

SEABRIDGE GOLD

December 30, 2016

Carol Linnitt, Journalist
Via email @ editor@desmog.ca

Dear Ms. Linnitt:

Re: Correction of the Record regarding erroneous statements made by Ms. Jill Weitz of Salmon Without Borders, and reported in your article titled “*Southeast Alaskans Ask Canada to Strengthen Its Environmental Laws*,” December 28, 2016

I read your recent *De Smog Blog* article: “*Southeast Alaskans Ask Canada to Strengthen Its Environmental Laws*” and I want to correct several factual errors pertaining to the KSM Project reported in the article. I am disappointed you did not check the facts regarding the KSM Project or the accuracy of Ms. Weitz’s assertions. I am confident as a professional journalist you are committed to ensuring your readers have accurate and balanced information upon which to make informed decisions.

Contrary to the assertion the KSM Project only underwent the BC Government Environmental Assessment, the KSM Project underwent a joint BC-Canada environmental assessment as mandated by the BC Environmental Assessment Act and the Canadian Environmental Assessment Act (1992) respectively. These independent environmental assessment review processes occurred over 70 months between March 2008 and December 2014 and concluded with receipt of the Federal Government’s approval as signed by the Minister of Environment on December 19, 2014. The BC approval was granted on July 30, 2014 with signatures from the Minister of Energy and Mines and the Minister of Environment.

The Canadian Minister of the Environment, in her decision statement approving KSM, concluded “*The project is not likely to cause adverse environmental effects as defined in the former Act (referring to the Canadian Environmental Assessment Act), taking into account the implementation of mitigation measures described in the report*” and “*the mitigation measures and follow up programs described in the Report are appropriate for the project.*” This approval was granted following an independent review of the KSM’s environmental impact statement which described the potential residual effects associated with the project on all valued ecosystem components, including water quality and quantity, in accordance and as defined by the former Act. A regional cumulative effects assessment and alternative analyses were also completed, as required by CEAA (and BC). The Minister, in making her decision, 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.*”

In contrast to Ms. Weitz’s assertion Alaskans were prevented in engaging in meaningful participation in the project’s environmental review and their input was ultimately ignored, during the environmental review, Alaskans, including State and US regulators, Tribes, and the general

public, met to discuss the environmental review in over 85 separate meetings and as a result, Alaskan's views were taken into consideration during the environmental assessment approval process as was referenced in the CEAA scientific report.

It is important to highlight that the concerns of the Alaskans associated with potential downstream risks and impacts were the same as those expressed by Canadian residents. The involvement of Alaskan regulators was documented in a 2014 Juneau Empire article which summarized the conclusions of these regulators as *“Four of the same resource managers and specialists who reviewed Alaskan mines have examined KSM's plan. They found no significant issues with the application.”*

Today more than two years after the conclusion of the environmental assessment process, Seabridge continues to ensure that Alaskans are kept informed of developments associated with KSM, through regular updates to our community web site, our willingness to provide community updates, as was evidenced by participation in the Prince of Wales Mining Symposium held in Craig Alaska in May 2016, and our ongoing interaction with the State of Alaska regulators.

The Canadian Minister in making her favourable decision to approve the KSM project determined the independent scientific review of the KSM Project was more than adequate and rejected the requests received in the fall of 2014 from Alaskan-based non-governmental organizations for an “environmental panel review” of the project. The Alaskan requests were not ignored. The Minister in her decision to various US based regulatory authorities explained the environmental assessment of the KSM Project was deemed to be complete and she was confident in approving the project.

In direct contrast to Ms. Weitz's statement “not only is the BC process flawed in terms of identifying whether KSM would have significant environmental impacts but the baseline data needed to say it doesn't exist,” to successfully enter the federally and provincially mandated environmental assessment processes Seabridge Gold was required to collect significant environmental baseline data.

Seabridge initiated baseline data collection at KSM in 2007 and collected aquatic, wildfire, air chemistry, and traditional knowledge data in areas potentially affected by KSM up to the US-Canada border and this data was presented as supporting documentation in KSM's environmental impact statement submission to the independent regulators whom reviewed KSM's submission. This baseline data collection continues today well after the completion of the environmental assessment review process. This baseline data is publicly available on both the BC EAO and CEAA's websites, respectively or by contacting Seabridge Gold directly.

Canadian and US laws prevented Seabridge from collecting additional baseline data in areas of the Unuk River located within the State of Alaska. However, Seabridge in acknowledging the concerns expressed by Alaskan's regarding water quality within the lower Unuk River offered in a 2013 that Alaskan Tribal representatives be funded to do water quality sampling in this area. This offer of financial assistance was ignored by the Tribes.

The changes to the environmental assessment process that occurred under the former government of Prime Minister Harper in 2012, and referenced by Ms. Weitz in your article, had no impact in the environmental assessment review that was completed for the project. As was previously noted in this letter, the federal environmental assessment for the project was completed under CEAA 1992.

