



February 27, 2006

Howard Bradley
General Manager
Mount Polley Mining Corporation
Imperial Metals Corporation
P.O. Box 12
Likely, BC V0L 1N0

Dear Mr. Bradley

I would like to inform you of the follow-up Health and Safety Audit of the Mount Polley Mine that you were advised of in our cover letter of October 12th, 2006. This audit will commence the week of March 6, 2006. A team of auditors consisting of Inspectors from the Mining and Minerals Division, Ministry of Energy, Mines and Petroleum Resources, and will arrive at the mine site prepared to conduct an audit of the mine's activities.

As we requested prior to the September Audit we will require the following:

- Records of Training and the Mine Health and Safety Program,
- Review of any and all Policies and Procedures and Plans relating to Health and Safety at Mount Polley Mine.
- Mine employees to interview on a confidential basis in an appropriate location at the mine site,
- The mine site, to conduct a visual inspection as part of the audit process.
- Senior management prior to and after the mine portion of the audit has concluded.
- A suitable location at the mine site to serve as a meeting/dispersal room while conducting the audit, the audit is expected to last 2 days, I anticipate arriving on the Tuesday am and leaving on the Wednesday pm.

Your assistance in preparing for the audit in advance by assembling the requested documentation will be of great value and would assist the audit team. We will also be utilizing your December 5, 2005 response to the previous audit however we will not limit ourselves to areas of concern identified then.

Notification to the mine employees as well is requested in advance of the audit. Please ensure that all management employees who would be able to provide required information and guidance are on the mine site and are prepared to offer their assistance.

.../2

I can be contacted at (250) 952 0471 between 8:30 - 4:30, Monday through Friday.

Yours truly,



R. Booth P. Eng
Director Health and Safety

pc: Mr. Fred Hermann, P. Eng.
Chief Inspector of Mines

Mr. Chris Carr, P. Eng.
Manager, Geotechnical

Mr. Al Hoffman, P. Eng.
Manager, Occupational Health

Ms. Caroline Nakatsuka
Inspector, Occupational Health

Mr. David Morgan, P. Eng.
Manager, Health and Safety

Mr. Terry Paterson
Electrical

Mr. Stephen Rothman, P. Eng.
Manager, Exploration and Mining

Mr. Bruce Milligan
Manager, Exploration and Mining

Mr. Tom Kearns
REGIONAL DIRECTOR, PG