



Mount Polley Mining Corporation

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Community Update



Introduction

Welcome to Mount Polley Mining Corporation’s (MPMC) May 2017 Community Update newsletter providing the local communities with information about what is happening at the mine.

MPMC plans to host another site visit this summer to give local community members an opportunity to tour the mine site and observe the remediation activity around Hazeltine Creek. If you would like to participate in the site tour, please send an email to Vanessa Bremner (Receptionist) at vbremner@mountpolley.com or Colleen Hughes (Environmental Supervisor) at chughes@mountpolley.com with your name, address and phone number, with **MP Site Tour** in the subject line of the email. We will contact you when a date has been set for the tour.

Also, if you have any ideas for information that you would like to have included in the upcoming Community Updates, please do not hesitate to send an email to the addresses above.

Operations at MPMC

MPMC is an open pit copper-gold mine located approximately 56 kilometers north-east of Williams Lake. There are presently over 370 people employed at the mine, most of whom live in the communities of Williams Lake, Horsefly, Big Lake, Likely, Quesnel, Soda Creek, Sugar Cane and the surrounding areas of the Cariboo region.

MPMC spends approximately \$5.8 million per month on salaries and over \$3.6 million per month on contractors, consultants, consumables and fuel to operate the mine. The majority of MPMC’s monthly expenditure goes directly into the economy of the Cariboo.

MPMC also sponsors a number of local community events in the area, including this summer’s Plato Island Resort Fishing Derby (June 9, 10, and 11) on Quesnel Lake. For more information, please visit: <http://www.platoislandresort.com/fishing-derby-june-9-11-2017/>

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How many shrubs have been planted in the Hazeltine Creek corridor in 2015-16?

- Total planted:
185,617

Including but not limited to:

- Scouler's willow wattles: **5,740**
- Sitka alder: **41,180**
- Red osier dogwood: **59,850**
- Prickly rose: **44,970**
- Black twinberry: **24,670**
- Douglas fir: **3,105**

Total terrestrial area to be remediated: ~ 2 km²



Upside down tree along Hazeltine Creek to promote avian habitat.



Red osier dogwood seedlings planted along Quesnel Lake shoreline in 2016.

Water Management at MPMC

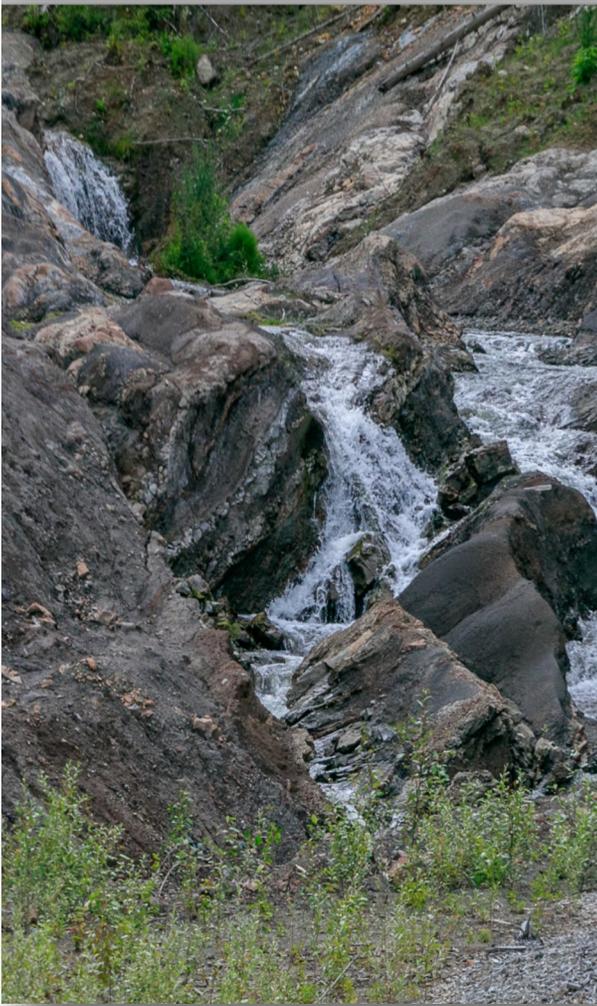
MPMC has been discharging treated (cleaned) site contact water via the water treatment plant (WTP) into Quesnel Lake since December 2015.

