UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 40-F

☐ REGISTRATION STATEMENT PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

OR

☒ ANNUAL REPORT PURSUANT TO SECTION 13(a) OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934
For the fiscal year ended December 31, 2019

Commission file number: 001-32135

Seabridge Gold Inc.
(Exact name of Registrant as specified in its charter)

Canada	1040	Not Applicable
(Province or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification No.)

106 Front Street East, Suite 400
Toronto, Ontario Canada M5A 1E1
(416) 367-9292
(Address and telephone number of Registrant's principal executive offices)

Corporation Service Company
1180 Sixth Avenue
New York, New York 10036
(212) 299-5656
(Name, address and telephone number of agent for service in the United States)

Securities registered or to be registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares	SA	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act.
None
(Title of Class)

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act.
None
(Title of Class)

For annual reports, indicate by check mark the information filed with this form:

☒ Annual Information Form ☒ Audited Annual Financial Statements

Indicate the number of outstanding shares of the issuer's classes of capital or common stock as of the close of the period covered by the annual report: 63,510,487 Common Shares (as at December 31, 2019).

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Exchange Act during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 12b-2 of the Exchange Act.

Emerging growth company ☐

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards† provided pursuant to Section 13(a) of the Exchange Act. ☐

† The term "new or revised financial accounting standard" refers to any update issued by the Financial Accounting Standards Board to its Accounting Standards Codification after April 5, 2012.

The annual report on Form 40-F shall be incorporated by reference into or as an exhibit to, as applicable, the Registrant's Registration Statements under the Securities Act of 1933, as amended: Form F-10 (File No. 333-229373) and Form S-8 (File No. 333-211331).

EXPLANATORY NOTE

Seabridge Gold Inc. (the "Registrant" or "we" or "us") is a Canadian issuer eligible to file its annual report pursuant to Section 13 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), on Form 40-F ("Form 40-F") pursuant to the multi-jurisdictional disclosure system of the Exchange Act. We are a "foreign private issuer" as defined in Rule 3b-4 under the Exchange Act. Accordingly, our equity securities are exempt from Sections 14(a), 14(b), 14(c), 14(f) and 16 of the Exchange Act pursuant to Rule 3a12-3.

PRINCIPAL DOCUMENTS

The following documents have been filed as part of this Annual Report on Form 40-F and incorporated by reference herein:

A. Annual Information Form

For our Annual Information Form (the "AIF") for the year ended December 31, 2019, see Exhibit 99.1 of this Annual Report on Form 40-F.

B. Audited Annual Financial Statements

For our audited annual financial statements ("Audited Financial Statements"), for the years ended December 31, 2019 and December 31, 2018, including the Report of Independent Registered Public Accounting Firm, see Exhibit 99.2 of this Form 40-F. The Audited Financial Statements are stated in Canadian Dollars (CDN$) and are prepared in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

C. Management's Discussion and Analysis

For our management's discussion and analysis (the "MD&A") for the year ended December 31, 2019, see Exhibit 99.3 of this Form 40-F.

FORWARD-LOOKING STATEMENTS

This Form 40-F and the exhibits attached hereto contain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Exchange Act, and forward-looking information within the meaning of Canadian securities laws concerning our projects, business approach and plans, including estimated production, capital, operating and cash flow estimates and other matters at our projects. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "plans", "projects", "estimates", "assumes", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements and forward-looking information (collectively referred to in the following information simply as "forward-looking statements"). In addition, statements concerning mineral reserve and mineral resource estimates constitute forward-looking statements to the extent that they involve estimates of the mineralization expected to be encountered if a mineral property is developed and the economics of developing a property and producing minerals.

Forward-looking statements are necessarily based on estimates and assumptions made by us in light of our experience and perception of historical trends, current conditions and expected future developments. In making the forward-looking statements in this Form 40-F and the exhibits attached hereto, we have applied several material assumptions including, but not limited to, the assumption that: (i) market fundamentals will result in sustained demand and prices for gold and copper, and to a much lesser degree, silver and molybdenum; (ii) the potential for production at our mineral projects will continue operationally, legally and economically; (iii) any additional financing needed will be available on reasonable terms; and (iv) estimated resources at our projects have merit and there is continuity of mineralization as reflected in such estimates.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- our history of net losses and negative cash flows from operations and expectation of future losses and negative cash flows from operations;
- risks related to our ability to continue our exploration activities and future advancement activities, and to continue to maintain corporate office support of these activities, which are dependent on our ability to enter into joint ventures, to sell property interests or to obtain suitable financing;
- uncertainty of whether the reserves estimated on our mineral properties will be brought into production;
- uncertainty relating to the assumptions underlying our resource and reserve estimates;
- uncertainty of estimates of capital costs, operating costs, production and economic returns;
- risks related to commercially producing precious metals from our mineral properties;
- risks related to fluctuations in the market price of gold, copper and other metals;
- risks related to fluctuations in foreign exchange rates;
- mining, exploration and development risks that could result in damage to mineral properties, plant and equipment, personal injury, environmental damage and delays in mining, which may be uninsurable or not insurable in adequate amounts;
- risks related to obtaining all necessary permits and governmental approvals, or extensions/renewals thereof, for exploration and development activities, including in respect of environmental regulation;
- uncertainty related to title to our mineral properties and rights of access over or through lands subject to third party rights, interests and mineral tenures;
- risks related to unsettled First Nations rights and title and settled Treaty Nations' rights and uncertainties relating to the application of the *United Nations Declaration on the Rights of Indigenous Peoples* to the laws in Canadian jurisdictions;
- risks related to increases in demand for exploration, development and construction services equipment, and related cost increases;
- increased competition in the mining industry;
- our need to attract and retain qualified management and personnel;
- risks related to conflicts of interest due to some of our directors' and officers' involvement with other natural resource companies;
- our classification as a "passive foreign investment company" under the United States tax code;
- risks associated with impacts from the reaction to and measures taken to address the spread of the COVID-19 virus;
- risks surrounding an audit with the use of information technology systems and cybersecurity;
- uncertainty surrounding an audit by the Canada Revenue Agency (" **CRA**") of Canadian exploration expenses incurred by the Issuer during the 2014, 2015 and 2016 financial years which the Issuer has renounced to subscribers of flow-through share offerings and the CRA's decision to reduce such renunciations to such subscribers; and
- the reassessment by the CRA of the Issuer's refund claim for the 2010 and 2011 financial years in respect of the British Columbia Mining Exploration Tax Credit.

This list is not exhaustive of the factors that may affect any of our forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in our AIF attached hereto as Exhibit 99.1 under the heading "Risk Factors" and elsewhere in the AIF, and in the documents incorporated by reference in this Form 40-F and the AIF. In addition, although we have attempted to identify important factors that could cause actual achievements, events or conditions to differ materially from those identified in the forward-looking statements, there may be other factors that cause achievements, events or conditions not to be as anticipated, estimated or intended. It is also noted that while we engage in exploration and development of our properties, we will not undertake production activities by ourselves.

These forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made and we do not assume any obligation to update forward-looking statements, except as required by applicable securities laws, if circumstances or management's beliefs, expectations or opinions should change. For the reasons set forth above, persons should not place undue reliance on forward-looking statements.

CURRENCY

Unless otherwise indicated, all dollar amounts in this Form 40-F are in Canadian dollars.

NOTE TO UNITED STATES READERS-
DIFFERENCES IN UNITED STATES AND CANADIAN REPORTING PRACTICES

We are permitted under the multi-jurisdictional disclosure system adopted by the United States Securities and Exchange Commission (the "SEC"), to prepare this Form 40-F in accordance with Canadian disclosure requirements, which differ from those of the SEC. We have prepared our financial statements, which are filed as Exhibit 99.2 to this Form 40-F, in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board, and they are not comparable with financial statements of U.S. and other companies prepared in accordance with U.S. generally accepted accounting principles.

RESOURCE AND RESERVE ESTIMATES

We prepared the AIF for the fiscal year ended December 31, 2019 attached as Exhibit 99.1 to this Form 40-F and incorporated by reference herein in accordance with the requirements of Canadian securities laws, which differ from the requirements of U.S. securities laws. Unless otherwise indicated, all Mineral Reserve and Mineral Resource estimates contained in or incorporated by reference in this Form 40-F have been prepared in accordance with Canadian National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") and the Canadian Institute of Mining Metallurgy and Petroleum (the "CIM") Classification System "Standards on Mineral Resources and Mineral Reserves", adopted by the CIM Council, as amended. NI 43-101 is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. These standards differ significantly from the requirements of the SEC, including Industry Guide 7 issued by the SEC. Mineral Resource information contained herein and incorporated by reference herein may not be comparable to similar information disclosed by U.S. companies.

Without limiting the foregoing, this Form 40-F, including the documents incorporated by reference herein, uses the terms "measured", "indicated" and "inferred" resources. U.S. investors are cautioned that, while such terms are recognized and required by Canadian securities laws, the SEC does not recognize them. Under U.S. standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. U.S. investors are cautioned not to assume that all or any part of measured or indicated resources will ever be converted into reserves.

U.S. investors should also understand that "inferred resources" have a great amount of uncertainty as to their existence and great uncertainty as to their economic and legal feasibility. It cannot be assumed that all or any part of the "inferred resources" exist, are economically or legally mineable or will ever be upgraded to a higher category. Therefore, U.S. investors are also cautioned not to assume that all or any part of the inferred resources exist, or that they can be mined legally or economically. Disclosure of "contained ounces" in a mineral resource is permitted disclosure under Canadian regulations; however, the SEC normally only permits issuers to report "resources" as in place tonnage and grade without reference to unit measures. Accordingly, information concerning descriptions of mineralization and resources contained in the AIF, or in the documents incorporated by reference to this Form 40-F and the AIF, may not be comparable to information made public by U.S. companies subject to the reporting and disclosure requirements of the SEC.

DISCLOSURE CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

At the end of the period covered by this annual report on Form 40-F, an evaluation was carried out under the supervision of, and with the participation of our management, including the Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO"), of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rule 13a-15(e) and Rule 15d-15(e) under the Exchange Act). Based on that evaluation, the CEO and the CFO have concluded that as of the end of the period covered by this annual report, our disclosure controls and procedures were adequately designed and effective in ensuring that: (i) information required to be disclosed by us in reports that we file or submit to the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in applicable SEC rules and forms and (ii) material information required to be disclosed in our reports filed under the Exchange Act is accumulated and communicated to our management, including the CEO and the CFO, as appropriate, to allow for accurate and timely decisions regarding required disclosure.

Management's Annual Report on Internal Control over Financial Reporting

For management's report on internal control over financial reporting, see "Internal Controls over Financial Reporting" in our MD&A attached as Exhibit 99.3 to this annual report on Form 40-F and incorporated by reference herein.

Attestation Report of the Independent Registered Public Accounting Firm

Our independent registered public accounting firm has issued an attestation report on our internal control over financial reporting as of December 31, 2019, which immediately precedes the audited consolidated financial statements included as part of Exhibit 99.2 to this annual report on Form 40-F and incorporated by reference herein.

Changes in Internal Controls over Financial Reporting

During the fiscal year ended December 31, 2019, no changes occurred in our internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Certifications

See Exhibits 31.1, 31.2, 32.1 and 32.2 to this Form 40-F.

CORPORATE GOVERNANCE

We are subject to a variety of corporate governance guidelines and requirements of the Toronto Stock Exchange, the NYSE (the "NYSE"), the Canadian Securities Administrators and the SEC. We believe that we meet or exceed the applicable corporate governance requirements. According to the NYSE Rules, a listed company must adopt and disclose a set of corporate governance guidelines with respect to specified topics. Such guidelines are required to be posted on the registrant's website. Although we are listed on the NYSE, we are not required to comply with all of that exchange's corporate governance rules which are applicable to U.S. corporations. The significant ways in which the NYSE governance rules differ for us, as a foreign company, are a reduced quorum requirement for shareholder meetings, shareholder approval for issuance of common shares that could result in a 20% increase in the number of outstanding common shares and shareholder approval of certain compensation plans. The guidelines are available for viewing on our website at http://seabridgegold.net/pdf/ManCorpPolPrac.pdf and are available without charge in print to any shareholder who requests them. Requests for copies of the guidelines should be made to the Secretary of our company at 106 Front Street East, Suite 400, Toronto, Ontario, Canada M5A 1E1, Telephone (416) 367-9292.

We review our governance practices and monitor developments in Canada and the United States on an on-going basis to ensure we remain in compliance with applicable rules and standards. The Board is committed to sound corporate governance practices which are both in the interest of our shareholders and contribute to effective and efficient decision making.

AUDIT COMMITTEE

Audit Committee

The Board has a separately designated standing Audit Committee established in accordance with Section 3(a)(58)(A) of the Exchange Act. The members of our Audit Committee are identified under the heading "Audit Committee Information" in the AIF which is attached as Exhibit 99.1 to this annual report on Form 40-F and incorporated by reference herein. In the opinion of the Board, all members of the Audit Committee are financially literate and independent, as such terms are defined by the NYSE's corporate governance listing standards applicable to us and as determined by Rule 10A-3 under the Exchange Act.

Audit Committee Financial Expert

The Board has determined that Mr. Richard Kraus, Chairman of the Audit Committee, has the necessary qualifications to be designated as an "audit committee financial expert" within the meaning of applicable SEC Rules and is an "independent director", as defined pursuant to Item 407(d)(5) of SEC Regulation S-K and Section 303A.02 of the New York Stock Exchange Listed Company Manual. Mr. Kraus is a Certified Public Accountant and an accomplished business leader with a broad range of experience as an investor, board director, senior executive and business consultant across multiple industries with an emphasis on mining and natural resources. From 1981-1997 he served in various senior executive roles (including CEO, COO and CFO) of Echo Bay Mines, a major gold mining company that was acquired by Kinross Gold Corporation in 2003. Mr. Kraus is currently Executive Chairman of The RMH Group, Inc., a privately owned engineering consulting firm with more than 100 employees. He is a graduate of LaSalle University where he earned his degree in Business Administration. The SEC has indicated that the designation of an audit committee financial expert does not make that person an "expert" for any purpose, impose any duties, obligations, or liability on that person that are greater than those imposed on members of the audit committee and board of directors who do not carry this designation, or affect the duties, obligations, or liabilities of any other member of the audit committee or board of directors.

Audit Committee Charter

Our Audit Committee Charter is available on our website at *http://www.seabridgegold.net/governance.php*, and is provided in Schedule A to the AIF, which is attached as Exhibit 99.1 to this annual report on Form 40-F and incorporated by reference herein. The Charter also is available in print to any shareholder that provides us with a written request. Requests for copies should be made to the Secretary of our company at 106 Front Street East, Suite 400, Toronto, Ontario, Canada M5A 1E1, Telephone (416) 367-9292.

PRINCIPAL ACCOUNTING FEES AND SERVICES – INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

KPMG LLP acted as our independent registered public accounting firm for the fiscal years ended December 31, 2019 and 2018. For a description of the total amount billed by KPMG LLP to us for services performed in the last two fiscal years by category of service (audit fees, audit-related fees, tax fees and all other fees), see Item 9 "Audit Committee Information - External Auditor Service Fees (by Category)" in the AIF, which is attached as Exhibit 99.1 to this Form 40-F and incorporated by reference herein.

AUDIT COMMITTEE PRE-APPROVAL POLICIES AND PROCEDURES

For a description of our pre-approval policies and procedures related to the provision of non-audit services, see Item 9 “Audit Committee Information- Pre-Approval of Audit and Non-Audit Services Provided by Independent Auditors” in the AIF, which is attached as Exhibit 99.1 to this Form 40-F and incorporated by reference herein.

OFF-BALANCE SHEET ARRANGEMENTS

We do not have any off-balance sheet financing arrangements or relationships with unconsolidated special purpose entities.

CODE OF BUSINESS ETHICS

We have adopted a Code of Business Ethics (the “Code”) covering our executive officers and directors. The Code is available on our website at http://seabridgegold.net/pdf/ManCorpPolPrac.pdf and from our office at the address listed on the cover of this Form 40-F.

All amendments and all waivers of the Code to the officers covered by it will be posted on our website, furnished to the SEC as required, and provided to any shareholder who requests them. During the fiscal year ended December 31, 2019, we did not grant any waiver, including an implicit waiver, from a provision of the Code to any executive officer or director.

CONTRACTUAL OBLIGATIONS

The required disclosure is included under the heading “Contractual Obligations” in our MD&A attached as Exhibit 99.3 to this annual report on Form 40-F and incorporated by reference herein. Amounts shown for mining leases include estimates of option payments, mineral lease payments, work commitments and tax levies that are required to maintain our interest in the mineral projects.

MINE SAFETY DISCLOSURE

Pursuant to Section 1503(a) of the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, issuers that are operators, or that have a subsidiary that is an operator, of a coal or other mine in the United States are required to disclose in their periodic reports filed with the SEC information regarding specified health and safety violations, orders and citations, related assessments and legal actions, and mining-related fatalities under the regulation of the Federal Mine safety and Health Administration under the Federal Mine Safety and Health Act of 1977. During the fiscal year ended December 31, 2019, we were not an operator, of a coal or other mine in the United States.

NOTICES PURSUANT TO REGULATION BTR

We did not send any notices required by Rule 104 of Regulation BTR during the fiscal year ended December 31, 2019 concerning any equity security subject to a blackout period under Rule 101 of Regulation BTR.

ADDITIONAL INFORMATION

Additional information relating to us, including the Audited Financial Statements, the MD&A and the AIF, can be found on SEDAR at www.sedar.com, on the SEC website at www.sec.gov, or on our website at *www.seabridgegold.net*. Shareholders may also contact the Secretary of our company by phone at (416) 367-9292 or by e-mail at info@seabridgegold.net to request copies of these documents and this annual report on Form 40-F.

CONTACTING THE BOARD

Shareholders, employees and other interested parties may communicate directly with the Board by:

- writing to: Rudi Fronk
  Chairman and CEO
  Seabridge Gold, Inc.
  106 Front Street, East, 4th Floor
  Toronto, Ontario, Canada M5A 1E1
- calling: (416) 367-9292
- emailing: rudi@seabridgegold.net

UNDERTAKING AND CONSENT TO SERVICE OF PROCESS

A. Undertaking

We undertake to make available, in person or by telephone, representatives to respond to inquiries made by the SEC staff, and to furnish promptly, when requested to do so by the SEC staff, information relating to: the securities registered pursuant to Form 40-F; the securities in relation to which the obligation to file an annual report on Form 40-F arises; or transactions in said securities.

B. Consent to Service of Process

We have previously filed with the SEC a written consent to service of process and power of attorney on Form F-X. Any change to the name or address of our agent for service shall be communicated promptly to the SEC by amendment to the Form F-X referencing our file number.

SIGNATURES

Pursuant to the requirements of the Exchange Act, the Registrant certifies that it meets all of the requirements for filing on Form 40-F and has duly caused this annual report to be signed on its behalf by the undersigned, thereto duly authorized.

Seabridge Gold Inc.

By: /s/ Rudi P. Fronk
Rudi P. Fronk
Chairman and Chief Executive Officer

Date: March 27, 2020

EXHIBITS

Consents

23.1	Consent of KPMG LLP, Independent Registered Public Accounting Firm
23.2(a)	Consent of Tetra Tech Inc. and John Huang
23.2(b)	Consent of Tetra Tech Inc. and Sabry Abdel Hafez
23.2(c)	Consent of Tetra Tech Inc. and Hassan Ghaffari and Kevin Jones
23.2(d)	Consent of Tetra Tech Inc. and Nigel Goldup
23.3	Consent of Moose Mountain Technical Services and J. H. Gray
23.4	Consent of W.N. Brazier Associates Inc. and Neil Brazier
23.5	Consent of ERM Consultants Canada Ltd. and Rolf Schmitt
23.6	Consent of Klohn Crippen Berger Ltd. and J. Graham Parkinson
23.7	Consent of Resource Modeling Inc. and Michael Lechner
23.8	Consent of McElhanney Consulting Services Ltd. and Robert W. Parolin
23.9	Consent of BGC Engineering Inc. and Derek Kinakin
23.10(a)	Consent of Golder Associates Ltd. and Ross D. Hammett
23.10(b)	Consent of Golder Associates Ltd. and Albert Victor Chance
23.11	Consent of Wood Canada Limited and Greg Gosson
23.12	Consent of SRK Consulting (Canada) Inc. and Stephen Day*
23.13	Consent of William Threlkeld

Certifications

31.1	Certification of Chief Executive Officer required by Rule 13a-14(a) or Rule 15d-14(a), pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2	Certification of Chief Financial Officer required by Rule 13a-14(a) or Rule 15d-14(a), pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002

Annual Information

99.1	Annual Information Form for the year ended December 31, 2019
99.2	Audited Financial Statements for the year ended December 31, 2019
99.3	Management's Discussion and Analysis for the year ended December 31, 2019
101.INS	XBRL Instance Document
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* To be filed by amendment.

Exhibit 23.1

KPMG LLP
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, ON M5H 2S5
Canada
Tel 416-777-8500
Fax 416-777-8818

Consent of Independent Registered Public Accounting Firm

The Board of Directors of Seabridge Gold Inc.

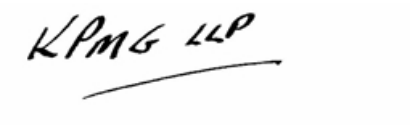
We consent to the inclusion in this annual report on Form 40-F of:

- our Report of Independent Registered Public Accounting Firm dated March 26, 2020, addressed to the shareholders and directors of Seabridge Gold Inc. (the "Company"), on the consolidated financial statements of the Company comprising of the consolidated statements of financial position of the Company as at December 31, 2019 and 2018, the related consolidated statements of operations and comprehensive loss, changes in shareholder's equity and cash flows for each of the years then ended, and the related notes; and

- our Report of Independent Registered Public Accounting Firm dated March 26, 2020 on the effectiveness of internal control over financial reporting as of December 31, 2019,

each of which is contained in this annual report on Form 40-F of the Company for the fiscal year ended December 31, 2019.

We also consent to the incorporation by reference of such reports in the Registration Statement No. 333-229373 on Form F-10 and the Registration Statement No. 333-211331 on Form S-8 of the Company.



Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada
March 27, 2020

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.KPMG Canada provides services to KPMG LLP.

Exhibit 23.2(a)

Tetra Tech Inc.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following reports:

- Courageous Lake Prefeasibility Study dated as of September 5, 2012 and revised and reissued November 11, 2014
- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (collectively, the "**Reports**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Jianhui (John) Huang, Ph.D., P.Eng., on behalf of myself and Tetra Tech Inc., hereby:

1. consent to the public filing of the Reports and the use of any extracts from or a summary of the Reports in the 40-F;
2. consent to the use of my name and Tetra Tech Inc.'s name and references to the Reports, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Reports in the 40-F;
3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Reports for which I am responsible; and'
4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Reports or that are within my knowledge as a result of the services performed by me in connection with the Reports.

Yours truly,

/s/ Jianhui (John) Huang
Jianhui (John) Huang, Ph.D., P.Eng.

Exhibit 23.2(b)

Tetra Tech Inc.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following report:

- Courageous Lake Prefeasibility Study dated as of September 5, 2012 and revised and reissued November 11, 2014 (the " **Report**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Sabry Abdel Hafez, Ph.D., P.Eng., on behalf of myself and Tetra Tech Inc., hereby:

1. consent to the public filing of the Report and the use of any extracts from or a summary of the Reports in the 40-F;

2. consent to the use of my name and Tetra Tech Inc.'s name and references to the Reports, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Report in the 40-F;

3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Report for which I am responsible; and

4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Report or that are within my knowledge as a result of the services performed by me in connection with the Report.

Yours truly,

/s/ Sabry Abdel Hafez
Sabry Abdel Hafez, Ph.D., P.Eng.

Exhibit 23.2(c)

Tetra Tech Inc.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following reports:

- Courageous Lake Prefeasibility Study dated as of September 5, 2012 and revised and reissued November 11, 2014
- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016

(collectively the "**Reports**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Hassan Ghaffari, P.Eng., on behalf of myself and Tetra Tech Inc., hereby:

1. consent to the public filing of the Reports and the use of any extracts from or a summary of the Reports in the 40-F;
2. consent to the use of my name and Tetra Tech Inc.'s name and references to the Reports, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Reports in the 40-F;
3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Reports for which I am responsible; and
4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Reports or that are within my knowledge as a result of the services performed by me and Kevin Jones in connection with the Report

Yours truly,

/s/ Hassan Ghaffari
Hassan Ghaffari, P.Eng.

Exhibit 23.2(d)

Tetra Tech Inc.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following report:

- Courageous Lake Prefeasibility Study dated as of September 5, 2012 and revised and reissued November 11, 2014 (the " **Report**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Nigel Goldup, P.Eng., on behalf of myself and Tetra Tech Inc., hereby:

1. consent to the public filing of the Report and the use of any extracts from or a summary of the Report in the 40-F;

2. consent to the use of my name and Tetra Tech Inc.'s name and references to the Report, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Report in the 40-F;

3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Report for which I am responsible; and

4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Report or that are within my knowledge as a result of the services performed by me in connection with the Report.

Yours truly,

/s/ Nigel Goldup
Nigel Goldup, P.Eng.

Exhibit 23.3

Moose Mountain Technical Services

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following reports:

- Courageous Lake Prefeasibility Study dated as of September 5, 2012 and revised and reissued November 11, 2014
- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (collectively, the "**Reports**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, James H. Gray, P.Eng., on behalf of myself and Moose Mountain Technical Services, hereby:

1. consent to the public filing of the Reports and the use of any extracts from or a summary of the Reports in the 40-F;
2. consent to the use of my name and Moose Mountain Technical Services' name and references to the Reports, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Reports in the 40-F;
3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Reports for which I am responsible; and
4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Reports or that are within my knowledge as a result of the services performed by me in connection with the Reports.

Yours truly,

/s/ James H. Gray
James H. Gray, P.Eng.

Exhibit 23.4

W.N. Brazier Associates Inc.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following reports:

- Courageous Lake Prefeasibility Study dated as of September 5, 2012 and revised and reissued November 11, 2014
- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (collectively, the "**Reports**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Neil Brazier, P.Eng., on behalf of myself and W.N. Brazier Associates Inc., hereby:

1. consent to the public filing of the Reports and the use of any extracts from or a summary of the Reports in the 40-F;
2. consent to the use of my name and W.N. Brazier Associates Inc.'s name and references to the Reports, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Reports in the 40-F;
3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Reports for which I am responsible; and
4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Reports or that are within my knowledge as a result of the services performed by me in connection with the Reports.

Yours truly,

/s/ Neil Brazier
Neil Brazier, P.Eng.

Exhibit 23.5

ERM Consultants Canada Ltd.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following reports:

- Courageous Lake Prefeasibility Study dated as of September 5, 2012 and revised and reissued November 11, 2014
- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (collectively, the "**Reports**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Rolf Schmitt, M.Sc., P.Geo, on behalf of myself, Pierre Pelletier, P.Eng and ERM Consultants Canada Ltd., hereby:

1. consent to the public filing of the Reports and the use of any extracts from or a summary of the Reports in the 40-F;
2. consent to the use of my name, the name of Pierre Pelletier, P.Eng. and ERM Consultants Canada Ltd.'s name and references to the Reports, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Reports in the 40-F;
3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Reports for which I am responsible; and
4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Reports or that are within my knowledge as a result of the services performed by me in connection with the Reports.

Yours truly,

/s/ Rolf Schmitt
Rolf Schmitt, M.Sc., P.Geo

Exhibit 23.6

Klohn Crippen Berger Ltd.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following report:

- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (the "**Report**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, J. Graham Parkinson, P.Geo., on behalf of myself and Klohn Crippen Berger Ltd., hereby:

1. consent to the public filing of the Report and the use of any extracts from or a summary of the Report in the 40-F;

2. consent to the use of my name and Klohn Crippen Berger Ltd.'s name and references to the Report, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Report in the 40-F;

3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Report for which I am responsible; and

4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Report or that are within my knowledge as a result of the services performed by me in connection with the Report.

Yours truly,

/s/ J. Graham Parkinson

J. Graham Parkinson, P.Geo.

Exhibit 23.7

Resource Modeling Inc.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following reports:

- Courageous Lake Prefeasibility Study dated as of September 5, 2012 and revised and reissued November 11, 2014
- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (collectively, the "**Reports**").

Reference is also made to the disclosure in the 40-F (defined below) regarding the following resource estimates:

- updated Deep Kerr inferred resource estimate as of February, 2017
- new resource estimate at Iron Cap as at March 12, 2019
- inferred resource estimate for Walsh Lake as of March, 2014
(such disclosure collectively, the "**Estimates**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Michael J. Lechner, P.Geo., RPG, CPG, on behalf of myself and Resource Modeling Inc., hereby:

1. consent to the public filing of the Reports and the Estimates and the use of any extracts from or a summary of the Reports in the 40-F;
2. consent to the use of my name and Resource Modeling Inc.'s name and to the:
   (a) the references to the Reports, or portions thereof, in the 40-F and inclusion or incorporation by reference of information derived from the Reports; and
   (b) the inclusion of the Estimates, in the 40-F;
3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Reports for which I am responsible; and
4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Reports or the Estimates or that are within my knowledge as a result of the services performed by me in connection with the Reports and the Estimates.

Yours truly,

/s/ Michael J. Lechner
Michael J. Lechner, P.Geo., RPG, CPG

Exhibit 23.8

McElhanney Consulting Services Ltd.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following report:

- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (the "**Report**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Robert. W. Parolin, P.Eng., on behalf of myself and McElhanney Consulting Services Ltd., hereby:

1. consent to the public filing of the Report and the use of any extracts from or a summary of the Report in the 40-F;

2. consent to the use of my name and McElhanney Consulting Services Ltd.'s name and references to the Report, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Report in the 40-F;

3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Report for which I am responsible; and

4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Report or that are within my knowledge as a result of the services performed by me in connection with the Report.

Yours truly,

/s/ Robert. W. Parolin
Robert. W. Parolin, P.Eng.

Exhibit 23.9

BGC Engineering Inc.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following report:

- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (the "**Report**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Derek Kinakin, M.Sc., P.Geo., P.G., on behalf of myself and BGC Engineering Inc., hereby:

1. consent to the public filing of the Report and the use of any extracts from or a summary of the Report in the 40-F;

2. consent to the use of my name and BGC Engineering Inc.'s name and references to the Report, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Report in the 40-F;

3. confirm that I have read the 40-F and that it fairly and accurately represents the information in the sections of the Report for which I am responsible; and

4. confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the Report or that are within my knowledge as a result of the services performed by me in connection with the Report.

Yours truly,

/s/ Derek Kinakin

Derek Kinakin, M.Sc., P.Geo., P.G.

Exhibit 23.10(a)

Golder Associates Ltd.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following report:

- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (the "**Report**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Ross Hammett, Ph.D., P.Eng., on behalf of myself and Golder Associates Ltd., hereby:

1. consent to the public filing of the Report and the use of any extracts from or a summary of the Report in the 40-F;

2. consent to the use of my name and Golder Associates Ltd.'s name and references to the Report, or portions thereof, in the 40-F and to the inclusion or incorporation by reference of information derived from the Report in the 40-F;

Yours truly,

/s/ Ross Hammett
Ross Hammett, Ph.D., P.Eng.

Exhibit 23.10(b)

Golder Associates Ltd.

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following report:

- Courageous Lake Prefeasibility Study dated as of September 5, 2012 and revised and reissued November 11, 2014 (the " **Report**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Albert Victor Chance, P.Eng., hereby consent to the quotations or summary of the portions prepared by me of the Report in the 40-F; and the use and public filing of such quotations or summary in the 40-F.

Yours truly,

/s/ Albert Victor Chance

Albert Victor Chance, P.Eng.

Exhibit 23.11

Wood Canada Limited, formerly known as Amec Foster Wheeler Americas Limited

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

Reference is made to the following report:

- 2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment dated October 6, 2016 (the "**Report**")

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, Greg Gosson, the undersigned, on behalf of Wood Canada Limited, formerly known as Amec Foster Wheeler Americas Limited (Wood), hereby:

1. consent to the use of any extracts from or a summary of content prepared by Wood from the Report in the 40-F;

2. consent to the use of Wood's name and references to the Report, or portions thereof prepared by Wood, in the 40-F and to the inclusion or incorporation by reference of information derived from content prepared by Wood from the Report in the 40-F.

Yours truly,

/s/ Greg Gosson

Greg Gosson, Manager, Consulting Canada
Wood Canada Limited

Exhibit 23.13

March 27, 2020

TO: Seabridge Gold Inc.
United States Securities and Exchange Commission

Re: Seabridge Gold Inc. (the "Company")
Consent of Expert

Ladies and Gentlemen:

In connection with the Company's Annual Report on Form 40-F (the "40-F"), to be filed with the U.S. Securities and Exchange Commission ("SEC") pursuant to the Securities Exchange Act of 1934, as amended, I, William Threlkeld, the Senior Vice President, Exploration of the Company and a Registered Professional Geologist, consent to the use of my name and authorize the use of the information represented in the 40-F as having been prepared by or under my supervision.

I confirm that I have read the 40-F and have no reason to believe that there are any misrepresentations in the information contained therein that are derived from the information represented in the 40-F as having been prepared by me or under my supervision or within my knowledge as a result of the services performed by me in connection with such information.

Yours truly,

/s/ William Threlkeld
William Threlkeld, P.Geo

Exhibit 31.1

CERTIFICATIONS PURSUANT TO SECTION 302
OF
THE SARBANES-OXLEY ACT OF 2002

I, Rudi P. Fronk, Chairman and CEO, certify that:

1. I have reviewed this Annual Report on Form 40-F of Seabridge Gold Inc. (the "Issuer"):

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Issuer as of, and for, the periods presented in this report;

4. The Issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Issuer and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the Issuer's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

   d) Disclosed in this annual report any change in the Issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Issuer's internal control over financial reporting; and

5. The Issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Issuer's auditors and the audit committee of the Issuer's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Issuer's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Issuer's internal control over financial reporting.

Date: March 27, 2020

By: /s/ Rudi P. Fronk
Rudi P. Fronk
Chairman and CEO

Exhibit 31.2

CERTIFICATIONS PURSUANT TO SECTION 272
OF
THE SARBANES-OXLEY ACT OF 2002

I, Christopher J. Reynolds, VP Finance and CFO, certify that:

1. I have reviewed this Annual Report on Form 40-F of Seabridge Gold Inc. (the "Issuer"):

2. Based on my knowledge, this annual report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this annual report, fairly present in all material respects the financial condition, results of operations and cash flows of the Issuer as of, and for, the periods presented in this report;

4. The Issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the Issuer and have:

   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Issuer, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this annual report is being prepared;

   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c) Evaluated the effectiveness of the Issuer's disclosure controls and procedures and presented in this annual report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this annual report based on such evaluation; and

   d) Disclosed in this annual report any change in the Issuer's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the Issuer's internal control over financial reporting; and

5. The Issuer's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the Issuer's auditors and the audit committee of the Issuer's board of directors (or persons performing the equivalent functions):

   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the Issuer's ability to record, process, summarize and report financial information; and

   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Issuer's internal control over financial reporting.

Date: March 27, 2020

By: /s/ Christopher J. Reynolds
Christopher J. Reynolds
VP Finance and CFO

Exhibit 32.1

CERTIFICATION PURSUANT TO 18 U.S.C. §1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Annual Report of Seabridge Gold Inc. (the "Company") on Form 40-F for the period ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Annual Report"), I, Rudi P. Fronk, Chief Executive Officer of the Company, certify, pursuant to U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 27, 2020

By: /s/ Rudi P. Fronk
Rudi P. Fronk
Chief Executive Officer

This certification accompanies the Annual Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and may not be used or relied upon for any other purpose including Section 18 of the Securities Exchange Act of 1934.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

CERTIFICATION PURSUANT TO 18 U.S.C. §1350, AS ADOPTED PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this Annual Report of Seabridge Gold Inc. (the "Company") on Form 40-F for the period ended December 31, 2019, as filed with the Securities and Exchange Commission on the date hereof (the "Annual Report"), I, Christopher J. Reynolds, Vice President Finance and Chief Financial Officer of the Company, certify, pursuant to U.S.C. §1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Annual Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in this Annual Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 27, 2020

By: /s/ Christopher J. Reynolds
Christopher J. Reynolds
Vice President Finance and CFO

This certification accompanies the Annual Report pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 and may not be used or relied upon for any other purpose including Section 18 of the Securities Exchange Act of 1934.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 99.1

ANNUAL INFORMATION FORM

FOR THE YEAR ENDED
DECEMBER 31, 2019

DATED MARCH 27, 2020

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PRELIMINARY NOTES

Date of Information

The information in this Annual Information Form ("**AIF**") is presented as of December 31, 2019 unless specified otherwise.

Reporting Currency

All dollar amounts are expressed in Canadian dollars unless otherwise indicated. The Issuer's quarterly and annual financial statements are presented in Canadian dollars.

Units of Measure

In this AIF a combination of Imperial and metric measures are used with respect to the Issuer's mineral properties. Conversion rates from Imperial measure to metric and from metric to Imperial are provided below:

Imperial Measure = Metric Unit		**Metric Measure = Imperial Unit**	
2.47 acres	1 hectare (h)	0.4047 hectares	1 acre
3.28 feet	1 meter (m)	0.3048 meters	1 foot
0.62 miles	1 kilometer (km)	1.609 kilometers	1 mile
0.032 ounces (troy) (oz)	1 gram (g)	31.1035 grams	1 ounce (troy)
1.102 tons (short)	1 tonne (t)	0.907 tonnes	1 ton
0.029 ounces (troy)/ton	1 gram/tonne (g/t)	34.28 grams/tonne	1 ounce (troy/ton)

Abbreviations of unit measures are used in this AIF in addition to those in brackets in the table above as follows:

Bt - Billion tonnes	Ga – Giga-annum	kWh - Kilowatt hours	Mlb - Million pounds
Mm^3 - Million cubic meters	Moz - Million ounces	m/s - Meters per second	Mt - Million tonnes
MWh - Megawatt hours	ppm - Parts per million	tpd – tonnes per day	W/m^2- Watt per square meter

See "Glossary of Technical Terms" for a description of some important technical terms used in this AIF.

National Instrument 43-101 – *Standards of Disclosure for Mineral Projects* ("**NI 43-101**") is a rule developed by the Canadian Securities Administrators that establishes standards for all public disclosure an issuer makes of scientific and technical information concerning mineral projects. Unless otherwise indicated, all resource and reserve estimates contained in or incorporated by reference in this AIF have been prepared in accordance with NI 43-101 and the guidelines set out in the Canadian Institute of Mining, Metallurgy and Petroleum (the "**CIM**") Standards on Mineral Resource and the Mineral Reserves, adopted by the CIM Council (the "**CIM Standards**").

United States investors are cautioned that the requirements and terminology of NI 43-101 and the CIM Standards differ significantly from the requirements of the SEC, including Industry Guide 7 under the US Securities Act of 1933. Accordingly, the Issuer's disclosures regarding mineralization may not be comparable to similar information disclosed by companies subject to the SEC's Industry Guide 7. Without limiting the foregoing, while the terms "measured resources", "indicated resources" and "inferred resources" are recognized and required by Canadian securities laws, they are not recognized by the SEC and are not permitted to be used in documents filed with the SEC by companies subject to Industry Guide 7. Under U.S. Standards, mineralization may not be classified as a "reserve" unless the determination has been made that the mineralization could be economically and legally produced or extracted at the time the reserve determination is made. Mineral resources which are not mineral reserves do not have demonstrated economic viability and investors are cautioned not to assume that all or any part of a mineral resource will ever be converted into reserves.

U.S. investors should also understand that "inferred resources" are based on limited geologic evidence and sampling and have great uncertainty as to their economic and legal feasibility. Although it is reasonably expected that the majority of "inferred resources" could be upgraded to "indicated resources" with continued exploration, U.S. investors are also cautioned not to assume that all or any part of an "inferred resource" exists, is economically mineable or will ever be upgraded to a higher category. Disclosure of "contained ounces" in a mineral resource is permitted disclosure under Canadian regulations. In contrast, under U.S. rules, companies are normally only permitted to report "resources" as in place tonnage and grade without reference to unit measures.

Seabridge Gold Inc.

ANNUAL INFORMATION FORM

ITEM 1: CORPORATE STRUCTURE

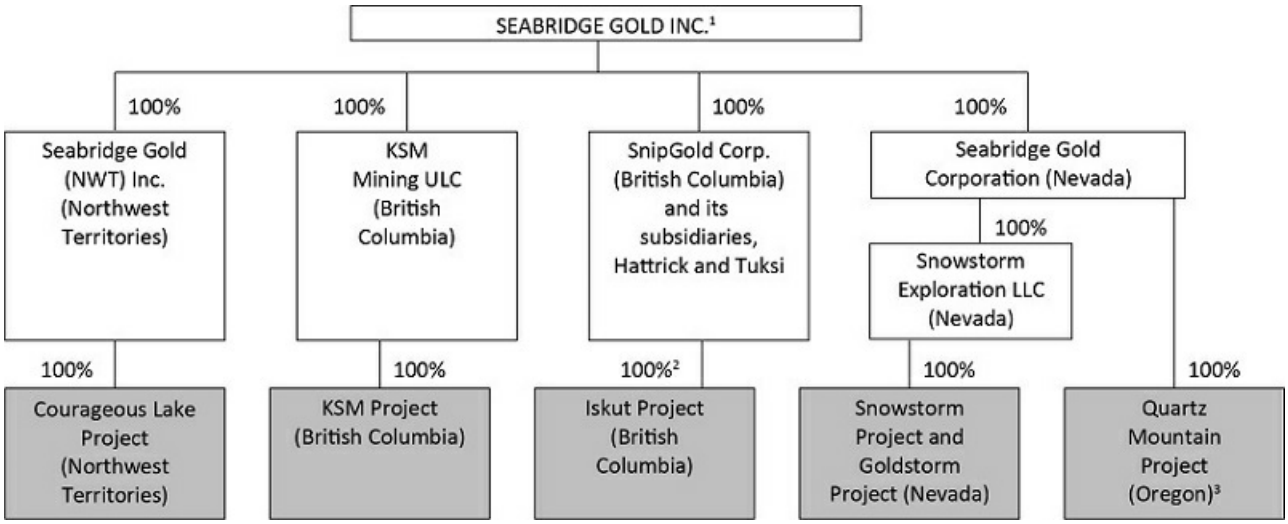
Incorporation of the Issuer

Seabridge Gold Inc. (the **"Issuer"** or **"Seabridge"**) was incorporated under the *Company Act* (British Columbia) on September 14, 1979 under the name of Chopper Mines Ltd., which was subsequently changed to Dragoon Resources Ltd. on November 9, 1984, and then changed again to Seabridge Resources Inc. on May 20, 1998. On June 20, 2002, the Issuer changed its name to "Seabridge Gold Inc." and on October 31, 2002, the Issuer was continued under the *Canada Business Corporations Act*.

The Issuer's corporate offices are located at 106 Front Street East, 4 th Floor, Toronto, Ontario, Canada M5A 1E1. The Issuer's telephone number is (416) 367-9292. The Issuer's Shares are currently listed for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "SEA" and on the New York Stock Exchange (the **"NYSE"**) under the symbol "SA". The Issuer's registered office is located at 10 th Floor, 595 Howe Street, Vancouver, British Columbia, Canada V6C 2T5.

Incorporate Relationships

The Issuer presently has ten wholly-owned subsidiaries: KSM Mining ULC, Seabridge Gold (KSM) Inc., SnipGold Corp., Hattrick Resources Corp. ("**Hattrick**") and Tuksi Mining & Development Company Ltd. (" **Tuksi**"), companies incorporated under the laws of British Columbia, Canada; Seabridge Gold (NWT) Inc., a company incorporated under the laws of the Northwest Territories of Canada; and Seabridge Gold Corporation, Pacific Intermountain Gold, Corporation, 5555 Gold Inc. and 555 Silver Inc., each Nevada Corporations. The following diagram illustrates the inter-corporate relationship between the Issuer, its active subsidiaries and its projects as of December 31, 2019.



Notes: 1. Certain of the Issuer's subsidiaries have been omitted from the diagram above as they own no property.
2. Snipgold, through one of its subsidiaries, owns 95% of certain of the claims.
3. The Issuer has entered into option agreements under which a 100% interest in the Quartz Mountain Project may be acquired by a third party.

ITEM 2: GENERAL DEVELOPMENT OF THE BUSINESS

Overview

Since 1999, Seabridge has taken steps to achieve its goal of providing strong returns to shareholders by maximizing leverage to the price of gold. The Issuer's strategy to achieve this goal is to optimize gold ownership per Common share by increasing gold resources more rapidly than shares outstanding. This ratio of gold ownership per Common share has provided a simple but effective measure for evaluating dollars spent on behalf of shareholders.

In 1999, management decided that Seabridge's strategic focus would be on acquiring, exploring and advancing gold deposits. Seabridge determined it would not build or operate mines, but that it would look to partner or sell assets that were advancing toward production. In the Issuer's view, building mines adds considerable technical and financial risks and requires a different set of skills and resources. Seabridge also decided it would focus on exploration projects with known gold deposits but exploration upside to reduce risk in terms of trying to achieve a growing ratio of gold ownership per Common share. The Issuer therefore narrowed the activities it would undertake to the following three phases, which phases it planned to progress through in the order set forth and in response to increases in the price of gold: (i) acquiring known gold deposits, (ii) expanding the deposits, and (iii) advancing its deposits towards a construction decision by defining the economic parameters of the deposits through engineering studies, upgrading mineral resources to reserves, securing permits for undertaking mining operations and building relationships with local communities and aboriginal groups. The Issuer believed this was a relatively lower-risk and less capital-intensive strategy consistent with the goal of optimizing gold ownership per Common share.

In 1999, Seabridge set out to buy gold deposits in North America that were not economic in a low gold price environment. North America was selected as the preferred jurisdiction because of its established mineral tenure and permitting procedures, political stability and infrastructure advantages. At that time, many projects were for sale at distressed prices as producers struggled to stay in business. Seabridge decided it would acquire projects with three main characteristics:

1. Proven resources with quality work done by reputable companies;
2. Upside exploration potential; and
3. Low holding costs to conserve cash in the event that a higher gold price was not achieved.

From 1999 to 2002, Seabridge acquired eight deposits with gold resources in North America, paying less than US$1.00 per ounce of resource (using aggregate ounces from all resource categories) and has been paying less than US$0.10 per ounce per year in holding costs. Previous owners had spent an estimated US$300 million exploring and developing these deposits.

By 2002, with the gold price on the rise, the Issuer believed that it was becoming more expensive to acquire existing resources, and the cost-benefit equation tilted in favor of increasing gold ownership through exploration. Seabridge's strategy entered its second phase, which was to expand the Issuer's resource base by carefully targeted exploration. It has continued exploring even after it moved to the third phase and these efforts have proved highly successful, with measured and indicated gold resources now totaling 61.5 million ounces with an additional 61.3 million ounces of gold in the inferred resource category (see Mineral Resources Table on page 8) against a backdrop of only 63.92 million shares outstanding.

By 2008, the gold price had risen sufficiently to make Seabridge think that a number of its projects might be economic. Therefore Seabridge began work on the third phase of its strategy: defining the economics of its projects through engineering studies, upgrading resources to reserves, securing permits and building support for the KSM Project in local communities. This effort focused on the KSM Project, which, during the exploration phase, had emerged as the Issuer's most important asset. The permitting process began and the Issuer undertook substantial infill drilling programs to raise the confidence level in the project's resources. The Issuer completed its initial Preliminary Feasibility Study for the KSM Project in March 2010, which was updated in June, 2011. The Issuer then undertook further optimization work at the KSM Project and revised its project design based on input received from regulatory authorities and local aboriginal groups during a joint harmonized environmental assessment process managed by the Province of British Columbia and Canada, but which also included participation of Alaskan State and Federalregulators. This work is reflected in the third Preliminary Feasibility Study for the KSM Project completed in June 2012. The Issuer submitted its Environmental Impact Statement/Environmental Assessment Application (the "**EA Application and EIS**") in the first quarter of 2013, it was accepted for formal review by British Columbia in August, 2013 and it was approved by both the federal and provincial authorities in 2014. The provincial EA certificate was originally approved for a five year term and was renewed for a further five years on March 21, 2019. The EA Application and EIS is based on the KSM Project design in the 2012 KSM Preliminary Feasibility Study.

In conjunction with advancing the EA Application and EIS, the Issuer worked to build its relationships with the Nis ga'a Nation and other First Nations, including pursuing impacts and benefits agreements with potentially impacted aboriginal groups. In June, 2014, the Issuer and the Nisga'a Nation entered into a formal Benefits Agreement. In September, 2013, the Gitxsan Treaty Society, representing the Gitxsan Hereditary Chiefs, delivered a letter to regulators expressing its support of Seabridge Gold's KSM Project. In June, 2014 the Issuer announced it had reached an environmental agreement with the Gitanyow Hereditary Chiefs Office and the *wilps* represented by Gitanyow Hereditary Chiefs Office. Although these were important for the Issuer's success in getting its environmental assessment approvals, work to maintain and improve these relationships, as well as relationships with the other aboriginal groups in the area is ongoing. Regular meetings are held with aboriginal groups to update them on KSM Project matters, including future plans, and the Issuer observes a process of review of each permit application with aboriginal groups both before submission of the application and with the relevant regulator after permit submission. In addition, in 2019, the Issuer entered into an impacts and benefits agreement with the Tahltan Nation. Alaskan State and federal regulators also participated in the EA Application and EIS review process, providing input throughout, and continue to be involved in permitting review associated with the KSM Project.

In September, 2014, the Issuer received early-stage construction permits for its KSM Project from the Province of British Columbia. The permits issued include: (1) authority to construct and use roadways along Coulter Creek and Treaty Creek; (2) rights-of-way for the proposed Mitchell-Treaty tunnels connecting project facilities; (3) permits for constructing and operating numerous camps required to support constructions activities; and (4) permits authorizing early-stage construction activities at the mine site and tailings management facility.

