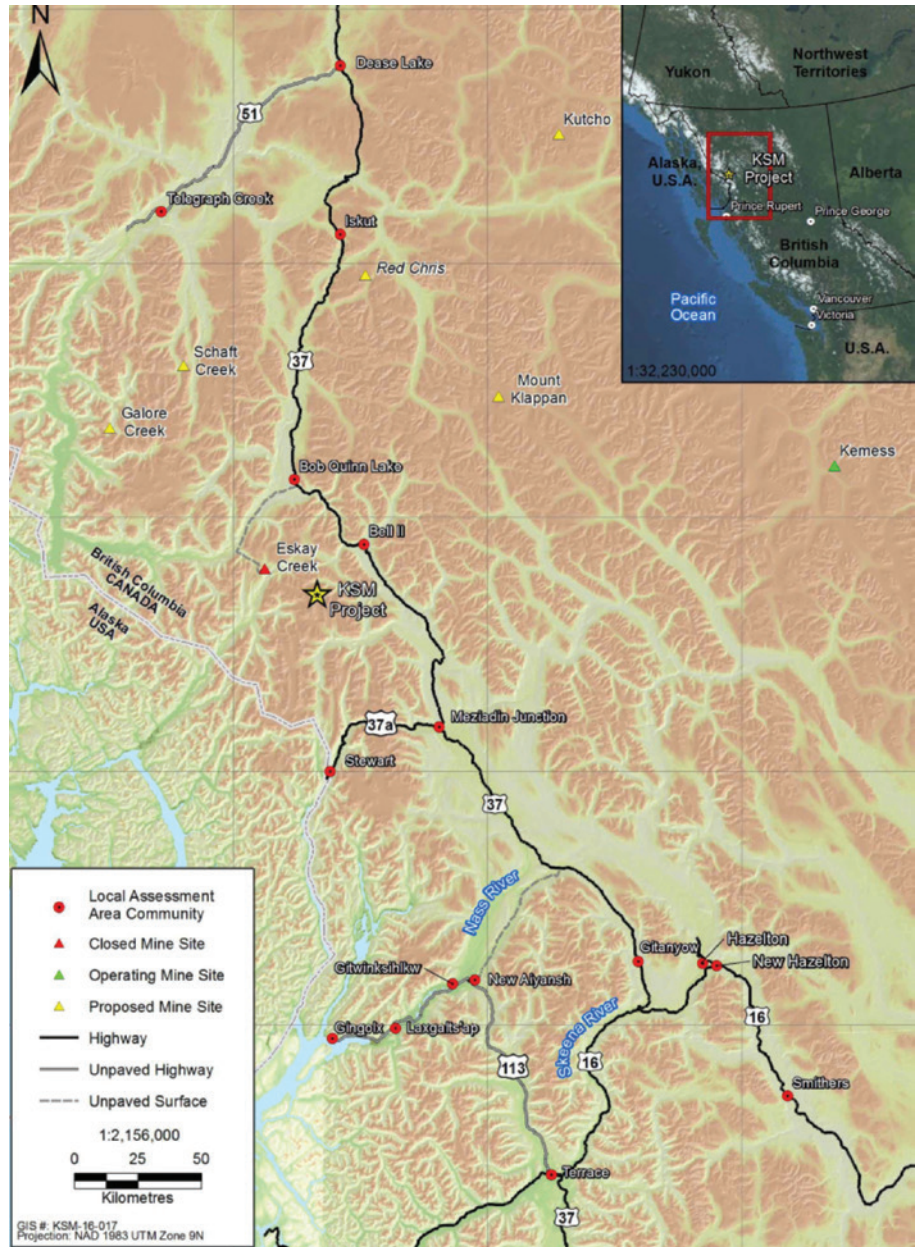


TRAFFIC ASSESSMENT

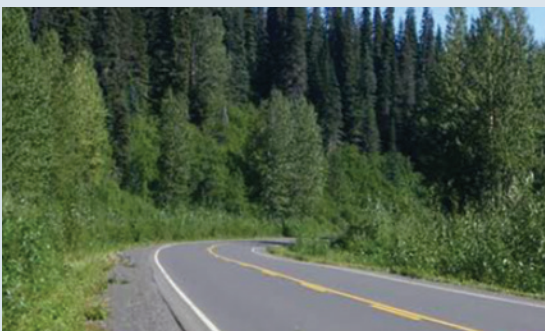
As part of the proposed KSM Project's Environmental Assessment, KSM Mining ULC was required to assess the impact of traffic associated with KSM on Highway 37 and 37A. KSM Mining ULC was required to assess the potential effects arising from the transport of people, goods and materials along these routes and consider input from the Tahltan, Nisga'a, Gitanyow, Gitxsan and Skii km Lax Ha Nations as well as the provincial government.

TRAFFIC STUDY AREA

