

Conservation and Water Stewardship

Climate Change and Environmental Protection Division Environmental Approvals Branch 123 Main Street, Suite 160, Winnipeg, Manitoba R3C 1A5 T 204 945-8321 F 204 945-5229 www.gov.mb.ca/conservation/eal

File: 2435.40

June 6, 2012

Mr. John Hutchison San Gold Corporation P.O. Box 1000 Bissett, MB R0E 0J0

Dear Mr. Hutchison:

Re: San Gold Corporation - Tailings Management Area Expansion Environment Act Proposal

The initial review of the San Gold Tailings Management Area Expansion Environment Act Proposal (EAP) has been completed.

The review has generated requests for additional information. Please address and provide detailed responses to the comments and requests for additional information from the Technical Advisory Committee (TAC) and public that are presented in the attached items. The EAP review process will continue upon receipt of your response.

In their May 23, 2012 letter, the Canadian Environmental Assessment Agency (CEAA) indicated that an environmental assessment under The Canadian Environmental Assessment Act will not be required. The Department of Fisheries and Oceans (DFO), Health Canada and Environment Canada have offered to provide specialist advice with respect to the project, if specifically requested.

If you have any questions, please contact me at (204) 945-7012.

Yours truly,

Jennifer Winsor, P.Eng.

Environmental Approvals Branch

Enclosures

c. Ernest Armitt, Director – Manitoba Innovation, Energy and Mines Stephen Biswanger - AECOM Public Registries





DATE:

June 4, 2012

TO:

Jennifer Winsor, P.Eng. Environmental Engineer

Environmental Approvals Branch Conservation and Water Stewardship

123 Main Street, Ste. 160 Winnipeg MB R3C 1A5 FROM:

Cal Liske, P.Eng. Chief Mining Engineer

Mines Branch

Innovation, Energy and Mines 360-1395 Ellice Avenue Winnipeg MB R3G 3P2

PHONE NO:

945-6517

SUBJECT:

San Gold Environment Act Licence

With respect to San gold Environment Act Licence application for tailings containment expansion, the following is requested:

- a) identify all First Nations and Aboriginal communities whose traditional activities may be impacted by the project;
- b) engage with identified First Nations and Aboriginal communities;
- c) report on the engagement and integrate any community issues and concerns into the EIS;
- d) provide an assessment of what effects the project may have on the exercise of Aboriginal and Treaty rights of the identified First Nations and Aboriginal communities;
- e) outline any proposed accommodations measures to address the identified effects; and
- f) provide an update to the existing Mine Closure Plan for approval of the Director of Mines by September 30, 2012.

Cal Liske, P.Eng

c. Ernie Armitt



From: Wiens, Jonathan (CON)
Sent: May-29-12 10:32 AM
Winsor, Jennifer (CON)
Cc: Suggett, Glen (CON)
Subject: Client file # 2435.40

The Wildlife Branch has reviewed the Environmental Impact Assessment, client file # 2435.40 regarding San Gold Corporation – San Gold Tailings Management Area Expansion.

- The proposed expanded tailings management area encompasses an area of approximately 1 km² of crown land in south eastern Manitoba. As identified in the environmental assessment, this area provides valuable wildlife habitat for a wide variety of species. By converting functioning forest habitat into an industrial development, the proposed development will negatively affect available wildlife habitat. In this case, the proposed project is located within a newly designated "Moose Conservation Zone". Due to recent rapidly declining moose populations, Manitoba Conservation is undertaking significant efforts to help conserve and restore moose in this area. These measures include closing licensed moose hunting, implementing moose harvesting restrictions for right's based hunters, closing trails and roads, implementing wolf management, and reducing the whitetail deer population. Expanded industrial development in this area of Manitoba may create additional pressures to moose recovery.
- It is recognized that the proponent has made an effort to minimize the required size of the project, by
 considering an area adjacent to an existing disturbed site, and bordering a provincial road. However, where
 avoidance of major impact on wildlife habitat is not feasible, as in this case, financial compensation would be
 requested to help meet the draft provincial policy of habitat protection. This policy aims toward no-net-loss of
 habitat or productivity, and requires compensation for habitat loss arising though industrial and other
 development.
 - O Options for providing compensation are:
 - Securing nearby land and restoring, enhancing, or creating habitat;
 - Securing alternate high-value wildlife habitat and transferring ownership to a conservation agency;
 - Contributing to the Habitat Compensation Fund, as administered by Manitoba Habitat Heritage Corporation.
 - An additional option may be to partner with a local conservation agency, such as the Manitoba Model Forest, to support research and conservation of local wildlife species, such as moose and woodland caribou.
- The proponent is invited to contact the Habitat Mitigation Biologist, Jonathan Wiens at <u>jonathan.wiens@gov.mb.ca</u> 204-945-7764, or the Regional Wildlife Manager, Kelly Leavesley at <u>Kelly.leavesley@gov.mb.ca</u> (204)345-1427, to discuss this matter further.

Jonathan Wiens, MSc Habitat Specialist Manitoba Conservation Box 24 - 200 Saulteaux Crescent Winnipeg, Manitoba, R3J 3W3



DATE: May 24, 2012

TO: Jennifer Winsor, P.Eng.
Environmental Engineer
Environmental Assessment and
Licensing Branch
Manitoba Conservation and
Water Stewardship

123 Main Street, Suite 160 Winnipeg, Manitoba R3C 1A5

CC: Kevin Jacobs
Elaine Page
Laureen Janusz

Memorandum

FROM: William Weaver, M.Sc.

Environmental Review Officer Planning and Coordination Branch Manitoba Conservation and

Water Stewardship

200 Saulteaux Crescent, Box 14 Winnipeg, Manitoba R3J 3W3

TELEPHONE: (204) 945-6395 **FACSIMILE:** (204) 945-7419

SUBJECT: ENVIRONMENT ACT PROPOSAL FILE NO. 2435.40

SAN GOLD TAILINGS MANAGEMENT AREA EXPANSION

SAN GOLD CORPORATION

The Water Stewardship Division of the Manitoba Department of Conservation and Water Stewardship has reviewed the referenced file, forwarded for comment on April 19 2012.

