



## Environmental groups: KSM a bad investment

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Two organizations have collaborated on an analysis questioning the profitability and feasibility of Kerr-Sulphurets-Mitchell, the largest of the mines planned in watersheds that start in British Columbia and empty into Southeast Alaska.

Salmon Beyond Borders, a coalition of Southeast Alaskans concerned about transboundary mines, and Earthworks, an environmental group, produced a report which says KSM, which would empty into the Unuk River watershed, is a risky investment for several reasons.

It's risky because of "unfavorable economics... use of discredited mine waste tailings dam technology... unprecedented water management... (and) political opposition increasing with calls for (the) International Joint Commission," the groups wrote.

The International Joint Commission intercedes in disputes under the 1909 Boundary Waters Treaty, which many Southeast Alaskans believe large Canadian mines in transboundary regions violate. Many municipalities, tribes, and Southeast Alaska residents, as well as Alaska's congressional delegation, have requested IJC involvement.

The report points to recent predictions of low metal prices, a Mount Polley independent review panel report that, for safer and more reliable toxins storage, urged the discontinuation of the kind of tailings dam KSM plans, and the huge amounts of water the mine will need to treat each year — up to 20.8 billion gallons per year, with post-closure water treatment costs geophysicist and mining expert David Chambers estimates will be at least \$1 billion.

The Mount Polley panel, which reviewed the cause of the tailings dam failure at the mine in August of last year, said cost is no longer a good enough reason not to use better tailings dam technology, especially given the size of mines like KSM.

"While economic factors cannot be neglected, neither can they continue to pre-empt best technology," the report stated.

In addition to environmental and operative risks, Earthworks and Salmon Beyond Borders' report cites recent writings on websites like "Seeking Alpha" — which had earlier articles

looking positively upon Seabridge Gold, KSM's parent company — saying investment advisors are “unimpressed” by the mine.

Seabridge Gold Vice President of Environmental Affairs Brent Murphy did not return a call for comment.

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