

June 21, 2016

Permit: M-200/Mine No1101163

File: 14675-35

Mr. Dale Reimer Mine Manager Mount Polley Mining Box 12 Likely, BC VOL 1NO

By email: dreimer@mountpolley.com; Imoger@moutpolley.com;

dparsons@imperialmetals.com

Dear Mr. Reimer:

Re: Approving Time Extension to Submit Contingency Water Management Plan - Permit M-200 (Mount Polley Mine)

The Ministry of Energy and Mines (MEM) received an email June 14, 2016 requesting an extension to July 4, 2016 to submit the Contingency Water Management Plan for the mine site, including a review of the design criteria and operational requirements. As noted in your email request, permit condition C.2. of the April 29, 2016 permit amendment states:

The Permittee shall develop a contingency water management plan that can be implemented if required to ensure that water levels in Springer Pit and TSF are maintained at permitted levels. This plan shall include consideration of operational and regulatory restrictions, a trigger for timing of materials procurement, and triggers for initiating management actions. This plan shall be provided to the Chief Inspector by June 15, 2016.

MEM understands this request reflects MPMC's preference that the Contingency Water Management Plan is reflective of the decision made on the Return to Full Operations application.

The June 15, 2016 status update regarding the water management on-site is that the Springer Pit water level was measured to be 1038.47 masl (0.32 m increase over 1 week from June 8, 2016). As the extension amounts to 3 weeks, MEM estimates that the potential water level should still be below 1039.5 masl by July 4, 2016, which is 2.5 m below the permit maximum.

MEM understands that MPMC will keep MEM apprised of the water level changes appropriately in order to inform any interim contingency responses that may be necessary.

This letter hereby grants a short extension to July 4, 2016 from June 15, 2016 to permit condition C.2. of the April 29, 2016 M-200 Mines Act permit amendment.

Please attach this letter to your permit.

Sincerely,

Diane Howe, MASc, PGeo

Deputy Chief Inspector of Mines,

Ministry of Energy and Mines

Cc: Mr. Rick Adams, Chair, Cariboo Mine Development Review Committee, MEM

Mr. Hubert Bunce, Environmental Protection, Mining Operations Director, MOE

Mr. Aaron Higginbottom, Williams Lake Indian Band

Ms. Georgia Bock, Soda Creek Indian Band Chief Donna Dixon, Soda Creek Indian Band