As shown on the map, KSM's Highways 37 and 37A Traffic Assessment Study Area (the Study Area) encompassed approximately 300 km of Highway 37 from the Eskay Creek Mine access road junction, southeast to its junction with Highway 16 in Kitwanga; and approximately 65 km of Highway 37A from Meziadin Junction to the District of Stewart. The Study Area includes 500 metres on either side of the highways.



HISTORICAL TRAFFIC / EXISTING CONDITIONS



Highway 37 Statistics

Historic traffic:

1,500 vehicles per day (1989 & 1993)
400 vehicles per day (2008)

Capacity:

2,700 vehicles per day
* To maintain existing road standard

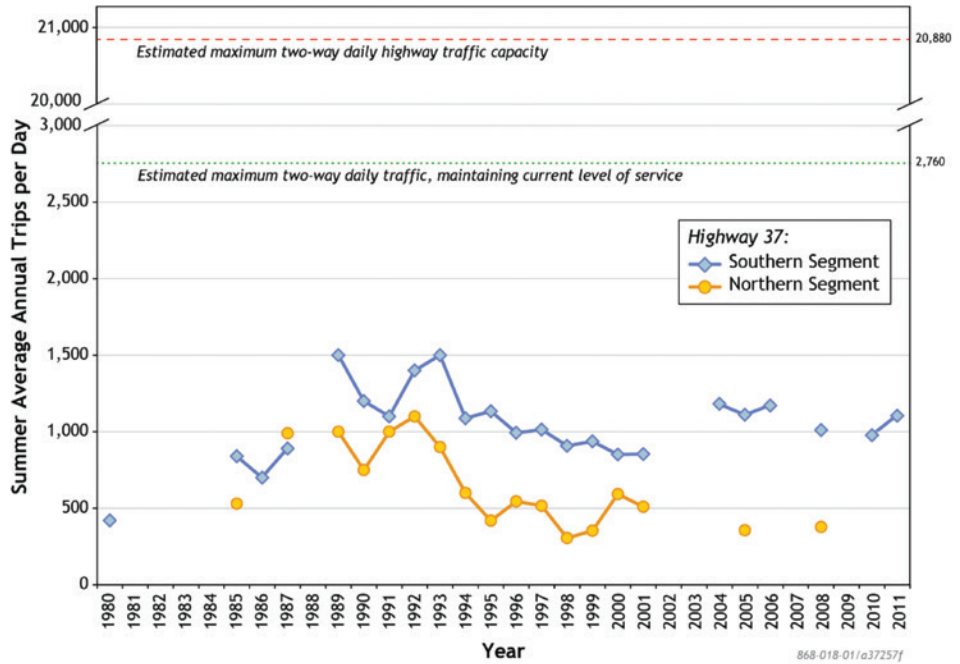
Current traffic:

1,100 vehicles per day (2011 numbers)

