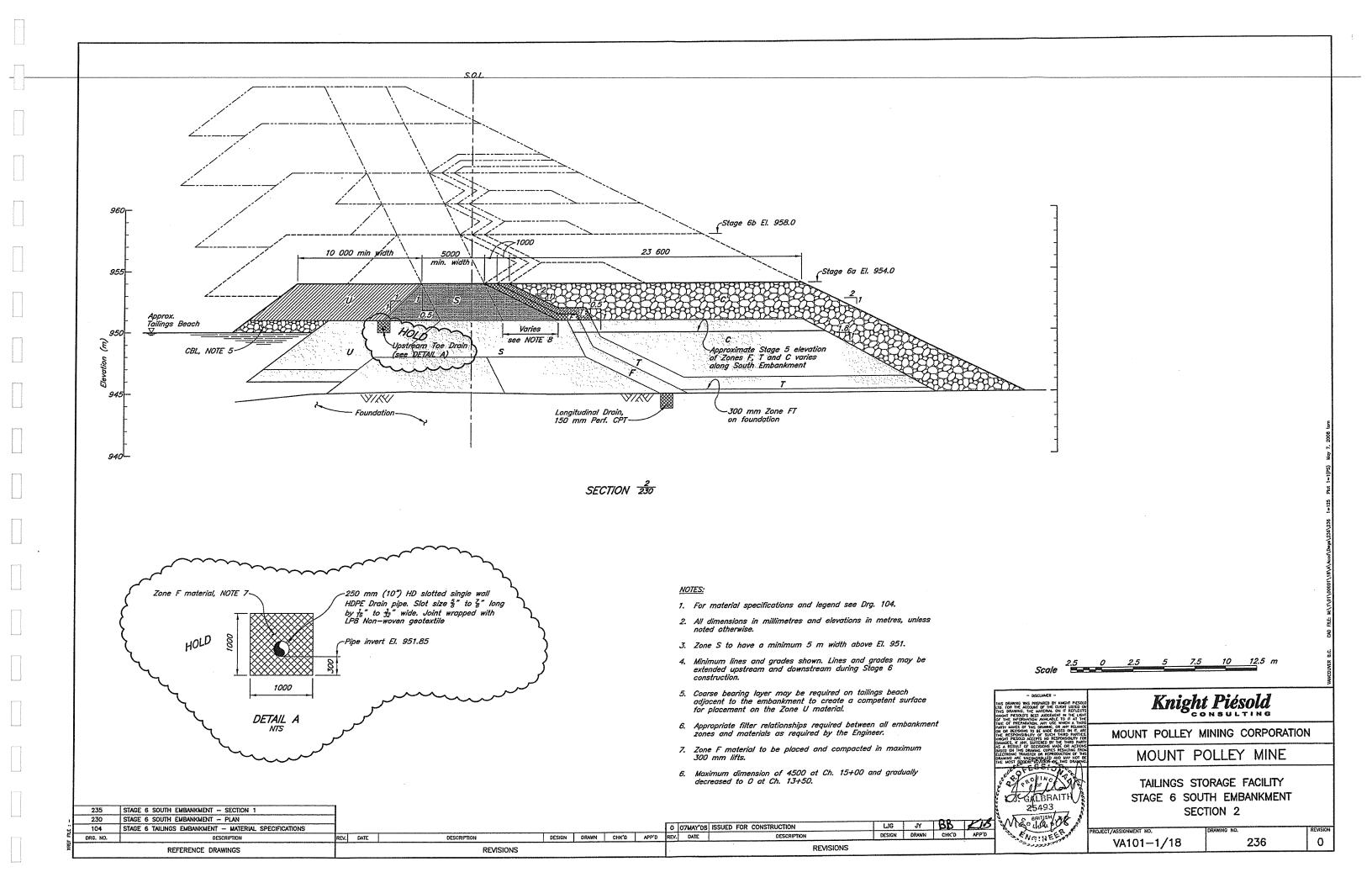


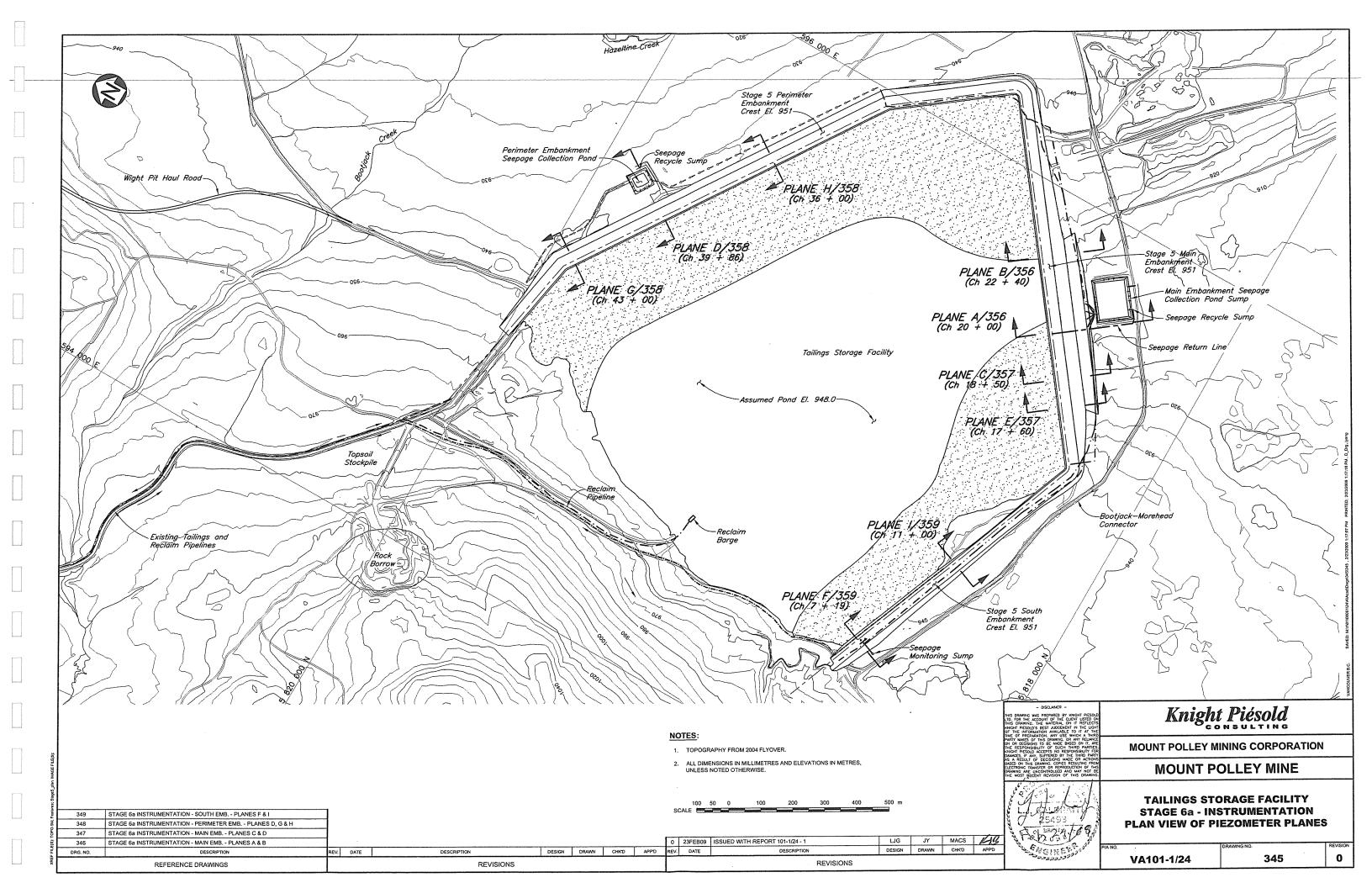


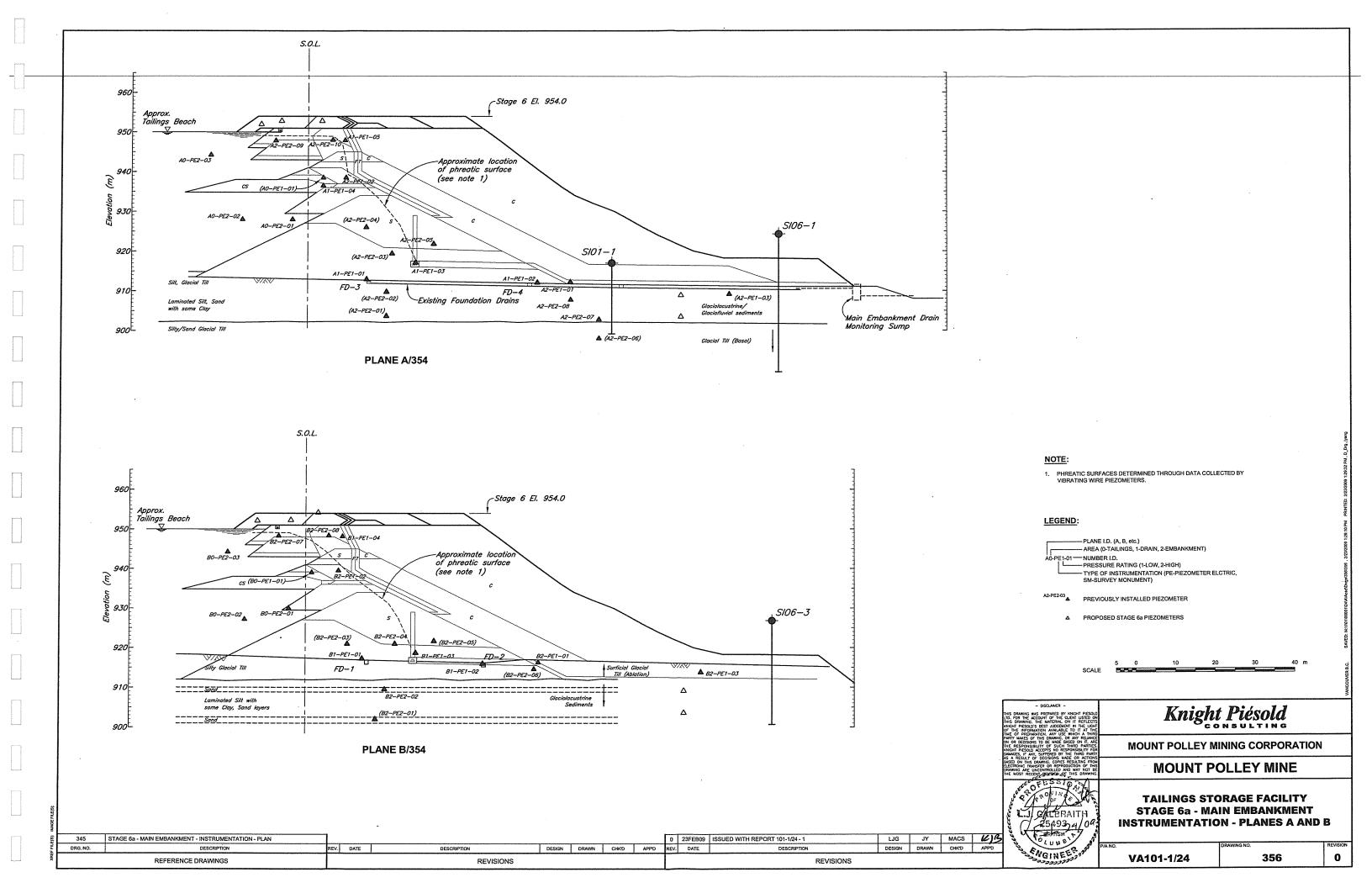


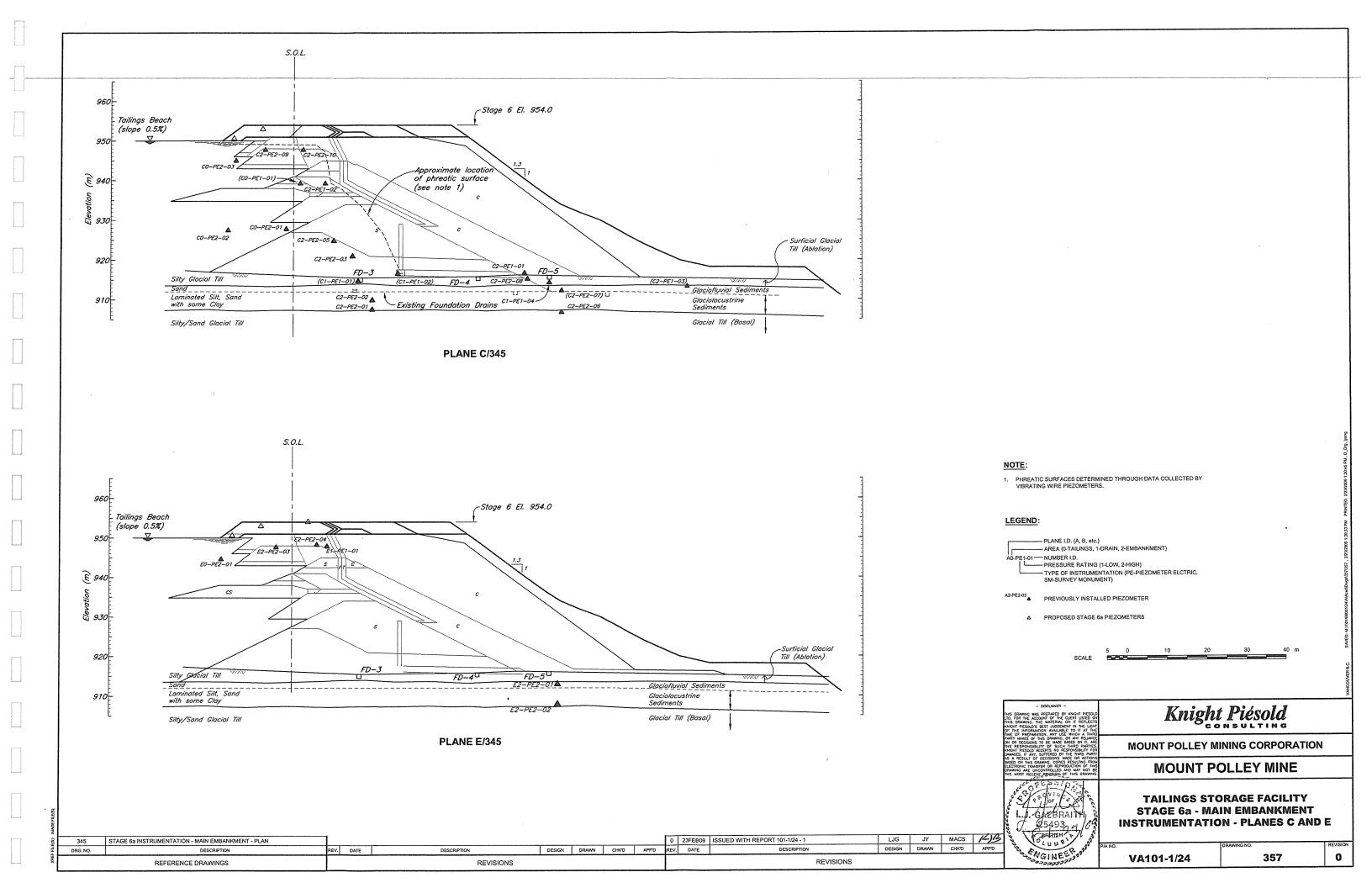


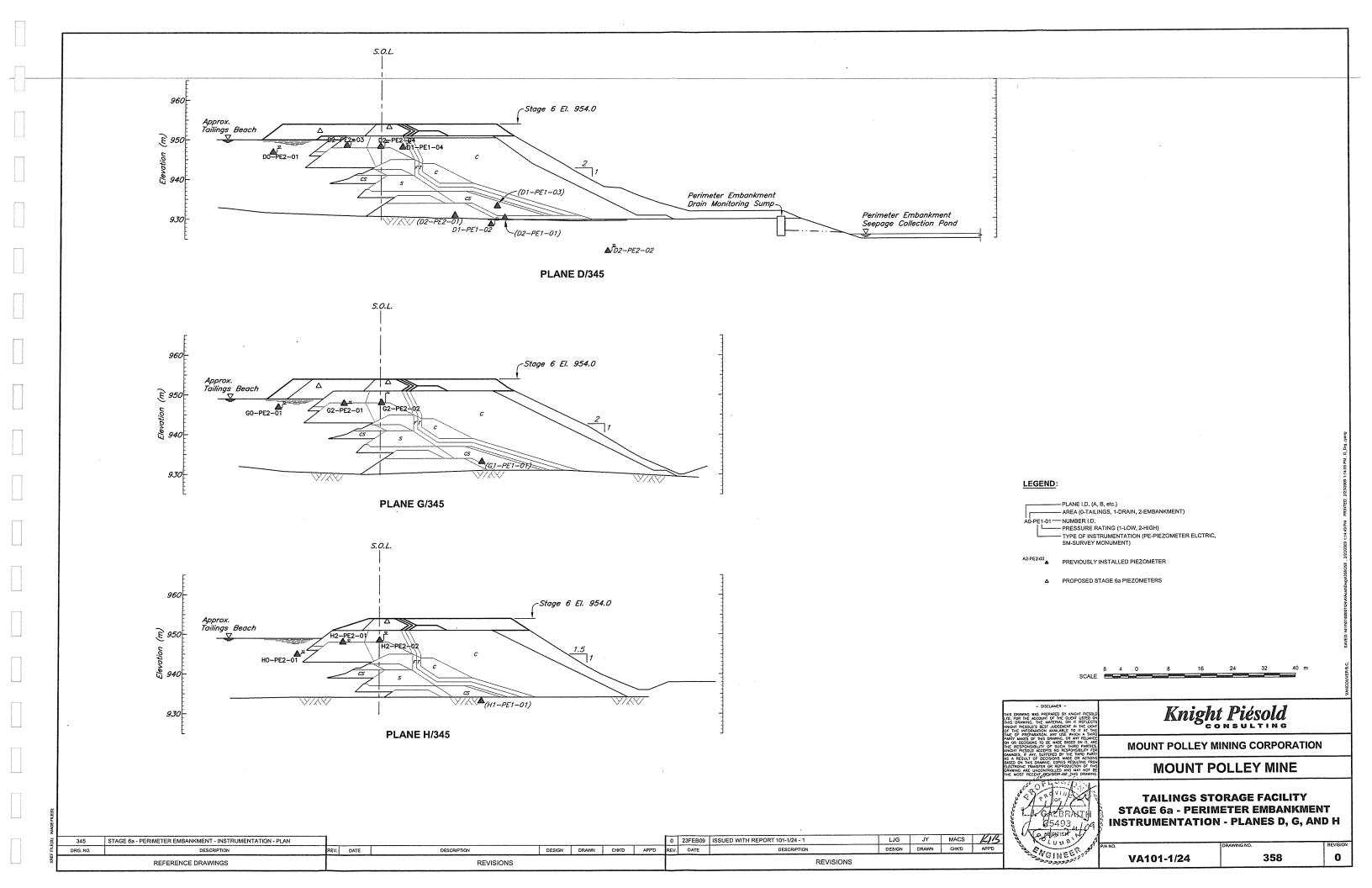


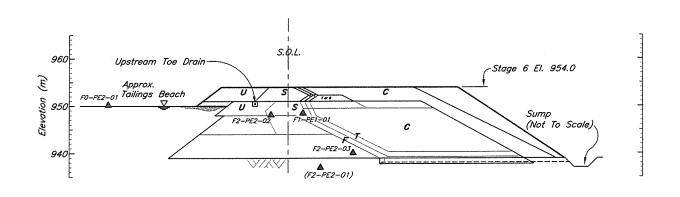




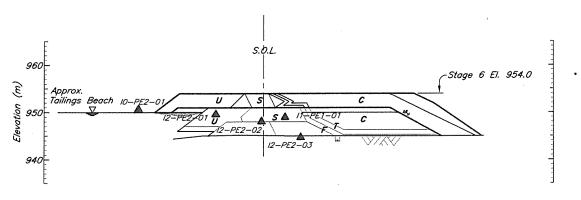