- The Water Stewardship Division requires an *Environment* Act Licence to include the following:
 - The Licencee shall not release any effluent from a final discharge point if:

 a) the quality or toxicity of the effluent is in non-compliance with the federal *Metal Mining Effluent Regulations* under the *Fisheries Act*, or b) the effluent quality is resulting in, or is likely to directly or cumulatively result in, a downstream degradation of the water quality immediately beyond a maximum 10% mixing zone (by volume) within No Name Creek and/or the Wanipigow River, relative to the *Manitoba Water Quality Standards*, *Objectives and Guidelines Regulation* under *The Water Protection Act* and/or nutrient control strategies and regulations developed by the Manitoba Department of Conservation and Water Stewardship.
 - The Licencee shall, in the course of developing a program for the Environmental Effects Monitoring studies, as required by the *Metal Mining Effluent Regulations* under the *Fisheries Act*, consult with the Manitoba Department of Conservation and Water Stewardship for possible additional inclusions or considerations respecting site specific water quality and biological issues, prior to finalizing and undertaking the required Environmental Effects Monitoring studies.

Date:

May 24, 2012

Subject:

Environment Act Proposal File No. 2435.40 San Gold Tailings Management Area Expansion

San Gold Corporation

- All monitoring data shall be summarized and interpreted in an annual report. In addition to current requirements this report would be required to:
 - 1. Evaluate the concentrations of metals in reference to previous years monitoring and baseline conditions at each site.
 - 2. The report will include any changes in concentrations over baseline conditions and the direction of change.
 - 3. The report will include accidents or malfunctions at the site.
 - 4. The report will include a summary of results from all toxicity tests including a discussion of all acute and sub lethal toxicity results.
 - 5. The proponent will provide an electronic copy of all aquatic monitoring data to the Water Quality Management Section of the Manitoba Department of Conservation and Water Stewardship.
- o The Licencee shall construct the tailings facility to achieve a maximum hydraulic conductivity of 1X10⁻⁷ cm/s, including implementing a liner of compacted clay, synthetic material, or other approved material.
- The Water Stewardship Division submits the following concerns:
 - A concern, for the proposed and increased discharge period, is ensuring that water and sediment quality downstream of the mine are protected to prevent adverse changes to the following receiving surface waters: No Name Creek, Horseshoe Creek, Wanipigow River, and Lake Winnipeg.
 - The Wanipigow River provides habitat throughout the year for a number of large and small-bodied fish. Further, the Wanipigow River is classified as a Class 1 system, meaning it has a high capability for the production of fish.

Date:

May 24, 2012

Subject:

Environment Act Proposal File No. 2435.40

San Gold Tailings Management Area Expansion

San Gold Corporation

- Recent discharge data have indicated that dissolved copper levels, in the Wanipigow River, located downstream of the discharge site, were double the concentration found in an upstream location. Hardness in the Wanipigow River is only about a third of No Name Creek, thus this system is more sensitive than No Name Creek. Similarly, ammonia concentrations in recent discharge samples have been near or above water quality objectives, in particular the 30-day objective. Adequate monitoring and if necessary water quality modeling will be required to ensure the proposed development meets this requirement, in particular under low flow conditions in No-name Creek and the Wanipigow River.
- The Water Stewardship Division submits the following comments:
 - o The Water Stewardship Division does not object to the approval of this proposal, at this time.
 - The proponent needs to be informed of the following for information purposes:
 - Erosion and sediment control measures should be implemented until all of the sites have stabilized.
 - The Water Rights Act requires a person to obtain a valid licence to control water or construct, establish or maintain any "water control works." "Water control works" are defined as any dyke, dam, surface or subsurface drain, drainage, improved natural waterway, canal, tunnel, bridge, culvert borehole or contrivance for carrying or conducting water, that temporarily or permanently alters or may alter the flow or level of water, including but not limited to water in a water body, by any means, including drainage, OR changes or may change the location or direction of flow of water, including but not limited to water in a water body, by any means, including drainage. If a proposal advocates any of the aforementioned activities, a person is required to submit an application for a Water Rights Licence to Construct Water Control Works. A contact person is Mr. Geoff Reimer C.E.T., Senior Water Resource Officer, Water Control Works and Drainage Licensing, Manitoba Conservation and Water

Date:

May 24, 2012

Subject:

Environment Act Proposal File No. 2435.40

San Gold Tailings Management Area Expansion

San Gold Corporation

Stewardship, Box 4558, Stonewall, Manitoba R0C 2Z0, telephone: (204) 467-4450, email: geoff.reimer@gov.mb.ca.

William Weaver, M.Sc.



Date: May 24, 2012

To: Jennifer Winsor Climate Change and

Environmental Protection Division Environmental Approvals Branch 123 Main Street, Suite 160, Winnipeg, MB R3C 1A5

Memorandum

From: Kris Innes

Environmental Compliance and

Enforcement

Conservation and Water

Stewardship Box 4000

Lac du Bonnet, MB R0E 1A0

http://www.gov.mb.ca

Subject: SAN GOLD CORPORATION – ENVIRONMENT ACT

PROPOSAL COMMENTS

Telephone: 204-345-1428 Facsimile: 204-345-1415

E-Mail: Kris.Innes@gov.mb.ca

Conservation and Waster Stewardship, Environmental Compliance and Enforcement Branch submits the following comments on the *Request for Alteration to San Gold Corporation's Tailings Management Area* Environment Act proposal submitted by San Gold Corporation on March22, 2012.

2.2 Existing Effluent Quality / 3.3.2.1 Surface Water Quality

The proponent has noted elevated Copper and Aluminum levels in recent effluent water samples (p. 5) and exceedances of applicable guidelines in water samples collected as part of the EEM program spanning 2007-2010 (p.22). Conservation and Water Stewardship requests information on how exceedances of the applicable criteria for effluent and sediments will be mitigated in the future.

2.3.1.1 Water Balance

Conservation and Water Stewardship requests further clarification on how the final annual discharge volume is calculated. Specifically, as mine water and mill discharge is pumped back into the TMA, are the water savings resulting from this practice accounted for within a reduction of mine water 'input'? In particular, the end use of reclaim water is unclear as this water is presumably discharged back into the TMA upon reuse. Furthermore, the total amount of water reclaimed is based on a best case scenario in which a daily maximum drilling rate of 2,500 sdtpd is practiced.

