MLR ANNUAL REPORT ADDENDUM

Sunnyside Mine and Mayflower Mill

File No. M-1977-378

April 2017 to March 2018

Sunnyside Gold Corporation ("SGC")
San Juan County
Silverton, Colorado

Submitted to:

Division of Reclamation, Mining and Safety
Colorado Department of Natural Resources
Denver, Colorado

ANNUAL REPORT FORM SUPPLEMENTAL INFORMATION FOR NUMBERED QUESTIONS

4. Date of last excavation, processing or hauling was August 1991.

8. While the 131.3 acres have not been released, reclamation has been completed in accordance with the approved mine plan and, therefore, the acres are no longer "affected lands."

13. The predominant method used for placement of seed, fertilizer and mulch was listed on the report form as hydro-seed. Broadcast was the alternate method used for seeding and fertilizer placement and hand spreading with equipment crimp as an alternate for mulch placement.

20. If any reclamation remained to be completed, a legal right to enter is still valid. SGC completed its reclamation in 2006. With respect to the reclamation previously completed at the permit area near the American Tunnel, any legal right to enter has been complicated by the private landowner's subsequent agreements with EPA and EPA's actions at that site.

SITE RECLAMATION ACTIVITY

APRIL 2017 TO MARCH 2018

Reclamation activity during the 2017 reporting year (April 2017 to March 2018) consisted of reclamation monitoring, minor maintenance at the Tailings Pond No. 4 area and activity by others within the permit area. In the following sections of this report, environmental activity during the 2017 reporting year and activity within the permit area by others is discussed on a site by site basis.

All four of the below permit areas have been included in the listing for the so-called Bonita Peak Mining District NPL site. In 2018, SGC intends to request area release for the Terry Tunnel and Sunnyside Basin permit areas.

PERMIT AREA NEAR THE AMERICAN TUNNEL - (Map attached)

During the 2017 reporting year, no additional acreage was disturbed or reclaimed by SGC. Activity at this site consisted of monitoring what little remains of the reclaimed site. With completion of work in 2006, all of the reclamation work in the reclamation plan was completed. The two buildings and surrounding area that remained after reclamation were occupied in 2017 by the EPA under an agreement with the current owner of the land and buildings. SGC had no involvement in that process.

Since the Gold King incident on August 5, 2015, EPA has taken over the area to use as a staging area for their Gold King response and to build and operate a water treatment plant to treat the Gold King flows. As a result, most of SGC's reclamation work has been and remains disturbed. Given the EPA occupation of the site, and the previous completion of SGC's reclamation obligations, SGC assumes EPA will be responsible for this area going forward.

TERRY TUNNEL AREA - (Map attached)

During the 2017 reporting year, no additional acreage was disturbed.

Activity at this site consisted of;

1) monitoring of the reclaimed site.

SUNNYSIDE BASIN (LAKE EMMA) AREA - (Map attached)

During the 2017 reporting year, no additional acreage was disturbed.

Activity at the site consisted of;

1) monitoring of the reclaimed site.

TAILINGS POND No.4 - (Map attached)

During the 2017 reporting year no additional acreage was disturbed other than minor disturbance caused by installation of monitoring wells.

Activity at this site consisted of;

1) monitoring, minor maintenance and weed control.
2) conducting a voluntary study, at the request of EPA, CDPHE and BLM, of the Animas River from Arrastra Creek to the 14th Street bridge in Silverton to determine what impact, if any, the Mayflower facilities may be having on water quality. This work is discussed in the monitoring section.
3) Monitoring the nine boreholes placed on Tailings Pond #4 to characterize the tailings and depth to groundwater. These holes were converted into monitoring wells.
4) Placement of five additional monitoring wells within the permit area. These well locations are shown on the reclamation map.

Water Quality Monitoring

Sunnyside Mine and Mayflower Mill

File No. M-1977-378

April 2016 to March 2017

MONITORING - Water Quality

Attached is water quality data for;

1) Mayflower Millsite area
   a) Animas River above (AR3.5) and below (AR4) complex.