In 2010 the Issuer also turned its attention to its second-largest asset, the Courageous Lake Project. A preliminary economic assessment of this project was completed in early 2008 and indicated that the project's economics were marginal at the then prevailing gold price. However, with the increase in the gold price by 2010, the Issuer decided to start taking the Courageous Lake Project along a similar advancement path to the KSM Project, including additional drilling and further engineering work, and completed a preliminary feasibility study in September, 2012.

In 2012 the Issuer refocused its exploration activities and began undertaking drilling of new targets at both the KSM Project, in search of higher grade core zones, and the Courageous Lake Project, in search of deposits of higher grade material, that could improve the economics of each project. The exploration programs in the 2012 to 2018 seasons were very successful, with the generation of successive resource estimates for the Kerr deposit and the Iron Cap deposit at the KSM Project and a resource estimate at the Walsh Lake deposit at the Courageous Lake Project. After its successful drill programs in 2013, 2014 and 2015 that dramatically increased inferred resources below the Kerr deposit, the Issuer decided to update its 2012 PFS to use current costs and incorporate commitments from the EA Application and EIS and to include in the report a preliminary economic assessment of the KSM Project presenting an alternative development plan incorporating the expanded Kerr deposit into a conceptual project design. The updated report was completed in 2016 and showed a modest decline in the economics of the PFS development plan but improved economics from the alternative development plan that incorporated the new mineral resources at Kerr. Exploration programs in 2016, 2017 and 2018 have led to a dramatic increase in mineral resources at Iron Cap, which now total 423 million tonnes in the indicated category and 1.9 billion tonnes in the inferred category. Now the Issuer believes that, due to the Iron Cap deposit's proximity to the MTT and its higher grade, Iron Cap could potentially improve KSM's economics by mining it before the Kerr deposit. Work began in 2019 on preparing an updated technical report for the KSM Project, examining another alternative development plan incorporating the new mineral resources at Iron Cap, which should be completed in the second quarter of 2020.

After several years of declines in the price of gold, in late 2015 the Issuer decided to look once again for opportunities to acquire gold properties as they were becoming available at more attractive prices. Since the Issuer had become much larger than it was in the 1999-2002 period when it was first acquiring properties, it has focused on identifying properties with potential for major deposits. In April, 2016, the Issuer reached an agreement to acquire SnipGold Corp., the owner of the highly prospective Iskut Project, and completed the acquisition in June 2016. In February, 2017, the Issuer announced that it had entered into a letter of intent to acquire the Snowstorm Project in Northern Nevada and completed the acquisition in June, 2017. In June, 2019, the Issuer reach an agreement for the acquisition of the Goldstorm Project, located about 3 km to the east of its Snowstorm Project. The Issuer continues to look for opportunities to acquire gold properties.

In 2017, 2018 and 2019 the Issuer completed programs at its Iskut and Snowstorm Projects. At Iskut, its recent work suggests the presence of a large porphyry system, which will be the target of its drilling program planned for 2020. At Snowstorm, detailed target generation work has underway with drilling of the first target in 2019 and follow-up drilling on the next two targets in 2020. Drilling in 2019 confirmed the presence of structures and stratigraphy similar to the Turquoise Ridge and Twin Creeks mines, which are located a few kilometers to the south.

To date, work on the KSM Project and the Courageous Lake Project has been funded in part by the sale of, or the optioning of, non-core assets, consistent with the Issuer's strategy of limiting share dilution. The Issuer has sold the Noche Buena Project and its early-stage Nevada properties and entered into option agreements in respect of each of the Grassy Mountain, Red Mountain, Quartz Mountain and Castle Black Rock projects under which the respective optionees could acquire a 100% interest in such properties. The Grassy Mountain project was sold in February, 2013 upon exercise of the option to acquire a 100% interest in the Grassy Mountain property granted by the Issuer in 2011. In February, 2017, the option to acquire a 100% interest in the Castle Black Rock Project was exercised and the Project was sold. In May, 2017, the holder of the option on the Red Mountain Project acquired the Project from the Issuer. In addition to the proceeds received on the sale of these Projects, the Issuer has the potential to receive additional payments in respect of the Grassy Mountain, Quartz Mountain and Red Mountain Projects in the form of a net profits royalty (Grassy Mountain), an option payment and either $15 million or a net smelter returns royalty (Quartz Mountain) and a metal stream (Red Mountain).

Seabridge intends to seek a sale or joint venture of its two core assets, the KSM Project and the Courageous Lake Project, or a sale of the Issuer, while the current phase of finding and delineating higher grade zones to improve the economics of these projects and additional de-risking of these projects is being advanced. One of the goals of the search for high grade core zones at the KSM Project was to change its economic profile. Before finding the higher grade mineralized zones below the Kerr deposit, KSM was a gold project with a robust copper credit that would appeal primarily to gold miners as prospective partners. Now, KSM has a much stronger copper profile which opens up the potential for a joint venture with a large base metal producer. Realizing value for the Issuer's shareholders will depend on the potential financial return for a prospective purchaser or partner, successfully addressing regulatory and aboriginal concerns as well as market conditions at the time, especially gold and copper prices. The timing of sales or partnership agreements, if any, cannot be determined at this juncture.

The continuing success of the Issuer is dependent on (1) the Issuer being able to raise capital as needed (2) strength in the price of gold and copper (3) exploration success on projects it is exploring on its own account and/or (4) advancing its projects through optimization work, regulatory reviews and permitting.

Three Year History

During the 2017 and 2018 financial years, the Issuer principally focused its exploration and advancement efforts on its core project, KSM, in British Columbia. Limited work was undertaken at Courageous Lake over those years. In addition, since 2016 the Issuer has been doing exploration and reclamation work at the Iskut Project, and since 2017, it has been reviewing data to develop drill targets at its Snowstorm Project. In 2019, advancement efforts continued at KSM at a similar pace to previous years, however exploration efforts were more evenly split amongst the KSM, the Iskut and the Snowstorm Projects.

The 2016 exploration program at KSM successfully extended the Kerr deposit in a manner that is expected to allow the expansion of block cave designs in a new mine plan and drilling at the Iron Cap deposit not only successfully found the down plunge extension of Iron Cap Lower Zone but also intersected a new shallower mineralized zone in a 61m interval that averaged 1.2 g/t gold, 0.95% copper and 4.4 g/t silver. A new resource estimate for the Kerr deposit was announced in February, 2017.

In 2017, the Issuer's exploration program at KSM followed up on the exciting results from drilling at the Iron Cap deposit in 2016. There were two targets; the down plunge projection of the Lower Iron Cap Zone and the shallower high grade zone discovered in 2016 in hole IC-16-62. The Issuer completed 10,383m of drilling in 11 holes at Iron Cap, all of which encountered wide zones of significant grade. In some holes the Issuer encountered some of the best grades to date over long intervals at the Project. A new resource estimate was announced for Iron Cap in February, 2018, that incorporated all previous drilling results at Iron Cap and increased gold and copper resources at Iron Cap by more than 300%.

At the Iskut Project, in 2017 drilling focused on the Quartz Rise target where 4,459 m of drilling was completed in 10 core holes. Drilling found evidence of a gold-bearing intermediate sulfidation epithermal system beneath the Quartz Rise lithocap, as anticipated. Gold was intercepted over short intervals. Sampling of a cliff face north of Quartz Rise returned very high grades ranging from 1.49 to 125.3 g/t gold. A source for these gold concentrations was not found in the 2017 drilling. Exploration activities continued at Iskut in 2018 with the results suggesting the potential for a porphyry system, which was the target of its exploration work in 2019.

Progress was also made in 2017 on permitting at KSM, remediation at the old Johnny Mountain mine site (on the Iskut Project), and relations with indigenous groups in the area of the KSM Project. Amongst other permitting advances, the federal government approved an amendment to Schedule 2 of the *Metal Mining Effluent Regulations* under the *Fisheries Act* (Canada) authorizing aspects of the proposed tailings management facility for the KSM Project. At the Johnny Mountain mine the Issuer also completed structural work on the tailings pond, removed a tank farm, closed old mine portals and progressed clean-up of the mill, amongst other things.

In accordance with its initiative to acquire new larger properties with potential for major deposits, the Issuer completed the acquisition of a 100% interest in the Snowstorm Project in June, 2017. The Snowstorm Project consists of 31 square miles of land holdings strategically located at the projected intersection of three of the most important gold trends in Northern Nevada: the Carlin Trend, the Getchell Trend and the Northern Nevada Rift Zone. Snowstorm is contiguous and on strike with several large, successful gold producers including the Getchell/Turquoise Ridge Joint Venture operated by Barrick Gold, Newmont Mining's Twin Creeks and Hecla Mining's Midas operations. The Snowstorm acquisition also includes an extensive package of data generated by previous operators. Although potential targets are hidden under Tertiary cover, the existing data supports the project's outstanding exploration potential. Geological and geochemical evaluations of Snowstorm have documented hydrothermal alteration zones consistent with large Northern Nevada deposit types. Geophysical surveys have confirmed the structural settings which host large Northern Nevada deposit types. Limited drilling has demonstrated that some of the target areas are at a depth amenable to surface exploration and resource delineation.

The Issuer continued to realize proceeds from the sale of its non-core assets in 2017. The Castle Blackrock property was sold in February, 2017 and the holder of the option on the Red Mountain Project completed the exercise of its option and acquired this property in May, 2017. The Issuer also sold its residual interest in the KSP Project, which is adjacent to its Iskut Project, as the holder of an option to acquire an 80% interest in the KSP property was close to completing its earn-in.

In 2018 at the KSM Project, the Issuer completed 20,341 m of drilling at the Iron Cap deposit that included testing the down plunge and up dip projections of the high-grade core zone of the Iron Cap deposit and drilling encountered large widths down plunge at gold and copper grades exceeding the KSM average. The Issuer announced a resource update for Iron Cap on March 12, 2018 which incorporated all drilling at Iron Cap to date. The drilling also included confirmation work that substantiated the KSM reserve model, waste characterization drilling and geotechnical drilling.

A winter 2018 drill program at the Courageous Lake Project was conducted to test targets for additional satellite deposits and successfully identified two gold zones, Marsh Pond and Olsen, with characteristics similar to the Walsh Lake discovery that warrant follow-up work.

Exploration at the Iskut Project in 2018 focused on testing the Quartz Rise Lithocap for high-grade epithermal precious metal occurrences associated with the uppermost portion of a porphyry mineral system. Results confirmed that much of the Quartz Rise lithocap had been eroded, leaving little opportunity for a sizeable high-grade epithermal occurrence in this area. However, the discovery of a hydrothermal breccia (diatreme) in holes QR-18-14 and 17 confirmed that a porphyry source for the lithocap is nearby. Extensive review of the available data indicates the source for the diatreme is south and southwest of Quartz Rise, where glacial erosion has exposed rocks deeper in the mineralizing system. This erosional window provides the opportunity to explore into the heart of the porphyry system with much shorter drill holes than originally anticipated from a lower elevation.

Work on the Snowstorm Project in 2018 included the analysis of historic core, geochemical sampling and a magnetotelluric survey (CSAMT) to target Getchell-style mineralization and define drill targets.

In March, 2019, the Issuer's environmental assessment certificate (the " **EAC**") for its KSM Project was extended to July 29, 2024 by the British Columbia Environmental Assessment Agency. The EAC was issued for an initial five-year term on July 24, 2014. The extended EAC imposes no new terms and conditions on the KSM Project, reflecting the strong environmental protections of the proposed development plan for the KSM Project.

In June, 2019, the Issuer announced that it had reached agreement with the Tahltan Nation on the terms of a Co-operation and Benefits Agreement in respect of the development and operation of the KSM Project. The more than 3 year process for reaching agreement culminated in a vote by the Tahltan Nation that approved the agreement by a majority of 77.8%. The agreement represents another important milestone for the KSM Project and sets forth a thorough and co-operative framework for the parties to work together on the KSM Project.

The Issuer's search for large new porphyry targets within the KSM Project in 2020 identified four prospects which can be tested from the surface but are likely to be evaluated as bulk underground opportunities. In addition, 6,121 m of drilling was completed in 26 holes within the proposed Sulphurets pit limits at the margins of the deposit. Of the 26 holes drilled, 24 intersected over 1.0 g/t gold material in areas of epithermal occurrences not captured in the existing deposit resource model and the intersections are being evaluated for inclusion in the resource model.

At the Iskut Project, 2019 exploration work included geophysical surveys, geochemical sampling and detailed mapping, which identified a large intrusive system at relatively shallow depth and confirmed the presence of gold and copper. An aggressive drill testing program is planned at this target in 2020. Work continued on the remediation of the former Johnny Mountain mIne in 2019 with the continuation of in-situ hydrocarbon remediation at the former tank farm location; relocation of unapproved landfill waste to the approved landfill location; continued clean-up of the interior of the former mill building; as well as ongoing water quality sampling. A significant waste rock disposal program at the site will be implemented in 2020.

The Issuer's first drill program at the Snowstorm Project was undertaken in 2019 to test for an extension of the Getchell Trend and the distinctive structural and stratigraphic features found at the Twin Creeks and Turquoise Ridge mines. The program encountered technical difficulties but did identify the favourable stratigraphic host for a Getchell-style deposit as well as structures similar to those which fed the deposits to the south.

The Issuer acquired the Goldstorm Project in August, 2019. The Goldstorm Project is in northern Nevada, only about 3 km from its Snowstorm Project. It consists of 134 mining claims and 1,160 acres of leased land in the Northern Nevada Rift, a geologic feature hosting many high-grade gold-silver mines. Goldstorm has had limited previous exploration, but surface trenching on a northwest trending vein yielded 3.0 meters of 9.0 g/t gold and 44.0 g/t silver.

At the date of this AIF, the Issuer's plans exploration work at each of its Iskut and Snowstorm Projects in 2020. At the Iskut Project, the work will focus on drilling the porphyry target below the Quartz Rise lithocap and the third year of its five-year planned reclamation and closure plan for the Johnny Mountain Mine. At Snowstorm, the Issuer plans to complete drilling of two target concepts in 2020. At the KSM Project, proposed work involves advancing development of the Project to maintain a schedule that would allow a partner to reach a construction decision and have construction substantially started before expiry of the EAC on July 29, 2024.

ITEM 3: DESCRIPTION OF THE ISSUER'S BUSINESS

General

The Issuer owns 6 properties, 4 of which have gold resources, and its material properties are its KSM Project and its Courageous Lake Project. The Issuer holds a 100% interest in each of its properties other than a small portion of the Iskut Project, in which it owns a 95% interest. The Quartz Mountain project is subject to an option agreement under which the optionee may acquire a 100% interest in such project. At the date of this AIF, the estimated gold resources at the Issuer's properties are set forth in the following table and are broken down by project and resource category.

Mineral Resources (Gold and Copper)

PROJECT	Cut-Off Grade (g/t)	Measured					Indicated					Inferred				
		Tonnes (000's)	Gold Grade (g/t)	Gold (000's ozs)	Copper Grade (%)	Copper (million lbs)	Tonnes (000's)	Gold Grade (g/t)	Gold (000's ozs)	Copper Grade (%)	Copper (million lbs)	Tonnes (000's)	Gold Grade (g/t)	Gold (000's ozs)	Copper Grade (%)	Copper (million lbs)
KSM																
Mitchell	See Note 1	750,100	0.63	15,127	0.17	2,844	1,044,600	0.57	19,183	0.16	3,794	478,400	0.38	6,414	0.10	1,232
Iron Cap	See Note 1	--	--	--	--	--	423,000	0.41	5,576	0.22	2,051	1,899,000	0.45	27,474	0.30	12,556
Sulphurets	See Note 1	--	--	--	--	--	381,600	0.58	7,116	0.21	1,766	182,300	0.46	2,696	0.14	563
Kerr	See Note 1	--	--	--	--	--	378,400	0.22	2,692	0.41	3,445	2,001,500	0.31	19,746	0.40	17,672
KSM Total[2]	--	750,100	0.63	15,127	0.17	2,844	2,227,200	0.48	34,567	0.23	11,056	4,561,000	0.38	56,330	0.32	32,023
Courageous Lake:																
Fat Deposit[2]	0.83	13,401	2.53	1,090	--	--	93,914	2.28	6,884	--	--	48,963	2.18	3,432	--	--
Walsh Lake[2]	0.60	--	--	--	--	--	--	--	--	--	--	4,624	3.24	482	--	--
Quartz Mountain[3]	0.34	3,480	0.98	110	--	--	54,330	0.91	1,591	--	--	44,800	0.72	1,043	--	--
Iskut (Bronson Slope)	See Note 4	84,150	0.42	1,140	0.15	280	102,740	0.31	1,020	0.10	222	--	--	--	--	--

Note: The resource estimates have been prepared in accordance with the standards and guidance referenced in NI 43-101. See "Cautionary Note to United States Investors Regarding Resource Estimates" in the Preliminary Notes.

1. The cut-off grade for KSM is CDN$9 in net smelter return (NSR) for the open pits and CDN$16 in NSR for the underground mining.

2. The effective dates of the KSM and Courageous Lake resource estimates above are as follows: KSM (Mitchell and Sulphurets) May 31, 2016; KSM (Kerr) February, 2017; KSM (Iron Cap) March, 2019; Courageous Lake (Fat), September 2012; and Courageous Lake (Walsh Lake), March, 2014.
3. Seabridge has entered into an option agreement under which a 100% interest in the Quartz Mountain project may be acquired.
4. The cut-off grade for the Iskut Project resource is CDN$9.00 in NSR.

The measured and indicated mineral resources at the KSM Project and Courageous Lake Project are inclusive of mineral reserves. Mineral resources which are not mineral reserves do not have demonstrated economic viability.

Cautionary Note Regarding Forward-Looking Statements

This AIF contains forward-looking statements within the meaning of the United States Private Securities Litigation Reform Act of 1995 and forward-looking information within the meaning of Canadian securities laws concerning future events or future performance with respect to the Issuer's projects, business approach and plans, including production, capital, operating and cash flow estimates; business transactions such as the potential sale or joint venture of the Issuer's KSM Project and Courageous Lake Project (each as defined herein) and the acquisition of interests in mineral properties; requirements for additional capital; the estimation of mineral resources and reserves; and the timing of completion and success of exploration and advancement activities, community relations, required regulatory and third party consents, permitting and related programs in relation to the KSM Project, Courageous Lake Project, Iskut Project or Snowstorm Project. Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives or future events or performance (often, but not always, using words or phrases such as "expects", "anticipates", "believes", "plans", "projects", "estimates", "intends", "strategy", "goals", "objectives" or variations thereof or stating that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved, or the negative of any of these terms and similar expressions) are not statements of historical fact and may be forward-looking statements and forward-looking information (collectively referred to in the following information simply as "forward-looking statements"). In addition, statements concerning mineral reserve and mineral resource estimates constitute forward-looking statements to the extent that they involve estimates of the mineralization expected to be encountered if a mineral property is developed and the economics of developing a property and producing minerals.

Forward-looking statements are necessarily based on estimates and assumptions made by the Issuer in light of its experience and perception of historical trends, current conditions and expected future developments. In making the forward-looking statements in this AIF the Issuer has applied several material assumptions including, but not limited to, the assumption that: (1) market fundamentals will result in sustained demand and prices for gold and copper, and to a much lesser degree, silver and molybdenum; (2) the potential for production at its mineral projects will continue operationally, legally and economically; (3) any additional financing needed will be available on reasonable terms; and (4) estimated reserves and resources at the Issuer's projects have merit and there is continuity of mineralization as reflected in such estimates.

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors that could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including, without limitation:

- the Issuer's history of net losses and negative cash flows from operations and expectation of future losses and negative cash flows from operations;
- risks related to the Issuer's ability to continue its exploration activities and future advancement activities, and to continue to maintain corporate office support of these activities, which are dependent on the Issuer's ability to enter into joint ventures, to sell property interests or to obtain suitable financing;
- uncertainty of whether the reserves estimated on the Issuer's mineral properties will be brought into production;
- uncertainties relating to the assumptions underlying the Issuer's reserve and resource estimates;
- uncertainty of estimates of capital costs, operating costs, production and economic returns;
- risks related to commercially producing precious metals from the Issuer's mineral properties;
- risks related to fluctuations in the market price of gold, copper and other metals;
- risks related to fluctuations in foreign exchange rates;
- mining, exploration and development risks that could result in damage to mineral properties, plant and equipment, personal injury, environmental damage and delays in mining, which may be uninsurable or not insurable in adequate amounts;
- risks related to obtaining all necessary permits and governmental approvals, or extensions/renewals thereof, for exploration and development activities, including in respect of environmental regulation;
- uncertainty related to title to the Issuer's mineral properties and rights of access over or through lands subject to third party rights, interests and mineral tenures;
- risks related to unsettled First Nations rights and title and settled Treaty Nations' rights and uncertainties relating to the application of the *United Nations Declaration on the Rights of Indigenous Peoples* to the laws in Canadian jurisdictions;
- risks related to increases in demand for exploration and development services equipment, and related cost increases;
- increased competition in the mining industry;
- the Issuer's need to attract and retain qualified management and personnel;
- risks related to some of the Issuer's directors' and officers' involvement with other natural resource companies;
- risks associated with impacts from the reaction to and measures taken to address the spread of the COVID-19 virus;
- the Issuer's classification as a "passive foreign investment company" under the United States tax code;
- risks associated with the use of information technology systems and cybersecurity;
- uncertainty surrounding an audit by the Canada Revenue Agency (" **CRA**") of Canadian exploration expenses incurred by the Issuer during the 2014, 2015 and 2016 financial years which the Issuer has renounced to subscribers of flow-through share offerings and the CRA's decision to reduce such renunciations to such subscribers; and
- the reassessment by the CRA of the Issuer's refund claim for the 2010 and 2011 financial years in respect of the British Columbia Mining Exploration Tax Credit.

This list is not exhaustive of the factors that may affect any of the Issuer's forward-looking statements. Forward-looking statements are statements about the future and are inherently uncertain, and actual achievements of the Issuer or other future events or conditions may differ materially from those reflected in the forward-looking statements due to a variety of risks, uncertainties and other factors, including, without limitation, those referred to in this AIF under the heading "*Risk Factors*" and elsewhere in this AIF. In addition, although the Issuer has attempted to identify important factors that could cause actual achievements, events or conditions to differ materially from those identified in the forward-looking statements, there may be other factors that cause achievements, events or conditions not to be as anticipated, estimated or intended. Many of the foregoing factors are beyond the Issuer's ability to control or predict. It is also noted that while Seabridge engages in exploration and advancement of its properties, it will not undertake production activities by itself.

These forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made and the Issuer does not assume any obligation to update forward-looking statements, except as required by applicable securities laws, if circumstances or management's beliefs, expectations or opinions should change. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

Overview

The KSM Project is located within the Iskut-Stikine region of British Columbia, approximately 21 kilometers south-southeast of the former Eskay Creek Mine and approximately 65 kilometers north-northwest of Stewart, British Columbia. (See Figure 1.) The provincial government has recognized the significance of historical mining activity in this area, which includes the past producing Eskay Creek, Snip, Granduc, and Premier mines. Recently the Red Chris Mine and the Brucejack Mine commenced mining operations.

Access to the property is by helicopter from Bell II Crossing on the Stewart Cassiar Highway or Stewart, British Columbia. Mobilization of equipment and personnel is staged from kilometer 54 on the private Eskay Creek Mine Road (about 25 km from the Project) and from Bell II Crossing on the Stewart Cassiar Highway (about 40 km from the Project).

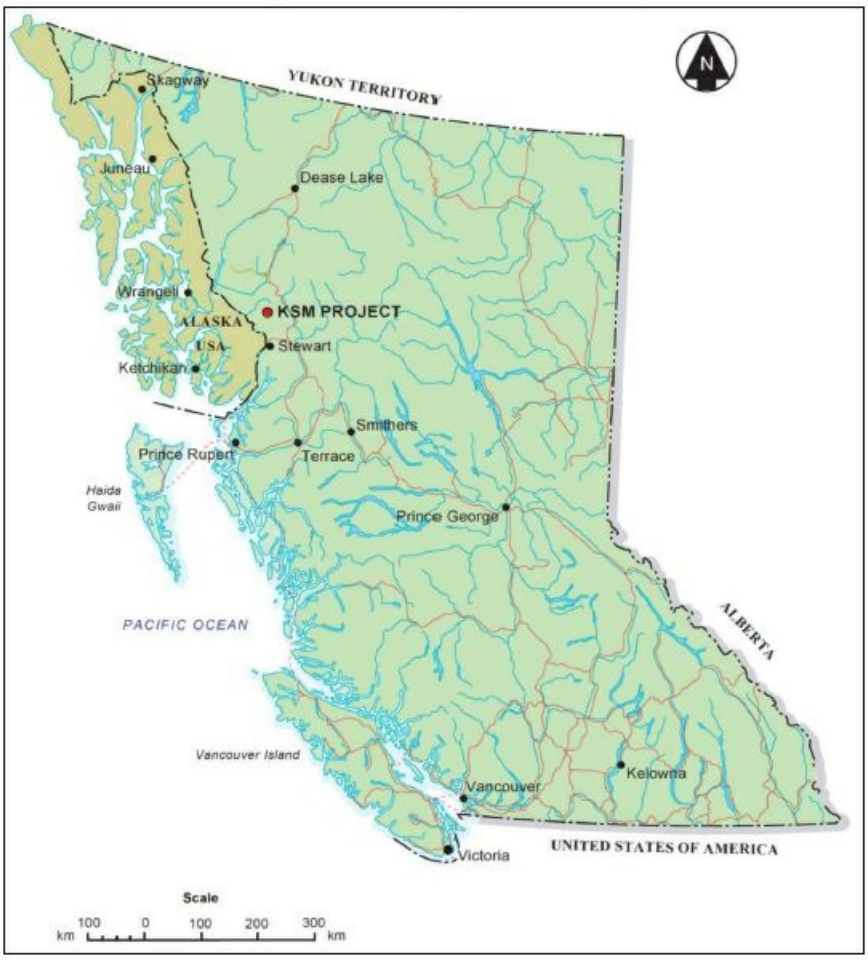
At the time the Issuer acquired the KSM Project in 2001, the project consisted of two distinct zones (Kerr and Sulphurets) which had been modeled separately by Placer Dome (CLA) Limited ("**Placer Dome**"). Subsequent drilling and engineering work by the Issuer has defined two new very large zones, the Mitchell Zone and the Iron Cap Zone, as well as dramatically expanding the mineralized zone beneath the Kerr zone.

From 2008 to 2012 Seabridge focused on further exploration and advancement of the four known deposits at the KSM Project and generated successive resource estimates and three preliminary feasibility studies, the last of which being the 2012 KSM PFS Report (as defined herein) with an effective date of June 22, 2012. In 2012 Seabridge continued advancement efforts, including work required for the submission of its EA Application and EIS, but changed its exploration focus at KSM to a search for higher temperature core zones that typically concentrate high-grade metals within very large porphyry systems such as KSM. Exploration since 2011 has resulted in the discovery of two core zones, Deep Kerr (a down dip continuation of Kerr deposit mineralization) and Iron Cap Lower Zone (a down dip continuation of Iron Cap deposit mineralization), an extension of the Mitchell zone and other promising core targets. (See "*Core Zone Exploration*")

After completing drilling in 2019 the resource drill hole database for the KSM Project now includes 742 drill holes totaling approximately 291,880 meters. More than 95% of the holes at Mitchell and 95% of the holes at Iron Cap were drilled by Seabridge between 2006 and 2019.

In July, 2014, the Issuer's provincial EA Application for the KSM Project under the British Columbia *Environmental Assessment Act* was approved. The Canadian Environmental Assessment Agency (CEAA) issued its Comprehensive Study Report in July 2014, as required by the *Canadian Environmental Assessment Act*, which concluded that the KSM Project would not have significant impacts to the environment. The EA Application and EIS review process involved Alaskan regulators throughout and the CEAA Study Report also concluded that the KSM Project would not have significant impacts to the environment situated downstream of the Alaska border. In December 2014 the Federal Minister of the Environment issued a positive project decision which endorsed the conclusions of the Comprehensive Study Report. The provincial EA approval was for a term of five years and was extended for a further five year term in March, 2019, but lapses after ten years unless the province determines the Issuer has substantially started construction of the Project. The federal approval is for an indefinite term. The Issuer believes that the EA Application and EIS materials and subsequent approvals demonstrate that the KSM project, as designed, is an environmentally responsible and a generally socially accepted Project.

Figure 1 - KSM Project Location Map



The Project received a license under the *International Rivers Improvement Act* (Canada) on October 21, 2016, authorizing the construction, operation and maintenance of the Water Storage Facility (WSF) and ancillary water works for the KSM Project within the Unuk River watershed in northwestern British Columbia.

In June, 2017, the Issuer also announced it had been given a regulatory amendment to Schedule 2 of the *Metal Mining Effluent Regulations* under the *Fisheries Act* (Canada) which authorizes the use of North Treaty Creek for the discharge from the KSM tailings management facility, subject to strict bonding and fishery habitat compensation.

After completion of the 2015 exploration season the Issuer announced a resource estimate for the Kerr/Deep Kerr zone that exceeded 1 billion tonnes and at higher grade than much of the material in the mine plan used for the 2012 KSM PFS Report. This new deposit presented great potential for improving Project economics if it was incorporated into the Issuer's development plan at the Project. In addition, in the course of the EA Application and EIS review process, the Issuer made commitments to enhance the environmental mitigation and protection offered by the Project, which the Issuer knew would increase the cost of building KSM Project infrastructure. Since the 2012 KSM PFS Report did not incorporate the Deep Kerr deposit or these increased infrastructure costs and given the change in the market prices used in the 2012 KSM PFS Report, the Issuer decided in early 2016 to update the 2012 KSM PFS Report. In November, 2016, the Issuer completed a new pre-feasibility study report which reflected more current market conditions and included the costs associated with the Issuer's EA Application and EIS commitments, but otherwise used essentially the same construction plan and mine plan as in the 2012 KSM PFS Report. The report also presented an alternative development plan for the Project, at a preliminary economic assessment level, that incorporated material from the Deep Kerr deposit. Overall, this new report showed that the projected economics of the original development plan had declined since 2012, but that the projected economics of the development plan that incorporated the Kerr deposit in its entirety showed meaningful improvement.

Additional drilling was completed at the Iron Cap deposit in 2017 and 2018 with great success. In March, 2019, an updated resource estimate was completed for the Iron Cap deposit which increased inferred resources at the deposit by more than four times the number of tonnes in the inferred resource estimate used in the 2016 update to the 2012 KSM PFS Report.

Land Status

The KSM property is comprised of four discrete claim blocks (see Figure 2) and a group of placer claims. Claim blocks of the KSM Property include mineral leases and both cell and legacy claims. The claim blocks are referred to as:

(a) the KSM claims containing 20 mineral claims totalling 6,097.42 Ha and 2 Mineral leases of 11,247.00 Ha;

(b) the Seabee claims covering 18,674.30 Ha within 46 mineral claims;

(c) the Tina claims composed of 11 mineral claims covering 2,052.44 Ha;

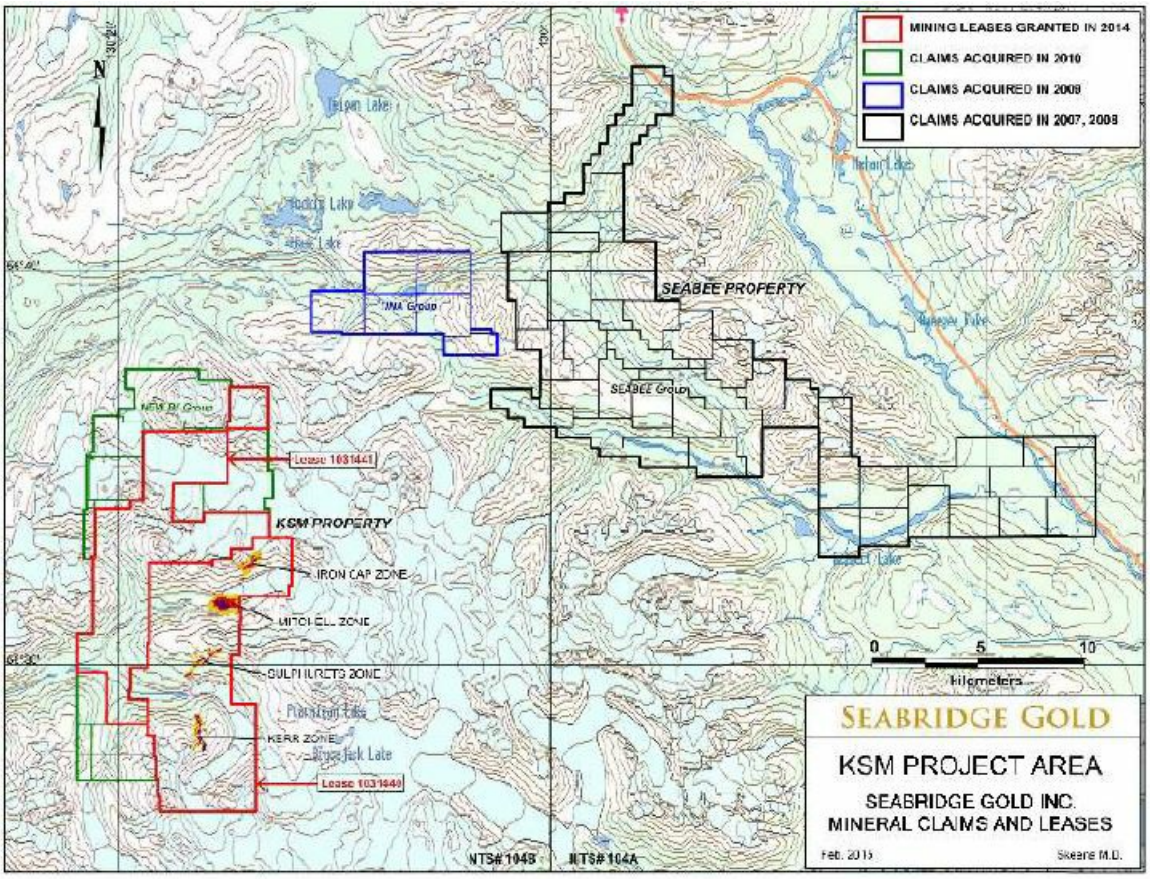
(d) the Treaty Creek Switching Station claims with 2 claims totalling 160,25 Ha; and

The four claim blocks include 79 mineral claims (cell and legacy) and 2 mining leases with a combined area of 40,784.97 ha. The mineral resources are positioned within the KSM Claims and include the original claims purchased from Placer Dome and the BJ claims.

The Seabee and Tina claim blocks are located about 19 km northeast of the Kerr-Sulphurets-Mitchell-Iron Cap mineralized zones. These claim blocks are currently being considered for proposed infrastructure siting. The Treaty Creek Switching Station claims, adjacent to the NTL and to the east of the Seabee claims, are considered for power infrastructure siting.

Placer claims only cover areas on part of the westernmost KSM Claims covering an area of 1,554 hectares. The Issuer placer claims lie along Sulphurets Creek and Mitchell Creek in areas where certain of the Project's proposed infrastructure will be located.

Figure 2 - KSM Project Claim Map



These claims are 100% owned by the Issuer through its wholly-owned subsidiary, KSM Mining ULC. Newmont Corporation retains a 1% net smelter returns ("**NSR**") royalty that is capped at $4.5 million. Two of the pre-converted claims at the Sulphurets property (Xray 2 and 6) are also subject to an effective 1% NSR royalty capped at US$650,000. One group of BJ legacy claims is subject to a 2.5% NSR royalty, which can be reduced to a 1.25% NSR royalty upon payment of $1,500,000, but only a portion of the Iron Cap deposit lies within the BJ legacy claims. In addition, the Issuer has granted two options to a subsidiary of Royal Gold, Inc. under which such subsidiary can acquire a 1.25% NSR Royalty and a 0.75% NSR Royalty in gold and silver produced from the KSM Property for $100 million and $60 million, respectively, subject to certain conditions. Under the Benefits Agreement with the Nisga'a Nation and the Co-operation and Benefits Agreement with the Tahltan Nation, the Issuer has agreed to pay each Nation annual payments. The combined annual payments to these Nations are payable in two forms; payments that are a percentage of the tax payable (the "**Mineral Tax**") under the *Mineral Tax Act* (British Columbia) (the "**Mineral Tax Act**"), which is a tax on net operating profit, and payments that are based on net smelter returns. The combined payments payable to both Nations are as follows:

(a) with respect to years 1-7 of mining operations, a 0.1% NSR royalty and either (i) 5% of the amount of Mineral Tax payable in respect of any Capital Recovery Year (defined below), or (ii) 11% of the amount of Mineral Tax payable in respect of any Post-Capital Recovery Year (defined below);

(b) with respect to years 8-20 of mining operations, a 0.4% NSR royalty and either (i) 7.75% of the amount of Mineral Tax payable in respect of any Capital Recovery Year, or (ii) 13.75% of the amount of Mineral Tax payable in respect of any Post-Capital Recovery Year; and

(c) with respect to period after 20 years of mining operations, a 0.5% NSR royalty and either (i) 7.75% of the amount of Mineral Tax payable in respect of any Capital Recovery Year, or (ii) 13.75% of the amount of Mineral Tax payable in respect of any Post-Capital Recovery Year.

For the purposes of the description above, a "**Capital Recovery Year**" is a year in which the Issuer is able to apply sufficient amounts in the KSM Capital Account (as determined under the Mineral Tax Act) to fully offset operating profit, and a "**Post-Capital Recovery Year**" is a year in which the Issuer is unable to apply sufficient amounts in the KSM Capital Account (as determined under the Mineral Tax Act) to fully offset operating profit.

In addition, a sale of the original claims that were purchased in 2001 is subject to a right of first refusal held by Glencore Canada Corporation.

The property is located on Crown land; therefore, all surface and access rights are granted under, and subject to, the *Land Act* (British Columbia) and the *Mineral Tenure Act* (British Columbia). Approximately 13 km of the proposed 23 km Mitchell-Treaty tunnels (the " **MTT**") pass under Crown Land subject to mineral claims held by third parties. The Issuer has been granted a licence of occupation, a form of land tenure that grants it rights to occupy the area through which the proposed MTT will pass, subject to the rights of the third party mineral claims holders. In the Issuer's opinion, these rights are addressed by the Issuer's obligations, under the management plan associated with the licence of occupation, to segregate and deliver to such claims holders all earth and rock material removed from the third party claims during construction of the MTT.

The four gold-copper deposits, and the proposed waste rock storage areas, lie within the Unuk River drainage in the area covered by the Cassiar-Iskut-Stikine Land and Resource Management Plan approved by the British Columbia Government in 2000. A part of the proposed ore transport tunnel lies within the boundaries of the Nass South Sustainable Resource Management Plan that was completed in 2012. The proposed sites for the tailing management and plant facilities lie outside of the boundaries of any provincial land-use planning process.

Relationships with Aboriginal Groups in KSM Region

The KSM Project site is located in a region historically used by several aboriginal groups. Part of the Project, including the proposed plant and TMF but excluding the mineral deposits and their immediately-related infrastructure, lies within the boundaries of the Nass Area, as defined in the Nisga'a Final Agreement. In this area, consultation, led by the federal and provincial governments, is required with the Nisga'a Lisims Government under the terms of the Final Agreement. Similarly, the Tahltan Nation has asserted rights and title over the area of the proposed plant and tailings management facility but excluding the mineral deposits. Tsetsaut Skii km Lax Ha ("**TSKLH**"), an aboriginal group asserting independent nation status which the Issuer understands is viewed by the Crown as being a wilp of the Gitxsan Nation (as opposed to an independent nation on its own), assert aboriginal rights and title over the entire KSM Project footprint. This territorial assertion by the TSKLH is inconsistent with the boundaries asserted by them in the proceedings relating to the Supreme Court of Canada decision in *Delgamuukw v. British Columbia.* This previously asserted territory had a northern boundary to the south of the KSM Project infrastructure on the eastern side of the KSM Project and therefore does not overlap the KSM Project footprint at all. Additionally, the Gitanyow Huwilp (the collective houses of the Gitanyow Nation) may have some interests within the broader region potentially affected by the KSM Project, in particular downstream of the plant site and TMF. Accordingly, the Issuer has been directed to engage with the Tahltan Nation, as well as with both the Tsetsaut Ski km Lax Ha as a wilp of the Gitxsan Nation and the Gitanyow Nation on the basis of potential effects of the plant site and TMF and related downstream effects.

On June 16, 2014, the Issuer entered into a comprehensive Benefits Agreement with the Nisga'a Nation in respect of the KSM Project. The Benefits Agreement establishes a long-term co-operative relationship between Seabridge and the Nisga'a Nation under which the Nisga'a Nation will support development of the Project, participate in economic benefits from the Project and provide ongoing advice. Highlights of the Benefits Agreement include:

- Nisga'a Nation agreement to provide letters in support of the KSM Project to British Columbian and Canadian regulators, as well as potential investors in Seabridge or the Project.
- Financial payments upon the achievement of certain Project milestones and annual production payments based on a percentage of net profits, with the percentage of net profits payable increasing when the KSM Project is not recovering capital costs, as determined under the terms of the Agreement.
- Strong commitments to education and training of Nisga'a citizens so that they will be better able to take advantage of the economic benefits the KSM Project offers.
- Mutual co-operation on completing the operational permitting process for the Project.
- A framework for the Nisga'a Nation and Seabridge to work together to achieve employment targets and to ensure Nisga'a businesses will have preferred access to certain contracting opportunities.
- Mutual co-operation on responding to social impacts which Nisga'a Villages may experience as a result of the Project.

The Agreement with the Nisga'a Nation will remain in effect throughout the life of the KSM Project and will apply to future partners in the Project. This Agreement was signed on behalf of the Nisga'a Nation by the Nisga'a Lisims Government Executive.

In June, 2014, the Issuer entered into an agreement with the Gitanyow Huwilp in respect of the KSM Project. Under the agreement, Seabridge agrees to provide funding for certain programs relating to wildlife, fish and water quality monitoring to address some of the concerns raised by the Gitanyow Huwilp, as well as for a committee to establish a means of maintaining communications about KSM Project related issues. This Agreement was signed by seven of the eight wilps of the Gitanyow Nation and by the Gitanyow Hereditary Chiefs Office.

In September, 2013, the Gitxsan Hereditary Chiefs Office provided a letter to British Columbia and federal regulators expressing support for the KSM Project. The Issuer has engaged directly with the TSKLH with respect to the KSM Project and it is making efforts to establish a good relationship with the TSKLH. However, the ongoing disagreement between the government and the TSKLH regarding their status as a Nation and their territorial boundary has created a difficult environment in which to build a good relationship.

In July, 2019, the Issuer entered into a Co-operation and Benefits Agreement (the " **CBA**") with the Tahltan Central Government, the Iskut band and the Tahltan Band in respect of the KSM Project. The CBA establishes a comprehensive framework for the parties to work together on the KSM Project, including detailed provisions on environmental management of the land, robust participation by the Tahltan Nation in the economic opportunities offered by the KSM Project and financial payments related to the performance of the Project. It includes commitments to fund education of Tahltan members, commitments to work to achieve employment targets, processes for awarding contracts on a preferred basis to Tahltan businesses and a procedure for resolving disputes, including disputes on permitting issues. The CBA with the Tahltan Nation will apply to future partners in the Project.

The Issuer believes that, after considering:

- the location of the KSM Project in relation to areas of asserted aboriginal rights and title,
- the consultation the Issuer and the governments have undertaken with aboriginal groups,
- the agreements the Issuer has negotiated with aboriginal groups, and
- the information the Issuer has learned about historic aboriginal use of the area on which KSM Project infrastructure is located,

the Supreme Court of Canada decision of June 26, 2014 in *Tsilhqot'in Nation v. British Columbia,* which declares aboriginal title for the first time in a certain area in Canada and outlines the rights associated with aboriginal title, is unlikely to significantly impact the KSM Project.

Updated and Revised 2016 Preliminary Feasibility Study at the KSM Project

In June 2012, an updated Preliminary Feasibility Study for the KSM Project (the " **2012 KSM PFS Report**") was completed. The development plan in the 2012 KSM PFS Report was the one approved in the EA Application and EIS review processes, with certain enhancements to the Project infrastructure to improve environmental protection and various mitigation measures. Since the date of the 2012 KSM PFS Report Seabridge has continued exploration activities at KSM which led to the discovery of the large higher-grade zones below the Kerr and Iron Cap deposits. In early 2016, the Issuer decided to update the 2012 KSM PFS Report to present the same development plan as in the 2012 KSM PFS Report at a pre-feasibility level using more current market values in the financial analysis but, in addition, to incorporate into that development plan the infrastructure enhancements committed to in the EA Application and EIS processes and to incorporate other design improvements identified by the Issuer. Accordingly, the prefeasibility study level development plan (the "**2016 PFS Plan**") does not include material from recent higher-grade discoveries at Kerr and Iron Cap. Given the positive impact the new higher grade material was expected to have on Project economics, the Issuer also decided to complete a study that would present an analysis of the integration of the additional material into the proposed KSM Project design as an alternative development plan (the "**2016 PEA Plan**") at a preliminary economic assessment level and include the results in the new prefeasibility report. The new report, which presents both the 2016 PFS Plan and the 2016 PEA Plan, was completed in November, 2016, is entitled "*2016 KSM (Kerr-Sulphurets-Mitchell) Prefeasibility Study Update and Preliminary Economic Assessment*" (the "**2016 KSM PFS/PEA Report** "), has an effective date of October 6, 2016, and is available among Seabridge's documents at www.sedar.com.

The overall 2016 KSM PFS/PEA Report was coordinated by Tetra Tech Canada Inc. (formerly Tetra Tech, Inc.) (" **Tetra Tech**") and incorporates the work of a number of industry-leading consulting firms. The principal consultants who contributed to the 2016 PFS Plan, and their Qualified Persons are listed below along with their areas of responsibility:

- Tetra Tech, under the direction of Hassan Ghaffari (surface and underground infrastructure, TMF costs, WSF costs, construction schedule, capital estimate and financial analysis), John Huang (metallurgical testing review, permanent water treatment, mineral process design and operating cost estimation for process, G&A and site services, and overall report preparation), Kevin Jones (winter access road);
- Moose Mountain Technical Services under the direction of Jim Gray (open pit Mineral Reserves, open pit mining operations, mine capital and mine operating costs, MTT and rail ore conveyance design);
- W.N. Brazier Associates Inc. under the direction of W.N. Brazier (power supply, energy recovery plants, underground electrical systems and associated costs);
- ERM (Environmental Resources Management) under the direction of Pierre Pelletier (environment and permitting);
- Klohn Crippen Berger Ltd. under the direction of Graham Parkinson (design of surface water diversion, diversion tunnels and seepage collection ponds, tailing dam, water treatment dam and rock storage facility (RSF) and tunnel geotechnical);
- Resource Modeling Inc. under the direction of Michael Lechner (Mineral Resources);
- Golder Associates Ltd. under the direction of Ross Hammett (underground Mineral Reserves, block caving assessments, mine design and associated costs);
- BGC Engineering Inc. under the direction of Derek Kinakin (rock mechanics and mining pit slopes);
- McElhanney Consulting Services Ltd. under the direction of Robert Parolin (permanent access roads and associated costs).

The 2016 PEA Plan was prepared by Amec Foster Wheeler Americas Limited, now known as Wood Canada Limited ("Wood") and the principal consultants who contributed to the 2016 PEA Plan, and their Qualified Persons are listed below along with their areas of responsibility:

- Wood under the direction of Simon Allard P.Eng., Mark Ramirez RM SME and Tony Lipiec P.Eng (Underground and open pit design, RSF design, process design and capital and operating costs).
- Klohn Crippen Berger Ltd. under the direction of Graham Parkinson P. Geo. (Design of surface water diversion, diversion tunnels and seepage collection ponds, tailing dam, water storage dam and tunnel geotechnical). Graham Parkinson has been to the site.
- Resource Modeling Inc. under the direction of Michael Lechner P.Geo (Mineral Resources). Michael Lechner has been to site.
- Golder Associates Ltd. under the direction of Ross Hammett P. Eng (Block caving assessments). Ross Hammett has been to the site.

The following (to "*2016, 2017, 2018 and 2019 Exploration*") summarizes information from the 2016 KSM PFS/PEA Report.

Location and Climate

The KSM Project is situated about 950 km northwest of Vancouver, 65 km by air north-northwest of Stewart, BC and 21 km south-southeast of the former Eskay Creek Mine. The property is located at latitude 56.50° North and longitude 130.30° West (see Figure 1).

The proposed pit areas lie within the headwaters of Sulphurets Creek, which is a tributary of the Unuk River and flows into the Pacific through Alaska. The proposed process plant and TMF will be located within the tributaries of Teigen and Treaty creeks. Teigen and Treaty creeks are tributaries of the Bell-Irving River, which is itself a major tributary of the Nass River. The Nass river flows to the Pacific Ocean entirely within Canada.

The climate is generally typical of a temperate or northern coastal rainforest, with sub-arctic conditions at high elevations. Precipitation at the mine site has an estimated average of 1,652 mm and at the process plant and TMF area has an estimated average of 1,371 mm. The length of the snow-free season varies from about May through November at lower elevations, and from July through September at higher elevations.

Local Resources, Infrastructure and Physiography

The KSM property lies in the rugged Coastal Mountains of northwest British Columbia, with elevations ranging from 520 meters in Sulphurets Creek valley to over 2,300 meters at the highest peaks. Valley glaciers fill the upper portions of the larger valleys from just below tree line and upwards.

Deep-water loading facilities for shipping bulk mineral concentrates exist in Stewart, and are currently utilized by the Red Chris Mine. Historically they have been used by several other mines in northern, BC. The nearest railway is the CNR Yellowhead route, which is located approximately 220 km southeast of the Property. This line runs east-west, and can deliver concentrate to deep-water ports near Prince Rupert and Vancouver, BC.

There are no settlements or privately owned land in the area of the Project; there is limited commercial recreational activity in the form of helicopter skiing and guided fishing adventures. The closest power transmission lines run along Highway 37, 40 km east of the Project.

