

Conservation and Water Stewardship

Environmental Stewardship Division
Environmental Approvals Branch
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File: 2435.40

July 9, 2014

Mr. Todd S. Fayram Mill Manager San Gold Corporation P.O. Box 1000 Bissett, MB R0E 0J0

Dear Mr. Fayram:

Re: San Gold Corporation – Environment Act Licence No. 2628 RR – Notice of Alteration

Receipt of your June 16, 2014 and June 24, 2014 letters is acknowledged as a notice of alteration in accordance with Section 14 of *The Environment Act*.

The requested change to the Development as Licensed is to install and operate four mechanical evaporators on dyke 7 in the tailings management area (TMA). The mechanical evaporators would be used to enhance natural evaporation of the liquid in the TMA with the solid particulate matter remaining within the ponds.

The information provided states that the evaporators will be utilized 24 hours per day from April to October during appropriate weather conditions. It is also stated that no environmental impacts are expected to result from the evaporators due to noise.

The potential environmental effect of the requested change to the Development as Licensed is insignificant and considered to be a minor alteration in accordance with section 14(2) of *The Environment Act*. Approval is hereby granted for the installation and use of four mechanical evaporators as described in your June 16, 2014 and June 24, 2014 letters. Once San Gold terminates use of the evaporators for the 2014 year, a report detailing their operation at the site and the results achieved is required to be submitted to the Environmental Approvals Branch on or before December 31, 2014.

If you have any questions, please contact Jennifer Winsor at 204-945-7012.

Yours truly,

"original signed by"

Tracey Braun, M.Sc. Director Environmental Approvals Branch

 c. Don Labossiere, Director – Environmental Compliance and Enforcement Branch, Manitoba Conservation and Water Stewardship
 Donna Smiley, Provincial Manager – Environmental Compliance and Enforcement Branch, Manitoba Conservation and Water Stewardship
 Public Registries