Suite 730 - 800 West Pender Street Vancouver, BC V6C 1J8

www.mining.bc.ca

October 23, 2024

Senator Dan Sullivan Senator Lisa Murkowski Representative Mary Peltola

By email: <u>sen.lisa.murkowski@akleg.gov;</u> <u>sen.dan.sullivan@akleg.gov;</u> mary.peltola@mail.house.gov

Dear Alaska Congressional Delegation,

I am writing in response to your August 13, 2024 letter to U.S. President Joseph R. Biden regarding your views on British Columbia's (BC) mining activities on the Taku, Stikine, and Unuk transboundary rivers in Southeast Alaska. As the President and CEO of the Mining Association of British Columbia (MABC), I want to express our shared commitment to the health and sustainability of these vital waterways. The rivers that link our regions hold immense significance for both BC and Alaska. I want to assure you that BC's mining industry is deeply committed to maintaining the highest standards of environmental stewardship, particularly regarding water quality and the health of aquatic ecosystems in our shared transboundary rivers.

Responsible Mining and Mine Development

We acknowledge your concerns surrounding the unfortunate heap leach pad failure at Eagle Gold Mine in Yukon and any potential downstream impacts. However, it is crucial to note that BC's mining industry operates under a different regulatory framework than Yukon's. We can confidently affirm that BC's mining industry operates under stringent, science-driven laws and regulations that cover every aspect of the mining lifecycle – from mineral exploration to mine closure, reclamation, and ongoing monitoring. These regulations are designed to protect our environment, and by extension, the transboundary watersheds we share with Alaska.

Importantly, over the past seven years, the BC government has introduced significant reforms to modernize and strengthen these laws, including implementing a new *Mines Act*, a revised Health, Safety and Reclamation Code, establishing a mines investigations unit and mine audits unit within the mines ministry, updated water quality guidelines, a new major mines reclamation security policy, and continuous monitoring efforts. Notably, in 2021, BC was the first jurisdiction in North America to create an independent Chief Mines Auditor and Mines Audit Unit mandated to evaluate the effectiveness of the province's mining laws and regulations to support continuous improvement in safety and environmental protection. As a result, BC's mining industry now meets some of the most stringent global standards for Environmental Assessment (EA), operational permitting, enforcement, and post-closure monitoring and reclamation.



Moreover, BC's mining regulations are not static. They are regularly reviewed by government, regulators and a <u>Health, Safety and Reclamation Code Review Committee</u> composed of representatives from labour, Indigenous Nations and industry. This unique ongoing review process ensures BC's mining laws and regulations are consistent with world-leading standards for environmental protection, health and safety, and post-closure reclamation, which we wholeheartedly support.

Clean up of the former Tulsequah Chief Mine

We share your concerns regarding Tulsequah Chief Mine and are equally committed to seeing the site fully reclaimed and closed at the earliest opportunity. The government of BC, Teck Resources Limited and Taku River Tlingit First Nation (TRTFN) are taking a collaborative approach to jointly advance remediation of the former Tulsequah Chief Mine site and to ensure the mine is remediated and restored to natural conditions, according to Tlingit values and cultural principles of environmental stewardship and BC's modern reclamation requirements.

A significant positive development in this effort was <u>announced</u> on June 24, when Teck announced it will voluntarily undertake and fund site investigation work in 2024-25 and will also lead the implementation of the final closure plan which will be co-developed by Teck and the TRTFN. This collaborative effort is a significant step forward in addressing the environmental impacts of this site and demonstrates our collective commitment to resolving this long-standing issue. You can view the work plan presentation of Tulsequah Chief Mine <u>here</u>.

Reclamation Securities for Major Mines

In response to your call for the "establishment of binding and enforceable international protections and financial assurances for any potential impacts in transboundary watersheds," I would like to highlight BC's new reclamation security policy which mandates substantial bonding requirements for major mines that surpass those of most other global jurisdictions. This ensures mine operators are fully responsible for covering the costs of the environmental reclamation associated with mine closure.

Since 2015, BC mining companies have significantly increased the reclamation security amount held by the BC government. As of March 31, 2024, the province had secured \$4.13 billion, or 93% of the total liabilities. The current total liability for major mines is estimated at \$4.46 billion and the gap is expected to be closed within one to two years. For more information, you can review BC's presentation about Reclamation Security here.