Ongoing monitoring of the water in Quesnel Lake has shown that the discharge is not having a negative effect on the uses of the lake. The water in Quesnel Lake is safe for:

- Swimming;
- Drinking (as per Interior Health Authority guidelines for use of surface water for drinking sources);
- Fishing; and
- Aquatic life.

No solid mining waste is being released into Quesnel Lake. All solid waste, including tailings, is captured on site and tailings are deposited into the repaired Tailings Storage Facility (TSF). Process water used in the mill is discharged into the TSF with the tailings and is recycled from the TSF back to the mill.

The majority of water being discharged from the mine does not come from the mill but from site contact water (eg. runoff water that comes off the mine property). This site contact water is collected and piped through the WTP before it is discharged into Hazeltine Creek. At the outlet of Hazeltine Creek, the water is conveyed through two pipes and dispersed by diffusers located at 35 and 40 meters deep in Quesnel Lake off the Hazeltine Creek delta.



Hazeltine Creek through the canyon upstream of the Ditch road (Likely-Horsefly FSR) bridge.

Tailings in Quesnel Lake

MPMC (including its management and employees) are very aware of the concerns brought forth from regulators, First Nations and the general public about the tailings remaining at the bottom of Quesnel Lake.

MPMC has contracted a number of chemical and biological studies to determine the stability of the tailings in the lake. The results of this research, particularly the water quality data, indicates that the tailings are stable, and levels of copper are not increasing in the overlying lake water.

Extensive monitoring of the water quality, sediments, benthic organisms and fish in Quesnel Lake is ongoing, and sediment trap studies have shown that natural sediments are now depositing and covering the tailings on the bottom of the lake. MPMC will continue to monitor the lake very closely and is presently completing a risk assessment to determine the best approach to dealing with the tailings in the lake.



Quesnel Lake shoreline looking northwest, April 2017.



Lower Edney Creek May 2017

Habitat Remediation—Edney Creek

The employees and contractors at MPMC have completed extensive remediation work to repair the damage to Hazeltine and Edney Creeks resulting from the TSF embankment failure.

Edney Creek is the larger of the two creeks and was identified by a collaborative fish habitat working group (including representation from MPMC, provincial and federal agencies and First Nations) as a priority for remediation in order to re-establish a connection to Quesnel Lake for potential fish spawners who would be returning in the fall 2015.

Fish habitat in lower Edney Creek was rebuilt in 2015, and results of fish sampling from fall 2015 in the remediated section show that it was providing habitat as intended, with observed species including: juvenile Interior Coho salmon (endangered), Rainbow trout, Longnose dace, Northern pike minnow, Longnose sucker, Redside shiner and Burbot. During a visual inspection in November 2016, an adult Interior Coho and an adult Kokanee spawner were both observed in the restored Edney Creek channel.



A juvenile Rainbow trout caught in Edney Creek during a fish inspection survey in 2016.



Upper Hazeltine May 2017

Habitat Restoration—Upper Hazeltine Creek

Fish habitat was reconstructed in the upper reaches of the Hazeltine Creek channel in fall 2016. MPMC relocated over 75,000 toads and other amphibians from the area of spilled tailings that were scheduled for removal in order for the creek habitat construction to proceed. This year, a 4km exclusion fence has been built to keep amphibians from breeding in the areas around upper Hazeltine where tailings removal and channel construction is set to continue.

The remainder of Hazeltine Creek fish habitat reconstruction had been on hold until the water discharge permit amendment was granted and the pipeline built. This permit amendment now allows discharge of treated water through a pipe from the mine's water treatment plant to Quesnel Lake, rather than using Hazeltine Creek. Once the pipeline is installed, MPMC crews will have access to the rest of Hazeltine Creek and be able to complete the fish habitat restoration work. This will ultimately allow reintroduction of Rainbow trout and other fish from Polley Lake into upper Hazeltine Creek, and from Quesnel Lake into lower Hazeltine Creek.

Mount Polley Mining Corporation wishes everyone a wonderful summer!

Please visit the Imperial Metals website for more information about MPMC's reports and ongoing projects: <https://www.imperialmetals.com/our-operations-and-projects/operations/mount-polley-mine/mount-polley-updates/remediation-and-monitoring>