2.3.3 Operation

Conservation and Water Stewardship requests an assessment of the potential for suspension of existing polishing pond sediments resulting from the practice of transferring the new polishing pond and existing tailings pond into the existing polishing pond. This may be further exacerbated by the practice of discharging cell contents until "practically empty". Should the proponent determine that this practice has the potential to reduce effluent quality beyond the applicable criteria, we request mitigation strategies to address these concerns. Please note that Figure 7 suggests a "continuous" flow from TP1 into PP1 which is not described within section 2.3.3 of the report.

2.3.4.2 Proposed TMA Expansion

The proponent has indicated "to prevent impounding water against the dyke structures following decommissioning, the general filling strategy of the proposed new main pond will be to create tailings beaches along the upstream side of the dykes ". Conservation and Water Stewardship requests the proponent to identify strategies to prevent excessive mounding of the slurry, which may result in an unauthorized release from the TMA.

3.3.2.2 Groundwater

Conservation and Water Stewardship requests the proponent to comment on the risk of groundwater contamination as a result of the proposed TMA and ongoing operation of the existing TMA and how any such risks will be mitigated.



Canadian Environmental Assessment Agency

101 – 167 Lombard Avenue Winnipeg, Manitoba R3B 0T6

Agence canadienne d'evaluation environnementale

167, avenue Lombard, bureau 101 Winnipeg (Manitoba) R3B 0T6

May 23, 2012

CEAA File No.: 5234 MC File No.: 2435.40

Ms. Jennifer Winsor Manitoba Conservation Environmental Stewardship Division 123 Main Street, Suite 160 Winnipeg, MB R3C 1A5

Dear Ms. Winsor:

SUBJECT: Rice Lake Gold Mine Tailings Management Area Expansion – Bissett, MB San Gold Corporation

I am responding to the letter of April 19th, 2011 from Tracey Braun, Director, Environmental Assessment and Licensing Branch, Manitoba Conservation to Dan McNaughton, Director, Canadian Environmental Assessment Agency (the Agency) regarding the project identified above.

I have undertaken a survey of federal departments with respect to determining interest in the project noted above. I can confirm that the project information provided was distributed to all federal departments with a potential interest. Based on the responses to the survey the application of the *Canadian Environmental Assessment Act* (the Act) by a federal authority will not be required for this project. I have enclosed copies of the received responses for your file.

Health Canada (HC) has indicated it is not a responsible Authority (RA) for the project, however it could contribute expert knowledge in the area of human health to an RA if requested. Please see the letter HC has provided. The contact person for HC is Rick Grabowecky. He can be reached by email: Rick.Grabowecky@hc-sc.qc.ca.

The Department of Fisheries and Oceans (DFO) has reviewed the project information and determined it is not an RA for the project. DFO has indicated it could provide its expertise to an RA if requested. The contact person for DFO is Tammy Wruth. She can be reached by phone at (204) 622-4068. DFO would like to be kept informed of the provincial review process.

Environment Canada (EC) has also reviewed the project information and determined it is not an RA for the project. However, EC could provide expert advice related to its mandate to an RA if requested. EC has also provided a letter with comments for the proponent, outlining concerns in the following areas:

- 1. Species at Risk
- 2. Migratory Birds
- 3. Wetlands
- 4. Water Quality

The contact person for EC is Krista Flood. She can be reached by phone at (780) 951-8946. EC would also like to be informed of the provincial review process.

No other federal interest was identified for the project. Thank you for your effort to ensure coordination and close communication between provincial and federal levels of government.

If I can be of further assistance, please feel free to contact me at (204) 984-3233 or by e-mail at: Heather.flynn@ceaa-acee.gc.ca.

Sincerely,

Heather Flynn Environmental Assessment Officer

Encl.

c.c.:

Mr. John Hutchison — San Gold Ms.Tammy Wruth — DFO Ms. Anita Gudmundson — TC Mr. Dan Benoit - AANDC Mr. Stephen Blswanger – AECOM Ms. Krista Flood – EC Mr. Rick Grabowecky – HC

Canadian Environmental Assessment Agency

204-984-3233

Fax:

204-983-7174

Tel:

Agence canadienne d'évaluation environnementale

101 - 167 Lombard Avenue Winnipeg, MB R3B 0T6

101 - 167 avenue Lombard Winnipeg, MB R3B 0T6

April 20, 2012 CEAA File No.: 5234 MC File No.: 2435.40 **MPMO HC- Rick Grabowecky** PARKS - N/A CTA - John Woodward HR Dev - N/A AAFC - environmental service DFO - Richard Janusz ◻ CNSC - ceaainfo CFIA - Scott Thompson iNAC - Danielie Black NEB - N/A TC - PNR EA Team EC - EA South PNR NRCan - EA-SPI/EE-ISP WD - Matt Deutscher SUBJECT: Rice Lake Gold Mine Tailings Management Area Expansion - Bissett, MB **San Gold Corporation** FCR RESPONSE DUE: May 22, 2012 In accordance with information-sharing requirements of the Canada-Manitoba Agreement on Environmental Assessment Cooperation (the Agreement), the Environmental Assessment and Licensing Branch, Manitoba Conservation (MC) has provided a copy of the above-referenced project proposal for review. The project description is available for download on the CEAA Collaboration Website: MB project folder/5234 Rice Lake Gold Mine Tailings Management Area Expansion - MB Folder. The proposal is currently being considered by MC, pursuant to The Environment Act. Please indicate (by checking the appropriate box) whether or not your department/agency: 1. has, or anticipates, a responsibility under Section 5(1) of CEAA to assess the environmental effects of the project (i.e. are an RA). if yes, indicate trigger: 2. to determine whether, within your departmental mandate, you would be able to offer specialist advice to a Responsible Authority if requested (subsection 12(3) of the Act); and Specify as appropriate: Please_see_attached_response_ 3. requires additional information to make a determination referred to in a) or b) above. Yes if yes, please describe additional information requirements or forward a request within 10 days after making the 4. in the absence of a federal trigger, has an interest in the project related to its departmental mandate, and would like to participate in the provincial review (Clause 38(1) of the Agreement). If yes, please describe requested involvement i.e. comments for the provincial Guidelines, review of EIS, etc. Yes __X__ No Please respond to the above questions by May 22, 2011. If your response to any of the above determinations is positive, please provide the name and means of contact for a departmental representative for the review. Name: Rick Grabowecky Telephone: __204-984-8318 Address: _510 Lagimodiere Blvd_ Fax: ____ 204-983-5692 E-mail: _rick.grabowecky@hc-sc.gc.ca_ Signature: Date: ___May 10, 2012__ Responses and questions can be forwarded to the following: Name: Heather Flynn Email: Heather Flynn@ceaa-acce.qc.ca

