

KSM MINING ULC

A SUBSIDIARY OF SEABRIDGE GOLD INC.

September 24, 2020

Attention:

Mary Kauffman
Editor of SitNews

Via Email:

editor@sitnews.us

Dear Ms. Kauffman,

I am writing to clarify statements made in the recent news release published by SitNews titled ‘SEITC Responds to UN Special Rapporteur’s Report’ where referring to impacts of upstream dams, one of the recommendations from the report said ‘Canada should take proactive measures to prevent environmental harm and respect concerns of risk of harm including where host countries have put in place no-go-zones for resource extraction’. Mr. Frederick Olsen Jr was quoted responding to this recommendation, *“Exactly! On their side of the border, they want the KSM mine which would be one of the world’s largest mines but a few miles away, on our side, we have Misty Fjords National Monument and plenty of sacred sites.”*

The above statement by Mr. Olsen does not stand true for Seabridge Gold’s KSM Project. 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. To imply otherwise is simply incorrect.

Further, the proposed KSM Project successfully completed a rigorous independent joint harmonized BC-CANADA Environmental Assessment over a seven-year period (2007-2104), a regulatory review that also involved both US Federal and State representatives working alongside Provincial and Federal regulators. 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 Canadian Government as represented by the 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 1992), 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.”* Furthermore, 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.”*

The KSM Project's mineral deposits are situated geographically north of the BC/Alaska Border on Sulphurets Creek, a tributary of the transboundary Unuk River, an area in which both the BC and Canadian governments allow responsible mineral exploration and mining to occur. Due to the deposit's location, concerns of Alaskans along with the potential impacts to Alaskan waters were an important focus and carefully evaluated during both the provincial and federal environmental assessment reviews which were conducted over a seven year period (2008-2014). During the EA process, Seabridge Gold conducted hundreds of meetings with community members, regulators, Treaty and First Nations. Seabridge also voluntarily conducted 130 meetings/interactions with Alaskan community members, regulators and Tribes during this time. Alaskans expressed the same concerns as Canadians, and all concerns were given equal weight in the assessment process and ultimately were fully mitigated within the design of the proposed project.

I would also like to take this opportunity to highlight the assessment done by Canada's National Contact Point (NCP) in 2017 on the KSM Project upon receiving a Request for Review by a Non-Governmental Organization from the Southeast Alaska Conservation Council (an Alaskan based environmental nongovernmental organization), alleging that the Project violated the Organization for Economic Co-operation and Development's ("OECD") non-binding *Guidelines for Multinational Enterprises*. The allegation was that Seabridge had failed to disclose Project documents, failed to engage with stakeholders and had not exercised sufficient due diligence regarding potential environmental and human rights impacts from its KSM Project. On receiving the complaint, NCP conducted an assessment and review of all documents submitted by both parties. Consequently, the NCP published a report concluding that the complaint did not merit further examination and its file was closed after only the initial assessment level of review. The NCP report reinstated the thoroughness of the federal and provincial joint environmental assessment review process KSM underwent to acquire the requisite approvals. The report is also an acknowledgement of the extensive work and inclusive approach adopted by Seabridge during the environmental assessment process.

For Seabridge Gold, protection of the environment in both Canada and in the US, is a guiding principle behind all our Projects. As part of this commitment, we are also voluntarily reclaiming the historic legacy and outstanding liabilities at the Johnny Mountain Mine site at our Iskut property over a multi-year reclamation program, with the support of the Tahltan Nation. To date, Seabridge Gold has spent approximately \$6 million to ensure that the Project is in compliance with BC Government regulations and authorizations and on restoring the Johnny Mountain Mine site. The overall objective of the reclamation plan for Johnny Mountain site is to return disturbed lands and new anthropogenic landforms to their original land use and capability of alpine tundra wildlife habitat.

We are committed to sustainably developing all our Projects and would like to reiterate that the KSM project has been 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,

A handwritten signature in blue ink, appearing to read "R. Brent Murphy". The signature is fluid and cursive, with the first name "R. Brent" and the last name "Murphy" clearly distinguishable.

R. Brent Murphy, M.Sc., P.Geo (NWT and Nunavut)
Senior Vice President, Environmental Affairs

RBM/AM/....