

MLR ANNUAL REPORT ADDENDUM

Sunnyside Mine and Mayflower Mill

File No. M-1977-378

April 2018 to March 2019

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. During 2018, three areas were released from the permit (Terry Tunnel, Sunnyside Basin and American Tunnel) reducing the permitted area to 64.23 acres (Tailings Pond 4). While the remaining 64.23 acres have not been released, reclamation of the disturbed 60.81 acres has been completed in accordance with the approved reclamation plan and, therefore, the acres are no longer "affected lands."

SITE RECLAMATION ACTIVITY

APRIL 2018 TO MARCH 2019

Reclamation activity during the 2018 reporting year (April 2018 to March 2019) consisted of reclamation monitoring, minor maintenance at the Tailings Pond No. 4 area.

The Terry Tunnel area, Sunnyside Basin area and American Tunnel area were released from the permit during the reporting year.

TAILINGS POND No.4 - (Map attached)

During the 2018 reporting year no additional acreage was disturbed.

Activity at this site consisted of;

- 1) Monitoring and minor maintenance. Some minor weed control was performed on an intermittent basis in accordance with DRMS approval.
- 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 fourteen boreholes placed on Tailings Pond #4 to characterize the tailings and depth to groundwater. These holes were converted into monitoring wells.

Water Quality Monitoring

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MONITORING - Water Quality

Attached is water quality data for;

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

MONITORING - Discussion of Water Quality Monitoring Results

1) Mayflower Millsite area

The Animas River monitoring results continue to exhibit higher downstream concentrations for manganese, while zinc concentrations are nearly identical between upstream and downstream monitoring points.

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. Fourteen 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 through 2017. In general, the highest concentration results in 2018 were during low flow.

APPENDIX A

Monitoring Data