

# KSM MINING ULC

A SUBSIDIARY OF SEABRIDGE GOLD INC.

December 8, 2020

**Attention:**

**Jacob Resneck,**

CoastAlaska - Regional News Director

**Via Email:**

[jacob@coastalaska.org](mailto:jacob@coastalaska.org)

**RE:** KSM Project's EA Extension Application

**Dear Mr. Resneck,**

I am writing to provide you with an update on Seabridge Gold's KSM Project's recent application for an extension of its Environmental Assessment Certificate. Seabridge Gold has 100 percent ownership of KSM Mining ULC, holder of the KSM Project. The KSM Project is located 65 kilometers northwest of the town of Stewart, BC and 30 kilometers northeast of the Alaska border.

The KSM Project successfully concluded an **extensive rigorous independent** joint harmonized BC-CANADA environmental assessment (EA) **over a six year plus period**, a regulatory review that also involved both US Federal and State representatives working alongside Provincial and Federal regulators, in 2014. The KSM Project received a one-time five-year extension to the EA Certificate on March 21, 2019, which extended the duration of the Certificate to July 29, 2024. However, in light of COVID-19 and the state of emergency, plans and timelines for advancing the Project were significantly delayed and thus KSM Mining applied for an extension of the Environmental Assessment Certificate in August 2020.

As a standard operating procedure, such applications include a public comment period and hence KSM Mining's EA Certificate extension application also comprised the same administrative process. Seabridge Gold has reviewed the comments in detail and feels confident about the robustness of KSM Project's design and plans, including those for our proposed tailings management facility.

It is important to note that applying for an extension of the EA certificate does not change the status of the KSM Project or the existing EA Certificate. During its EA assessment, in all instances, the British Columbia Environmental Assessment Office (BCEAO) along with the Canadian Environmental Assessment Agency (CEAA) concluded that **KSM was not likely to cause adverse environmental effects when implementation of the proposed mitigation measures is taken into account.**

Certain concerns raised during the above-mentioned public comment period insinuated potential impact of the Project on Alaskan waters. We would like to reiterate the KSM Project's Tailings Management Facility is located in the upper reaches of the Bell Irving River Basin and drains into Canadian waters, not the Unuk River, or any other US waterway. Further, the Canadian

Government as represented by the Minister of the Environment, in making her decision on KSM Project, relied upon a Canadian Environmental Assessment Agency scientific report which stated, *“The agency has concluded that no significant adverse impacts on water quality, water quantity, fish, or human health are expected on the Alaskan side of the Unuk River.”*

Additionally, some concerns stated that the KSM Project’s EA certificate is outdated and a re-assessment should be done. This is an incorrect and misleading statement. As we experienced, the BC EA process includes a five-pillar assessment and ensures that any potential environmental, economic, social, heritage and health effects that may occur during the lifetime of a major project, are thoroughly assessed. The KSM Project was subjected to the same rigorous assessment ensuring the robustness of the Project’s design.

Robustness of the Project’s baseline data was also questioned in the comments. It is critical to note that our baseline data is not just robust and thorough, but it also spans over the past 13 years, making the KSM Project one of the few in the world to own such a large database. We are also continuously adding to the data sets to ensure the information remains accurate and updated as this knowledge will be utilized for all future Provincial permits.

Certain concerns were raised regarding KSM Project’s Selenium treatment being an unproven technology. This statement is factually incorrect. The Selenium Treatment system proposed by Seabridge is developed by selenium technical experts BioteQ Environmental Technologies, Inc. This treatment was successfully tested and proven during a pilot plant evaluation in 2015 in accordance with one of our Environmental Certificate legally binding conditions. Furthermore, in 2020, BQE Water completed commissioning and Performance Test of First Selen-IX™ Plant for Selenium Removal at the Kemess Property in BC.

For Seabridge Gold, protection of the environment in both Canada and in the US, is a guiding principle behind the design of the KSM Project. The company has put the KSM project through extensive environmental and technical evaluations by independent experts to ensure its operation will not cause harm to the surrounding environment, including waterways and fish, and has worked closely with all stakeholders, including Alaskans, to ensure that their concerns were acknowledged and addressed throughout the environmental assessment review. We are confident in our design and the robustness of the environmental assessment review processes that were mandated by BC and Canada, respectively.

Sincerely,



R. Brent Murphy, M.Sc., P.Geo  
Senior Vice President, Environmental Affairs

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