

SEABRIDGE GOLD

July 18, 2016

The Honorable Sally Jewell
Secretary of the Interior
Department of the Interior
1849 C Street, N.W.
Washington DC 20240

Dear Madam Secretary:

I have observed with interest the public dialogue with regard to the purported environmental impacts of Seabridge Gold's KSM Project on the Taku, Stikine, and Unuk watershed which flow across the Canada-United States border. **Of particular interest is the *Petition for certification pursuant to 22 U.S.C. § 1978 of actions undertaken by Canadian nationals diminishing the effectiveness of the Convention on Nature Protection and Wild Life Preservation in the Western Hemisphere and the Convention for the Conservation of Anadromous Stocks in the North Pacific Ocean, which has been recently addressed to your attention.*** In response to this Petition, I would like to take this opportunity to provide you with factual information with respect to Seabridge Gold's KSM Project.

Seabridge Gold's KSM Project underwent a joint, harmonized federal-provincial environmental assessment (EA) review which began in March 2008 and concluded on December 19, 2014. After extensive consultation, accommodation and agreements with Canadian First Nations, and upon preparing and submitting 35,000 pages of scientific and social research, both the British Columbia and Canadian Federal Regulators issued Environmental Assessment Certificates. The Application for and Environmental Assessment Certificate received final approval from the British Columbia Minister's of Environment and Energy and Mines on July 31, 2014. The Ministers in their conclusions stated the construction, operation and decommissioning of the KSM Project is not likely to result in significant adverse affects. A copy of the Ministers' decisions can be found at <http://www.eao.gov.bc.ca/>. In addition, on December 19, 2014, The Canadian Federal Minister of the Environment endorsed the conclusions of the KSM Comprehensive Study prepared for the Canadian Environmental Assessment Agency (CEAA) which found the KSM Project is not likely to result in significant adverse affects on the environment. A copy of the Minister conclusions can be found at: www.ceaa-acee.gc.ca.

During the KSM Mine environmental assessment and application process, Seabridge Gold also worked extensively with Alaskan State and US Federal regulators (EPA, DOI, NOAA, Fish and Wildlife Service), having more than 85 different meetings and interactions with these regulators. At the time the environmental assessment application was submitted to the Canadian regulators for their review there were no concerns expressed by any of the US Regulators, and most indicated they were satisfied the project would not have a significant environmental impacts on Alaska or U.S.

One of the several inaccuracies in the description of the KSM Project is that the tailings management facility (TMF) will drain into trans-boundary waters. This is not the case. The TMF for the KSM Project is not located in a watershed which will drain into US waters, rather is located in the Bell Irving Watershed which drains into Canadian waters, well south of the where the Petition suggests, and not affecting trans-boundary waters.

While it is true the metal deposits are situated on a tributary of the Unuk River which flows into the U.S waters, these waters are impacted by the naturally occurring erosion of the Mitchell deposit. The operation of the KSM Project and our associated water management system will, in fact, improve the overall water quality within the Unuk River.

Questions regarding our tailings management systems, safety of dams, monitoring and maintenance over the very long term and contingency plans for tailing dam failures were answered and addressed during the environmental assessment review. If the public's concerns had not been addressed, Seabridge would not have received its environmental approval for the KSM Project. In fact, the Canadian federal government approval was received more than three months after the Mount Polley incident, during which the root causes of the incident were known to regulators.

In addition, Seabridge Gold has voluntarily established an Independent Geotechnical Review Board (IGRB), comprised of world class experts in tailing management to provide independent, expert oversight, opinion and advice to Seabridge on the design, construction, operational management and ultimate closure of the tailings management facility and water storage dam, well in advance of site construction activities. Copies of the IGRB report are available at: <http://ksmproject.com/>.

With regard to allegations that KSM will have significant adverse effects on all five species of Pacific salmon and steelhead trout, this is untrue. KSM is expected to have minor effects on fish and fish habitat. Most of these effects will be mitigated through the implementation of management plans, adherence to standards and best practices, and ongoing aquatic monitoring

Fish and aquatic habitat are protected under several forms of federal and provincial legislation, including the federal Fisheries Act (1985). As such, KSM's fish mitigation measures were carefully studied and compensation measures were deemed appropriate for the site. The independent Canadian Environment Assessment Agency stated in their Comprehensive Study Report on KSM that, "*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.*"

Furthermore, Seabridge conducted a detailed review to understand KSM's potential impacts on wildlife. In nine years of baseline studies, no occurrences of Woodland Caribou have been recorded in the KSM area. Seabridge continues to conduct baseline studies and continues to have no indication of Woodland Caribou in the project area.

Grizzly bears are considered a species of special concern by the Committee on the Status of Endangered Wildlife in Canada (COSEWIC) and are blue-listed in BC (COSEWIC 2002b; BC CDC 2010a). As such, Seabridge carefully studied grizzly bear habitat loss and alteration; disruption to movement; direct mortality; indirect mortality; attraction; and overall effects. The result of these extensive studies, taking in to consideration mitigation measures, indicated the cumulative affect to the grizzly bear population was not significant.

As a result of the proposed mitigation measures proposed by the Company for wildlife, including Grizzly bears, all three levels of government (Alaska, Canada and British Columbia) agreed the project is not likely to cause adverse environmental effects. The Canadian Minister of Environment, went further and said *“The project is not likely to cause environmental effects as defined by the Act taking into account the mitigation measures in the report”*, and *“the mitigation measures and follow up programs described in the Report are appropriate for the project.”*

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. Our company has put KSM 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 Alaskans to ensure that their concerns were acknowledged and addressed.

We look forward to continuing to provide timely and factual information on the KSM to Alaskan residents as the development of KSM proceeds.

I appreciate your time, and would be pleased to answer any outstanding questions you have regarding the KSM Project. I can be reached via email, brent@seabridgegold.net, or by mobile, (867) 445-5553.

Yours truly,



R. Brent Murphy
Vice President, Environmental Affairs
Seabridge Gold

RBM/RS