

October 15, 2014

Mr. Robert Pitt GrandSPAN Environmental Manager GX Technology Canada Ltd. 20 Duntara Crescent St. John's, NL A1E 5Z1

Dear Mr. Pitt:

Re: GX Technology Canada Ltd. GrandSPAN Marine 2D Seismic, Gravity and Magnetic Survey, 2014 to 2018 Environmental Assessment

The Canada-Newfoundland and Labrador Offshore Petroleum Board (C-NLOPB) has reviewed the environmental assessment (EA) information regarding the proposed seismic survey program in the Southern and Eastern portion of the Newfoundland Offshore area as described in the Environmental Assessment of GX Technology Canada Ltd.'s GrandSPAN 2D Seismic, Gravity and Magnetic Survey, 2014-2018 (AMEC, 2014a) and GX Technology Canada Ltd.'s GrandSPAN 2D Seismic, Gravity and Magnetic Survey 2014-2018 Revised Environmental Assessment Addendum: Response to 28 May 2014 and 4 July 2014 Consolidated Review Comments (AMEC 2014b). The C-NLOPB has completed our environmental assessment determination respecting the Project. A copy of our determination is enclosed for your information.

The EA Report and EA Addendum, as referenced above, describes the Project in sufficient detail and provides an acceptable assessment of the potential environmental effects of the Project. We have considered this information and the advice of the Boards' advisory agencies and have determined that the proposed project, following the application of mitigation measures, is not likely to cause significant adverse environmental effects.

At the time of application for subsequent program authorizations in the Project Area, GX Technology Canada Ltd. will be required to provide information to the C-NLOPB. This information should outline the proposed activities, confirm that the proposed program activities fall within the scope of the previously assessed program, and indicate if, with this information, the EA predictions remain valid. In addition, GX Technology Canada Ltd. shall provide information regarding the adaptive management of requirements of the SARA into

program activities (e.g., introduction of new species or critical habitat to Schedule 1; additional mitigations; implementation of recovery strategies and/or monitoring plans). If there are any changes in the scope or if new information becomes available that may alter the EA conclusions, then a revised EA will be required at the time of authorization application and/or renewal.

The following conditions are recommended to be appended to authorizations granted by the C-NLOPB for the seismic survey program, as described in the environmental assessment reports referenced above:

For seismic programs:

- The Operator shall implement or cause to be implemented, all the policies, practices, recommendations and procedures for the protection of the environment included in or referred to in the Application and in the "Environmental Assessment of GX Technology Canada Ltd.'s GrandSPAN 2D Seismic, Gravity and Magnetic Survey, 2014-2018" (AMEC March 2014) and "GX Technology Canada Ltd.'s GrandSPAN 2D Seismic, Gravity and Magnetic Survey, 2014-2018 Revised Environmental Assessment Addendum: Responses to 28 May 2014 and 4 July 2014 Consolidated Review Comments" (AMEC 20 July 2014).
- No later than January 31, 2015, the Operator shall submit a report to the C-NLOPB describing the progress and potential environmental effects of its 2014 program. It shall include, but not be limited to, copies of the Fisheries Liaison Officer (FLO) reports, the marine mammal observer (MMO) and seabird observer reports that were produced during the program, and the seabird and marine mammal observation data that were collected during the program.

If you have any questions on the attached, or wish to discuss the environmental assessment review process, I may be reached at 709-778-4232 or via email at eyoung@cnlopb.nl.ca.

Yours truly,

Original signed by Elizabeth Young

Elizabeth Young
Environmental Assessment Officer

Enclosure Cc D. Burley