

Mount Polley Mining Corporation
Box 12
Likely, B.C., V0L 1N0
October 5, 2004

Chris Carr
Senior Geotechnical Engineer
Ministry of Energy and Mines
PO Box 9320 Stn Prov Govt
Victoria BC
V8W9N3

Dear Chris Carr:

Re: Referral of 'Mines Act Permit M-200 Amendment Application, Northeast Zone, Mount Polley Mining Corporation.

Thank you for your letter outlining additional information requirements for our application to amend our permit. Some of the information is being finalized and will be forwarded to you. We are continuing work to determine the interaction of the Wight Pit and Polley Lake. I have provided the status of information for the items that you outlined below:

1. The Wight Pit is located in close proximity to Polley Lake and pit wall stability may be influenced by groundwater flow from the lake.

Details of studies that have or will be undertaken to assess possible seepage into the pit along with dewatering plans should be provided.

The blast design for the final pit walls has not been provided.

Golder Associates conducted an analysis of the Wight Pit to determine the stability of the pit walls and to provide design and operational parameters to ensure the stability and safety of the pit walls. The current pit has been designed utilizing the parameters recommended in their draft report *Pit Slope Stability Assessment of the Proposed Wishbone Open Pit Mt. Polley Mining corporation Likely, B.C.* Included in the report are criteria for buffer and final blast designs. Once the final report is received a copy will be provided to MEM.

A separate report is being prepared by Golder Associates and Knight Pieshold to evaluate the hydrology of this area and to determine the

possible interaction of the Wight Pit and Polley Lake. Geotechnical drill holes and water wells have been placed in this area to provide the required information.

2 East Waste Rock Dump

Golder Associates are preparing a report on the establishment of the waste dump that will include a failure consequence classification for the dump. A copy of the construction procedure and monitoring manual will be prepared prior to construction work and provided to MEM.

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3. An updated Operation, Maintenance and Surveillance manual (including an Emergency Preparedness Plan).

An updated OMS manual is currently being prepared and will be forwarded to you by November 30, 2004.

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4. Annual dam safety inspection report for the year 2003. The report should include a review of tailings dam geotechnical instrumentation, including slope inclinometer data and survey monument data.

The annual dam safety inspection has been conducted by Knight Pieshold and will be submitted by November 30, 2004 along with instrumentation readings.

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If you have any additional questions or require clarification please give me a call.

Yours truly,

David Pow, P.Eng.