KSM MINING ULC

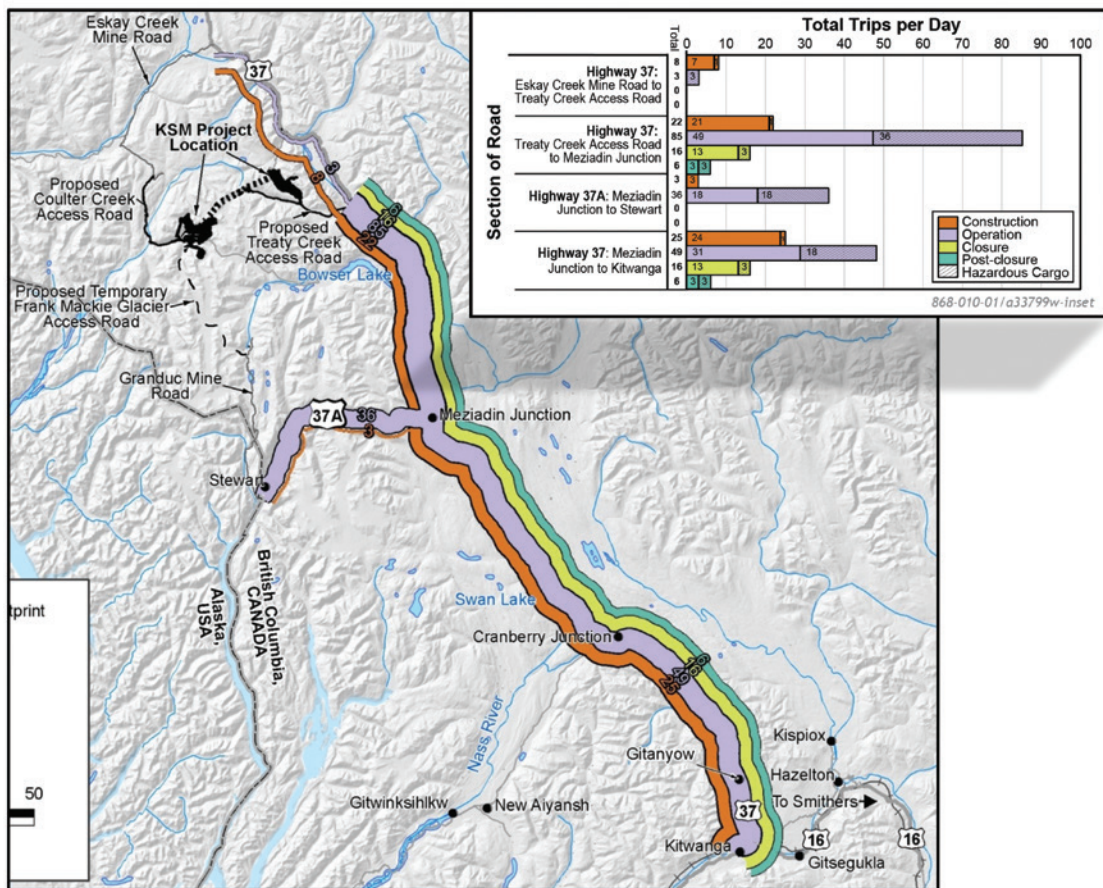
A SUBSIDIARY OF SEABRIDGE GOLD INC.