Stewart, a town of approximately 500 inhabitants, is the closest population center to the KSM Project. It is connected to the provincial highway system via paved, all weather Highway 37A. The larger population centers of Prince Rupert, Terrace, and Smithers, with a total population of about 32,000, are located approximately 270 km to the southeast.

Exploration History

There is evidence that prospectors were active in the area prior to 1935. The modern exploration history of the area began in the 1960's, with brief programs conducted by Newmont Mining Corp., Granduc Mines Ltd., Phelps Dodge Corp., and the Meridian Syndicate. All of these programs were focused towards gold exploration. The Sulphurets Zone was first drilled by Esso Minerals in 1969; Kerr was first drilled by Brinco Ltd. in 1985 and Mitchell Creek by Newhawk Gold Mines Ltd. in 1991.

There is no recorded mineral production, nor evidence of it, from the property. Immediately west of the property, small-scale placer gold mining has occurred in Sulphurets and Mitchell Creeks. On the Brucejack property immediately to the east and currently owned by Pretium Resources Inc., limited underground development and test mining was undertaken in the 1990's on narrow, gold-silver bearing quartz veins at the West Zone.

During 2003-2005, under its option to earn up to a 65% interest in the project from Seabridge, Falconbridge conducted geophysics, surface mapping, surface sampling and completed approximately 4,100 m of drilling at the project.

Since 2006, Seabridge has been conducting exploration and advancement activities at the project.

Geology

The region lies within "Stikinia", a terrane of Triassic and Jurassic volcanic arcs that were accreted onto the Paleozoic basement. Stikinia is the largest of several fault bounded, allochthonous terranes within the Intermontane belt, which lies between the post-accretionary, Tertiary intrusives of the Coast belt and continental margin sedimentary prisms of the Foreland (Rocky Mountain) belt. In the Kerr-Sulphurets area, Stikinia is dominated by variably deformed, oceanic island arc complexes of the Triassic Stuhini and Jurassic Hazelton groups. Backarc basins formed eastward of the KSM Property in the Late Jurassic and Cretaceous were filled with thick accumulations of fine black clastic sediments of the Bowser Group. Folding and thrusting due to sinistral transpression tectonics in the mid-Cretaceous followed by extensional conditions generated the area's current structural features. The most important structure is the north-northeast striking, moderately west-northwest dipping Sulphurets Thrust Fault (STF), which transects the Property and is spatially and genetically related to mineralization at KSM. Remnants of Quaternary basaltic eruptions occur throughout the region.

Early Jurassic sub-volcanic intrusive complexes are common in the Stikinia terrane, and several host well-known precious and base metal rich hydrothermal systems. These include copper-gold porphyry deposits such as Galore Creek, Red Chris, Kemess, Mt. Milligan, and Kerr-Sulphurets. In addition, there are a number of related polymetallic deposits including skarns at Premier, epithermal veins and subaqueous vein and replacement sulfide deposits at Eskay Creek, Snip, Brucejack, and Granduc.

The Kerr deposit is a strongly-deformed copper-gold porphyry, where copper and gold grades have been upgraded due to remobilization of metals during later and/or possibly syn-intrusive deformation. Alteration is the result of a relatively shallow, long lived hydrothermal system generated by intrusion of monzonite. Subsequent deformation along the STF was diverted into the Kerr area along pre-existing structures. The mineralized area forms a fairly continuous, north-south trending west dipping irregular body measuring about 1,700 m long and up to 200 m thick. Deep drilling since 2012 has identified two sub-parallel, north-south trending, steep west-dipping mineralized zones that appear to coalesce near the topographic surface. After significant deep drilling was completed at the Kerr deposit, an updated geological interpretation and subsequent updated Mineral Resource model were completed. That new model forms the basis for the 2016 Mineral Resources and Mineral Reserves.

The Sulphurets deposit comprises two distinct zones referred to as the Raewyn Copper-Gold Zone and the Breccia Gold Zone. The Raewyn Copper-Gold Zone hosts mostly porphyry style disseminated chalcopyrite and associated gold mineralization in moderately quartz stockworked, chlorite-biotite-sericite-magnetite altered volcanics. The Raewyn Copper-Gold Zone strikes north-easterly and dips about 45° to the northwest. The Breccia Gold Zone hosts mostly gold-bearing pyritic material mineralization with minor chalcopyrite and sulfosalts in a potassium-feldspar-siliceous hydrothermal breccia that apparently crosscuts the Raewyn Copper-Gold Zone. The Breccia Gold Zone strikes northerly and dips westerly.

The Mitchell Zone is underlain by foliated, schistose, intrusive, volcanic, and clastic rocks that are exposed in an erosional window below the shallow north dipping Mitchell Thrust Fault (MTF). These rocks tend to be intensely altered and characterized by abundant sericite and pyrite with numerous quartz stockwork veins and sheeted quartz veins (phyllic alteration) that are often deformed and flattened. Towards the west end of the zone, the extent and intensity of phyllic alteration diminishes and chlorite-magnetite alteration becomes more dominant along with lower contained metal grades. In the core of the zone, pyrite content ranges between 1 to 20%, averages 5%, and typically occurs as fine disseminations. Gold and copper tends to be relatively low-grade but is dispersed over a very large area and related to hydrothermal activity associated with Early Jurassic hypabyssal porphyritic intrusions. In general, within the currently drilled limits of the Mitchell Zone, gold and copper grades are remarkably consistent between drill holes, which is common with a large, stable, and long-lived hydrothermal systems.

The Iron Cap Zone, which is located about 2,300 m northeast of the Mitchell Zone, is well exposed and consists of intensely altered intrusive, sedimentary, and volcanic rocks. The Iron Cap deposit is a separate, distinct mineralized zone within the KSM district. It is thought to be related to the other mineralized zones but differs in that much of the host rock is hydrothermally altered intrusive (porphyritic monzonite to diorite) rather than altered volcanic and sedimentary rocks. There is a high degree of silicification that overprints earlier potassic and chloritic alteration. Intense phyllic alteration and high density of stockwork veining, which are pervasive at the nearby Mitchell Zone, are less pervasive at Iron Cap. The surface expression of the Iron Cap Zone measures about 1,500 m (northeast-southwest) by 600 m (northwest-southeast). Significant drilling has been completed at the Iron Cap deposit since the 2012 KSM PFS Report, which resulted in an updated geological interpretation and subsequent updated Mineral Resource model that forms the basis for the 2016 Mineral Resources and Mineral Reserves.

Security of Samples

The Issuer follows an ongoing and rigorous sample preparation, security, quality control/quality assurance protocol for its exploration programs, including blank and reference standards in every batch of assays. Cross-check analyses are conducted at a second external laboratory on no less than 10% of the samples. The details of these procedures are outlined in the 2016 KSM PFS/PEA Report.

Mineral Resources

RMI constructed 3D block models for the Kerr, Sulphurets, Mitchell, and Iron Cap Zones using various 3D wireframes. Inverse distance estimation methods were used for all Mineral Resource models. In the case of the Sulphurets and Mitchell deposits, a multi-pass interpolation strategy was used, using a combination of grade shells or specific geological lithological/alteration assemblages to constrain the estimate. 3D search ellipses oriented with the trend of mineralization were used to find drill hole composites. Similar strategies were used for the more recent models constructed for the Kerr and Iron Cap deposits. Deeper exploration in those two areas has demonstrated that higher-grade mineralization is associated with various structures. Instead of using conventional search ellipses to collect drill hole composites for block grade estimation, a trend plane search was used for the Kerr and Iron Cap models. That search method appears to do a better job of honoring the currently recognized structural controls in those deposits.

The measured and indicated mineral resources estimated by RMI are set forth in the Table below and are inclusive of mineral reserves.

KSM Undiluted Mineral Resources as of May 31, 2016

Zone	Type of Constraint	NSR Cut-off (Cdn$/t)	Tonnes (000 t)	Grades				Contained Metal			
				Au (g/t)	Cu (%)	Ag (g/t)	Mo (ppm)	Au (000 oz)	Cu (Mlb)	Ag (000 oz)	Mo (Mlb)
Measured Mineral Resources											
Mitchell	Conceptual LG Pit	9	698,800	0.63	0.17	3.1	59	14,154	2,618	69,647	91
	Conceptual Block Cave	16	51,300	0.59	0.20	4.7	41	973	226	7,752	5
	Total Mitchell Measured	n/a	750,100	0.63	0.17	3.2	58	15,127	2,844	77,399	96
Total Measured	n/a	n/a	750,100	0.63	0.17	3.2	58	15,127	2,844	77,399	96
Indicated Mineral Resources											
Kerr	Conceptual LG Pit	9	355,000	0.22	0.41	1.1	4	2,511	3,208	12,555	3
	Conceptual Block Cave	16	24,400	0.24	0.48	2.0	14	188	258	1,569	1
	Total Kerr Indicated	n/a	379,400	0.22	0.41	1.2	5	2,699	3,466	14,124	4
Sulphurets	Conceptual LG Pit	9	381,600	0.58	0.21	0.8	48	7,116	1,766	9,815	40
Mitchell	Conceptual LG Pit	9	919,900	0.57	0.16	2.8	61	16,858	3,244	82,811	124
	Conceptual Block Cave	16	124,700	0.58	0.20	4.7	38	2,325	550	18,843	10
	Total Mitchell Indicated	n/a	1,044,600	0.57	0.16	3.0	58	19,183	3,794	101,654	134
Iron Cap	Conceptual Block Cave	16	346,800	0.51	0.23	4.5	14	5,686	1,758	50,174	11
Total Indicated	n/a	n/a	2,152,400	0.50	0.23	2.5	40	34,684	10,784	175,767	189
Measured + Indicated Mineral Resources											
Kerr	Conceptual LG Pit	9	355,000	0.22	0.41	1.1	4	2,511	3,208	12,555	3
	Conceptual Block Cave	16	24,400	0.24	0.48	2.0	14	188	258	1,569	1
	Total Kerr M+I	n/a	379,400	0.22	0.41	1.2	5	2,699	3,466	14,124	4
Sulphurets	Conceptual LG Pit	9	381,600	0.58	0.21	0.8	48	7,116	1,766	9,815	40
Mitchell	Conceptual LG Pit	9	1,618,700	0.60	0.16	2.9	60	31,012	5,862	152,458	215
	Conceptual Block Cave	16	176,000	0.58	0.20	4.7	39	3,298	776	26,595	15
	Total Mitchell M+I	n/a	1,794,700	0.60	0.16	3.1	58	34,310	6,638	179,053	230
Iron Cap	Conceptual Block Cave	16	346,800	0.51	0.23	4.5	14	5,686	1,758	50,174	11
Total M + I	n/a	n/a	2,902,500	0.54	0.21	2.7	44	49,811	13,628	253,166	285
Inferred Mineral Resources											
Kerr	Conceptual LG Pit	9	80,200	0.27	0.21	1.1	6	696	371	2,836	1
	Conceptual Block Cave	16	1,609,000	0.31	0.43	1.8	25	16,036	15,249	93,115	89
	Total Kerr Inferred	n/a	1,689,200	0.31	0.42	1.8	24	16,732	15,620	95,951	90
Sulphurets	Conceptual LG Pit	9	182,300	0.46	0.14	1.3	28	2,696	563	7,619	11
Mitchell	Conceptual LG Pit	9	317,900	0.37	0.09	3.0	56	3,782	631	30,662	39
	Conceptual Block Cave	16	160,500	0.51	0.17	3.5	44	2,632	601	18,061	16
	Total Mitchell Inferred	n/a	478,400	0.38	0.10	3.0	55	6,414	1,232	48,723	55
Iron Cap	Conceptual Block Cave	16	369,300	0.42	0.22	2.2	21	4,987	1,791	26,121	17
Total Inferred	n/a	n/a	2,719,200	0.35	0.32	2.0	29	30,829	19,206	178,414	173

Note: This table does not include the results of the exploration programs at the KSM Project in 2016, 2017, 2018 and 2019. These resource estimates have been prepared in accordance with NI 43-101. See “Cautionary Note to United States Investors”. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. Inferred resources are based on limited geologic evidence and sampling. It is reasonably expected that the majority of inferred resources could be upgraded to indicated resources with continued exploration.

The estimated block grades were classified into Measured (Mitchell only), Indicated, and Inferred categories using mineralized continuity, proximity to drilling, and the number of holes used to estimate the blocks. Mineral Resources for the Project were determined by using a combination of conceptual open pit and underground mining methods. Lerchs-Grossmann (LG) conceptual pits were generated for the Kerr, Sulphurets, and Mitchell deposits using metal prices of US$1,300.00/oz of gold, US$3.00/lb of copper, US$20.00/oz of silver, and US$9.70/lb of molybdenum. Mining, processing, general and administrative (G&A), and metal recoveries were used to generate conceptual Mineral Resource pits that demonstrate reasonable prospects for eventual economic extraction. Conceptual block cave shapes were generated by Golder using GEOVIA's PCBC™ Footprint Finder software.

Metallurgical Test Review

Several wide-ranging metallurgical test programs were carried out between 2007 and 2016 to assess the metallurgical responses of the mineral samples from the KSM deposits, especially the samples from the Mitchell deposit.

The metallurgical tests to date include:

- mineralogy, flotation, cyanidation, and grindability testwork;
- semi-autogenous grinding (SAG) mill comminution (SMC) grindability tests to determine the grinding resistance of the mineralization to SAG/ball milling;
- crushing resistance parameters to high-pressure grinding rolls (HPGR) crushing of the Mitchell and Sulphurets ore samples by SGS, and pilot plant scale HPGR testing on the Mitchell ore sample; and
- dewatering tests on the samples of heads, copper concentrates, sulphide leach products, and tailing pulps.

The test results indicate that the mineral samples from the four separate mineralized deposits are amenable to the flotation-cyanidation combined process. The process consists of:

- copper-gold-molybdenum bulk rougher flotation followed by gold-bearing pyrite flotation;
- regrinding the bulk rougher concentrate followed by three stages of cleaner flotation to produce a copper-gold-molybdenum bulk cleaner flotation concentrate;
- molybdenum separation of the bulk cleaner flotation concentrate to produce a molybdenum concentrate and a copper/gold concentrate containing associated silver; and
- cyanide leaching of the gold-bearing pyrite flotation concentrate and the scavenger cleaner tailing to further recover gold and silver values as doré bullion.

The samples from the Mitchell deposit produced better metallurgical results with the chosen flotation and cyanide leach extraction circuits when compared to the metallurgical results from the samples taken from the Sulphurets, Iron Cap, and Kerr (upper zone) deposits. The locked cycle tests showed that, on average, approximately 85% of copper and 60% of gold in the Mitchell samples, which contain 0.21% Cu and 0.72 g/t Au, were recovered into a concentrate containing 24.8% Cu. The cyanidation further recovered approximately 18% of the gold from the gold bearing products consisting of the cleaner flotation tailing and the gold bearing pyrite flotation concentrate.

For the Sulphurets, Iron Cap, and upper Kerr samples, the average head grades of the tested samples fluctuated from 0.25 to 0.62% for copper and 0.23 to 0.60 g/t for gold. The average recoveries reporting to flotation concentrates ranged from 78% to 85% for copper and 41 to 60% for gold. The average copper grades of the concentrates varied from 24 to 28%. The cyanidation further recovered approximately 15 to 29% of the gold from the gold-bearing products.

Mineral Processing

The proposed flotation process is projected to produce a copper-gold concentrate containing approximately 25% copper. Copper and gold flotation recoveries will vary with changes in head grade and mineralogy. For the life of mine (LOM) mill feed containing 0.55 g/t gold and 0.21% copper, the average copper and gold recoveries to the concentrate are projected to be 81.6% and 55.3%, respectively. As projected from the testwork, the cyanidation circuit (carbon-in-leach [CIL]) will increase the overall gold recovery to a range of 60% to 79%, depending on gold and copper head grades. Silver recovery from the flotation and leaching circuits is expected to be 62.7% on average. A separate flotation circuit will recover molybdenite from the copper-gold-molybdenum bulk concentrate when higher-grade molybdenite mineralization is processed.

The Process Plant will consist of three separate facilities: ore primary crushing and handling facilities at the mine site, a 23 km ore transportation tunnel system between the mine site and the processing facility, and a main process facility at the Treaty ore processing complex (OPC), adjacent to the TMF.

Gyratory crushers in the comminution plants located at the mine site will reduce the mill feed from 80% passing 1,200 mm to 80% passing 150 mm. The crushed ore will be conveyed to a 30,000 t surge bin (two pockets, each 15,000 t) located underground at a train car loading area, prior to being transported by train cars to the Treaty OPC.

A 23 km MTT system has been designed to connect the Mine Site and the PTMA. The crushed ore will be transported through the tunnels by electric train. This tunnel will also be used for electrical power transmission sourced from the Northwest Transmission Line and for the transport of personnel and supplies for mine operating and water management activities. The proposed tunnel route is through Crown land and approximately 13 kilometers of its length passes through ground subject to mineral claims held by third parties.

The Process Plant at the Treaty OPC will consist of secondary and tertiary crushing, primary grinding, flotation, concentrate regrinding, concentrate dewatering, cyanide leaching, gold recovery, tailing delivery, and concentrate loadout systems. The crushed ore transported from the mine site will be sent to a 60,000 t coarse ore stockpile adjacent to the tunnel portal. The ore will then be reclaimed and crushed by cone crushers, followed by an HPGR comminution circuit. There is a 30,000 t fine ore stockpile located ahead of the tertiary crushing circuit. The crushing systems will be operated in closed circuits with screens.

The ore from the HPGR comminution circuits will be ground to a product size of 80% passing 150 µm by four conventional ball mills in closed circuit with hydrocyclones. The ground ore will then have copper/gold/molybdenum minerals concentrated by conventional flotation to produce a copper-gold-molybdenum concentrate and gold bearing pyrite products for gold leaching. Depending on molybdenum content in the copper-gold-molybdenum concentrate, the concentrate may be further treated to produce a copper-gold concentrate and a molybdenum concentrate. The molybdenum concentrate will be leached to reduce levels of copper and other impurities. The concentrates will be dewatered and shipped to copper and molybdenum smelters.

The gold-bearing pyrite products which consist of the bulk cleaner flotation tailing from the copper-gold-molybdenum cleaner flotation circuit and the gold-bearing pyrite concentrate will be leached with cyanide using CIL treatment for additional gold and silver recovery. Prior to storage in the lined pond within the TMF, the leach residues from the cyanide leaching circuits will be washed, and subjected to cyanide recovery and destruction. The water from the residue storage pond will be recycled back to the cyanide leach circuit. Any excessive water will be further treated prior to being sent to the flotation tailing storage pond.

The flotation tailing and the washed leach residues would be sent to the TMF for storage in separate tailing areas. Two water reclaim systems for the flotation tailing pond and the CIL residue pond have been designed to separately reclaim the water from the TMF.

Tailing Management

The TMF would be constructed in three cells: the North and South cells for flotation tailing, and a lined cell for CIL tailing. The cells are confined between four dams (North, Splitter, Saddle, and Southeast dams) located within the Teigen-Treaty Creek cross-valley. In total, the TMF is designed to have a capacity of 2.3 Bt.

De-pyritized flotation tailing is to be stored in the North and South cells. The pyrite bearing CIL tailing is to be stored in a lined central cell.

The North and CIL cells would be constructed and operated first; they would store tailing produced in the first 25 years. The North Cell would then be reclaimed while the CIL and South cells are in operation.

The North, Splitter, and Saddle earth-fill starter dams will be constructed over a two-year period, in advance of the start of milling, to form the North and Central cells and will provide start-up tailing storage for two years. Cyclone sand dams will be progressively raised above the starter dams over the operating LOM. The North Starter Dam will be constructed with a low-permeability glacial till core and raised with compacted cyclone sand shells, using the centerline geometry method. The Splitter and Saddle starter dams will form the CIL pond. These dams will also subsequently be raised with cyclone sand shells, but the CIL pond and the Splitter and Saddle dams will incorporate high-density polyethylene (HDPE) and linear low-density polyethylene (LLDPE) liners in the core and basin floor in order to surround the CIL tailing within a completely lined impoundment.

Cyclone sand dam raises would be constructed from April through October each year, starting with the North Cell. To reach the capacity of 2.3 billion tonnes, an ultimate dam crest elevation of 1,068 m will be required for the North Cell dams and 1,068 m for the South Cell. This will require a dam height of up to 240 m for the Southeast dam, which is the highest dam of the TMF.

Process water collected in the North and South tailing cells will be reclaimed by floating pump barges and recycled separately to the Process Plant, either for use in the process, for treatment, or to be discharged. Water from the Central Cell will only be directed to the Process Plant for recycling purposes and will not be discharged directly to the receiving environment. Diversions will be constructed to route non-contact runoff from the surrounding valley slopes around the TMF. The diversion channels are sized to allow passage of 200-year peak flows, and are large enough to allow space for passage of snow removal machinery. Buried pipe sections paralleling the channels will be installed in areas of active snow avalanche paths to enhance diversion operability during avalanche periods.

Each of the cells are expected to have surplus water. Surplus water is proposed to be managed during operations using a combination of storage, discharge to Treaty Creek during freshet if water quality meets standards, or treatment at the Treaty process plant water treatment facility (if required) and discharge.

Mine Site Water Management

The overall site water management strategy, including the discharge from the Water Storage Facility (WSF) via the High-density Sludge (HDS) water treatment plant (WTP) was the strategy that was reviewed and approved during the EA Application and EIS review process.

Three diversion tunnel routes totalling approximately 22.4 km will be required to route glacial melt water and non-contact valley runoff from the Mitchell and McTagg valleys around the mine area. The open pit phase of the Mitchell Diversion Tunnel (MDT) and the twinned McTagg Diversion Tunnels (MTDTs) are sized to convey flows from an average 200-year storm. When the Mitchell block cave operation commences, an additional MDT paralleling the open pit phase tunnel will be driven to protect the underground workings, which are more sensitive to inflows than the open pits.

The second tunnel of each set of twinned tunnels provides redundancy against blockage as each individual tunnel can carry typical freshet flows. The provision of twin tunnels also allows switching base flows between adjacent tunnels if access for maintenance is required.

The MDT will route water from Mitchell Creek/Mitchell Glacier to the Sulphurets Valley, away from the open pit, primary crushing facility, open pit area, and Mitchell rock storage facility. The MDT would collect melt water from beneath the base and toe of the Mitchell Glacier via separate surface and sub-glacial inlet structures, which improves redundancy. Both surface and subglacial inlets are designed to protect the inlet of the diversion from being blocked by snow avalanches. The MDT is proposed to generate hydroelectric power as Sulphurets Valley is lower than Mitchell Valley. In Year 23, the MDT will be augmented with a second (twin) tunnel to provide protection against the 1,000-year storm flow to the underground workings.

The McTagg valley tunnels collect flows from east and west McTagg valleys and feed into the main diversion tunnel route, around the west side of the McTagg RSF, and discharge into Sulphurets Valley. These tunnels would have three staged inlets as the McTagg RSF raises in elevation. Hydropower is proposed to be generated by the McTagg tunnels only in Stages 2 and 3.

To facilitate construction in the Mitchell Valley and the staging of water management as the Mitchell and McTagg RSFs rise and fill the valley areas, an approximately 5.4 km long Mitchell Valley Drainage Tunnel will be constructed under Mitchell Valley to carry the existing flows from Mitchell Creek, which are naturally affected by contact with surface mineralization. When the mine is in operation the tunnel will convey contact water from the Mitchell workings and the mineralized area upstream of the deposit, around the RSFs into the WSF.

An in-rock spillway would be constructed at the southwest corner of the McTagg RSF to convey surface diversion flows down to diversion pipelines and channels on the west and east sides of the WSF pond.

Contact water from the mine areas (open pits, RSFs, roads, infrastructure) would be directed to the WSF, located in the lower Mitchell Creek area. The WSF would be formed with a 165 m-high rock fill asphalt core dam built to full height by Year -1. The WSF dam is founded on competent sedimentary rock foundations. Seepage will be controlled by the asphalt core in the dam and the dam foundation will be grouted. A seepage collection pond will return seepage water to the WSF.

During operations, secondary diversion ditches and pipelines would be implemented within the mine area to reduce contact water volumes. Open pit contact water and discharge from pit dewatering wells would be routed from the pit rims, via ditches or direct drainage, and via pipelines or tunnels to the WSF.

Mine area contact water is to be treated with a high density sludge lime water treatment plant ("WTP").

Additional hydropower is to be generated in an energy recovery facility from the flow of treatment water from the WSF to the WTP.

Permitting

As of June 2016, the Project has successfully gone through the provincial and federal environmental assessment processes, and the appropriate certificates/approvals have been obtained. Additionally, permits for early stage constructions activities for the first two and half years of site activity were obtained. These permits covered the following mine components:

- KSM Project *Mines Act and Environmental Management Act* Permit Application for Limited Site Construction – May 2013
- Special Use Permits for the Coulter Creek Access Road (CCAR) and TCAR
- KSM construction camps
- KSM Project Treaty Transmission Line
- MTT Permit Application.

Seabridge is currently in the process of obtaining numerous provincial and federal permits to allow for the construction of parts of the Project, as well as expanding exploration activities, including but not limited to the following:

- Fisheries Authorization application, including draft Compensation Plans
- Metal Mining Effluent Regulations (MMER) Schedule 2 Amendment Application (which was approved in 2017)

Mine Planning (2016 PFS Plan)

The proposed mine uses conventional large-scale open pit and block cave underground mining methods. Pit phases at the Mitchell, Kerr, and Sulphurets deposits have been engineered based on the results of an updated economic pit limit analysis. Starter pits have been selected in higher-grade areas. Underground mining has been proposed for the Iron Cap deposit and below the Mitchell open pit to reduce the volume of waste generated from the potential open pits.

Mining Limits

Lerchs-Grossman ("**LG**") pit shell optimizations were used to define open pit mine plans in the 2012 KSM PFS Report and the same limits were confirmed using LG for the 2016 KSM PFS/PEA Report. Ultimate open pits have been modified slightly to implement design changes from the EA Application and EIS process and updated geotechnical study.

The underground block caving mine designs for both the Mitchell and Iron Cap deposits are based on modeling using GEOVIA's PCBC™ and Footprint Finder software. The ramp-up and maximum yearly mine production rates were established based on the rate at which the drawpoints are constructed, and the initial and maximum production rates at which individual drawpoints can be mucked. The values chosen for these inputs were based on industry averages adjusted to suit the anticipated conditions.

Mineral Reserve Estimate

Waste to ore open pit cut-offs and underground shut-offs, including process recovery, were determined using metal prices of US$1,200.00/oz of gold, US$2.70/lb of copper, US$17.50/oz of silver, and US$9.70/lb of molybdenum for NSR calculations.

Open pit Mineral Reserves have been calculated using the updated pit designs and the 2016 Mineral Resource models. These calculations include mining loss and dilution that varies by pit ranging from 2.2 to 5.3% for loss, and 0.8 to 3.9% for dilution. A dynamic cut-off grade strategy has been applied with a minimum NSR of CDN$9.00/t.

The mining NSR shut-off is Cdn$15.00/t for the Mitchell underground mine and CDN$16.00/t for the Iron Cap underground mine. The Mitchell Mineral Reserves include 59 Mt of non-mineralized dilution at zero grade (13%) and 7 Mt of mineralized dilution (2%). The Iron Cap Mineral Reserves include 20 Mt of dilution at zero grade (9%) and 25 Mt of mineralized dilution (11%).

Proven and Probable Mineral Reserves for the KSM Project as of July 31, 2016 are estimated as:

KSM Proven and Probable Mineral Reserves as of July 31, 2016

Zone	Mining Method	Reserve Category	Tonnes (millions)	Average Grades				Contained Metal			
				Gold (gpt)	Copper (%)	Silver (gpt)	Moly (ppm)	Gold (million ounces)	Copper (million pounds)	Silver (million ounces)	Moly (million pounds)
Mitchell	Open Pit	Proven	460	0.68	0.17	3.1	59.2	10.1	1,767	45	60
		Probable	481	0.63	0.16	2.9	65.8	9.7	1,677	44	70
	Block Cave	Probable	453	0.53	0.17	3.5	33.6	7.7	1,648	51	34
Iron Cap	Block Cave	Probable	224	0.49	0.20	3.6	13.0	3.5	983	26	6
Sulphurets	Open Pit	Probable	304	0.59	0.22	0.8	51.6	5.8	1,495	8	35
Kerr	Open Pit	Probable	276	0.22	0.43	1.0	3.4	2.0	2,586	9	2
Totals		Proven	460	0.68	0.17	3.1	59.2	10.1	1,767	45	60
		Probable	1,738	0.51	0.22	2.5	38.2	28.7	8,388	138	147
		Total	**2,198**	**0.55**	**0.21**	**2.6**	**42.6**	**38.8**	**10,155**	**183**	**207**

Note: The Mineral Reserves tabulated above are included in the tabulated Mineral Resources. All Mineral Reserves stated above account for mining loss dilution.

Mineral Reserves are derived from a total undiluted Measured plus Indicated Mineral Resource of 49.8 million ounces of gold and 13.6 billion pounds of copper contained in 2.9 billion tonnes at an average grade of 0.54 grams of gold per tonne and 0.21% copper per tonne. Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. Most of the Deep Kerr and Lower Iron Cap Mineral Resources are classified as Inferred Mineral Resources and are excluded from the reserves.

Mine Production Plan (2016 PFS Plan)

During the initial 33 years of mine life, the majority of ore is derived from open pits, with the tail end of this period supplemented by the initial development of underground block cave mines. After Year 1 ramp up, ore delivery to the mill during Year 2 to Year 35 is designed to be maintained at an average of 130,000 t/d. After depletion of the open pits, the mill processing rate will be reduced to about 96,000 t/d for 10 additional years, before ramping down to just over 61,000 t/d. The change in throughput matches the production levels from the block cave with appropriate ramp ups and ramp downs applied. The remaining few years use stockpile reclaim to supplement the declining production from the block caves at the end of the mine life.

Ore is mined from Mitchell open pit from Years 1 to 24. Mitchell transitions to block cave mining as the Mitchell pit is mined out. Ore is mined from Sulphurets open pit from Years 1 to 17. Kerr open pit supplements block cave mining from Year 25 to Year 34, and during these years, ore will be transported by an overland conveyor and rope conveyor system starting at the Kerr pit. Mitchell block cave is estimated to have a production ramp-up period of six years, steady state production at 20 Mt/a for 17 years, and then ramp-down production for another 7 years. Iron Cap is estimated to have a production ramp-up period of four years, steady state production at 15 Mt/a for 10 years, and then ramp-down production for another 9 years. The underground pre-production period would be six years, with first underground ore production from Mitchell and Iron Cap in Years 23 and 32, respectively.

All ore will be transported by train from the mine area through the MTT to the Treaty processing plant. The ore transport system will also include:

- A conveyor through the Sulphurets-Mitchell Conveyor Tunnel (SMCT) and a connecting conveyor to transport ore from the Sulphurets pit to an ore stockpile at the Mitchell site.
- A separate rope conveyor built to connect the Kerr pit to the SMCT conveyor across the Sulphurets Valley. Waste rock from the Kerr open pit is backfilled into the mined out Sulphurets pit. Ore from the Kerr open pit is transferred to the SMCT to deliver ore to the Mitchell pit site. Both the ore and waste rock that are primary crushed at the Kerr site will use the same rope conveyor transport system.

Infrastructure (2016 PFS Plan)

In Figure 3 below, the location of the proposed infrastructure is shown.

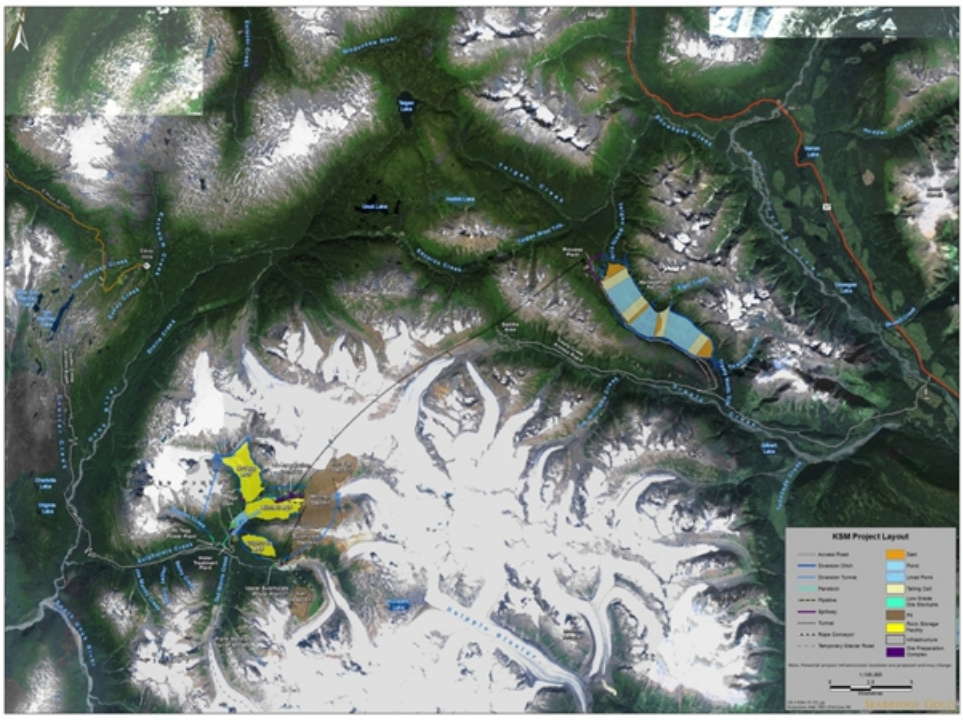
Site access will be established from three fronts:

- the 30 km Treaty Creek access road from Highway 37 to the Saddle Area and the Treaty processing plant;
- the 35 km Coulter Creek access road that extends the Eskay Creek mine road to the Unuk River and on to the Mine Site;
- the Winter access road from the Granduc mine to the Ted Morris Creek Valley to be used in the first few years of construction.

Copper concentrates produced at the Treaty plant will be transported by contract trucking firms via Highway 37 and 37A to one of the port vendors in Stewart, BC. A concentrate storage building (approximately 100 m by 66 m) will be required. Copper concentrates will be loaded via ship loader and shipped via ocean transport to overseas smelters.

Multiple staging areas will be used in the Project, with the majority of equipment and materials anticipated to be delivered to the Port of Stewart, supplemented by overland freight delivered to Terrace or Stewart.

Figure 3 – KSM Project Layout



Trains will travel through the MTT on a conventional ballasted track structure, be electrically driven by an overhead catenary system, and be controlled by an automated train control system managed from a remote control room without an on-board operator. The trains will transport personnel, freight and fuel and the train staging areas will be accessible by road.

The tunnels will be driven in accordance with the BC *Mines Act* and Regulations using mechanized drill and blast techniques and will follow the conditions contained within the License of Occupation. The MTT are on the critical path of the construction schedule and have therefore been broken into two segments to allow for concurrent development workplaces resulting in a shorter total tunnel construction period. This will be accomplished with headings at the Treaty Valley, an adit as the saddle of a transecting valley, located 6.1 km from the Treaty portals, and by headings in the Mitchell Valley thus creating six active headings. During construction, rail will be installed in both the North and South tunnels for the future operations rail haulage system; however, only the North Tunnel will be used for hauling tunnel muck during construction.

Electric service for the Project will be from BC Hydro's Northern Transmission Line (NTL) that was completed in 2014 and parallels Highway 37. The NTL provides an economic and reliable source of power at a cost of US$0.05/kWh.

The new 344 km long, 287 kV, NTL runs from the Skeena Substation on the BC Hydro 500 kV grid near Terrace, BC, to Cranberry Junction, from which point it roughly parallels BC Highway 37 to its terminus at Bob Quinn. A 30 km long, 287 kV transmission extension from the NTL will be constructed, originating at the Treaty Creek Switching Station (BC Hydro designation TCT) and terminating at the Treaty processing plant. This spur line will parallel the Treaty Creek access road in a common corridor. Land tenure for the right-of-way has been obtained. The Treaty Creek Switching Station on the NTL will be approximately 20 km south of Bell II. The Project will take electrical service from the new NTL as a Transmission Service Customer under Schedule 1823 as published in the BC Hydro tariffs.

Seabridge commissioned BC Hydro to carry out a Facilities Study for the Project, following the previously completed BC Hydro System Impact Study. The Facilities Study is the final evaluation required by the utility to define connection costs and terms of electric service. A draft version of the Facilities Study has been issued. Upon the final issue of the study, the parties will be in a position to sign a Facilities Agreement that, in conjunction with the Electricity Supply Agreement (ESA), forms the standard contract for the supply of electric power for a large bulk Transmission Service Customer such as Seabridge. The Project, on the basis of the current application, has priority for service from the new NTL. Currently there is a reservation of 150 MVA for the Project, but an application has been made to increase this to 200 MVA.

Several energy recovery and mini-hydro plants have been included in the Project development plan. These plants generate electric power by making use of facilities already included in the Project and will result in significant net project energy savings.

It was assumed for the 2016 KSM PFS/PEA Report that the Project will be constructed using the engineering, procurement, and construction management (EPCM) approach with a management team located at both the Mine Site and the Treaty OPC. The Owner will supply all the temporary construction camps and service contractors to manage daily activities on site.

Mine Site construction begins with the development of the site access roads to the water treatment plant area, WSF, tunnel entrances, Coulter Creek access road, and building locations. Early works material and equipment will be mobilized via the Winter Access Road and the pioneering road along the Coulter Creek access road alignment. Major equipment, general construction materials, and heavy earth moving equipment will be mobilized via the Coulter Creek access road. Construction material and equipment for the plant and tailings management area will be transported using the Treaty Creek access road. Helicopter support is planned to be used prior to Treaty Creek access road pioneering road completion. The construction schedule for both sites is coordinated around the development of the MTT.

Capital Cost Estimate (2016 PFS Plan)

An initial capital cost of US$5.005 billion is estimated for the project. Costs in the 2016 KSM PFS/PEA Report are expressed in US Dollars, unless otherwise stated. Costs have been converted using a fixed currency exchange rate of US$0.80 to CDN$1.00. The expected accuracy range of the capital cost estimate is +25%, -10%. This estimate includes only initial capital, defined as all capital expenditures required to produce concentrate and doré. A summary of the major capital costs is shown in the following table.

Capital Costs (US$ million)

Direct Costs:	
Mine Site	1,218
Process	1,336
Tailing Management Facility	441
Environmental	15
On-site Infrastructure	23
Off-site Infrastructure	120
Permanent Electrical Power Supply and Energy Recovery	159
Total Direct Costs	**3,311**
Indirect Costs:	
Construction Indirect Costs	449
Spares	34
Initial Fills	20
Freight and Logistics	99
Commissioning and Start-up	6
Engineering Procurement and Construction Management (EPCM)	231
Vendor's Assistance	23
Total Indirect Costs	**862**
Owner's Cost	**160**
Contingency	**671**
TOTAL INITIAL CAPITAL	**5,005**

This 2016 PFS estimate is prepared with a base date of Q2 2016. The estimate does not include any escalation past this date. Budget quotations were obtained for major equipment. The vendors provided equipment prices, delivery lead times, freight costs to a designated marshalling yard, and spares allowances. The quotations used in this estimate were obtained in Q1/Q2 2016, and are budgetary and non-binding. Pricing for all major equipment is based on budgetary quotations provided by vendors obtained in Q1/Q2 2016. For non-major equipment, pricing is based on in-house data or recent quotes from similar projects.

All equipment and material costs are based on FCA (Free Carrier) Ex-works (Incoterms 2010). Other costs such as spares, taxes, duties, freight, and packaging are covered separately in the indirect costs section of the capital cost estimate.

Sustaining capital costs were also estimated leveraging the same basis of information applied to the initial capital estimate with respect to vendor quotations, labour, and material costs. The sustaining capital costs total US$5.503 billion and consist of:

- open pit mine development, principally mobile fleet replacement
- underground mine development at Mitchell and Iron Cap block cave mines
- process improvements, principally at Mitchell and Treaty OPC, MTT, and SMCT
- TMF expansions, mainly comprising dam raises and CIL basin expansions
- permanent electrical power supply and energy recovery systems
- Project indirect costs, including construction indirects, spares, freight and logistics, EPCM, vendor assistance, and contingency.

Operating Cost Estimate (2016 PFS Plan)

The average operating cost for the Project is estimated at US$12.03/t milled at the nominal process rate of 130,000 t/d or US$12.33/t for the LOM average as shown in the table below. The cost estimates in this table are based upon budget prices in Q1/Q2 2016 or based on the data from the database of the consulting firms involved in the cost estimates. When required, costs in this report have been converted using a three-year average currency exchange rate of CDN$1.00 to US$0.80. The expected accuracy range of the operating cost estimate is +25%/-10%.

The estimates do not include energy recovery credit (approximately US$0.12/t milled LOM) from mini hydropower stations and the cost (approximately US$0.15/t milled LOM) related to Provincial Sales Tax (PST).

LOM Average Unit Operating Costs (US$ Per Tonne Milled)

	At the Nominal Feed Rate of 130,000 t/d		LOM Average (US$/t milled)
	(US$/a)	(US$/t milled)*	
Mine			
Mining Costs – Mill Feed	190,223,000**	4.59**	4.59
Open Pit – Mill Feed	-	4.40**	4.40
Block Caving – Mill Feed	-	4.99**	4.99
Mill			
Process	251,066,000	5.29	5.34
G&A and Site Service			
G&A	43,272,000	0.91	1.03
Site Service	18,914,000	0.40	0.44
Tailing and Site Water Management			
Tailing Dam Management	6,065,000	0.13	0.13
Selenium Water Treatment	9,469,000	0.20	0.21
HDS Water Treatment	22,033,000	0.46	0.53
Mine Site Water Pumping	2,453,000	0.05	0.06
Total Operating Cost	**543,495,000**	**12.03**	**12.33**

Notes: * - The estimates, excluding mining operating costs, are based on a mill feed rate of 130,000 t/d; the costs do not reflect higher unit costs late in mine life when the mill feed rates are lower.
** - Mining operating costs are LOM average unit costs calculated by total LOM operating costs divided by LOM process tonnages; mining operating costs exclude mine pre-production costs. The annual cost is the LOM average cost.

Power will be supplied by BC Hydro at an average cost of US$0.050/kWh at the plant 25 kV bus bars, based on the BC Hydro credits for energy conservation by use of HPGR and similar, and the cost of “peaking” power to avoid a BC Hydro contract demand of over 150 MVA. Process power consumption estimates are based on the Bond work index equation for specific grinding energy consumption and estimated equipment load power draws for the rest of the process equipment. The power cost for the mining section is included in the mining operating costs. Power costs for site services, water treatment plants, TMF seepage water pumping, and the Mine Site water pumping are included in their area costs separately.

The estimated electrical power costs are based on the 2016 BC Hydro Tariff 1823 – Transmission Service Stepped Rate and Schedule 1901 – Deferred Account Rate Rider. The electrical power costs also account for local system losses and include 7% PST, which is not treated as an Input Tax Credit (ITC). The rates take advantage of the implementation of BC Hydro-approved energy conservation measures in the plant design phase, including the HPGR circuit, which will greatly reduce the costlier Tier 2 power in the BC Hydro stepped-rate Schedule 1823. The 5% Goods and Services Tax (GST) is not included in the power rates as it is an ITC.

The operating costs are defined as the direct operating costs including mining, processing, tailing storage, water treatment, and G&A. The hydropower credit from recovered hydro-energy during mining operations is not accounted for directly against operating cost estimate, but is included in the economic financial analysis. Sustaining capital costs including all capital expenditures after the process plant has first been put into production are excluded from the operating cost estimate.

Economic Evaluation (2016 PFS Plan)

The economic evaluation was prepared on both a pre-tax financial and a post-tax financial model.

Metal revenues projected in the KSM Project cash flow models were based on the average metal production values as follows:

	Years 1 to 7	**Life of Mine**
Total Tonnes to Mill (000s)	322,750	2,198,559
Annual Tonnes to Mill (000s)	46,107	41,484
Average Grades		
Gold (g/t)	0.82	0.55
Copper (%)	0.24	0.21
Silver (g/t)	2.8	2.6
Molybdenum (ppm)	48.3	42.6
Total Production		
Gold (000s oz)	6,259	28,597
Copper (000s lb)	1,434,560	8,270,423
Silver (000s oz)	18,224	114,671
Molybdenum (000s lb)	11,154	62,080
Average Annual Production		
Gold (000s oz)	933	540
Copper (000s lb)	204,937	156,052
Silver (000s oz)	2,603	2,164
Molybdenum (000s lb)	1,593	1,171

A cash flow analysis was prepared using four metals price scenarios. In the base case scenario, the three-year trailing average (as of July 31, 2016) prices for gold, copper, silver and molybdenum were used, consistent with industry standard and in compliance with the guidance of the United States Securities and Exchange Commission and NI 43-101. In addition to the base case, three metal price/exchange rate scenarios were also developed: the first uses the metal prices and exchange rate used in mine optimization and design (2016 Design Case); the second uses the spot metal prices and closing exchange rate on July 1, 2016 (Recent Spot Price Case); the third uses higher metal prices to indicate upside potential (Alternate Case). The input parameters and results of all four scenarios on a pre- and post-tax basis can be found in the following table.

Summary of the Pre- and Post-Tax Economic Evaluations (2016 PFS Plan)

	Unit	Base Case	2016 Design Case	Recent Spot Price Case	Alternate Case
Metal Price					
Gold	US$/oz	1,230.00	1,200.00	1,350.00	1,500.00
Copper	US$/lb	2.75	2.70	2.20	3.00
Silver	US$/oz	17.75	17.50	20.00	25.00
Molybdenum	US$/lb	8.49	9.70	7.00	10.00
Exchange Rate	US:Cdn	0.80	0.83	0.77	0.80
Pre-Tax Economic Results					
NPV (at 0%)*	US$ M	15,933	13,727	16,101	26,319
NPV (at 3%)	US$ M	6,217	5,128	6,461	11,138
NPV (at 5%)	US$ M	3,263	2,510	3,507	6,541
NPV (at 8%)	US$ M	960	475	1,175	2,928
IRR	%	10.4	9.2	11.1	14.6
Payback	Years	6.0	6.5	5.6	4.1
Cash Cost/oz Au	US$/oz	277	311	404	183
Total Cost/oz Au	US$/oz	673	720	787	580
Post-Tax Economic Results					
NPV (at 0%)*	US$ M	9,983	8,537	10,109	16,721
NPV (at 3%)	US$ M	3,513	2,789	3,691	6,696
NPV (at 5%)	US$ M	1,539	1,028	1,718	3,663
NPV (at 8%)	US$ M	-2	-343	161	1,282
IRR	%	8.0	7.0	8.5	11.4
Payback	Years	6.8	7.4	6.4	4.9

* undiscounted cash flow

Sensitivity analyses were carried out on gold, copper, silver, and molybdenum metal prices, exchange rate, capital expenditure and operating costs. The analyses are presented in the 2016 KSM PFS/PEA Report graphically as financial outcomes in terms of pre-tax NPV, IRR and payback period. The Project NPV is most sensitive to gold price and exchange rate followed by operating costs, copper price and capital costs. The IRR is most sensitive to exchange rate, capital costs and gold price followed by operating costs and copper price. The payback period is most sensitive to gold price and exchange rate followed by capital costs, copper price and operating costs. Since the majority of costs are in Canadian dollars and the economic analysis is developed in American dollars, a significant increase in the exchange rate by 30% will result in a significant increase in the costs when converted to American dollars and this leads to sharp increase in the payback period. Also, when gold price decreases by 30%, the revenue side decreases significantly and this results in sharp increase in the payback period. Financial outcomes are relatively insensitive to silver and molybdenum prices.

Recommendations

2016 PFS Plan Recommendations

The key recommendations for advance studies emanating from the 2016 PFS focus on improving both open pit and underground mine design through additional drilling and testing; water related topics to further refine the inputs and results of site wide water balance analyses from the construction period through closure; and tunnels to develop more design-specific information to assist in reducing Project and operational risk and associated construction and operating costs. Other recommendations address data collection needs for RSFs, ore transportation, TMF, metallurgical testing, and process engineering.

Other Relevant Data and Information – 2016 PEA Plan

The 2016 PEA Plan was undertaken to evaluate a different approach to developing the Project by emphasizing low-cost block cave mining and reducing the number and size of the open pits, which significantly reduces the surface disturbances in the re-designed Project. The 2016 PEA Plan is a conceptual level of study based on the same Mineral Resource estimates used in the 2016 PFS Plan, except the inferred mineral resources are included in the 2016 PEA Plan, which assesses the potential impacts of incorporating these inferred resources into project design, capital and operating cost estimates and projected economics. The results of the 2016 PFS remain valid and represent a viable option for developing the KSM Project, with the PEA assessing an alternative development option at a conceptual level.

The 2016 PEA Plan is preliminary in nature and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the results of the 2016 PEA Plan will be realized. Mineral Resources are not Mineral Reserves and do not have demonstrated economic viability.

The 2016 PEA Plan envisages a combined open pit/underground block cave mining operation that is planned to operate for 51 years. The proposed Process Plant for the 2016 PEA Plan mine design will have an average process rate of 170,000 t/d and produce a gold/copper/silver concentrate for transport by truck to a nearby sea port at Stewart, B.C. Metallurgical testing indicates that KSM can produce a clean concentrate with an average copper grade of 25% with a high gold and silver content, making it readily saleable. Separate gold-silver doré would be produced at the KSM processing facility.

Mine Design

The 2016 PEA Plan is based on the same Mineral Resources estimates that were estimated in the 2016 KSM PFS/PEA Report. The 2016 PEA Plan utilizes Measured, Indicated and Inferred Mineral Resources in mine planning. Material that is mined in the 2016 PEA Plan is based on open pit mining and underground block caving for the Mitchell deposit, open pit mining for the Sulphurets deposit and underground block caving for the Kerr and Iron Cap deposits. The Mitchell open pit and Kerr underground mines will be the main source of mill feed, supplemented by the Sulphurets open pit along with the Mitchell and Iron Cap underground mine production. Approximately 22% of the mill feed would come from open pit operations and 78% from underground block caving. Waste to mill feed cut-offs were determined using a Net Smelter Return ("**NSR**") for each block in the model for the open pit mines, and a NSR shut-off for the block cave underground mines. NSR is calculated using prices and process recoveries for each metal accounting for all off-site losses, transportation, smelting and refining charges. Metal prices of US$1,200 per ounce gold, US$2.70 per pound copper, and US$17.50 per ounce silver are used in the NSR calculations.