2) Permit Area near the American Tunnel
   a) Cement Creek above (CC1) and below (CC2) complex.
   b) Springs in the area of the now reclaimed waste dump (ATS1, ATS2). These springs no longer flow from their original sites because of the waste dump reclamation and are no longer sampled. Copies of old data is not included.

MONITORING - Discussion of Water Quality Monitoring Results

1) Mayflower Millsite area

The Animas River monitoring results continue to exhibit increased zinc and manganese concentrations between upstream and downstream monitoring points although the differential for zinc was relatively small in 2017. The differential for manganese was highest in the fall sample. The small zinc differential may be the result of the completed diversions and reclamation projects.

At the request of EPA, CDPHE and BLM, SGC voluntarily implemented a study to assess what impact, if any, the Mayflower Area tailings ponds have on water quality in the segment of the Animas River between Arrastra Creek and the 14th Street bridge in Silverton (A-68). The MLR monitoring points are within this segment.

The study included the following: continuation of the close spaced in-stream water quality samples as well as sampling of visible inflow along the segment during high-flow and low-flow; in-stream sediment and pore water sampling and the monitoring of the groundwater levels and water quality beneath the tailings ponds. Nine (increased to fourteen in 2017) of these monitoring wells are within SGC's MLR permit area on Tailings Pond 4 (refer to map).

The study results were similar to 2015 and 2016. In general,

the highest concentration results in 2017 were during low flow.

2) Permit Area near the American Tunnel

Cement Creek monitoring shows metals concentrations are similar between the points with some elevation for most metals between the upstream and downstream points. The metals with the largest changes are iron, manganese and zinc. Following its takeover of the area, EPA discharges the treated Gold King water between the monitoring stations.

The seep ATS2, originally from the toe of the American Tunnel waste dump, has either relocated or dried up. The seep ATS1 appears to have disappeared or relocated due to the reclamation of the waste dump.

APPENDIX A
Monitoring Data

Sunnyside Gold Corporation-Sunnyside Mine/Mayflower Mill
MLR Report
Site: AR 3.5
GPS Coordinates: N37^0 49.622' W107^{0}37.596'

										*				*
Mean				7.1	248.4	169.9	2.5	31.4	115.9	38.2	80.9		0.2	
Std dev				0.6	62.8	49.9	5.0	14.0	30.2	6.7	26.4		0.3	
						mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l
Station	Sampldate	Estimated Qmgd	Qmgd	FieldpH	labcond	TDS(180)	TSS	Alk	Hard	Bicarb	Sulfate	CO3	NO3&NO2	NH3-N
AR3.5	01-May-15		nd	6.9	224	130	<5	35	96	43	60	<5	0.14	<0.1
AR3.5	09-Sep-15		nd	6.3	325	210	<5	40	130	48	100	<5	0.09	<0.1
AR3.5	23-May-16		nd	6.3	151	100	<10	27	62	33	40	<5	0.12	<0.1
AR3.5	01-Sep-16		nd	6.4	271	180	<5	33	121	41	90	<5	<0.1	<0.1
AR3.5	31-May-17		nd	6.1	133	100	6	28	57	34	30	<5	0.07	<0.1
AR3.5	05-Sep-17		nd	6.9	296	180	<5	37	126	45	90	<5	<0.05	<0.1

Mean		0.5	0.001	0.004								0.25	0.41	0.33
Std dev		0.2	0.001	0.010								0.14	0.21	0.11
		mg/l	mg/l	mg/L	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l
Station	Sampldate	Fl	dCd	dCu	dHg	dPb	dAg	dAl	dCrT	dFe	dMn	dSr		dZn
AR3.5	01-May-15	0.3	<0.001	0.008	<0.001	<0.005	<0.01	<0.05	<0.01	<0.03	0.19			0.26
AR3.5	09-Sep-15	0.4	<0.001	<0.005	<0.001	<0.005	<0.01	<0.05	<0.01	<0.03	0.27			0.27
AR3.5	23-May-16	0.2	<0.001	0.009	<0.001	<0.005	<0.01	0.06	<0.01	0.03	0.18	0.21		0.25
AR3.5	01-Sep-16	0.5	<0.001	<0.005	<0.001	<0.005	<0.01	<0.05	<0.01	<0.03	0.54	0.44		0.23
AR3.5	31-May-17	0.2	<0.001	0.009	<0.001	<0.005	<0.01	0.07	<0.01	0.03	0.18	0.19		0.25
AR3.5	05-Sep-17	0.5	<0.001	<0.005	<0.001	<0.005	<0.01	<0.05	<0.01	<0.03	0.25	0.47		0.17

