



Date: September 30, 2015

To: Ian M. Berzins, Vice President and General Manager
Thompson Creek Metals Company, Mount Milligan

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

"Silt and clay foundations (glaciolacustrine deposits) were identified at the Mt. Milligan Project during several geotechnical site investigation programs in 1991 and 2007, and during slope inclinometers installations in 2013. The dam design has accounted for these materials. The depth, density, low clay percentage, low plasticity index, low moisture content, absence of fine laminated clay layers indicate the foundation is not at risk for the current height of dam."

The QPE however has stated that:

- *"A site investigation program has been proposed to collect additional geotechnical parameters in the glaciolacustrine deposits. KP recommends a site investigation program to collect samples for specialized laboratory test work and to conduct Cone Penetration Testing (CPT). This site investigation program is planned to be completed by the end of 2015."*

Status of Water Balance Adequacy

"No surplus water is stored in the TSF. The TSF embankments have 2 metres of freeboard for storage of the Inflow Design Flood and for wave run-up. The water balance accounts for variability in precipitation. Each year the planned embankment raise is reviewed to verify the

lift height meets the design objectives for waste storage, storm storage, and precipitation storage.”

Status of Filter Adequacy

“The filter design was completed using best engineering practices for designing filters which include preventing piping and internally stability considerations” and “the filter has been constructed in accordance with the design.”

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*