Lerchs-Grossman ("LG") pit shell optimizations were used to define open pit mine plans in the 2016 PEA Plan. The pit limits of the 2016 PEA Plan are contained inside the pit limits of the 2016 PFS Plan. The mine design for the 2016 PEA Plan focuses on reducing waste and selecting higher block value. As a result the 2016 PEA Plan mine plan contains 2.4 billion tonnes less waste in the open pit mine plan.

The underground block caving mine designs for Mitchell, Iron Cap, and Kerr are based on modeling using GEOVIA's Footprint Finder and PCBC software. The ramp-up and maximum yearly mine production rates were established based on the rate at which the drawpoints are constructed, and the initial and maximum production rates at which individual drawpoints can be mucked. The values chosen for these inputs were based on industry averages adjusted to suit the anticipated conditions.

Mitchell is estimated to have a production ramp-up period of 5 years, steady state production at 21.9 million tonnes per year for 28 years, and then ramp-down production for another 3 years. Iron Cap is estimated to have a production ramp-up period of 3 years, steady state production at 14.6 million tonnes per year for 11 years, and then ramp-down production for another 4 years. Kerr is estimated to have a production ramp-up period of 6 years, steady state production at 25.5 million tonnes per year for 38 years with some variations during years where the operation transitions from first to second lift and second to third lift. Ramp down lasts 4 years.

The underground pre-production period is 5 years for Mitchell and Iron Cap and 3 years for Kerr. The first underground mill feed production from Mitchell, Iron Cap and Kerr comes in years 9, 10 and 4, respectively. The mining NSR shut-off is CDN$20 per tonne for the Mitchell underground mine, CDN$23 per tonne for the Iron Cap underground mine and CDN$22 per tonne for Kerr.

Mineral Resources contained in the mine plans for the 2016 PEA Plan are stated as follows.

Mineral Resources in the PEA Mine Plan

Zone	Mining Method	Classification	Tonnes (millions)	Average Grades			Contained Metal		
				Gold (gpt)	Copper (%)	Silver (gpt)	Gold (million ounces)	Copper (million pounds)	Silver (million ounces)
Mitchell	Open Pit	Measured	223.7	0.79	0.20	3.0	5.7	966	21.9
		Indicated	194.6	0.75	0.19	2.8	4.7	817	17.7
		Inferred	11.6	0.47	0.20	5.2	0.2	50	1.9
	Block Cave	Measured	244.9	0.68	0.21	4.2	5.4	1,134	33.1
		Indicated	361.0	0.65	0.20	4.1	7.5	1,592	47.6
		Inferred	87.5	0.40	0.13	3.1	1.1	259	8.7
Iron Cap	Block Cave	Indicated	121.5	0.64	0.24	4.1	2.5	643	15.8
		Inferred	77.4	0.46	0.22	3.5	1.1	384	8.7
Sulphurets	Open Pit	Indicated	91.8	0.70	0.29	0.6	2.1	584	1.7
		Inferred	11.1	0.59	0.25	0.8	0.2	60	0.3
Kerr	Block Cave	Indicated	24.4	0.26	0.54	1.1	0.2	290	0.8
		Inferred	931.5	0.31	0.49	1.7	9.3	9,962	52.0
Total Open Pit		M+I	510.1	0.76	0.21	2.5	12.4	2,367	41.2
		Inferred	22.7	0.53	0.22	3.1	0.4	111	2.2
Total Block Cave		M+I	751.8	0.64	0.22	4.0	15.6	3,659	97.3
		Inferred	1,096.4	0.33	0.44	2.0	11.6	10,605	69.3
Total Material Mined		M+I	1,261.8	0.69	0.22	3.4	28.0	6,026	138.6
		Inferred	1,119.1	0.33	0.43	2.0	12.0	10,716	71.6

Production

The PEA mining study took a different approach to the 2016 PFS. The PEA mine plan was carried out with the aim of reducing the amount of waste rock produced in the open pits with the mill feed drawing more on the underground resources. The mine production plan starts in lower-cost open pit areas using conventional large scale equipment before transitioning into block cave underground bulk mining later in the mine life. Starter pits have been selected in higher grade areas and cutoff grade strategy optimizes revenues to minimize the payback duration.

After initial ramp-up the throughput averages of 170,000 tonnes per day ("tpd") for the first 20 years, after the rate is reduced to 130,000 tpd for the following 15 years and then is further reduced to around 77,000 tpd for 12 years; during the remaining 3 years of production, throughput averages 28,000 tpd. In the 2016 PEA Plan, KSM's mine life is estimated at approximately 51 years. Production starts from open pits at Mitchell and Sulphurets and lasts until years 8 and 5 of production, respectively. During that period the Kerr block cave is developed and first mill feed is produced in year 4 of production. In year 9 and 10 Mitchell and Iron Cap caves enter into production. Underground production ends first at Iron Cap in year 27, then at Mitchell in year 44 and finally at Kerr in year 51 of production.

At Mitchell, a near-surface higher grade gold zone outcrops allowing for gold production in the first seven years that is substantially above the mine life average grade. The mine plan is specifically designed for mining highest gold grade first to facilitate an early capital investment payback. The project's post-tax payback period is approximately 6.3 years for the Base Case or less than 12% of mine life.

Metal production for the first seven years, compared to life of mine average production, is estimated as follows:

Average Annual Metal Production (metal recovered)

	Years 1-7 Average	Life of Mine Average
Average Grades:		
Gold (grams per tonne)	0.78	0.52
Copper (%)	0.26	0.32
Silver (grams per tonne)	2.7	2.7
Annual Production:		
Gold (000 ounces)	1,150	592
Copper (000 pounds)	306,603	286,217
Silver (000 ounces)	3,290	2,761

Capital Costs

Initial capital costs (including contingency of US$927 million and preproduction mining costs) are estimated at US$5.5 billion, approximately 9.7% higher than the initial capital estimate in the 2016 PFS Plan. Most of the cost increase in initial capital is related to the higher throughput that required a bigger mining fleet at the start of production, larger size of equipment at the mill and changes in the tailing management facility due to a higher mill rate. Also, contingency is higher to reflect the lower level of cost accuracy of the 2016 PEA Plan compared to the 2016 PFS Plan.

Sustaining capital over the 51 year mine life is estimated at US$10.0 billion and is dominated by capitalizing the underground mine expansions at Kerr, Mitchell and Iron Cap block caves. In addition to sustaining capital, a further US$540 million has been charged against the project including US$454 million set aside in a sinking fund during the production period to pay for estimated water treatment obligations which continue after closure and US$86 million for physical reclamation and other uses after mining operations have ceased.

Initial capital and sustaining capital estimates for the 2016 PEA Plan are summarized as follows:

Capital Costs (US$ million)

Direct Costs:	
Mine Site	1,272
Process	1,447
Tailing Management Facility	509
Environmental	15
On-site Infrastructure	23
Off-site Infrastructure	120
Permanent Electrical Power Supply and Energy Recovery	167
Total Direct Costs	**3,553**
Total Indirect Costs	848
Owner's Cost	**161**
Contingency	**927**
TOTAL INITIAL CAPITAL	**5,489**
TOTAL LIFE OF MINE SUSTAINING CAPITAL	**10,018**

Operating Costs

Average mine, process and G&A operating costs over the 2016 PEA Plan project's life (including waste mining and on-site power credits, excluding off-site shipping and smelting costs) are estimated at US$11.61 per tonne milled (before base metal credits). Estimated unit operating costs decreased 6% from the 2016 PFS Plan primarily due to reduction in process and G&A cost associated with higher throughput. A breakdown of estimated unit operating costs is as follows:

LOM Average Unit Operating Costs (US$ Per Tonne Milled)

Mining	4.47
Process	5.19
G&A	0.86
Others	1.09
Total Operating Costs	11.61

* excluding pre-production cost of both open pit and underground mining

Economic Analysis

To compare the economic projections, the 2016 PEA Plan incorporates three of the same case analyses that were presented in the 2016 PFS Plan. A Base Case economic evaluation was undertaken incorporating historical three-year trailing averages for metal prices as of July 31, 2016. This approach adheres to National Instrument 43-101 and is consistent with industry practice. Two alternate cases were constructed: (i) a Recent Spot Case incorporating recent spot prices for gold, copper, silver and the US$/CDN$ exchange rate; and (ii) an Alternate Case that incorporates higher metal prices to demonstrate the project's sensitivity to rising prices. The pre-tax and post-tax estimated economic results in U.S. dollars for all three cases compared to the results of the 2016 PFS Plan are as follows:

Projected Economic Results (US$)

	Base Case		Recent Spot		Alternate	
	2016 PEA	**2016 PFS**	**2016 PEA**	**2016 PFS**	**2016 PEA**	**2016 PFS**
Metal Prices:						
Gold ($/ounce)	1,230		1,350		1,500	
Copper ($/pound)	2.75		2.20		3.00	
Silver ($/ounce)	17.75		20.00		25.00	
US$/CDN$ Exchange Rate:	0.80		0.77		0.80	
Cost Summary:						
Operating Costs Per Oz of Gold (life of mine)	-$179	$277	$32	$404	-$319	$183
Total Cost Per Ounce of Gold Produced	$358	$673	$553	$787	$218	$580
Copper Credits Per Oz Gold Included in Costs	-$1,328	-$795	-$1,104	-$636	-$1,449	-$868
Silver Credits per Oz Gold Included in Costs	-$83	-$71	-$97	-$80	-$117	-$100
Initial Capital (includes pre-production mining)	$5.5 B	$5.0 B	$5.3 B	$4.8 B	$5.5 B	$5.0 B
Sustaining Capital	$10.0 B	$5.5 B	$9.7 B	$5.3 B	$10.0 B	$5.5 B
Unit Operating Cost On-site (US$/tonne)	$11.61	$12.36	$11.17	$12.09	$11.61	$12.36
Pre-Tax Results:						
Net Cash Flow	$26.3 B	$15.9 B	$24.1 B	$16.1 B	$38.7 B	$26.3 B
NPV @ 5% Discount Rate	$6.1 B	$3.3 B	$5.7 B	$3.5 B	$10.2 B	$6.5 B
Internal Rate of Return	12.7%	10.4%	12.9%	11.1%	16.9%	14.6%
Payback Period (years)	5.6	6.0	5.3	5.6	3.9	4.1
Post-Tax Results:						
Net Cash Flow	$16.7 B	$10.0 B	$15.3 B	$10.1 B	$24.7 B	$16.7 B
NPV @ 5% Discount Rate	$3.4 B	$1.5 B	$3.2 B	$1.7 B	$6.0 B	$3.7 B
Internal Rate of Return	10.0%	8.0%	10.1%	8.5%	13.4%	11.4%
Payback Period (years)	6.4	6.8	6.1	6.4	4.7	4.9

Note: Operating and total cost per ounce of gold are after copper and silver credits. Total cost per ounce include all start-up capital, sustaining capital and reclamation/closure costs. Dollar values followed by a B are in billions. The post-tax results include the B.C. Mineral Tax and corporate provincial and federal taxes. The 2016 PEA is preliminary in nature, and includes Inferred Mineral Resources that are considered too speculative geologically to have the economic considerations applied to them that would enable them to be categorized as Mineral Reserves, and there is no certainty that the PEA will be realized.

The 2016 KSM PFS/PEA Report includes sensitivity analyses illustrating the impact on project economics from positive and negative changes to metal prices, capital costs and operating costs. The Project is most sensitive to changes in metal prices and foreign exchange, less sensitive to changes in capital costs, and least sensitive to operating cost and labour costs changes.

PFS and PEA Differences

Notable changes in the 2016 PEA Plan by comparison to the 2016 PFS Plan include:

- In the 2016 PEA Plan, open pits would account for only 22% of total production compared to 70% in the 2016 PFS Plan. In the 2016 PEA Plan, the Kerr Deposit (including Deep Kerr) would be mined exclusively as a large underground block cave. The 2016 PEA Plan mine plans in total would reduce the amount of waste rock by 81% (by approximately 2.4 billion tonnes) compared to the 2016 PFS Plan, substantially shrinking the project's foot print and its environmental impact and reducing water treatment costs.

- By expanding Kerr (to include Deep Kerr), annual average maximum throughput of 130,000 tonnes per day envisioned in the 2016 PFS Plan has been increased to 170,000 tonnes per day in the 2016 PEA Plan without significant redesign of facilities. Increased throughput would increase metal production, reducing payback periods and improving estimated projected internal rates of returns and net present values.
- In the 2016 PEA Plan, estimated Base Case initial capital costs including pre-production mining costs are about 9.7% higher than the 2016 PFS Plan due primarily to increased throughput. Base Case total cost per ounce of gold produced in the 2016 PEA Plan is estimated at US$358 compared to US$673 per ounce in the 2016 PFS Plan. The change in Base Case total cost is due to higher by-product credits from significantly higher copper production more than offsetting higher sustaining capital for expanded underground development in the 2016 PEA Plan.
- As a result of approximately 77% more copper that would be produced over the projected life, Base Case life of mine operating costs in the 2016 PEA Plan are estimated at negative US$179 per ounce of gold produced, compared to the positive US$277 per ounce in the 2016 PFS Plan.

2016 PEA Plan Recommendations

The exploration drilling program on Deep Kerr should be augmented with geotechnical activities to provide a better understanding of the rock structure characteristics important for the mine design. Further testwork should be performed to confirm process parameters and test domain composites and point samples to address geometallurgical variability that will support more advanced studies on the Deep Kerr deposit.

2016, 2017, 2018 and 2019 Exploration

Exploration activities at the KSM Project are being conducted by Seabridge personnel under the supervision of William E. Threlkeld, Senior Vice President, Exploration of Seabridge. The following information regarding 2016, 2017, 2018 and 2019 exploration at KSM, but excluding the resource estimates, was prepared by or under the supervision of William Threlkeld, a qualified person for the purposes of NI 43-101. The resource estimates were prepared by RMI under the direction of Michael Lechner, who is independent of Seabridge and a Qualified Person as defined by NI 43-101.

Kerr

The Issuer's exploration program at Kerr in 2016 proposed core drilling designed to expand the block cave shapes that confined the Deep Kerr resource estimate. The drill program was carefully designed to optimize the prospective mine plan at Kerr. Five holes were completed in 2016 which expanded the known resource about 500 meters along strike to the south at grades consistent with the deposit's inferred resource. These results were then added to the existing database and a new inferred resource estimate was announced in February, 2017. Drilling during the 2016 campaign corroborated the major controls identified in past drilling with respect to copper and gold distribution and the predictability of the resource model.

Gold, copper, silver and molybdenum grades in the new resource were estimated by RMI using inverse distance weighting methods and gold and copper grade domains that were designed within modeled structural and lithologic controls of mineralization for the Deep Kerr zone. Trend plane search strategies were defined for four distinct structural domains defining strike and dip projections for sample data. Copper and gold domains were comparable to those used in the resource model completed in March of 2016 that was also prepared by RMI. Drilling during the 2016 campaign corroborated the major controls identified in past drilling with respect to copper and gold distribution and the predictability of the resource model.

The grade models were validated visually and by comparisons with nearest neighbor models. The drill hole database that was used for the estimate of the Deep Kerr mineral resources consisted primarily of data collected by Seabridge from 77 core drill holes totaling more than 74,000 meters of core drilling completed between 2009 and 2016. RMI reviewed the quality assurance/quality control protocols and results associated with the Seabridge drilling and has concluded that the number and type of gold and copper standard reference materials (standards, blanks, and duplicates) were reasonable. Based on the performance of those standard reference materials, RMI believes that the Seabridge drill samples are reproducible and suitable for estimating mineral resources. Historical drill hole results were used in conjunction with the 77 Seabridge core holes to estimate block grades for the upper portion of the Deep Kerr resource.

Block NSR values were calculated using metal recovery projection formulae from metallurgical test work. This NSR value, stated in terms of Canadian dollars, reflects metal prices, a US/Cdn currency exchange rate of 0.83, and offsite transportation, smelting, and refining charges.

Deep Kerr was treated as a potential block cave (bulk underground) mining target. The lateral and vertical continuity of the zone provides a geometric configuration that is likely to be amenable to these mining methods. Seabridge has retained Golder Associates, a leading industry expert in underground mining, to undertake bulk underground mining studies for Deep Kerr. Golder used the block model prepared by RMI to establish three separate draw point elevations at an NSR shutoff value of Cdn$16/t, and the conceptual cave footprints of these three elevations were extruded upward 495 meters. Resources within the extruded shapes were tabulated for each of the three hypothetical draw point elevations using an NSR cut-off value of Cdn$16/t, consistent with the resource statement in the 2016 KSM PFS/PEA Report. Evaluation of the economic potential of Deep Kerr was based on metal prices of US$3.00 per pound of copper, US$1300 per ounce of gold, US$20 per ounce of silver, US$9.70 per pound of molybdenum together with estimated metal recoveries from metallurgical test work. These metal prices are generally in line with, or lower than, the metal prices used by major mining companies for their current resource disclosure for similar types of projects.

The updated Deep Kerr inferred resource estimate of RMI effective as of December, 2016, and the previous inferred resource estimate (which is included for comparison purposes) are as follows:

Deep Kerr Undiluted Block Cave Inferred Mineral Resources at C$16/t NSR Cutoff

Date of Estimate	Tonnes (millions)	Average Grades				Contained Metal			
		Gold (gpt)	Copper (%)	Silver (gpt)	Moly (ppm)	Gold (000 ounces)	Copper (million pounds)	Silver (000 ounces)	Moly (M pounds)
May 31, 2016	1,609	0.31	0.43	1.8	25	16,036	15,249	93,115	89
Feb. 13, 2017	**1,921**	**0.31**	**0.41**	**2.1**	**24**	**19,050**	**17,301**	**130,853**	**102**

Note: Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

The tonnes, grade and metal content of the portion of the above updated Deep Kerr mineral resource estimate contained within the 2016 PFS Plan and the 2016 PEA Plan is not materially different than the tonnes, grade and metal content in the mineral resource estimate used in the 2016 PFS Plan and the 2016 PEA Plan, respectively, and the updated mineral resource estimate is the only current estimate of mineral resources in the Deep Kerr deposit. In order to facilitate cost-effective underground exploration drilling of the Kerr Deposit at depth compared to surface drilling, in 2016 the Issuer applied for and, in 2016, received permits from the BC Government necessary to develop an exploration adit into the deposit. The proposed 2,100 meter long adit would be collared in the Sulphurets Valley at the base of Kerr Mountain, declining at a 12 percent grade parallel to the footwall of the Kerr deposit, allowing access to mineralized zones that have only been tested to depths approximately 1,800 meters below surface. To date, all drilling at Kerr has been from surface, resulting in very long holes which are slow and expensive to drill. The adit will be needed to upgrade Deep Kerr's inferred resource to higher categories. The adit will also provide the opportunity to collect additional geotechnical information required to finalize the development of a block cave underground mine plan for the Kerr Deposit.

Iron Cap

In 2017, the Issuer's exploration program at KSM focused on targets emerging from the last drill hole in the 2016 drill program, hole IC-16-62, which returned an interval of 555.2 meters grading 0.83 g/t gold, 0.24% copper and 4.4 g/t silver beginning at a depth of 353 meters in the Lower Iron Cap zone, but also included a shallower blind discovery beginning at a depth of 201 m and continuing over an interval of more than 60.7 meters averaging 1.20 g/t gold, 0.95% Cu and 4.1 g/t silver. Off set drilling of the deeper interval tested for continuity of this mineralization down plunge of the existing resource at the time, which holes would also pass through the shallower interval.

In the drill program in 2017 the Issuer completed 11 holes and 10,383 m of drilling. All 11 holes returned wide zones of significant grade, but the final 3 holes included long runs of some of the highest metal values found to that date at the KSM Project.

In 2018 the Issuer continued drilling at Iron Cap to test the down plunge projection of the high grade core zone of the Iron Cap Deposit to the west of the current resource. The 2018 program also included drilling to evaluate the relative positioning between Iron Cap resources and the currently planned alignment of the Mitchell-Treaty Tunnel and additional geotechnical and model confirmation drilling to help refine engineering parameters for the deposits. The program successfully confirmed the down plunge projection at Iron Cap and the Issuer announced a new resource estimate at Iron Cap prepared by Michael Lechner, P.Geo of RMI on March 12, 2019.

Gold, copper, silver and molybdenum grades in the updated resource were estimated by RMI using ordinary kriging methods. Independently designed gold, copper, silver, and molybdenum grade envelopes along with lithologic wireframes provided the key constraints in the grade estimation plan. The grade envelopes were designed using drill hole grades and an updated structural and lithologic model that was developed for the Iron Cap deposit. A multi-pass ordinary kriging estimation plan was developed using steeply oriented search ellipses to select eligible composites for block grade estimation based on updated variography studies.

The grade models were validated visually and by comparisons with nearest neighbor grade models. The drill hole database that was used for the estimate of the Iron Cap mineral resources consisted of data collected almost exclusively by Seabridge from 99 drill holes totaling about 67,000 meters of core drilling completed between 2005 and 2018. The entire 2018 electronic drill hole assay database was compared against certified lab assay results by RMI with no errors discovered. RMI also reviewed the quality assurance/quality control protocols and results associated with the Seabridge drilling. Based on the performance of the standard reference materials and secondary laboratory check assay results, RMI believes that the Seabridge drill samples are reproducible and suitable for estimating mineral resources.

Block NSR values were calculated by Moose Mountain Technical Services using metal recovery projection formulae developed by Tetra Tech from metallurgical test work. This NSR value, stated in terms of Canadian dollars, reflects metal prices, a US$/C$ currency exchange rate of 0.83, and offsite transportation, smelting, and refining charges. The metal recovery estimates were updated using previous and additional test work completed in 2018.

Iron Cap was treated as a potential block cave (bulk underground) mining target. The lateral and vertical continuity of the zone provides a geometric configuration that is likely to be amenable to this mining method. Seabridge has retained Golder Associates, a leading industry expert in underground mining, to undertake bulk underground mining studies for KSM. Golder used the block model prepared by RMI to establish three separate draw point elevations at an NSR shutoff value of C$16/t, and the conceptual cave footprints at these three elevations were extruded upward by 495 meters and then clipped against one another. Resources within the extruded shapes were tabulated for each of the three hypothetical draw point elevations using an NSR cut-off value of C$16/t, consistent with the previous updated resource estimate. Evaluation of the economic potential of Iron Cap for the purposes of resource estimation was based on metal prices of US$3.00 per pound of copper, US$1300 per ounce of gold, US$20 per ounce of silver, US$9.70 per pound of molybdenum and a US$/C$ exchange rate of 0.83 together with estimated metal recoveries from metallurgical test work. These metal prices are generally in line with, or lower than, the metal prices used by major mining companies for their current resource disclosure for similar types of projects.

The 2018 drill program at Iron Cap confirmed that the deposit continues down dip and to the northwest. The 2018 drilling results allowed for the expansion of the mineralized system along the hanging wall of the previous interpretation. Within the conceptual cave footprints extruded up 495 meters and clipped against one another, there exist large, higher grade zones. The following table compares the undiluted tonnes and grades of the updated Iron Cap resource at higher NSR cut offs:

Iron Cap Mineral Resources effective December, 2018

NSR Cutoff (C$/t)	Resource Category	Tonnes (millions)	Average Grades				Contained Metal			
			Gold (gpt)	Copper (%)	Silver (gpt)	Moly (ppm)	Gold (000 ounces)	Copper (million pounds)	Silver (000 ounces)	Moly (million pounds)
16	**Indicated**	**423**	**0.41**	**0.22**	**4.6**	**41**	**5,576**	**2,051**	**62,559**	**38**
	Inferred	**1,899**	**0.45**	**0.30**	**2.6**	**30**	**27,474**	**12,556**	**158,741**	**126**
20	Indicated	361	0.44	0.24	4.7	41	5,107	1,910	54,550	33
	Inferred	1,675	0.48	0.31	2.6	30	25,849	11,444	140,016	111
24	Indicated	274	0.50	0.25	5.1	39	4,405	1,510	44,927	24
	Inferred	1,373	0.53	0.34	2.7	30	23,396	10,289	119,186	91
28	Indicated	195	0.56	0.27	5.3	34	3,511	1,160	33,228	15
	Inferred	1,070	0.59	0.36	2.7	29	20,297	8,490	92,883	68
32	Indicated	132	0.64	0.28	5.5	29	2,716	815	23,341	8
	Inferred	808	0.67	0.39	2.8	28	17,405	6,945	72,738	50
36	Indicated	87	0.72	0.29	5.6	23	2,014	556	15,664	4
	Inferred	594	0.75	0.43	2.9	28	14,323	5,629	55,383	37

The tonnes, grade and metal content of the portion of the above 2018 Iron Cap mineral resource estimates contained within the 2016 PFS Plan and the 2016 PEA Plan is not materially different than the tonnes, grade and metal content in the mineral resource estimates used in the 2016 PFS Plan and the 2016 PEA Plan, respectively, and the 2018 mineral resource estimates are the only current estimates of mineral resources in the Iron Cap deposit. The rows in bold text in the table above represent the updated undiluted mineral resource tonnes, grade, and contained metal at a C$16/t cut-off. The tonnes, grade, and contained metal for the other NSR cut-offs are shown to provide a relative sense of the distribution of materials within the extruded shapes. It may be possible to develop higher grade lower tonnage caves given the trends shown in the table.

The new Iron Cap resource is expected to take a more prominent place in future mine plans. Favourable capital and operating costs should be possible due to its larger size and higher grade and its proximity to the proposed Mitchell-Treaty Twin Tunnel alignment and other key infrastructure, all of which could result in Iron Cap making a strong contribution to improving Project economics.

New Deposits and Follow-up Drilling

Continuous exploration at KSM since 2005 has recognized the potential for undiscovered porphyry deposits west of the exposed deposits and at depth below the Sulphurets Thrust Fault ("**STF**") system. Several potential blind targets have been identified but did not merit attention while the corporate focus was on delineating mineral resources and supporting reserves to the point where the information was sufficient to prepare for final feasibility determination. High definition magnetic surveys and historical drilling have identified porphyry style targets separate from, but in the vicinity of, the Mitchell and Iron Cap deposits. In 2019, the Issuer's attention turned to these targets.

Deep penetrating geophysical techniques were employed in 2019 to improve resolution on targets and generate discrete zones for testing in the future. New Z-Tipper Axis Electromagnetic (ZTEM) surveys and 3D IP surveys were completed. Data was integrated into a digital 3D earth model by Mira Geoscience. These results are now being integrated with historical MT surveys, airborne high-resolution magnetic survey, bore hole geophysical surveys and geological mapping. Geophysical profiles indicate that these targets can be tested from surface but would likely be evaluated as bulk underground opportunities. The Issuer does have plans to drill these targets in the near future, but believes they establish further upside potential at KSM.

Also, in the 2019 program, the Issuer completed exploration drilling totaling 6,121 meters in 26 drill holes. Drilling was within the 2016 proposed Sulphurets Pit limits, at the margins of the Sulphurets deposit with 24 of the 26 holes intersecting plus 1.0 g/t gold material. These holes evaluated several intermediate sulfidation epithermal occurrences that are not captured in the existing deposit resource model. Focusing on the 500 meters of strike between holes S-18-81 (2 meters grading 1,580g/t gold and 209g/t silver from 69.0m to 71.0m) and S-18-82 (12.2 meters of 5.83g/t gold and 7.2g/t silver from 21.0m to 33.2m) holes were off-set at about 50 meter intervals. Intersections are being evaluated for inclusion in the resource model. Selected intervals from these holes are provided below:

Select Intersections from 2019 Sulphurets Drilling

Drill Hole	Total Depth (m)	From (m)	To (m)	Width (m)	Gold (g/t)	Silver (g/t)
S-19-87	168.0	127.0	128.5	1.5	6.01	5.0
S-19-89	268.4	113.5	115.0	1.5	3.03	102.0
		138.0	139.8	1.8	5.17	5.8
S-19-90	186.0	6.0	9.0	3.0	2.78	1.0
		70.7	71.9	1.2	2.83	5.3
		175.1	175.8	0.7	4.49	36.4
S-19-93	240.0	33.0	34.5	1.5	7.34	10.3
S-19-94	180.0	53.5	55.0	1.5	9.42	7.1
S-19-95	258.3	212.5	216.2	3.7	2.65	0.7
S-19-97	300.0	156.7	158.0	1.3	10.25	12.2
S-19-98	357.0	26.0	27.5	1.5	3.24	10.4
S-19-103	300.0	18.8	21.3	2.5	6.48	2.3
		66.8	68.4	1.6	7.27	8.1
		241.3	241.8	0.5	2.51	4.5
S-19-107	213.0	27.5	28.8	1.3	3.97	3.0
S-19-108	249.0	65.8	66.2	0.4	4.22	108.0
		69.7	70.3	0.6	3.47	70.0
S-19-110	252.0	112.4	114.0	1.6	9.36	2.8

The selected intersections listed in the table above were orientated perpendicular to the strike of the identified structural zone. It is believed that these intervals represent true widths of the mineralized intervals, however local variations in strike or dip may be present and additional work is required to confirm all intervals are true widths.

Independent Geotechnical Review Board

In January, 2015, the Issuer established an Independent Geotechnical Review Board (**IGRB**) for the KSM Project to review and consider the Project's TMF and WSF with a focus on their structural stability and integrity. The IGRB is in place to provide independent, expert oversight, opinion and advice to Seabridge on the design, construction, operational management and ultimate closure of the TMF and WSF. The IGRB has unimpeded access to all technical data necessary to enable them to assess KSM's TMF and WSF on an ongoing basis to ensure that these structures meet internationally accepted standards and practices which effectively minimize risks to employees, lands and communities.

There are four core members of the IGRB and four support members whose expertise will be called upon as needed. The IGRB comprises the following leading experts in their fields:

Name	Education and Experience
Dr. Andrew Robertson (Chairman, Core Member)	B.Sc. in Civil Engineering, a Ph.D. in Rock Mechanics and 45 years of experience in mining geotechnics, of which 37 years were gained while practicing from his home base in Vancouver, Canada.
Dr. Gabriel Fernandez (Core Member)	Civil Engineer, M.S. in Soil, Ph.D. in Geotechnical Engineering and has over 40 years of experience.
Mr. Terry Eldridge (Core Member)	P.Eng., FEC and has over 30 years of experience in the investigation, design, construction and closure of mine waste management facilities.
Mr. Anthony Rattue (Core Member)	P.Eng. and has over 40 years of experience in geotechnical engineering.
Dr. Leslie Smith (Support Member)	Professor in the Department of Earth, Ocean and Atmospheric Sciences at the University of British Columbia, where he holds the Cominco Chair in Minerals and the Environment, and has 40 years of experience in hydrogeology in the topic areas of groundwater flow and contaminant transport, numerical modeling, groundwater – surface water interactions, and applications of hydrogeology in mining.
Dr. Ian Hutchison (Support Member)	Ph.D. in Civil Engineering and has over 40 years of experience in the planning design and construction of mining and heavy civil engineering facilities in North and South America and Southern Africa.
Mr. Jim Obermeyer (Support Member)	M.S. in Civil Engineering with a specialty in Geotechnical Engineering, a licensed professional engineer in Colorado, Arizona, New Mexico, Montana and Wyoming, and has 40 years of experience in Civil and Geotechnical Engineering and managing and coordinating multidisciplinary projects.
Dr. Jean Pierre Tournier (Support Member)	Ph.D. in Civil Engineering - Soil Mechanics and has 35 years of experience in the design and construction of hydroelectric developments.

The initial IGRB review of Seabridge Gold's TMF and WSF design was conducted between March 9 and 12, 2015 and was developed to answer five questions: (1) Are dams and structures located appropriately; (2) Are dam sections, materials, construction methods and sequencing appropriate for the site; (3) What are the greatest design, construction and operating risks; (4) Are the facilities designed to operate effectively, and: (5) Are the facilities designed to be safe? The Board concluded that it was satisfied with the project's designs and responded favourably to all five questions, as highlighted in the Board's first report which was released in April 2015. Additionally, the Board presented a series of recommendations for Seabridge to consider during the ongoing engineering design of TMF and WSF as advancement continues.

Since 2015 the IGRB has held four more meetings and the Issuer has issued Reports 1 through 3 and is waiting to receive the finalized report for the fourth meeting which occurred in July 2018 and the fifth meeting which was held in November, 2019.

All IGRB reports issued are posted to the Issuer's KSM Project website at www.ksmproject.com.

Overview

The Courageous Lake Project is a gold project located approximately 240 kilometers northeast of Yellowknife in the Northwest Territories, Canada. Seabridge has a 100% interest in the project, subject to a 2% NSR on certain portions of the property. The Project is in the Slave Structural Province within the Courageous Lake greenstone belt ("**CLGB**"), which is a steeply east dipping homocline sequence of metavolcanic and metasedimentary rocks of the Yellowknife Supergroup. Felsic volcanic rocks and their intrusive equivalents in the CLGB were derived from peraluminous, sub-alkaline magmas of calc-alkaline affinity. These felsic volcanic lithologies are the predominant host of the FAT deposit.

The property lies in a historic mining district and includes two past producing gold mines. Year round access is available by air only, either by fixed wing aircraft to the airstrip at the former Salmita mine six kilometers to the south, or via float-equipped aircraft to several adjacent lakes. During mid-winter, access is available via a winter road which branches from the main Tibbitt to Contwoyto winter road.

Considerable exploration work was completed at the property before it was acquired by Seabridge in 2002. Seabridge has completed additional extensive exploration and advancement on the property, culminating in the preparation of a preliminary feasibility study in 2012. Since the preparation of the pre-feasibility study the focus of activities on the property has been on finding new deposits along the CLGB and, in March, 2014, the Issuer announced a resource estimate for a newly discovered higher grade deposit at Walsh Lake. After the announcement of the resource estimate in 2014 the Issuer only completed very limited exploration work on the Property from 2015 to 2017. However, in February, 2018 a new drill program started on additional targets for new deposits along the CLGB and identified two new targets for further drilling, Marsh Pond and Olsen.

Property Acquisition

In May 2002, the Issuer entered into a purchase agreement with Newmont Canada Limited and Total Resources Canada Limited on the Courageous Lake project comprised of 17 mining leases covering 18,178 acres. The purchase by Seabridge closed on July 31, 2002. Under the purchase agreement, Seabridge paid Newmont/Total US$2.5 million in cash and granted them a 2.0% NSR and agreed that it would be liable to make two (2) further payments of US$1.5 million, each subject to the price of gold passing certain thresholds, for a 100% interest in the property. A further US$1.5 million was paid to Newmont/Total in March 2003 as a result of the spot price of gold closing above US$360 per ounce for 10 consecutive days. The final US$1.5 million was paid to Newmont/Total in February 2004 as a result of the spot price of gold closing above US$400 per ounce for 10 consecutive days. Upon acquiring the Courageous Lake project, Seabridge assigned its right thereto to its wholly owned subsidiary, Seabridge Gold (NWT) Inc. (formerly, 5073 N.W.T. Ltd.). The obligations of Seabridge Gold (NWT) Inc. (" **Seabridge NWT**") under the agreement, including the payment of the royalty, is secured by a debenture under which the vendors have been granted a security interest in the Courageous Lake property.

In 2004, Seabridge entered into an option to acquire an additional property (" **Red 25**") in the area. Seabridge completed the payments required to acquire the property in 2017 and now holds title to Red 25. Subsequent to this acquisition, Seabridge staked contiguous open ground totaling an additional 49,133 acres in 42 mining claims of which a portion is subject to the terms of the purchase agreement with Newmont/Total, including the 2% royalty.

Land Status

As of December 31, 2019, the Courageous Lake property is comprised of 76 Territorial mining leases, 8 Territorial mining leases-pending, 1 Territorial mining claim, three Federal (AANDC) mining leases and one Federal (AANDC) mining claim, having a combined area of 50,228 hectares. Seventeen of the mining leases were acquired from Newmont/Total as described above. The mining leases are encumbered by two Royalty Agreements and two Debentures registered in favour of Newmont Canada Limited and Total, respectively. The property is subject to a 2 km area of interest from and parallel to all exterior boundaries of the mining leases.

The 26 Federal mining claims were staked on behalf of Seabridge NWT and are currently recorded 100% to Seabridge NWT (under its former name 5073 NWT Ltd.). There are no liens, charges or encumbrances registered against title to the staked mining claims.

The Red 25 mining lease was acquired by Seabridge NWT from Bathurst Inlet Developments (1984) Limited in 2017, under an Option to Purchase Agreement. The Red 25 mining claim was converted to a mining lease on February 6, 2012.

Courageous Lake Preliminary Feasibility Study of September 2012

In 2011 the Issuer completed a preliminary economic assessment of the Courageous Lake Project and, based on the results of this assessment, decided to engage independent consultants to prepare the first Preliminary Feasibility Study for the Courageous Lake Project. On September 5, 2012, a preliminary feasibility study for the Courageous Lake Project was completed by Tetra Tech, and incorporates the work of a number of independent industry-leading consulting firms. The preliminary feasibility study was revised and reissued on November 11, 2014 to also state the economic analysis therein on an after-tax basis. This revised report has an effective date of September 5, 2012, is entitled “Seabridge Gold Inc. – Courageous Lake Prefeasibility Study” (the “**2012 CL PFS Report**”) and is available on SEDAR at www.sedar.com. The consultants and their responsibilities are as follows:

- Tetra Tech, under the direction of Dr. John Huang (overall report preparation, metallurgical testing review, mineral processing, infrastructures (excluding power supply and airstrip), operating costs (excluding mining operating costs), capital cost estimate and project development plan), Dr. Sabry Abdel Hafez (financial evaluation), Nigel Goldup (tailings, surface water management and waste rock storage facilities, and surficial geology) and Kevin Jones (airstrip upgrade)
- Moose Mountain Technical Services under the direction of Jim Gray (mining, mine capital and mine operating costs)
- W.N. Brazier Associates Inc. under the direction of W.N. Brazier (power generation)
- ERM Consultants Canada Ltd. under the direction of Pierre Pelletier (environmental matters)
- Golder Associates Ltd. under the direction of Albert Victor Chance (open pit slope stability)
- SRK Consulting (Canada) Inc., under the direction of Stephen Day (metal leaching and acid rock drainage)
- Resource Modeling Inc. under the direction of Michael Lechner (mineral resources)

The following (to "*Exploration after 2012 CL PFS*") summarizes information from the 2012 CL PFS Report. Devolution of certain jurisdiction, including management of lands and water resources, from the federal government to the Northwest Territories government occurred in April, 2014, after the date of the 2012 CL PFS Report, and, although the Issuer does not consider this material to the information regarding permits in the 2012 CL PFS Report, the regulatory authority involved will differ in certain cases from those specified in the 2012 CL PFS Report (and also as reflected in the summary below).

Property Description and Location

The Courageous Lake Property is located 240 km northeast of Yellowknife NWT, Canada and is approximately 50,228 hectares. The property is situated within the Courageous Lake greenstone belt ("**CLGB**") in the Slave Structural Province. Figure 4 shows the location of the Courageous Lake Project.

The property is a collection of mineral leases and mining claims that trend north-south along the approximately 54 km length of the CLGB. The property includes the past gold producing properties of the Salmita mine operated by Giant Yellowknife Mines, and the Tundra mine operated by Royal Oak Mines.

Mining projects in the NWT are subject to regulation under federal and territorial legislation to protect workers, the environment, and surrounding communities. The principal licences and permits required for the Courageous Lake Project include completing the environmental assessment process under Part 5 of the *Mackenzie Valley Resource Management Act* (Northwest Territories), a water licence and land use permit granted by the Mackenzie Valley Land and Water Board, stream crossing authorizations from Fisheries and Oceans Canada, an explosive factory licence and, possibly, an authorization for waste water disposal under the *Metal Mining Effluent Regulations* of the *Fisheries Act* (Canada). A more comprehensive list of licences and permits appears in the 2012 CL PFS Report.

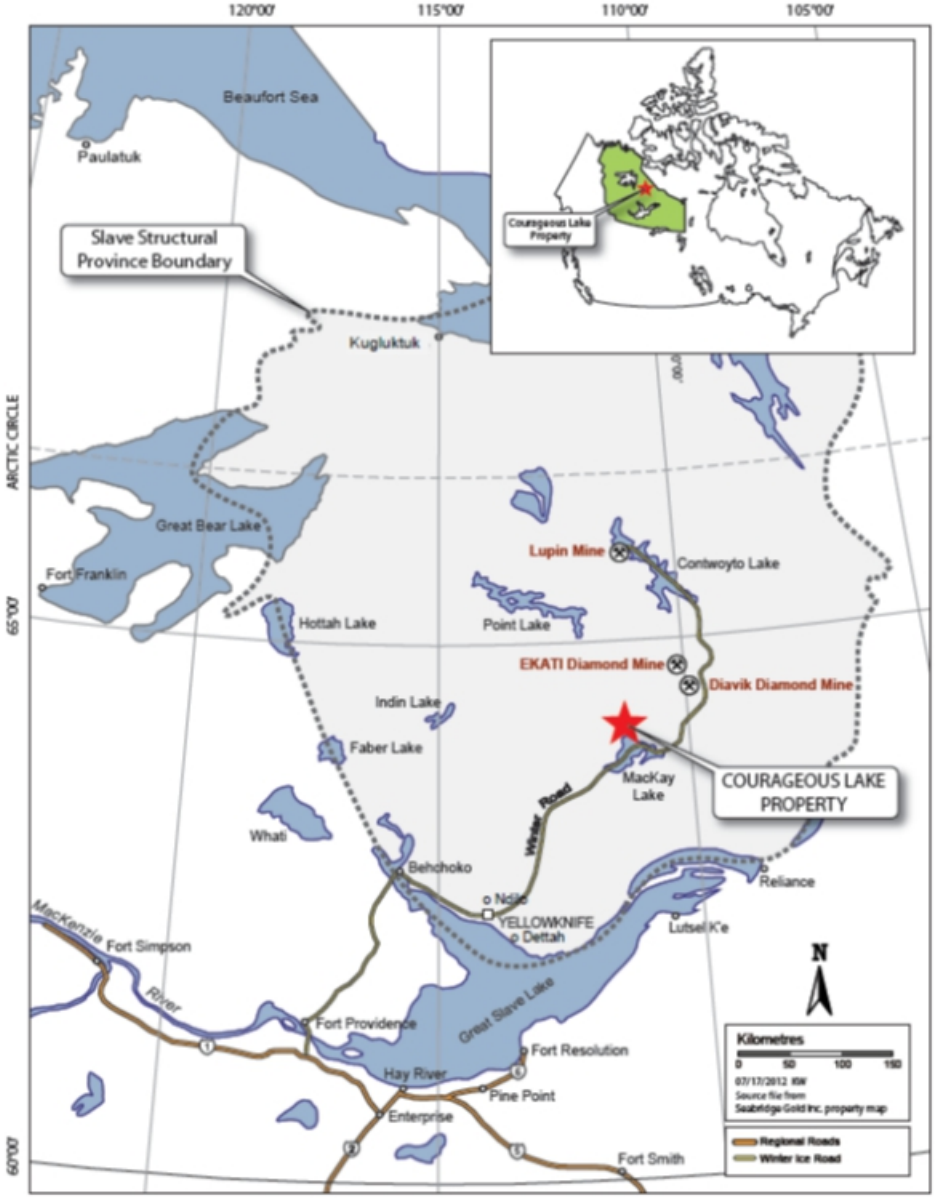
Accessibility, Climate, Infrastructure and Physiography

Year-round access to the property is possible by air only, either by helicopter or fixed wing aircraft to the airstrip at Salmita (located 6 km to the south), or by fixed wing aircraft equipped with skis or floats to nearby lakes. In addition, access in mid-winter is possible over an approximately 35 km winter road, which branches off the main Tibbitt to Contwoyto winter road. There are no significant population centres near the property, outside of Yellowknife. All supplies need to be brought in either by air or by road during the winter months.

The overall topography of this area is very gentle and is characterized by rolling hills that range from 418 to 450 m in elevation above sea level. Typically, the maximum change in elevation is only about 30 m. Tundra type vegetation and small scrub brush dominate the areas between outcrops, particularly along the ridges in the southern edge of the property. The northern part of the property is dominantly flat with little or no outcrop.

Temperatures range from a monthly average of -31.1°C to +18.2°C; with an average daily mean temperature of -8.5°C. The annual average wind speed is 4.4 m/s with maximum gusts of 19.4 m/s. Precipitation at the Courageous Lake Project is relatively low, with the majority of precipitation occurring during the summer months. Total annual precipitation recorded at the site between 2010 and 2011 averaged 199.1 mm. Average monthly precipitation was 16.6 mm. Regionally, the average snow depth between October and April ranges between 7 and 31 cm at Cambridge Bay and between 2 and 39 cm at Yellowknife.

Figure 4 – Location of Courageous Lake Project



Exploration History

Gold was first discovered in the Courageous Lake area in the early 1940's. The Tundra deposit was discovered in 1944 and the Salmita deposit in 1947. Beginning in 1980, Noranda Exploration Ltd. initiated exploration in the Courageous Lake Volcanic Belt. Noranda's work resulted in the discovery of two gold deposits: the Tundra deposit (Main Zone) or Fat Zone, and the Carbonate Zone, which together form the Courageous Lake property. In 1988, Noranda made the decision to sink a shaft to provide access for conducting an underground definition drilling program and to be able to test gold grade and continuity.

In 1997, Placer Dome optioned the property with the concept of developing a bulk tonnage open pit deposit. To test that concept, Placer Dome carried out surface diamond drilling programs during the fall of 1997 and summer/fall of 1998. Placer Dome completed 13,345 m of drilling and other basic exploration work.

In June 2002, Seabridge purchased the property from the Newmont-Total Tundra Joint Venture.

During 2003, Seabridge designed and executed a work program on the Courageous Lake property with the goal of evaluating and prioritizing potential gold targets. Four targets were developed: South FAT Extension, Olsen Lake target, Walsh Lake target, and Salmita Mine target. These targets were selected as those that represented the highest probability to develop new resources for the Project.

In 2004, drill testing of selected priority targets was undertaken by Seabridge. The program was completed in two stages: initial testing for strataform gold concentrations similar to the FAT deposit and sectional drilling for potential resource additions. The initial program intended to test three target areas: Olsen Lake, Walsh Lake, and the South FAT Extension. Ground conditions precluded a test of the Walsh Lake target, but the other targets were tested. Results from the initial stage of the program led Seabridge to initiate sectional drilling on the South FAT Extension. Surface and initial drilling results indicated that 300 m of strike could be added to the FAT deposit with the completion of sectional drilling.

During the 2005 and 2006 field seasons, Seabridge drilled approximately 39 diamond core holes totalling 15,428 m. After directing its focus to the KSM Project during 2007-2009, the Issuer drilled 49 diamond core holes and 10 shallow core holes for geotechnical purposes, totalling about 22,400 m in 2010. In 2011, Seabridge drilled 52 diamond core holes totalling about 15,000 m. The focus of the 2011 program was to upgrade the inferred resources within the confines of a conceptual open pit that was defined in the preliminary economic assessment of the Project prepared in 2011.

Geology

The Project is located within the CLGB, which is a steeply east dipping homocline sequence of metavolcanic and metasedimentary rocks of the Yellowknife Supergroup. The CLGB is bounded to the west by a sodic granite pluton, referred to as the Courageous Lake Batholith, and to the east by conformably overlying turbidite sequences. Dynamothermal regional metamorphism within the CLGB has created mineral assemblages indicative of mid-greenschist facies metamorphic grade. Lower amphibolite facies grade metamorphism has been identified north and south of the CLGB.

The volcanic material within the CLGB represents a tholeiitic to calc-alkaline suite of volcanic rocks common to many Archean greenstone belts. Uranium-lead dating and rubidium-strontium dating age determinations reveal an age of 2.66 Ga.

Felsic volcanic rocks and their intrusive equivalents in the CLGB were derived from peraluminous, sub-alkaline magmas of calc-alkaline affinity. These felsic volcanic lithologies are the predominant host of the FAT deposit.

Within the felsic volcanic rocks are abundant lense-shaped epiclastic intercalations that are thought to be derived from a tuffaceous source. The lithologies are tuffaceous greywacke, thinly laminated siltstone, and fine-grained arkosic sandstone.

The mineral domains or zones of the FAT deposit are defined by a discrete suite of hydrothermal alteration assemblages. The lateral continuity and stratigraphic thickness of the hydrothermal system indicates that the FAT deposit is robust in volume and durations. The predominant hydrothermal alteration minerals in the FAT deposit are illite group sheet silicates, referred to as “sericite”. Silicic alteration of varying intensity is ubiquitous throughout the defined mineralized zones and is represented by silica flooding of groundmass material in volcanic rock. Generally the most intense zones of silica alteration are not indicative of higher gold concentrations. Carbonate alteration is also quite ubiquitous and occurs as calcite, ankerite, and siderite.

Mineralization

Sulfide mineralogy in the FAT deposit is relatively simple and consists of pyrite, pyrrhotite, arsenopyrite, sphalerite, and chalcopyrite in decreasing order of abundance. While all of these minerals can be found in the mineralized zones, only arsenopyrite has a consistent correlative relationship to gold concentrations. Arsenopyrite occurs in three distinct habits: acicular disseminated crystals, anhedral disseminated clots, and euhedral crystals in fractures. The acicular variety tends to have the clearest association with higher-grade gold mineralization.

