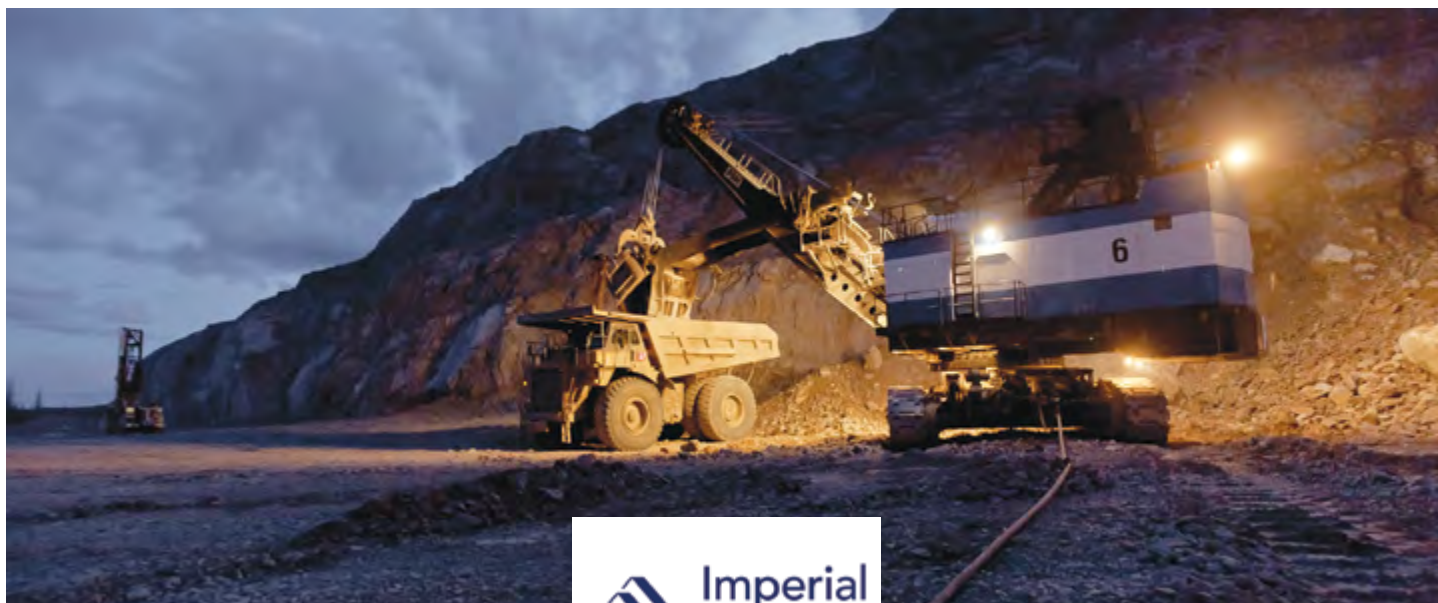


TSM Performance by Company

Imperial Metals Corporation



Mount Polley Mining Corporation (MPMC) saw minor improvements in self-assessed TSM results in 2015 as compared to the last formal reporting period in 2013. In light of the Tailings Storage Facility (TSF) failure at the Mount Polley mine in August 2014, MPMC had spent the 2014 reporting period reviewing its TSM assessment across all areas.

While still reporting strong results in Tailings Management (Level A), Aboriginal and Community Outreach (Level AA) and Safety and Health (Level A), progress in aligning existing site strategies for Energy Use and GHG Emissions Management (Level C), Crisis Management Planning (No) and Biodiversity Conservation Management (Level C) with TSM reporting protocols continued throughout 2015 following the 2014 post-TSF failure review period.

TAILINGS MANAGEMENT

MPMC has a strong alignment with MAC guidance through the five indicators of this protocol, and lacks only internal and external auditing (respectively) of existing documentation and processes in order to improve this protocol from Level A to Level AA/Level AAA.

While there were rigorous internal and external reviews of the tailings management system completed through the various activities associated with the failure investigation, repair and subsequent initiation of permitting for return to use of the Mount Polley mine TSF, none of these activities were suggested by MPMC as formal internal or external auditing under the TSM initiative. The internal and external reviews did, however, lead to a robust examination of tailings management at the Mount Polley mine and serve to further support the self-assessed Level A.

ABORIGINAL AND COMMUNITY OUTREACH

Strong relationships between Aboriginal and community groups and MPMC were once again proven in the discussion, explanation and consultation on the aforementioned TFS failure investigation and permitting activities as well as the application for (and subsequent return to) restricted operations at the Mount Polley mine in 2015.

Of the four indicators, three were assessed as Level AAA, with the results for indicator 4 (reporting) assessed at Level AA. All consultation is completed in a transparent manner, but formalized feedback and publishing of COI feedback and concerns outside of the COI groups themselves has not yet been instituted by MPMC. Strategies for completing this are being evaluated for incorporation into reporting standards for the Mount Polley mine.

