

PROVINCE OF BRITISH COLUMBIA
MINISTRY OF ENERGY AND MINES

PERMIT

APPROVING WORK SYSTEM AND RECLAMATION PROGRAM

(Issued pursuant to Section 10 of the *Mines Act* R.S.B.C. 1996, c. 293)

Permit: **M-200**

Mine No. 1101163

Issued to: **Mount Polley Mining Corporation**
P.O. Box 12
Likely, British Columbia
V0L 1N0

for work located at the:

Mount Polley Mine

This permit contains the following sub-sections:

Issue Date

Permit

August 3, 1995

Approving Work System

July 11, 1997

Amended Reclamation Permit, Approval to
Construct Open Pits and Waste Dumps and
Traffic Control Plan

Amendments

As listed on pages 2 and 3.

Amended at Victoria, British Columbia this 17th day of March in the year 2016.



for

D Hoffman

Al Hoffman, P.Eng.
Chief Inspector of Mines

Amendments

June 13, 1996	Name Change
September 23, 1996	Approval to Construct Tailings Storage Facility to Elevation 934m
July 11, 1997	Amended Reclamation Permit, Approval to Construct Open Pits and Waste Dumps, and Traffic Control Plan
April 7, 1998	Approval to Construct Tailings Storage Facility to Elevation 940 metres
June 13, 2000	Approval to Construct Tailings Storage Facility to Elevation 944 metres
August 2, 2000	Approving Tailings Storage Facility and Amended Metal Leaching and Acid Rock Drainage Conditions
May 30, 2001	Approval to Construct Tailings Storage Facility to Elevation 945 metres
February 16, 2004	Approving Milling of Ore and Tailings Deposition from the International Wayside Bulk Sample
November 1, 2004	Approving Mining and Reclamation Program for the Northeast Zone and Approving Mine Restart
May 25, 2005	Approving Tailings Storage Facility Stage 4 Construction
August 2, 2005	Approving Haulage Road Construction from Northeast Zone to TSF
November 24, 2005	Approving Mining of Southeast Zone
August 2, 2006	Approving Change of Name and Deletion of Requirement to Monitor Blasting
August 2, 2006	Approving Tailings Storage Facility Stage 5 Construction
March 29, 2007	Approving Northeast Zone Dump Extension
March 29, 2007	Approving Copper Oxide Test Heap Leach Facility
August 31, 2007	Approving Boundary Road
December 5, 2007	Approving Wight Pit High Wall Rehabilitation
February 19, 2008	Permit Approving Tailings Storage Facility Stage 6 Construction
March 6, 2008	Approving Transfer of Road Use, Maintenance and Reclamation Obligations
July 8, 2009	Permit Approving the Pond Zone
August 15, 2011	Approving Mining of the C2 and Boundary zone pits
June 29, 2012	Approving Tailings Storage Facility Stage 8 Construction
October 15, 2012	Approving Tailings Storage Facility Stage 8A Construction
March 25, 2013	Approving Boundary Zone Underground
April 22, 2013	Approving Processing of 15000 Tonnes of Ore from Dome Mountain
July 25, 2013	Approving Northwest PAG Dump Expansion and South Haul Road

August 9, 2013	Approving Tailings Storage Facility Stage 9 Construction
March 17, 2014	Approving Cariboo Phase 4 Expansion
March 27, 2014	Approving Change to Reclamation Security Schedule
June 24, 2014	Approving Waste Rock and Tailings Comingling Research Project
December 17, 2014	Approving TSF Breach Repair and Perimeter Embankment Buttress Design for 2015 Freshet
July 9, 2015	Approving Return to Restricted Restart of Operations
October 22, 2015	Approving Main Embankment Buttress
February 25, 2016	Approving Upstream TSF Construction and 2016 Freshet Water Management
March 17, 2016	Approving Springer Pit Lake Elevation Increase

PERMIT AMENDMENT

APPROVING SPRINGER PIT LAKE ELEVATION INCREASE

Permit: **M-200**

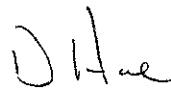
Mine No: **1101163**

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for work located at the:

Mount Polley Mine

Amended at Victoria, British Columbia this 17 day of March in the year 2016.



for _____
Earl Al Hoffman, P.Eng.
Chief Inspector of Mines

PREAMBLE

A letter regarding “Temporary Storage in the Springer Pit above 1030 m asl Elevation” prepared by Mount Polley Mining Corporation, dated February 22, 2016 (Application, Document 1), was submitted to the Chief Inspector of Mines (Chief Inspector) on the date listed above. The Ministry of Energy and Mines is amending the conditions of Permit M-200 in accordance with Section 10(7) of the *Mines Act*.

