



Wednesday, June 17, 2015

Report Questions Economic Feasibility of Proposed British Columbia Mine

A new report released this morning takes aim at a proposed mine in northwest British Columbia, contending that it faces mounting economic and political challenges. The analysis of Seabridge Gold's Kerr-Sulphurets-Mitchell mine was written by the environmental organization Earthworks and Salmon Beyond Borders, a coalition of Alaska Native tribal members and commercial, sport and subsistence fishermen. They are concerned that the KSM mine would have a severely adverse impact on salmon habitat in nearby trans-boundary rivers flowing into Southeast Alaska.

The report (<http://earthworksaction.org/ksmrisk>) points to "Mine 2015: The gloves are off," a lengthy annual review of global trends in mining by Price Waterhouse Coopers (www.pwc.com), and contends that Seabridge's economic feasibility analysis is based on unrealistic metal prices.

According to the analysis, KSM's low-grade deposit, remote location and lack of infrastructure make the economics problematic. The PWC report itself speaks only to the top 40 global mining firms, saying the general outlook for the global metals and mining market remains subdued due to the combination of a slower rate of global economic growth, particularly in emerging markets. Seabridge Gold, a junior mining company, will hold its annual shareholders meeting on June 24 in Toronto.

The analysis is critical of what it describes as discredited mine waste tailings dam technology. It says KSM's plan to leave submerged tailings after mine closure conflicts with the disaster review panel's recommendations after the Mount Polley tailings dam disaster in British Columbia. And because KSM is a sulfide ore body, it is likely to require water treatment in perpetuity for acid mine drainage, the analysis said.

The analysis also notes political opposition to the KSM mine, with Alaska's congressional delegation raising concerns and asking Secretary of State John Kerry to conduct bilateral discussions with the Canadian government, in the wake of the Mount Polley mine disaster.

http://fnonlinenews.blogspot.com/2015/06/report-questions-economic-feasibility.html?utm_source=FN+Online+061715&utm_campaign=FNOnline&utm_medium=email