PLANE F/345



PLANE I/345

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TAILINGS STORAGE FACILITY STAGE 6a - SOUTH EMBANKMENT INSTRUMENTATION - PLANES F AND I

VA101-1/24 359

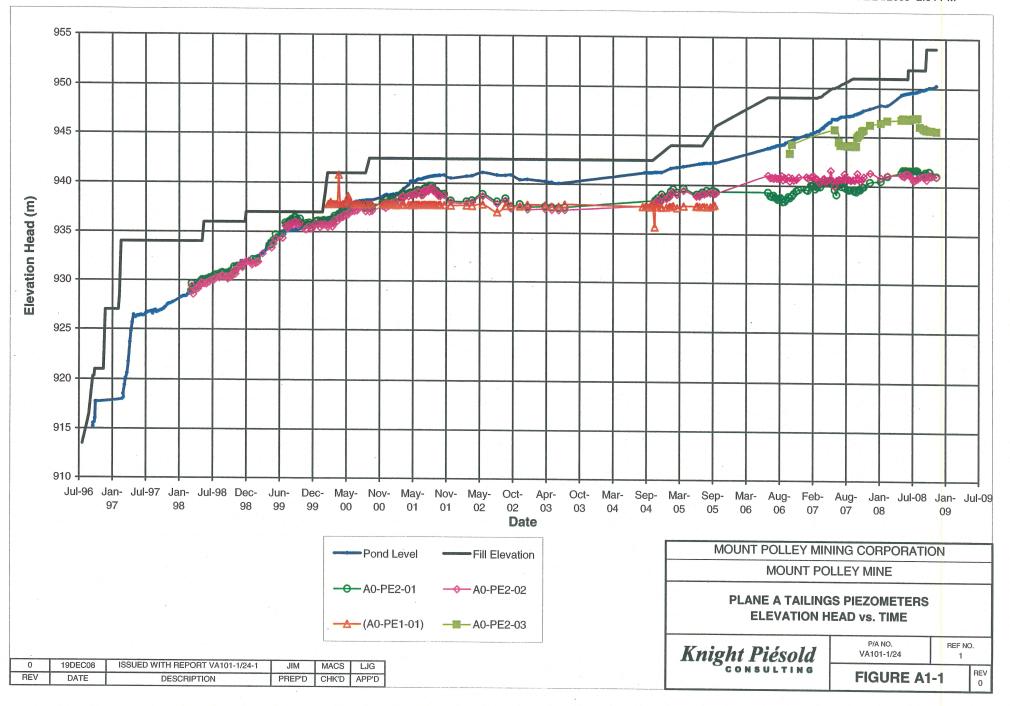
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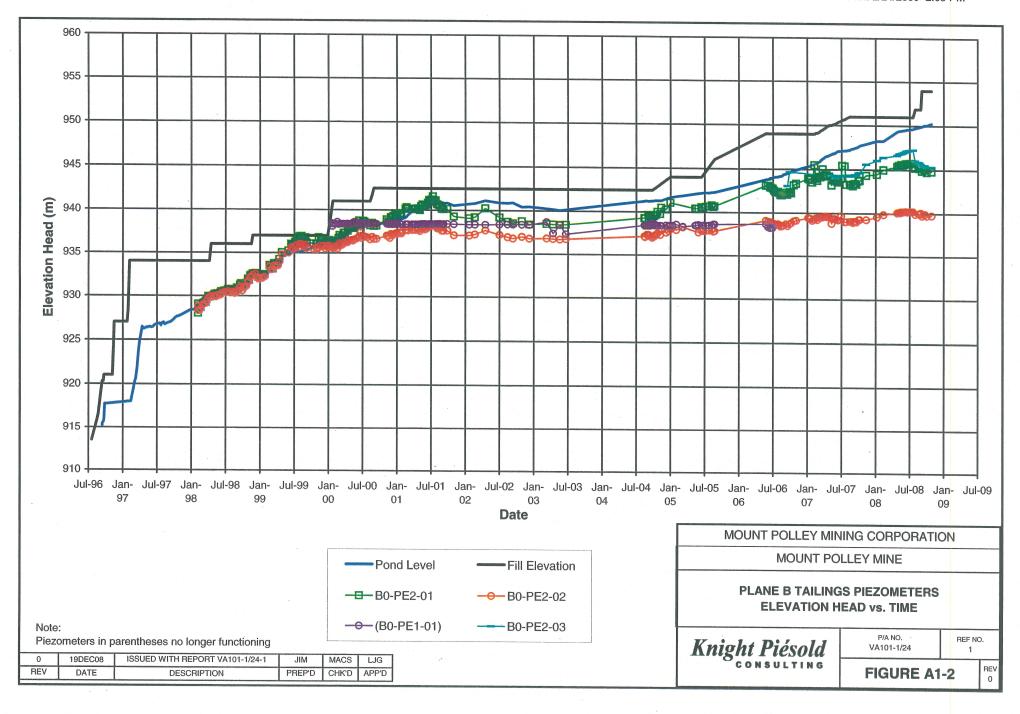