HISTORICAL TRAFFIC VS. HIGHWAY CAPACITY



KSM IMPACT

MAXIMUM 85 VEHICLES PER DAY/ONE WAY DURING OPERATION



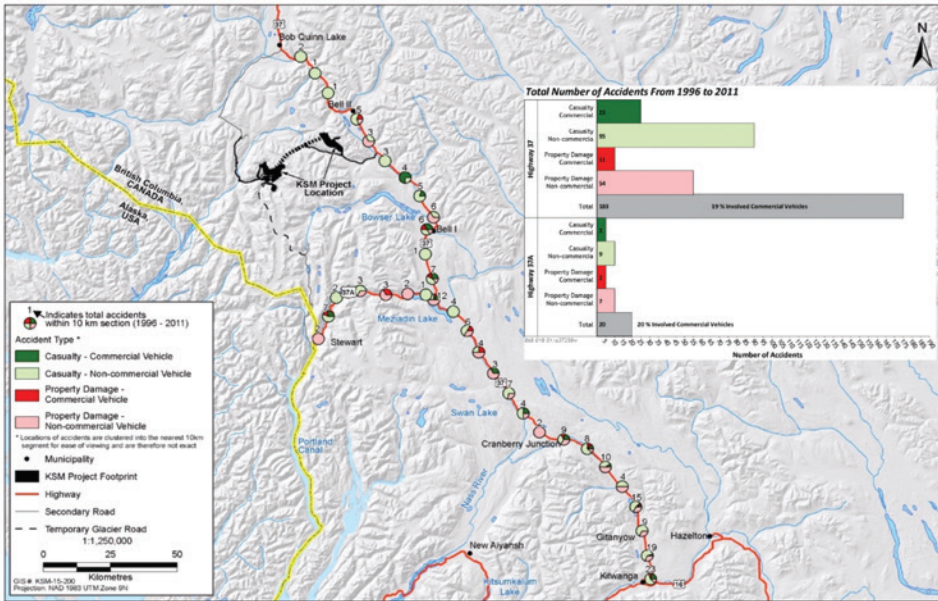
KSM Mining ULC will create a safe driving environment by:

1. Creating hiring standards
2. Providing driver training
3. Incentivizing safety
4. Complying with Federal and Provincial standards and voluntary codes
5. Developing management plans to address specific issues
6. Ensuring enforcement

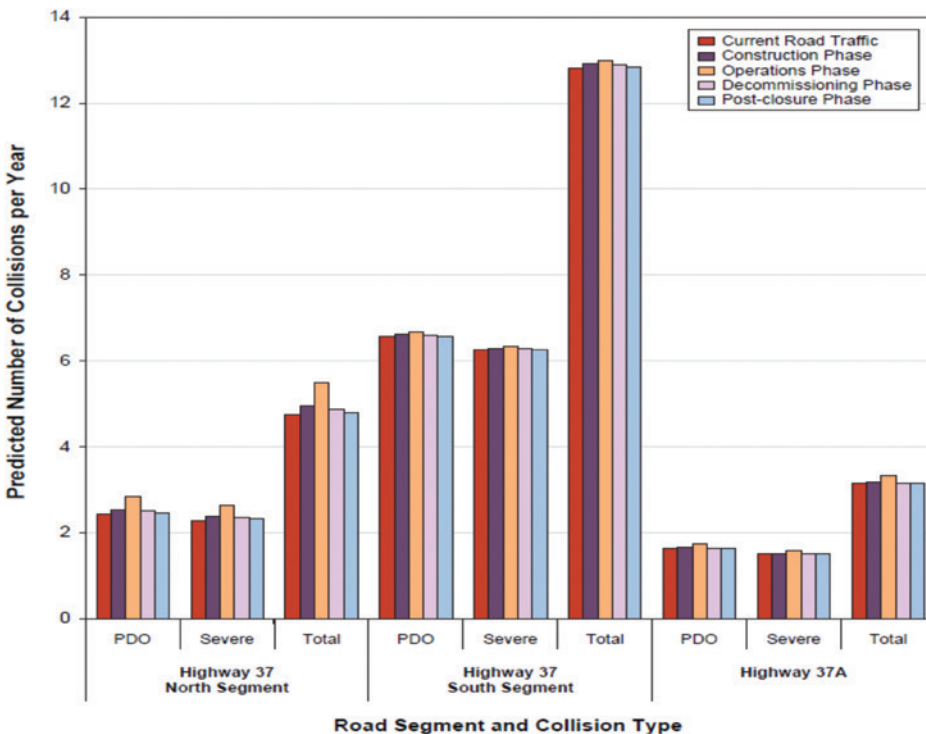
KSM GEOGRAPHIC RESPONSE PLAN / SPILL RESPONSE STRATEGY