Sunnyside Gold Corporation-Sunnyside Mine/Mayflower Mill
MLR Report
Site: AR 4
GPS Coordinates: N37^0 48.976' W107^0 38.974'

									*				*
Mean			7.0	262	189	4	32	119	39	89		0.16	
Std dev			0.5	75	80	10	6	33	7	30		0.13	
Station	Sampldate	Qmgd	FieldpH	labcond	mg/l TDS(180)	mg/l TSS	mg/l Alk	mg/l Hard	mg/l Bicarb	mg/l Sulfate	mg/l CO3	mg/l NO3&NO2	mg/l NH3-N
AR4	01-May-15		6.9	230	150	<5	33	99	40	70	<5	0.14	<0.1
AR4	09-Sep-15		6.4	349	220	<5	38	144	46	110	<5	0.08	<0.1
AR4	23-May-16		6.2	153	100	<10	27	62	22	40	<5	0.11	<0.1
AR4	01-Sep-16		6.5	263	180	<5	33	124	41	90	<5	0.06	<0.1
AR4	31-May-17		6.3	136	100	6	25	58	30	30	<5	0.07	<0.1
AR4	05-Sep-17		6.3	315	190	<5	38	133	46	100	<5	<0.05	<0.1

				*									
Mean		0.505	0.001						0.00	0.06	0.94	0.42	0.51
Std dev		0.359	0.002						0.00	0.05	0.54	0.20	0.28
		mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l
Station	Sampldate	Fl	dCd	dHg	dPb	dAg	dAl	dCrT	dCu	dFe	dMn	dSr	dZn
AR4	01-May-15	0.4	0.001	<0.001	<0.005	<0.01	0.06	<0.01	0.009	0.1	0.75		0.35
AR4	09-Sep-15	0.5	<0.001	<0.001	<0.005	<0.01	0.06	<0.01	<0.005	0.16	1.05		0.36
AR4	23-May-16	0.3	<0.001	<0.001	<0.005	<0.01	0.08	<0.01	0.009	0.08	0.34	0.21	0.27
AR4	01-Sep-16	0.5	<0.001	<0.001	<0.005	<0.01	0.06	<0.01	<0.005	0.11	1.02	0.36	0.27
AR4	31-May-17	0.2	<0.001	<0.001	<0.005	<0.01	0.07	<0.01	0.007	0.07	0.34	0.17	0.26
AR4	05-Sep-17	0.6	0.001	<0.001	<0.005	<0.01	0.07	<0.01	<0.005	0.15	0.94	0.45	0.25

Sunnyside Gold Corporation
Sunnyside Mine/Mayflower Mill
MLR Report
Site: CC1
GPS Coordinates: N37^0 53.525' W107^0 38.921'

			SU	umho	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l
SAMPLE SITE	Sampldate	Qmgd	FieldpH	labcond	TDS(180)	TSS	Ac	Hard	NO3&NO2	NH3	Fl	P	CL	sulfate	Ca	Mg	K	Na
CC-1	01-May-15		3.6	9	570	26	53	292.0	<0.05	<0.1	1.6		<5	350	104	8	2	10
CC-1	15-Sep-15		4.0	1870	1580	48	139	827.0	<0.05	0.3	4.3		<5	930	298	21	2	10
CC-1	23-May-16		3.25	310	190	10	24	90	0.08	<0.1	0.6	<0.1	<5	120	32	3	<1	1
CC-1	01-Sep-16		3.75	870	660	20	43	358	<0.05	<0.1	1.6	<0.1	<5	390	127	10		6
CC-1	31-May-17		3.83	259	170	11	19	77	<0.05	<0.1	0.50	<0.1	<5	90	27	2	<1	3
CC-1	05-Sep-17		4.69	1240	1070	25	74	547	<0.05	<0.1	2.9	<0.1	<5	640	199	12	1	18