Mealth Santé-Canada Canada

Environmental Health Program Regions and Programs Bureau 510 Lagimodiere Blvd Winnipeg, MB R2J 3Y1

May 10, 2012

Yoursite No. 5234
Oursite MB/SK-2012/13-003

Canadian Environmental Assessment Agency Suite 101 - 167 Lombard Avenue Winnipeg, MB R3B 0T6

Subject: Health Canada's Response to the FCR for San Gold Corp's Expansion of the Rice Lake Tailings Area

Dear Ms Flynn,

Thank you for your email of April 20, 2012 inquiring about Health Canada's role in the environmental assessment of the aforementioned project under the Federal Coordination Regulations.

Based on the information provided, Health Canada has determined that it is not a Responsible Authority (RA) under Section 5 of the Canadian Environmental Assessment Act (the Act) with regards to the present scope of the project.

In the context of subsection 12(3) of the Act, Health Canada currently has expertise in the following biophysical areas related to human health that may apply to the project:

- Air quality effects
- Contamination of country foods (e.g. fish, wild game, garden produce, berries, etc)
- Drinking and recreational water quality
- Radiological effects
- Electric and magnetic fields effects
- Noise effects
- Human health risk assessment (HHRA) and risk management
- Federal air, water, and soil quality guidelines/standards used in HHRAs
- Toxicology (multimedia air, water, soil), and
- First Nations and Inuit Health

Should an RA, or a territorial / provincial authority, identify any specific human health concerns with respect to the aforementioned project, Health Canada would be pleased to provide expertise

upon request as a Federal Authority, pursuant to subsection 12(3) of the Act, or under a territorial provincial EA process.

Health Canada has recently published a document entitled "Useful Information for Environmental Assessments" which describes in greater detail Health Canada's areas of expertise and expectations with respect to human health information to be contained in environmental assessments (as applicable). It can be found at: http://www.hc-sc.gc.ca/ewh-semt/pubs/eval/environ_assess-eval/index-eng.php

Note that Health Canada now requires a written request prior to providing any expertise in its possession. The request should be specific on the nature of the expertise requested, preferably outlining targeted questions or concerns, and should include the deadline for Health Canada's response. In order to assist us and avoid unnecessary delays, it is suggested that project information such as the scope of project, the scope of the assessment and the subject areas and/or portions of documents to be reviewed be provided at the time of the request for advice, if you have not already done so.

Your written request for expertise should be forwarded to the attention of the undersigned.

Sincerely,

Rick Grabowecky, MSc.

Regional Environmental Assessment Coordinator

Prairie Region

Ph # 204-984-8318

E-mail: Rick.Grabowecky@hc-sc.gc.ca

cc: Lindsay Smith-Munoz (HC)

Canadian Environmental Assessment Agency

Tei:

204-984-3233

Fax:

204-983-7174

Agence canadienne d'evaluation environnementale

101 - 167 Lombard Avenue Winnipeg, MB R3B 0T6

101 - 167 avenue Lom bard Winnipeg, MB R3B 0T6

April 20, 2012 **CEAA File No.: 5234** MC File No.: 2435.40 **MPMO HC-Rick Grabowecky** PARKS - N/A CTA - John Woodward HR Dev - N/A AAFC - environmental service DFO - Richard Janusz CNSC - ceaainfo **CFIA - Scott Thompson** INAC - Danielle Black NEB - N/A TC - PNR EA Team EC - EA South PNR NRCan - EA-SPI/EE-ISP WD - Matt Deutscher SUBJECT: Rice Lake Gold Mine Tailings Management Area Expansion - Bissett, MB San Gold Corporation FCR RESPONSE DUE: May 22, 2012 In accordance with Information-sharing requirements of the Canada-Manitoba Agreement on Environmental Assessment Cooperation (the Agreement), the Environmental Assessment and Licensing Branch, Manitoba Conservation (MC) has provided a copy of the above-referenced project proposal for review. The project description is available for download on the CEAA Collaboration Website; MB project folder/5234 Rice Lake Gold Mine Tailings Management Area Expansion - MB Folder. The proposal is currently being considered by MC. pursuant to The Environment Act. Please indicate (by checking the appropriate box) whether or not your department/agency: 1. has, or anticipates, a responsibility under Section 5(1) of CEAA to assess the environmental effects of the project (i.e. are an RA). Yes No if yes, indicate trigger: 2. to determine whether, within your departmental mandate, you would be able to offer specialist advice to a Responsible Authority if requested (subsection 12(3) of the Act); and No Specify as appropriate: 3. requires additional information to make a determination referred to in a) or b) abov e. Yes if yes, please describe additional information requirements or forward a request within 10 days after making the determination: 4. in the absence of a federal trigger, has an interest in the project related to its departmental mandate, and would like to participate in the provincial review (Clause 38(1) of the Agreement). X___Yes If yes, please describe requested involvement i.e. comments for the provincial Guidelines, review of EIS, etc. Please respond to the above questions by May 22, 2011. If your response to any of the above determinations is positive, please provide the name and means of contact for a departmental representative for the review. Telephone: 204-622-4068 Address: \? Fax: E-mail: Tanne Wruthed to-meo. ac. co Signature: 🛫 Date: 1904 18, 2012 Responses and questions can be forwarded to the following: Name: Heather Flynn Email: | leather.Flynn@ceaa-acee.gc.ca

ENVIRONMENTAL PROTECTION PRAIRIE & NORTHERN REGION Room 200, 4999-98 Ave. NW Edmonton, Alberta T6B 2X3

Our file #: 4194-10-5/3265 Your file #: 5234

May 10, 2012

Heather Flynn
Environmental Assessment Officer
Canadian Environmental Assessment Agency
101 – 167 Lombard Ave
Winnipeg, MB
R3B 0T6

Dear Ms. Flynn:

RE: RICE LAKE GOLD MINE TAILINGS MANAGEMENT AREA EXPANSION

Environment Canada (EC) has reviewed the Request for Alteration to San Gold Corporation's Tailings Management Area prepared by AECOM (March 2012) for the above proposed project. EC is not a Responsible Authority (RA) under the Canadian Environmental Assessment Act (CEAA) because:

- EC is not a proponent of the project and is not conducting any act or thing that commits the department to carrying out the project in whole or in part;
- b) EC is not making or authorizing any form of payment or other financial assistance to the proponent for the purpose of enabling the project to be carried out in whole or in part;
- c) EC does not administer any lands involved in enabling the project to be carried out in whole or in part; and
- d) EC does not Issue a permit, license, grant an approval or take any action for the purpose of enabling the project to be carried out in whole or in part.

