OVERVIEW: THE ENVIRONMENTAL ASSESSMENT PROCESS

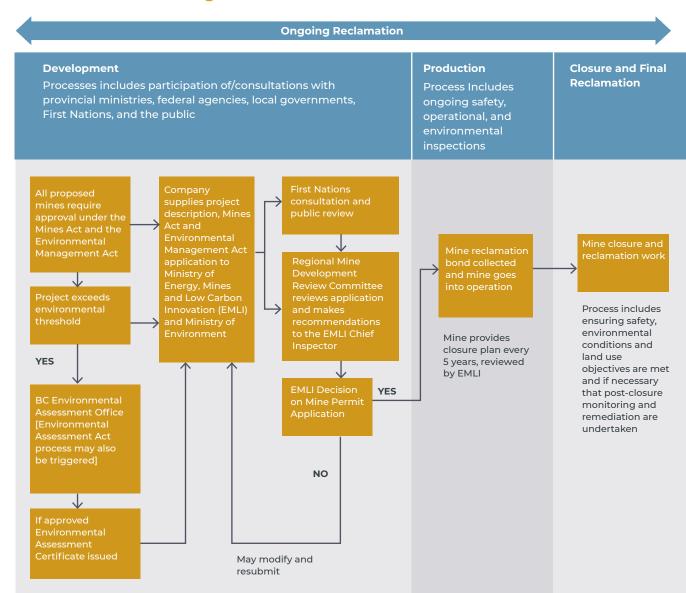
Mine development in Canada requires a Permitting Process which includes Environmental Assessment (EA) approvals followed by operating permit applications to authorize specific activities required by the approved project. **Environmental Assessments support better** decision-making and result in many benefits; to avoid or minimize adverse environmental effects; to provide opportunities for public participation and Indigenous engagement; and result in informed decisions that contribute to responsible development of natural resources in Canada. In British Columbia, major projects require a provincial EA, led by the BC **Environmental Assessment** Office. Additionally, the Canadian Environmental Assessment includes provisions for cooperation and coordinated action between the two orders of government. The BC EA process includes a five-pillar assessment and evaluates that potential environmental, economic, social, heritage and health effects that may occur during the lifetime of a major project are thoroughly assessed. Gaining provincial and federal EA approvals for a Project enable proponents to apply for the many specific permits required to construct and operate the project. This document has been prepared to provide an overview of the processes completed by Seabridge Gold's KSM Project in British Columbia.

The Environmental Assessment and Mine Permit Process - KSM Project

The Permitting Process - KSM Project

The following diagrams and two figures describe the federal and provincial EA processes as well as the permits' process.

EA and Mine Permitting Process in BC



The Environmental Assessment and Mine **Permit Process - KSM Project**

BC EA Process

ENVIRONMENTAL ASSESSMENT ROADMAP

APPLICATION DEVELOPMENT ▶ APPLICATION EVALUATION IS ALL THE REQUIRED **2** WHO WILL BE INVOLVED? WHAT NEEDS TO BE STUDIED? DOES THE PRODUCT NEED AN EA? **INFORMATION THERE? EAO INVITES Indigenous EAO WORKS with** EAO WORKS with Indigenous groups and all levels of proponents to groups and all levels of **EAO SEEKS ADVICE from** government to provide determine if the government to review the Indigenous groups, all levels of technical advice and identifies Environmental Act proponent's application and government and the public to opportunities for public input. applies to their ensure it is ready to be decide what should be projects reviewed in detail. considered in the assessment. **30 AY REVIEW PERIOD** NO LEGISLATED TIMELINE **DECISION PERIOD** ▶ POST-CERTIFICATE ACTIVITIES > **APPLICATION REVIEW** ▶ SHOULD THE PROJECT PROCEED WHAT ARE THE RESULTS OF THE **COULD THE PROJECT HAVE** TO THE NEXT STEP? **OPERATED AS APPROVED? ADVERSE EFFECTS?**

CONSULTATION PERIOD (typically 30 days)

EAO REVIEWS all available information in detail and seeks advice from Indigenous groups, all levels of government and the public to identify potential environmental, health, economic. social or heritage effects.

EAO PREPARES a report for provincial ministers to consider when making their decision about whether to approve the project.



PROVINCIAL MINISTERS decide whether to approve a project, reject it, or order further assessment.



45 DAY REVIEW PERIOD

IS THE PROJECT BEING BUILT AND

EAO WORKS with Indigenous groups and all levels of government to promote compliance, conduct inspections, assess complaints and take enforcement action.



