

November 28, 2014

Al Hoffman,
Chief Inspector of Mines
Victoria, BC

Re: 2014 Dam Safety Inspection report for Equity Silver Mine

Under cover of this letter, please find the 2014 Dam Safety Inspection (DSI) report for the tailings facility at the Goldcorp Canada Ltd. - Equity Silver Mine and the results of the third-party review. The DSI report was prepared by the Engineer of Record, AMEC Environment and Infrastructure and the DSI report was subsequently provided third-party review by Knight Piesold Ltd.

Goldcorp Canada Ltd. is committed to ensuring the safe operation of all tailings facilities and dam structures under our control. The closed tailings facility at the Equity Silver Mine is inspected daily during the work week by the on-site care and maintenance personnel. A DSI is conducted on an annual basis and a detailed Dam Safety Review is conducted by a third-party engineer every 5 years. All monitoring and surveillance practices meet industry standards.

As outlined in the DSI and confirmed by the third-party engineer review, no immediate safety or stability concerns were noted for the Equity Silver Mine tailings storage facility or dam structures. The independent review has also confirmed the current assigned Consequence Classifications for our tailings and water control dams.

All tailings dams with a failure consequence classification of high, very high or extreme require a dam break and inundation study. This has been conducted by AMEC Environment and Infrastructure recently and is provided along with the DSI and revised OMS Manual. We have an emergency preparedness and response plan (EPRP) in place (included within the OMS Manual) that has been tested. The EPRP test took into account the results of the dam break and inundation study and was useful in identifying some areas that can be improved upon going forward. A letter outlining the EPRP test procedure and results is provided along with the OMS and EPRP.

Several recommendations pertaining to maintenance were identified in the DSI report. The attached table outlines the DSI recommendations, action plans and schedules for completing the work. The Equity Silver Mine is taking steps to address each recommendation as required and as detailed in the table below.

Goldcorp Canada Ltd. – Equity Mine is focused on meeting the highest standards of safety for our tailings facility. Annual inspection reports are one component of the comprehensive system in place for the safe operation and monitoring of our tailings facility. These systems follow industry best practices, including all of the applicable guidance provided by the Canadian Dam Association.

Please do not hesitate to contact me if you have any further questions regarding the operation, maintenance and monitoring of our tailings facility.

Sincerely,



Mike Aziz
Mine Manager

Summary of Recommendations for 2014 DSI

No.	2014 DSI Recommendations	Planned Action	Timeline for Action
2014-01	Upgrade the spillways of the Main ARD and ARD Surge ponds to coincide with current dam safety requirements.	Complete upgrades to Main and Surge Pond spillways. Budgeted for contractor to complete.	Complete in late 2 nd quarter and 3 rd quarter 2015.
2014-02	Schedule the upgrades for the remaining water management structures for further design and implementation based on the priority level or classification of the individual structure; the next highest priorities being upgrades to the No. 1 Dam Seepage Pond and Getty Creek Pond spillways.	Complete upgrades to all remaining spillways. Budgeted for contractor to complete.	Complete in late 2 nd quarter and 3 rd quarter 2015.
2014-03	The slumped area on the inside (upstream) face of the South Dike forming the ARD Storage Pond adjacent to the "Closed Gate" sign and buried road culvert should be repaired at the earliest convenience and the area monitored regularly throughout normal pond operations for any sign of renewed slumping or internal erosion.	Repair section of South Dike and add riprap for protection. Monitor for signs of erosion.	3 rd quarter 2015.
2014-04	Any remaining shrubs and small trees should continue to be removed from the crests and slopes of dams in order to minimize root intrusion into embankment zones as well as to facilitate adequate visual inspection of the various earthfill structures and associated reservoir boundaries.	Ongoing vegetation maintenance as required.	Ongoing during summer and fall months as weather permits.
2014-05	Continue to inspect the ARD Surge Pond dam regularly for evidence of instability, such as cracks or erosion and repair/upgrade the leaking ditch at the left abutment to convey runoff and seepage flows off the hillside and into the ponds in a more controlled manner.	Inspections of Surge dam completed regularly. Ditch repair planned to minimize erosion.	Inspections ongoing. Ditch repair to be completed in 2 nd or 3 rd quarter 2015 as weather permits.
2014-06	Remove accumulated sediment from Bessemer Creek Silt Check reservoir.	Remove sediment from Bessemer Siltcheck pond.	As weather permits (low flows) start removal in 3 rd quarter 2015.
2014-07	The Berzelius Diversion should continue to be inspected and cleaned out on an annual basis to remove accumulated sediment with repairs made when required.	Annual ongoing maintenance.	Completed every year during late 2 nd quarter or 3 rd quarter.
2014-08	The sediment accumulation at the outlet of the ARD collection ditch into the No.1 Sump Pond should be removed in order to maintain sufficient live storage within the pond.	Remove sediment from inlet of #1 Sump.	3 rd quarter 2015.
2014-09	The OMS Manual and associated EPP should be updated based on the results of the dam breach and inundation studies currently underway.	Completed update of OMS and EPRP when dam breach and inundation study finalized.	Completed November 2014.