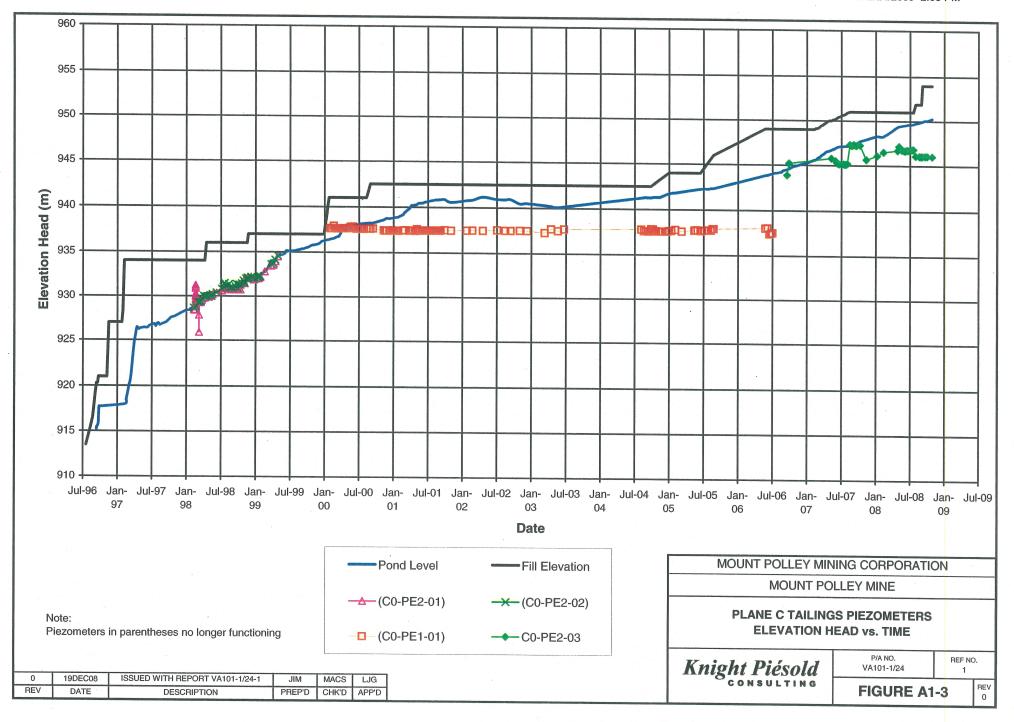
## APPENDIX A

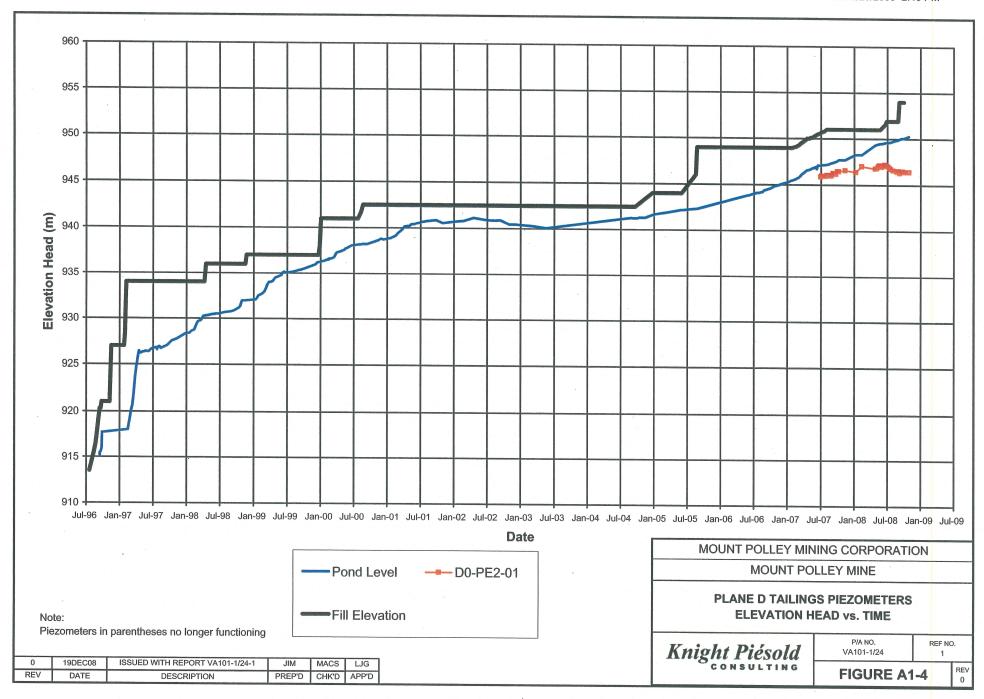
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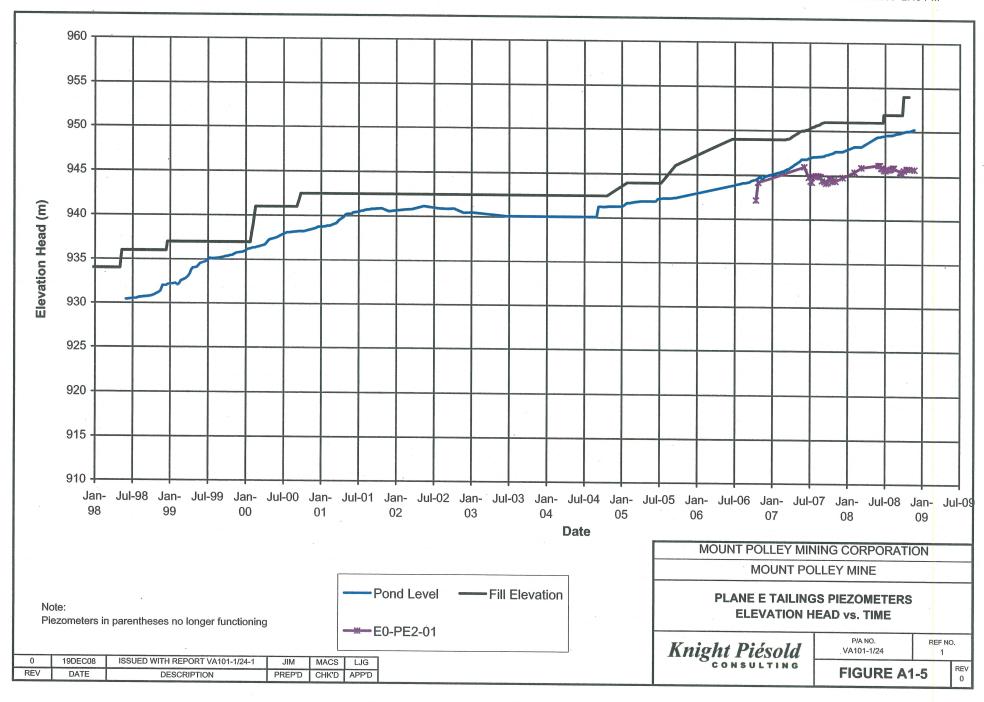
Figures A1-1 to A1-9 Tailings Piezometers
 Figures A2-1 to A2-7 Foundation Piezometers
 Figures A3-1 to A3-9 Fill Piezometers
 Figures A4-1 to A4-8 Drain Piezometers