Cumulative effects assessments were also an integral component of both the provincial and federal environmental assessments processes respectively that were completed for the project.

Ms. Weitz's additional assertion that Alaskans' started voicing their concerns regarding KSM after the 2014 tailings pond collapse at Mount Polley, and their fears that something similar could happen in US waters, given that the KSM tailings pond is perched in the Bell/Irving/Nass Watershed in BC near Sulphurets Creeks, which runs into the Unuk River, is again an inaccurate statement. The KSM tailings management facility (TMF) is **not situated** in waters upstream of the US border. To imply otherwise is simply incorrect. KSM's TMF is situated within the Bell Irving Watershed which flows entirely into Canadian waters. This watershed is located over 20 kilometers from Sulphurets Creek.

Also to suggest similarities between the Mount Polly Mine tailings management facility (TMF) and the KSM TMF is completely false. The KSM TMF is a different design from the Mount Polley and based on different technology. The KSM facility will be located in a u-shaped valley with confining valley walls with gently sloping dams at either valley end constructed with inert cyclone sands sources from the tailings as opposed to the Mount Polley facility which consisted of a steeply sloping ring dyke constructed of locally sourced till material. Most importantly, water from the proposed KSM facility will be discharged on an annual basis preventing the build up of water with the facility and eliminating any threat of floods or dam breaches.

In addition, immediately after the Mount Polley incident, Seabridge Gold established an Independent Geotechnical Review Board for the KSM Project composed of world-renown experts to review KSM's Tailings Management Facility design. This Independent Board was established well in advance of the BC Government's regulatory directive in the recent mine code review. Additionally, during the environmental assessment of the KSM project, the proposed tailings management system was evaluated by a team of independent geotechnical engineers who determined there were no "design flaws", including experts whom worked for the Nisga'a and Tahltan Nations. Furthermore, it is important to highlight that the KSM Project received its Federal environmental assessment approval months after the Mount Polley incident highlighting the thoroughness of the Canadian government's review of our proposed tailings management approach.

Seabridge further commissioned Klohn Crippen Berger to undertake a "Best Available Technology" (BAT) review in August, 2015 in response to the Independent Expert Engineering Investigation and Review Panel report on the breach of the Mount Polley tailing storage facility. The Review Panel concluded that future projects require not only an improved adoption of best applicable practices (BAP), but also a migration to best available technology (BAT). The Klohn Crippen Berger report also meets the new BC Mining Code requirement that new mines must provide an alternate assessment of BAT in their provincial permit applications. The BAT study confirms that the existing tailing management facility design consisting of centerline dams, constructed with double cycloned sand, and a till core, in association with wet tailings deposition is the best available technology for tailings deposition and the most environmentally responsible design to minimize long term risks associated with the proposed tailing storage facility for the KSM Project. This conclusion confirms the findings from KSM's Independent Geotechnical Review Board that the TMF's design is robust and appropriate for KSM's site specific characteristics.

As a further step in its review process, Seabridge retained an independent review of the BAT report by Dr. Dirk van Zyl. Dr. van Zyl is a world-recognized expert in tailings, mined-earth structures and sustainability with over 40-years of experience. He is currently a faculty member at UBC's Faculty of Applied Science and was a member of the Independent Expert Engineering Investigation

and Review Panel investigating the Mount Polley tailing storage facility breach. In his review of the Klohn, Crippen report, Dr. van Zyl states: *“I support the overall conclusions of the KSM BAT report. The evaluation shows that using filtered tailings at this project is not a feasible option as it will not result in moving to zero failures. Adding complexity in tailings management, as filtered tailings will do at the KSM site, does not promote the overall goal of moving to zero failures.”*

Seabridge has also worked diligently with Canadian Treaty and First Nations over the past eight years to address their concerns and has developed respectful and meaningful relationships with the groups in close proximity to KSM. We funded the participation of the various Indigenous groups in the environmental assessment review process so they could fully participate. Additionally, we signed a Benefits Agreement with the Nisga’a Nation in June of 2014; we have an Environmental Agreement with the Gitanyow First Nation also signed in 2104; we received a letter of support from the Gitksan Hereditary Chiefs’ office during the environmental assessment review; and we addressed the environmental and social concerns of the Tahltan as stated within the report submitted by the Tahltan Heritage, Resources, Environmental Assessment Team (THREAT), which is on file at the BC Environmental Assessment Office. Discussions continue with the remaining groups to negotiate additional agreements.

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. We continue to work closely with our stakeholders to ensure their ongoing questions and concerns regarding the KSM Project are addressed.

Going forward with regard to articles referencing KSM, I would be happy to work with you to ensure you have the correct facts so a balanced story can be written for your readers upon which to make informed decision. I am available either via telephone at 867 445 5553 or via email at brent@seabridgeold.net to answer questions regarding KSM.

I also request that the numerous factual errors reported in your December 29 article be publicly corrected.

Yours sincerely,



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RBM/RS/...

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