SAFETY AND HEALTH

MPMC has a strong alignment with the TSM Safety and Health Protocol and, as referenced above in Tailings Management, spent 2015 keeping all processes updated and “live” following the TSF failure and through the return to operations at the Mount Polley mine. In order to progress to Level AA and AAA internal and external auditing of these systems is necessary.

ENERGY USE AND GHG EMISSIONS MANAGEMENT

MPMC reports in accordance with the GHG requirements at both the Provincial (mandatory) and Federal (voluntary) level, having a comprehensive understanding of contributing processes at the facility level. Integration of energy use and GHG emissions management systems into the operation represents a new focus area for MPMC, and this, along with the resulting setting and achievement of facility-level targets, limit the TSM-assessed level to a Level C.

CRISIS MANAGEMENT PLANNING

MPMC does not have formalized crisis management plans at the facility or corporate level (or corresponding sharing of these between parties) at this time, though site level mine emergency response and TSF emergency preparedness response plans are established and regularly tested. Initial stage development of a crisis management plan at the corporate level is underway.

BIODIVERSITY CONSERVATION MANAGEMENT

While MPMC is committed to biodiversity conservation management, and has worked extensively with Aboriginal groups, COI, industry, government and the scientific community in pursuing initiatives on site both historically and presently, there lacks translation of these processes to fit under the indicator prerequisites of improved scoring with TSM.

MPMC does not see this TSM indicator score as reflective of the facility commitment to biodiversity conservation management, rather a translational issue between site processes and TSM protocol requirements. Work will continue to assimilate facility-level work with TSM protocols, but this is not seen by MPMC as a deficient area at this time.

EXTERNAL VERIFICATION

In 2016, MPMC undertook an extra (i.e. voluntary) external verification of the self-assessed 2015 Tailings Management Protocol results. This extra external verification of the Tailings Management Protocol in 2016 follows the external verification completed in 2015 for all TSM Protocols self-assessed in 2013. Both the 2016 and 2015 external verifications confirmed that self-assessed results fairly stated the company’s performance against TSM Protocols.

In summary, MPMC has improved TSM scores in 2015 as compared to 2013 self-assessed results, with Aboriginal and Community Outreach improving to a Level AA from the previously self-assessed Level A. Following the TSF failure and through the return to restricted operations, the focus for the TSM initiative has been on reviewing and maintaining existing processes and ensuring their applicability through this reporting period.

🔗 For more information, please visit: www.imperialmetals.com





2015 TSM Results

Imperial Metals Corporation

Crisis Management Planning Assessment

FACILITY	PREPAREDNESS	REVIEW	TRAINING
IMPERIAL METALS CORPORATION			
MOUNT POLLEY			

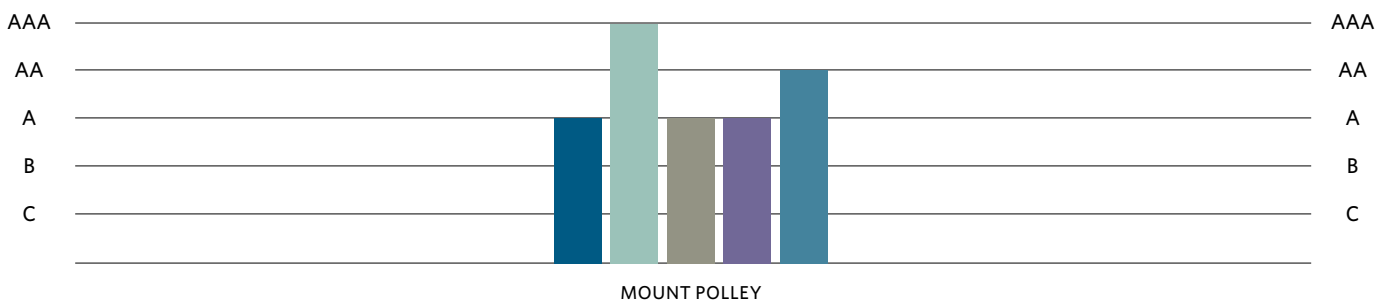
Aboriginal and Community Outreach Assessment

- COMMUNITY OF INTEREST (COI) IDENTIFICATION
- EFFECTIVE COI ENGAGEMENT AND DIALOGUE
- COI RESPONSE MECHANISM
- REPORTING



Safety and Health Assessment

- POLICY, COMMITMENT AND ACCOUNTABILITY
- PLANNING, IMPLEMENTATION AND OPERATION
- TRAINING, BEHAVIOUR AND CULTURE
- MONITORING AND REPORTING
- PERFORMANCE

