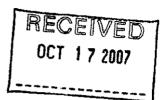
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Mine No.: 1101163



October 2, 2007

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

Attention: Nick Rose, P.Eng. Geotechnical

RE: Mount Polley Geotechnical Inspection - July 31st/2007

Please find our response to those items listed in the above referenced report:

Al Chance of Golder and Associates visited the site on September 18, 2007 to review the pit walls and dumps. A report from this visit will be available by the end of this week. The inspection report was also reviewed during the visit.

Bell Pit

Al looked at the area on the east wall and recommended stepping out to not undercut the fault area and will provide further recommendations in his site visit report. A procedure is in place to ensure that the bench crests are scaled and the toes clear before access is lost.

Heap Leach Pad

The top of the dump is currently being re-sloped and as soon as this activity is completed we will place monitoring posts and monitoring will be conducted throughout the winter.

Northeast Zone Dump

This dump design follows the variance conditions and the survey department provides direction to ensure the design is followed.

Wight Pit

In response to the on going monitoring of the west wall prisms and visual inspection Al Chance has provided the following recommendations.

- 1) In the southern portion of the area with the major fault zone we will unload approximately 350,000 tonnes from an area South of any observed movement extending 250M to the north to a width of 50M from the pit crest cutting the crest down to 996El. This cut will also remove the swampy depression that appears to charge the cracks with water. During the mining stage of this operation Golder's will provide a geotechnical engineer to oversee the project. The design for this cut will be complete this week and a copy will be forwarded to the ministry.
- 2) The pit design has been modified to step out approximately 30M at the 876El to stabilize the toe and to provide an extra catch bench.
- 3) Commencing next week horizontal drain holes will be drilled from the 996 elevation to provide relief for any water charge in the wall.
- 4) The ditch system has been replaced with a ditch passing behind the zone of cracking. The ditch was designed with a good grade and cut only in till to prevent leakage.

The monitoring of the prisms will be carried at frequent intervals during this work. The design parameters for the till wall have been completed and the report will be forwarded when received.

Tailings Storage Facility

Monitoring is being carried out in accordance with the OMS manual.

Should you have any questions or comments, please feel free to contact me at (250) 790 –2215 extension 200

Regards,

Tim Fisch

14

General Manager Mount Polley Mining Corporation tfisch@mountpolley.com

Cc; David Morgan (MEMPR), Bruce Milligan (MEMPR)