EC is prepared to provide specialist advice or expert information or knowledge on the proposal as per subsection 12(3) of the CEAA with a focus on federal statutes, regulations, policy, and associated program concerns as defined by EC's mandate. Should an RA identify additional specific environmental concerns with respect to the aforementioned project, EC, as a Federal Authority, will provide specialist or expert information or knowledge pursuant to subsection 12(3) of the CEAA. EC has distributed the above mentioned project to its experts for review and is prepared to submit comments in a separate letter following this FCR response.

EC has an interest in the environmental assessment of this project and would like to be kept informed and may participate in the environmental assessment process, consistent with the intent of Clause 62 of the new Canada-Manitoba Agreement on Environmental Assessment Co-operation.

At this time EC would like to remind the proponent and potential RA(s) of their responsibilities to the following four area(s):

(1) Species at Risk

EC is reminding responsible authorities of their responsibilities under section 79(1) and 79(2) of the Species at Risk Act.

"Every person who is required by or under an Act of Parliament to ensure that an assessment of the environmental effects of a project is conducted must, without delay,

notify the competent minister or ministers in writing of the project if it is likely to affect a listed wildlife species or its critical habitat."

"The person must identify the adverse effects of the project on the listed wildlife species and its critical habitat and, if the project is carried out, must ensure that measures are taken to avoid or lessen those effects and to monitor them. The measures must be taken in a way that is consistent with any applicable recovery strategy and actions plans."

(2) Migratory Birds

EC would like to remind the proponent of EC's mandate that includes the protection of migratory birds and their habitat. Regulations pursuant to the *Migratory Birds Convention Act* (MBCA) provide for the conservation of migratory birds and the protection of their nests and eggs. Section 6 of the regulations prohibits the disturbance, destruction, or taking of a nest, egg or nest shelter of a migratory bird. Possession of a migratory bird, nest or egg without lawful excuse is also prohibited. Section 5(1) of the MBCA prohibits the deposition of substances harmful to migratory birds in waters or areas frequented by migratory birds, or in a place from which the substance may enter such waters or such an area.

(3) Wetlands

The Federal Policy on Wetland Conservation promotes the wise use of wetlands and protection through adequate consideration of wetland concerns in environmental assessments of development projects. The objective of the Policy is to promote the conservation of Canada's wetlands to sustain their ecological and socio-economic functions, now and into the future. The Policy goals promote the maintenance of the functions and values derived from wetlands throughout Canada, recognition of wetland functions in resource planning and economic decisions, enhancement and rehabilitation of wetlands in areas where continuing loss or degradation of wetlands or their functions have reached critical levels, and utilization of wetlands in a manner that enhances prospects for their sustained and productive use by future generations. Wetlands do not operate in isolation and adjacent upland habitats play an integral part in the maintenance of the functions of wetlands.

(4) Water Quality

With respect to construction activities and sedimentation, the proponent is reminded of Subsection 36(3) of the *Fisheries Act* that states:

"Subject to subsection (4), no person shall deposit or permit the deposit of a deleterious substance of any type in water frequented by fish or in place under conditions where the deleterious substance or any other deleterious substance that results from the deposit of the deleterious substance may enter such water."

EC looks forward to continued dialogue and co-operation with respect to this Project. If you have any questions, please contact me at (780) 951-8946.

(original signed by)

Krista Flood

Environmental Assessment Coordinator Telephone (780) 951-8946 Facsimilie (780) 495-2444 Krista.Flood@ec.gc.ca

Canadian Environmental Assessment Agency

Agence canadienne d'évaluation environnementale

101 - 167 Lombard Avenue Winnipeg, MB R3B 0T6

101 - 167 avenue Lombard Winnipeg MB R3B 0T6

Αţ	oril 20, 2012			CEAA File No.: 5234 MC File No.: 2435.40			
	MPMO CTA - John Woodward DFO - Richard Janusz INAC - Danielle Black EC - EA South PNR	HC- Rick Grabo HR Dev - N/A CNSC - ceaaint NEB - N/A NRCan - EA-SF	fo .	PARKS - N/A AAFC - environmental se CFIA - Scott Thompson TC - PNR EA Team WD - Matt Deutscher	rvice		
SL	JBJECT: Rice Lake Gold San Gold Corpo	Mine Tailings Manageration	gement Area Expan	sion – Bissett, MB			
FC	R RESPONSE DUE: May	22, 2012					
de Min	sessite it Cooperation (the inservation (MC) has provide scription is available for downer Tailings Management Ansuant to The Environment A	Agreement), the Envi ed a copy of the above vnload on the <u>CEAA (ea Expansion - MB Fo</u> Act.	ronmental Assessme e-referenced project <u>Collaboration Website</u> <u>older</u> . The proposal i	nitoba Agreement on Environmenta ent and Licensing Branch, Manitoba proposal for review. The project on the project folder/5234 Rice Lake s currently being considered by MC			
Pie	ease indicate (by checking the	he appropriate box) w	hether or not your de	epartment/agency:			
1.	has, or anticipates, a responsable file. are an RA). If yes, indicate trigger:			sess the environmental effects of the			
to determine whether, within your departmental mandate, you would be able to offer specialist advice Responsible Authority if requested (subsection 12(3) of the Act); andYes							
3.	requires additional informat	tion to make a determ	ination referred to in	a) or b) above.	No		
	f yes, please describe additional information requirements or forward a request within 10 days after making the determination:						
	in the absence of a federal trigger, has an interest in the project related to its departmental mandate, and would like to participate in the provincial review (Clause 38(1) of the Agreement)YesNo If yes, please describe requested involvement i.e. comments for the provincial Guidelines, review of EIS, etc.						
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E-n	nail:						
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Res Nan	ponses and questions can line: Heather Flynn Ema	be forwarded to the fo	ollowing.				

