



**MOUNT POLLEY MINING
CORPORATION**
A DIVISION OF IMPERIAL METALS CORPORATION

March 10th, 2004

MINISTRY OF ENERGY AND MINES
P.O Box 9320
Stn.Prov.Govt
Victoria, B.C
V8W 9N3

Attention: Mr. Chris Carr Senior Geotechnical Inspector

RE: Mine Inspection February 3, 2005

In reference to your inspection letter received on February 23rd 2004 for the inspection conducted at the Mount Polley Mine, please find attached our response of your findings:

General:

The official mine/mill start date was March 8, 2005

Tailings Storage Facility (TSF)

Zone C segregation

At the time of the site visit, Zone C rock fill was being placed on the Main Embankment. However, we did not get on the crest, but only drove around the toe. There were a few boulders at the base of the slope, but they were a result of frost removal spoil that was cast on the downstream slope, not fill placement.

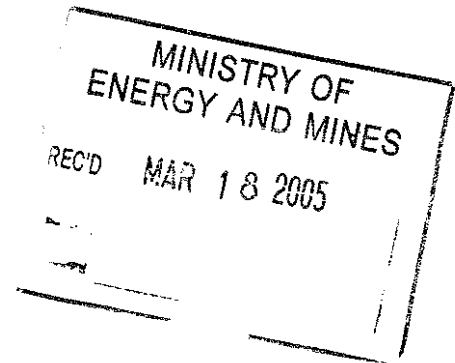
In general, fill placement is contained on the downstream slope by the safety berm. However, placement of the loose safety berm can result in a few 'boulders' going down the slope.

Downstream construction of Zone C using Wight Pit Material

On April 15th a ML/ARD material monitoring characterization and management program was submitted to the Ministry of Energy and Mines. The prime objective of the plan is to describe methods to be used to segregate and manage potentially acid generating waste rock subsequently produced by the Mount Polley Mine. We will comply with the recommended approach of this program.

Discharge of water from the tailings basin

At the time of your inspection, there was a discharge from the Main Embankment Seepage pond. This was allowed under the terms and conditions of our Effluent Permit PE 11678 issued by WLAP for the period of care and maintenance. Since your inspection discussions and meetings were held with WLAP. They have since authorized the discharge of the Main embankment seepage collection pond for the operational phase. Also an application under section 8 and 9 of



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the Metal Mining Effluent Regulation (MMER) was made. Site Specific Water Quality Objective are being developed for the Mount Polley Minesite. Plans for discharge will be submitted to MEM when they are developed.

Annual Dam Safety Inspection Report for 2003

The June 2003 report considered a portion of 2003 (1st quarter) and with the 2004 inspection conducted in August of 2004 making it approximately 1.5 years between inspections. Now that the mine will resume operations, inspections will be conducted yearly.

Dam Safety Review (DSR)

We concur that the next DSR is schedule in 2006.

Changes in Seismic Standards in the National Building Code

The design earthquake is independent of the NBC and is based on CDA and ICOLD guidelines. The new NBC will likely have a design earthquake corresponding to the 1 in 2500 year return period which corresponds to our MDE so there should not be any issues with the new NBC.

Reclamation of the Final Downstream Slope to the TSF

Progressive reclamation makes sense from a public perception and a financial stand point. We will consider this when we construct the final downstream; we still need to evaluation the most suitable growth medium and the thickness of this material.


Wight Pit

A design for mining the overburden soil in the southeast quadrant of the pit is currently under development. It will be submitted by April 30th, 2005.

Waste Dumps

The Waste dump construction and monitoring procedure will be submitted to the Chief Inspector by March 31st.

Sincerely,


Howard Bradley
General Manager
Mount Polley Mines

MAILED 2005 RM