Security of Samples

The Issuer follows an ongoing and rigorous sample preparation, security, quality control/quality assurance protocol at its Courageous Lake project, including blank and certified reference standards inserted by the Issuer at a rate of not less than one of each type in every 30 samples. Repeats and re-splits of the sample rejects are being analyzed at a rate of not less than one sample in every 25 for each type. Cross-check analyses are being conducted at a second external laboratory on at least 10% of the samples. The details of these procedures are outlined in the 2012 CL PFS Report.

Metallurgy

Several major testing programs have been performed on the mineral samples from the property since 2003 as follows:

Date	**Consultant**	**Program**
June 2003-July 2004	SGS-Lakefield Research Ltd.	a comprehensive investigation into flotation and gravity concentration, flotation concentrate pre-treatments by bio-oxidation (BIOX) and pressure oxidation (POX), cyanide leaching, and POX slurry neutralization
2007	G&T Metallurgical Services Ltd.	focused on optimizing flotation performance
2010	SGS-Lakefield Research Ltd.	test work investigated the metallurgical responses of the various mineral samples collected in 2010 to flotation, POX, and cyanidation
2011	SGS-Lakefield Research Ltd.	test work investigated the metallurgical responses of the various mineral samples collected in 2011 to flotation, POX, and cyanidation
2012	G&T Metallurgical Services Ltd./ Sherritt Technologies	Further investigate flotation optimization, POX tests, cyanide amenability tests on the POX residues and cyanide destruction tests on the cyanide leach residues

The Lakefield study revealed that the dominant sulfides in the mineralization were arsenopyrite (<5-350 µm), pyrite (~5-350 µm), marcasite (20-350 µm), and pyrrhotite (~5-350 µm). The gold occurred as liberated gold, or associated with sulfides and silicates. Gold grain sizes ranged from microscopic invisible to 70 µm. The degree of the sulfide oxidation appeared to be very low. The G&T investigation indicated that between 43% and 54% of sulfides were liberated when the sample was ground to a particle size of 80% passing 165 µm.

These testing programs also determined mineral sample resistance to various comminution processes. The test work determined the Bond ball mill work index and hardness parameters related to SAG and HPGR crushing.

The grindability test results indicated that the sample is moderately hard for grinding by ball mills but is very hard for milling by SAG mills. The HPGR locked cycle tests showed that the gross specific energy requirement for particle size reduction by HPGR was 2.20 kWh/t with a specific throughput of 257 ts/hm3.

The mineralization responded well to flotation concentration. The various test programs produced very similar metallurgical performances. Gold recovery by flotation was high, ranging from 85 to 95%. The pressure oxidation ("**POX**") and cyanidation tests by Lakefield and Sherritt indicated a significant improvement in gold extraction when the flotation concentrate underwent a high degree of POX. The three separate testing programs by the two laboratories showed that over 98% of the sulfide sulfur can be oxidized with the standard conditions practiced in the POX industry. The test work indicated that gold extraction improved substantially with increasing sulfur oxidation. The Lakefield and Sherritt test results showed that the gold extractions from the POX residues varied from 94 to 99%.

Estimated average metallurgical performance according to the test results and the proposed mining plan are for gold recovery of 89.4%.

Mineral Resources

In late 2011 and early 2012, RMI constructed a new resource model incorporating 2011 drilling results and an updated geologic interpretation that was completed by Seabridge's geologic staff. Block gold grades were estimated using a series of nested inverse distance cubed interpolation runs within mineral zone wireframe boundaries. Additional constraints were implemented for the updated model using indicator probabilities and a more selective search strategy referred to as "dynamic anisotropy". The estimated block grades were classified into measured, indicated, and inferred categories using a combination of distance to drilling data, the number of drill holes used to estimate block grades, and a wireframe shape reflecting mineralized continuity. The following table summarizes the undiluted measured, indicated, and inferred mineral resources of the Courageous Lake deposit at a 0.83 g/t gold cut-off grade. The measured and indicated mineral resources in the Table below are inclusive of mineral reserves.

Summary of Undiluted Gold Resources

Measured			**Indicated**		
Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)
13,401	2.53	1,090	93,914	2.28	6,884
Measured and Indicated			**Inferred**		
Tonnes (000's)	Grade (g/t)	Ounces (000's)	Tonnes (000's)	Grade (g/t)	Ounces (000's)
107,315	2.31	7,974	48,963	2.18	3,432

Note: This table does not include the results of the 2012-13 exploration programs at the Courageous Lake Project. These resource estimates have been prepared in accordance with NI 43-101. See "Cautionary Note to United States Investors". Mineral Resources which are not Mineral Reserves do not have demonstrated economic viability. Inferred resources are based on limited geologic evidence and sampling. It is reasonably expected that the majority of inferred resources could be upgraded to indicated resources with continued exploration.

Mine Planning

Pit Limits

MMTS has produced a series of LG pit shell optimizations for the Courageous Lake deposit using the resource model provided by RMI. The pit optimizations use mining, processing, tailing management, general and administrative (G&A) costs, and process metal recoveries. The processing cost includes a gold plant to produce doré on site. Only measured and indicated resource classes are used in the pit optimization.

Cut-off Grade is determined using an estimated NSR in CDN$/t, which is calculated using Net Smelter Prices (NSP). The NSR (net of offsite refining charges and onsite mill recovery) is used as a cut-off item for break-even economic material selection. The NSP includes metal prices, US$ exchange rate, off-site transportation, and refining charges. The metal price used is US$1,244 per ounce and resultant NSP is CDN$41.98 per gram.

The ultimate economic pit limit for the 2012 CL PFS Report is selected using the Base Case price described above. Typically a time discounted value analysis would be used on a project with a 15- to 20-year mine life to maximize the NPV and IRR. However, when this is done, deeper ore grade material is discounted more heavily and often the pit size is decreased. Even though a discounted value analysis could possibly improve the financial results of this prefeasibility-level study by limiting the mining to shallower ore, the discounted method was not chosen. Instead the larger, less economic, pit limit has been selected as a basis for this study to maximize the mineable resource in anticipation that future exploration will upgrade the inferred material internal in the pit, to a measured or indicated resource. Future studies will consider a time discounted economic pit analysis after the inferred material has been drilled.

The in-situ LG pit delineated resource summarized in the table below uses a NSR cut-off grade of CDN$20.10 per tonne but does not include any mining dilution or mining loss.

Measured and Indicated LG Pit Resources

In situ Pit Resources (Million tonnes)	Au (g/t)	Mine Rock (Million tonnes)	Strip Ratio
86	2.35	935	10.8

The total in-situ metal contained in the chosen LG ultimate pit is estimated to be 6.5 Moz of gold. The mineral resources in the Table above are inclusive of mineral reserves.

Mine Rock Management Facility

The mine rock management facility for the Project is to be situated east of the pit area, and constructed using a combination of bottom-up and top-down methods. The proposed schedule of mine rock placement enables flotation tailing to be contained within the footprint of this facility. Allowances are made to address reclamation and post-closure requirements by configuring the constructed slopes at the overall reclamation slope angle. Leach residue tailing would be stored between the ultimate pit and immediately west of the mine rock management facility.

Overburden inside the ultimate pit limit is stripped and placed in the overburden stockpile to the west of the pit. This stockpile is used for reclamation material.

Mining Operations

Mining operations, methods, and equipment would be typical of open-pit mining in northern Canada. The Project would be a large-capacity operation that utilizes large-scale equipment for the major operating areas in order to generate high productivities, and reduce unit and overall mining costs. The maximum size of the large mining equipment would be constrained by the maximum loads, which can be delivered along the winter road.

Detailed pit phases are developed from the results of the LG sensitivity analysis, which integrates the detailed pit slope criteria and high wall roads. The ultimate pit is divided into smaller mining phases, or pushbacks, to enable a low strip ratio starter pit and to allow for more even waste stripping during the optimized scheduling stage of the project design.

Dilution and mining loss estimates consider the selective mining method required to efficiently extract the narrow near vertical lenses that characterize the Courageous Lake mineralized zones. Proven and Probable Reserves are estimated using diluted whole block grades with additional mining dilution and loss varying by the number of block model resource contact edges with waste blocks. Cut-off grade, mining dilution, loss, and dilution grades were estimated as follows:

Cut-off Grade, Mining Dilution, Loss and Dilution Grades

Contact Edges	Cut-off Grade NSR ($/t)	Dilution (%)	Loss (%)	Dilution Grade (Au g/t)
0	20.5	0	0	0.404
1	20.5	5	5	0.404
2	20.5	5	5	0.404
3	20.5	5	5	0.404
4	20.5	5	5	0.404

The grade of dilution material is derived from blocks in the model that are just below the specified cut-off grade. Internal dilution contained in the block model accounts for the rest of the expected mining dilution. Estimated proven and probable reserves are stated in the table below. The mineral reserves in the Table below are included in measured and indicated mineral resources stated elsewhere in this AIF.

Proven and Probable Reserves

Class	Ore (Million Tonnes)	Au (g/t)	Contained Metal (Million Ounces)
Proven	12.3	2.41	0.96
Probable	78.8	2.17	5.50

The production schedule has been developed using Mintec Inc.'s MineSight® schedule software.
The mine plan and production schedule will undergo further refinement during higher levels of study for the Project. Additional geotechnical information on high wall capabilities should confirm the pit slopes and determine if the ultimate pit can be designed to a deeper depth. Further details on rock storage management, water management, and final land use will be developed for the Environmental Assessment application, the result of which will impact the mine plan. These elements, along with other optimization details, will need to be integrated into feasibility-stage mine planning.

Mineral Processing

The proposed process plant would process 17,500 tonnes per day of mineralization. The plant would be operated 365 days per year at an availability of 92%.

The flowsheet proposed for the Project includes HPGR/grinding comminution, conventional flotation, flotation concentrate POX, cyanidation, and gold recovery/refining circuits. The comminution consists of primary crushing by gyratory crusher, secondary crushing by cone crusher, and tertiary crushing by HPGR followed by ball mill grinding. The conventional flotation includes rougher flotation, scavenger flotation, and cleaner flotation on scavenger flotation concentrate. The rougher flotation concentrate together with the scavenger cleaner concentrate would be oxidized under pressure after being reground and acid preleached. A portion of the slurry and acid-bearing solution from the POX circuit would be recycled back to the POX pre-leaching. The slurry and the acid-bearing solution of the POX discharge would be separately neutralized. The POX residue or oxidized concentrate would be leached in a carbon-in-leach (CIL) circuit; the cleaner flotation tailing would be reground and cyanide leached together with the POX residue. Gold recovery is to be completed by stripping the loaded carbon from the CIL circuit, followed by electrowinning to produce gold doré as a final product. The flotation tailing and the cyanide residue is to be thickened and disposed of separately. The residual cyanide in the leach residue would be destroyed by a sulphur dioxide (SO2)/air oxidation procedure prior to disposal to the lined leach residue storage facility.

The HPGR circuit is recommended, instead of a SAG mill grinding arrangement, to reduce energy consumption.

Mine Rock, Tailing, and Desalination Solids Management Facilities

Mine rock and run-of-mine (ROM) waste products from the mining operations will comprise approximately:

- 1,142 Mt of mine rock
- 18 Mt of neutralized leach residue tailing, including the flotation tailing that is used for neutralizing the POX residue
- 73 Mt of flotation tailing
- 0.38 Mt of dry salt product from the pit depressurization desalination plant.

The tailing, residue, and mine rock is to be stored in a tailing/mine rock management facility on a flat open area, east of the open pit and south of Courageous Lake. In addition, the dry salt product (associated with the pit depressurization) is to be temporarily stored in encapsulated cells within a landfill located immediately west of pit.

The neutralized leach residue tailing is expected to be somewhat finer than the flotation tailing stream and is to be deposited into a containment structure east of the open pit. The tailing would be pumped as slurry to the storage facility. The neutralized leach residue containment structure would primarily be constructed from mine rock and would be lined.

The flotation tailing would be stored within the mine rock storage facility. The mine rock would form the primary containment structure and would be internally lined with crushed bedding and transition materials. Approximately 53.1 Mm^3 of flotation tailing would be disposed of in the tailing storage facility during the life of the mining operations.

Mine rock represents the largest waste stream from the mining operations with an estimated volume of 519 Mm^3. The mine rock management facility is to be located to the east of the pit and would occupy an area of 660 ha. The mine rock would be directly hauled from the pit and end-dumped in 30 m lifts and the mine rock management facility would attain a final elevation of 570 m, which is equivalent to a height between 130-150 m. Seepage and runoff from this facility is to be collected and managed within the water storage pond.

Multiple options were investigated for potential saline water handling processes. It is currently proposed to treat the water using reverse osmosis and thereafter evaporate the concentrated brine to produce a dry salt product. It is proposed to temporally store this dry product in encapsulated cells within a landfill located immediately west of the pit. At the end of mining operations, this saline product is to be moved to the base of the pit prior to pit flooding.

Currently, Matthews Creek flows through the proposed open pit area so it will be necessary to divert the creek away from the open pit mining operations. In terms of the proposed mine infrastructure layout, a diversion channel options assessment determined that the most suitable routing for the diversion channel is approximately 1.5 km west of the existing Matthews Creek.

Infrastructure

Due to the remote location, the Courageous Lake Project requires its own power generation, a permanent camp, access by air and by winter road and warehousing and storage at site.

Site logistics include freight delivery over winter roads and air services for personnel and smaller freight components. To meet the Project's requirements, the existing airstrip will be upgraded to accommodate more frequent flights with larger aircraft in three phases. Currently, there is the Tibbitt to Contwoyto winter ice road connecting Yellowknife, NWT, with the Diavik and EKATI diamond mines. For the purposes of the 2012 CL PFS Report, it is assumed that the Project will use the existing winter road. Transport services along the ice roads are available on average for a period of nine weeks per year, generally starting from the last week in January until the first week in April.

The selected power supply option for the Project includes a combination of thermal power, based on a diesel power plant, and wind power generation. To meet the estimated process plant and ancillary average annual load of 24.4 MW, a normal running load of 26.0 MW, and a peak load of 29.4 MW, a total of 9 generator sets are required, each with a nominal continuous rating of around 4.4 MW and a "prime" (short time overload) rating of 4.8 MW. With 7 sets operating, the total continuous capacity is 30.8 MW and the short time "prime" capacity is 33.6 MW. This arrangement provides two redundant generator sets (one permitted to be down for service or maintenance, and one on hot standby to allow for a forced outage).

Based on the analysis of the Courageous Lake wind speed data, a mean wind power density at 50 m is indicated as being 385 W/m ^{2}, which, although rated as only "Fair" by industry guidelines, nonetheless represents an attractive supplemental source of energy for the Project. This is due to the fact that the alternative is more expensive diesel generated power. A wind farm of 31.5 MW installed capacity has been selected. Further studies are recommended in order to arrive at the optimal wind farm size.

The projected total annual energy consumption for the process plant is 213,829 MWh. Based on the proposed wind farm, there would be 91,900 MWh produced by wind and 121,931 MWh by diesel generation. Thus, with a 31.5 MW wind farm consisting of 21 turbines, approximately 43% of the required energy would be provided by wind in an average year.

Figure 5 shows the Courageous Lake Project and its proposed infrastructure near the end of mining at the project.

Figure 5 – Courageous Lake Project Infrastructure

Project Capital Costs

The initial capital cost estimate for the project is estimated at US$1.52 billion, broken down as follows:

Description	US$000	US$000
Direct Costs		
Overall Site	59,745	
Open Pit Mining	96,701	
Crushing and Stockpiles	83,238	
Grinding and Flotation	135,039	
Pressure Oxidation	88,660	
Thickening, Neutralization and Cyanide Leaching	38,940	
Gold ADR Circuit, Cyanide Handling and Electrowinning	14,833	
Reagents and Consumables	23,536	
Tailing Management Facility	53,422	
Water Treatment Plant	8,774	
Site Services and Utilities	34,352	
Ancillary Buildings	66,839	
Airstrip and Loading/Unloading Facilities	12,203	
Plant Mobile Equipment	3,058	
Temporary Services	49,085	
Electrical Power Supply	179,838	
Yellowknife and Edmonton Facilities	17,227	
Sub-total Direct Costs		**965,490**
Indirect Costs		
Indirects	315,187	
Owner's Costs	55,059	
Contingency	186,703	
Indirects Subtotal		**556,949**
Total Capital Cost		**1,522,439**

All currencies in this section are expressed in US dollars. Costs in this estimate have been converted using a fixed currency exchange rate based on the Bank of Canada three-year average of CDN$1.00 to US$0.98 (base case). The expected accuracy range of the capital cost estimate is +25%/-15%. This capital cost estimate includes only initial capital, which is defined as all capital expenditures that are required up until the start of gold doré production.

This estimate is prepared with a base date of Q2 2012 and does not include any escalation past this date. Budget quotations were obtained for major equipment. The vendors provided equipment prices, delivery lead times, freight costs to a designated marshalling yard, and spares allowances. The quotations used in this estimate were obtained in Q1/Q2 2012 and are budgetary and non-binding. For non-major equipment (i.e. equipment less than $100,000), costing is based on in-house data or quotes from recent similar projects. All equipment and material costs include Free Carrier (FCA) manufacturer plant Inco terms 2010. Other costs such as spares and freight are covered separately in the Indirects section of the estimate.

Project Operating Costs

The operating costs for the Project, as shown in the table below, were estimated at US$47.35/tonne of ore processed. The estimate was based on an average annual process rate of 6,387,500 tonnes ore milled at a gold grade of 2.20 g/t, including dilution.

	Annual Costs (US$000)	**US$/tonne Milled**
Mine	167,620	26.24
Mill	100,420	15.72
G & A	22,300	3.49
Surface Services	12,100	1.90
Tailing Handling	Included in sustaining cost	
Total	**302,440**	**47.35**

The operating costs are defined as the direct operating costs including mining, processing, surface service, and G&A. The power is estimated to be US$0.18/kWh. The cost estimates in this section are based on budget prices in Q1/Q2 2012 or based on information from the databases of the consulting firms involved in the cost estimates. When required, costs in this report have been converted using a three-year average currency exchange rate of CDN$1.00 to US$0.98. All costs are reflected in 2012 US dollars. The expected accuracy range of the operating cost estimate is +25%/-15%.

Economic Evaluation

The economic evaluation of the Project, incorporating all the relevant capital, operating, working, sustaining costs, and royalties (2% NSR), was based on a pre-tax financial model, which was also used to present a post-tax financial model. The revenues projected in the cash flow model were based on the average metal production values indicated in following Table.

	Years 1 to 5	Life of Mine
Total Tonnes to Mill (000s)	29,433	91,126
Annual Tonnes to Mill (000s)	5,887	6,075
Average Grades		
Gold (g/t)	2.170	2.205
Total Production		
Gold (000s oz)	1,836	5,777
Average Annual Production		
Gold (000s oz)	367	385

The gold price used for the base case is US$1,384.00/oz using the three-year trailing average (as of July 3, 2012). Two additional metal price scenarios were also developed using the spot metal price on July 3, 2012 (including the closing exchange rate of that day), and using an alternate gold price of US$1,925/oz. For the 15-year mine life and 91 million tonne inventory, the following pre-tax financial parameters were calculated using the base case gold price, the spot price case and the alternate case.

Summary of the Pre-Tax Economic Evaluation

	Unit	Base Case	Spot Price Case	Alternate Case
Metal Price				
Gold	US$/oz	1,384.00	1,617.50	1,925.00
Exchange Rate	US:Cdn	0.9803	0.9877	0.9877
Pre-Tax Economic Results				
NPV (at 0%)*	US$ M	1,507	2,785	4,519
NPV (at 5%)	US$ M	303	1,054	2,080
IRR	%	7.3	12.5	18.7
Payback	Years	11.2	7.4	4.0
Cash Cost/oz Au	US$/oz	780	789	796
Total Cost/oz Au	US$/oz	1,123	1,134	1,141

* undiscounted cash flow

The post-tax economic evaluation also includes income and mining taxes. It was prepared using corporate income tax rates of 15% for federal and 11.5% for Northwest Territories, after permitted deductions. The Northwest Territories mining tax is based on the value of the output of the mine during the fiscal year. The royalty is equal to the lesser of 13% of the value of mine output and the amount calculated based on graduated rates. All exploration and development and capital expenditures for fixed asset purchases are accumulated and may be amortized 100% against the value of the mine output. The mining tax is deductible for federal and provincial income tax purposes.

For the 15-year mine life and 91 million tonne inventory, the following post-tax financial parameters were calculated using the base case gold price, the spot price case and the alternate case.

Summary of the Post-Tax Economic Evaluation

	Unit	Base Case	Spot Price Case	Alternate Case
Metal Price				
Gold	US$/oz	1,384.00	1,617.50	1,925.00
Exchange Rate	US:Cdn	0.9803	0.9877	0.9877
Post-Tax Economic Results				
NPV (at 0%)*	US$ M	1,037	1,865	2,973
NPV (at 5%)	US$ M	92	611	1,285
IRR	%	5.8	10.1	15.3
Payback	Years	11.4	8.1	4.2

* undiscounted cash flow

Sensitivity Analysis

Sensitivity analyses were carried out on the gold price, exchange rate, initial capital expenditure and on-site operating costs.

The analyses are presented graphically in the 2012 CL PFS Report as financial outcomes in terms of NPV and IRR. Both the Project NPV and IRR are most sensitive to gold price and exchange rate followed by operating costs, with initial capital having the least impact.

Environmental Permitting

The formal environmental assessment of the Project would commence with preliminary screening of an application to the Mackenzie Valley Land and Water Board (MVLWB) for a Class A Water License, issued under the *Mackenzie Valley Resource Management Act* (MVRMA). After preliminary screening, the Project would be referred to the Mackenzie Valley Environmental Impact Review Board (MVEIRB), an independent body set up under the MVRMA to conduct environmental assessments of projects in the NWT, either by the MVLWB, or any other regulatory agency involved. The environmental assessment is conducted in a number of phases.

Environmental baseline work was initiated at the site by EBA in 2004; Rescan restarted the environmental baseline in the spring of 2010, and a second year of baseline was completed in 2011. In 2012, baseline work continued and is designed to address information required to further advance the Project. Results of this baseline work were integrated into mine planning for the 2012 CL PFS Report.

Seabridge has engaged with local communities and their respective leaders, regulatory agencies, regional, municipal and aboriginal governments, Treaty Nations, and First Nations in an effort to be prepared for a decision to advance the proposed project through the review process.

Project Development Plan

It is estimated that the Project would take approximately six and half years to complete permit applications and construction activities, starting with the completion of the 2012 CL PFS Report. A high-level project schedule is provided in the 2012 CL PFS Report.

Project Opportunities and Recommendations

Based on the results of the 2012 CL PFS Report, the authors recommend that it should be followed by either an updated pre-feasibility study or feasibility study in order to further assess the economic viability of the Project.

The 2012 CL PFS Report makes recommendations as to areas to investigate for potential improvements or refinements to the Project, including an examination of short range gold variability by drilling, further optimization of the mine plan, additional metallurgical test work to confirm optimum operating conditions and reagent consumption and further refinement of the plans for tailing and mine rock management facilities, water management and the diversion channel and the desalination solids storage facility.

In addition, the 2012 CL PFS Report recommended the investigation of the following opportunities for the Courageous Lake Project in relation to road access and optimizing economic pit limits.

- Access to the Project by winter ice road is limited to less than three months per year. It is during this period that almost all of the project's supplies are transported to site. The Tibbitt to Contwoyto Winter Road Joint Venture investigated extending the winter road seasonal use by at least another month with a 150 km extension from the permanent road access at Tibbitt Lake to Lockhart camp. While this would result in some reduction in both operating and capital costs for Courageous Lake, an all-season access road from the Bathhurst Inlet would provide considerably more benefit to Courageous Lake economics. Site access improvements would significantly reduce on-site storage requirements, especially fuel oil and reagents such as lime.
- The size and geometry of the Courageous Lake orebody, as well as the high capital impact of throughput and mine life, make the impact of the discounted cash flow economics important in determining an optimized economic pit limit. The current study, capital costs, and 15-year mine life are a good basis to evaluate the discounted cash flow cases. It would be difficult to use a Gemcom Whittle™ type of analysis, since the orebody does not produce even expansion increments as it deepens, and the fixed component of capital and operating costs is high due to the high Arctic location. Instead, different cases will need to be designed and full cash flows calculated, to determine meaningful economic comparisons. This analysis can also include combined open pit and underground options.

Exploration After 2012 CL PFS Report

Exploration activities at Courageous Lake are being conducted by Seabridge personnel under the supervision of William E. Threlkeld, Senior Vice President, Exploration of Seabridge. The following information regarding 2012 and 2013 exploration at the Courageous Lake Project, but excluding the resource estimates, was prepared by or under the supervision of William Threlkeld, a qualified person for the purposes of NI 43-101. The resource estimates were prepared by RMI under the direction of Michael Lechner, who is independent of Seabridge and a Qualified Person as defined by National Instrument 43-101.

In 2012, an $8.5 million exploration program at Courageous Lake was in part dedicated to the discovery of one or more gold deposits along Seabridge's 52-kilometer-long Matthews Lake Greenstone Belt. A number of targets had been identified over the previous seasons and these were evaluated with an airborne geophysical survey and by core drilling. A new deposit was discovered at the Walsh Lake target and additional drilling was completed in 2013 with goal of preparing a resource estimate.

The Walsh Lake discovery is about 10 kilometers south of the FAT deposit. The north part of this target area is connected by a road network between the FAT deposit and the historical Tundra Gold Mine that was abandoned in 1999. Walsh Lake consists of a series of structural zones part of which are on strike with deposits exploited in the Tundra Mine.

In March, 2014, the Issuer announced an estimate of inferred mineral resources for the Walsh Lake deposit of 4.62 million tonnes grading 3.24 g/t (482,000 ounces of gold). The 43-101 compliant resource estimate was prepared by RMI under the direction of Michael Lechner. The Walsh Lake model is based on 53 diamond core holes, totaling 17,450 meters, spaced at approximately 50 meters.

The resource estimate is constrained within a conceptual pit limit based on a gold price of $1,300 per ounce, gold recovery of 90% and a pit slope of 50 degrees. The pit constrained resource was tabulated using a 0.60 gram per tonne gold cutoff grade. The cutoff grade was calculated using mining and processing costs of $2.00 and $20.00 per tonne, respectively in addition to the aforementioned gold price and gold recovery parameters. Block gold grades were estimated using a multiple pass inverse distance weighting interpolation procedure. Manually constructed mineral zone wireframes were used in conjunction with a gold probability model to constrain the estimate of block grades. High-grade outlier gold assay grades were capped prior to compositing the assay data to 3m lengths. A portion of the estimated blocks were classified as inferred resources using mineralized continuity that was established by probabilistic interpolation methods. It is RMI's opinion that the new resource model is globally unbiased and locally reflects the grade of nearby drill hole composites.

Metallurgical testing on material from the Walsh Lake deposit which yielded gold extractions ranging from 93.8% to 95.0% in 48 hours of leach time from conventional, direct cyanidation.

The Walsh Lake resource provides the potential to add mine life and contribute higher grade material during the early years of the Courageous Lake project. The Walsh Lake resource grade is about 50% higher than the project's reserve grade, is near surface and close to the proposed processing site. Walsh Lake gold also exhibits high recoveries using simple, conventional technologies.

After its success with finding the Walsh Lake deposit, the Issuer has worked on identifying targets for drill testing the greenstone belt for more satellite deposits. In February, 2018, the Issuer commenced drilling under a program to complete 36 holes totalling 7,200 meters to test seven separate targets along a geophysical and stratigraphic break that hosts the Walsh Lake Deposit. The targets in the program were shear zones located near the stratigraphic contact between mafic volcanic rock and clastic sedimentary rocks. The initial drilling was to determine which of the targets are gold-bearing and have strike and width continuity within 200 meters of surface. The goal was to find more Walsh Lake-style deposits which could be added to the front end of a revised mine plan at the Courageous Lake Project where they have the potential to make a significant economic impact. Of the seven targets drilled, the Issuer identified two new gold zones that, with additional work, could potentially be converted into resources. Both the Marsh Pond and Olsen targets returned results that meet the program's goals of identifying gold-bearing zones with characteristics similar to the Walsh Lake discovery. These two target zones appear to duplicate the upper and lower stratigraphic intervals found at Walsh Lake.

On June 21, 2016, the Issuer completed its acquisition of all of the outstanding shares of SnipGold Corp. (" **SnipGold**") under a Plan of Arrangement. On closing the Issuer issued 695,277 shares to acquire SnipGold, at an exchange ratio of one share of the Issuer for 63 outstanding shares of SnipGold. Up to approximately 60,550 additional shares of the Issuer may be issuable upon exercise of outstanding options and warrants originally issued by SnipGold, but now exercisable to acquire shares of Seabridge.

Exploration activities by Seabridge at the Iskut Project are being conducted under the supervision of William E. Threlkeld, Registered Professional Geologist, Senior Vice President, Exploration of the Issuer. The following information regarding the Iskut Project was prepared by or under the supervision of William Threlkeld, a Qualified Person as defined by National Instrument 43-101.

SnipGold Corp. (formerly Skyline Gold Corporation) and its subsidiaries own the Iskut Project, a contiguous block of mineral claims in excess of 226 sq km in size in the Golden Triangle Area of northwestern B.C. which was assembled by SnipGold in a series of transactions that began in 2005. It is located about 20 kilometers from the KSM Project. The land package has undergone intermittent exploration with the majority of the work carried out in the late 1980s and early 1990s. This early work was undertaken by over 30 independent operators and their efforts have highlighted numerous targets which have seen little to no follow up work in the past 20 years. SnipGold completed a resource estimate for the Bronson Slope Porphyry Deposit on its Iskut property in 2010. The Iskut Project includes the Johnny Mountain Mine site, which is now closed, and is adjacent to the Snip Mine.

Exploration by the Issuer

The Issuer's exploration program in 2016 included detailed magnetotelluric and airborne hyperspectral surveys, the compilation of historical airborne magnetic data from previous years and over 3,000 meters of core drilling on the Iskut Project to begin exploring for high grade gold for which the property is historically known. The program was designed to help determine controls on gold mineralization for several known occurrences including past high grade producers. Results from 2016 drilling was intended for use in designing a much larger program for 2017. Observations from these drill holes support an interpretation that the Johnny Mountain Mine is on the margin of a larger mineral system, now believed to be southeast of the mine area.

The 2016 multi-pronged exploration program led to the identification of a prospective new porphyry copper-gold system with a potentially intact epithermal precious metals zone at its top, for drill testing in 2017. The untested target, lying below the southwest facing, unglaciated slope of Johnny Mountain named "Quartz Rise" by the Issuer, had all the hallmarks of a porphyry lithocap, a geological feature found at the top of major porphyry systems throughout the world. A lithocap is a clay-silica-rich alteration feature which is a product of hydrothermal fluids escaping at the top of a porphyry mineralizing system. Typically, these features act as a cover obscuring structurally-controlled epithermal gold and silver systems that evolve from intrusive-related porphyry systems.

The drilling in 2017, the first ever at Quartz Rise, confirmed the presence of a gold-bearing intermediate sulfidation epithermal system beneath the Quartz Rise lithocap. The drilling intercepted several narrow, discontinuous intervals of high-grade gold. A subsequent 3D induced polarization (IP) geophysical survey together with detailed geological mapping and sampling of available rock faces indicate that the 2017 drilling may not have been in the correct orientation. Results from cliff face sampling showed exceptional gold results that appear to correspond with a favorable IP chargeability anomaly under Quartz Rise.

Exploration in 2018 at the Quartz Rise lithocap was focused on testing for high-grade epithermal precious metal occurrences associated with the uppermost portion of a porphyry mineral system. Drilling tested the dip projection of high-grade surface samples in an area hosting coincident IP chargeability and resistivity anomalies. Results confirmed that much of the Quartz Rise lithocap had been eroded, leaving little opportunity for a sizeable high-grade epithermal occurrence in this area.

Hole QR-18-14, however, was designed to test a broad, steeply dipping IP anomaly. This hole discovered a diatreme containing clasts of veined diorite porphyry with well-preserved porphyry copper-gold mineralization in a matrix of fine-grained diorite and milled wallrock with textures indicative of hydrothermal fluid flow. Diorite breccia clasts showed multiple cross-cutting relationships in stockwork veins containing chalcopyrite-pyrite-magnetite. Textures and mineralogy of the diorite breccia clasts and veins are characteristic of potassicly altered porphyry copper-gold systems, and as such, were not in equilibrium with the surrounding rocks. QR-18-17 was drilled to off-set the intersection in QR-18-14 and found a narrower interval of the diatreme. Diatremes are commonly found above and adjacent to porphyry mineral systems which are their source of heat and fluids. Extensive review of the available data indicates the source for the diatreme is south and southwest of Quartz Rise, where glacial erosion has exposed rocks deeper in the mineralizing system, providing nearly 800 meters of vertical exposure into the mineral system.

The Issuer's objective for 2019 work was to define the geophysical limits and assess the geochemical and geological expression of a possible porphyry intrusive system which would account for the mineralization found at Quartz Rise. This work included 1.4 square kilometers of 3D IP surveys, 260-line kilometers of high resolution magnetic surveys and 184 surface geochemical samples. Detailed work on the surface expression of the diatreme found that it plunges to the south toward the highest intensity chargeability anomaly and geochemical signature. The geophysical footprint was therefore expanded to the south and southwest into an area where glacial erosion had exposed the system vertically to a depth of over 800 meters. Surface mapping and sampling of this vertical exposure found extensive gold and copper anomalies within favorable thermally altered wall rock. Several intrusions have been identified in association with this diatreme and these features have been dated to about 186 million years, the same age as our KSM deposits. As a result of this work, the Issuer believes it has identified a large intrusive system at relatively shallow depth that is likely responsible for the Quartz Rise Lithocap and elevated gold and copper concentrations within a geological environment remarkably similar to Seabridge's nearby KSM Project. The Issuer plans to drill this target in 2020.

An ongoing and rigorous quality control/quality assurance protocol is employed in all Seabridge drilling campaigns, including the program at the Iskut Project. This program includes blank and reference standards. Cross-check analyses include metallic screen fire assay techniques and external laboratory analysis on at least 10% of the drill samples.

Remediation at Bronson Slope and Johnny Mountain Mine Site

At Iskut, the Issuer has initiated a robust environmental program aiming to remediate areas of historical mining activity, including the Johnny Mountain Mine, a past gold producer. The Issuer's planned environmental and engineering work for 2016 was designed to ensure compliance with existing authorizations, address outstanding compliance items and to begin the evaluation and development of remediation programs to mitigate the impacts of past mining activity. This program included a comprehensive evaluation of best practices for future remediation on the property, drawing from the Seabridge environmental team's experiences at KSM and other North America sites and input from the local indigenous group, the Tahltan Nation, and BC regulatory officials. Work began with a general site cleanup in the vicinity of the Bronson Slope Airstrip. The environmental work was completed in conjunction with the Issuer's 2016 exploration program. Preliminary work at Bronson Slope consisted of general site clean-up activities designed to address historical debris, material abandoned and discarded across the site.

In 2016, money was also spent on completing a Dam safety review, which concluded that the tailings dam was in good condition, and monitoring programs, which identified that the former mine is not impacting sensitive downstream fish habitat in the Craig and Iskut rivers.

In 2017, the Issuer initiated further studies to develop a recommended reclamation program to be completed at the Project over the next five to seven years, and continued to restore the mine site, by covering all open underground portals and vent raises, and dismantling the abandoned fuel tank farm. There were 23 fuel tanks each with the capacity of 7,000 gallons (31,700 litres) and one gas tank with the capacity of 100,000 gallons. All fuel tanks were cleaned out, cut up, dismantled and stored on site for future disposal.

To gain an understanding of the groundwater, surface water and soil conditions at Johnny Mountain, a detailed investigation and sampling program was implemented. With the assistance of Tahltech Drilling Services and Tahltan workers, more than 50 groundwater wells were drilled, allowing groundwater samples to be analyzed. Rescan Tahltan Environmental Consultants collected surface water samples around the project site, and Amec Foster Wheeler and the Tahltan Nation Development Corporation conducted test pits around the project site to better understand soil contamination. All this information will be used to develop the cleanup program for future years.

Progress was also made on the old mill building. Hazardous materials including unknown chemical bottles, asbestos, and mercury light ballasts were shipped offsite to a licensed hazardous waste disposal facility.

Additional work was also conducted on the Tailings Management Facility including the installation of vibrating wire piezometers, which are used to monitor dam stability. The dam was also reinforced with fill material and packed down.

Reclamation work at the former Johnny Mountain Mine site in 2018 and 2019 continued to follow the multi-year work program developed by the Issuer, with much of the work being completed with services and workers provided the Tahltan Nation Development Corporation. Tasks completed in 2018 included the following:

- expansion of the existing approved landfill of the site;
- relocations of material found in historical unapproved burial sites to the approved landfill;
- permanent closure of the vent raises, and portals;
- initiation of site hydrocarbon remediation utilizing in-situ bioremediation techniques;
- continued clean-up of the existing mill building with the removal of spilled ore concentrate from the mill building floor for disposal in the tailing storage facility; and
- ongoing general site clean-up and grading.

Tasks completed in 2019 included:

- excavation and relocation of material discovered in five (5) unauthorized sites with buried waste;
- in-situ remediation of hydrocarbon in approximately 9,000m^3 of soil;
- deconstruction of mill process equipment from inside the mill building and placement of material in the Johnny Mountain Mine landfill; and
- excavation and relocation of potentially acid generating waste rock from the airstrip into the tailings storage facility.

In this AIF, the following technical terms have the following meanings:

Alteration – Any change in the mineral composition of a rock brought about by physical or chemical means.

Batholith – A very large intrusive mass of igneous rock.

Biotite – A common rock-forming mineral in crystalline rocks, either as an original crystal in igneous rocks or as a metamorphic product in gneisses and schists.

Breccia – A rock in which angular fragments are surrounded by a mass of fine-grained minerals.

Carbonate – Sediment formed by the organic or inorganic precipitation from aqueous solution of carbonates of calcium, magnesium, or iron; e.g., limestone and dolomite.

Chalcopyrite – A sulphite mineral of copper and iron.

Clastic – Fragments of minerals and rocks that have been moved individually from their places of origin.

Core samples – The cylindrical form of rock called “core” that is extracted from a diamond drill hole. Mineralized sections are separated and these samples are sent to a laboratory for analysis.

Cut-off grade – The lowest grade of mineralized material that qualifies as reserve in a deposit, i.e.: contributing material of the lowest assay that is included in a reserve estimate.

Diorite – An intrusive igneous rock.

Dip – The angle that a structural surface, a bedding or fault plan, makes with the horizontal, measured perpendicular to the strike of the structure.

Disseminated – Where minerals occur as scattered particles in the rock.

Facies – The character and composition of sedimentary deposits.

Fault – A fracture or break in rock along which there has been movement.

Feasibility Study – A comprehensive technical and economic study of the selected development option for a mineral project that includes appropriately detailed assessments of applicable considerations used to convert Mineral Resources to Mineral Reserves together with any other relevant operational factors and detailed financial analysis that are necessary to demonstrate, at the time of reporting, that extraction is reasonably justified (economically mineable). The results of the study may reasonably serve as the basis for a final decision by a proponent or financial institution to proceed with, or finance, the development of the project.

Felsic – An adjective describing an igneous rock having mostly light colored minerals and rich in silica, potassium and sodium.

Fracture – A break or crack in rock.

Geochemistry – The study of the chemical properties of rocks.

Gneiss – A layered or banded crystalline metamorphic rock, the grains of which are aligned or elongated into a roughly parallel arrangement.

Grade – The metal content of rock with precious metals. Grade can be expressed as troy ounces or grams per tonne of rock.

Granite – Any holocrystalline, quartz-bearing plutonic rock.

Granitic – Pertaining to or composed of granite.

Greenschist – A schistose metamorphic rock whose green color is due to the presence of chlorite, epidote or actinolite.

Greywacke – A dark grey, firmly indurated, course-grained sandstone that consists of poorly sorted, angular to subangular grains of quartz and feldspar, with a variety of dark rock and mineral fragments embedded.

Hydrothermal – The products or the actions of heated waters in a rock mass such as a mineral deposit precipitating from a hot solution.

Hydrothermal alteration – The process by which heated or superheated water/solutions alter the chemistry of the rocks they circulate through.

Igneous – A primary type of rock formed by the cooling of molten material.

Indicated Mineral Resource – That part of a Mineral Resource for which quantity, grade and quality, densities, shape and physical characteristics can be estimated with sufficient confidence to allow the application of Modifying Factors (the considerations used to convert Mineral Resources to Mineral Reserves) in sufficient detail to support mine planning and evaluation of the economic viability of the deposit. Geological evidence is derived from adequately detailed and reliable exploration, sampling and testing information and is sufficient to assume geological and grade or quality continuity between points of observation. An Indicated Mineral Resource has a lower level of confidence than that applying to a Measured Mineral Resource and may only be converted to a Probable Mineral Reserve.

Inferred Mineral Resource – That part of a Mineral Resource for which quantity and grade or quality are estimated on the basis of limited geological evidence and sampling. Geological evidence is sufficient to imply but not verify geological and grade or quality continuity. An Inferred Mineral Resource has a lower level of confidence than that applying to an Indicated Mineral Resource and must not be converted to a Mineral Reserve. It is reasonably expected that the majority of Inferred Mineral Resources could be upgraded to Indicated Mineral Resources with continued exploration.

Intrusion; intrusive – Molten rock that is intruded (injected) into spaces that are created by a combination of melting and displacement.

Measured Mineral Resource – That part of a Mineral Resource for which quantity, grade or quality, densities, shape, and physical characteristics are estimated with confidence sufficient to allow the application of Modifying Factors (the considerations used to convert Mineral Resources to Mineral Reserves) to support detailed mine planning and final evaluation of the economic viability of the deposit. Geological evidence is derived from detailed and reliable exploration, sampling and testing and is sufficient to confirm geological and grade or quality continuity between points of observation. A Measured Mineral Resource has a higher level of confidence than that applying to either an Indicated Mineral Resource or an Inferred Mineral Resource. It may be converted to a Proven Mineral Reserve or to a Probable Mineral Reserve.

Mineral – A naturally formed chemical element or compound having a definitive chemical composition and usually a characteristic crystal form.

Mineralization – A natural concentration in rocks or soil of one or more metalliferous minerals.

Monzonite – A granular plutonic rock containing approximately equal amounts of orthoclase and plagioclase, and thus intermediate between syenite and diorite. Quartz is minor or absent.

Net smelter return/NSR value – When used herein in reference to cutoff grades, NSR is calculated to determine the recoverable value of a mass of mineralized rock using prices and process recoveries for each metal accounting for all off-site losses, transportation, smelting and refining charges.

Net smelter return royalty/NSR royalty – A phrase used to describe a royalty payment made by a producer of metals based on gross metal production from the property, less deduction of certain limited costs including smelting, refining, transportation and insurance costs.

Outcrop – The part of a rock formation that appears at the surface of the ground.

Phenocryst – A term for large crystals or mineral grains floating in the matrix or groundmass of a porphyry.

Placer – A deposit of sand or gravel that contains particles of gold, ilmenite, gemstones, or other heavy minerals of value. The common types are stream gravels and beach sands.

Porphyritic – The texture of an igneous rock in which larger crystals (phenocrysts) are set in a finer-grained groundmass, which may be crystalline or glassy or both.

Porphyry – Any igneous rock in which relatively large crystals are set in a fine-grained matrix of rock.

Pre-Feasibility study or preliminary feasibility study – A comprehensive study of a range of options for the technical and economic viability of a mineral project that has advanced to a stage where a preferred mining method, in the case of underground mining, or the pit configuration, in the case of an open pit, is established and an effective method of mineral processing is determined. This study includes a financial analysis based on reasonable assumptions on the considerations used to convert Mineral Resources to Mineral Reserves and the evaluation of any other relevant factors which are sufficient for a qualified person acting reasonably, to determine if all or part of the Mineral Resource may be classified as a Mineral Reserve.

Preliminary economic assessment – A study, other than a pre-feasibility or feasibility study, that includes an economic analysis of the potential viability of mineral resources.

Pyrite – An iron sulphide mineral (FeS2), the most common naturally occurring sulphide mineral.

Quartz – Crystalline silica; often forming veins in fractures and faults within older rocks.

Reclamation – Restoration of mined land to original contour, use or condition.

Reserve or **Mineral Reserve** – The economically mineable part of a Measured Resource and/or Indicated Resource. It includes diluting materials and allowances for losses, which may occur when the material is mined or extracted and is defined by studies at Pre-Feasibility or Feasibility level, as appropriate that include application of the considerations used to convert Mineral Resources to Mineral Reserves. Such studies demonstrate that, at the time of reporting, extraction could reasonably be justified. The reference point at which Mineral Reserves are defined, usually the point where the ore is delivered to the processing plant, must be stated. It is important that, in all situations where the reference point is different, such as for a saleable product, a clarifying statement is included to ensure that the reader is fully informed as to what is being reported. The public disclosure of a Mineral Reserve must be demonstrated by a Pre-Feasibility Study or Feasibility Study.

Resource or **Mineral Resource** – A concentration or occurrence of solid material of economic interest in or on the Earth's crust in such form, grade or quality and quantity that there are reasonable prospects for eventual economic extraction. The location, quantity, grade or quality, continuity and other geological characteristics of a Resource are known, estimated or interpreted from specific geological evidence and knowledge, including sampling.

Sedimentary – Formed by the deposition of sediment or pertaining to the process of sedimentation.

Sediments – Solid fragmental material that originates from weathering of rocks and is transported or deposited by air, water or ice, or that accumulates by other natural agents, such as chemical precipitation from solution or secretions by organisms, and that forms in layers of the Earth's surface at ordinary temperatures in a loose, unconsolidated form; e.g., sand, gravel, silt, mud, alluvium.

Sericite – A fine-grained potassium mica found in various metamorphic rocks.

Vein – A thin sheet-line, crosscutting body of hydrothermal mineralization, principally quartz.

Waste – Barren rock in a mine, or mineralized material that is too low in grade to be mined and milled at a profit.

ITEM 4: RISK FACTORS

Investing in the Common shares is speculative and involves a high degree of risk due to the nature of the Issuer's business and the present stage of exploration and advancement of its mineral properties. The following risk factors, as well as risks currently unknown to the Issuer, could materially adversely affect the Issuer's future business, operations and financial condition and could cause them to differ materially from the estimates described in forward-looking statements relating to the Issuer, or its business, property or financial results, each of which could cause investors to lose part or all of their investment. Before deciding to invest in any Common shares, investors should carefully consider the risks included herein.

Risks Related to the Issuer and its Industry

The Issuer has a history of net losses and negative cash flows from operations and expects losses and negative cash flows from operations to continue for the foreseeable future.

The Issuer has a history of net losses and negative cash flows from operations and the Issuer expects to incur net losses and negative cash flows from operations for the foreseeable future. As of December 31, 2019, the Issuer's deficit totaled approximately $136 million. None of the Issuer's properties has advanced to the commercial production stage and the Issuer has no history of earnings or positive cash flow from operations.

The issuer expects to continue to incur net losses unless and until such time as one or more of its projects enters into commercial production and generates sufficient revenues to fund continuing operations or until such time as the Issuer is able to offset its expenses against the sale of one or more of its projects, if applicable. The development of the Issuer's projects to achieve production will require the commitment of substantial financial resources. The amount and timing of expenditures will depend on a number of factors, including the progress of ongoing exploration and advancement, the results of consultant analysis and recommendations, the rate at which operating losses are incurred and the execution of any sale or joint venture agreements with strategic partners, some of which are beyond the Issuer's control. There is no assurance that the Issuer will be profitable in the future.

The Issuer's ability to continue its exploration activities and any future advancement activities, and to maintain the corporate office support of these activities, will depend on its ability to obtain suitable financing, enter into joint ventures or sell property interests.

The Issuer estimates that it has financial resources to sustain corporate office operations to the end of 2021. However, the Issuer requires capital to maintain title to and undertake exploration and advancement of the Issuer's principal exploration properties and to cover ongoing corporate expenses and presently has no ongoing source of revenue. Accordingly, additional financing will be required to continue to undertake additional advancement of the Issuer's mineral properties. The maintenance of and further exploration and advancement of the Issuer's mineral properties is, therefore, dependent upon the Issuer's ability to obtain financing through the sale of projects, joint venturing of projects or equity or debt financing. Such sources of financing may not be available on terms acceptable to the Issuer, or at all. More onerous conditions in the credit and financial markets has limited access to capital and credit for many companies, which may make it more difficult for the Issuer to obtain, or increase its cost of obtaining, capital and financing for its operations. Failure to obtain such financing may result in delay or indefinite postponement of exploration and advancement work on the Issuer's mineral properties, or the possible loss of such properties. Satisfying financing requirements through the sale of projects or establishment of one or more joint ventures would reduce the Issuer's gold ownership per share and therefore its leverage to the gold price.

The Issuer has reserves at its KSM Project and its Courageous Lake Project but they may not be brought into production.

There is no certainty that the reserves estimated at the KSM Project or the Courageous Lake Project will actually be mined or, if mined, processed profitably. The Issuer does not intend to bring the KSM Project or the Courageous Lake Project into production on its own and intends to either enter into a joint venture with an experienced operator or to sell the KSM Project and the Courageous Lake Project. Given the size of the KSM Project and its estimated capital costs, there is a limited number of mining companies with the ability to raise the necessary capital and to put the KSM Project into production, which limits the options available to the Issuer for such a joint venture or sale. The commercial viability of the KSM Project is also dependent on a number of factors, including metal prices, government policy and regulation and environmental protection, which are beyond the control of the Issuer. The Issuer has relied and will continue to rely upon consultants for advancement and operating expertise.

The figures for the Issuer's resources and reserves are estimates based on interpretation and assumptions and the properties may yield less mineral production or less profit under actual conditions than is currently estimated.

Unless otherwise indicated, resource figures presented in this AIF and in the Issuer's other filings with securities regulatory authorities, press releases and other public statements that may be made from time to time are based upon estimates made by Issuer personnel and independent geologists. These estimates are imprecise and depend upon geologic interpretation and statistical inferences drawn from drilling and sampling analysis, which may prove to be inaccurate. There can be no assurance that resource or other mineralization figures will be accurate or that this mineralization could be mined or processed profitably.

