

May 29, 2023

Via Email

Attention: Representative Mary Peltola, c/o Anton McParland, Chief of Staff

Dear Representative Peltola;

RE: Sharing information about Seabridge Gold's KSM Project and commitment to responsible development.

I trust this letter finds you well.

We recently came across your press release and media interview where you expressed support for the International Watershed Board and raised concerns about the impact of BC's mining industry on the transboundary rivers in Southeast Alaska. As the Senior Vice President of Sustainability at [Seabridge Gold Inc.](#) (Seabridge), owner of the [KSM Project](#), one of the projects located in the transboundary region, I wanted to take this opportunity to provide you with more information about our project, our commitment to responsible development, and our engagement with Alaskan regulators and tribes to ensure their project-related concerns are heard and addressed.

KSM and the Environment

Seabridge's KSM project is a proposed copper, gold, silver and molybdenum mine with an environmental assessment approved mine life of more than 50 years. KSM has successfully completed a joint harmonized environmental assessment (EA) review as outlined by the [British Columbia Environmental Assessment Act](#), [the Canadian Environmental Assessment Act](#) and in accordance with Nisga'a Lisims Treaty. The assessment process was rigorous. It involved more than **250 scientists, engineers, Indigenous Peoples, and regulators** who developed and carefully reviewed the information. More than **15,000 people from British Columbia and Alaska also participated in public meetings, consultations and project information sessions** before the proposal was approved. The seven-year process was completed on July 30, 2014, when The Province of British Columbia approved the KSM Project through their issuance of the Environmental Assessment certificate.

The KSM Project has been designed with rigorous environmental measures to minimize its impact on the surrounding ecosystem and we are dedicated to ensuring that our mining activities meet the highest standards of safety and sustainability.

Engaging with Alaskans

The KSM Project's mineral deposits are situated above the BC/Alaska Border on Sulphurets Creek, a tributary of the transboundary Unuk River. 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. Alaskans expressed the same concerns as Canadians, and those concerns were given equal weight in the assessment process and ultimately were fully mitigated within the design of the proposed project, adding more than \$300 million in design changes to the Project's capital cost.

Throughout the environmental assessment review period and after, Seabridge engaged in regular communications with US Federal and State agencies, ENGOs and tribes.

- More than 140 different ongoing meetings, interactions and correspondence with Alaskan State agencies and US Federal agencies. Just this month, representatives of the Alaska Department of Fish and Game, and Alaska Department of Environmental Conservation attended Seabridge Gold's Environmental Workshop.
- Formed Alaska Working Group.
- Organized site tours for working groups, Alaskan media, Alaska Department Natural Resources Mining, Land and Water and US Environmental Protection Agency. The KSM site was last toured by Alaskan regulators in 2018.
- Presented at the Central Council of the Tlingit and Haida Indian Tribes of Alaska conference in Craig, Forum for Ketchikan Business Leaders in Prince Rupert, Alaska Miners Association in Anchorage and Juneau, Southeast Conference, Juneau Chamber of Commerce and Prince of Wales Island-Wide Mining Symposium, and joint business conference for British Columbia and Alaska in Prince George.
- Met with Alaskan ENGOs including Tlingit-Haida Central Leadership Council, the Organized Village of Kasaan, the Southeast Alaska Conservation Council, Rivers Without Borders and Southeast Alaska Indigenous Transboundary Commission.
- The Canadian Environmental Assessment Agency received and addressed over 400 comments related to BC-Alaska transboundary concerns.
- Feedback received, including that from Alaskans, resulted in major design changes to the KSM Project –
 - Changed the water management approach on the mine side of the Project, to mimic mine discharge with high seasonal flows.
 - Incorporating lined centre cell in Tailings Management Facility to store sulphide-rich tailings.

The independent Canadian Environmental Assessment Agency (CEAA) Report acknowledged and summarized these comments for the public record as follows: *"Residents of the United States, including tribal groups, raised concerns over the Project's potential transboundary impacts on fish, recreational and commercial fisheries, and human health from degraded water quality and changes in water quantity in the Unuk River. The Agency is satisfied that identified mitigation measures for the Project would address potential impacts in Alaska on fish; recreational and commercial fisheries and human health from changes to water quality and quantity in the Unuk River."* You can access the report [here](#).