COLLISIONS

Historical Collision



Predicted KSM Impact on Collisions



The KSM Area-Based Geographic Response Plan (GRP) is a spill response strategy for KSM employees and contractors transporting materials for the KSM Project of Highway 37 and 37A (the Highway). It has the following primary objectives:

- To provide strategic guidance and communication protocols in the event of a spill;
- Identify sensitive resources that may be at risk in the event of a spill;
- Establish spill response material resources along Highways 37 and 37A; and
- Identify spill response strategies for KSM contractors and employees transporting project materials on the highway

The GRP presents maps and provides spill response strategies for the following key sensitive resources types:

- Water course crossings with sensitive fish and aquatic habitat
- Wildlife management units and ungulate winter ranges
- Provincial parks, conservation areas, and ecological areas
- Recreational sites, known archeological resources, and communities

The GRP also provides response strategies for specific dangerous goods, including but not limited to:

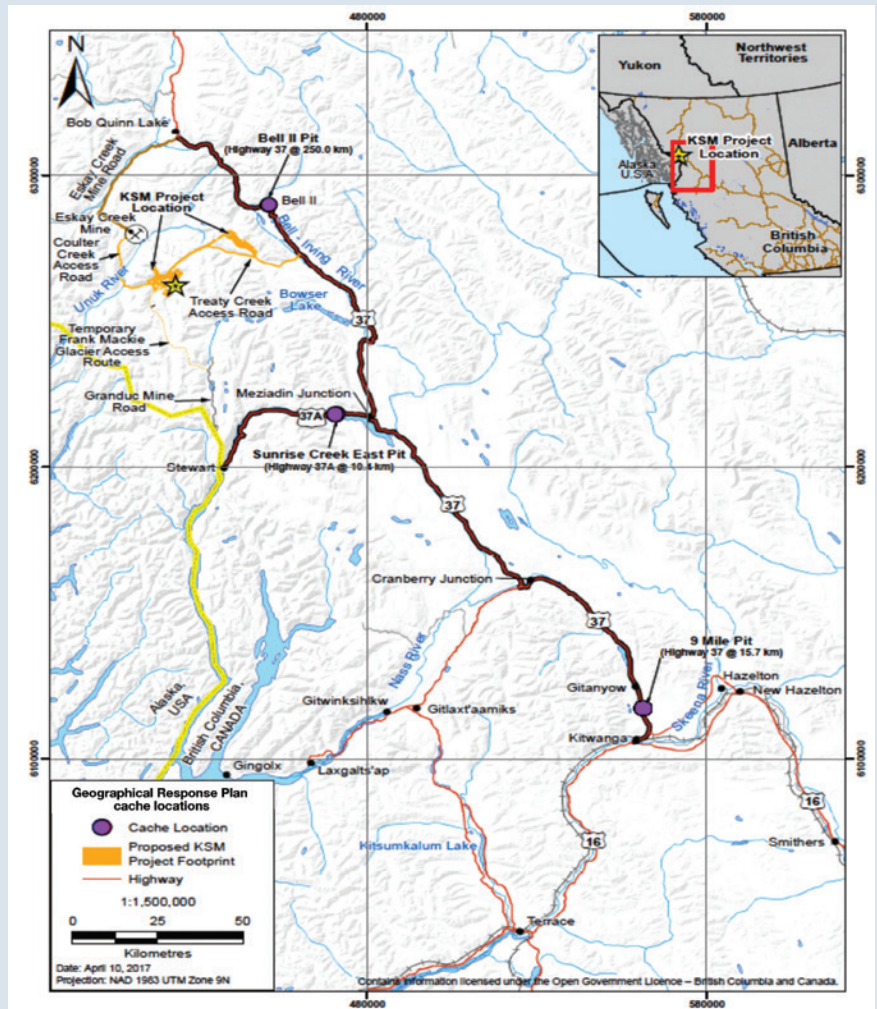
- Flammables (TDG Class 1)
- Oxidizing substances (Class 5.1)
- Explosives (TDG Class 1)
- Organic peroxides (TDG Class 5.2)
- Compressed gas (TDG Class 2)

KSM MINING ULC

A SUBSIDIARY OF SEABRIDGE GOLD INC.