Information supporting the above referenced Application and required by the Chief Inspector was also filed with the Chief Inspector and forms part of the application as follows:

- Letter regarding “Site Conditions Update (#5) – Site Water Management and Upstream Tailings Storage Facility (TSF) Construction”, dated February 2, 2016, prepared by Mount Polley Mining Corporation (Document 2)
- Technical Memorandum “Mount Polley Mine – Prediction of Water Level and Seepage from the Springer Pit and Bootjack Lake Water Quality”, dated March 7, 2016, prepared by Golder Associates Ltd. (Document 3)

The Application and the supporting documents form the information provided to support the request for a temporary increase of the Springer Pit Lake elevation from 1030 m above sea level (asl) to 1042 m asl. This temporary increase was requested to assist with water management on the mine site while the site addresses the surplus of water that currently exists.

This permit contains the requirements of the Ministry of Energy and Mines. It is also compatible, to the extent possible, with the requirements of other provincial ministries. Nothing in this permit limits the authority of other provincial ministries to set other conditions, or to act independently, under their respective permits and legislation.

Decisions made pursuant to this permit by staff of the Ministry of Energy and Mines will be made following consultation with the Williams Lake Indian Band, Xat’sull First Nation (Soda Creek Indian Band), other provincial ministries and federal departments and agencies, as appropriate, within reasonable timeframes.

The mine is located in the asserted traditional territory of the Williams Lake Indian Band and Soda Creek Indian Band. The application was referred to both bands for consideration. Review comments indicating support for this amendment request from consultants for both bands were received on February 17, 2016 following verbal discussions related to Springer Pit Lake elevation increase. Further discussion of this amendment occurred during technical working group meetings on March 11, 2016 and March 14, 2016. A draft permit was provided for review on March 16, 2016 and MEM received an email response confirming no concerns from Williams Lake Indian Band and Soda Creek Indian Band.

CONDITIONS

The Chief Inspector hereby approves the request for a temporary increase to the Springer Pit Lake elevation as submitted subject to compliance with the following conditions:

A. General

1. Compliance with *Mines Act* and Code

All work shall be in compliance with all sections and parts of the *Mines Act* and Health, Safety and Reclamation Code for Mines in British Columbia (Code) and the owner, agent or manager (herein called the Permittee) shall obey all orders issued by the Chief Inspector or his delegate.

2. Departure from Approval

The Permittee shall notify the Chief Inspector in writing of any intention to depart from either the plan of the work system or the program for the protection and reclamation of the surface of the land and watercourses to any substantial degree, and shall not proceed to implement the proposed changes without the written authorization of the Chief Inspector.

3. Limitations of Approval

(a) This permit rescinds the following conditions A.3.(c) of the M-200 Mines Act permit amendment issued on July 9, 2015:

- A.3.(c): The Springer Pit Lake shall be maintained below an elevation of 1030 m asl.
- A.3.(d): Mining and milling operations shall cease and the Chief Inspector of Mines and Ministry of Environment shall be immediately notified if the Springer Pit Lake elevation reaches 1030 m asl.

And replaces them as follows:

- A.3.(c): The Springer Pit Lake is approved to a maximum elevation of 1042 m asl to August 31, 2016, beyond which time the elevation shall be maintained below 1030 m asl.

- A.3.(d): Mining and milling operations shall cease after August 31, 2016 and the Chief Inspector of Mines and Ministry of Environment shall be immediately notified if the Springer Pit Lake elevation exceeds 1030 m asl.

4. Permit

This permit is not transferrable or assignable.

All other terms and conditions remain.