

KSM MINING ULC

A SUBSIDIARY OF SEABRIDGE GOLD INC.

August 23, 2020

Via Email:

stephanie@thenarwhal.ca

Attention: Stephanie Wood
Reporter, The Narwhal

Dear Ms. Wood:

Re: Inaccurate Information about Selenium Removal Technology adopted at KSM Project

In your recent article titled ‘Seabridge Gold asks B.C. for more time to begin KSM mine construction, citing COVID-19’ you quoted Chris Sergeant, a research scientist at the University of Montana - *“Water that contacts the mine on the Unuk River side will drain directly into a water storage reservoir. This water would receive treatment before discharge into the Unuk watershed. But there isn’t currently a proven method for sufficient removal of selenium — which has been shown to negatively impact fish populations — and mine operations are expected to increase selenium levels in the water.”* **This statement is incorrect.**

In 2015, Seabridge successfully completed a pilot plant evaluation of a new process for the removal of selenium from waters in northwest BC. The pilot plant was constructed and operated by independent BioteQ Environmental Technologies, Inc. using their Selen-IX™ treatment technology. Selen-IX involves two key unit operations that work in tandem to remove selenium from water and fix it as a stable solid product. The first unit is ion exchange, which selectively removes selenium from impacted water, generating clean water for discharge and a concentrated selenium brine solution. The second unit is an electrochemical treatment system which treats the brine to precipitate selenium and allow re-use of the brine in the ion exchange circuit. This selenium treatment technology was able to reduce selenium concentrations to 1 ppb in water extracted from the KSM project site and thus, satisfied a key legally binding condition of the BC Environmental Assessment Certificate which Seabridge received for the KSM Project on July 30, 2014. The KSM Se treatment information was shared with the public in 2015. In 2018, the Selen-IX™ treatment technology was issued a US patent further validating Seabridge Gold’s chosen approach for selenium treatment at the KSM Project.

The KSM Project underwent a joint BC-Canada independent environmental assessment review as mandated by the BC Environmental Assessment Act and the Canadian Environmental Assessment Act (1992) respectively and during this review the potential impacts to environment arising from Se and other naturally occurring metals was thoroughly evaluated and assessed.

With respect to Se, it is important to highlight that the BC Ministers of the Environment and Energy and Mines respectively, in making their decision to approve the KSM Project, attached a legally binding condition to the KSM Environmental Certificate which stated:

Within one year of the issuance of an EAC, the EAC Holder must construct and operate a pilot water treatment plant (the “Pilot Plant”) to evaluate the feasibility of treating selenium to the concentrations assumed in the water quality predictions and effects assessment for the project. The Pilot Plant must be operated with local

runoff from Mitchell Creek that has been modified to represent the range of expected water quality and conditions for seepage from the Mitchell/McTagg rock storage facility. The Pilot Plant must be operated at a sufficient flow rate to prove the feasibility of the treatment process. The EAC Holder must submit a report describing the results of the Pilot Plant and assessing its feasibility for the treatment requirements for the Project, to MOE, MEM and the Environmental Assessment Office (EAO) within 12 months of completion of the Pilot Plant work.

This work was completed throughout the fall of 2014 by our water treatment experts BQE Water and the results which proved the feasibility of the treatment method were submitted to the appropriate regulatory agencies including Alaskan authorities in the spring of 2015. Thus this legally binding condition has been fulfilled by Seabridge Gold.

I am confident, given this information I have provided this inaccurate information will not appear in future articles published by the Narwhal. I would be happy to answer any questions you have about the KSM project, including our planned Se treatment, and the rigours of the independent British Columbia and the Canadian Environmental review processes.

Sincerely,

A handwritten signature in blue ink, appearing to read "R. Brent Murphy".

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

Senior Vice President, Environmental Affairs
Seabridge Gold

RBM/RS/...

Cc: Emma Gilchrist, Editor-in-Chief and Executive Director of The Narwhal