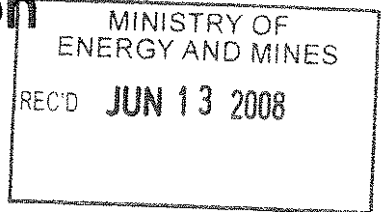


**Mount Polley
Mining Corporation**
IMPERIAL METALS CORPORATION

MP00180



June 5, 2008

Ministry of Energy, Mines and Petroleum Resources

Geotechnical Mines Inspector
P.O. Box 9320
Stn Prov Govt
Victoria BC V8W 9N3

Attention: Chris Carr

RE: Your review of the 2007 Annual Inspection by KP.

Dear Sir;

Thank you for taking the time to review our above mentioned report. Attachment 1 illustrates corrective action to mitigate any future reportable spills from the tailings pipeline. The second attachment by Knight Piesold discusses our planned approach regarding dam instrumentation requirements.

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

Sincerely,

Tim Fisch
General Manager
Mount Polley Mining Corporation
tfisch@mountpolley.com

Bruce Milligan MEMPR Prince George
D. Apel, MEMPR, Victoria

Mount Polley File



Mount Polley Mining Corporation

IMPERIAL METALS CORPORATION

Attachment 1.

Action Plan for Tailing Spill

4Q07

Item	To be done by	Expected Date Complete
Clean out & re establish ditch before Booster station(1.5km) & place Sclair pipe from power pole to pond side of sub station	Darcy	Done
Dig ditch from Sclair pipe to containment pond by Booster station & clean out containment pond.	Roy/Bob	Done
Fix culvert from drop box to containment pond	Darcy	Done
Clean out both ends of culvert under road to Orica site, install third culvert	Darcy	Done
Clean out tailings ditch at 5 corners & raise berm, add O/F culvert	Darcy	Done
Divert water away from spill site	Roy/Bob	Done
Clean spill out of fresh water ditch from 5 corners to corduroy under road	Roy/Bob	Done
Clean out spill location East of corduroy bridge using triple P	Triple P	Done
Clean out small sump area & culvet that crosses road to short by pass, just below 5 corners.	Roy/Bob	Done

Our Reference: VA101-1/23-A.01
Continuity Nbr.: VA08-01200

Knight Piésold Ltd.

*Suite 1400 - 750 West Pender Street
Vancouver, British Columbia
Canada V6C 2T8*

*Telephone: 604.685.0543
Facsimile: 604.685.0147
E-mail: vancouver@knightpiesold.com*

June 2, 2008

Mr. Ron Martel
Environmental Superintendent
Mount Polley Mining Corporation
P.O. Box 12
Likely, BC V0L 1N0

Dear Ron,

Re: Instrumentation Requirements for TSF Stage 6 Construction Program

The instrumentation currently installed at the Tailings Storage Facility consists of vibrating wire piezometers and slope inclinometers. There are 63 functioning piezometers installed in the tailings mass, fill materials, embankment drains, and the foundation materials. There are also four slope inclinometers in operation at the Main Embankment.

A total of 22 piezometer leads were accidentally damaged in 2005 during the Stage 4 construction program. MPMC and Knight Piésold attempted to locate and splice the damaged piezometers and successfully repaired five of them. A total of 29 additional piezometers were installed during the Stage 5 construction program, bringing the total number of functioning piezometers to 63. However, the additional inclinometers installed during the Stage 5 construction program did not include for replacing damaged foundation inclinometers at the Main Embankment.

Knight Piésold has reviewed the piezometer records and has the following recommendations for the 2008/9 Stage 6 instrumentation activities and installations:

1. MPMC and Knight Piésold should further investigate locating and repairing the piezometers damaged during the Stage 4 construction program, especially the foundation piezometers. A total of four of the 22 piezometer leads damaged during the Stage 4 construction program were foundation piezometers at the Main Embankment. There are currently nine functioning foundation piezometers at the Main Embankment.
2. MPMC and Knight Piésold are to monitor the piezometers as per the schedule outlined in the OM&S manual. Artesian conditions are present in three of the nine foundation piezometers installed under the Main Embankment. The piezometers installed in this area are used to monitor the pore pressures and to confirm that they remain below the threshold level of six meters above ground level. Artesian pressures, as measured on November 7, 2007, ranged from 0.74 to 3.01 m above ground. No unexpected pore pressure increases have been observed in these foundation piezometers to date and the damaged foundation piezometers at the Main Embankment, which showed similar trends to the remaining operating piezometers, also showed no unexpected pore pressure increases prior to being damaged.
3. Install additional piezometers in the tailings mass, fill materials, and drain materials during the Stage 6 construction program. Install additional piezometers in the foundation materials should

Knight Piésold
CONSULTING

the remaining operating piezometers be damaged or show unexpected increases in pore pressures. The installation of additional piezometers in the foundation at the Main Embankment would likely involve drilling through the embankment materials into the foundation materials. The drill holes must be located to avoid existing foundation drains and piezometers leads.

4. No additional inclinometers are planned for installation during the Stage 6 construction program.

We trust that this meets your requirements for the responding to Chris Carr comments. A copy of Chris Carr's letter is attached for reference.

Yours Sincerely,

KNIGHT PIESOLD LTD.



Les Galbraith, P.Eng
Senior Engineer



Ken Brouwer, P.Eng.
Managing Director

/lg