Tel: 204-984-3233 Fax: 204-983-7174

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Canadian Environmental Assessment Agency

Agence canadienne d'évaluation environnementale TROPPER AMERICA

101 - 167 Lombard Avenue Winnipeg MB R3B 0T6

101 - 167 avenue Lombard Winnipeg, MB R3B 076

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EAA File No.	5234			
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		CEAA File No.: 5234 MC File No.: 2435.40
☐ MPMO ☐ CTA - John Woodward ☐ DFO - Richard Janusz ☐ INAC - Danielle Black ☐ EC · EA South PNR	HC- Rick Grabowecky HR Dev - N/A CNSC - ceaainto NEB - N/A NRCan - EA-SPI/EE-ISP	PARKS - NA AAFC - environmental service CFIA - Scott Thompson TC - PNR EA Team WD - Matt Deutscher
UBJECT: Rice Lake Gok San Gold Corp	d Mine Tailings Management Area Ex poration	pansion – Bissett, MB
CA RESPONSE DUE: May	y 22, 2012	
ssessment Cooperation (the conservation (MC) has provie escription is available for do line Tailings Management A ursuant to The Environment	vea Expansion - MB Folder. The propo t Act.	sment and Licensing Branch, Manitoba ject proposal for review. The project b <u>site: MB project tolder/5234 Rice Lake Gold</u> sal is currently being considered by MC,
	the appropriate box) whether or not you	
Divided (i.e. area on DA)	consibility under Section 5(1) of CEAA to	assess the environmental effects of theNo
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Initial _____





(THU) MAY 24 2012 15

May 23, 2012

To: Jennifer Winsor

> **Environmental Approvals Branch** Conservation and Water Stewardship 123 Main Street, Suite 160

Winnipeg, Manitoba

R3C 1A5

RE: San Gold Corporation - San Gold Tailings Management Area Expansion

(File: 2435.40)

Fr: Eugene Bear

> Title-holder of Trapline #11 **Hollow Water First Nations**

Dear Ms. Winsor,

I am a trapper from Hollow Water First Nations and title-holder of trapline # 11. My permit for 2011-2012 is TLP-1131137. I have been trapping for fifty years and still trap today.

On May 5th, 2012, the Winnipeg Free Press advertised a Notice of Environment Act Proposal. The proposal filed on behalf of San Gold Corporation includes construction of an additional main tailings pond and additional polishing pond located immediately east of the existing tailings management area (TMA). Furthermore, the proposal also includes the construction of three new access roads. Two will be constructed on the south side from PR 304 and one on the east side adjacent to the local landfill are also proposed to access the proposed TMA expansion site. The proposal clearly states that "treated" waste water from the proposed polishing pond would be pumped into the existing TMA polishing pond for discharge to No Name Creek between June 15th and November 30th of any year. The proposal further states that No Name Creek discharges into the Wanipigow River.

I am deeply concerned, not only as a trapper, but as a community member of Hollow Water First Nations. Wanipigow River affects the community of Hollow Water because it connects through our community and flows to Lake Winnipeg. The chemical

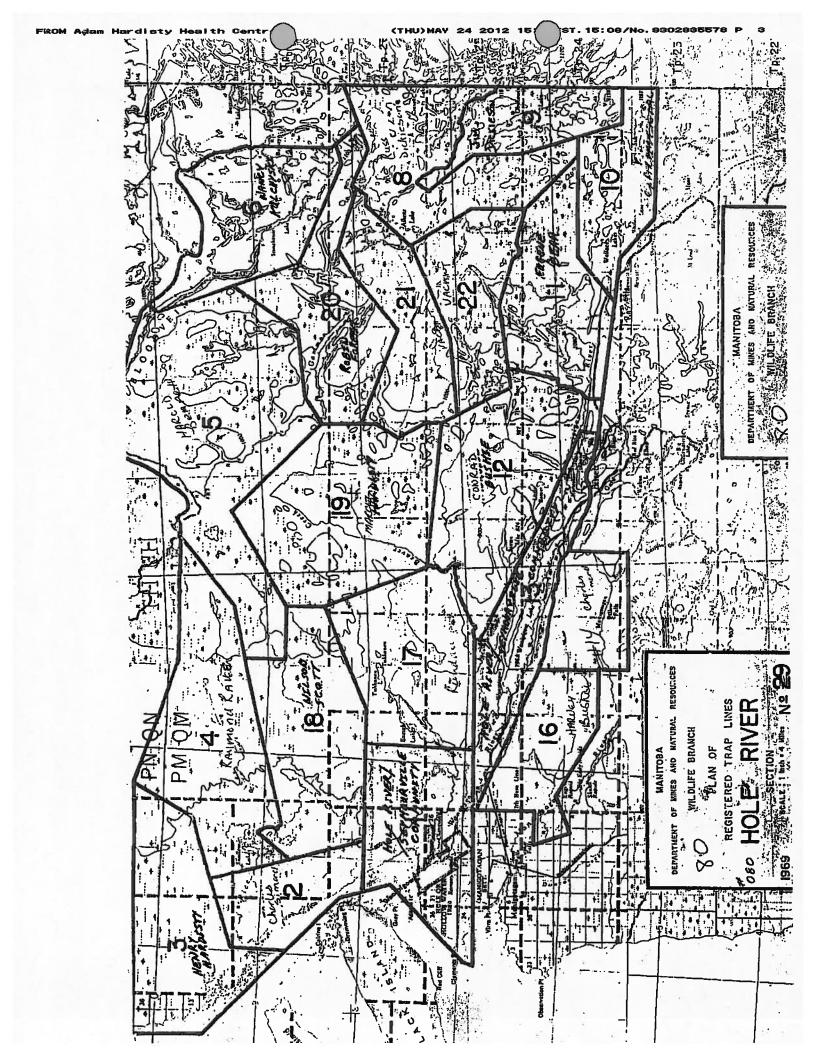
(THU) MAY 24 2012 15

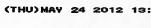
because it connects through our community and flows to Lake Winnipeg. The chemical waste being dumped into No Name Creek does discharge into Wanipigow River and will affect the drinking water, fisheries and poison the animals that drink from this river. I was not formally consulted or informed by San Gold Corporation or Conservation of the proposed expansion. I live on a reserve that does not receive the Winnipeg Free Press and was fortunate that a community member brought the advertisement to my attention.