Additionally, we want to share that both Alaskan and US Federal regulators participated in the environmental assessment review. The participating US Federal and State agencies did not identify any outstanding transboundary concerns following the EA processes. In fact, an April 2014 article in the Juneau Empire described the US's review of the KSM Project as follows: *“Four of the same resource managers and specialists who review Alaskan mines have examined KSM's plan, said Kyle Moselle of the Alaska Department of Natural Resources. They found no significant issues with the application.”*

Alaskan concerns and mitigation of these concerns were also identified within the British Columbia Provincial Government's "Reasons for Ministers' Decisions on the KSM Project. The document stated: *“Concerns were raised by Alaskan non-government organizations regarding the potential effects of diminished water quality on fish and aquatic habitat in Alaska. After considering input 3 from the Working Group, (including agencies from the State of Alaska and US federal government) EAO proposed several conditions to address potential effects to downstream water, fish and aquatic habitats. Proposed conditions include the requirement to have a fully operational selenium treatment plant by year five of operations; constructing water treatment facilities prior to the mining of any ore; the requirement for a comprehensive Aquatic Effects Management Plan, Selenium Management Plan, Water Management Plan and a Groundwater Monitoring and Mitigation Plan. All these conditions will become legally enforceable. EAO concluded there would be no significant adverse effects to surface or groundwater quality or quantity, fish or aquatic habitats. As a result of this conclusion, EAO also concluded that there would be no significant adverse effects to fish and aquatic habitat from degradation of water quality and we concur with this finding”.*

Engaging with our Indigenous Partners and Local Communities

For the past 12 years, Seabridge Gold has worked closely with our Indigenous partners and local communities in northwest BC to gain the social license to operate. Because of the trust built through consultations, engagements and the accommodations we have made to address their concerns, Seabridge entered into a comprehensive Benefits Agreements with both Nisga'a Lisims Treaty Nation in 2014 and the Tahltan Nation in 2019 (the First Nations on whose traditional territory the KSM Project is located), covering protections of Indigenous rights, the environment and shared economic benefits for the KSM Project. On January 26, 2023 these two Nations also formally announced their newly established [Treaty Creek Limited Partnership](#) that will optimize their participation, maximize economic benefits and create new opportunities for Nation members through training, employment, and contracting at our KSM Project.

Seabridge Gold also has an environmental agreement with the Gitanyow Wilps and the Gitksan Hereditary Chiefs have endorsed the Project with a letter of support for the environmental assessment approval. We have also received letters from the local communities of Terrace and Smithers supporting the KSM Project and **an independent perception audit conducted in 2020 revealed that approximately 61% of residents in northwest BC either strongly supported or supported the KSM Project.**

These agreements, support letters and the positive survey results are a testament to our commitment to meaningful consultation, cooperation, and building strong partnership with our Indigenous partners and local communities. We value their input, respect their rights, and actively engage with them to ensure their voices are heard and their interests are considered in all aspects of the project.

The Proposed KSM Tailings Management Facility

The proposed KSM Project's Tailings Management Facility (TMF) is located in the upper reaches of the Bell Irving River Basin and drains into Canadian waters and not into any US waterway, contrary to assertions of many Alaskans and Alaskan-based organizations. The TMF site underwent extensive independent evaluation by independent experts hired by the various Indigenous groups and government experts during the almost 7 years of joint harmonized environmental assessment review and the design is considered safe.

- KSM Project's TMF design (and future operations) is annually reviewed by the Independent Geotechnical Review Board (IGRB) formed by Seabridge in 2015, which is comprised of world-class experts in tailings management with more than 300 years of combined experience. In April 2016, the IGRB confirmed that the design of the proposed structures for the KSM Project were appropriate and safe.
- Seabridge voluntarily initiated a Best Available Tailings Technology (BATT) Review of the planned management approach for the KSM Project in 2015, after the Project had received its environmental approvals. The study confirmed that the existing tailing management facility design is the best available technology for tailings deposition and the most environmentally responsible plan to minimize long-term risks. Please read the [BATT Report](#) and the [Plain Language Summary](#) for more information.
- Furthermore, Seabridge also commissioned an independent review of the BATT report by Dr. Dirk van Zyl, a world-recognized expert in tailings, mined-earth structures and sustainability with more than 40 years of experience. He also sat on the Mount Polley Independent Expert Review Panel. In his review, Dr. van Zyl concluded: "I support the overall conclusions of the KSM BAT report."
- The TMF will be regulated and monitored in compliance with the Canadian Dam Safety Association (CDA), International Commission on Large Dams (ICOLD), International Council on Mining and Metals (ICMM), Mining Association of Canada (MAC), and Engineers and Geoscientists BC (EGBC), along with regular reviews by Seabridge's Independent Geotechnical Review Board.