SAMPLE SITE	Sampldate	dAl	dAs	dB	dCd	dCr	dCu	dFe	dPb	dMn	dHg	dSe	dAg	dSr	dZn
		mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l
CC-1	01-May-15	3.43	<0.005		0.011	<0.01	0.215	13.5	0.013	7.22	<0.001	<0.005	<0.01		4.84
CC-1	15-Sep-15	9.16	<0.005		0.034	<0.01	1.61	18.3	0.013	19.5	<0.001	<0.005	<0.01		14
CC-1	23-May-16	1.58	<0.005	<0.01	0.006	<0.01	0.146	3.27	0.009	1.89	<0.001	<0.005	<0.01	0.31	1.83
CC-1	01-Sep-16	2.71	<0.005	<0.01	0.014	<0.01	0.138	10.3	0.012	9.05	<0.001	<0.005	<0.01	1.16	4.32
CC-1	31-May-17	1.25	<0.005	<0.03	0.004	<0.01	0.114	2.2	0.008	1.59	<0.001	<0.005	<0.01	0.22	1.77
CC-1	05-Sep-17	3	<0.005	<0.03	0.012	<0.01	0.113	19.9	0.019	12.4	<0.001	<0.005	<0.01	2.16	6.72

SUNNYSIDE GOLD CORPORATION
Sunnyside Mine/Mayflower Mill
MLR REPORT
Site: CC-2

GPS Coordinates: N37^0 53.400 W1070 39.160^0

Station	Sampldate	Qmgd	FieldpH	labcond	TDS(180) mg/l	TSS mg/l	Ac mg/l	Hard mg/l	Bicarb * mg/l	Sulfate mg/l	Ca mg/l	Mg mg/l	K mg/l	P mg/l	Na mg/l	CO3 mg/l	NO3&NO2 mg/l	NH3-N * mg/l
CC2	01-May-15		3.63	933	640	34	80	326	<5	410	115	10	<1		14	<5	<0.05	<0.1
CC2	09-Sep-15		3.59	1980	1650	46	145	859	<5	970	308	22	2		10	<5	<0.05	0.5
CC2	23-May-16		3.23	459	290	10	33	146	<5	180	52	4	<1	<0.1	3	<5	0.07	<0.1
CC2	01-Sep-16		3.46	1050	790	25	58	423	<5	480	150	12	<1	<0.1	7	<5	<0.05	<0.1
CC2	31-May-17		3.76	368	240	13	24	118	<5	140	42	3	<1	<0.1	4	<5	<0.05	<0.1
CC2	05-Sep-17		4.69	1680	1550	51	57	880	<5	950	325	17	2	<0.1	18	<5	<0.05	<0.1

Station	Sampldate	CL	Fl	dAs	dCd	dHg	dPb	dAg	dAl	dCrT	dCu	dFe	dMn	dSr	dZn
		mg/L	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l	mg/l
CC2	01-May-15	<5	1.9	<0.005	0.019	<0.001	0.018	<0.01	4.49	<0.01	0.279	16.4	10.9		7.22
CC2	09-Sep-15	<5	4.3	<0.005	0.034	<0.001	0.022	<0.01	9.36	<0.01	1.58	20.5	20.9		14.4
CC2	23-May-16	<5	0.9	<0.005	0.009	<0.001	0.017	<0.01	2.24	<0.01	0.175	4.48	3.85	0.52	2.72
CC2	01-Sep-16	<5	1.7	<0.005	0.014	<0.001	0.022	<0.01	3.34	<0.01	0.16	12.2	11.4	1.37	5.31
CC2	31-May-17	<5	0.7	<0.005	0.005	<0.001	0.012	<0.01	1.45	<0.01	0.107	2.84	2.57	0.33	2.03
CC2	05-Sep-17	<5	4.9	<0.005	0.016	<0.001	<0.005	<0.01	2.56	<0.01	0.397	15.1	15.5	3.46	6.74