Collaborating with Alaskans

Regarding your call for "establishing an international framework to prevent and resolve disputes in these transboundary waters," I would like to emphasize there is already a strong and effective relationship between Alaska and British Columbia in matters pertaining to the transboundary region. The British Columbia-Alaska Memorandum of Understanding (MoU) and Statement of Cooperation reflect both governments' joint commitment to enhance and safeguard our shared rivers, watersheds and fisheries. This partnership led to the formation of the Technical Working Group on Monitoring (TWGM), tasked with collecting transboundary water quality data.

The TWGM's <u>report</u> found that samples collected downstream from the British Columbia-Alaska border did not exceed Alaska water quality standards and were consistent with baseline water quality sampling conducted by numerous industry partners. The TWGM report also found that overall aquatic conditions in the Taku, Stikine and Unuk transboundary rivers support and sustain aquatic life. The British Columbia mining industry strongly supports ongoing monitoring efforts in these watersheds to ensure their continued well-being.

Given the existing monitoring and collaborative efforts and that the water quality of the BC/Alaska transboundary rivers has consistently met Alaska's stringent standards, we believe involving the International Joint Commission may not be the most effective or necessary use of resources. Instead, we advocate for continued strengthening of the existing bilateral working group, which includes senior officials from both Alaska and BC and was established specifically to build relationships and address key environmental topics related to our shared border and waterways. The senior officials of the bilateral working group meet formally twice a year to discuss key environmental topics and are supported by staff who meet monthly to make progress on joint actions. One notable example of this collaboration is the joint open house hosted in Juneau in June, which successfully facilitated information sharing, answered questions and addressed concerns regarding BC-based projects in the transboundary region.

Engagement with Alaska

Furthermore, at the grassroots level, the BC Environmental Assessment Office (EAO), already receives input and feedback from Alaskan Tribes, stakeholders, and U.S. Federal and State agencies for any mining project undergoing the environmental assessment process within the transboundary region. Our industry is also committed to engaging with Alaskan tribes and U.S. Federal and State agencies to understand and address their concerns, ensuring a collaborative and transparent approach. Notable examples of this commitment include:

- Seabridge Gold, the owner of the KSM Project located within the transboundary region
 has extensively engaged with Alaskan Tribes and stakeholders throughout the
 environmental assessment process and after. This includes more than 140 ongoing
 meetings, interactions and correspondence. In response to the concerns raised by
 Alaskan regulators, tribal groups, and communities, Seabridge Gold made substantial
 adjustments to its water management approach.
- The BC Environmental Assessment Office has been engaging with the Southeast Alaska Indigenous Transboundary Commission (SEITC) through the <u>Alaska Tribal Transboundary Advisory Committee</u> since September 2021, for Skeena Resources' Eskay Creek Revitalization Project, which is also located within the transboundary region.

Advancing Responsible Water Management

The perception that mining activities inherently degrade water quality is not accurate. In fact, modern water management practices employed by mining companies not only protect, but in some cases, enhance water quality around mine sites. A prime example of this is the Red Dog Mine, situated approximately 80 miles north of Kotzebue in Alaska, owned and operated by Teck Resources. Before the establishment of the Red Dog Mine, water quality in Red Dog Creek was declining naturally and lacked aquatic life. However, effective water management practices and

treatments by Teck Resources have positively impacted downstream water quality and aquatic life preservation. This was <u>validated</u> by the Alaska Department of Environmental Conservation in 2005, underscoring the positive outcomes of responsible water management practices.

Similarly, Seabridge Gold's comprehensive water management strategy for the KSM Project in the transboundary region is designed not only to effectively manage water affected by mining activities but also to recover the natural water quality of Mitchell and Sulphurets Creeks and the Unuk River, which is known to be subpar.

Another example of the BC mining industry's commitment to responsible development is also the remediation work occurring at the former Johnny Mountain Mine, an abandoned underground mine situated on the Iskut River, upstream from the BC - Alaska border. Seabridge Gold has been voluntarily working in partnership with the Tahltan Nation for the past eight years to properly remediate and close this mine and bring the site back to its pre-mining condition. We invite you to watch the video showcasing the work Seabridge Gold has accomplished.