LIFE OF THE PROJECT

180 DAY REVIEW PERIOD

The Environmental Assessment and Mine Permit Process - KSM Project

BC EA Process

AMENDMENT TO THE BC ENVIRONMENTAL ASSESSMENT CERTIFICATE

STEP 1: Pre-Application

- Certificate Holder contacts EAO with respect to their interest in amending their EA certificate to accommodate a name change, a change in ownership of the project, or any change in a certificate condition or certified project description.
- EAO describes the process in general terms, and assigns a Project Lead to the amendment.
- EAO confirms whether an amendment is required and advises the Certificate Holder of additional information required
- Certificate Holder gathers the required information, undertaking any studies or public or Aboriginal consultation that is required.

STEP 2: Application Submitted

- Certificate Holder submits an amendment application that includes a description of the change being requested and all the required information.
- EAO reviews the application.
- > If the application does not contain all the required information, EAO will return it to the Certificate Holder
- If the application is complete, EAO will determine whether the application is for a Simple, Typical or Complex amendment and levies the appropriate fee (as per the Environmental Assessment Fee Regulation).
- > The Certificate Holder pays the required fee.
- > EAO commences the application review.

STEP 3: Review of Application

Simple

- EAO consultsAboriginal groups
- > EAO may notify relevant working group members of the amendment application

Typical

- > EAO consults
 Aboriginal groups and relevant working group members
- EAO may require public consultation

Complex

- EAO consultsAboriginal groups
- > EAO typically holds formal Working Group meetings and comment periods
- > EAO conducts public consultation period

STEP 4:

Assessment of Application

- The Project Lead completes the assessment of the application.
- The Project Lead produces EAO's Assessment of the Application for a Certificate Amendment report and, as appropriate, shares with the Certificate Holder and working group members in draft form.
- Once finalized, the Project lead provides EAO's report or other decision support materials to EAO's Executive Director (or delegated decision maker).

STEP 5: Decision

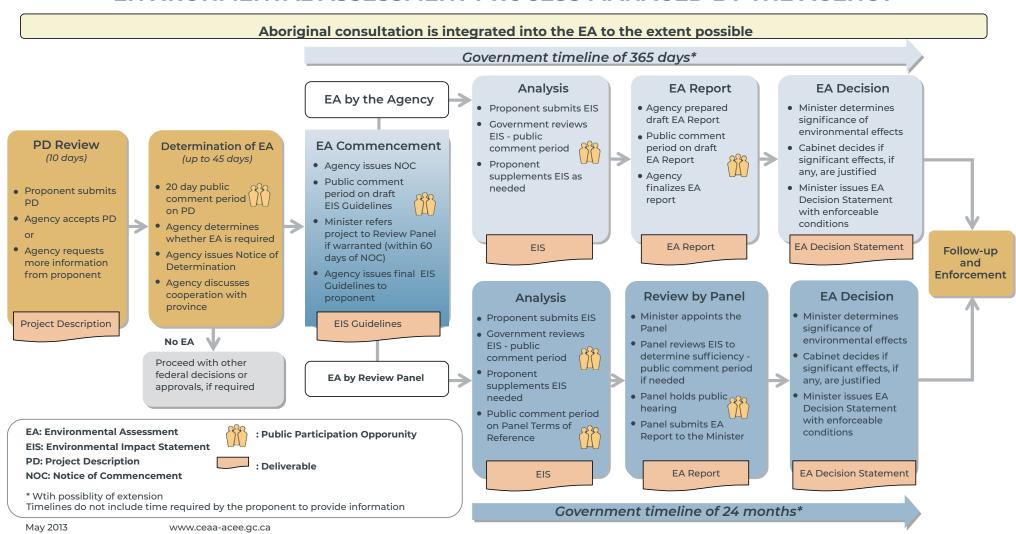
- EAO's Executive Director (or delegated decision maker) makes decision and informs the Certificate Holder.
- EAO staff informs the Working Group, including Aboriginal groups, and posts the amended certificate and EAO's report and related materials on EAO's website.



The Environmental Assessment and Mine Permit Process - KSM Project

Federal EA Process

ENVIRONMENTAL ASSESSMENT PROCESS MANAGED BY THE AGENCY





The Environmental Assessment and Mine Permit Process - KSM Project

KSM Specific Regulatory Process

The KSM Project underwent a rigorous independent joint harmonized BC-CANADA Environmental Assessment over a seven-year period (2007-2104), and the British Columbia Environmental Assessment Office (BC EAO) and the Canadian Environmental Assessment Agency (CEAA) granted their approval for KSM in 2014. They concluded that KSM was not likely to cause adverse environmental effects, when implementation of the proposed mitigation measures is taken into account. The Environmental Assessments were accompanied by certificate conditions which respond to concerns raised by communities and Indigenous groups during consultation and to the key areas of provincial and federal interest and jurisdiction.