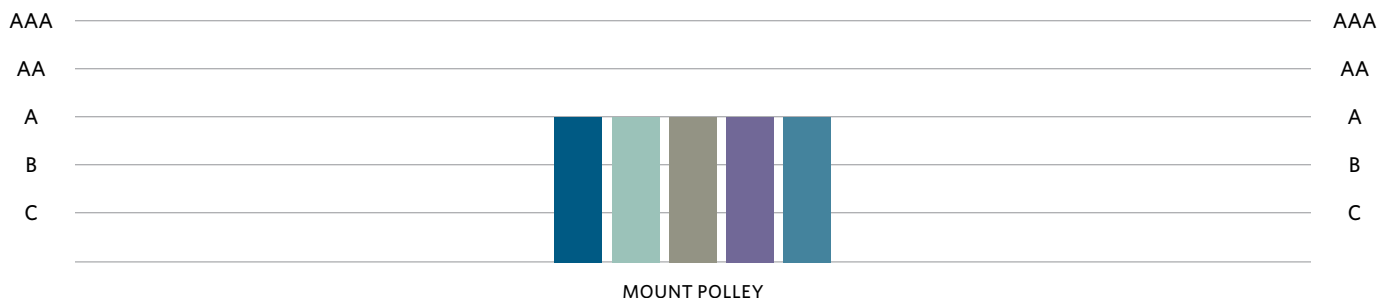


Results not externally verified, except for Tailings Management.
 Last external verification: 2015; next external verification: 2018.



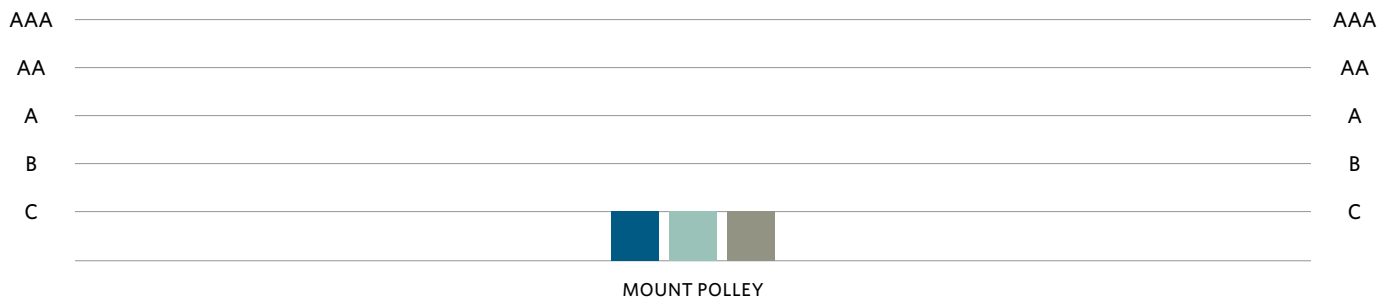
Tailings Management Assessment

- TAILINGS MANAGEMENT POLICY AND COMMITMENT
- TAILINGS MANAGEMENT SYSTEM
- ASSIGNED ACCOUNTABILITY AND RESPONSIBILITY FOR TAILINGS MANAGEMENT
- ANNUAL TAILINGS MANAGEMENT REVIEW
- OPERATION, MAINTENANCE AND SURVEILLANCE (OMS) MANUAL



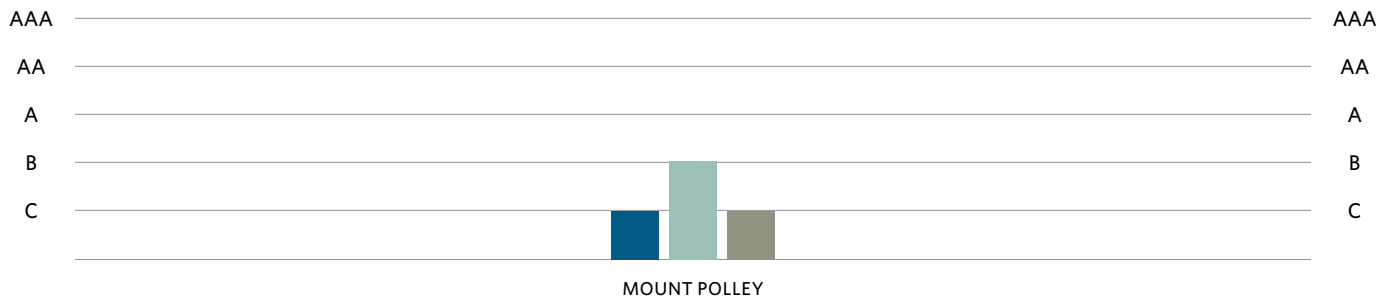
Biodiversity Conservation Management Assessment

- CORPORATE BIODIVERSITY CONSERVATION POLICY, ACCOUNTABILITY AND COMMUNICATIONS
- FACILITY-LEVEL BIODIVERSITY CONSERVATION PLANNING AND IMPLEMENTATION
- BIODIVERSITY CONSERVATION REPORTING



Energy Use and GHG Emissions Management Assessment

- ENERGY USE AND GHG EMISSIONS MANAGEMENT SYSTEMS
- ENERGY USE AND GHG EMISSIONS REPORTING SYSTEMS
- ENERGY AND GHG EMISSIONS PERFORMANCE TARGETS



Results not externally verified, except for Tailings Management.
 Last external verification: 2015; next external verification: 2018.

