



MINISTRY OF ENERGY AND MINES

REC'D OCT 1 5 2001

Mr. George Headley Ministry of Energy and Mines Mines Branch 4th Floor, 1810 Blanshard Street Victoria, BC V8W 9N3

October 09, 2001

Dear Mr. Headley:

Mt. Polley Tailings Storage Facility and Ancillary Works Report on 2000 and 2001 Annual Inspection Permit M-200

The Mount Polley Main and South Embankments were raised to Stage 3A (El. 942.5 m) during the 2000 construction program, the Perimeter Embankment was raised to Stage 3A (El. 942.5 m) in 2001.

Construction began on Stage 3A in June 2000. Mr. Ken Brouwer, P.Eng. conducted a formal inspection on April 25, 2001. The Perimeter Embankment work ended September 2001.

The operation and management of the facility will continue as outlined in the attached report until October 13, 2001, afterwards the facility will be put into care and maintenance. Plans to manage the water balance into the future are contingent upon Ministry of Environment, Lands and Parks approval to store tailings supernatant in Cariboo Pit.

MPMC staff is developing an Operation, Maintenance and Surviellance Manual in consultation with the Ministry of Environment, Lands and Parks, Knight Piesold and your Ministry. As soon as issues related to MELP permits and monitoring are finalized I will contact you.

Please accept this 2000 and 2001 Annual Inspection Report as part of our commitment to the M-200 Permit. Do not hesitate to contact the undersigned or Mr. Ken Brouwer or Mr. C. Wilson Muir of Knight Piésold should you have any questions regarding this report.

Yours truly,

MOUNT POLLEY MINING CORPORATION

Don Parsons

Mine Superintendent