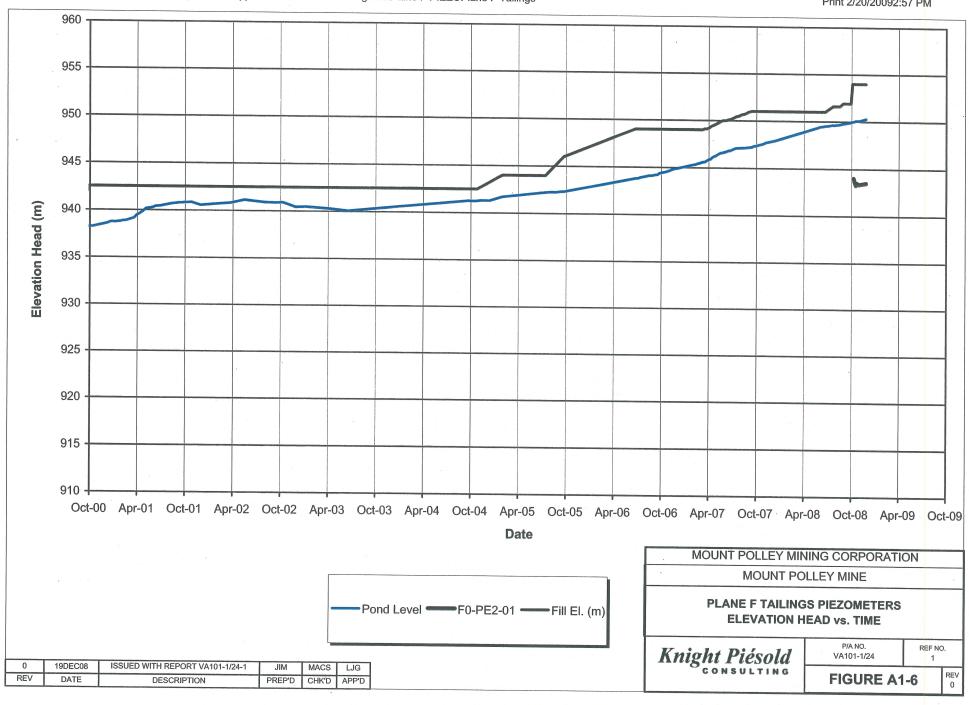


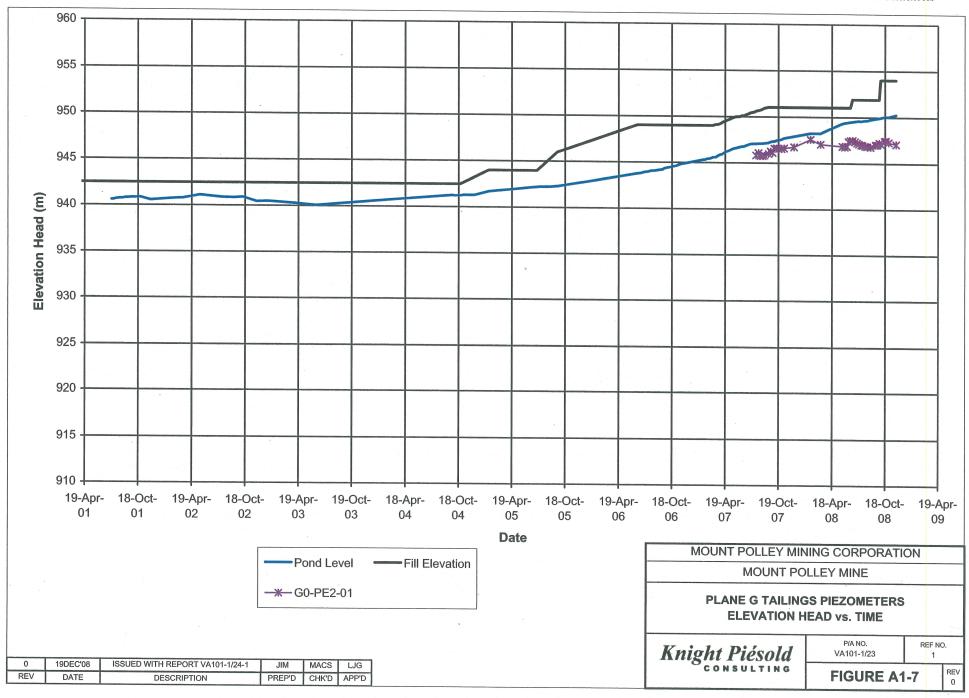


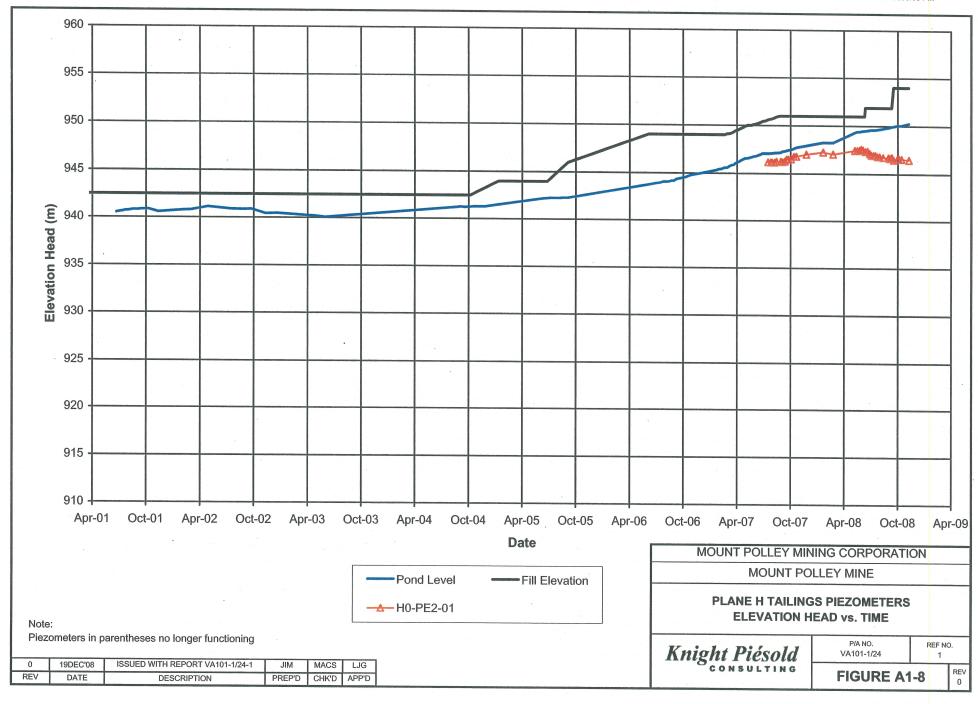


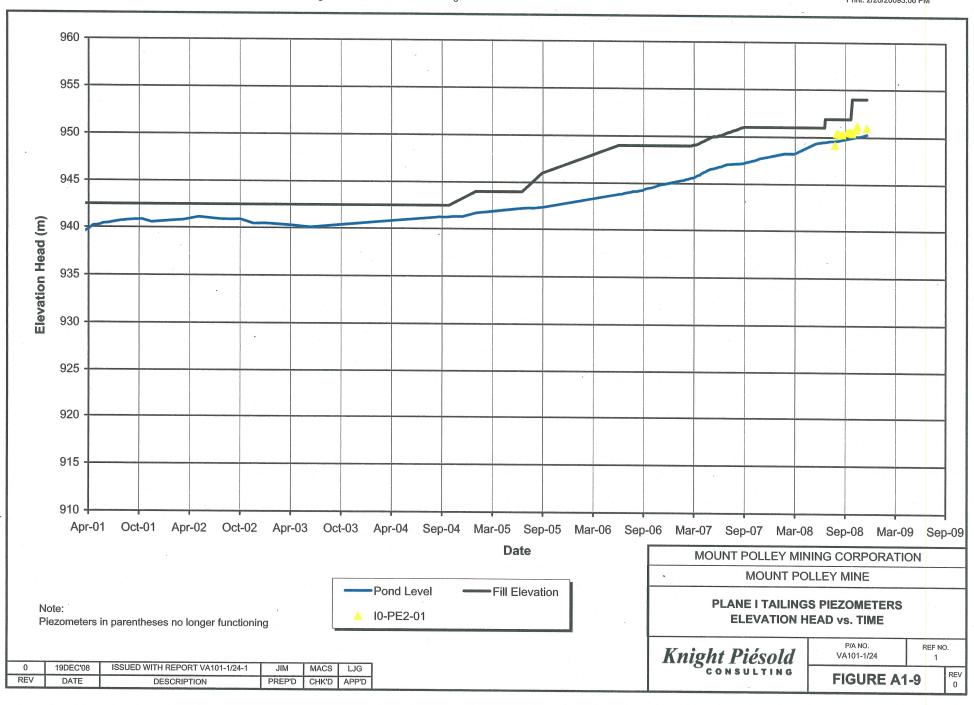


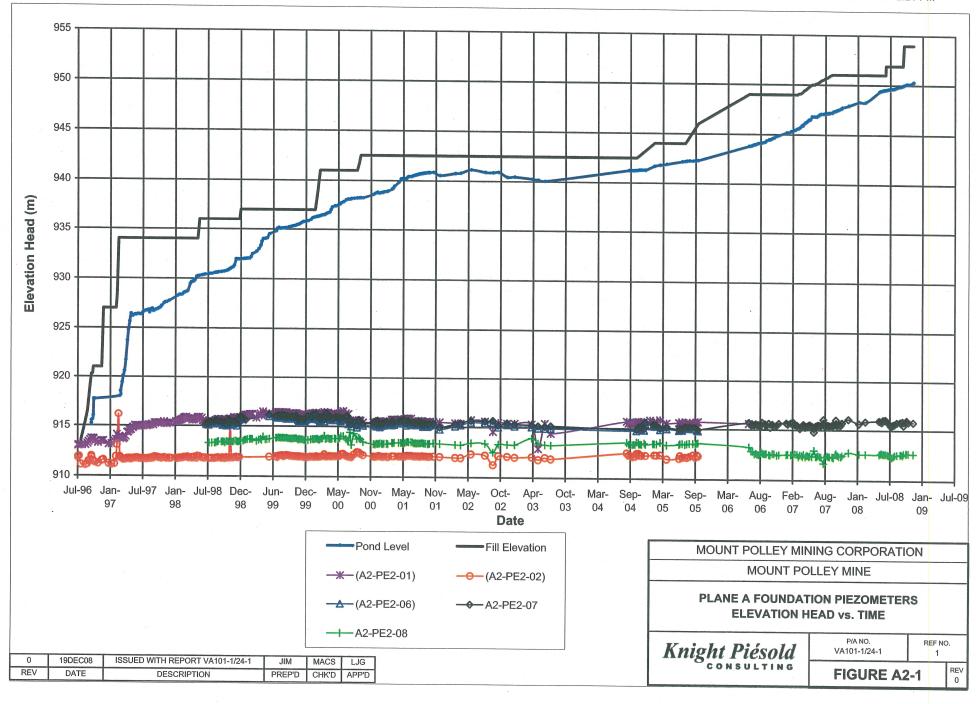


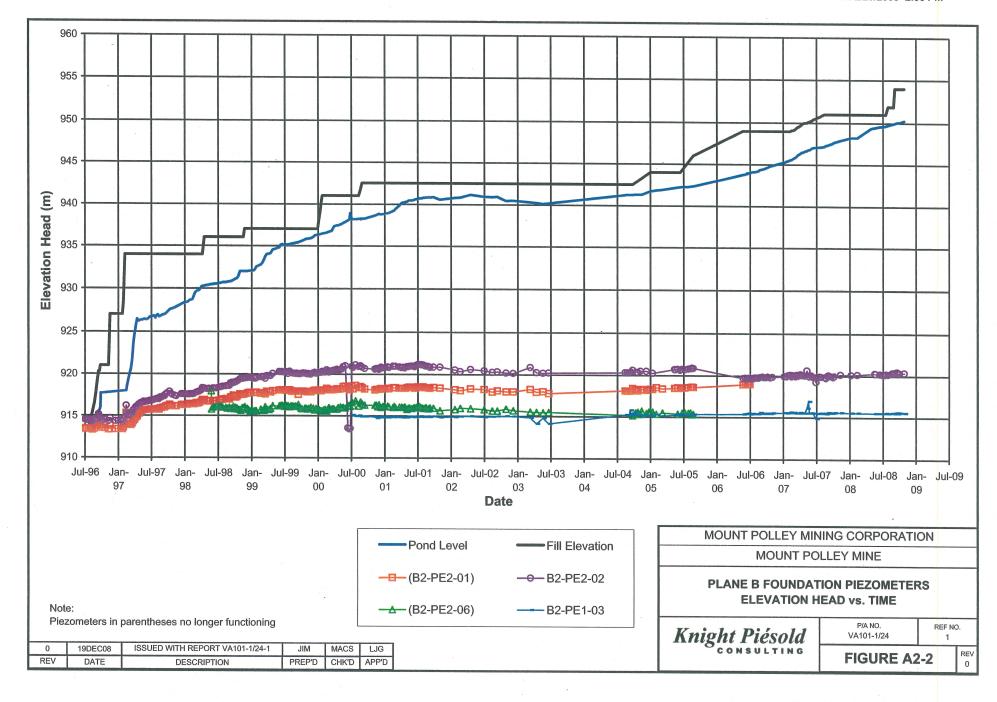


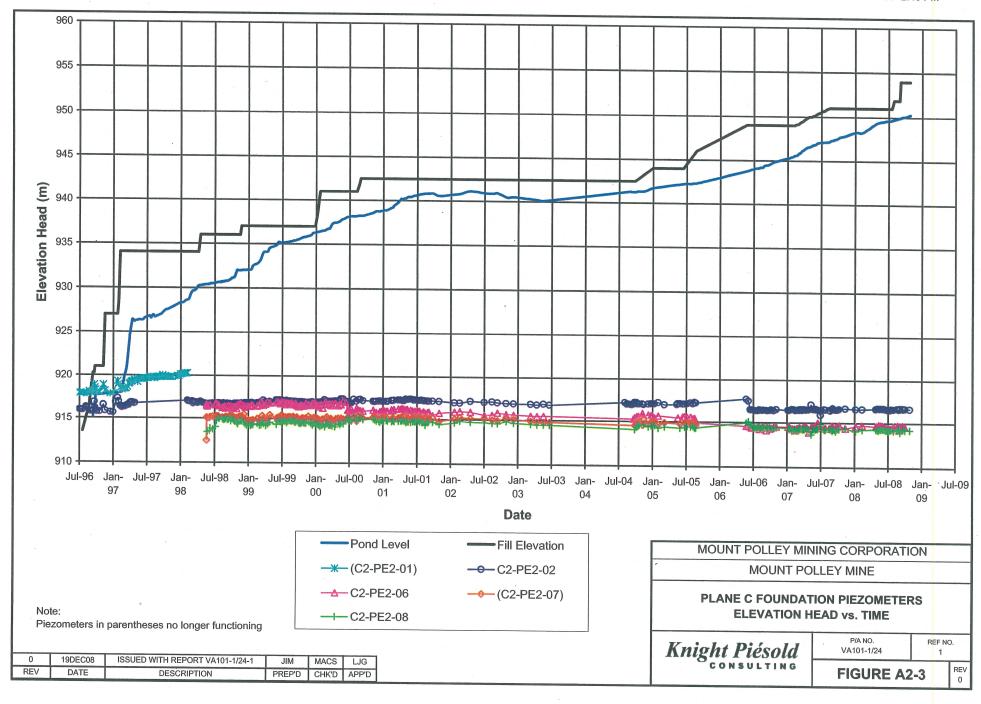


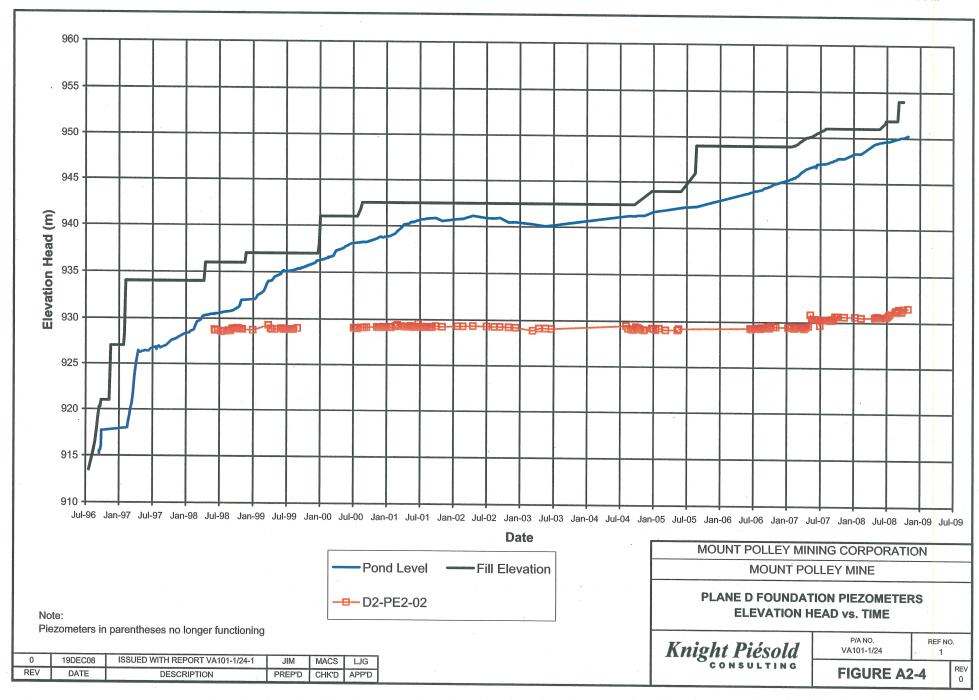


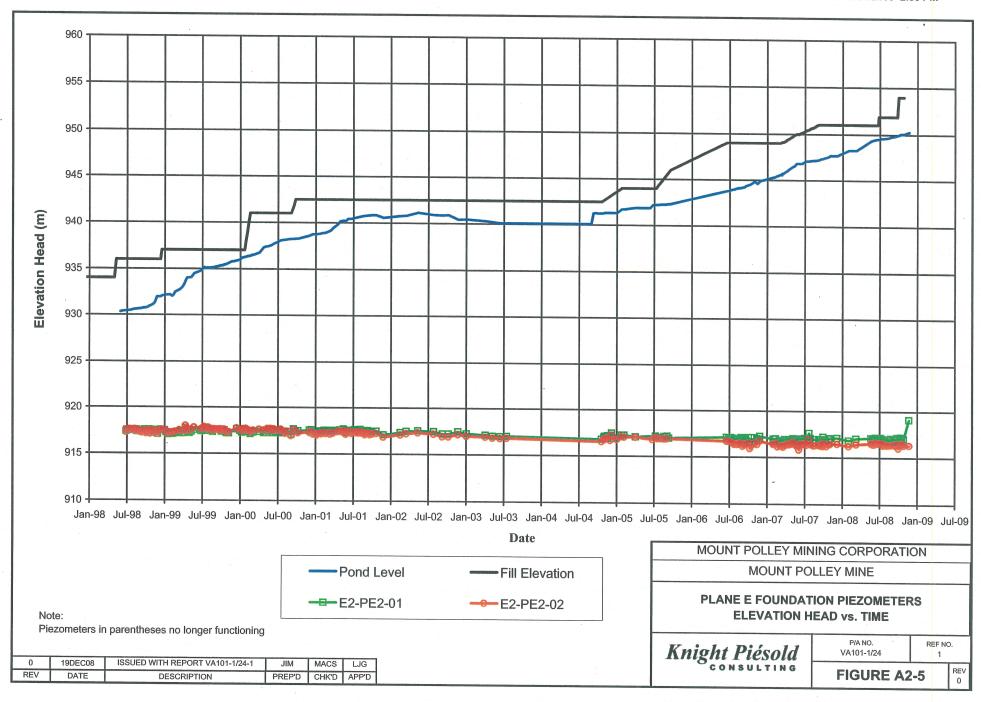


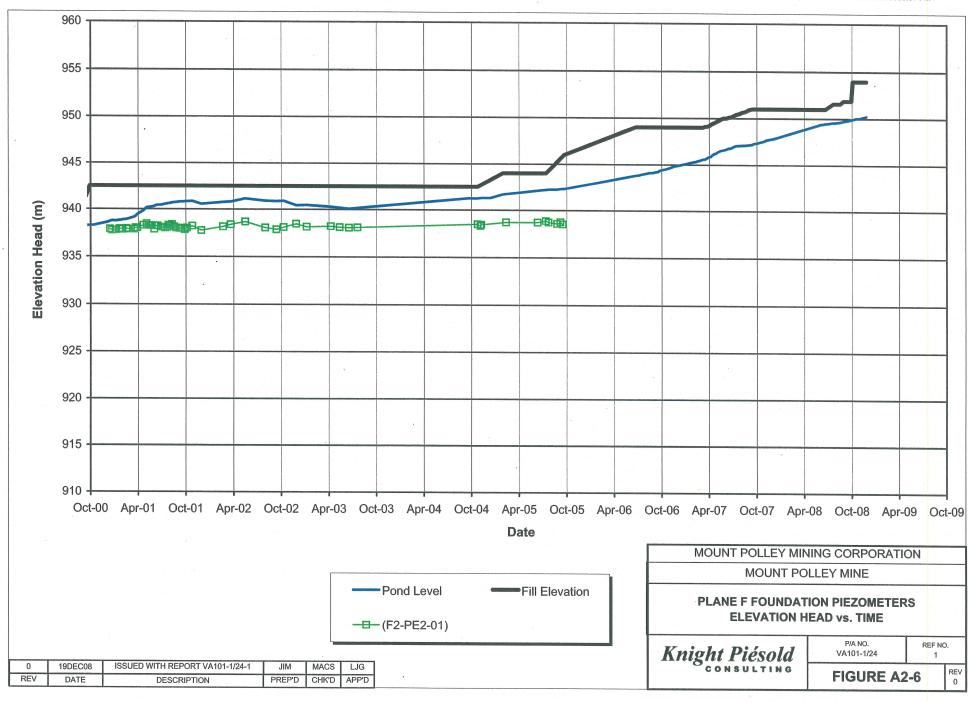


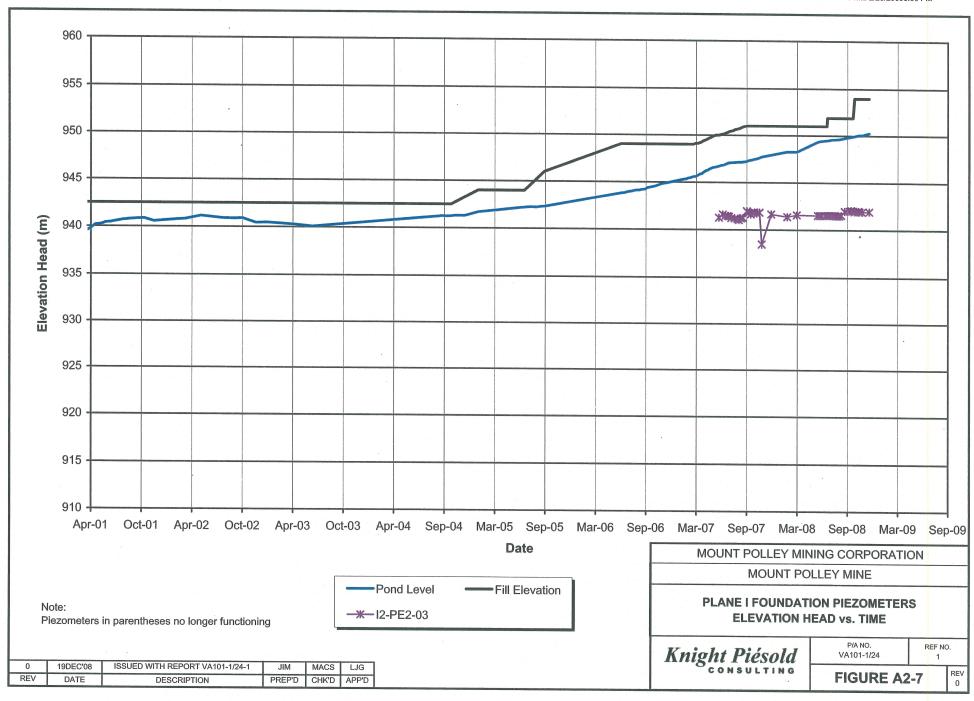


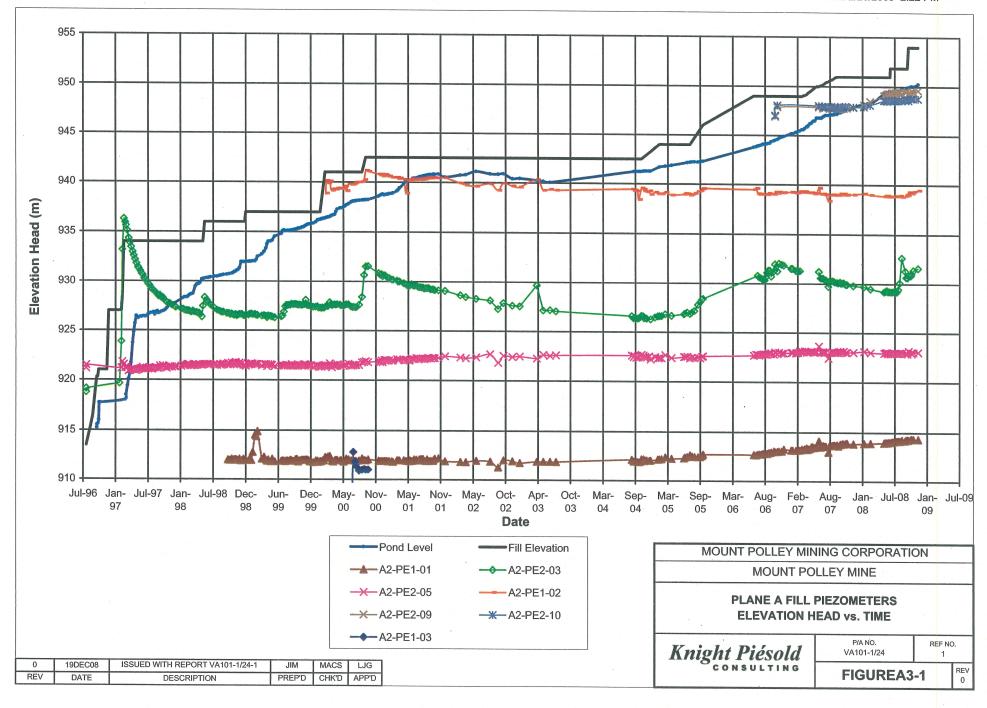


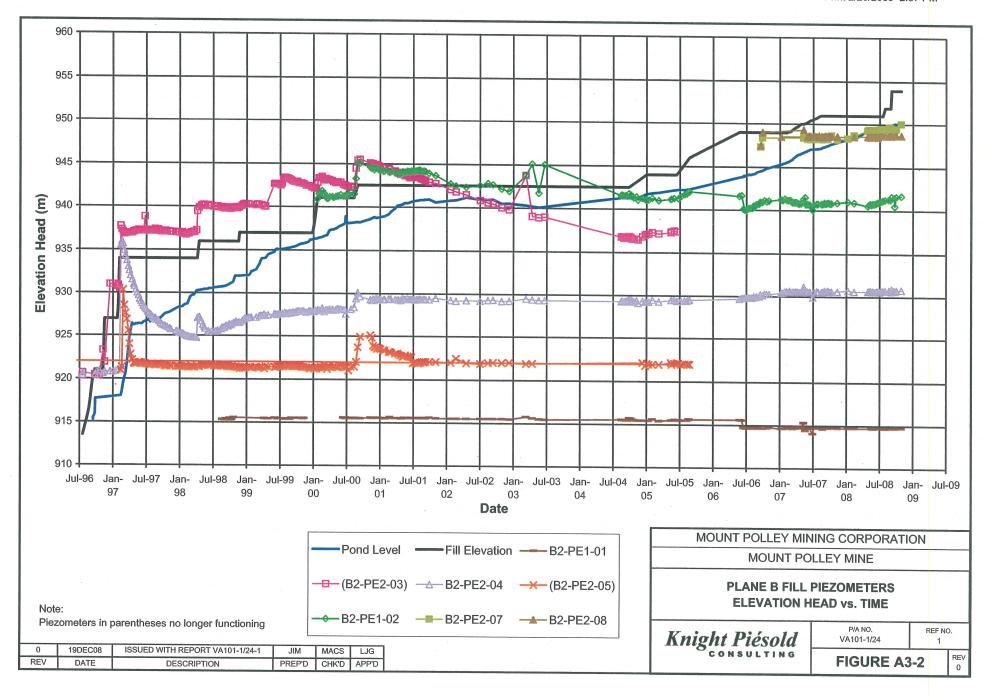