I oppose the proposal and would like to request a formal consultation process with the people of Hollow Water First Nations. In the proposal a meeting took place in Bissett, Manitoba, on October 13th, 2011. The minutes did not identify the two council men that were present and did not include input from residents of Hollow Water First Nations. I look forward to your response and a date for a consultation meeting for the people of Hollow Water First Nations.

Sincerely,

Eugene Bear









May 23, 2012

To: Jennifer Winsor

Environmental Approvals Branch Conservation and Water Stewardship

123 Main Street, Suite 160 Winnipeg, Manitoba

R3C 1A5

RE: San Gold Corporation - San Gold Tailings Management Area Expansion

(File: 2435.40)

Fr: Kookom's Group of Hollow Water First Nations

Margaret Bushie-Representative Berma Bushie-Representative Theresa Sinclair-Representative

Dear Ms. Winsor,

On March 2012 the San Gold Corporation of Bissett, Manitoba proposed the San Gold Tailings Management Area Expansion (File; 2435.40). San Gold Corporation is situated on Hollow Water First Nation's traditional territories under mineral lease ML63. The San Gold Environmental Act Proposal: Notice of Alteration (N.O.A.) to Tailings Management Act (T.M.A) requests to expand the San Gold Corporation and operations. This notice of alteration was conducted to meet the requirements of a major alteration to San Gold's existing Environmental Act licence no. 2628 under the Environmental Act. The Tailings Pond expansion includes major expansions to the current tailings pond and three additional roads.

On October 13, 2011 public consultation was carried out with Bissett council. According to the consultation minutes; Hollow Water First Nation was notified of this project. San Gold offered to meet with Hollow Water Council and it was reported they did not accept the offer or express any concerns over this project. The San Gold Corporation formally agreed to resolve any concerns or questions Hollow Water Council have related to this project. Finally, San Gold will report these meetings to Manitoba Conservation and will work collectively with Hollow Water First Nation.

On May 5th, 2012 a public notice was posted in the Winnipeg Free Press outlining the Notice of Environmental Act Proposal. The community of Hollow Water First Nation

does not receive daily publications of the Winnipeg Free Press and fortunate that the advertisement was brought forward to the attention of our group.

We, the Kookom's of Hollow Water First Nation, oppose the proposed expansion of San Gold Corporation. We request a formal consultation meeting with San Gold Corporation and the people of Hollow Water First Nation.

Sincerely,

The Kookom's of Hollow Water First Nation

Theresa Sinclair

Cynthia Hardisty

O. S. Chillips

Cyathia Bushie

Burne Bushin

Deanne moneyas

Alasan A line

OBushie.

Deanith Cook

From: Kaita, Adara (CON) on behalf of +WPG1212 - Conservation_Circulars (CON)

Sent: May-23-12 10:55 AM

Sent: May-23-12 10:55 AM
To: Winsor, Jennifer (CON)
Cc: Harms, Jenny (CON)

Subject: EA Proposal - San Gold Corporation - Tailings Management Expansion Area - File 2435.40

The Sustainable Resource and Policy Management Branch and the Lands Branch have no concerns with the proposal for the tailings management expansion area, but offers the following comments:

Please be advised that the Manitoba Government is in the process of developing a provincial peatland strategy to assess the status of Manitoba peatlands, their importance in global climate processes in carbon sequestration and their value in relation to biodiversity. International research has indicated that peatlands are the most efficient terrestrial ecosystem in storing carbon and most important long term carbon store. The peatland strategy is a commitment from the Throne Speech (2009) and strategy development is in process.

The tailings management expansion area outlined in the proposal appears to fall in a wetland/peatland. This may have implications for the peatland strategy under development. Please contact Jenny Harms at 945-4363 or Jenny.Harms@gov.mb.ca (Sustainable Resource and Policy Management Branch) for additional information in this regard.

From:

Mike and Beth koersvelt [mbkoersvelt@mymts.net]

Sent:

May-22-12 8:12 AM Winsor, Jennifer (CON)

To: Subject:

SanGold Project

May 22, 2012

Jennifer Winsor, P.Eng.
Environmental Engineer
Environmental Approvals Branch
Conservation and Water Stewardship
123 Main St., Ste. 160
Winnipeg, MB R3C 1A5

Hello Jennifer,

The Wanipigow Lake East End Cottager's Association held their annual May meeting this past weekend and in regards to the San Gold Tailings Management Area Expansion our Cottager's Association members have a few questions. We would like to know what type of water quality testing is done on Wannipigow River and Lake, how and where it was done, and what the findings of those tests were. Our hopes are that you can direct us to either a person or website that can give us this information.

Also, as an Association we would like to register our care and concern for what happens in Wanipigow Lake and would like to be included in future mailings or meetings with regards to Wanipigow Lake. My contact information is as follows and anything sent to this email address will be forwarded to the current President at that time.

Thank you so much for your time.

Regards,

Mike Koersvelt

President Wanipigow Lake East End Cottager's Association 2012 Block 1 Lot 2 Wanipigow Lake East End mbkoersvelt@mymts.net Home 204.256.0326 Cell 204.803.0427



Infrestructure and Transportation
Highway Planning and Design Branch
Environmental Services Section
14th Floor – 215 Garry St., Winnipeg, Manitoba R3C 3P3
T (204) 945-5225 F (204) 945-0593

May 8, 2012

Tracey Braun, M. Sc.
Director, Environmental Assessment & Licensing Branch
Manitoba Conservation
123 Main St., Suite 160, Winnipeg, MB R3C 1A5

RE: San Gold Corporation – Tailings Management Area Client File No 2435.40

Dear Director Braun:

MIT has reviewed The Environment Act Proposal noted above and we offer the following comments:

- Under The Highways and Transportation Act, permits are required from MIT for any new, modified or relocated access unto a Provincial Road (PR). Therefore, a permit would be required for the 2 proposed access connections unto PR 304.
- Similarly, any structures (including buildings, dykes, advertising signs, wells, septic
 fields, etc.) on, under or above the ground within the 38.1 meter (125 ft) controlled area
 adjacent to a PR, any discharging of water or other liquid materials into the PR's ditch
 and placing of any plantings within 15.2 metres (50 feet) of the PR's right-of-way will also
 require permit from MIT.
- For permitting requirements, please contact Mr. Kevin Nimchuk, Senior Access Management Analyst, at (204) 945-5658.

