

May 20, 2021,

Via Email: matt@thenarwhal.ca

Attention: Matt Simmons Northwest B.C. Reporter, The Narwhal

Dear Mr. Simmons:

Re: Inaccurate Information about KSM Project's Selenium Removal Technology and Engagement with Alaska

I am writing to you regarding your recent article published in "The Narwhal" on May 17, 2021, titled, "These 12 B.C. mines pose risks to salmon, caribou, water: report", referencing the report issued by SkeenaWild Conservation Trust and the BC Mining Law Reform Network. The article stated several inaccurate statements about Seabridge Gold's KSM Project which we would like to correct through this letter.

The glaring misinformation provided in your article starts with the statement, "...the potential impacts of KSM Project to the Unuk River watershed include elevated selenium", and further quotes Adrienne Berchtold, co-author of the report, as saying, "*The people who are going to experience the impacts are barely involved in development and permitting of the project itself.*" **Both these assumptions are incorrect.** Your article also failed to highlight that the KSM Project successfully received its environmental assessment approvals in 2014 and that Seabridge has successfully developed strong and mutually respectful relationships with our Indigenous partners, having signed Benefit agreements with the Nisga'a and Tahltan Nations.

For your future reference, we are sharing the below factual information to correct your record about the KSM Project's proposed water management technology to remove Selenium from the water and our constructive engagement with Alaskan communities and regulators during the Environmental Assessment process. Seabridge continues to be actively involved with Alaskan-based regulators as we work to further advance the KSM Project. These regulators are involved in the current permit applications and technical studies reviews. Additionally, we last hosted Alaskan regulators for a site tour of the KSM Project in the summer of 2019.

Proposed Selenium Treatment technology at the KSM Project

The KSM Project successfully concluded a joint harmonized **Environmental Assessment (EA)** by the Canadian Environmental Assessment Agency (CEAA) and the British Columbia Environmental Assessment Office (BC EAO) in 2014, after an almost 7-year review process.

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During EA, potential impacts to the environment arising from Selenium and other naturally occurring metals were thoroughly evaluated and assessed.

The proposed Water Treatment Plant at the KSM Project will not only manage water that has been in contact with mining activities but will also improve the existing naturally poor water quality. Seabridge has **adopted Selen-IX™ technology** developed by selenium technical experts BioteQ Environmental Technologies, Inc (BQE). This treatment was successfully tested and proven during a pilot plant evaluation in 2015. The Selen-IX™ treatment technology was issued a US patent in 2018 further validating Seabridge Gold's chosen approach for selenium treatment at the KSM Project. Over the last years, there has been a major increase in the number of projects where Selen-IX™ is selected as the treatment technology of choice by project owners, approved by regulators, and advanced into implementation. In 2020, BQE Water completed the commissioning and Performance Test of the First Selen-IX™ Plant for Selenium Removal at the Kemess Property in BC.

With respect to **selenium**, 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.

Since 2007, Seabridge Gold has also been conducting ongoing water quality and hydrology monitoring within both the Unuk River, which drains into the Alaska border and tributaries of the Bell Irving River, spending approximately \$1-1.5 M million annually on these programs. Based on the data collected, it has been determined that Mitchell and Sulphurets creeks (flowing into the Unuk River) are degrading naturally resulting in elevated concentrations of selenium and other metals within the water. Treaty Creek, located downstream of the TMF location also has elevated levels of minerals due to the upstream location of mineralized zones of exposed bedrock, which are naturally oxidizing and eroding. Hence, the water quality in these watersheds cannot, therefore, be characterized as pristine. Water quality flowing into Alaska will not

degrade as a result of the KSM Project, beyond levels associated with ongoing erosion associated with the naturally occurring mineralization. This includes selenium levels, which will also not increase in waters flowing across the Alaska/BC border.

I would also like to highlight for your information the fact that the Canadian Minister of the Environment in making her decision to approve the environmental assessment for KSM, relied upon a Canadian Environmental Assessment Agency's 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."***

Working with Alaska

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. 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.

For Seabridge Gold, protection of the environment in both Canada and the US is a guiding principle behind all our Projects. 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. Once the KSM Project begins operations, it will also be subject to monitoring requirements under a variety of approved plans including aquatic effects management, selenium management, wildlife management and the Canadian Federal Government Metal Mining and Effluent Regulations. We are confident in our design and the robustness of the environmental assessment review processes that were mandated by BC and Canada, respectively.

Since 2020, this is the third letter we are sharing with you to highlight inaccurate facts you have published about the KSM Project in your articles. Going forward, before publishing information about the KSM Project, we would appreciate it if you would reach out to us to learn accurate facts about the Project and stop publishing inaccurate details. It is my understanding that the role of a journalist is to present accurate facts in an unbiased manner. Your recent writing indicated

that neither of these concepts are being followed. I also request an immediate clarification of the errors contained within the above-mentioned article.

We have a local office in Smither, and I believe you are based in Smithers too, you are always welcome to visit our office (1330 Main Street, Smithers) if you wish to discuss the Project and learn how we are advanced the KSM Project using best available technology, robust sustainable practices and most importantly, collaborative relationships with our Indigenous partners and stakeholders. Additionally, you can also reach out to me via email brent@seabridgegold.com.

Sincerely,

A handwritten signature in blue ink, appearing to read "Brent Murphy". The signature is fluid and cursive, with a large initial "B" and a long, sweeping underline.

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

RBM/RS/...

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