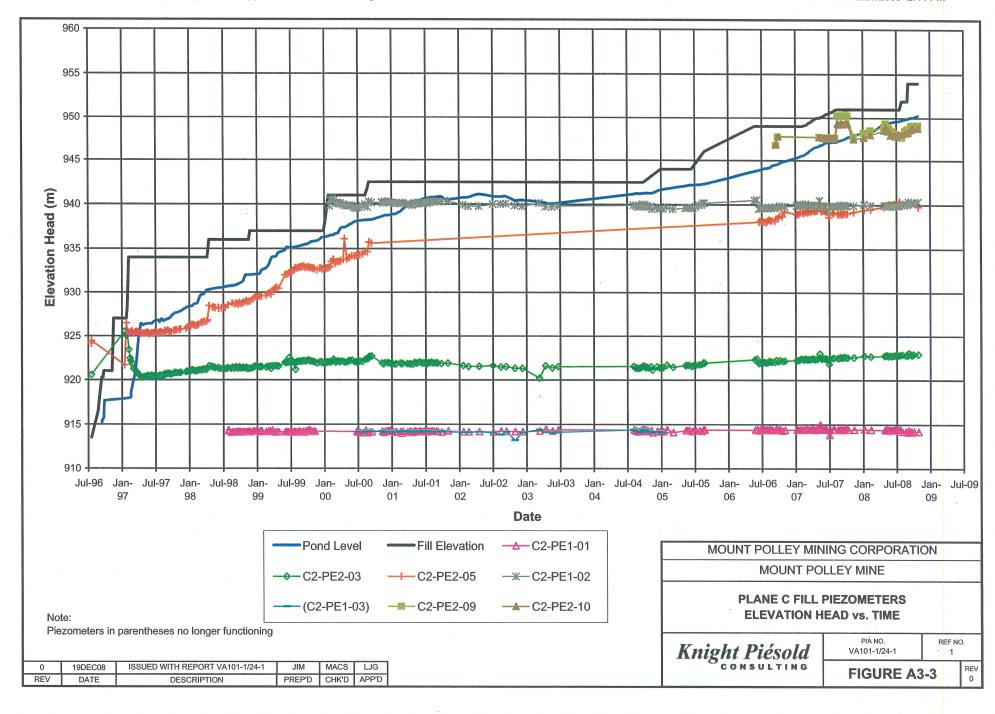


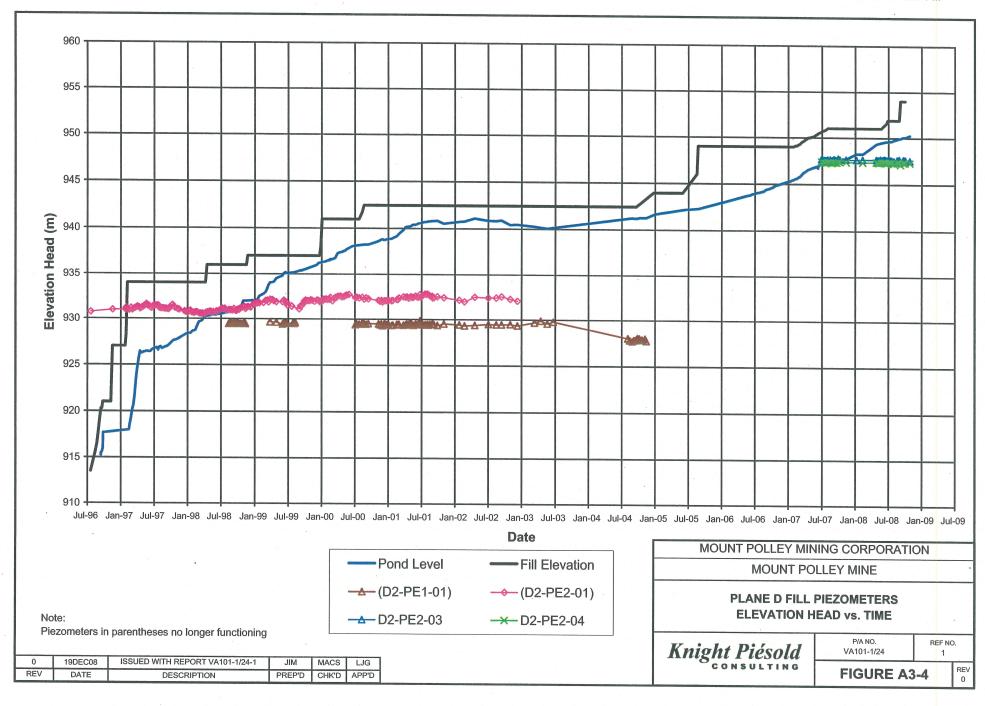


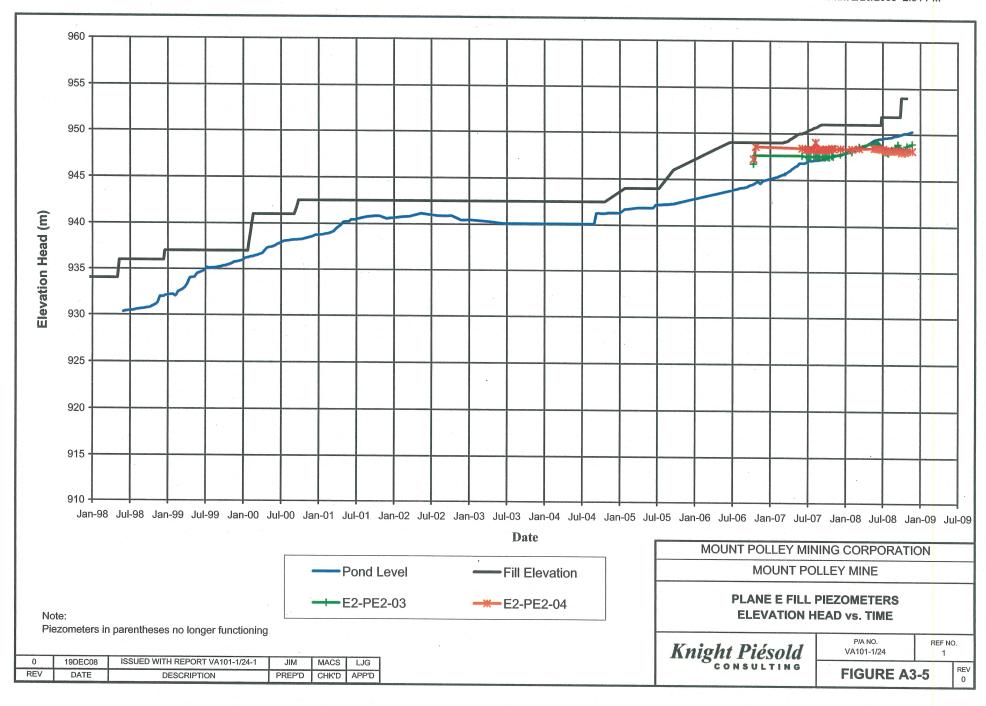


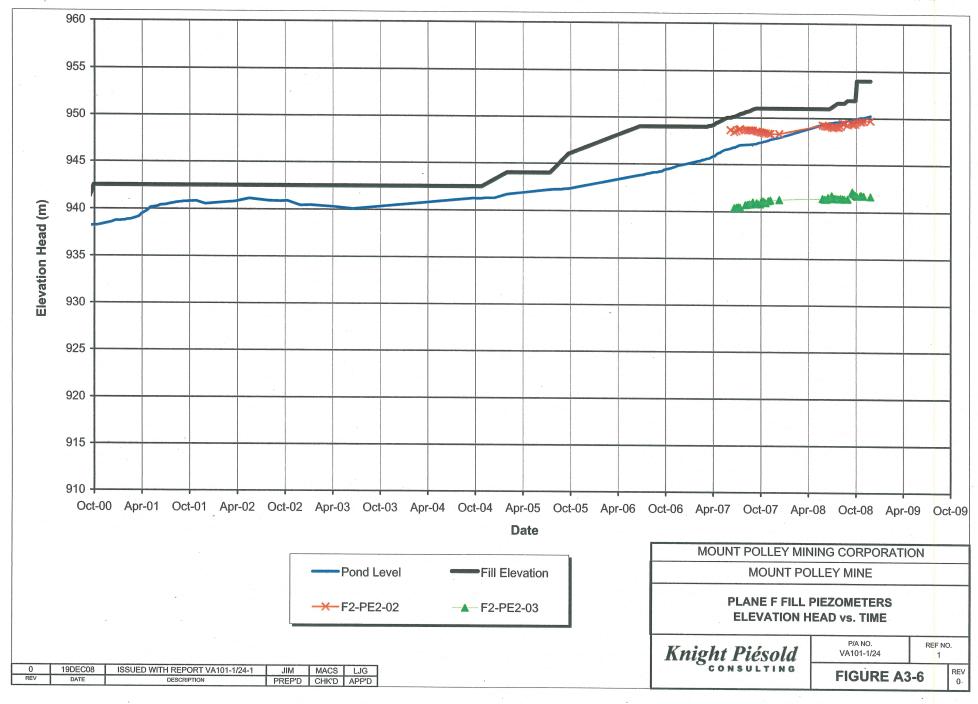


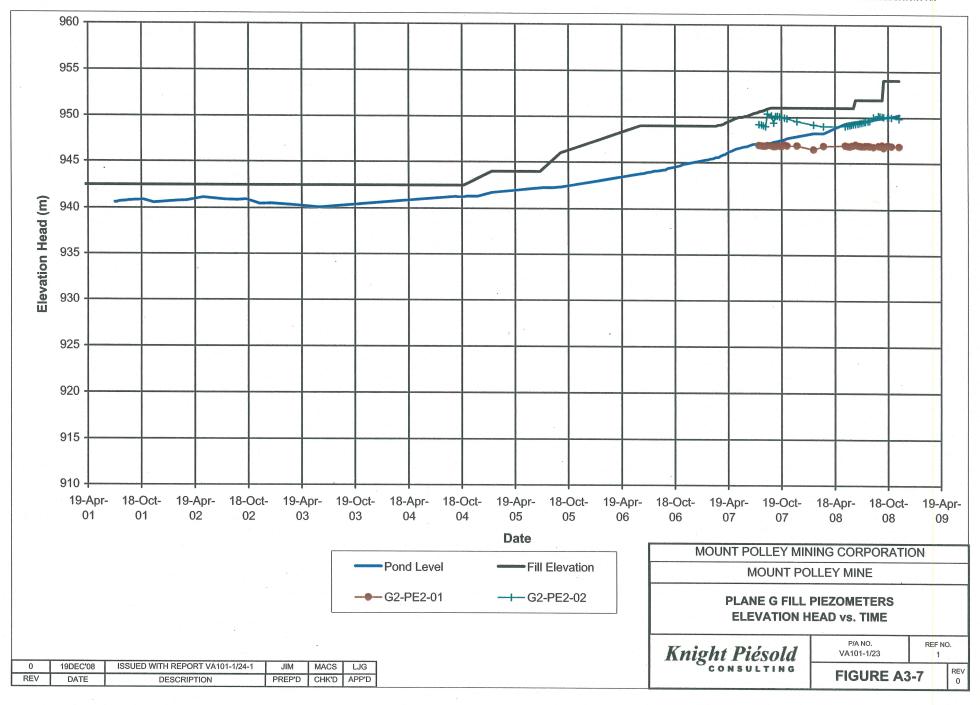


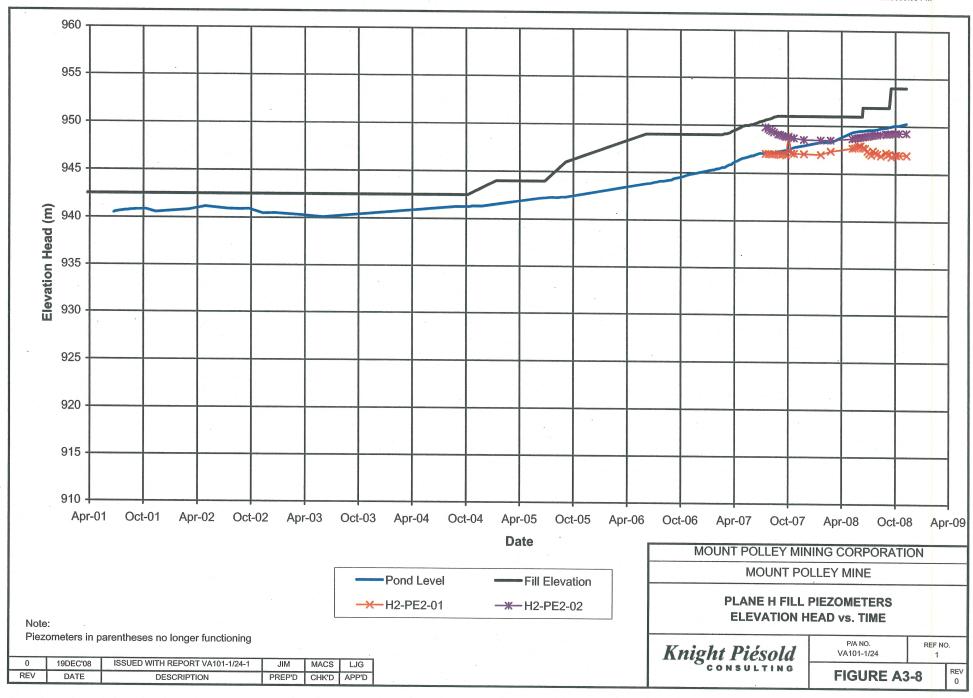


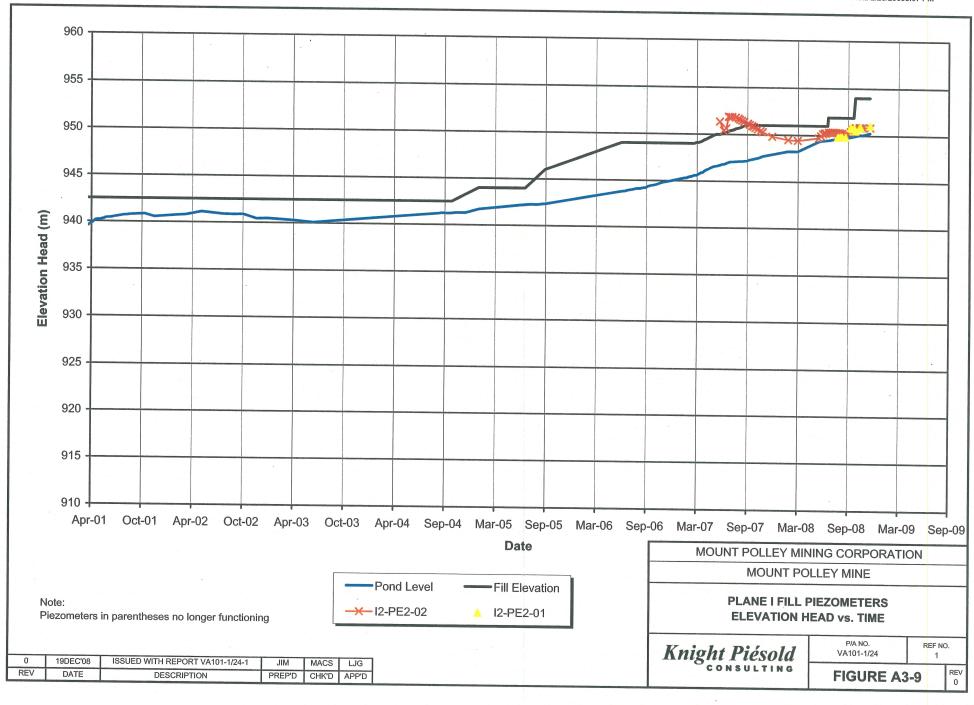


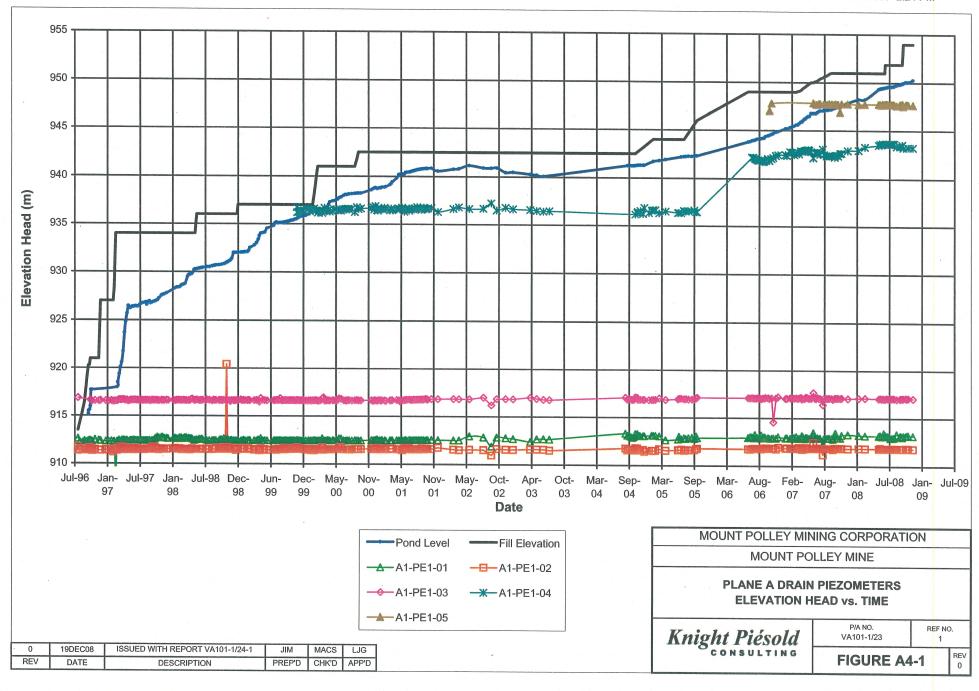


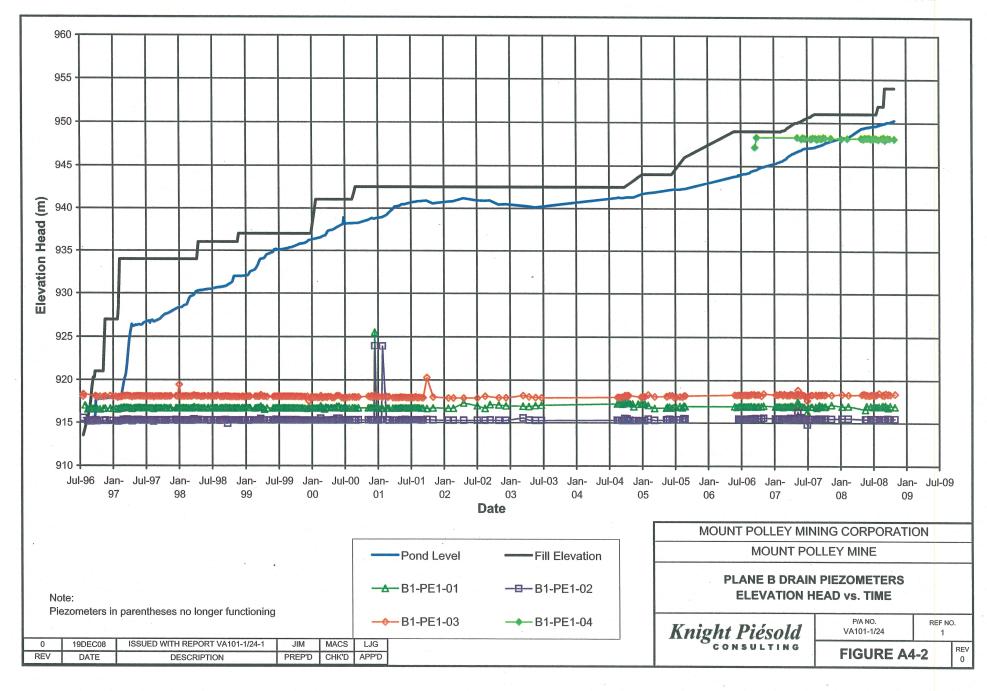


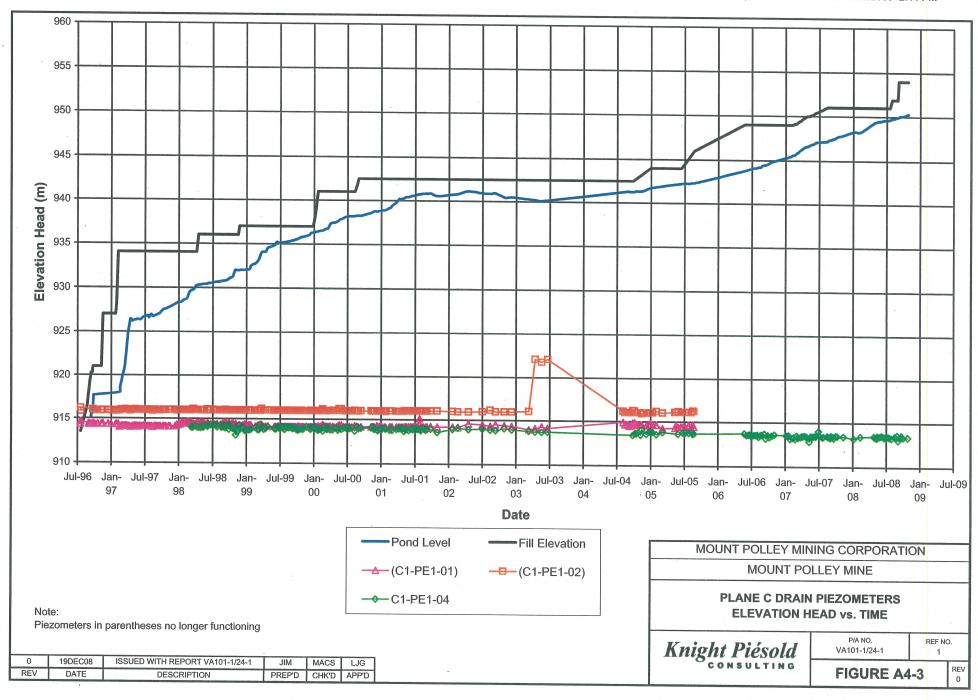


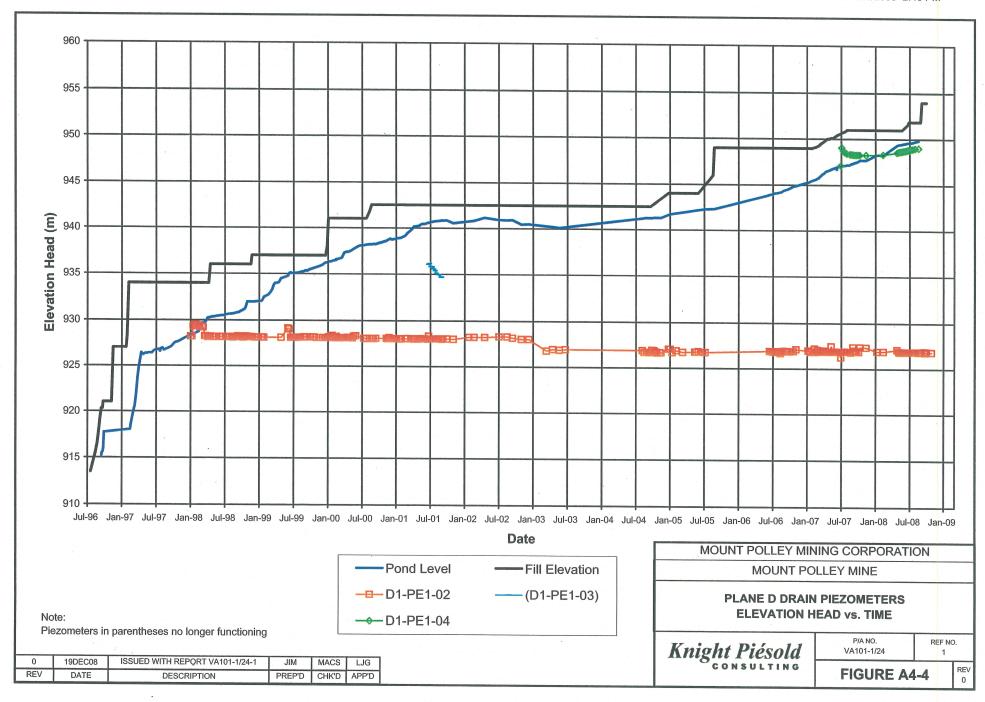


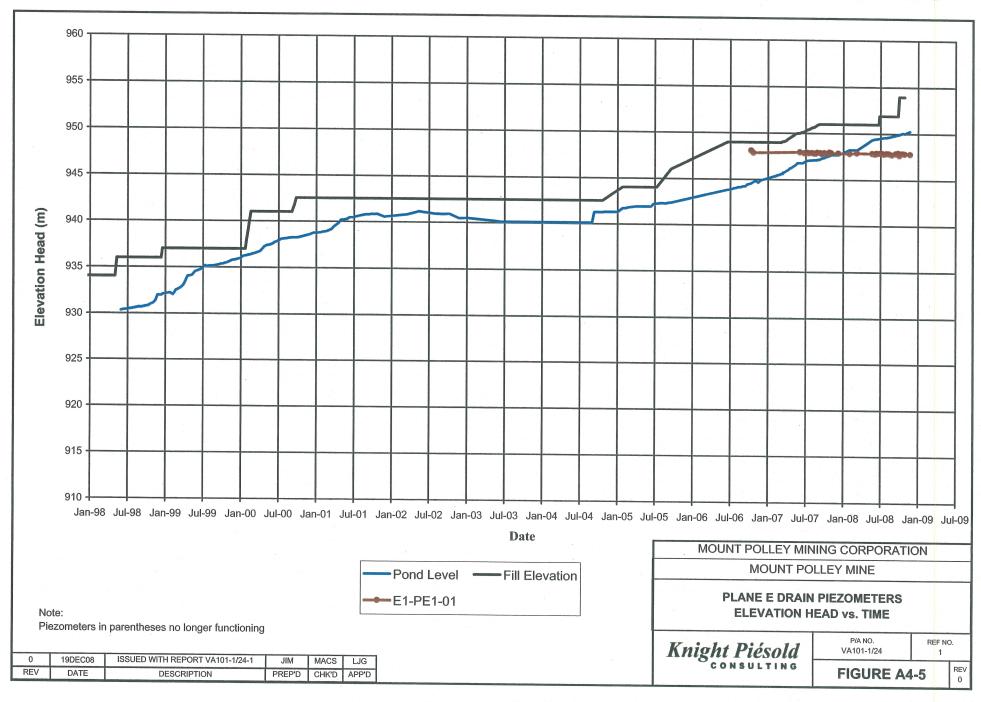


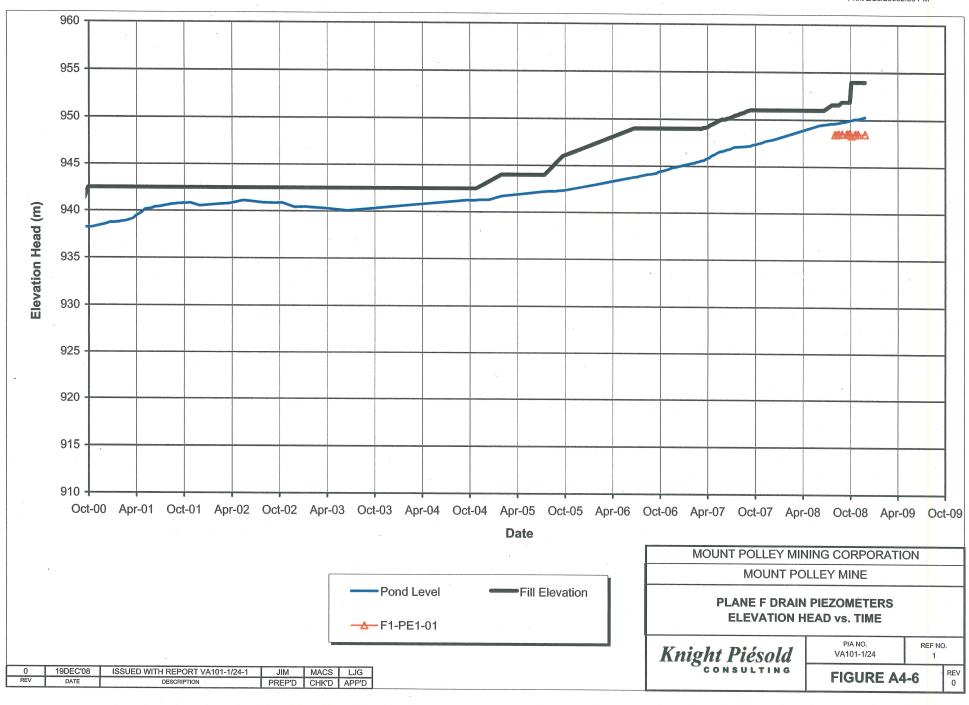


