



Date: September 30, 2015

To: Sean O'Connel, Mine Manager
Glencore Corporation Canada, Boss Mountain Mine

Cc: Diane Howe, Deputy Chief Inspector, Reclamation and Permitting, MEM
Heather Narynski, A/ Manager, Geotechnical Engineering, MEM

Re: **Review of Letter of Assurance Submission from June 30, 2015**

The Ministry of Energy and Mines (MEM) has engaged a consulting firm to evaluate the consistency and compliance of your letter of assurance in response to the Chief Inspector's orders issued on February 3, 2015. This review has determined that your submission satisfies the requirements of the order.

Below is a summary of the assessment made by your Qualified Professional Engineer (QPE), it is understood that no immediate gaps have been identified:

Main Dam

Status of Foundation Condition

"There are no clay strata in the Main Dam foundations, which comprise fluvio-glacial sand and gravel deposit and till at the higher foundation elevations."

Status of Water Balance Adequacy

"No surplus mine water is stored in the tailings impoundment. Subject to the spillway flow capacity, which regulates the tailings pond level, as much of the tailings impoundment runoff is collected in the tailings pond as is discharged through the overflow spillway. In addition, a 'permanently dry emergency overflow spillway' has been designed and constructed to prevent dam overtopping even if the overflow spillway somehow fails."

Status of Filter Adequacy

"According to the designers (Golder Associates), the gradation of the toe drain sand and gravel satisfies the filter design criteria. Since no as-built report for the construction of the Main Dam was prepared, it cannot be confirmed that the toe filter was constructed in accordance with the designs." However, "there are no reasons to suspect that the drain was not properly constructed."

Clarification Pond Dam

Status of Foundation Condition

“There are no clay deposits in the Clarification Pond Dam foundations, which comprise competent sand and gravel and till deposits.”

Status of Water Balance Adequacy

“No surplus mine water is stored in the clarification pond. Subject to runoff inflow fluctuations, as much of the runoff is collected in the clarification pond as is discharged through the overflow spillway.”

Status of Filter Adequacy

“The dam design did not include a filter zone (no piping problem is anticipated given the materials used for dam construction). Since no as-built report for the construction of the Clarification Pond Dam was prepared, it cannot be confirmed that the dam was constructed in accordance with the design. However, “there are no reasons to suspect that the drain was not properly constructed.”

North Dam

“The North Dam comprises a compacted sand and gravel embankment with rockfill toe drain. The foundations of the dam most likely comprise glacial till or outwash sand and gravels.”

“The north dam is at the high end of the impoundment area and is not a water dam. Water runs by gravity to the south end where the main dam is located. Consequently, it is considered that the concerns identified with respect to the Mount Polley dam failure are not relevant with respect to the North Dam structure.”

Please ensure that any recommendations made by your Qualified Professional Engineer have been addressed.

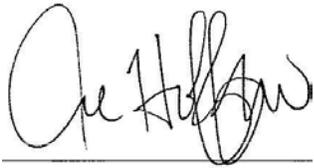
The orders issued on February 3, 2015 have been requested to provide assurance the conditions at the Mount Polley dam do not exist in other facilities. Please ensure that you are meeting your other ongoing requirements to ensure Tailings Storage Facility safety with respect to the following:

- Satisfying any outstanding orders from previous Ministry inspection reports.
- Satisfying any outstanding recommendations from previous Dam Safety Inspections (DSI) or Dam Safety Reviews (DSR).

It is expected that you will ensure dam safety management is continuously reviewed, improved and refined throughout the life of mine.

Thank you for your submission to the orders of February 3, 2015.

Sincerely,

A handwritten signature in black ink, appearing to read "Al Hoffman", written over a horizontal line.

*Al Hoffman, P. Eng.
Chief Inspector of Mines
Ministry of Energy and Mines*