Thank you very much for providing us the opportunity to review the proposal.

Sincerely.

Christopher Clary-Lemon, P. Eng. P. E A/Manager of Environmental Services



From:

Payment, Jen (CHT)

Sent:

May-28-12 3:41 PM

To: Cc: Winsor, Jennifer (CON) Smith, Brian (CHT)

Subject:

San Gold Tailings Area Expansion EAP (our file AAS-12-4131)

Good Afternoon Jennifer,

Please note: the cover letter on the EAP states that "a non-reply will be considered as indicating your department has reviewed the proposal and has no concerns." This is why no reply was sent.

The proposal was reviewed on May 8th. Section 5.13 Heritage Resources of the Report "Request for alteration to San Gold Corporation's Tailings Management Area" contains acceptable mitigation measures for this project. The Historic Resources Branch has no concerns.

Regards,

Jenny Payment

Impact Assessment Archaeologist Historic Resources Branch 213 Notre Dame Avenue, Winnipeg, MB R3B 1N3

Phone (204) 945-4768; Fax (204) 948-2384

E-mail: Jen.Payment@gov.mb.ca



Culture, Heritage, Tourism

From:

Arnold, Ginger (CON)

Sent:

May-24-12 1:54 PM

To: Cc:

Winsor, Jennifer (CON)

Subject:

Missyabit, Ron (CON) TAC comment: San Gold Corporation - Request for Alteration to the Tailings Management

Attachments:

crown-aboriginal_consultation_initial_assessment_and_record_of_conclusion.docx

Good Day Jennifer,

ARB has reviewed the San Gold Corporation request for alteration to the TMA and has concluded that a Crown Aboriginal Consultation Initial Assessment and Record of Conclusion be completed by the responsible department (Mines) and that Hollow Water be scoped as a potentially affected community by this decision.

The Government of Manitoba recognizes it has a duty to consult in a meaningful way with First Nations, Métis communities and other Aboriginal communities when any proposed provincial law, regulation, decision or action may infringe upon or adversely affect the exercise of an Aboriginal right or treaty right of that Aboriginal community. This duty arises out of the recognition and affirmation of Aboriginal rights and treaty rights under section 35 of the Constitution Act, 1982.

Regards,

Ginger Arnold

Senior Policy Analyst Aboriginal Relations Branch Corporate Policy Division Conservation and Water Stewardship 200 Saulteaux Cresent Winnipeg MB, R3J 3W3 Ginger.Arnold@gov.mb.ca (204) 945-0007

From:

Lusk, Jennifer (CON)

Sent:

May-18-12 8:23 AM Winsor, Jennifer (CON)

Cc: Subject:

San Gold Corporation - San Gold Tailings Management Area Expansion (Client File 2435.40)

Parks and Natural Areas Branch has reviewed the proposal filed pursuant to the Environment Act for the San Gold Corporation – San Gold Tailings Management Area Expansion (client file 2435.40). The Branch has no comments to offer.

Jennifer Lusk for Jessica Elliott

Jennifer Lusk

Policy Analyst & MRT Coordinator Sustainable Resource & Policy Management Manitoba Conservation & Water Stewardship 160-123 Main Street Winnipeg, MB R3C 1A5

Tel: 204-945-4391 Fax: 204-948-2357



Memorandum

Local Government

DATE: May 8, 2012

To:	Jennifer Winsor Environmental Assessment and Licensing Branch Manitoba Conservation 160 – 123 Main Street Winnipeg MB R3C 1A5	From:	Kate Moir Community Planner Community Planning Services Intergovernmental Affairs Box 50, 125-20 First Street Beausejour MB R0E 0C0	
Phone:	(204)945-7012	Phone:	(204)268-6064	
Fax:	(204)945-5229	Fax:	(204)268-6007	
Email:	Jennifer.winsor@gov.mb.ca	Email:	Kate.moir@gov.mb.ca	

SUBJECT:

San Gold Corporation - San Gold Tailings Management Area Expansion

File No. 2435.00 (Bisset)

The subject lands for the expansion of the tailings management area are located within Township 24 Range 13 and 14 EPM approximately 1 km east of Rice Lake Mill, located north of the community of Bisset. According to the application the lands are currently leased by San Gold Corporation.

Community Planning has no concerns with the proposed development.

sent via email

Kate Moir Community Planner

cc. Samantha Shaler, Provincial Planning Services Bill Sawka, Community Planning Services Debra Litke, Community Planning Services

From:

Molod, Rommei (CON)

Sent: To:

May-08-12 10:41 AM Winsor, Jennifer (CON)

Subject:

San Gold Corporation - San Gold Tailings Management Area Expansion (2435.40)

Jennifer,

The Air Quality Section has reviewed the above EA proposal and potential air quality related concerns are adequately addressed. No significant impact on air quality is expected provided that the measures cited in the proposal are implemented.

Thank you for the opportunity to review.

Rommel

Rommel Molod
Air Quality Specialist
Environmental Programs ar

Environmental Programs and Strategies Branch Climate Change and Environmental Protection Division Manitoba Conservation and Water Stewardship Suite 160 123 Main Street

Winnipeg MB R3C 1A5 T (204) 945-7047 F (204) 945-1211



Labour and Immigration

Workplace Safety and Health Division

143 Main Street, Flin Flon, Manitoba, Canada R8A 1K2 T 204-687-1621 F 204-687-1623 www.safemanitoba.com

25 April, 2012

Conservation and Water Stewardship Climate Change and Environmental Protection Division Environmental Approvals Branch 123 Main Street, Suite 160 Winnipeg, MB R3C 1A5

Attention: Jennifer Winsor

Re: San Gold Corporation - San Gold Tailings Management Area Expansion

Received and reviewed the proposal pursuant to the Environmental Act. The proposal provides the majority of the information required under the Operation of Mines Regulation MR212/2011. We will be in contact with San Gold to obtain any additional information we require.

Workplace Safety and Health have no concerns.

Sincerely

J. Edward (Ted) Hewitt, P. Eng. Senior Mining Engineer/District Manager Mine Safety Branch Family Services and Labour Labour Operations Workplace Safety and Health

cc: Dennis Fontaine, Larry Poleschuk

