

June 20, 2019

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Sunnyside Gold Corporation

PO Box 1

Silverton, CO 81433

Attention: Kevin Roach, Director, Reclamation Operations

Dear Mr. Roach:

**RE: Peer Review – Knight Piésold Report - Animas River Water Quality 1985 - Present
Quantification of the Positive Effects of SGC's Mining and Reclamation**

I have reviewed the Report by Steven Lange, M.S., Senior Geochemist, Knight Piésold Consulting entitled *Animas River Water Quality 1985 – Present, Quantification of the Positive Effects of SGC's Mining and Reclamation*. Specifically, at your request, I have reviewed: 1) the methodology utilized in the analysis; 2) selected underlying data subject to analysis; 3) supporting outputs; and 4) the conclusion reached in the Report.

After a review of the materials, I have found the underlying data credible, the application of the analysis appropriate, and the conclusion of the Report reasonable.

The data consists of decades of recorded flows and zinc concentrations at sampling points AT-INFEL and A-72. The flows were recorded by the United States Geological Survey. The zinc concentrations are from samples collected by various entities, including Riverwatch, the Animas River Stakeholders Group, the United States Geological Survey, Sunnyside Gold Corporation (SGC) and the Environmental Protection Agency. I have reviewed the underlying data collected by these third parties for these two locations and analyzed by Knight Piésold and see no reason to doubt its accuracy.

The methodology employed by Knight Piésold included utilization of the formula designed by the Colorado Department of Public Health and Environment to account for seasonal fluctuations in streamflow. I have reviewed the application of the methodology to evaluation of zinc trends at A-72 utilized by Knight Piésold, and find that the methodology was properly and correctly applied.

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The Report concludes that water quality in the Animas River immediately downstream from Silverton, Colorado has improved since SGC acquired the Sunnyside Mine in 1985, and SGC's activities played an important role in this improvement. I find that this conclusion is reasonable and supported by the underlying methods.

Sincerely,

SRK Consulting (Canada) Inc.



June 20, 2019

Stephen Day, PGeo (British Columbia)
Corporate Consultant

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The opinions expressed in this report have been based on the information available to SRK at the time of preparation. SRK has exercised all due care in reviewing information supplied by others for use on this project. Whilst SRK has compared key supplied data with expected values, the accuracy of the results and conclusions from the review are entirely reliant on the accuracy and completeness of the supplied data. SRK does not accept responsibility for any errors or omissions in the supplied information, except to the extent that SRK was hired to verify the data.