BC Indigenous Communities Support Responsible Mine Development

As you know First Nation communities attach a high importance to protecting their ancestral lands. In the transboundary region and throughout British Columbia, Indigenous participation and partnership is required to pursue a mine development project or to operate a mine. In 2019, the Government of British Columbia became the first jurisdiction in Canada to implement the United Nations Declaration on the Rights of Indigenous Peoples (UNDRIP) by passing the Declaration Act. Under the Act, the Tahltan Central Government and the Government of British Columbia have entered into several consent-based decision-making agreements. These historic agreements govern the environmental assessments of mine developments in Tahltan territory, much of which is in the transboundary region.

Critical Minerals: a Cross-Border Priority

Thank you for acknowledging the crucial role that Canadian copper and critical minerals play in U.S. and allied national security. However, regarding your comment "there is no need to sacrifice environmental protections in order to safeguard our security and power our communities," I must once again emphasize that both our industry and the BC government are unwavering in their commitment to environmental protection which includes transboundary watersheds. Mining operations in British Columbia are conducted with the highest standards of safety, responsibility, and respect for our shared environment.

As neighbours, we remain committed to ongoing dialogue and cooperation with Alaska and would be glad to meet with you at your earliest convenience to address any questions or concerns you may have about the industry. To this end, I would like to extend an invitation for you to join us on a site tour of current and prospective projects in the transboundary region next spring. This visit would offer an excellent opportunity for in-depth discussion about British Columbia's mining practices and our industry's role in the responsible supply of critical minerals.

If you are interested in the site tour or need more information, please feel free to contact me at mgoehring@mining.bc.ca.

Sincerely,

Michael Goehring
President and CFO

michael Goetning

CC: The Honorable David L. Cohen, U.S. Ambassador to Canada

Mr. James P. DeHart, U.S. Consul General, Vancouver

The Honorable Antony Blinken, U.S. Department of State

The Honorable Michael Regan, U.S. Environmental Protection Agency

Adam Barratt, Consul General of Canada, Seattle

Terri Lomax, Statewide Program Manager, Alaska Department of Environmental Conservation, State of Alaska

Hon. Jonathan Wilkinson, Minister of Energy and Natural Resources, Government of Canada

Hon. Melanie Joly, Minister of Foreign Affairs, Government of Canada

Michael Vandergrift, Deputy Minister, Natural Resources Canada, Government of Canada

David Morrison, Deputy Minister, Foreign Affairs, Government of Canada

Jeff Labonte, Associate Deputy Minister, Natural Resources Canada, Government of Canada

Kimberly Lavoie, Assistant Deputy Minister, Natural Resources Canada, Government of Canada

Glen Linder, Director General, Americas, Foreign Affairs, Government of Canada Stephen Gluck, Deputy Director, U.S. Transboundary Affairs, Foreign Affairs, Government of Canada

Kyle Harrietha, Chief of Staff to the Minister of Energy and Natural Resources Canada, Government of Canada

Peter Wilkinson, Chief of Staff to the Minister of Foreign Affairs, Government of Canada Hon. Josie Osborne, Minister of Energy, Mines and Low Carbon Innovation, Government of British Columbia

Hon. George Heyman, Minister of Environment and Climate Change Strategy, Government of British Columbia

Matt Smith, Chief of Staff to the Premier, Government of British Columbia

Shannon Baskerville, Deputy Minister, Energy, Mines and Low Carbon Innovation, Government of British Columbia

Kevin Jardine, Deputy Minister, Environment and Climate Change Strategy, Government of British Columbia

Silas Brownsey, Deputy Minister, Intergovernmental Relations Secretariat, Government of British Columbia

Elenore Arend, Associate Deputy Minister and Chief Executive Assessment Officer, BC Environmental Assessment Office, Government of British Columbia Tania Demchuk, Assistant Deputy Minister, Mines Authorization and Competitiveness Division, Ministry of Energy, Mines and Low Carbon Innovation, Government of British Columbia

George Warnock, Assistant Deputy Minister, Health, Safety and Reclamation Division, Ministry of Energy, Mines and Low Carbon Innovation, Government of British Columbia Laurel Nash, Assistant Deputy Minister, Southeast Initiatives Secretariat, Ministry of Environment and Climate Change Strategy, Government of British Columbia Andrew Rollo, Executive Director, Tulsequah Reclamation, Ministry of Energy, Mines and Low Carbon Innovation, Government of British Columbia Tim McEwan, Senior Vice President, Corporate Affairs, Mining Association of British Columbia