Because the Issuer has not completed a feasibility study or commenced commercial production at any of its properties, resource estimates for the Issuer's properties may require adjustments or downward revisions based upon further exploration or advancement work or actual production experience. In addition, the grade of ore ultimately mined, if any, may differ from that indicated by drilling results. There can be no assurance that recovery of minerals in small-scale tests will be duplicated in large-scale tests under on-site conditions or in production scale.

The resource and reserve estimates contained in this AIF have been determined based on assumed future prices, cut-off grades and capital and operating costs that may prove to be inaccurate. Substantial declines in market prices for gold and other metals or increases in costs may eliminate the potential profitability of the Issuer's deposits, require increases in cut-off grades and result in reduced reported resources or reserves. Any material reductions in estimates of resources or reserves, or of the Issuer's ability to extract these resources or reserves, could have a material adverse effect on the Issuer's prospects and could restrict the Issuer's ability to successfully implement its strategies for long-term growth.

Actual capital costs, operating costs, production and economic returns may differ significantly from those Seabridge has anticipated. There are no assurances future advancement activities by Seabridge, if any, will lead to a favourable feasibility study or profitable mining operations.

The Issuer has completed prefeasibility studies at each of its KSM Project and its Courageous Lake Project, but typically a company will not make a production decision until it has completed a feasibility study. Feasibility studies derive estimates of cash operating costs based upon, among other things:

- anticipated tonnage, grades and metallurgical characteristics of the reserves to be mined and processed;
- anticipated recovery rates of gold and other metals from the reserves;
- cash operating costs of comparable facilities and equipment; and
- anticipated climatic conditions and environmental protection measures.

Completing a feasibility study at each of the Issuer's Projects requires significant additional work and study in order to reduce the range of uncertainty associated with the study's estimates and conclusions. Cash operating costs, production and economic returns, and other estimates contained in studies or estimates prepared by or for the Issuer may differ significantly from those anticipated by Seabridge's current studies and estimates and may even result in delays or cancellation of Project advancement.

There can be no assurance that, if it starts production at one or more of its Projects, the Issuer's actual operating costs will not be higher than currently anticipated. None of the Issuer's mineral properties have an operating history upon which the Issuer can base estimates of future operating costs.

There is no certainty that a feasibility study in respect of the KSM Project or the Courageous Lake Project will be completed or, if completed, that it will result in sufficiently favourable estimates of the economic viability of the Project to justify a construction decision. The Issuer has relied and will continue to rely upon consultants for advancement and operating expertise.

Seabridge has no history of commercially producing precious metals from its mineral exploration properties and there can be no assurance that it will successfully establish mining operations or profitably produce precious metals.

Seabridge has no history of commercially producing precious metals from its current portfolio of mineral exploration properties and the Issuer has no ongoing mining operations or revenue from mining operations. Mineral exploration and advancement involves a high degree of risk and few properties that are explored are ultimately developed into producing mines. None of the Issuer's properties are currently under construction. The future advancement of properties estimated to be economically feasible will require obtaining permits and financing and the construction and operation of mines, processing plants and related infrastructure. Although Seabridge has disclosed that it will not undertake production activities by itself, it may be involved in construction and production at one or more of its properties if it enters into a joint venture or other arrangement with a third party regarding production. As a result, Seabridge may be subject to all of the risks associated with establishing new mining operations and business enterprises, including:

- timing and cost, which can be considerable, of the construction of mining and processing facilities;

- availability and costs of skilled labour and mining equipment;
- availability and cost of appropriate smelting and/or refining arrangements;
- need to obtain necessary environmental and other governmental approvals and permits, and the timing of those approvals and permits;
- availability of funds to finance construction and advancement activities;
- potential opposition from non-governmental organizations, environmental groups, aboriginal groups or local groups which may delay or prevent advancement activities; and
- potential increases in construction and operating costs due to changes in the cost of fuel, power, materials and supplies and foreign exchange rates.

The costs, timing and complexities of mine construction and advancement are increased by the remote location of the Issuer's mining properties. It is common in new mining operations to experience unexpected problems and delays during advancement, construction and mine start-up. In addition, delays in the commencement of mineral production often occur. Accordingly, there are no assurances that, if the Issuer decides to be involved in mining activities, the Issuer will successfully establish mining operations or profitably produce precious or base metals at any of its properties.

Changes in the market price of gold, copper and other metals, which in the past have fluctuated widely, affect the potential profitability of the Issuer's projects.

The potential profitability of the Issuer's projects depends, in large part, upon the market price of gold, copper and other metals and minerals to be produced. The market price of gold, copper and other metals is volatile and is impacted by numerous factors beyond the Issuer's control, including:

- expectations with respect to the rate of inflation;
- the relative strength of the U.S. dollar and certain other currencies;
- interest rates;
- global or regional political or economic conditions;
- supply and demand for jewelry and industrial products containing metals;
- faith in paper currencies and governments;
- costs of substitutes;
- changes in global or regional investment or consumption patterns;
- global production levels;
- speculative activities; and
- sales by central banks and other holders, speculators and producers of gold, copper and other metals in response to any of the above factors.

There can be no assurance that the market price of gold, copper and other metals will remain at current levels or that such prices will improve. A decrease in the market price of gold and copper could adversely affect the Issuer's ability to finance the exploration and advancement of the Issuer's properties and to enter into joint ventures with strategic partners relating to the Issuer's properties, which would have a material adverse effect on the Issuer's financial condition and results of operations. There is no assurance that if commercial quantities of gold, copper and other metals are discovered on the Issuer's properties, that a profitable market will exist or continue to exist for a production decision to be made or for the ultimate sale of the metals. As the Issuer has a high ratio of gold resources per Common share, fluctuations in gold prices have tended to have a great impact on the price of the Common shares.

The Issuer may be adversely affected by future fluctuations of foreign exchange rates.

The potential profitability of the Issuer is exposed to the financial risk related to the fluctuation of foreign exchange rates. The minerals that could be produced from the Issuer's projects are priced in U.S. dollars but, since the Issuer's principal projects are located in Canada, a significant percentage of its estimated expenditures will be in Canadian dollars. A significant change in the currency exchange rates between the Canadian dollar relative to the U.S. dollar will have an effect on the potential profitability of the Issuer's projects and therefore its ability to continue to finance its operations. To the extent the actual Canadian dollar to U.S. dollar exchange rate is less than or more than the exchange rate used in the preliminary feasibility studies summarized in this AIF, the profitability of the projects will be less than or more than that estimated (if the other assumptions are realized). Accordingly, the Issuer's prospects may suffer due to adverse currency fluctuations.

The Issuer's activities and proposed business are inherently dangerous and contain significant uninsured risks that could negatively impact the Issuer.

The Issuer's exploration and advancement of its mineral properties involves a number of risks and hazards. In addition, the business of mining is subject to various risks and hazards including:

- environmental hazards;
- industrial accidents;
- metallurgical and other processing problems;
- unusual or unexpected rock formations;
- rock bursts;
- structural cave-ins or slides;
- flooding;
- fires;
- earthquakes, avalanches or landslides;
- metals losses; and
- periodic interruptions due to inclement or hazardous weather conditions.

These risks could result in damage to, or destruction of, mineral properties, plant and equipment, personal injury or death, environmental damage, delays in mining, monetary losses and possible legal liability.

The Issuer currently maintains insurance against risks relating to its exploration activities in an amount which it believes to be reasonable. If the Issuer commences mining activities with a partner, it will be subject to mining risks, including those listed above. The Issuer anticipates that it will obtain the insurance it feels is reasonable for any mining activities it undertakes, however, such insurance contains exclusions and limitations on coverage and insurance for all risks is not likely available. There can be no assurance that the insurance the Issuer desires will continue to be available, will be available at economically acceptable premiums or will be adequate to cover any resulting liability. The issuer might also be subject to liability for environmental damage or other hazards which may be uninsurable or for which it may elect not to insure because of premium costs or commercial impracticability. The payment of such liabilities would reduce funds available for the acquisition of mineral properties or exploration and advancement and would have a negative effect on the Issuer's ability to generate revenues, profits and cash flows.

The Issuer is subject to substantial government regulatory requirements, which could cause a restriction or suspension of the Issuer's operations.

The exploration and advancement activities of the Issuer and the potential for profitable operations of the Issuer's mineral properties is affected to varying degrees by government regulations relating to exploration, advancement and mining activities, the acquisition of land, royalties, taxes, labour standards, pollution control, environmental protection, consultation with indigenous groups, health and safety and expropriation of property. Changes in these regulations or in their application are beyond the control of the Issuer and may adversely affect its operations, business and the potential of its projects. Failure to comply with the conditions set out in any permit or failure to comply with applicable statutes and regulations may result in an order to cease or curtail further exploration or advancement or reduce or eliminate the potential profitability of a project. The Issuer may be required to compensate those suffering loss or damage by reason of its exploration activities or operations.

At the federal and provincial level, the Issuer must comply with exploration permitting requirements which require sound operating and reclamation plans to be approved by the applicable government body prior to the start of exploration. At the local level, regulations deal primarily with zoning, land use and specific building permits, as well as taxation and the impact of the Issuer's operations on the existing population and services. There can be no assurance that all required approvals and permits will be able to be obtained.

In December, 2019, the government of British Columbia passed Bill 41, the *Declaration on Rights of Indigenous Peoples Act* ("**Bill 41**"). Bill 41 commits the British Columbia government to a process of making the laws of British Columbia consistent with the United Nations Declaration on the Rights of Indigenous Peoples ("**UNDRIP**"). There is uncertainty regarding the details of how the laws of British Columbia will change or regarding any other consequences of the adoption of Bill 41, but it seems clear that it will result in greater influence of relevant indigenous peoples in permitting processes and decisions. It is likely this will result in longer and less certain permitting processes and outcomes of permitting processes, which could delay project advancement or lead to a greater number of projects simply not receiving required permits.

The devolution of lands and resource management from the Government of Canada to the Government of the Northwest Territories took place in 2014. It is not known how this will affect the current regulatory regime relating to the Issuer's Courageous Lake Project but it could result in the Issuer having to meet stricter standards or the regulatory approval process becoming more onerous.

Depending upon the type and extent of the exploration activities, the Issuer may be required to post reclamation bonds and/or assurances that the affected areas will be reclaimed. Currently, the Issuer has estimated CDN$16.9 million in reclamation liabilities for its properties. As at December 31, 2019, CDN$1.3 million has been deposited for the benefit of the various government agencies until released or applied to reclamation costs. If the reclamation requires funds in addition to those already estimated or allocated, the Issuer could be forced to pay for the extra work, which could have a material adverse effect on the Issuer's financial position and operations. In addition, unidentified environmental deficiencies may exist on other properties of the Issuer. The discovery of and any required reclamation of any additional properties would likely have an adverse effect on the Issuer's operations and financial position.

The Issuer is subject to substantial environmental requirements which could cause a restriction or suspension of the Issuer's operations. These requirements must be met for the Issuer to receive regulatory approval of its proposed mining operations.

In connection with its operations and properties, the Issuer is subject to extensive and changing environmental legislation, regulations and actions. The Issuer cannot predict what environmental legislation, regulations or policy will be enacted or adopted in the future or how current or future laws and regulations will be administered or interpreted. The recent trend in environmental legislation and regulation generally is toward stricter standards and this trend is likely to continue in the future. The recent trends include, without limitation, laws and regulations relating to air and water quality, mine reclamation, waste handling and disposal, tailings management, the protection of certain species, the preservation of certain lands and respect for indigenous cultures and knowledge. These regulations may require that the Issuer obtain permits or other authorizations for certain activities associated with exploration and numerous permits associated with mining operations and there is a risk the Issuer will not receive the required permits. These laws and regulations may also limit or prohibit activities on certain lands lying within wetland areas, areas providing habitat for certain species or other protected areas. Compliance with more stringent laws and regulations, as well as the likelihood of more vigorous enforcement policies or stricter interpretation of existing laws, may necessitate significant capital outlays, which may adversely affect the Issuer's results of operations and business, or may cause material changes or delays in the Issuer's intended activities. Certain of the permits that have been obtained by the Issuer are subject to time based expiry, including its provincial environmental assessment approval, and may need to be re-obtained and are therefore subject to the risk that such permits may not be renewed or extended.

The aboriginal land claims process in Canada has recently resulted in some aboriginal groups taking greater roles in the administration of lands subject to the land claims, and aboriginal groups may look to impose additional requirements over land they are involved in administering. Further, the adoption of Bill 41 is likely to increase the roles and influence of aboriginal groups in permitting processes and increases the risk that permits could be subject to more onerous conditions or not receive the approvals required for operations.

At the federal and provincial level, regulations deal with environmental quality and impacts upon air, water, soil, vegetation and wildlife, as well as historical and cultural resources. Approval must be received from the applicable regulator and/or department before exploration and mining can begin, and ongoing monitoring of operations is common. If the Issuer's operations result in negative effects upon the environment, government agencies will usually require the Issuer to provide remedial actions to correct the negative effects.

Title to the Issuer's mineral properties cannot be guaranteed and may be subject to prior unregistered agreements, transfers or claims and other defects.

The Issuer cannot guarantee that title to its properties will not be challenged. Title insurance is not available for mineral properties in Canada and the Issuer's ability to ensure that it has obtained a secure claim to individual mineral properties or mining leases may be severely constrained. The Issuer's mineral properties may be subject to prior unregistered agreements, transfers or claims, and title may be affected by, among other things, undetected defects. To date, the Issuer has only done a preliminary legal survey of the boundaries of its properties and has not obtained formal title reports on any of its properties and, therefore, in accordance with the laws of the jurisdictions in which these properties are situated, their existence and area could be in doubt. If title is challenged, the Issuer will have to defend its ownership through the courts. A successful challenge to the precise area and location of these claims could result in the Issuer being unable to operate on its properties or being unable to enforce its right with respect to its properties.

There is uncertainty related to unsettled First Nations' rights and title and settled Treaty Nation's rights in British Columbia and the Northwest Territories and this may create delays in project approval or interruptions in project progress.

The nature and extent of First Nation rights and title remains the subject of active debate, claims and litigation in Canada, including in British Columbia and the Northwest Territories. In 2014, the Supreme Court of Canada recognized for the first time aboriginal title of an aboriginal group to a specific area in British Columbia. The Provincial and the federal governments are also making efforts to settle claims of aboriginal title and rights being advanced by aboriginal groups and the likely outcome of these negotiations is greater authority for aboriginal groups in the permitting process for achieving mine approval and in some areas is likely to result in outright ownership of resources and a significant measure of regulatory control being transferred to aboriginal groups.

Parts of the KSM Project lie within an area asserted to be the traditional territory of one aboriginal group and all of the KSM Projects lies within an area asserted to be the traditional territory of another aboriginal group and no comprehensive treaty or land claims settlement has been concluded regarding these traditional territories. A part of the KSM Project lies within territory subject to settled treaty rights of the Nisga'a Nation. The Courageous Lake Project lies within the traditional territory of the Yellowknives Dene First Nation and no comprehensive treaty or land claims settlement has been concluded regarding this traditional territory. A part of the Courageous Lake Project lies within territory designated as a shared use area under the settled treaty rights of the Tlicho Nation. There can be no guarantee that the unsettled nature of land claims, or uncertainties associated with settled claims, in British Columbia and the Northwest Territories will not create delays in project approval or unexpected interruptions in project progress, or result in additional costs to advance the Issuer's projects.

Mine construction and commencement of mining activities may only be possible with the support of the local aboriginal groups. Many companies have secured such support by committing to take measures to limit the adverse impact to, and ensure some of the economic benefits of the construction and mining activity will be enjoyed by, the local aboriginal groups or treaty nations groups. The Issuer has agreements of this sort with the Nisga'a Nation and the Tahltan Nation, and a much less comprehensive one with the Gitanyow Nation, each of which should reduce this risk. However, there can be no assurance that such support or other assurances can or will be secured from these or other groups at an acceptable cost or that the KSM Project or the Courageous Lake Project will be approved without such support.

The government of British Columbia has passed Bill 41, which commits it to making the laws of British Columbia consistent with UNDRIP. The Canadian federal government has expressed an intent to apply UNDRIP to the laws of Canada. The manner in which UNDRIP will be reflected in laws, regulations and regulatory practices is uncertain and may lead to more onerous permitting processes, greater regulatory delay and less certainty in respect of receiving necessary permits for project construction and operation. In some circumstances, it may become necessary to obtain the consent of an aboriginal group to a mining project before construction can begin.

Periods of high metal prices encourage increased mining exploration, advancement and construction activity, which results in increased demand for, and cost of, exploration, advancement, construction and operating services and equipment.

During periods of relative strength of metal prices, as we saw over several years before 2013, increases in mining exploration, advancement and construction activities occur around the world, which results in increased demand for, and cost of, exploration, advancement, construction and operating services and equipment. While market conditions between 2013 and 2018 have had a moderating effect on the costs of such services and equipment, increases in such costs may recur with the recent resumption of an upward trend in metal prices. Increased demand for services and equipment could result in delays if services or equipment cannot be obtained in a timely manner due to inadequate availability, and may cause scheduling difficulties due to the need to coordinate the availability of services or equipment, any of which could materially increase project exploration, advancement and/or construction costs.

Increased competition could adversely affect the Issuer's ability to acquire suitable properties for mineral exploration in the future.

The mining industry is intensely competitive. Significant competition exists for the acquisition of properties producing or capable of producing gold or other metals. The Issuer may be at a competitive disadvantage in acquiring additional mining properties because it must compete with other companies, many of which have greater financial resources, operational experience and technical capabilities than the Issuer. Competition for exploration properties is currently only moderate but, if metals prices increase, competition could again become very intense. Increased competition could adversely affect the Issuer's ability to acquire suitable properties for mineral exploration in the future.

The Issuer has a dependence upon key management employees, the absence of which would have a negative effect on the Issuer's operations.

The issuer strongly depends on the business and technical expertise of its management and key personnel, including Rudi Fronk, Chairman and Chief Executive Officer. There is little possibility that this dependence will decrease in the near term. If the Issuer's operations expand, additional general management resources will be required. The Issuer may not be able to attract and retain additional qualified personnel and this would have a negative effect on the Issuer's operations. The Issuer does not carry any formal services agreements between itself and its officers or directors. The Issuer does not carry any "key man" life insurance.

Certain of the Issuer's directors and officers serve in similar positions with other natural resource companies, which put them in conflict of interest positions from time to time.

Certain of the directors and officers of the Issuer are also directors, officers or shareholders of other natural resource or mining-related companies. Such associations may give rise to conflicts of interest from time to time. The directors of the Issuer are required by law to act honestly and in good faith with a view to the best interests of the Issuer and to disclose any interest that they may have in any project or opportunity of the Issuer. If a conflict of interest arises in a matter to be discussed at a meeting of the board of directors, any director in a conflict must disclose his interest and abstain from voting on such matter. In determining whether or not the Issuer will participate in any project or opportunity, the directors will primarily consider the degree of risk to which the Issuer may be exposed and its financial position at the time.

The Issuer has spent the proceeds of the issuance of flow-through shares on expenditures it believes to be Canadian exploration expenses ("CEE") and renounced such expenditures to investors in flow-through shares, but the CRA has advised it is going to reduce the amounts of CEE renounced. The Issuer intends to challenge the CRA's conclusions but there is a risk the Issuer could be subject to additional tax and liable to indemnify the investors.

The Issuer has funded certain of its exploration activities, from time-to-time, with the proceeds of issuance of flow-through shares. The Issuer records and reports as CEE those expenditures which are required to determine "the existence, location, extent, or quality of a mineral resource" (applicable wording of the definition of CEE in the *Income Tax Act*), and renounces those amounts to investors to fulfill the Issuer's commitments made at the time of the issuance of the flow-through shares. Whether certain expenditures qualify as CEE and are therefore eligible for renunciation by the Issuer has been audited by the CRA for the three years ended December 31, 2016. The CRA has advised that it is going to reduce the amount of expenditures renounced as CEE by the Issuer in those years by approximately $19.1 million. The Issuer believes the CRA's interpretation of the applicable legislation is inconsistent with previous audits and unjustifiably narrows the scope of eligible CEE as defined in the applicable legislation. The Issuer intends to challenge the CRA's interpretation vigorously, and, if necessary, proceed to litigation on the issue. Although the Issuer believes it will ultimately prevail on the merits, if the Issuer is not successful in its challenge, there is a risk the Issuer could be subject to additional tax and be liable to indemnify investors whose tax liabilities increase under reassessments of amounts renounced as ineligible. The amount of such potential liability has been estimated to be approximately $2.2 million of additional tax for the Issuer and $11.8 million to indemnify investors, excluding interest that accrues on such amounts. If CRA's position substantially prevails, it would have an adverse impact on future earnings and financial resources of the Issuer.

The Issuer has been reassessed by the CRA for expenditures it claims qualified for refunds under the British Columbia Mining Exploration Tax Credit ("BCMETC") legislation and it will need to return some refunded money or challenge the reassessments in court and may not be successful in full.

For the tax years 2010 and 2011 the Issuer received refunds of qualifying exploration expenditures under the BCMETC legislation of $8.6 million. The CRA has audited and reassessed the Issuer in respect of such expenditures and has demanded that the Issuer return $3.2 million of the amounts refunded. The Issuer disagrees with the CRA's decision and has commenced a legal action challenging the CRA's reassessment. The outcome of its challenge is uncertain. There is a risk that if the reassessment is upheld the Issuer may be required to return money refunded to it by the CRA. However, the Issuer's financial position would not be impacted since the CRA already holds the full amount of the funds at issue.

The Issuer uses digital record keeping and utilizes the internet in its business activities which exposes it to cybersecurity risks.

The Issuer uses information technology systems and networks in its business, including maintaining digital records of its affairs, operating a web site and using other web based services. The Issuer could be adversely affected in the event that its information technology systems or networks are compromised. This information technology infrastructure may be subject to security breaches or other cybersecurity incidents, or may be compromised by natural disasters or defects in software or hardware systems. Potential consequences of our information technology systems being compromised include material and adverse impacts on our financial condition, operations and reputation.

The Issuer is subject to risks associated with the impacts from the reaction to and measures taken to address the spread of the COVID-19 virus.

The measures being recommended to be taken by the public in response the spread of the COVID-19 virus has the potential to delay the Issuer's ability to undertake exploration programs if such measures continue to be recommended into its exploration season. In addition, the performance of capital markets since the arrival of the COVID-19 virus in North America may impact the Issuer's access to financing and may cause potential partners for the KSM Project to defer expansion plans until capital markets stabilize and conditions support further investment.

Risks Related to the Common Shares

The market for the Common shares has been subject to volume and price volatility which could negatively affect a shareholder's ability to buy or sell the Common shares.

The market for the Common shares may be highly volatile for reasons both related to the performance of the Issuer or events pertaining to the industry (i.e., mineral price fluctuation, high production costs) as well as factors unrelated to the Issuer or its industry. In particular, the price for gold, which was over US$1,900 per ounce in 2011, was below US$1,100 per ounce at the beginning of 2016. In addition, market demand for products incorporating minerals fluctuates from one business cycle to the next, resulting in a change of demand for the mineral and an attendant change in the price for the mineral. The Common shares can be expected to be subject to volatility in both price and volume arising from market expectations, announcements and press releases regarding the Issuer's business, and changes in estimates and evaluations by securities analysts or other events or factors. In some years the securities markets in the United States and Canada have experienced a high level of price and volume volatility, and the market price of securities of many companies, particularly small-capitalization companies such as the Issuer, have experienced wide fluctuations that have not necessarily been related to the operations, performances, underlying asset values or prospects of such companies. For these reasons, the Common shares can also be expected to be subject to volatility resulting from market forces over which the Issuer will have no control. Further, despite the existence of markets for trading the Common shares in Canada and the United States, shareholders of the Issuer may be unable to sell significant quantities of Common shares in the public trading markets without a significant reduction in the price of the shares.

The Common shares are publicly traded and are subject to various factors that have historically made the Common share price volatile.

The market price of the Common shares has been, and may continue to be, subject to large fluctuations, which may result in losses to investors. The market price of the Common shares may increase or decrease in response to a number of events and factors, including: the Issuer's operating performance and the performance of competitors and other similar companies; volatility in metal prices; the public's reaction to the Issuer's press releases, material change reports, other public announcements and the Issuer's filings with the various securities regulatory authorities; changes in recommendations or price targets by research analysts who track the Common shares or the shares of other companies in the resource sector; changes in general economic and/or political conditions; the number of Common shares to be publicly traded after an offering of Common shares; the arrival or departure of key personnel; acquisitions, strategic alliances or joint ventures involving the Issuer or its competitors; and the factors listed under the heading "*Description of the Issuer's Business – Cautionary Statement Regarding Forward-Looking Information and Statements*". The Issuer has a high number of gold resource ounces per outstanding share relative to its competitors, which may lead to greater price fluctuations in the price of the Issuer's Common shares relative to its competitors when the price of gold fluctuates.

The market price of the Common shares is affected by many other variables that are not directly related to the Issuer's success and are, therefore, not within its control, including other developments that affect the market for all resource sector securities, the breadth of the public market for the Common shares and the attractiveness of alternative investments. The effect of these and other factors on the market price of the Common shares on the exchanges on which they trade has historically made the trading price of the Common shares volatile and suggests that the trading price of the Common shares will continue to be volatile in the future.

The Issuer has never declared or paid any dividends on the Common shares.

The Issuer has never declared or paid any dividends on the Common shares. The Issuer intends to retain earnings, if any, to finance the growth and advancement of the business and does not intend to pay cash dividends on the Common shares in the foreseeable future. Any return on an investment in the Common shares will come from the appreciation, if any, in their value. The payment of future cash dividends, if any, will be reviewed periodically by the Issuer's Board of Directors and will depend upon, among other things, conditions then existing including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors. See "Dividend Policy".

Shareholders' interest may be diluted in the future.

The Issuer likely requires additional funds for exploration and advancement programs or potential acquisitions. If it raises additional funding by issuing additional equity securities or other securities that are convertible into equity securities, such financings may substantially dilute the interests of existing or future shareholders. Sales or issuances of a substantial number of securities, or the perception that such sales could occur, may adversely affect the prevailing market price for the Common shares. With any additional sale or issuance of equity securities, investors will suffer dilution of their voting power and may experience dilution in ownership of the Issuer's assets.

The Issuer believes it was a passive foreign investment company in 2019 which could have negative consequences for U.S. investors.

U.S. holders of our Common shares should be aware that we believe that for U.S. federal income tax purposes we were classified as a passive foreign investment company ("PFIC") during the tax year ended December 31, 2019 and, based upon current business plans and financial expectations, we expect to be classified as a PFIC for the tax year ending December 31, 2020. Assuming the Issuer is a PFIC, then owners of the Common shares who are U.S. taxpayers generally will be required to treat any "excess distribution" received on their Common shares, or any gain realized upon a disposition of Common shares, as ordinary income and to pay an interest charge on a portion of such distribution or gain, unless the taxpayer makes a qualified electing fund ("**QEF**") election or a mark-to-market election with respect to the Common shares. A U.S. taxpayer who makes a QEF election generally must report on a current basis its share of the Issuer's net capital gain and ordinary earnings for any year in which the Issuer is classified as a PFIC, whether or not the Issuer distributes any amounts to its shareholders. U.S. investors should consult with their tax advisors for advice as to the U.S. tax consequences of an investment in the Common shares. For each tax year that we are a PFIC, we will make available the PFIC annual information statement as provided pursuant to Treasury Regulation Section 1.1295-1(g) on our website.

ITEM 5: DIVIDENDS

The Issuer has not paid any dividends since incorporation. Payment of dividends in the future is dependent upon the earnings and financial condition of the Issuer and other factors which the directors may deem appropriate at the time. However, the Issuer is not limited in any way in its ability to pay dividends on its Common shares other than to comply with solvency tests that apply to it under its governing corporate legislation.

ITEM 6: GENERAL DESCRIPTION OF CAPITAL STRUCTURE

The Issuer is authorized to issue an unlimited number of Common shares without par value and an unlimited number of Preferred shares, issuable in series, of which at March 26, 2020, 63,924,261 Common shares were issued and outstanding and no Preferred shares were issued and outstanding.

The holders of the Common shares are entitled to receive notice of and to attend the vote at all meetings of the shareholders of the Issuer and each Common share confers the right to one vote in person or by proxy at all meetings of the shareholders of the Issuer. The holders of the Common shares, subject to the prior rights, if any, of the holders of any other class of shares of the Issuer, are entitled to receive such dividends in any financial year as the Board of Directors of the Issuer may by resolution determine. In the event of the liquidation, dissolution or winding-up of the Issuer, whether voluntary or involuntary, the holder of the Common shares are entitled to receive, subject to the prior rights, if any, of the holders of any other class of shares of the Issuer, the remaining property and assets of the Issuer.

The directors of the Issuer are authorized to create series of Preferred shares in such number and having such rights and restrictions with respect to dividends, rights of redemption, conversion or repurchase and voting rights as may be determined by the directors and shall have priority over the Common shares to the property and assets of the Issuer in the event of liquidation, dissolution or winding-up of the Issuer.

ITEM 7: MARKET FOR SECURITIES

Trading Price and Volume

The Issuer's Common shares are listed for trading through the facilities of the TSX under the symbol "SEA", and on the NYSE under the symbol "SA". During the Issuer's most recently completed financial year, the high and low trading prices and trading volume (rounded up or down to the nearest 100) of the Issuer's Common shares on the TSX and on the NYSE was as follows:

2019	TSX			NYSE/AMEX		
Month	Volume	High (CDN$)	Low (CDN$)	Volume	High (US$)	Low (US$)
January	1,485,839	18.64	16.38	8,387,598	14.09	12.27
February	1,139,376	20.10	17.29	5,145,333	15.24	13.01
March	1,402,939	19.49	16.52	8,012,969	14.54	12.35
April	1,909,181	16.63	14.74	8,622,841	12.47	11.01
May	1,430,341	16.41	14.74	6,508,230	12.20	10.95
June	1,427,648	19.00	15.51	10,060,948	14.43	11.69
July	1,020,724	19.40	16.95	8,611,067	14.82	12.90
August	1,735,776	21.29	17.07	12,531,230	16.12	12.85
September	3,979,179	21.98	16.57	10,718,274	16.55	12.51
October	1,730,471	17.57	15.45	7,870,871	13.27	11.80
November	1,141,275	17.51	15.67	5,274,716	13.06	11.85
December	1,440,191	18.24	16.46	7,088,614	14.00	12.44

ITEM 8: DIRECTORS AND OFFICERS

The By-Laws of the Issuer provide for the election and retirement of directors. At each annual general meeting, all the directors retire and the Issuer elects a Board of Directors consisting of the number of directors fixed from time to time by the shareholders, subject to the Issuer's Articles. If the election of directors is not held at the proper time, the incumbent directors shall continue in office until their successors are elected. The Issuer has a 3 member Audit Committee, a 7 member Corporate Governance and Nominating Committee, a 3 member Compensation Committee and a 4 member Technical Committee.

The names and municipalities of residence of the directors and officers of the Issuer, the positions held by them with the Issuer, their principal occupations for the past five years and their shareholdings in the Issuer as of March 15, 2020 are as follows:

Name, Municipality of Residence and Position	Principal Occupation or employment and, if not a previously elected director, occupation during the past 5 years	Previous Service as a Director	Number of Common shares beneficially owned, or controlled or directed, directly or indirectly[5]
A Frederick Banfield [2] [3] [4] Tucson, Arizona, USA Director	Retired, Chairman of Eclipse Mining Technology, a software platform for mining data, resource modeling and mine planning, former Chairman, Mintec Inc., a consulting and software company providing services to the minerals industry, since 1970.	Since October 1999	375,000
Rudi P. Fronk Denver, Colorado, USA Chairman and CEO, Director	Chairman and CEO, Seabridge Gold Inc.	Since October 1999	970,000 directly 30,000 indirectly
Eliseo Gonzalez-Urien[2] [3] [4] Ashland, Oregon, USA Director	Senior Technical Advisor, Seabridge Gold Inc. Retired as Senior Vice President, Placer Dome Inc. in 2001.	Since January 2006	104,765
Richard Kraus [1] [2] [3] Greenwood Village, Colorado, USA Director	Executive Chairman of The RMH Group, Inc. since 2001	Since December 2013	20,000
Jay Layman Jackson Hole, Wyoming, USA President and Chief Operating Officer, Director	President and Chief Operating Officer, Seabridge Gold since June 2012	Since June 2012	9,400
Melanie Miller[3][4] Crested Butte, Colorado, USA Director	Masters Candidate (Psychology), Harvard University since 2018, General Manager, Hemlo Operations at Barrick Gold 2017 to 2018, Vice President, Supply Chain Management at Barrick Gold 2014 to 2018, Vice President, Supply Chain Management at Newmont 2011-2014	Since June, 2019	1,400
Clem Pelletier[3][4] North Vancouver, B.C., Canada Director	Senior Technical Advisor at ERM: Environmental Resources Management, Process Chemist/Metallurgist, founder and former CEO of Rescan Group Ltd. 1981 to September, 2012	Since June, 2018	5,000 directly

Name, Municipality of Residence and Position	Principal Occupation or employment and, if not a previously elected director, occupation during the past 5 years	Previous Service as a Director	Number of Common shares beneficially owned, or controlled or directed, directly or indirectly[5]
John Sabine[1][3] Toronto, Ontario, Canada Director	Counsel, Bennett Jones LLP from February 2013 to present; Counsel, Fraser Milner Casgrain LLP from November, 2001 to February 2013.	Since June, 2014	5,550 directly 18,000 indirectly
Gary Sugar[1][3] Toronto, Ontario, Canada Director	Retired in 2011 as a Managing Director at RBC Capital Markets, Director of Norzinc Ltd., former Director, Stillwater Mining Co., Osisko Mining Corp. and Romarco Minerals Inc.	Since May 13, 2016	2,500
William E. Threlkeld Morrison, Colorado, USA Senior Vice President, Exploration	Senior V.P. Seabridge Gold Inc. since 2001	N/A	333,397
Peter Williams Aurora, Colorado, USA Senior Vice President, Technical Services	Senior V.P., Technical Services, Seabridge Gold since July, 2013; Group Executive Mine Engineering, Technical Services, Newmont Mining Company from July 2008 to June 2013	N/A	41,000
R. Brent Murphy Littleton, Colorado, USA Senior Vice President, Environmental Affairs	Senior Vice President, Environmental Affairs, Seabridge Gold since January 2020, Vice President, Environmental Affairs, Seabridge Gold Inc. since December 2010	N/A	60,130 directly 6,810 indirectly
Elizabeth Miller Smithers, B.C., Canada Vice President, Environment and Social Responsibility	Vice President, Environment and Social Responsibility, Seabridge Gold since January, 2020; Environmental Co-ordinator, Seabridge Gold, since 2011	N/A	19,115 directly 2,200 indirectly
Christopher J. Reynolds Oakville, Ontario, Canada Vice President, Finance & CFO	Vice President, Finance and Chief Financial Officer, Seabridge Gold since May 2011; Director of Paramount Gold Nevada Corp., since April 2015	N/A	105,556
C. Bruce Scott West Vancouver, B.C., Canada Vice President, General Counsel and Corporate Secretary	Vice President, General Counsel and Corporate Secretary, Seabridge Gold since January 2019, Vice President, Corporate Affairs and Corporate Secretary, Seabridge Gold since January 2012 to December 2018, President of CBCS Law Corporation, counsel to the Issuer, January 2012 to December 2018	N/A	37,100 directly 22,800 indirectly
Michael Skurski Conifer, Colorado, USA Vice President, Technical Services	Vice President, Technical Services, Seabridge Gold since January 2019, General Manager, Engineering and Construction Studies, Seabridge Gold, September 2016 to December, 2018, President, Skurski Consulting LLC, May 2014 to September 2016	N/A	25,000 directly

(1) Member of the Audit Committee.
(2) Member of the Compensation Committee.
(3) Member of the Corporate Governance and Nominating Committee.
(4) Member of the Technical Committee.
(5) Shares beneficially owned, directly or indirectly, or over which control or direction is exercise, as at March 15, 2020, based upon information furnished to the Corporation by individual directors. Unless otherwise indicated, such shares are held directly.

As of March 15, 2020, the directors and executive officers of the Issuer, as a group, hold 2,194,723 Common shares of the Issuer (excluding Common shares which may be acquired upon exercise of stock options and vesting of restricted share units held by them), representing 3.4% of the Issuer's issued and outstanding shares. Each director holds office until the next general meeting of the Issuer at which directors are elected.

Other than as set forth below, none of the Issuer's directors or executive officers is, as at the date of this AIF, or has been, within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Issuer) that:

(a) was subject to an Order (as defined below) that was issued while the director or executive officer was acting in the capacity as director, chief executive officer or chief financial officer; or

(b) was subject to an Order that was issued after the director or executive officer ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer.

"Order" means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation and, in each case, that was in effect for a period of more than 30 consecutive days.

None of the Issuer's directors or executive officers or any shareholder holding a sufficient number of securities of the Issuer to affect materially the control of the Issuer:

(a) is, as at the date of this AIF or has been, within the ten years before the date of this AIF, a director or executive officer of any company, that while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangements or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or

(b) has, within the ten years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, officer or shareholder.

ITEM 9: AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The Issuer's audit committee has a charter (The "Audit Committee Charter") in the form attached to this AIF as Schedule "A".

Composition of the Audit Committee

Each of the members of the Issuer's Audit Committee is independent and financially literate, as those terms are defined in National Instrument 52-110 *Audit Committees*.

Relevant Education and Experience

A description of the education and experience of each audit committee member that is relevant to the performance of his or her responsibilities as an audit committee member is set out below.

Richard Kraus (Chairman of the Audit Committee)
Mr. Kraus is a Certified Public Accountant and an accomplished business leader with a broad range of experience as an investor, board director, senior executive and business consultant across multiple industries with an emphasis on mining and natural resources. From 1981-1997 he served in various senior executive roles (including CEO, COO and CFO) of Echo Bay Mines, a major gold mining company that was acquired by Kinross Gold Corporation in 2003. Mr. Kraus is currently Executive Chairman of The RMH Group, Inc., a privately owned engineering consulting firm with more than 100 employees. He is a graduate of LaSalle University in Business Administration.

John Sabine
Mr. Sabine has over 40 years of legal expertise in mining, corporate reorganization, securities, financing, and mergers and acquisitions. He has served on a number of public company boards and as a member of several audit committees. Mr. Sabine is the former non-executive Chair of Anvil Mining Limited and currently is non-executive Chair of North American Nickel Inc. and a director of Rincon Ltd. As Counsel at Bennett Jones LLP, he represents a number of issuer clients and has transaction experience in the Americas, Africa, Europe and Asia. He is widely recognized for advising on complex international projects. Mr. Sabine holds a B.A. and LLB. from Western University and was called to the Ontario Bar in 1972.

Gary Sugar
Mr. Sugar retired in 2011 from RBC Capital Markets after a distinguished 32-year career. He initially worked in the mining industry in exploration and corporate development for companies including Inco, Cominco, Rio Algom, and Imperial Oil (Exxon). Mr. Sugar joined a predecessor company to RBC Capital Markets in 1979. He specialized in the mining sector, particularly in equity and debt financings, mergers and acquisitions, and other advisory services for a wide range of Canadian and international mining companies. He was appointed a managing director in 1987, and led the mining practice for many years. Mr. Sugar was a director of Stillwater Mining Company until its acquisition by Sibanye Gold Limited in May, 2017, was a member of the Board of Directors of Osisko Gold from March 2012 until its acquisition in June, 2014, and also served on the Board of Directors of Romarco Minerals Inc. until its acquisition by OceanaGold on October 1, 2015. Mr. Sugar is currently a director of Norzinc Ltd. He holds a Bachelor of Science degree in Geology and an M.B.A. from the University of Toronto.

External Auditor Services Fees (by Category)

The aggregate fees billed by the Issuer's external auditors in the following categories for the 12 months ended December 31, 2019 and 2018 are as follows:

	2019	2018
Audit Fees	$300,000	$239,000
Audit Related Fees	$80,000	Nil
Tax Fees	$95,000	$90,531
All Other Fees	Nil	Nil
Total	$475,000	$329,531

Pre-Approval of Audit and Non-Audit Services Provided by Independent Auditors

Pursuant to its responsibilities under the Audit Committee Charter, the Audit Committee has developed a practice under which audit and review services, specified audit-related services, certain permitted non-audit services and tax-related non-audit services are presented to the Audit Committee for pre-approval on an annual basis. Following the annual pre-approval, the Vice President, Finance and Chief Financial Officer of the Issuer oversees statutory audits and reviews and additional audit-related services and specified non-audit services, provided that the estimated fees for such services do not exceed specified dollar limits. Additional specified non-audit services that exceed the dollar limits and all additional non-audit services, including tax-related non-audit services, require the pre-approval of the Audit Committee.

ITEM 10: CONFLICTS OF INTEREST

Certain of the Issuer's directors and officers serve or may agree to serve as directors or officers of other reporting companies or have significant shareholdings in other reporting companies and, to the extent that such other companies may pursue business objectives similar to those which the Issuer may pursue, the directors of the Issuer may have a conflict of interest respecting such pursuits. Under the corporate laws applicable to the Issuer, the directors of the Issuer are required to act honestly, in good faith and in the best interests of the Issuer and to disclose all conflicts to the directors so that appropriate procedures may be established for the circumstances, including abstaining from voting or the establishment of special committees.

ITEM 11: LEGAL PROCEEDINGS AND REGULATORY ACTIONS

Legal Proceedings

In 2010 and 2011, the Issuer spent $56 million on the KSM Project. The Issuer applied for a BC Mineral Exploration Tax Credit (" **BCMETC**") refund with respect to $42 million of these costs that it considered Canadian Exploration Expenses ("**CEE**") under the relevant legislation. The Issuer received $8.5 million in refunds based on its application. Of the $42 million of spending on CEE that generated the refunds, the CRA has, upon completion of an audit, concluded that $15.8 million was not CEE and the Issuer received a notice of re-assessment demanding the Issuer return $3.1 million of the refunds. The Issuer believes the CRA's interpretation of the applicable legislation unjustifiably narrows the scope of eligible CEE, which is described in the applicable legislation as expenditures incurred for the purpose of determining "the existence, location, extent, or quality of a mineral resource". The Issuer objected to the re-assessment and has field a Notice of Appeal with the Supreme Court in BC challenging the position of the CRA. The Department of Justice has responded to the Notice of Appeal and reiterated its position. The case is currently in discovery, with documents and information being exchanged between the parties. The Issuer intends to continue to fully defend its position as the expenditures meet the purpose test for CEE as defined in the *Income Tax Act* (BC). The CRA holds the full dollar amount in dispute.

In early 2019, the Issuer received a notice from the CRA that, after completing its audit of the three years ended December 31, 2016, it intends to reduce the amount of expenditures the Issuer reported as CEE for such years. The Issuer has funded certain of its exploration activities, from time-to-time, with the proceeds of issuance of flow-through shares. The Issuer records and reports the expenditures it believes to be CEE and is obligated to renounce CEE to purchasers of flow-through shares in the amount of their flow-through share subscriptions and indemnify purchasers for additional tax payable by them due to the CRA reducing CEE renounced to them. The CRA has advised that it is going to reduce the amount of expenditures renounced to such purchasers as CEE by the Issuer in those years by approximately $19.1 million. The CRA's decision results in a reassessment of the Issuer and also a reassessment of each of the purchasers for the years in question. As with the matter described above relating to BCMETC, the Issuer believes the CRA's interpretation of the applicable legislation is inconsistent with previous audits and unjustifiably narrows the scope of eligible CEE as defined in the applicable legislation. The Issuer is preparing to challenge the CRA's conclusion vigorously and expects to proceed to litigation on the issue on its own behalf and also on behalf of the purchasers of the flow-through shares. The amount of such potential liability has been estimated to be approximately $2.2 million of additional tax for the Issuer and $11.8 million to indemnify investors, excluding interest that accrues on such amounts.

Other than the foregoing two matters with the CRA, the Issuer is not a party to, and its properties were not the subject of, any legal proceedings during the financial year ended December 31, 2019 and it does not know of any such proceedings that are contemplated.

Regulatory Actions

There are no: (a) penalties or sanctions imposed against the Issuer by a court relating to securities legislation or by a securities regulatory authority during the Issuer's most recent completed financial year and up to the date of this AIF; (b) other penalties or sanctions imposed by a court or regulatory body against the Issuer that would likely be considered important to a reasonable investor in making an investment decision; or (c) settlement agreements the Issuer entered into with a court relating to securities legislation or with a securities regulatory authority during the Issuer's most recently completed financial year and up to the date of this AIF.

ITEM 12: INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

No director, executive officer or person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Issuer's outstanding Common shares, or any associate or affiliate of the foregoing, has had any material interest, direct or indirect, in any transaction within the three most recently completed financial years or during the current financial year prior to the date of this AIF that has materially affected or is reasonably expected to materially affect the Issuer.

ITEM 13: TRANSFER AGENTS AND REGISTRARS

The registrar and transfer agent for the Common shares is Computershare Investor Services Inc. at its principal office at 100 University Avenue, 9th floor, Toronto, Ontario, Canada M5J 2Y1 and co-transfer points at 510 Burrard Street, Vancouver, British Columbia, Canada V6C 3B9 and Computershare Trust Company, N.A., at 350 Indiana Street, Suite 800, Golden, Colorado, USA 80401.

ITEM 14: MATERIAL CONTRACTS

The Issuer is not a party to a material contract that was not entered into in the ordinary course of its business or that is otherwise required to be filed under section 12.2 of National Instrument 51-102 ("NI 51-102") at the time this AIF is filed or would be required to be filed under section 12.2 of NI 51-102 at the time this AIF is filed but for the fact that it was previously filed.

ITEM 15: INTERESTS OF EXPERTS

None of Michael Lechner, Dr. John Huang, Dr. Sabry Abdel Hafez, Hassan Ghaffari, Jim Gray, W.N. Brazier, Pierre Pelletier, Graham Parkinson, Robert Parolin, Derek Kinakin, Wood (in relation to the work of Simon Allard, Mark Ramirez and Tony Lipiec), Kevin Jones, Ross Hammett, Albert Victor Chance, Nigel Goldup and Stephen Day, each being companies or persons who have been named as having prepared or participated in preparing reports relating to the Issuer's mineral properties referred to in this AIF or otherwise filed under NI 51-102 by the Issuer during, or relating to, the Issuer's most recently completed financial year or during the period thereafter to the date of this AIF, or any director, officer, employee or partner thereof, as applicable, holds, received or has received a direct or indirect interest in the property of the Issuer or of any associate or affiliate of the Issuer. To the Issuer's knowledge, as at the dates of their respective reports, the aforementioned persons, and the directors, officers, employees and partners, as applicable, of each of the aforementioned companies and partnerships beneficially own, directly or indirectly, in total, less than one percent of the securities of the Issuer and none of them have received securities of the Issuer from the Issuer since such dates.

Neither the aforementioned persons, nor any director, officer, employee or partner, as applicable, of the aforementioned companies or partnerships, are currently expected to be elected, appointed or employed as a director, officer or employee of the Issuer or of any associate or affiliate of the Issuer.

William Threlkeld, the Senior Vice President of the Issuer and a Registered Professional Geologist, is named as having prepared or supervised the preparation of technical information in respect of exploration programs of the Issuer at each of the KSM, Courageous Lake and Iskut projects. As of March 15, 2020, Mr. Threlkeld owns 333,397 Common shares of the Issuer, restricted share units convertible into 7,200 Common shares upon certain milestones and options to purchase 240,000 Common shares at various prices.

The auditors of the Issuer are KPMG LLP of Toronto, Ontario, Canada. KPMG LLP have confirmed that they are independent with respect to the Issuer with the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulations, and also that they are independent accountants with respect to the Issuer under all relevant US professional and regulatory standards.

ITEM 16: ADDITIONAL INFORMATION

Additional information relating to the Issuer may be found on SEDAR at www.sedar.com. The information available at www.sedar.com includes copies of the full text of all of the technical reports prepared for the Issuer in respect of the Issuer's properties described herein.

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of the Issuer's securities, and securities authorized for issuance under equity compensation plans, where applicable, is contained in the Issuer's Information Circular for its most recent annual general meeting of securityholders that involved the election of directors.

Additional financial information is provided in the Issuer's consolidated financial statements and management's discussion and analysis for the Issuer's most recent completed financial year.

SCHEDULE A

AUDIT COMMITTEE CHARTER

The Audit Committee is established to assist the Board of Directors in fulfilling its oversight responsibilities relating to:

- the integrity and adequacy of the Company's financial reporting,
- the effectiveness of the Company's internal controls over financial reporting,
- accounting policies and procedures used by management,
- the Company's compliance with legal and regulatory requirements related to financial reporting,
- the independent auditor's qualifications and independence, and
- assessing the performance of the Company's financial management and of the independent auditor.

Specifically, the Committee:

(a) reviews the annual statements of the Corporation and makes recommendations to the Board with respect to these statements,

(b) reviews the quarterly financial statements and makes recommendations to the Board with respect to these statements,

(c) reviews all prospectuses, offering circulars, and similar documents,

(d) oversees the adequacy and accuracy of the Corporation's financial disclosure policies and obligations,

(e) reviews significant accounting policies and estimates,

(f) satisfies themselves from discussions with and/or reports from management and reports from the external auditors, that the Corporation's internal controls, financial systems and procedures, and management information systems are appropriate and that internal controls identified are operating effectively,

(g) meets with the Corporation's auditors to review audit, financial reporting and other pertinent matters and to review their recommendations to management, and

(h) recommends the appointment of auditors and reviews the terms of the audit engagement and the appropriateness of the proposed fee,

(i) reviews through discussion or by way of a formal document the plan for the annual audit with the auditors and management,

(j) evaluates the performance of the auditors,

(k) confirms the independence of auditors,

(l) establishes procedures for the receipt, retention and treatment of complaints received regarding accounting, internal accounting controls or auditing matters, and

(m) establishes procedures for the confidential, anonymous submission by employees of concerns regarding questionable accounting or auditing matters.