All existing and future KSM approvals and permits have and will be granted by Canadian authorities only. The KSM Project does not require any permits from jurisdictions including Alaska. However, to understand and address concerns of Alaskans, Seabridge worked extensively with Alaskan State and US Federal regulators (EPA, DOI, NOAA, Fish and Wildlife Service) during more than 85 different meetings and interactions during the Environmental Assessment process.

The KSM Permitting Process has been outlined in the timeline below:



 2008
 2008 - 2009
 2013
 2013 - 2014
 2014

Early Project Definition

Seabridge submits the KSM Project description to EAO

Definition of Project Scope

Seabridge conducts
environmental and social
baseline studies, community
engagement activities, and
consultation with regulatory
agencies and Indigenous
groups to confirm scope and
depth of studies

Issues and Assessment

EAO issues the Application Information Requirements outlining the detailed requirements of the environmental assessment

EA Certificate Application submission

Application Review

180-day review phase, including public comment period, following EA Application submission.

Seabridge continued its engagement program throughout the review period

Project Decisions

Provincial approval received July 30, 2014

Received Federal approval on December 19, 2014

Additional 40 construction and operating permits obtained

The Environmental Assessment and Mine Permit Process - KSM Project

KSM's Permits and Authorizations

Provincial

Seabridge has already obtained approximately 70 provincial permits focused on early-stage construction and exploration activities enabling Seabridge to construct access roads, construction camps and tunnelling activities which facilitate the first 2.5 years of KSM construction.



Seabridge still requires numerous additional permits,

and by working together with Indigenous and non-indigenous communities, these approvals will be granted in due course given that the EA approvals have been granted.

Key permits still required for KSM:

- Mines Act permit for all project components and phases of mine life.
- Environmental Management Act (EMA) key permits for the Tailings
 Management Facility discharge and the Mine Site Water Treatment Plant discharge

Federal

Seabridge has secured eleven key federal government permits including:

- Schedule 2 Amendment under the Metal, Mining and Diamond Mining Effluent Regulations, regulations under the Fisheries Act – this amendment was received in 2016 and allows KSM to discharge its mining waste into the Tailing Management Facility; and
- International Rivers Improvement Act licence which allows KSM to discharge water into a river that crosses the US/Canada boundary. This licence was issued in 2015.

Seabridge still needs to obtain the following federal permits:

- Explosives Factory Licence
- Ammonium Nitrate Storage Facilities

Seabridge's Engagement with Indigenous Groups and Community Members

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 the EA process. As a result of these meetings and feedback from all participants Seabridge made \$300 million dollars in design changes to the project.

The KSM Project works with five Indienous groups: one Treaty Nation, the Nisga'a Lisims Government, and four First Nations: Tahltan Nation, and, Gitxsan Treaty Office, Hereditary Chiefs Tseault Skii km Lax Ha and Gitanyow First Nation as well as the three communities of Stewart, Smithers and Terrace. Seabridge has entered into Comprehensive Benefits Agreement with the Nisga'a and Tahltan Nations. The Project also entered into an Environmental Sustainability agreement with the Gitanyow Hereditary Chiefs Office while the Gitxsan Hereditary Chiefs have endorsed the Project with a letter of support for environmental assessment approval. The company has also received letters from the communities of Terrace and Smithers, both supporting the KSM Project.

To Seabridge, working alongside Indigenous groups during KSM permitting, planning and development stages is critical to the success of the KSM Project. As part of this commitment, Seabridge has continued to collect key streams of environmental baseline data and holds an annual Environmental Program Review meeting with Indigenous partners to describe the annual data summaries, ongoing permitting reviews and upcoming events.

Conclusion

The KSM Project is in a favorable position with regard to permitting risk, considering that Seabridge has successfully obtained the Federal and Provincial EA approvals and in 2021 started undertaking early-stage construction activities which included building access roads, bridges and work camps to responsibly advance the Project and to achieve the "substantially started" status by July 28, 2026. By working in close collaboration with local communities and Indigenous groups for the Project, Seabridge has also gained trust and support of the majority of the impacted groups and will continue to do so.

LEARN MORE

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