Water Quality Near the KSM Project

Ensuring and improving water quality in and around the KSM Project is one of Seabridge Gold's top priorities, and indeed a potential benefit of the development of the project. In fact, we are spending approximately \$1-1.5 million annually on water quality monitoring programs, sampling up to the BC/Alaska border on the Unuk River.

Based on the data collected, it has been determined that Mitchell and Sulphurets creeks (flowing into the Unuk River in Alaska) contain elevated concentrations of selenium and other metals within the water, due to the natural erosion of the Mitchell Deposit, situated in the upper reaches of the Mitchell Creek. The operation of the KSM Project is not anticipated to degrade Alaskan water quality. On the contrary, the comprehensive water management strategy we have proposed for the Project will not only effectively manage water that has come into contact with mining activities but also enhance the existing natural water quality around the Project, which is known to be subpar. The pictures below demonstrate the existing natural conditions around the KSM Project and the current water quality issues in this region.



Photo 1: Confluence of Sulphurets Creek with the Unuk river depicting the impact of the natural erosion of the upstream mineral deposits on the regional water quality. The confluence is located approximately 22 miles upriver from the Alaska/BC border.



Photo 3: Existing conditions at the KSM and downstream areas. Seep water near the Mitchell Glacier Toe.



Photo 2: The Mitchell Deposit highlighting the natural erosion and oxidation processes at work. Please note the presence of “green” copper sulphate staining in the middle left portion of the photograph.

Voluntary Environmental Remediation at the Johnny Mountain Mine

We also want to highlight our efforts to voluntarily reclaim the historic legacy and address outstanding liabilities at the Johnny Mountain Mine site at our Iskut property (one of our two Projects located in northwest BC), which is also a transboundary site. To date, as part of a multi-year reclamation program in partnership with the Tahltan Nation, **Seabridge Gold has spent more than \$8 million to restore the Johnny Mountain Mine site (which was developed by a different operator and then purchased by Seabridge)** and ensure that the Project is in compliance with BC Government regulations and authorizations.

The overall objective is to return disturbed lands and new anthropogenic landforms to their original land use and capability of alpine tundra wildlife habitat. We invite you to watch the [video](#) showcasing the work we have accomplished so far. These voluntary reclamation efforts reflect our commitment to environmental stewardship and sustainable development. We also believe it demonstrates our dedication to leaving a positive and lasting impact on the land and the communities in which we operate.

“SnipGold (100% subsidiary of Seabridge Gold) has demonstrated clear and transparent intentions of addressing historic mining activities at the former Johnny Mountain Mine site, located in Tahltan Territory. We are pleased to work with them collaboratively to support and further the reclamation programs at the site by providing services through Tahltan businesses and people. We are pleased that SnipGold is addressing this historic issue and look forward to this continued relationship with SnipGold.” - Chad Day, President of Tahltan Central Government

Critical Minerals: A Cross-Border Priority

In March 2023, President Joe Biden and Prime Minister Justin Trudeau [issued a joint statement](#) that outlines a call for “*accelerate(d) cooperation on critical clean energy opportunities and supply chains, including but not limited to, securing and strengthening renewable energy and electric vehicle supply chains, critical minerals and rare earths...*”

Last year, the United States announced USD\$250 million of Defense Production Act Title III funding for U.S. and Canadian companies to mine and process critical minerals for electric vehicle and stationary storage batteries, with awards to U.S. and Canadian companies. As well, The Canadian Critical Minerals Infrastructure Fund will make CAD\$1.5 billion available to support clean energy and transportation infrastructure projects necessary to accelerate critical minerals production and an additional CAD\$1.5 billion through the [Strategic Innovation Fund](#) to support advanced manufacturing, processing, and recycling.

Safe, responsible mining projects in northwestern B.C. are critical to supporting this commitment to deliver the critical minerals needed for North American economic security and to meet the demands of a global economy that seeks to lower carbon emissions and embrace rapid and extensive electrification.

We take great pride in our commitment to environmental stewardship, engaging with communities and Indigenous partners, and transparency. To learn more, we invite you to read our [2022 Sustainability Report](#). As another demonstration of our commitment, I would like to extend an invitation to you and your team to visit the KSM Project site. A site tour will provide you with an opportunity to witness firsthand our responsible development and engage in meaningful discussions about the project. It will also enable us to address any specific concerns or queries you may have in a comprehensive and informative manner. To learn more about the project you can reach me via email brent@seabridgegold.com or telephone at (416) 367 9292. I thank you for your time.

Respectfully yours,



R. Brent Murphy, M.Sc., P.Geo
Senior Vice President, Environmental Affairs
Seabridge Gold

RBM/RS/...