The Audit Committee meets at a minimum, quarterly and on such other occasions as required. The auditors are invited to attend the meetings.

SEABRIDGE GOLD INC.

CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED
DECEMBER 31, 2019 and 2018

KPMG LLP
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, ON M5H 2S5
Canada
Tel 416-777-8500
Fax 416-777-8818

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors of Seabridge Gold Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated statements of financial position of Seabridge Gold Inc. (the Company) as of December 31, 2019 and 2018, the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows for each of the years then ended, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and its financial performance and its cash flows for each of the years then ended, in conformity with International Financial Reporting Standards as issued by the International Accounting Standards Board.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission, and our report dated March 26, 2020 expressed an unqualified opinion on the effectiveness of the Company's internal control over financial reporting.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.
KPMG Canada provides services to KPMG LLP.

Critical Audit Matters

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (i) relates to accounts or disclosures that are material to the consolidated financial statements and (ii) involved especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

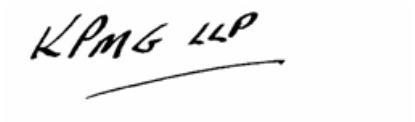
Canadian Exploration Expenditures Dispute

As discussed in Note 18 to the consolidated financial statements, the Company has received a notice of re-assessment from the Canada Revenue Agency ("tax authority") that it proposes to reduce the amount of expenditures reported as Canadian Exploration Expenditures ("CEE") for the tax years 2014 to 2016. In connection with the issuance of flow-through shares which financed the CEE, the Company has provided an indemnification to investors for any disallowed renouncements of CEE. In addition, the Company is subject to additional tax relating to any disallowed CEE. The tax laws governing what qualifies as acceptable CEE are complex and the interpretation and application of these tax laws by the tax authority or the courts may vary from the Company's interpretation and prior application. The Company has not recorded any expense relating to this uncertain tax position as the Company believes it is probable its tax position will be upheld.

We identified the Company's evaluation of the CEE dispute as a critical audit matter. This critical audit matter required a high degree of auditor judgment to evaluate the Company's interpretation of, and compliance with the income tax laws and the estimate of the ultimate resolution of its CEE filing positions.

The primary procedures we performed to address this critical audit matter included the following. We tested certain internal controls over the Company's process relating to identifying CEE, including controls related to the interpretation of tax law and the assessment of the uncertain tax position. We involved tax professionals with specialized skills and knowledge who assisted in evaluating the Company's interpretations of tax legislation and case law by:

- reading the notice and other correspondence with the tax authority in connection with the audit,
- evaluating conclusions obtained by the Company from external counsel,
- evaluating the Company's analysis and conclusions regarding its assertion, which included an assessment of the Company's analysis of tax laws and regulations, and
- performing an independent assessment of the Company's uncertain tax position based on our understanding and interpretation of tax laws and comparing it to the Company's assessment.



Chartered Professional Accountants, Licensed Public Accountants
We have served as the Company's auditor since 2002.

Toronto, Canada
March 26, 2020

KPMG LLP
Bay Adelaide Centre
333 Bay Street, Suite 4600
Toronto, ON M5H 2S5
Canada
Tel 416-777-8500
Fax 416-777-8818

Report of Independent Registered Public Accounting Firm

To the Shareholders and Board of Directors
Seabridge Gold Inc.:

Opinion on Internal Control Over Financial Reporting

We have audited Seabridge Gold Inc.'s (the Company) internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission. In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2019, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated statements of financial position of the Company as of December 31, 2019 and 2018, the related consolidated statements of operations and comprehensive loss, changes in shareholders' equity, and cash flows for each of the years then ended, and the related notes (collectively, the consolidated financial statements), and our report dated March 26, 2020 expressed an unqualified opinion on those consolidated financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, appearing under the heading Internal Control over Financial Reporting in Management's Discussion and Analysis for the year ended December 31, 2019. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

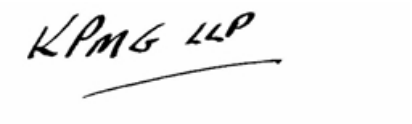
We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audit also included performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

KPMG LLP is a Canadian limited liability partnership and a member firm of the KPMG network of independent member firms affiliated with KPMG International Cooperative ("KPMG International"), a Swiss entity.
KPMG Canada provides services to KPMG LLP.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Chartered Professional Accountants, Licensed Public Accountants

Toronto, Canada
March 26, 2020

Management's Responsibility for Financial Statements

The accompanying consolidated financial statements have been prepared by management in accordance with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board. Financial statements include certain amounts based on estimates and judgments. When an alternative method exists under IFRS, management has chosen a policy it deems most appropriate in the circumstances in order to ensure that the consolidated financial statements are presented fairly, in all material respects, in accordance with IFRS.

The Company maintains adequate systems of internal controls. Such systems are designed to provide reasonable assurance that transactions are properly authorized and recorded, the Company's assets are appropriately accounted for and adequately safeguarded and that the financial information is relevant and reliable.

The Board of Directors of the Company is responsible for ensuring that management fulfills its responsibilities for financial reporting and is ultimately responsible for reviewing and approving the consolidated financial statements and the accompanying management's discussion and analysis. The Board of Directors carries out this responsibility principally through its Audit Committee.

The Audit Committee is appointed by the Board of Directors and all of its members are non-management directors. The Audit Committee meets periodically with management and the external auditors to discuss internal controls, auditing matters and financial reporting issues, and to satisfy itself that each party is properly discharging its responsibilities. The Audit Committee also reviews the consolidated financial statements, management's discussion and analysis, the external auditors' reports, examines the fees and expenses for audit services, and considers the engagement or reappointment of the external auditors. The Audit Committee reports its findings to the Board of Directors for its consideration when approving the consolidated financial statements for issuance to the shareholders. KPMG LLP, the external auditors, have full and free access to the Audit Committee.

/s/ Rudi P. Fronk	/s/ Christopher J. Reynolds
Rudi P. Fronk	Christopher J. Reynolds
Chairman & CEO	Vice President, Finance and Chief Financial Officer
March 26, 2020	March 26, 2020

SEABRIDGE GOLD INC.
Consolidated Statements of Financial Position
(Expressed in thousands of Canadian dollars)

	Note	**December 31, 2019**	December 31, 2018
Assets			
Current assets			
Cash and cash equivalents	4	**$ 8,793**	$ 2,928
Short-term deposits	4	**4,114**	17,068
Amounts receivable and prepaid expenses	5	**3,274**	1,619
Investment in marketable securities	6	**3,032**	2,858
		19,213	24,473
Non-current assets			
Convertible notes receivable	7	**529**	-
Investment in associate	6	**2,361**	2,460
Mineral interests	8	**425,671**	395,304
Right to use asset	9	**271**	-
Reclamation deposits	12	**1,327**	1,223
		430,159	398,987
Total assets		**$ 449,372**	$ 423,460
Liabilities and shareholders' equity			
Current liabilities			
Accounts payable and accrued liabilities	10	**$ 4,692**	$ 4,749
Flow-through share premium	13	**92**	798
Lease obligations	11	**46**	-
Provision for reclamation liabilities	12	**1,860**	955
		6,690	6,502
Non-current liabilities			
Deferred income tax liabilities	17	**22,426**	23,289
Lease obligations	11	**228**	-
Provision for reclamation liabilities	12	**5,005**	7,114
		27,659	30,403
Total liabilities		**34,349**	36,905
Shareholders' equity	13	**415,023**	386,555
Total liabilities and shareholders' equity		**$ 449,372**	$ 423,460

Subsequent events *(Notes 13, and 18),* Commitments and contingencies *(Note 18)*

The accompanying notes form an integral part of these consolidated financial statements.

These financial statements were approved by the Board of Directors and were signed on its behalf:

/s/ Rudi P. Fronk	/s/ Richard C. Kraus
Rudi P. Fronk	Richard C. Kraus
Director	Director

SEABRIDGE GOLD INC.
Consolidated Statements of Operations and Comprehensive Loss
(Expressed in thousands of Canadian dollars except common share and per common share amounts)

	Note	Year ended December 31,	
		2019	2018
Corporate and administrative expenses	15	**$ (13,340)**	$ (12,370)
Environmental rehabilitation expense	12	**-**	(7,439)
Other income - flow-through shares	13	**1,218**	6,312
Impairment of investment in associate	6	**-**	(1,336)
Equity loss of associate	6	**(200)**	(160)
Interest income		**279**	164
Finance expense and other income		**(267)**	(144)
Loss before income taxes		**(12,310)**	(14,973)
Income tax recovery (expense)	17	**697**	(4,967)
Loss for the year		**$ (11,613)**	$ (19,940)
Other comprehensive income (loss)			
Items that will not be reclassified to net income or loss			
Change in fair value of marketable securities, net of income taxes	6	**$ 284**	$ (577)
Comprehensive loss for the year		**$ (11,329)**	$ (20,517)
Basic and diluted net loss per common share	13	**$ (0.19)**	$ (0.34)
Basic and diluted weighted average number of common shares outstanding	13	**62,359,725**	59,104,624

The accompanying notes form an integral part of these consolidated financial statements.

SEABRIDGE GOLD INC.
Consolidated Statements of Changes in Shareholders' Equity
(Expressed in thousands of Canadian dollars except number of shares)

	Number of Shares	Share Capital	Warrants	Stock-based Compensation	Contributed Surplus	Deficit	Accumulated Other Comprehensive Gain (Loss)	Total Equity
As at December 31, 2018	**61,232,572**	**$ 457,073**	**$ 3,275**	**$ 16,840**	**$ 36,040**	**$ (124,323)**	**$ (2,350)**	**$ 386,555**
Share issuance - Private placement	**1,300,000**	**22,376**	**-**	**-**	**-**	**-**	**-**	**22,376**
Share issuance - At-The-Market offering	**231,084**	**4,063**	**-**	**-**	**-**	**-**	**-**	**4,063**
Share issuance - Other	**175,000**	**3,189**	**-**	**-**	**-**	**-**	**-**	**3,189**
Share issuance - Options exercised	**503,831**	**7,561**	**-**	**(2,333)**	**-**	**-**	**-**	**5,228**
Share issuance - RSUs vested	**68,000**	**1,051**	**-**	**(1,051)**	**-**	**-**	**-**	**-**
Share issuance costs	**-**	**(622)**	**-**	**-**	**-**	**-**	**-**	**(622)**
Deferred tax on share issuance costs	**-**	**166**	**-**	**-**	**-**	**-**	**-**	**166**
Stock-based compensation	**-**	**-**	**-**	**5,397**	**-**	**-**	**-**	**5,397**
Expired options	**-**	**-**	**-**	**(33)**	**33**	**-**	**-**	**-**
Other comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**284**	**284**
Net loss for the year	**-**	**-**	**-**	**-**	**-**	**(11,613)**	**-**	**(11,613)**
As at December 31, 2019	**63,510,487**	**$ 494,857**	**$ 3,275**	**$ 18,820**	**$ 36,073**	**$ (135,936)**	**$ (2,066)**	**$ 415,023**
As at December 31, 2017	57,677,118	$ 405,930	$ 3,275	$ 16,549	$ 36,040	$ (104,383)	$ (1,773)	$ 355,638
Share issuance - Private placement	2,650,000	37,479	-	-	-	-	-	37,479
Share issuance - Options exercised	777,704	12,713	-	(3,377)	-	-	-	9,336
Share issuance - RSUs vested	127,750	1,510	-	(1,510)	-	-	-	-
Share issuance costs	-	(763)	-	-	-	-	-	(763)
Deferred tax on share issuance costs	-	204	-	-	-	-	-	204
Stock-based compensation	-	-	-	5,178	-	-	-	5,178
Other comprehensive loss	-	-	-	-	-	-	(577)	(577)
Net loss for the year	-	-	-	-	-	(19,940)	-	(19,940)
As at December 31, 2018	61,232,572	$ 457,073	$ 3,275	$ 16,840	$ 36,040	$ (124,323)	$ (2,350)	$ 386,555

The accompanying notes form an integral part of these consolidated financial statements.

SEABRIDGE GOLD INC.
Consolidated Statements of Cash Flows
(Expressed in thousands of Canadian dollars)

	Year ended December 31,	
	2019	2018
Operating Activities		
Net loss	**$ (11,613)**	$ (19,940)
Adjustment for non-cash items:		
Stock-based compensation	**5,397**	5,178
Provision for environmental rehabilitation	**-**	7,439
Other income - flow-through shares	**(1,218)**	(6,312)
Income tax (recovery) expense	**(697)**	4,967
Impairment of investment in associate	**-**	1,336
Equity loss of associate	**200**	160
Finance costs	**122**	167
Depreciation charge on right-of-use assets	**36**	-
Adjustment for cash items:		
Environmental rehabilitation disbursements	**(1,325)**	(2,022)
Changes in working capital items:		
Amounts receivable and prepaid expenses	**(1,664)**	(997)
Accounts payable and accrued liabilities	**(134)**	947
Net cash used in operating activities before income tax recovered	**(10,896)**	(9,077)
Income tax recovered	**-**	(328)
Net cash used in operating activities	**(10,896)**	(9,405)
Investing Activities		
Mineral interests	**(27,201)**	(37,068)
Investment in short-term deposits	**(18,133)**	(28,000)
Redemption of short-term deposits	**31,087**	22,988
Investment in convertible notes receivable	**(529)**	-
Investment in associate	**(101)**	(530)
Investment in reclamation deposits	**(4)**	(38)
Cash proceeds from sale of investments	**110**	-
Net cash used in investing activities	**(14,771)**	(42,648)
Financing Activities		
Share issuance net of costs	**26,328**	41,596
Exercise of options	**5,228**	9,336
Payment of lease liabilities	**(24)**	-
Net cash from financing activities	**31,532**	50,932
Net increase (decrease) in cash and cash equivalents during the year	**5,865**	(1,121)
Cash and cash equivalents, beginning of the year	**2,928**	4,049
Cash and cash equivalents, end of the year	**$ 8,793**	$ 2,928

The accompanying notes form an integral part of these consolidated financial statements.

1. Reporting entity

Seabridge Gold Inc. is comprised of Seabridge Gold Inc. ("Seabridge" or the "Company") and its subsidiaries (Seabridge Gold (NWT) Inc., Seabridge Gold Corp., SnipGold Corp. and Snowstorm Exploration LLC) and is a company engaged in the acquisition and exploration of gold properties located in North America. The Company was incorporated under the laws of British Columbia, Canada on September 4, 1979 and continued under the laws of Canada on October 31, 2002. Its common shares are listed on the Toronto Stock Exchange trading under the symbol "SEA" and on the New York Stock Exchange under the symbol "SA". The Company is domiciled in Canada, the address of its registered office is 10th Floor, 595 Howe Street, Vancouver, British Columbia, Canada V6C 2T5 and the address of its corporate office is 106 Front Street East, 4th Floor, Toronto, Ontario, Canada M5A 1E1.

2. Basis of preparation

A. Statement of compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). These financial statements were authorized for issuance by the Board of Directors of the Company on March 26, 2020.

B. Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities over which the Company has control. Control over an entity exists when the Company is exposed or has rights to returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Company. They are deconsolidated from the date on which control ceases.

Business acquisitions are accounted for using the acquisition method whereby acquired assets and liabilities are recorded at fair value as of the date of acquisition with the excess of the purchase consideration over such fair value being recorded as goodwill and allocated to cash generating units. Non-controlling interest in an acquisition may be measured at either fair value or at the non-controlling interest's proportionate share of the fair value of the acquiree's net identifiable assets.

If the fair value of the net assets acquired exceeds the purchase consideration, the difference is recognized immediately as a gain in the consolidated statement of operations and comprehensive loss.

Where a business combination is achieved in stages, previously held non-controlling equity interests in the acquiree are re-measured at acquisition-date fair value and any resulting gain or loss is recognized in the consolidated statement of operations and comprehensive loss or other comprehensive income, as appropriate. Acquisition related costs are expensed during the period in which they are incurred, except for the cost of debt or equity instruments issued in relation to the acquisition which is included in the carrying amount of the related instrument. Certain fair values may be estimated at the acquisition date pending confirmation or completion of the valuation process. Where provisional values are used in accounting for a business combination, they may be adjusted retrospectively in subsequent periods. However, the measurement period will not exceed one year from the acquisition date.

(ii) Associates

An associate is an entity over which the Company has significant influence but not control nor joint control. Significant influence is presumed to exist where the Company has between 20% and 50% of the voting rights but can also arise where the Company has less than 20% if influence is exerted over policy decisions that affect the entity. The Company's share of the net assets and net income or loss of associates is accounted for in the consolidated financial statements using the equity method of accounting.

3. Significant accounting policies

The significant accounting policies used in the preparation of these consolidated financial statements are described below.

A. Basis of measurement

The consolidated financial statements have been prepared on the historical cost basis, except certain financial instruments described in note "K", which are measured at fair value.

B. Translation of foreign currencies

These consolidated financial statements are presented in Canadian dollars, which is the Company's, and each of its subsidiaries', functional currency.

Foreign currency transactions are translated into Canadian dollars using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions are recognized in the consolidated statement of operations and comprehensive loss.

Monetary assets and liabilities of the Company denominated in a foreign currency are translated into Canadian dollars at the rate of exchange at the statement of financial position date. Non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at average exchange rates prevailing during the period. Exchange gains and losses are included in the determination of profit or loss for the year.

C. Critical accounting judgments and estimation uncertainty

In applying the Company's accounting policies in conformity with IFRS, management is required to make judgments, estimates and assumptions about the carrying amounts of certain assets and liabilities. These estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

(i) Critical accounting judgments

The following are the critical judgments that the Company has made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the consolidated financial statements (refer to appropriate accounting policies for details).

Mineral reserves and resources
To calculate reserves and resources, the Company uses assumptions and evaluates technical, economic and geological conditions for each ore body. Measured grade of the ore and geotechnical considerations can have a significant effect on the carrying value of mineral properties and therefore the recoverability of costs. Future market prices for gold and copper and other commodities are also factored into valuation models. Changes to these factors can affect the recoverability of mineral properties and impairment.

Impairment of assets
When the Company has judged that an indication of impairment exists, such as a significant or prolonged decline in the fair value of an investment in marketable securities or an indication that the carrying amount of the mineral interest exceeds its estimated recoverable amount, the investment value or carrying value is written down to fair value or recoverable amount and the loss is recognized in the statement of operations and comprehensive loss.

Asset retirement obligations
When the Company has judged that a constructive or legal obligation exists for reclamation and rehabilitation activities on mineral claims disturbed, an estimate of future costs is recognized as an expense on the statement of operations and comprehensive loss.

(ii) Key sources of estimation uncertainty

Mineral properties
The recoverability of the carrying value of mineral properties and associated deferred exploration expenses is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company is in an industry that is dependent on a number of factors including environmental, legal and political risks, the existence of economically recoverable reserves, the ability of the Company and its subsidiaries to obtain necessary financing to complete the development, and future profitable production or the proceeds of disposition thereof.

Asset retirement obligations
The provision for asset retirement obligations is the best estimate of the present value of the future costs of reclaiming the environment that has been subject to disturbance through exploration activities or historical mining activities. The Company uses assumptions and evaluates technical conditions for each project that have inherent uncertainties, including changes to laws and practices and changes in the status of the site from time-to-time. The timing and cost of the rehabilitation is also subject to uncertainty. These changes, if any, and changes in discount rates are charged directly to the consolidated statement of operations and comprehensive loss. The periodic unwinding of the discount is recognized in earnings as accretion expense included in finance costs in the consolidated statement of operations and comprehensive loss.

Share based payments
The factors affecting stock-based compensation include estimates of when stock options and restricted share units might be exercised and share price volatility. The timing for exercise of options is out of the Company's control and will depend upon a variety of factors, including the market value of the Company's shares and financial objectives of the share-based instrument holders. The Company uses historical data to determine volatility in accordance with appropriate fair value methodology. However, the future volatility is uncertain, and the model has its limitations.

Deferred Income taxes
The Company has operations in Canada and the United States and files corporate tax returns in each. Deferred tax liabilities are estimated for tax that may become payable in the future. Future payments could be materially different from our estimated deferred tax liabilities. We have deferred tax assets related to non-capital losses and other deductible temporary differences. Deferred tax assets are only recognized to the degree that it shelters tax liabilities or when it is probable that there will be sufficient taxable income in the future to recover them.

Contingencies
The Company funds certain of its exploration expenditures, from time-to-time, with the proceeds from the issuance of flow-through shares and renounces, to subscribers, the expenditures which it determines to be Canadian Exploration Expenses ("CEE"). The Canada Revenue Agency ("CRA"), has disputed the eligibility of certain types of expenditures within the years 2014 to 2016. The Company strongly disagrees with their position and intends to fully defend the Company's tax filings. No provision is recorded related to the contingent taxes if the Company does not consider it probable that there will ultimately be an amount payable.

D. Mineral interests

Mineral resource properties are carried at cost. The Company considers exploration and development costs and expenditures to have the characteristics of property and equipment and, as such, the Company capitalizes all exploration costs, which include license acquisition costs, advance royalties, holding costs, field exploration and field supervisory costs and all costs associated with exploration and evaluation activities relating to specific properties as incurred, until those properties are determined to be economically viable for mineral production. General and administrative costs are only included in the measurement of exploration and evaluation costs where they are related directly to activities in a particular area of interest. The fair value of any recoveries from the disposition or optioning of a mineral property is credited to the carrying value of mineral properties.

Once a project has been established as commercially viable and technically feasible, related development expenditures are capitalized. This includes costs incurred in preparing the site for mining operations. Capitalization ceases when the mine is capable of operating as intended by management.

The actual recoverable value of capitalized expenditures for mineral properties and deferred exploration costs will be contingent upon the discovery of economically viable reserves and the Company's financial ability at that time to fully exploit these properties or determine a suitable plan of disposition.

When a decision is made to proceed with development in respect of a particular area of interest, the relevant exploration and evaluation asset is tested for impairment, reclassified to development properties, and then amortized over the life of the reserves associated with the area of interest once mining operations have commenced.

E. Leasing arrangements

Effectives January 1, 2019 upon the adoption of IFRS 16, Leases ("IFRS 16") as described in Note 3(M), the Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognizes a right-of-use asset and a corresponding lease liability with respect to all lease agreements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low-value assets. For short-term leases and leases of low-value assets, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the rate implicit in the lease. If this rate cannot be readily determined, the Company uses its incremental borrowing rate. The Company computes this rate by using a rate of interest that the Company would have to pay to borrow over a similar term, and with similar security, the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment.

Lease payments included in the measurement of the lease liability comprise:

- Fixed lease payments (including in-substance fixed payments), less any lease incentives;
- Variable lease payments that depend on an index or rate, initially measured using the index or rate as at the commencement date;
- The amount expected to be payable by the lessee under residual value guarantees;
- The exercise price of purchase options, if the lessee is reasonably certain to exercise the option; and
- Payments of penalties for terminating the lease, if the lease term reflects the exercise of an option to terminate the lease.

The lease liability is subsequently measured by increasing the carrying amount to reflect interest on the lease liability (using the effective interest method) and by reducing the carrying amount to reflect the lease payments made.

The right-of-use assets comprise the initial measurement of the corresponding lease liability, lease payments made at or before the commencement date, and any initial direct costs and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required by the terms and conditions of the lease. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated over the shorter period of the lease term and the useful life of the underlying asset. Depreciation starts at the commencement date of the lease.

The right-of-use assets are presented in right to use asset in the Consolidated Statements of Financial Position. The Company applies IAS 36, *Impairment of Assets*, to determine whether right-of-use assets are impaired.

F. Impairment and reversal of impairment

(i) Financial assets

Financial assets measured at amortized cost are reviewed for impairment at each reporting date to determine whether there is any objective evidence of impairment. A financial asset is considered to be impaired if objective evidence, that can be estimated reliably, indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment charge in respect of a financial asset measured at amortized cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate.

A prior period impairment charge is reviewed for possible reversal of impairment whenever an event or change in circumstance indicates the impairment may have reversed. If it has been determined that the impairment has reversed, the carrying amount of the asset is increased to its recoverable amount to a maximum of the carrying amount that would have been determined had no impairment charge been recognized in prior periods. Impairment charge reversals are recognized in the Consolidated Statement of Operations and Comprehensive Loss.

(ii) Non-financial assets

The carrying value of the Company's mineral interests is assessed for impairment when indicators of such impairment exist. Indicators may include; the loss of the right to explore in the area; the Company deciding not to continue exploring or incur substantial additional expenditures on the project; or it is determined that the carrying amount of the project is unlikely to be recovered by its development or sale. If any indication of impairment exists, an estimate of the asset's recoverable amount is calculated to determine the extent of the impairment loss, if any. The recoverable amount is determined as the higher of the fair value less costs of disposal for the asset and the asset's value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

Impairment is determined on an asset by asset basis, whenever possible. If it is not possible to determine impairment on an individual asset basis, then impairment is considered on the basis of a cash generating unit ("CGU"). CGUs represent the lowest level for which there are separately identifiable cash inflows that are largely independent of the cash flows from other assets or other group of assets.

If the carrying amount of the asset exceeds its recoverable amount, the asset is impaired, and an impairment loss is charged immediately to comprehensive loss within the statement of operations and comprehensive loss so as to reduce the carrying amount to its recoverable amount.

An assessment is made at each reporting date as to whether there is any indication that previously recognized impairment losses may no longer exist or may have decreased. If such indication exists, the Company makes an estimate of the recoverable amount.

A previously recognized impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognized. If this is the case, the carrying amount of the asset is increased to its recoverable amount. The increased amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the statement of operations and comprehensive loss.

G. Reclamation liabilities

Provisions for environmental restoration are recognized when: (i) the Company has a present legal or constructive obligation as a result of past exploration, development or production events; (ii) it is probable that an outflow of resources will be required to settle the obligation; (iii) and the amount can be reliably estimated. Provisions do not include obligations which are expected to arise from future disturbance.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation incorporating risks specific to the obligation using a pre-tax rate that reflects current market assessments of the time value of money. When estimates of obligations are revised, the present value of the changes in obligations is recorded in the period by a change in the obligation amount and a corresponding adjustment to the mineral interest asset.

The amortization or 'unwinding' of the discount applied in establishing the net present value of provisions due to the passage of time is charged to the statement of operations and comprehensive loss in each accounting period.

The ultimate cost of environmental remediation is uncertain and cost estimates can vary in response to many factors including changes to the relevant legal requirements, the emergence of new restoration techniques or experience at other mine sites. The expected timing of expenditure can also change, for example in response to changes in ore reserves or production rates. As a result, there could be significant adjustments to the provisions for restoration and environmental cleanup, which would affect future financial results.

Funds on deposit with third parties provided as security for future reclamation costs are included in reclamation deposits on the statement of financial position.

H. Income taxes

Income tax expense comprises current and deferred tax. Current and deferred tax are recognized in profit or loss except to the extent that it relates to a business combination or items recognized directly in equity. Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized using the asset and liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is measured at the rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax is not recognized for the following temporary differences; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that it is probable that they will not reverse in the foreseeable future where the timing of the reversal of the temporary differences can be controlled by the parent. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill which is not deductible for tax purposes.

A deferred tax asset is recognized only to the extent that it is probable that future taxable profits will be available against which the asset can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

The Company has certain non-monetary assets and liabilities for which the tax reporting currency is different from its functional currency. Any translation gains or losses on the remeasurement of these items at current exchange rates versus historic exchange rates that give rise to a temporary difference is recorded as a deferred tax asset or liability.

I. Stock-based compensation (options and restricted share units)

The Company applies the fair value method for stock-based compensation and other stock-based payments. The fair value of options is valued using the Black Scholes option-pricing model and other models for the two-tiered options and restricted share units as may be appropriate. The grant date fair value of stock-based payment awards granted to employees is recognized as an employee expense, with a corresponding increase in equity, over the period that the employees unconditionally become entitled to the awards. The amount recognized as an expense is adjusted to reflect the number of awards for which the related service and non-market vesting conditions are expected to be met, such that the amount ultimately recognized as an expense is based on the number of awards that meet the related service and non-market performance conditions at the vesting date (Note 10). The Company reviews estimated forfeitures of options on an ongoing basis.

J. Flow-through shares

The Company finances a portion of its exploration activities through the issuance of flow-through common shares. The tax deductibility of qualifying expenditures is transferred to the investor purchasing the shares. Consideration for the transferred deductibility of the qualifying expenditures is often paid through a premium price over the market price of the Company's shares. The Company reports this premium as a liability on the statement of financial position and the balance is reported as share capital. At each reporting period, and as qualifying expenditures have been incurred, the liability is reduced on a proportionate basis and income is recognized in the statement of operations and comprehensive loss.

K. Net profit (loss) per common share

Basic profit (loss) per common share is computed based on the weighted average number of common shares outstanding during the year. The Company uses the treasury stock method for calculating diluted earnings per share which assumes that stock options and RSUs with an exercise price lower than the average quoted market price were exercised at the later of the beginning of the year, or time of issue. Stock options with an exercise price greater than the average quoted market price of the common shares and RSUs are not included in the calculation of diluted profit (loss) per share as the effect is anti-dilutive.

L. Financial instruments

The Company recognizes financial assets and financial liabilities on the date the Company becomes a party to the contractual provisions of the instruments. A financial asset is derecognized either when the Company has transferred substantially all the risks and rewards of ownership of the financial asset or when cash flows expire. A financial liability is derecognized when the obligation specified in the contract is discharged, canceled or expired. Certain financial instruments are recorded at fair value in the consolidated statement of financial position. Refer to note 11 on fair value measurements.

Non-derivative financial instruments
Non-derivative financial instruments are recognized initially at fair value plus attributable transaction costs, where applicable for financial instruments not classified as fair value through profit or loss. Subsequent to initial recognition, non-derivative financial instruments are classified and measured as described below.

Financial assets at fair value through profit or loss
Cash and cash equivalents and short-term deposits are classified as financial assets at fair value through profit or loss and are measured at fair value. Cash equivalents are short-term deposits with maturities of up to 90 days at the date of purchase. Short-term deposits consist of investments with maturities from 91 days to one year at the date of purchase.

Financial assets at amortized cost
Trade and other receivables and are classified as and measured at amortized cost using the effective interest rate method, less impairment losses, if any.

Financial assets at fair value through other comprehensive income
The Company's investments in equity marketable securities are designated as financial assets at fair value through other comprehensive income and are recorded at fair value on the trade date with directly attributable transaction costs included in the recorded amount. Subsequent changes in fair value are recognized in other comprehensive income.

Non-derivative financial liabilities
Accounts payable and accrued liabilities are accounted for at amortized cost, using the effective interest rate method.

M. Accounting pronouncements

New and amended standards and interpretations issued and effective:

a) IFRS 16, Leases ("IFRS 16")

The Company adopted IFRS 16, Leases, effective January 1, 2019. IFRS 16 introduces new or amended requirements with respect to lease accounting. IFRS 16 introduced significant changes to the lessee accounting by removing the distinction between operating and finance leases and requiring the recognition of a right-of-use asset and a lease liability at the lease commencement date for all leases, except for short-term leases and leases of low-value assets. In contrast to lessee accounting, the requirements for lessor accounting have remained largely unchanged. The Company is the lessee in contractual arrangements that contain a lease.

The Company has applied IFRS 16 using the modified retrospective approach. Under this approach, the Company has not restated prior period comparative information.

Impact of the new definition of a lease
The new definition of a lease mainly relates to the incorporation of the concept of control. IFRS 16 determines whether a contract contains a lease on the basis of whether the customer has the right to control the use of an identified asset for a period of time, in exchange for consideration. The Company reassessed relevant contractual arrangements that existed at January 1, 2019 to determine if they contain a lease.

Impact of the adoption of the new standard

Former operating leases
IFRS 16 changes how the Company accounts for leases previously classified as operating leases under IAS 17, Leases ("IAS 17"), which were previously off-balance sheet. Applying IFRS 16, for all leases (excepted as noted below), the Company:

i. Recognizes "right-of-use" assets and lease liabilities in the Consolidated Statements of Financial Position, initially measured at the present value of future lease payments;
ii. Recognizes depreciation of right-of-use assets and interest on lease liabilities in the Consolidated Statements of Operations and Comprehensive Income; and
iii. Separates the total amount of cash paid into a principal portion (presented within financing activities) and interest (presented within financing activities) in the Consolidated Statements of Cash Flows.

On transition, the Company elected to measure all right-of-use assets at an amount equal to the lease liability.

Former finance leases
The main difference between IFRS 16 and IAS 17 with respect to assets formerly held under a finance lease is the measurement of residual value guarantees provided by a lessee to a lessor. IFRS 16 requires that the Company recognize as part of its lease liability only the amount expected to be payable under a residual value guarantee, rather than the maximum amount guaranteed as required by IAS 17. This change did not have a material effect on the Company's consolidated financial statements.

Practical expedients
The Company has elected to use the following practical expedients:

- Apply IFRS 16 to a portfolio of leases with similar characteristics as opposed to an individual lease and the use of a single discount rate to a portfolio of leases with reasonably similar characteristics;
- The accounting for leases with a remaining lease term of less than twelve months as at January 1, 2019 as short-term leases;
- The accounting for lease payments on leases for which the underlying asset is of a low dollar value on a straight-line basis over the term of the lease;
- The use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease; and
- Not to separate non-lease from lease components, and instead account for each lease component and any associated non-lease components as a single lease component. This expedient was elected on an asset-class by asset-class basis.

Using an incremental borrowing rate of 11.09%, adoption of the new standard resulted in the recognition of additional right-of-use assets and leases liabilities of $0.3 million as of January 1, 2019 and no cumulative adjustment to opening deficit.

b) IFRIC Interpretation 23, Uncertainty over Income Tax Treatments ("IFRIC Interpretation 23")

The Company adopted IFRIC Interpretation 23 with a date of initial application of January 1, 2019. The interpretation provides guidance on the accounting for current and deferred tax liabilities and assets in circumstances in which there is uncertainty over income tax treatments. The adoption of this interpretation did not impact the Company's consolidated financial statements.

New accounting standards issued but not yet effective:

Certain pronouncements have been issued by the IASB that are mandatory for accounting periods after December 31, 2019. There are currently no such pronouncements that are expected to have a significant impact on the Company's consolidated financial statements upon adoption.

4. Cash and cash equivalents and short-term deposits

($000s)	**December 31, 2019**	December 31, 2018
Cash and cash equivalents	**8,793**	2,928
Short-term deposits	**4,114**	17,068
	12,907	19,996

All of the cash and cash equivalents are held in a Canadian Schedule I bank. Short-term deposits consist of Canadian Schedule I bank guaranteed deposits and are cashable in whole or in part with interest at any time to maturity.

5. Amounts receivable and prepaid expenses

($000s)	**December 31, 2019**	December 31, 2018
HST	**2,212**	1,196
Prepaid expenses and other receivables	**1,062**	423
	3,274	1,619

6. Investments

($000s)	**January 1, 2019**	**Disposition**	**Fair value through other comprehensive loss**	**Loss of associates**	**Impairment**	**Additions**	**Other comprehensive loss**	**December 31, 2019**
Current assets:								
Investment in marketable securities	**2,858**	**(110)**	**284**	**-**	**-**	**-**	**-**	**3,032**
Non-current assets:								
Investment in associate	**2,460**	**-**	**-**	**(200)**	**-**	**101**	**-**	**2,361**

($000s)	January 1, 2018	Disposition	Fair value through other comprehensive loss	Loss of associates	Impairment	Additions	Other comprehensive loss	December 31, 2018
Current assets:								
Investment in marketable securities	3,435	-	(577)	-	-	-	-	2,858
Non-current assets:								
Investment in associate	3,426	-	-	(160)	(1,336)	530	-	2,460

The Company holds common shares of several mining companies that were received as consideration for optioned mineral properties and other short-term investments, including one gold exchange traded receipt. These financial assets are recorded at fair value of $3.0 million (December 31, 2018 - $2.9 million) in the consolidated statements of financial position. At December 31, 2019, the Company revalued its holdings in its investments and recorded a fair value increase of $0.3 million on the statement of comprehensive loss. During 2019, the Company disposed its holdings in one investment with a fair value of $0.1 million.

Investment in associate relates to Paramount Gold Nevada Corp ("Paramount"). As at December 31, 2019, the Company holds 8.16% (December 31, 2018 – 8.53%) interest in Paramount for which it accounts using the equity method on the basis that the Company has the ability to exert significant influence through its representation on Paramount's board of directors. During 2019 the Company recorded its proportionate share of Paramount's net loss of $0.2 million (2018 – $0.2 million) within equity loss of associate on the consolidated statements of operations and comprehensive loss. During 2018 the Company reviewed the recoverability of the investment in Paramount and recorded an impairment of $1.3 million on the consolidated statements of operations and comprehensive loss. As at December 31, 2019, the carrying value of the Company's investment in Paramount was $2.4 million (December 31, 2018 - $2.5 million).

In 2017, the Company purchased 883,200 common shares and 51,600 warrants of Paramount for $1.6 million. Each warrant allowed the Company to purchase one common share of Paramount for US$2.00 per share until February 14, 2018 and allowed for the same purchase at US$2.25 per share within the period February 15, 2018 to February 13, 2019. On February 14, 2018, the option to purchase the common shares at US$2.00 per share lapsed. In first quarter of 2019, the warrants to purchase 51,600 common shares at US$2.25 per share were repriced by Paramount to US$0.93 per share and the Company exercised these warrants in addition to warrants to purchase 28,600 common shares, transferred to the Company at no additional cost, from parties not wishing to exercise. The purchase price of the combined 80,200 shares of Paramount was $0.1 million.

In the third quarter of 2018, the Company purchased 320,000 units of Paramount for US$1.25 per unit. Each unit consists of one common share and one warrant to purchase one-half of a common share of Paramount. Each warrant has a two-year term and is exercisable at US$1.30 in the first twelve months and US$1.50 in the following twelve months. As at December 31, 2019, the Company has not exercised these warrants.

7. Convertible Notes Receivable

In September 2019, the Company participated in a private placement to purchase US$410,000, at face value, of secured convertible notes issued by Paramount. Each convertible note has an issue price of US$975 per US$1,000 face amount with a four-year maturity. The Company purchased 410 convertible notes for a total of $0.5 million (US$399,750). The convertible notes bear interest at a rate of 7.5% per annum, payable semi-annually. At any time after the issuance of the convertible notes, the Company can convert all or any portion of the outstanding and unpaid amount into common shares of Paramount at a price of US$1.00 per common share. The Convertible notes receivable are recorded at fair value through profit or loss ("FVTPL").

8. Mineral Interests

Mineral interest expenditures on projects are considered as exploration and evaluation and their related costs consist of the following:

($000s)	**Balance January 1, 2019**	**Expenditures / Acquisitions 2019**	**Balance December 31, 2019**
KSM	**276,586**	**19,923**	**296,509**
Courageous Lake	**73,647**	**2,074**	**75,721**
Iskut	**29,031**	**3,184**	**32,215**
Snowstorm	**15,269**	**5,186**	**20,455**
Grassy Mountain	**771**	**-**	**771**
	395,304	**30,367**	**425,671**

($000s)	Balance January 1, 2018	Expenditures / Acquisitions 2018	Balance December 31, 2018
KSM	248,561	28,025	276,586
Courageous Lake	69,587	4,060	73,647
Iskut	25,221	3,810	29,031
Snowstorm	13,995	1,274	15,269
Grassy Mountain	771	-	771
	358,135	37,169	395,304

Continued exploration of the Company's mineral properties is subject to certain lease payments, project holding costs, rental fees and filing fees.

a) KSM (Kerr-Sulphurets-Mitchell)

In 2001, the Company purchased a 100% interest in contiguous claim blocks in the Skeena Mining Division, British Columbia. The vendor maintains a 1% net smelter royalty interest on the project, subject to maximum aggregate royalty payments of $4.5 million. The Company is obligated to purchase the net smelter royalty interest for the price of $4.5 million in the event that a positive feasibility study demonstrates a 10% or higher internal rate of return after tax and financing costs.

In July 2009, the Company agreed to acquire various mineral claims immediately adjacent to the KSM property for further exploration and possible mine infrastructure use. The acquired claims were subject to a 4.5% net smelter royalty. In January 2019, the Company issued 100,000 common shares at $17.30 per common share, for total fair value of $1.7 million, to the holder of the net smelter return royalty on the claims and fully extinguished the royalties on those claims. The total fair value of the common shares was recorded to the mineral interest at KSM project.

In 2011 and 2012, the Company completed agreements granting a third party an option to acquire a 2% net smelter royalty on all gold and silver production sales from KSM for a payment equal to the lesser of $160 million or US$200 million. The option is exercisable for a period of 60 days following the announcement of receipt of all material approvals and permits, full project financing and certain other conditions for the KSM Project.

During 2019, as part of a cooperative and benefit agreement between the Company and the Tahltan Nation, the Company issued 50,000 common shares with a fair value of $18.63 per common share, for a total fair value of $0.9 million.

b) Courageous Lake

In 2002, the Company purchased a 100% interest in the Courageous Lake gold project from Newmont Canada Limited and Total Resources (Canada) Limited for US$2.5 million. The Courageous Lake gold project consists of mining leases located in Northwest Territories of Canada.

c) Iskut

On June 21, 2016, the Company purchased 100% of the common shares of SnipGold Corp. ("SnipGold") which owns the Iskut Project, located in northwestern British Columbia.

d) Snowstorm

In 2017, the Company purchased 100% of the common shares of Snowstorm Exploration LLC ("Snowstorm") which owns the Snowstorm Project, located in northern Nevada. On the acquisition date, the Company issued 700,000 common shares, with a fair value of $14.39 per share and 500,000 common share purchase warrants with a fair value of $6.55 per common share purchase warrant for a combined fair value of $13.3 million. The common share purchase warrants are exercisable for four years from the date of acquisition, at $15.65 per share. In addition, the Company has agreed to make a conditional cash payment of US$2.5 million if exploration activities at the Snowstorm Project result in defining a minimum of five million ounces of gold resources compliant with National Instrument 43-101 and a further cash payment of US$5.0 million on the delineation of an additional five million ounces of gold resources.

On August 29, 2019, the Company purchased certain mining claims and lease agreement (the "Goldstorm Project") in northern Nevada from Mountain View Gold Corp. in exchange for 25,000 common shares of the Company. On the acquisition date, the Company issued the common shares at a fair value of $21.11 per common share for a total fair value of $0.5 million.

e) Grassy Mountain

In 2013, the Company sold 100% of interest in the Grassy Mountain Project with a net book value of $771,000 retained within mineral properties, related to the option to either receive a non-controlling interest of 10% or a $10 million cash payment, following the delivery of a National Instrument 43-101 feasibility study on the project, at the discretion of the company.

f) Other mineral properties

i) Red Mountain

In 2001, the Company purchased a 100% interest in an array of assets associated with mineral claims in the Skeena Mining Division, British Columbia, together with related project data and drill core, an owned office building and a leased warehouse, various mining equipment on the project site, and a mineral exploration permit which was associated with a cash reclamation deposit of $1 million.

In 2014, the Company entered into an agreement with IDM Mining ("IDM") to option the Red Mountain Project.

Upon commencing commercial production IDM must pay the Company an additional $1.5 million and either an additional $4 million or sell to the Company up to 50,000 ounces of gold at a pre-determined price.

In 2017 IDM exercised its option to acquire the Red Mountain Project and the Company derecognized approximately $1.0 million of accrued reclamation liabilities. The Company released a reclamation deposit of $1.0 million into cash and pursuant to purchase agreements, made a third-party payment of $0.3 million. The derecognition of the reclamation liability net with the third-party payment resulted in a $0.8 million gain on the consolidated statements of operations and comprehensive loss.

(ii) Quartz Mountain

In 2001, the Company purchased a 100% interest in mineral claims in Lake County, Oregon. The vendor retained a 1% net smelter royalty interest on unpatented claims acquired and a 0.5% net smelter royalty interest was granted to an unrelated party as a finder's fee.

In 2011, subject to an agreement between the Company and Orsa Ventures Corp. ("Orsa") the Company granted Orsa the exclusive option to earn a 100% interest in the Quartz Mountain gold property and all of Seabridge's undivided 50% beneficial joint venture interest in an adjacent peripheral property. The agreement stipulated that Orsa would pay the Company $0.5 million on or before the fifth day following regulatory approval of the option agreement and make staged payments of $5 million in cash or common shares of Orsa, at the discretion of the Company. In 2013, Alamos Gold Inc. ("Alamos") acquired Orsa and its option to acquire Quartz Mountain and the Company received the next staged payment of $2 million from Alamos. There is no carrying value recorded for Quartz Mountain as all historical acquisition and exploration costs have been fully recovered through option payments and other recoveries.

Upon the completion of a feasibility study, Alamos must pay the Company $3 million and either an additional $15 million or provide a 2% net smelter return royalty on production at Quartz Mountain, at the option of the Company.

9. Right to use asset

Right to use asset balance represents the asset recognized on the adoption of IFRS 16 on January 1, 2019.

($000s)	**2019**
Right-of-use assets - properties	
Opening balance December 31, 2018	-
Adoption of IFRS 16 on January 1, 2019	307
Less: depreciation	(36)
Net book value December 31, 2019	**271**

($000s)	**December 31, 2019**
Current	46
Non-current	225
Total Right to use asset	**271**

10. Accounts payable and accrued liabilities

($000s)	**December 31, 2019**	December 31, 2018
Trade payables	**2,191**	2,360
Trade and other payables due to related parties	**61**	112
Non-trade payables and accrued expenses	**2,440**	2,277
	4,692	4,749

During 2016, upon the completion of an audit of the application by tax authorities of the British Columbia Mineral Exploration Tax Credit ("BCMETC") program, the Company was reassessed $3.6 million, including accrued interest, for expenditures that the tax authority has categorized as not qualifying for the BCMETC program. The Company recorded a $3.6 million provision within non-trade payables and accrued expenses on the consolidated statements of financial position as at December 31, 2016. In 2017 the Company filed an objection to the reassessment with the appeals division of the tax authorities and paid one-half of the accrued balance while the objection is reviewed. In early 2019, the Company received a decision from the appeals division that the Company's objection was denied, and the Company filed a notice of appeal with the British Columbia Supreme Court. The Attorney General of Canada replied to the facts and arguments in the Company's Notice of Appeal and stated its position that the Company's expenditures did not qualify for the BCMETC program. As at December 31, 2019, the Company is in the discovery process with the Department of Justice and will continue to move the appeal process forward as expeditiously as possible. The Company intends to continue to fully defend its position. As at December 31, 2019, the Canada Revenue Agency (CRA) has withheld $1.8 million (2018 - $1.1 million) of HST credits due to the Company that would fully cover the residual balance, including interest, should the Company be unsuccessful in its challenge.

11. Leases obligations

The Company did not have a finance lease liability as at December 31, 2018. The below table is a reconciliation of the lease commitments disclosed at December 31, 2018 in the Company's consolidated financial statements and the lease liability recognized as a result of the adoption of IFRS 16 on January 1, 2019. When measuring the value of the lease liabilities, the Company discounted lease payments using its incremental borrowing rate at January 1, 2019. The weighted-average rate applied was 11.09%.

($000s)	**2019**
Operating lease commitment at December 31, 2018	246
Operating leases deemed not to be leases under IFRS 16	(68)
	178
Lease extension options reasonably certain to be exercised	267
Leases at January 1, 2019	445
Discounted value to January 1, 2019	**297**

As at December 31, 2019, the total lease liabilities are as follows:

($000s)	**December 31, 2019**
Current	46
Non-current	228
Total discounted lease liabilities	**274**

The Company applied the exemption not to recognize ROU assets and liabilities for leases with low value and less than 12 months of lease term. As at December 31, 2019, total value of such leases amounted to $0.1 million.

12. Provision for reclamation liabilities

($000s)	**December 31, 2019**	December 31, 2018
Beginning of the period	**8,069**	2,481
Revised Johnny Mountain Mine closure	**-**	7,439
Disbursements	**(1,325)**	(2,022)
Accretion	**121**	169
End of the period	**6,865**	8,069
Provision for reclamation liabilities - current	**1,860**	955
Provision for reclamation liabilities - long-term	**5,005**	7,114
	6,865	8,069

The Company's policy on reclamation liabilities is described in Note 3. Although the ultimate costs to be incurred are uncertain, the Company's estimates are based on independent studies or agreements with the respective government body for each project using current restoration standards and techniques.

The estimate of the provision for reclamation obligation, as at December 31, 2019, was calculated using the estimated discounted cash flows of future reclamation costs of $6.9 million (December 31, 2018 - $8.1 million) and the expected timing of cash flow payments required to settle the obligations between 2020 and 2026. As at December 31, 2019, the undiscounted future cash outflows are estimated at $7.0 million (December 31, 2018 – $8.5 million) primarily over the next three years. The discount rate used to calculate the present value of the reclamation obligations was 1.7% at December 31, 2019 (2% - December 31, 2018). The Company has placed a total of $1.2 million (December 31, 2018 - $1.2 million) on deposit with financial institutions that are pledged as security against reclamation liabilities.

In 2018, the Company filed an updated reclamation and closure plan for the Johnny Mountain mine site and charged $7.4 million of rehabilitation expenses to the consolidated statements of operations and comprehensive loss. The Johnny Mountain Mine site was acquired, along with the Iskut Project, during the Snip Gold acquisition in 2016. Expenditures are expected to be incurred between 2018 and 2022 and include the estimated costs for the closure of all adits and vent raises, removal of the mill and buildings, treatment of landfills and surface water management as well as ongoing logistics, freight and fuel costs. For the year ended December 31, 2019, reclamation disbursements amounted to $1.3 million (2018 - $2.0 million).

13. Shareholders' equity

The Company is authorized to issue an unlimited number of preferred shares and common shares with no par value. No preferred shares have been issued or were outstanding at December 31, 2019 or December 31, 2018.

The Company manages its capital structure and makes adjustments to it, based on the funds available to the Company, in order to support the acquisition, exploration and development of mineral properties. The Board of Directors does not establish quantitative return on capital criteria for management, but rather relies on the expertise of the Company's management to sustain future development of the business.