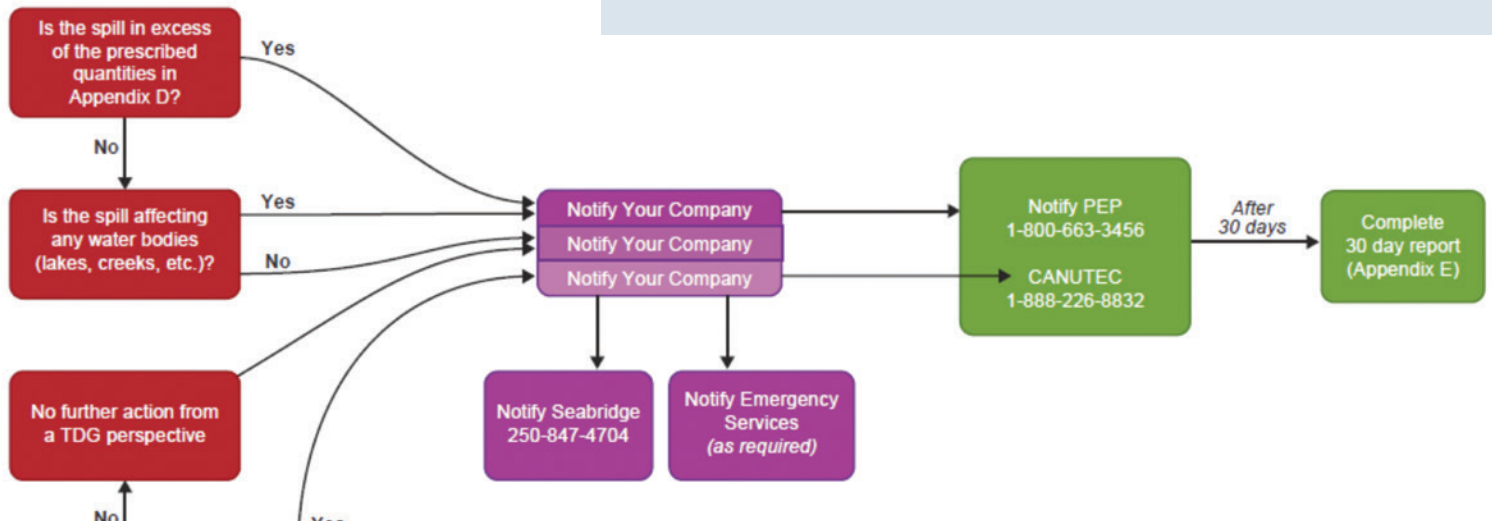
KSM Mining ULC will establish spill response caches which other industrial users will have access to. Proposed locations include:

- 9 Mile Pit: Kitwanga (15.7 km)
- Sunrise Creek East Pit: Highway 37A – Meziadin (10.4 km)
- Bell II Pit: HWY 37 – Bell II (250.0 km)



SPILL RESPONSE PLAN

Should a spill occur, KSM Mining ULC will enact the following process.



What Will Be Transported?

- Personnel
- Camp supplies
- Lime
- Parts & machinery
- Gold doré
- Reagents
- Grinding media
- Fuel
- Explosives
- Materials & equipment
- Copper & molybdenum concentrate

KSM MINING ULC

A SUBSIDIARY OF SEABRIDGE GOLD INC.

www.ksmproject.com