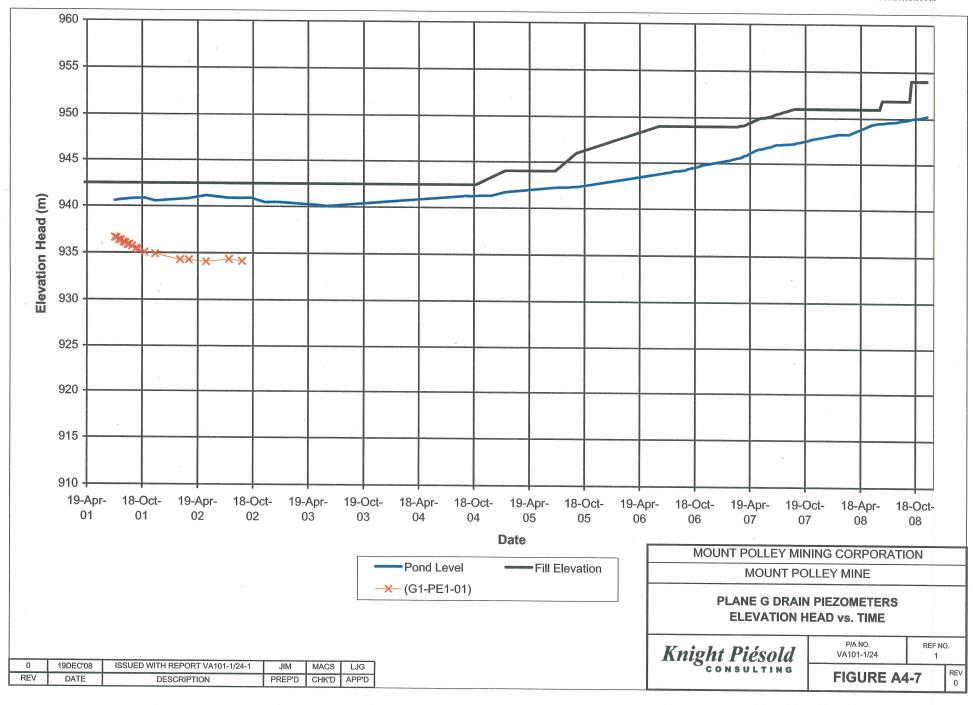


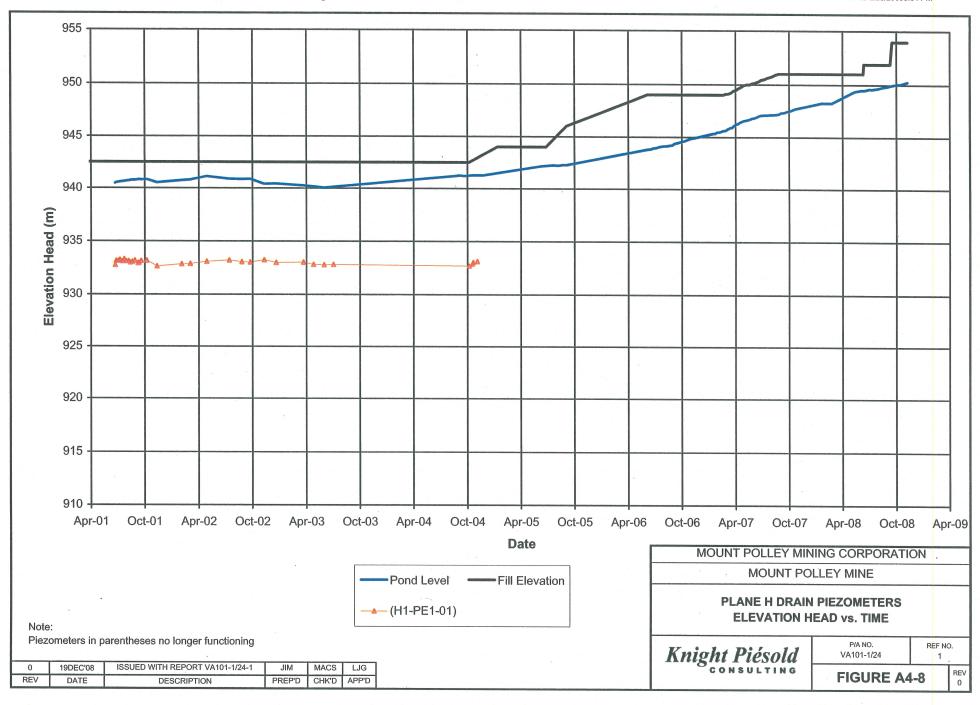










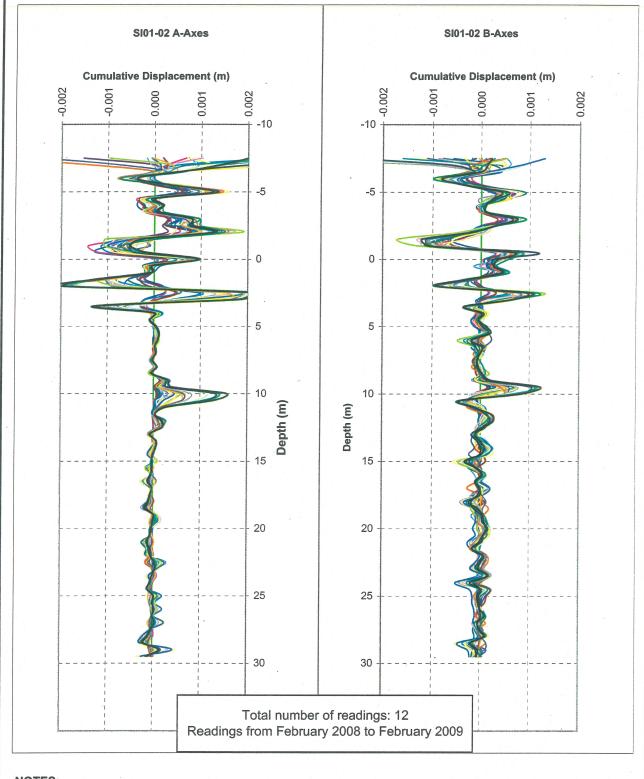


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APPENDIX B

**INCLINOMETER DATA** 

(Figures B-1 to B-4)



- 1. DISPLACEMENT IS CALCULATED BASED ON THE INITIAL DATA SET.
- 2. NEW DATA STARTED IN FEBRUARY 2007 AS A NEW PROBE WAS PURCHASED.

MOUNT	POLLEY MINING CORPORATION	
		_

MOUNT POLLEY MINE

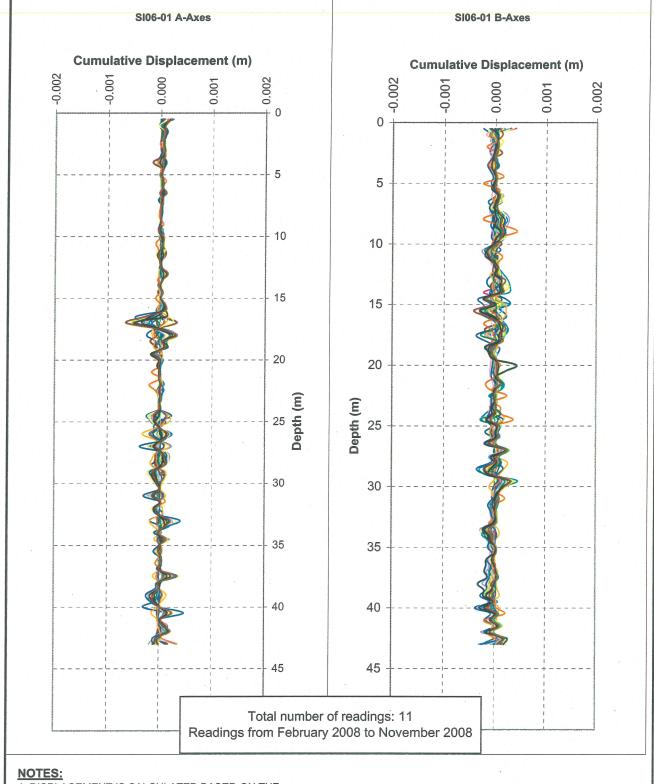
DOWN HOLE INCLINOMETER DISPLACEMENT SI01-02