The properties in which the Company currently has an interest are in the exploration stage, as such the Company is dependent on external financing to fund its activities. In order to carry out the planned exploration and pay for administrative costs, the Company will spend its existing working capital and raise additional amounts as needed. Management reviews its capital management approach on an ongoing basis and believes that this approach, given the relative size of the Company, is reasonable. There were no changes in the Company's approach to capital management during 2019. The Company considers its capital to be share capital, stock-based compensation, contributed surplus and deficit. The Company is not subject to externally imposed capital requirements.

a) Equity financings

During the fourth quarter of 2019, the Company entered into an agreement with two securities dealers, for an At-The-Market offering program, entitling the Company, at its discretion, and from time to time, to sell up to US$40 million in value of common shares of the Company. This program can be in effect until the Company's Shelf Registration Statement expires in June 2021. During the fourth quarter of 2019, the Company issued 231,084 shares, at an average selling price of $17.58 per share, for net proceeds of $4.0 million under the offering.

Subsequent to the year end, the Company issued 382,807 shares, at an average selling price of $17.96 per share, for net proceeds of $6.7 million under Company's At-The-Market offering.

In September 2019, the Company closed a non-brokered private placement flow-through financing and issued 100,000 common shares at $24.64 per common share for gross proceeds of $2.5 million. The Company committed to renounce its ability to deduct qualifying exploration expenditures for the equivalent value of the gross proceeds of the flow-through financing and transfer the deductibility to the purchasers of the flow-through shares. The effective date of the renouncement is December 31, 2019. At the time of issuance of the flow-through shares, $0.5 million premium was recognized as a liability on the consolidated statements of financial position. As at December 31, 2019, $2.0 million of qualifying exploration expenditures were incurred and $0.4 million of the premium was recognized through other income on the consolidated statement of operations and comprehensive loss.

In August 2019, the Company closed a private placement of 1.2 million common shares, at a price of $17.02 per common share, for gross proceeds of $20.4 million.

In December 2018, the Company closed a non-brokered private placement flow-through financing and issued 250,000 common shares at $20.50 per share for gross proceeds of $5.1 million. The Company committed to renounce its ability to deduct qualifying exploration expenditures for the equivalent value of the gross proceeds of the flow-through financing and transfer the deductibility to the purchasers of the flow-through shares. The effective date of the renouncement was December 31, 2018. At the time of issuance of the flow-through shares, $0.8 million premium was recognized as a liability on the consolidated statements of financial position. As at December 31, 2019, $5.1 million of qualifying exploration expenditures were incurred and the full $0.8 million of the premium was recognized through other income on the consolidated statement of operations and comprehensive loss.

In November 2018, the Company closed a non-brokered private placement of one million common shares, at a price of $14.00 per share, for gross proceeds of $14.0 million. As part of the private placement agreement, the Company also granted an option to increase the size of the private placement by an additional 250,000 common shares exercisable until December 24, 2018. The 250,000 options were fully exercised on December 14, 2018 at a price of $14.00 per share, for gross proceeds of $3.5 million.

In May 2018, the Company closed a flow-through financing and issued 1,150,000 common shares at $17.16 per share for gross proceeds of $19.7 million. The Company committed to renounce its ability to deduct qualifying exploration expenditures for the equivalent value of the gross proceeds of the flow-through financing and transfer the deductibility to the purchasers of the flow-through shares. The effective date of the renouncement was December 31, 2018. At the time of issuance of the flow-through shares, a $4.1 million premium was recognized as a liability on the consolidated statements of financial position with the balance recorded as share capital. Since the close of financing and to the end of 2018, $19.7 million of qualifying exploration expenditures were incurred and the full $4.1 million premium was recognized through other income on the consolidated statements of operations and comprehensive loss.

b) **Warrants**

As part of the acquisition agreement of Snowstorm Exploration LLC in June 2017, the Company issued 500,000 common share purchase warrants exercisable for four years at $15.65 per share, which are still outstanding as at December 31, 2019.

c) **Stock options and Restricted share units**

The Company provides compensation to directors and employees in the form of stock options and Restricted Share Units ("RSU"s).

Pursuant to the Share Option Plan, the Board of Directors has the authority to grant options, and to establish the exercise price and life of the option at the time each option is granted, at a price not less than the closing price of the common shares on the Toronto Stock Exchange on the date of the grant of such option and for a period not exceeding five years. All exercised options are settled in equity.

Pursuant to the Company's RSU Plan, the Board of Directors has the authority to grant RSUs, and to establish terms of the RSUs including the vesting criteria and the life of the RSU. The life of the RSU is not to exceed two years.

Stock option and RSU transactions were as follows:

	Options			**RSUs**		**Total**
	Number of Options	**Weighted Average Exercise Price ($)**	**Amortized Value of options ($000s)**	**Number of RSUs**	**Amortized Value of RSUs ($000s)**	**Stock-based Compensation ($000s)**
Outstanding January 1, 2019	3,458,805	11.95	16,657	68,000	183	16,840
Granted	50,000	17.72	168	140,100	274	442
Exercised option or vested RSU	(503,831)	10.38	(2,333)	(68,000)	(1,051)	(3,384)
Expired	(1,824)	6.30	(33)	-	-	(33)
Amortized value of stock-based compensation	-	-	4,087	-	868	4,955
Outstanding at December 31, 2019	**3,003,150**	**12.32**	**18,546**	**140,100**	**274**	**18,820**

Exercisable at December 31, 2019	911,816

	Options			RSUs		Total
	Number of Options	Weighted Average Exercise Price ($)	Amortized Value of options ($000s)	Number of RSUs	Amortized Value of RSUs ($000s)	Stock-based Compensation ($000s)
Outstanding January 1, 2018	3,618,509	11.34	15,758	127,750	791	16,549
Granted	618,000	15.58	372	68,000	183	555
Exercised option or vested RSU	(777,704)	12.00	(3,377)	(127,750)	(1,510)	(4,887)
Amortized value of stock-based compensation	-	-	3,904	-	719	4,623
Outstanding at December 31, 2018	3,458,805	11.95	16,657	68,000	183	16,840

Exercisable at December 31, 2018	1,208,306

The outstanding share options at December 31, 2019 expire at various dates between February 2020 and June 2024. A summary of options outstanding, their remaining life and exercise prices as at December 31, 2019 is as follows:

	Options Outstanding		Options Exercisable
Exercise price	Number outstanding	Remaining contractual life	Number Exercisable
$9.00	425,000	4 months	-
$11.13	245,000	1 year	245,000
$13.52	100,000	1 year 3 months	100,000
$17.16	50,000	1 year 5 months	-
$17.14	50,000	1 year 5 months	50,000
$10.45	849,164	2 years	299,164
$13.14	600,001	3 years	198,334
$16.94	50,000	3 years 10 months	-
$15.46	568,000	4 years	3,333
$17.72	50,000	4 years 6 months	-
$6.30	15,985	2 months to 1 year 2 months	15,985
	3,003,150		911,816

During the year ended December 31, 2019, 503,831 options were exercised for proceeds of $5.2 million and 68,000 RSUs vested. In total, 571,831 common shares were issued.

In December 2018, 568,000 five-year options with an exercise price of $15.46, to purchase common shares of the Company, with a grant-date fair value of $4.3 million, were granted. Of these, 408,000 options were granted to board members that were subject to shareholder approval. 150,000 options were granted to members of senior management. The remaining 10,000 options were granted to a member of management and vest over a three-year period. At the end of the second quarter of 2019, shareholders approved the 408,000 options granted to the board members, and the fair value was re-estimated, at the time, resulting in an additional $0.4 million fair value that will be recognized over the estimated service period. During the second quarter of 2019, the shareholders also approved the grant of 50,000 five-year options to a new Board member, with an exercise price of $17.72 and fair value of $0.4 million. Vesting of the options to the Board members and senior management is subject to the Company entering into a major transaction on one of the Company's two core assets or other transformative transaction. The fair value of these new options, and the additional fair value, is being amortized over the estimated service period.

In October 2018, 50,000 five-year options with an exercise price of $16.94, to purchase common shares of the Company, with a grant-date fair value of $0.4 million, were granted to a new Board member. Vesting of these options is subject to the Company entering into a major transaction on one of the Company's two core exploration properties or other transformative transaction. The fair value of these options is being amortized over the service life of the options.

The fair value of the options granted is estimated on the dates of grant using a Black Scholes option-pricing model with the following assumptions:

	2019	2018
Dividend yield	**Nil**	Nil
Expected volatility	**54%**	55 - 57%
Risk-free rate of return	**1.40%**	1.40 -2.38%
Expected life of options	**5 year**	4.5 - 5 year

In 2019, the Board granted 140,100 RSUs. Of these, 32,500 RSUs were granted to the board members, 74,200 RSUs were granted to members of senior management, and the remaining 33,400 RSUs were granted to other employees of the Company. The fair value of the grants, of $2.4 million, was estimated as at the grant date and will be amortized over the expected service period of the grants. The expected service period of approximately six months from the date of the grant was dependent on certain corporate objectives being met. As at December 31, 2019, $0.3 million of the fair value of the grants was amortized.

In 2018, the Board granted 68,000 RSUs to members of management. The fair value of the grants, of $1.1 million, was estimated at the grant date and was amortized over the expected service period of the grants. The expected service period of three and a half months from the date of the grant was dependent on certain corporate objectives being met. In 2019, the fair value of the grants was fully amortized and all 68,000 RSUs were vested and were exchanged for common shares of the Company.

Subsequent to December 31, 2019, 30,967 options were exercised for proceeds of $0.3 million.

d) **Basic and diluted net loss per common share**

For the years ended December 31, 2019 and 2018, basic and diluted net loss per common share are computed by dividing the net loss for the period by the weighted average number of common shares outstanding for the year. The potential effect of stock options, RSUs and warrants has been excluded from the calculation of diluted loss per common share as the effect would be anti-dilutive. At December 31, 2019 there was a total of 3,003,150 stock options and 140,100 RSUs outstanding (December 31, 2018 – 3,458,805 and 68,000 respectively).

14. Fair value of financial assets and liabilities

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy establishes three levels to classify the inputs to valuation techniques used to measure fair value.

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs are quoted prices in markets that are not active, quoted prices for similar assets or liabilities in active markets, inputs other than quoted prices that are observable for the asset or liability (for example, interest rate and yield curves observable at commonly quoted intervals, forward pricing curves used to value currency and commodity contracts, volatility measurements used to value option contracts and observable credit default swap spreads to adjust for credit risk where appropriate), or inputs that are derived principally from or corroborated by observable market data or other means.

Level 3: Inputs are unobservable (supported by little or no market activity).

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs.

The Company's financial assets and liabilities as at December 31, 2019 and December 31, 2018 are cash and cash equivalents, short-term deposits, accounts receivable, marketable securities, convertible notes receivable and accounts payable. Other than investments and convertible notes receivable, the carrying values approximate their fair values due to the immediate or short-term maturity of these financial instruments and are classified as a Level 1 measurement. The Company's equity investments are measured at fair value based on quoted market prices and are classified as a level 1 measurement. The convertible notes receivable are measured at fair value and are classified as a level 3 measurement.

The Company's financial risk exposures and the impact on the Company's financial instruments are summarized below:

Credit Risk
The Company's credit risk is primarily attributable to short-term deposits, convertible notes receivable, and receivables included in amounts receivable and prepaid expenses. The Company has no significant concentration of credit risk arising from operations. The short-term deposits consist of Canadian Schedule I bank guaranteed notes, with terms up to one year but are cashable in whole or in part with interest at any time to maturity, for which management believes the risk of loss to be remote. Management believes that the risk of loss with respect to financial instruments included in amounts receivable and prepaid expenses to be remote.

Liquidity Risk
The Company's approach to managing liquidity risk is to ensure that it will have sufficient liquidity to meet liabilities when due. As at December 31, 2019, the Company had a cash and cash equivalents of $8.8 million and short-term deposits of $4.1 million (2018 - $2.9 million and $17.1 million, respectively) for settlement of current financial liabilities of $4.7 million (2018 - $4.7 million). The short-term deposits consist of Canadian Schedule I bank guaranteed deposits and are cashable in whole or in part with interest at any time to maturity. The Company's financial liabilities primarily have contractual maturities of 30 days and are subject to normal trade terms. The Company's ability to fund its operations and capital expenditures and other obligations as they become due is dependent upon market conditions.

As the Company does not generate cash inflows from operations, the Company is dependent upon external sources of financing to fund its exploration projects and on-going activities. If required, the Company will seek additional sources of cash to cover its proposed exploration and development programs at its key projects, in the form of equity financings and from the sale of non-core assets. Refer to note 13 for details on equity financings.

In addition, as at December 31, 2019, the Company had commitments of $1.5 million required to be paid in 2020, including $0.8 million to maintain its mineral property claims in good standing. If required, the Company will seek additional sources of cash, in 2020 to cover its proposed exploration and development programs at its key projects, in the form of equity financings and from the sale of non-core assets.

Market Risk
(a) Interest Rate Risk
The Company has no interest-bearing debt. The Company's current policy is to invest excess cash in Canadian bank guaranteed notes (short-term deposits). The short-term deposits can be cashed in at any time and can be reinvested if interest rates rise.

(b) Foreign Currency Risk

The Company's functional currency is the Canadian dollar and major purchases are transacted in Canadian and US dollars. The Company funds certain operations, exploration and administrative expenses in the United States on a cash call basis using US dollar currency converted from its Canadian dollar bank accounts held in Canada. Management believes the foreign exchange risk derived from currency conversions is not significant to its operations and therefore does not hedge its foreign exchange risk. As at December 31, 2019, the Company holds $2.5 million of cash and cash equivalents and $0.2 million of accounts payable and accrued liabilities denominated in US dollars.

(c) Investment Risk

The Company has investments in other publicly listed exploration companies which are included in investments. These shares were received as option payments on certain exploration properties the Company owns. In addition, the Company holds $2.9 million in a gold exchange traded receipt that is recorded on the consolidated statements of financial position in investments. The risk on these investments is significant due to the nature of the investment but the amounts are not significant to the Company.

15. Corporate and administrative expenses

($000s)	**2019**	2018
Employee compensation	**4,635**	3,990
Stock-based compensation	**5,397**	5,178
Professional fees	**1,105**	1,430
Other general and administrative	**2,203**	1,772
	13,340	12,370

16. Related party disclosures

Compensation to key management personnel of the Company:

($000s)	**2019**	2018
Compensation of directors:		
Directors fees	**408**	342
Stock-based compensation	**1,011**	707
	1,419	1,049
Compensation of key management personnel:		
Salaries and consulting fees	**4,892**	4,416
Stock-based compensation	**3,506**	2,971
	8,398	7,387
	9,817	8,436

During 2019, there were no payments to related parties other than compensation paid to key management personnel. During 2018, a private company controlled by an officer was paid $0.2 million for legal services rendered. These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

17. Income taxes

($000s)	2019	2018
Current tax expense	**-**	72
Deferred tax expense	**(697)**	4,895
	(697)	4,967

Tax recovery recognized directly in equity

($000s)	2019	2018
Share issuance costs	**166**	204

In 2019, the Company recognized income tax recovery of $0.7 million (2018 - income tax expense of $5.0 million) primarily related to deferred tax recovery arising from the losses in the current year, partially offset by a deferred tax expense arising due to the renouncement of expenditures related to 2018 and 2019 flow-through shares which are capitalized for accounting purposes.

(a) Rate Reconciliation

The provision for income taxes differs from the amount that would have resulted by applying the combined Canadian Federal, Ontario, British Columbia and Northwest Territories statutory income tax rates of 26.60% (2018 - 26.70%).

($000s)	2019	2018
Loss before income taxes	**(12,310)**	(14,973)
	26.60%	26.70%
Tax expense calculated		
Using statutory rates	**(3,274)**	(3,998)
Non-deductible items	**1,113**	(298)
Difference in foreign tax rates	**11**	50
Change in deferred tax rates	**(89)**	2
Movement in tax benefits not recognized	**(395)**	1,752
Renouncement of flow-through expenditures	**1,904**	7,538
Other	**33**	(79)
Income tax expense	**(697)**	4,967

(b) Deferred Income Tax

The following table summarizes the significant components of deferred income tax assets and liabilities:

($000s)	**December 31, 2019**	December 31, 2018
Deferred tax assets		
Property and equipment	**68**	65
Provision for reclamation liabilities	**70**	70
Financing costs	**622**	818
Non-capital loss carryforwards	**25,347**	22,547
Deferred tax liabilities		
Mineral interests	**(48,533)**	(46,789)
	(22,426)	(23,289)

(c) Unrecognized Deferred Tax Assets

The company has not recognized deferred income tax assets in respect of the following tax effected deductible temporary differences:

($000s)	**December 31, 2019**	December 31, 2018
Marketable securities	**227**	**352**
Loss carryforwards	**869**	**874**
Investment tax credits	**1,481**	**1,481**
Foreign tax credits	**268**	**268**
Mineral properties	**200**	**215**
Provision for reclamation liabilities	**1,183**	**1,507**

Deferred tax has not been recognized on the deductible temporary difference of $3.7 million (2018 - $4.0 million) relating to investments in subsidiaries as these amounts will not be distributed in the foreseeable future.

The tax losses not recognized expire as per the amount and years noted below. The deductible temporary differences do not expire under the current tax legislation. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit would be available against which the Company can utilize the benefits there from.

(d) Income Tax Attributes

As at December 31, 2019, the Company had the following income tax attributes to carry forward.

	($000s)	Expiry date
Canadian non-capital losses	**95,394**	2039
Canadian capital losses	**2,571**	Indefinite
Canadian tax basis of mineral interest	**207,840**	Indefinite
US non-capital losses	**336**	2039
US capital losses	**1,674**	2023
US tax basis of mineral interest	**8,018**	Indefinite

18. Commitments and contingencies

		Payments due by years			
($000s)	**Total**	**2020**	**2021-22**	**2023-24**	**2025-26**
Mineral interests	9,715	826	1,992	3,372	3,525
Flow-through share expenditures	441	441	-	-	-
	10,156	**1,267**	**1,992**	**3,372**	**3,525**

As reported in the Company's prior year financial statements, in early 2019 the Company received a notice from the CRA that it proposed to reduce the amount of expenditures reported, as Canadian Exploration Expenses (CEE) for the three-year period ended December 31, 2016. The Company has funded certain of its exploration expenditures, from time-to-time, with the proceeds from the issuance of flow-through shares and renounced, to subscribers, the expenditures which it determined to be CEE. The notice disputes the eligibility of certain types of expenditures previously audited and approved as CEE by the CRA. The Company strongly disagrees with the notice and responded to the CRA auditors with additional information for their consideration. Subsequent to the year end, the CRA auditors responded to the Company's submission and, although accepting additional expenditures as CEE, reiterated that their position remains largely unchanged and subsequently issued reassessments to the Company reflecting the additional CEE expenditures accepted and $2.15 million of Part XII.6 tax owing. Based on these reassessments, the Company anticipates that the CRA will reassess investors with reduced CEE deductions. The Company's and investors' reassessments can be appealed to the courts. The Company has indemnified the investors that subscribed for the flow-through shares. The potential tax indemnification to the investors is estimated to be $11.8 million. No provision has been recorded related to the tax nor the potential indemnity as the Company and its advisors do not consider it probable that there will ultimately be an amount payable.

Exhibit 99.3

SEABRIDGE GOLD INC.

MANAGEMENT'S DISCUSSION AND ANALYSIS

FOR THE YEAR ENDED
DECEMBER 31, 2019

SEABRIDGE GOLD INC.

Management's Discussion and Analysis

The following is a discussion of the results of operations and financial condition of Seabridge Gold Inc. and its subsidiary companies for the years ended December 31, 2019 and 2018. This report is dated March 26, 2020 and should be read in conjunction with the audited consolidated financial statements for the years ended December 31, 2019 and 2018, the Company's Annual Information Form filed on SEDAR at www.sedar.com, and the Annual Report on Form 40-F filed on EDGAR at www.sec.gov/edgar.shtml. Other corporate documents are also available on SEDAR and EDGAR as well as the Company's website www.seabridgegold.net. As the Company has no operating project at this time, its ability to carry out its business plan rests with its ability to sell projects or to secure equity and other financings. All amounts contained in this document are stated in Canadian dollars unless otherwise disclosed.

The consolidated financial statements for the year ended December 31, 2019 and the comparative year ended December 31, 2018 have been prepared by the Company in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board.

Company Overview

Seabridge Gold Inc. is a company engaged in the acquisition and exploration of gold properties located in North America. The Company's objective is to provide its shareholders with exceptional leverage to a rising gold price. The Company's business plan is to increase its gold ounces in the ground but not to go into production on its own. The Company will either sell projects or participate in joint ventures towards production with major mining companies. During the period 1999 through 2002, when the price of gold was lower than it is today, Seabridge acquired 100% interests in eight advanced-stage gold projects situated in North America. Seabridge's principal projects include the KSM property located in British Columbia and the Courageous Lake property located in the Northwest Territories. In 2016, the Company acquired 100% of the common shares of SnipGold Corp. ("SnipGold") and its 100% owned Iskut Project and both in British Columbia. In 2017, the Company purchased 100% of Snowstorm Exploration LLC and its Snowstorm Project in Nevada. Seabridge's common shares trade in Canada on the Toronto Stock Exchange under the symbol "SEA" and in the United States on the New York Stock Exchange under the symbol "SA".

Selected Annual Information

Summary Operating Results ($000s- except per share amounts)	2019	2018	2017
Corporate and administrative expenses	$ (13,340)	$ (12,370)	$ (13,673)
Environmental rehabilitation expense	-	(7,439)	(2,056)
Other income - flow-through shares	1,218	6,312	5,374
Gain on disposition of mineral interests	-	-	2,183
Impairment of investment in associate	-	(1,336)	-
Equity loss of associate	(200)	(160)	(107)
Impairment of investments in marketable securities	-	-	(680)
Gain on investments in marketable securities	-	-	719
Interest income	279	164	149
Income tax recovery (expense)	697	(4,967)	(2,164)
Finance expense and other	(267)	(144)	(32)
Net loss	$ (11,613)	$ (19,940)	$ (10,287)
Basic loss per share	$ (0.19)	$ (0.34)	$ (0.18)
Diluted loss per share	$ (0.19)	$ (0.34)	$ (0.18)

Summary Statement of Financial Position ($000s)	2019	2018	2017
Current assets	$ 19,213	$ 24,473	$ 20,160
Non-current assets	430,159	398,987	362,748
Total assets	$ 449,372	$ 423,460	$ 382,908
Current liabilities	$ 6,690	$ 6,502	$ 6,191
Non-current liabilities	27,659	30,403	21,079
Equity	415,023	386,555	355,638
Total liabilities and equity	$ 449,372	$ 423,460	$ 382,908

Results of Operations, 2019 Compared to 2018

The Company incurred $11.6 million net loss or $0.19 per share for the year ended December 31, 2019 compared to a net loss of a $19.9 million or $0.34 per share for the year ended December 31, 2018.

Corporate and administrative expenses, including stock-based compensation, were the most significant items contributing to losses in fiscal 2019. In 2018, corporate and administrative expenses, including stock-based compensation, environmental rehabilitation costs and impairments of investment in associate were the most significant items contributing to losses. In 2019 and 2018 other income reported for flow-through shares offset some of these expenses. These and other items are discussed further below.

Corporate and administrative expenses for 2019 were $13.3 million, up $1.0 million or 8% from prior year mainly due to $0.6 million increase in cash compensation and $0.2 million increase in stock-based compensation. Stock-based compensation overall remained unchanged at $5.4 million in 2019 compared to $5.2 million in 2018.

Cash compensation for 2019 was $4.6 million, up $0.6 million or 15% from the prior year. The increase was mainly due to higher headcount. Cash compensation is not expected to vary significantly from current levels as no significant additions to staffing levels are anticipated. Stock-based compensation is also expected to remain at current levels as the $4.0 million remaining fair value of the 2019, 2018 and 2017 grants of options and RSUs are being recognized through the consolidated statements of operations and comprehensive loss.

The Company's stock-based compensation expense related to stock options and restricted share units are illustrated on the following tables:

Options granted	Exercise price ($)	Number of options	($000s) Grant date fair value	Cancelled prior to 2018	Expensed prior to 2018	Expensed in 2018	Expensed in 2019	Balance to be expensed
March 24, 2016	13.52	100,000	684	-	658	26	-	-
August 11, 2016	17.14	50,000	438	-	349	89	-	-
December 19, 2016	10.45	890,833	6,254	94	5,506	469	185	-
December 14, 2017	13.14	605,000	4,303	-	209	3,320	556	218
October 11, 2018	16.94	50,000	421	-	-	96	238	87
December 12, 2018	15.46	568,000	4,719	-	-	276	3,107	1,336
June 26, 2019	17.72	50,000	416	-	-	-	168	248
				94	**6,722**	**4,276**	**4,254**	**1,888**

RSUs granted	Number of RSUs	($000s) Grant date fair value	Expensed prior to 2018	Expensed in 2018	Expensed in 2019	Balance to be expensed
December 14, 2017	65,000	854	136	718	-	-
December 12, 2018	68,000	1,051	-	183	868	-
December 12, 2019	140,100	2,359	-	-	274	2,085
			136	**901**	**1,142**	**2,085**

Total professional fees decreased by $0.3 million from $1.4 million in 2018 to $1.1 million in the current year. Higher professional fees in 2018 was mainly related to the fees paid to consulting firms assisting the company in seeking potential joint venture partners and corporate reorganization. Other general and administrative costs increased by $0.4 million from $1.8 million in 2018 to $2.2 million in 2019. The increase was mainly related to investor relations costs, listing fees, and travel and conferences costs. The Company does not anticipate significant increases in general and administrative costs for 2020.

In 2019, the Company recorded $1.2 million of other income related to recognizing the flow-through share premium recorded on financing completed in December 2018 and September 2019 (discussed below). In the comparative year, the Company recognized other income of $6.3 million related to the flow-through share premium recorded on larger financings completed in 2017 and 2018.

In the first quarter 2018, the Company charged $7.4 million of rehabilitation costs to the statement of operations and comprehensive loss related to the filing of a Johnny Mountain Mine reclamation report in British Columbia and the charge was added to the provision for reclamation liabilities on the statement of financial position. The report estimated the full closure at approximately $9.1 million with costs expected to be incurred over five years. Significant costs include estimates for the closure of all adits and vent raises, removal of the mill and buildings, treatment of landfills and surface water management as well as ongoing logistics, freight and fuel costs. All costs incurred in the current and comparative periods associated with these activities have been charged to the provision for reclamation liabilities.

In 2019, the Company incurred $1.3 million of environmental rehabilitation expenditures (2018 - $2.0 million) that were recorded as a reduction to the provision for reclamation liabilities on the consolidated statements of financial position. The 2019 spending was related to excavation and relocation of waste sites, on-situ soil remediation, and deconstruction and relocation of mill process equipment. The 2018 work entailed the demolition of portals and sealing of vent raises, the relocation of certain waste burial sites, overall drainage work and the cleaning and clearing of the mill for future dismantling. All costs incurred in the current and comparative period associated with these activities have been charged to the provision for reclamation liabilities.

The Company holds common shares of several mining companies that were received as consideration for optioned mineral properties and other short-term investments, including one gold exchange traded receipt. In 2019, the Company recognized an increase in fair value of investments, net of income taxes of $0.2 million. During the comparative year, the Company recognized a decrease in fair value of investments, net of income taxes of $0.5 million. The change in the fair value of these investments was recorded within comprehensive loss on the consolidated statements of operations and comprehensive loss.

The Company holds one investment in an associate that is accounted for on the equity basis. In 2019, the Company recognized $0.2 million (2018 – $0.2 million) loss in the associate. In 2018 the Company determined that the recoverability of the investment in associate was impaired and recorded a $1.3 million charge to the consolidated statements of operations and comprehensive loss. No impairments related to investment in associate were recorded in 2019.

In 2019, the Company recognized income tax recovery of $0.7 million resulting from the losses incurred during the period. The tax recovery was partially offset by the deferred tax liabilities arising from exploration expenditures related to the December 2018 and September 2019 flow-through shares issued, that were capitalized for accounting purposes but were renounced to investors for tax purposes. In 2018, the Company recognized income tax expense of $5.0 million as the renounced exploration expenditures related to the 2017 and 2018 flow-through financings significantly outweighed the losses incurred during the period.

Results of Operations, 2018 Compared to 2017

The Company incurred a $19.9 million net loss for the year ended December 31, 2018 or $0.34 per share compared to a net loss of $10.3 million or $0.18 per share for the year in 2017.

Corporate and administrative expenses, including stock-based compensation, environmental rehabilitation costs and impairment of investment in associate were the most significant items contributing to losses in fiscal 2018. In 2017, corporate and administrative expenses, including stock-based compensation, environmental rehabilitation costs and impairments of investments in marketable securities were the most significant items contributing to losses. In 2018 and 2017 other income reported for flow-through shares offset some of these expenses. In 2017, the Company also recognized gains on the disposition of mineral interests and investments in marketable securities.

Corporate and administrative expenses for 2018 were $12.4 million, down $1.3 million or 10% from prior year mainly due to a $2.3 million or 31% decrease in stock-based compensation. Stock-based compensation decreased from $7.5 million in 2017 to $5.2 million in 2018. The 2018 expense of $5.2 million was largely a result of the grant date fair value of stock option expense of $4.3 million and the remainder related to the grant date fair value of restricted share units. The higher expenses in 2017 was mainly due to the effect of expensing the grant date fair value of a higher number of options in that year compared to 2018.

Cash compensation for 2018 was $4.0 million, up $0.6 million or 17% from the prior year. The increase in cash compensation in 2018 was related to the bonus compensation earned in 2018 by certain senior management personnel that was based on the attainment of previously defined corporate objectives.

In 2018, other corporate and administrative costs were higher than the comparable year of 2017. The professional fees increased by $0.5 million from $0.9 million in 2017 to $1.4 million in 2018. The increase was mainly due to the fees paid to the consulting firms assisting the company in seeking potential joint venture partners.

In 2018, the Company recognized $6.3 million of other income related to recognizing the remaining balance of the flow-through share premium recorded on a financing completed in April 2017 and recognizing the full flow-through share premium recorded on financings completed in December 2017 and May 2018. In the comparative year, the Company recognized other income of $5.4 million related to the flow-through share premium recorded on the financing completed in April 2017.

In 2018, the Company recorded $7.4 million (2017 - $2.1 million) of environmental rehabilitation expense to the consolidated statements of operations and comprehensive loss related to the remediation and closure planning of the Johnny Mountain Mine site.

Quarterly Information

Selected financial information for the last eight quarters ending December 31, 2019 is as follows:

(unaudited)

(in thousands of Canadian dollars, exepct per share amounts)	**2019**				2018			
	Q4	**Q3**	**Q2**	**Q1**	Q4	Q3	Q2	Q1
Revenue	**-**	**-**	**-**	**-**	-	-	-	-
Loss for period	**(2,963)**	**(2,526)**	**(2,036)**	**(4,088)**	(4,030)	(2,831)	(2,403)	(10,676)
Basic loss per share	**(0.05)**	**(0.04)**	**(0.03)**	**(0.07)**	(0.07)	(0.05)	(0.04)	(0.18)
Diluted loss per share	**(0.05)**	**(0.04)**	**(0.03)**	**(0.07)**	(0.07)	(0.05)	(0.04)	(0.18)

The quarterly losses, comprised mainly of administrative expenses, were offset by varying income related to the flow through share premiums. In the first quarter 2018, the loss for the period included a significant increase in the provision for environmental rehabilitation and closure of the Johnny Mountain mine. In the fourth quarter 2018, the loss for the period included a charge related to the impairment of investment in associate. In the first quarter 2019, the loss for the period included higher stock-based compensation expense compared to other quarters as it included a $0.9 million charge related to amortization of RSUs granted in December 2018 and vested and fully expensed during the quarter.

Mineral Interest Activities

In 2019, the Company added an aggregate of $30.5 million of expenditures that were attributed to mineral interests. Of the $30.5 million expenditures, $1.7 million related to the fair value of common shares issued to purchase and extinguish a net smelter return that was held on certain claims within the KSM Project, $0.9 million related to the fair value of common shares issued to Tahltan Nation as part of a cooperative and benefit agreement between the Company and the Tahltan Nation, and $0.5 million related to the fair value of common shares issued to purchase additional claims adjacent to but within the Snowstorm project. Cash expenditures of $27.2 million were made at KSM (64%), Courageous Lake (8%), Iskut (12%), and Snowstorm (17%).

At KSM, based on the drilling program completed in 2018, the Company updated its mineral resource estimate for the Iron Cap deposit in 2019. Iron Cap is one of four large gold/copper porphyry deposits within the KSM Project. The updated resource estimate incorporated all previous drillings plus 20,341 meters of diamond core drilling completed in 18 holes during the 2018 program. The update increased the size of the overall resource and with further study, exploration and evaluation could take a more prominent place in eventual mine planning and has the potential to improve project economics. The 2019 exploration program at KSM included deep penetrating geophysical techniques, west of the known deposits, to refine potential drill targets. Geophysical tools have also focused on improving resolution on deep targets and generating discrete zones for further testing. These studies, combined with the study of waste characterization and geotechnical drilling completed in 2018, led to the decision to commence a drill program to test an area within the Sulphurets zone over 16 shallow holes. Additional study of the surveys and evaluation of the drilling will continue into 2020. The Company also commenced preparing a technical report including an updated pre-feasibility study (PFS) and updated preliminary economic assessment (PEA) for KSM to be finalized in 2020.

The 2019 exploration programs at Iskut commenced at the end of the second quarter and continued through the fourth quarter and entailed the use of deep penetrating geophysical techniques to define potential drill targets. Results of the studies will be carried out into early 2020. In addition to the exploration work at Iskut, the Company continued with the 2019 portion of the reclamation and closure activities at the Johnny Mountain mine site.

The 2019 exploration program at Snowstorm commenced in the first quarter of 2019 where a ground geophysical study was completed. The results of the study further refined drill targets and the first drill program commenced in the third quarter and continued into the fourth quarter. Results of the studies and drilling will be carried out into 2020.

No field work was carried out at Courageous Lake in 2019, however the Company continues to evaluate the results of the 2018 exploration and the drilling program that identified two new gold zones, Olsen and Marsh Pond, and also found two other target zones that, with additional work, could potentially contribute to the resource base.

Liquidity and Capital Resources

The Company's working capital position at December 31, 2019, was $12.5 million, down from $18.0 million at December 31, 2018. Included in current liabilities at December 31, 2019 is $0.1 million for flow-through premium liability which is a non-cash item (December 31, 2018 - $0.8 million) and will be reduced as flow-through expenditures are incurred. Decrease in cash resources, including cash and cash equivalents and short-term deposits, was the net result of cash used in environment and exploration projects and corporate and administrative costs, partially offset by cash raised through financing (discussed below) and exercise of options. In 2019, the Company received $5.2 million upon exercise of 503,831 stock options. Subsequent to December 31, 2019, the Company received $0.3 million upon exercise of 30,967 stock options.

During the third quarter 2019, the Company closed a private placement financing and issued 1.2 million common shares of the Company at a price of $17.02 per common share for gross proceeds of $20.4 million.

During the third quarter 2019, the Company also issued 100,000 flow-through common shares at $24.64 per common share for aggregate gross proceeds of $2.5 million. The Company committed to renounce its ability to deduct qualifying exploration expenditures for the equivalent value of the gross proceeds of the flow-through financing and transfer the deductibility to the purchasers of the flow-through shares. The effective date of the renouncement is December 31, 2019. At the time of issuance of the flow-through shares, $0.5 million premium was recognized as a liability on the consolidated statements of financial position. During 2019, the Company incurred $2.0 million of qualifying exploration expenditures and $0.4 million of the premium was recognized through other income on the consolidated statements of operations and comprehensive loss.

During the second quarter of 2019, the Company filed a short form base shelf prospectus with securities commissions in Canada and a corresponding registration statement on Form F-10 with the United States Securities and Exchange Commission. The shelf prospectus filings will allow the Company to make offerings of common shares up to an aggregate total of C$100 million until June 2021 and provides flexibility should additional funding be required for general corporate purposes or future exploration and evaluation work on the Company's projects. Common shares may be offered in amounts, at prices and on terms to be determined based on market conditions at the time of sale and set forth in one or more shelf prospectus supplements and, subject to applicable regulations, may include at-the-market transactions, public offerings or strategic investments.

During the fourth quarter of 2019, the Company entered into an agreement with two securities dealers, for an At-The-Market offering program, entitling the Company, at its discretion, and from time to time, to sell up to US$40 million in value of common shares of the Company directly on the New York Stock Exchange. This program can be in effect until the Company’s current C$100 million Shelf Registration Statement expires in June 2021. Net proceeds from the ATM Facility can be used to advance exploration and development of the Company's projects, potential future acquisitions, and for working capital and general corporate purposes. During the fourth quarter of 2019, the Company issued 231,084 shares, at an average selling price of $17.58 per share, for net proceeds of $4.0 million under Company’s At-The-Market offering. Subsequent to December 31, 2019, the Company issued 382,807 shares, at an average selling price of $17.96 per share, for net proceeds of $6.7 million under the Company’s At-The-Market offering.

In December 2018, the Company issued 250,000 flow-through common shares at $20.50 per share for aggregate gross proceeds of $5.1 million. Proceeds of this financing was used to fund the 2019 KSM and Iskut programs. The Company committed to renounce its ability to deduct qualifying exploration expenditures for the equivalent value of the gross proceeds of the flow-through financing and transfer the deductibility to the purchasers of the flow-through shares. The effective date of the renouncement was December 31, 2018. A $0.8 million premium was recognized as a liability on the consolidated statements of financial position with the balance recorded as share capital. During 2019, $5.1 million of qualifying exploration expenditures were incurred and the entire $0.8 million premium was recognized through other income on the consolidated statement of operations and comprehensive loss.

In November 2018, the Company closed a non-brokered private placement of one million common shares at a price of $14.00 per share for gross proceeds of $14.0 million. As part of the private placement agreement, the Company also granted an option to increase the size of the private placement by an additional 250,000 common shares exercisable until December 24, 2018. The 250,000 options were fully exercised on December 14, 2018 at the price of $14.00 per share, for additional gross proceeds of $3.5 million.

In May 2018, the Company closed a flow-through financing and issued 1,150,000 common shares at $17.16 per share for gross proceeds of $19.7 million. The Company committed to renounce its ability to deduct qualifying exploration expenditures for the equivalent value of the gross proceeds of the flow-through financing and transfer the deductibility to the purchasers of the flow-through shares. The effective date of the renouncement was December 31, 2018. Since the close of financing and to the end of 2018, the Company incurred qualifying expenditure equal to the gross proceeds of $19.7 million and fulfilled its commitment. At the time of issuance of the flow-through shares, a $4.1 million premium was recognized as a liability on the consolidated statements of financial position with the balance recorded as share capital. Since the closing of the financing and to the end of 2018, based on qualifying expenditures incurred, the full $4.1 million premium was fully recognized through other income on the consolidated statements of operations and comprehensive loss.

During 2019, operating activities, including working capital adjustments, used $10.9 million cash compared to $9.4 million cash used by operating activities in 2018. The increase in the year-over-year basis was mainly related to $1.0 million increase in HST receivable balance (explained below), and $0.6 million increase in cash compensation, partially offset by $0.7 million decrease in environmental rehabilitation disbursements. Increase in cash compensation was mainly due to increase in headcount. In 2019, $1.3 million of rehabilitation expenditures were made compared to $2.0 million in 2018. Operating activities in the near-term are not expected to deviate significantly from the current year.

As reported in the Company's prior year financial statements, in early 2019 the Company received a notice from the CRA that it proposed to reduce the amount of expenditures reported, as Canadian Exploration Expenses (CEE) for the three-year period ended December 31, 2016. The Company has funded certain of its exploration expenditures, from time-to-time, with the proceeds from the issuance of flow-through shares and renounced, to subscribers, the expenditures which it determined to be CEE. The notice disputes the eligibility of certain types of expenditures previously audited and approved as CEE by the CRA. The Company strongly disagrees with the notice and responded to the CRA auditors with additional information for their consideration. Subsequent to the year end, the CRA auditors responded to the Company's submission and, although accepting additional expenditures as CEE, reiterated that their position remains largely unchanged and subsequently issued reassessments to the Company reflecting the additional CEE expenditures accepted and $2.15 million of Part XII.6 tax owing. Based on these reassessments, the Company anticipates that the CRA will reassess investors with reduced CEE deductions. The Company's and investors' reassessments can be appealed to the courts. The Company has indemnified the investors that subscribed for the flow-through shares. The potential tax indemnification to the investors is estimated to be $11.8 million. No provision has been recorded related to the tax nor the potential indemnity as the Company and its advisors do not consider it probable that there will ultimately be an amount payable.

During 2016, upon the completion of an audit of the application by tax authorities of the British Columbia Mineral Exploration Tax Credit ("BCMETC") program, the Company was reassessed $3.6 million, including accrued interest, for expenditures that the tax authority has categorized as not qualifying for the BCMETC program. The Company recorded a $3.6 million provision within non-trade payables and accrued expenses on the consolidated statements of financial position as at December 31, 2016, with a corresponding increase to mineral interests. In 2017 the Company filed an objection to the reassessment with the appeals division of the tax authorities and paid one-half of the accrued balance while the objection is reviewed. In early 2019, the Company received a decision from the appeals division that the Company's objection was denied, and the Company filed a notice of appeal with the British Columbia Supreme Court. The Attorney General of Canada replied to the facts and arguments in the Company's Notice of Appeal and stated its position that the Company's expenditures did not qualify for the BCMETC program. The Company is now in the discovery process with the Department of Justice and will continue to move the appeal process forward as expeditiously as possible. The Company intends to continue to fully defend its position. The Canada Revenue Agency (CRA) has withheld HST credits due to the Company that would fully cover the residual balance, including interest, should the Company be unsuccessful in its challenge.

The Company will continue its objective of advancing its major gold projects, KSM and Courageous Lake, and to further explore the Iskut and Snowstorm Projects to either sell or enter into joint venture arrangements with major mining companies.

Contractual Obligations

The Company has the following commitments:

		Payments due by years			
($000s)	Total	2020	2021-22	2023-24	2025-26
Mineral interests	9,715	826	1,992	3,372	3,525
Flow-through share expenditures	441	441	-	-	-
	10,156	**1,267**	**1,992**	**3,372**	**3,525**

Outlook

In 2020 at KSM, the Company will complete an updated resource statement as well as an updated PFS and PEA for the project. Results are expected in the second quarter of 2020. Environmental monitoring and technical studies that support the overall project will be undertaken and the Company will commence funding certain bonding requirements related to Fisheries Act permit applications. Limited exploration at KSM will be undertaken but will include complete three-dimensional models, utilizing machine learning modules, of the KSM mining district.

At Iskut, the Company will carry out an exploration program to complete the initial evaluation of a gold-copper porphyry deposit at the Quartz Rise target. The program is designed to aggressively test the Quartz Rise target below a mineralized diatreme and along the chargeability anomaly identified during the 2018 and 2019 exploration programs. The exploration program will operate two diamond drill rigs to initially test if porphyry mineralization continues beneath the Quartz Rise diatreme and if the east-west trending chargeability anomaly identified in 2019 is indicative of a porphyry system.

At Snowstorm, the Company plans to conduct an exploration program to complete drill testing of two targets with the objective of refining the potential for a discovery in the southwest part of the property.

The Company continues to evaluate the results of the 2018 exploration and drill program at Courageous Lake and will evaluate the merits of various future work programs.

Given the special challenges posed by the COVID-19 virus, the Company's has taken steps to accentuate its operation as a virtual company by eliminating in-person meetings and business travel and encouraging work from home. Additionally, management is evaluating whether or not the exploration programs at Iskut and Snowstorm mentioned above can achieve their objectives given the difficult operating requirements imposed by the virus and the need to protect personnel and contractors. The Company expects to make decisions on these programs in May once more is known about the evolution of the virus. Delaying these programs by a year would not impact the Company's land holdings obligations and management remains hopeful that the programs can proceed this year as planned. Ongoing compliance with existing permits and regulatory authorizations will continue as required.

Internal Controls Over Financial Reporting

The Company's management under the supervision of the Chief Executive Officer and Chief Financial Officer are responsible for designing adequate internal controls over financial reporting or causing them to be designed under their supervision in order to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Management is responsible for establishing and maintaining adequate internal controls over financial reporting. Management evaluated the effectiveness of the Company's internal controls over financial reporting as of December 31, 2019 based on criteria established in Internal Control – Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). Based on that evaluation of the internal controls at December 31, 2019, management has concluded that the Company's internal controls and procedures are appropriately designed and operating effectively. The registered public accounting firm that audited the Company's consolidated financial statements has issued their attestation report on management's assessment of the effectiveness of internal control over financial reporting as of December 31, 2019.

Changes to Internal Controls Over Financial Reporting

There was no change in the Company's internal controls over financial reporting that occurred during the period beginning on October 1, 2019 and ended on December 31, 2019 that has materially affected, or is reasonably likely to materially affect, the Company's internal controls over financial reporting.

Disclosure Controls and Procedures

Disclosure controls and procedures have been designed to ensure that information required to be disclosed by the Company is recorded, processed, summarized and reported within the time periods specified in the rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by the Company is accumulated and communicated to management as appropriate, to allow timely decisions regarding required disclosure. The Company's Chief Executive Officer and Chief Financial Officer have concluded, based on their evaluation of the design of the disclosure controls and procedures as of December 31, 2019, that they are appropriately designed and effective.

Limitations of controls and procedures

The Company's management, including the Chief Executive Officer and Chief Financial Officer, believe that any internal controls over financial reporting and disclosure controls and procedures, no matter how well designed, can have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance that the objectives of the control system are met.

Shares Issued and Outstanding

At March 26, 2020, the issued and outstanding common shares of the Company totaled 63,924,261. In addition, there were 2,972,183 stock options, 140,100 RSUs and 500,000 warrants outstanding. Assuming the conversion of all of these instruments outstanding, there would be 67,536,544 common shares issued and outstanding.

Related Party Transactions

During 2019, there were no payments to related parties other than compensation paid to key management personnel. During 2018, a private company controlled by an officer was paid $200,400 for legal services rendered. These transactions were in the normal course of operations and were measured at the exchange amount, which is the amount of consideration established and agreed to by the related parties.

Recent Accounting Pronouncements

Refer to Note 3 (M) in the Company's audited consolidated financial statements for the year ended December 31, 2019.

Critical Accounting Estimates

Critical accounting estimates used in the preparation of the consolidated financial statements include the Company's estimate of recoverable value of its mineral properties and related deferred exploration expenditures, the value of stock-based compensation, asset retirement obligations, deferred income tax, and potential tax contingencies. All of these estimates involve considerable judgment and are, or could be, affected by significant factors that are out of the Company's control.

The factors affecting stock-based compensation include estimates of when stock options and compensation warrants might be exercised and the stock price volatility. The timing for exercise of options is out of the Company's control and will depend upon a variety of factors, including the market value of the Company's shares and financial objectives of the stock-based instrument holders. The Company used historical data to determine volatility. However, the future volatility is uncertain.

The recoverability of the carrying value of mineral properties and associated deferred exploration expenses is based on market conditions for minerals, underlying mineral resources associated with the properties and future costs that may be required for ultimate realization through mining operations or by sale. The Company is in an industry that is dependent on a number of factors including environmental, legal and political risks, the existence of economically recoverable reserves, the ability of the Company and its subsidiaries to obtain necessary financing to complete the development, and future profitable production or the proceeds of disposition thereof.

The provision for asset retirement obligations is the best estimate of the present value of the future costs of reclaiming the environment that has been subject to disturbance through exploration activities or historical mining activities. The Company uses assumptions and evaluates technical conditions for each project that have inherent uncertainties, including changes to laws and practices and to changes in the status of the site from time-to-time. The timing and cost of the rehabilitation is also subject to uncertainty. These changes, if any, are recorded on the consolidated statements of financial position as incurred.

The Company has net assets in Canada and the United States and files corporate tax returns in each. Deferred tax liabilities are estimated for tax that may become payable in the future. Future payments could be materially different from our estimated deferred tax liabilities. We have deferred tax assets related to non-capital losses and other deductible temporary differences. Deferred tax assets are only recognized to the degree that it shelters tax liabilities or when it is probable that we will have enough taxable income in the future to recover them.

Risks and Uncertainties

The risks and uncertainties are discussed within the Company's most recent Annual Information Form filed on SEDAR at www.sedar.com, and the Annual Report on Form 40-F filed on EDGAR at www.sec.gov/edgar.shtml.

Forward Looking Statements

The consolidated financial statements and management's discussion and analysis and any other materials included with them, contain certain forward-looking statements relating but not limited to the Company's expectations, intentions, plans and beliefs. Forward-looking information can often be identified by forward-looking words such as "anticipate", "believe", "expect", "goal", "plan", "intend", "estimate", "may" and "will" or similar words suggesting future outcomes, or other expectations, beliefs, estimates, plans, objectives, assumptions, intentions or statements about future events or performance. Forward-looking information may include reserve and resource estimates and expected changes to them, estimates of future production and related financial analysis, unit costs, costs of capital projects and timing of commencement of operations, and is based on current expectations that involve a number of business risks and uncertainties. Factors that could cause actual results to differ materially from any forward-looking statement include, but are not limited to, failure to establish estimated resources and reserves, the grade and recovery of ore which is mined varying from estimates, capital and operating costs varying significantly from estimates, delays in obtaining or failures to obtain required governmental, environmental or other project approvals, inflation, changes in exchange rates, fluctuations in commodity prices, delays in the development of projects and other factors. Forward-looking statements are subject to risks, uncertainties and other factors that could cause actual results to differ materially from expected results.

Potential shareholders and prospective investors should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those suggested by the forward-looking statements. Shareholders are cautioned not to place undue reliance on forward-looking information. By its nature, forward-looking information involves numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. The Company undertakes no obligation to update publicly or otherwise revise any forward-looking information whether as a result of new information, future events or other such factors which affect this information, except as required by law.