

Certified Mail

May 3, 2001

FILE: 18040-02-07/MTPO/01

Mr. George Wight Mine Manager Mount Polley Mining Corporation P.O. Box 12 Likely, British Columbia VOL 1N0

Dear Mr. Wight:

Re: Geotechnical Inspection Report - Mt. Polley Mine

Please find enclosed, my Geotechnical Inspection Report following the inspection of Mt. Polley Mine on April 25, 2001.

Please post a copy of this report in a conspicuous place in accordance with section 30(1) of the Mines Act.

Please sign and date the report, noting action taken, and return it to my attention within 15 days of receipt.

Yours truly,

Chris Carr, P.Eng.

Manager, Geotechnical Engineer

CC:vh

Enclosure

cc: David Morgan, MEM Prince George



Ministry of Energy and Mines MINES BRANCH

REPORT OF GEOTECHNICAL INSPECTOR

(Issued pursuant to Section 15 of the Mines Act)

Name of Property: Mount Polley Mine

unt Polley Mine Permit No.: M-200
FILE: 18040-02-07/MTPO/01

Mine Manager: George Wight

Company: Mount Polley Mining Corporation

Address: P.O. Box 12

Likely, British Columbia

VOL 1NO

Persons Contacted: George Wight, Don Parsons, Ken Brouwer (Knight Piesold)

Date of Inspection: April 25, 2001

An inspection of the open pits and waste dumps was conducted on the above date in the company of Don Parsons, Dave Smithies, Greg Smyth, Greg Gilstrom and David Morgan (MEM) following an update on the mine plans for development of the pits and waste dumps.

An inspection of the tailings facilities was conducted on the above date in the company of Eric Leneve, G. Smyth, G. Gilstrom, Ken Brouwer and David Morgan following an update on the design and construction monitoring of the tailings embankment dams.

Proposed West Dumps

Failure of the proposed west dumps towards Bootjack Lake is not acceptable (based on information received from the Mines Branch regional office) therefore the 1040 (1080) West Dump and the 1130 West Dump should be designed and constructed accordingly. A review of the dump design shall therefore be carried out following a risk analysis based on consequence of failure. Pre-draining wet areas, local foundation stripping of weak soils and avoidance of steep terrain should be considered in the design. The requirement for monitoring dump slopes during construction should also be reviewed.

Cariboo Pit

The current plan is to mine from 1060 to 1020 elevation. Golder Associates review pit geology, wall design and stability annually and areas of poor quality rock conditions and adverse structure have been identified. Waste rock from the Bell Pit is currently being spoiled, by end dumping, into the north corner of the pit.

Bell Pit

Development started early this year with operations currently on the 1080 bench. Waste rock will be spoiled to the north dump via a haul road under construction. A review of the pit geology and wall design is to be carried out by Golder Associates.

Springer Pit

Logging of the proposed pit area is in progress. I understand that waste rock will be sent to the Cariboo Pit initially before development of the proposed west dumps.

Waste Dumps

No geotechnical concerns were noted on the East Dump.

Comments for the proposed West Dumps are provided above.

Development of the West Dumps will require that a new mine access road be built in the vicinity of the North Dump. Dump design and construction practices for development of the North Dump shall be reviewed to ensure the safety of road users.

Tailings Facilities

Construction of the downstream shell with rock fill and a transition filter on the main embankment dam was inspected. It is understood that a design document will be submitted to the Ministry for review prior to permitting the dam raise in 2001.

The Ministry would strongly support the installation of two slope inclinometers at the downstream toe buttress to monitor potential dam and/or foundation movement. The slope inclinometers should extend through the underlying glaciolacustrine sediments.

The location of the tailings pipeline along the perimeter embankment creates a potential risk of embankment washout in the event that the pipeline were to rupture. The pipeline shall be relocated to the upstream crest of the new cycloned sand berm at the earliest opportunity. Regular monitoring shall be carried out until such time as the pipeline is moved.

Copies To: David Morgan, MEM Prince George	Man
Chris Carr, P. Eng. Manager, Geotechnical Engineering	Signature - Inspector
Address: P.O. Box 9320, Stn. Prov. Gov't Victoria, BC V9W 9N3	Dated: <u>May 2, 2001</u>
	Signature - Mine Manager
	Dated:

^{**} Written response is required from the Mine Manager 15 days after receipt of this report. **