Knight Piésold ISSUED WITH REPORT VA101-1/24-1 MACS LJG 19DEC'08 0 PREP'D CHK'D APP'D REV DESCRIPTION

P/A NO. VA101-1/24	REF NO.

FIGURE B-1

REV



1. DISPLACEMENT IS CALCULATED BASED ON THE INITIAL DATA SET.

0

2. NEW DATA STARTED IN FEBRUARY 2007 AS A NEW PROBE WAS PURCHASED.

MOUNT POLLEY MINING CORPORATION

MOUNT POLLEY MINE

DOWN HOLE INCLINOMETER DISPLACEMENT SI06-01

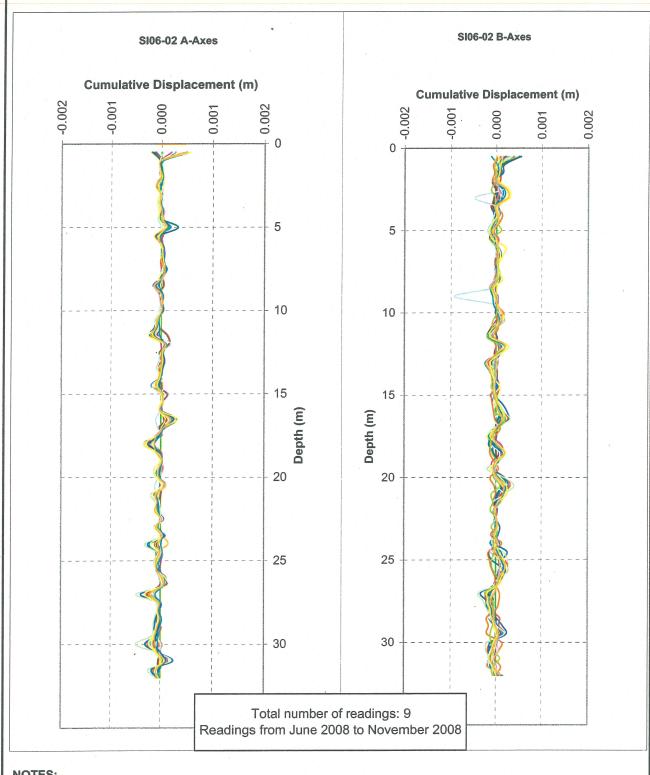
ISSUED WITH REPORT VA101-1/24-1 LJG 19DEC'08 PREP'D CHK'D APP'D REV DATE DESCRIPTION

Knight Piésold

P/A NO. VA101-1/24

REF NO.

