



Date: September 30, 2015

To: Don Strickland, VP Operations and Mine Manager  
Copper Mountain (Similco) 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) with associated plans/schedule to address the gaps identified:

Status of Foundation Condition

*"A thin layer of glaciolacustrine clay was encountered in a single drillhole upstream of the East Dam starter dam and conservatively treated in design using residual strength parameters. No glaciolacustrine sediments have been encountered at the West Dam. The proposed dam designs meet the required factors of safety."*

The mine has committed to:

- *"Additional investigations have been planned for 2015 to increase confidence in the current geological models and further delineate the extents and properties of the glaciolacustrine clay layer in support of the continued advancement to the ultimate dam configurations."*

Status of Water Balance Adequacy

*"The TMF is currently operated with a net water balance deficit which relies on freshwater makeup from the Similkameen River to maintain the balance of process water needs. This allows Copper Mountain Mine (BC) Ltd. (CMML) to consistently maintain a small reclaim pond, large above-water beaches and abundant freeboard at both dams well in excess of the design requirements."*

Status of Filter Adequacy

*“The TMF dams are essentially homogenous sand fills that are inherently filter-compatible with the tailings they retain. Internal erosion risks are mitigated by large above-water beaches and detailed foundation preparation and abutment contacts prescriptions combined with regular quality control inspections.”*

MEM supports the proposed plan of action. Please ensure that all work as outlined above is completed within the specified timeframe. MEM will be following-up by January 15, 2016 to obtain a status update with respect to the work completed and commitments made.

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*