FIGURE B-2



### NOTES:

1. DISPLACEMENT IS CALCULATED BASED ON THE INITIAL DATA SET.

2. NEW DATA STARTED IN FEBRUARY 2007 AS A NEW PROBE WAS PURCHASED.

	MOUNT	POLLEY	MINING	CORPORATION
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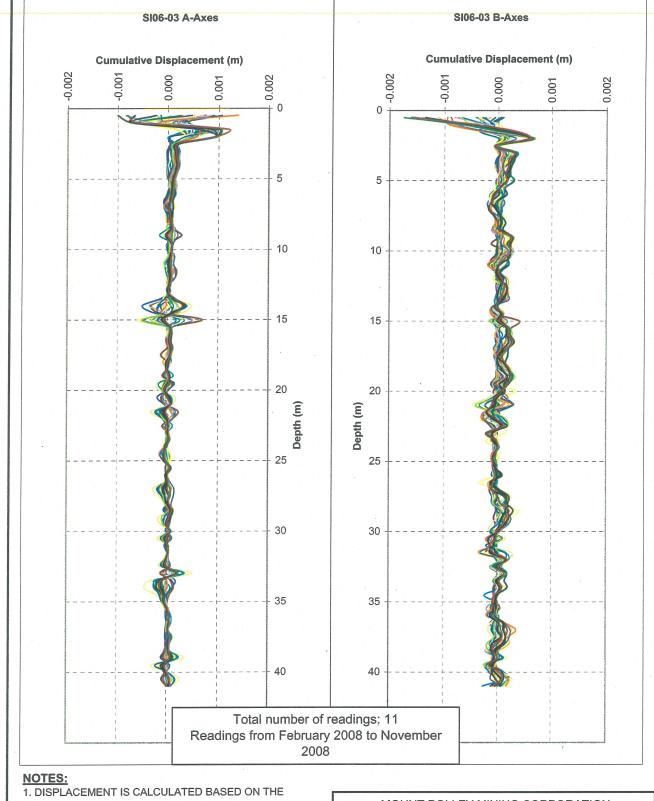
MOUNT POLLEY MINE

DOWN HOLE INCLINOMETER DISPLACEMENT SI06-02

Knight Piésold

P/A NO. VA101-1/24	REF NO.		
FIGURE B.	3 RE		

0	19DEC'08	ISSUED WITH REPORT VA101-1/24-1	JIM	MACS	LJG
REV	DATE	DESCRIPTION	PREP'D	CHK'D	APP'D



- INITIAL DATA SET.
- 2. NEW DATA STARTED IN FEBRUARY 2007 AS A NEW PROBE WAS PURCHASED.

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MOUNT	POLLEY	MINING	CORPORATION

MOUNT POLLEY MINE

DOWN HOLE INCLINOMETER DISPLACEMENT SI06-03

Knight Piésold ISSUED WITH REPORT VA101-1/24-1 MACS LJG 19DEC'08 CHK'D APP'D PREP'D DESCRIPTION DATE

FIGURE B-	1
P/A NO.	REF
VA101-1/24	1

REV

# Knight Piésold

# **APPENDIX C**

OVERVIEW OF 2006 DAM SAFETY REVIEW

(Pages C1 to C4)



#### APPENDIX C

#### **OVERVIEW OF 2006 DAM SAFETY REVIEW**

### General

A Dam Safety Review (DSR) for the Tailings Storage Facility at Mount Polley Mine was completed by AMEC in October 2006. The results of the DSR were issued in a report to Imperial Metals Corporation in December 2006. The DSR indicated that "the three embankments that impound the Mount Polley Tailings are well designed and well constructed entities from a dam safety perspective. Each of the three dams has demonstrated similar good performance behaviour with little indication of potential concerns in the future provided the design, continuance of past construction practices, and inspection procedures remain in place".

However, there were a few operational issues raised in the DSR, as discussed below:

 Operating criteria for pond and beach management are presently at odds with the optimal dam seepage performance and stated closure objectives, with the latter issue being of greatest concern.

A beach width of at least 20 m is to be maintained along the abutments of the embankments (where the embankment contacts natural ground) and at least 10 m width elsewhere to keep the pond away from the embankments. Knight Piésold has recommended that MPMC develop a plan and schedule to enable the minimum target beach widths to be re-established within a 2 week period should they be infringed upon. MPMC shall increase the frequency of measurements to at least once per week for embankment instrumentation systems (piezometers and foundation drains - flow rate and turbidity) during any periods that ponded water encroaches within the minimum target beach widths.

The use of tailings sand is currently being used as upstream Zone U construction material. Zone U forms the upstream shell zone immediately adjacent to Zone S (low permeability core zone) and is required to provide upstream support of the Zone S material during modified centerline construction. The sand cell construction method involves discharging tailings into constructed cells along the upstream side of the embankment. Prolonged discharge of tailings from the Perimeter Embankment has resulted in the tailings pond migrating over to the Main Embankment, which has resulted in increased flows reporting to the Main Embankment upstream toe drain. MPMC has recently purchased additional HDPE pipe to facilitate the deposition of tailings from around the entire facility without having to relocate the tailings pipeline. This will allow MPMC to quickly develop tailings beaches in response to the pond encroaching on the embankments.

The current mine plan has the mine operating at 20,000 tpd for the next 8 years. It is recognized that improvements in tailings deposition will be beneficial for optimizing beach development round the facility but this is only a minor consideration for closure planning. The current tailings deposition practices are not particularly relevant for the closure plan unless one considers sudden pre-mature mine closure during the next few months which is extremely unlikely (impossible?) given current metal prices and excellent operating performance of the Mount Polley Mine. This



concern, expressed in the DSR with respect to satisfying closure objectives are not particularly relevant during the current stage of mine operations. The closure objectives for the TSF are currently under review by MPMC. The tailings pond will continue to be managed in accordance with the TSF closure objectives in the later years of the mine life.

 As the facility has no operating spillway, the selection of the 24-hour PMP event may not be appropriately conservative. The amount of wave induced freeboard being allowed for is likely excessive by a factor of two.

The previous design basis required the TSF to have sufficient live storage capacity for containment of runoff from the 24-hour PMP volume of 679,000 m³ at all times, which would result in an incremental rise in the tailings pond level of approximately 0.4 m. The 24-hour PMP allowance was in addition to regular inflows from other precipitation runoff, including the spring freshet. The TSF design also incorporated an additional allowance of 1 meter of freeboard for wave run-up, for total freeboard requirement of 1.4 m.

The design basis has been updated to include storm water freeboard for the 72-hour PMP event. The volume of water associated with the 72-hour PMP event is approximately 1,070,000 m³, which would result in an increase in the TSF pond elevation of approximately 0.6 m. The freeboard requirement for wave run-up has been reduced to 0.7 m, for total updated freeboard requirement of 1.3 m, which is consistent with the previous freeboard requirement. However, MPMC has elected to maintain the previous freeboard requirement of at least 1.4 m for the remaining mine life. The freeboard requirement post closure will be reviewed as part of the closure and reclamation plans as they are updated.

3. The lack of potential of the nature of pre-shearing in the glaciolacustrine foundation leads to uncertainty in terms of present and post closure stability. There is an uncertainty in the need, or lack thereof, of the closure berm.

Knight Piésold has been studying the lacustrine unit at the Main Embankment and investigating the potential for a weak layer within this unit since the initial design of the TSF embankments. The upper portion of this unit was investigated thoroughly by Knight Piésold during the excavation of the Main Embankment Seepage Collection Pond during the initial construction program in 2006, and no evidence of a pre-shear or a weak layer within this unit was discovered. The Lacustrine unit was also investigated in 1996 (CPT drilling) and in 2001 and 2006 when the inclinometers were installed. The results of the investigations indicate that the lacustrine unit is typically comprised of very stiff silt and clay. However, this does not prove that a pre-sheared or weak layer could not exist within the unit and it is therefore prudent to incorporate suitable contingency features in the design of the embankment. This has resulted in the installation of five inclinometers (of which four are still functioning) at the Main Embankment and the inclusion of a downstream closure buttress. The inclinometers are read on a regular basis during construction programs with an inclinometer probe and no deviations have been observed to date. The results of the readings for the inclinometers are shown in Appendix B.

The Stage 6 design of the TSF includes provisions to ensure stability in the event that a weak layer exists in the lacustrine material. A buttress at the Main Embankment has been included in the design to ensure that the integrity of the Main Embankment is not compromised by a

C2



potentially weak layer in the lacustrine unit, even though there is no direct evidence that indicates that such a feature is present.

A study comparing the drained residual strength to the clay content, liquid limit, and effective normal stress was completed by Stark and Eid (1995). The results of the study indicate that the residual strength of a material with a clay content ranging from 25 to 50%, with a liquid of 40%, and an effective normal stress of 700 kPa is in the order of 24 degrees. Samples of the lacustrine material have recently been collected for direct shear testing, as recommended in the DSR, however the testing had not been completed at the time this report was issued. The results of the direct shear tests will be reviewed once received and the design of the Stage 6 buttress will be adjusted if required.

4. The hazard classification of the TSF embankments is "HIGH" and is based on the economic and social loss category. The classification based on the Loss of Life and Environmental Loss Categories is LOW. The DSR recommends that the hazard classification be reviewed assuming that the owner's costs are not included.

The classification of the TSF has been assessed using the Canadian Dam Association and the British Columbia Dam Safety Regulation guidelines. These guidelines look at the consequences of failure and consider life safety, economic and social losses, and environmental and cultural losses. The life safety category considers the potential for multiple loss of life after ascertaining the degree of development within the inundation area. The economic and social loss category considers damage to infrastructure, public and commercial facilities that are in and beyond the inundation area. This includes damage to railways, highways, powerlines, residences etc. The environmental and cultural loss considers damage to fish habitat at the regional, provincial, and national level, wildlife habitat, including water quality, and unique landscapes or sites of cultural significance.

Previous assessments of the TSF have resulted in a "HIGH" hazard classification (or consequence category) based on the economic and social loss category. The classification for the life safety and environmental and cultural loss categories is "LOW", as there is low potential for loss of life, the inundation area is typically undeveloped, and there is unlikely to be loss or significant deterioration of provincially or nationally important fish habitat. However, the estimated costs associated with repairing any damage to the TSF, loss of service to the mine, and the potential economic impact on Imperial Metals, could exceed \$1,000,000, which placed the TSF into the "HIGH" economic and social losses category under the British Columbia Dam Safety Regulation guidelines.

The hazard classification of the TSF was discussed with MPMC and it was agreed that the owner's costs should not be included in the classification of the TSF embankments. The hazard classification for the TSF embankments has therefore been reduced to "LOW", based on the Canadian Dam Association and the British Columbia Dam Safety Regulation guidelines.

The maximum design earthquake (MDE) for the TSF with a LOW hazard classification is the 1 in 1000 year event. This corresponds to a peak ground acceleration of 0.096, based on the 2005 National Building Code Seismic Hazard Classification.

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5. There were "about the right" number of piezometers installed in the embankment dams, however there is nothing in the way of much redundancy and any lost instrument locations need to be re-established with a new installation.

A total of 57 vibrating wire piezometers have been installed at the TSF as of the end of the Stage 4 construction program. The piezometers are grouped into tailings, foundation, embankment fill and drain piezometers. A total of 22 piezometers were accidentally destroyed during the Stage 4 construction program, and six additional piezometers have previously stopped functioning. MPMC and Knight Piésold attempted to locate and splice the damaged piezometers and successfully repaired five of them. The number of functioning piezometers at the end of the Stage 4 construction program was 34. Additional piezometers will be installed in the tailings and embankment fill materials and tailings during the Stage 5 construction program, which is currently in progress.

No unexpected or anomalous pore pressures have been observed while monitoring the vibrating wire piezometers during the TSF construction programs. The timeline plots for the piezometers on planes A through I are provided in Appendix A. The timeline plots indicate that the pore pressures increased slightly in piezometers A2-PE2-03, B2-PE2-03, and B2-PE1-02, which are fill piezometers installed in the Zone S glacial till. These pore pressure increases were expected as these piezometers have shown similar trends in previous construction programs where the pore pressures have increased during fill placement activities and subsequently decreased following the construction programs as the pore pressures dissipate. The pore pressures have also increased in the piezometers installed in the tailings, which is a direct result of the increase in elevation of the tailings pond. There has been no increase in the pore pressures in the foundation piezometers.

Although a number of piezometers are no longer functioning at the TSF, replacing all of them is not practical nor considered necessary at this time as there are functioning piezometers in the vicinity of most that were damaged. However, five of the damaged piezometers were foundation piezometers at the Main Embankment, where there are slight artesian conditions (less than 3.0 m). Additional piezometers will be installed in the Main Embankment foundation materials during Stage 6 to offset those that are no longer functioning. The foundation piezometers at the Main Embankment will have a trigger level of 15 m above ground, which corresponds to the elevated pore pressure that reduces the factor of safety to 1.1.



# APPENDIX D

2008 ANNUAL INSPECTION PHOTOGRAPHS

(Pages D-1 to D-9)



**PHOTO 1** – Components of the TSF, Zone S (left) Zone U (centre) and Tailings Beach (right)



**PHOTO 2** – Downstream components of TSF, Zone C (foreground), Truck is placing Zone T on top of Zone F, Excavator is sitting on Zone S at 954m



**PHOTO** 3 – Main Embankment Foundation Drain flows from the ME/SE Corner.



PHOTO 4 - Perimeter Embankment Toe Drain flow running clear



PHOTO 5 - Main Embankment Seepage Pond

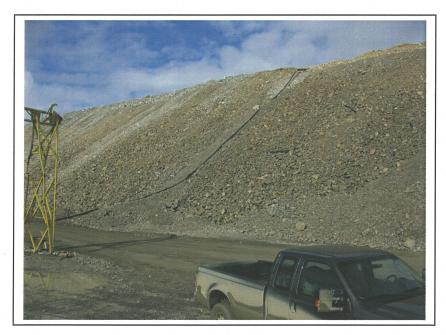


PHOTO 6 - Main Embankment Seepage Pond Return Pipe



PHOTO 7 - Main Embankment looking west



**PHOTO 8** – Perimeter Embankment looking south, showing access ramp to PE seepage pond



**PHOTO 9** – Perimeter Embankment Zones U and S. The Zone U on the left was constructed using tailings sand cells.



**PHOTO 10** – Upstream toe drain outlet at the South Embankment. To be completed in 2009.



PHOTO 11 - Recently completed Sand Cell

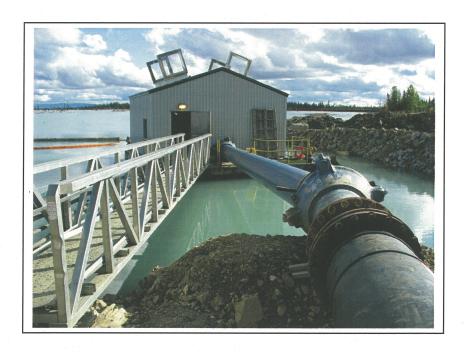


PHOTO 12 - Pump barge and reclaim pipeline

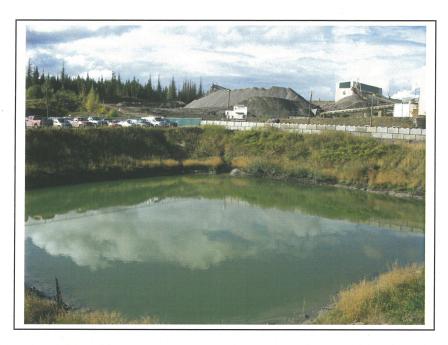


PHOTO 13 - Mill Site Sump



PHOTO 14 - Mill Site Sump Emergency overflow



PHOTO 15 - Southeast Sediment Pond



PHOTO 16 - Southeast Sediment Pond Downstream Slope



PHOTO 17 - South Bootjack Dam



PHOTO 18 - South Bootjack Dam