

SEABRIDGE GOLD

Report to Shareholders Quarter Ended March 31, 2024

Recent Highlights

- Submits application to BC government for Substantially Started Status for KSM
- Issues 2023 report card and 2024 corporate objectives
- Files NI-43-101 Technical report for an economic Courageous Lake Project
- Submits permit application to construct balance of the Mitchell Treaty Tunnel ("MTT")
- Plans 15,000-meter core drill program at Iskut to test for copper-gold source intrusions
- 2024 drill program at 3 Aces to move the project towards resource estimation

Application for KSM Substantially Started Status submitted to B.C. Regulators

Following more than two years of early site construction activities, on January 16, Seabridge's 100% owned subsidiary KSM Mining ULC ("KSMCo") formally applied to the British Columbia Environment Assessment Office ("BC EAO") for Substantially Started Status for its 100% owned KSM Project.

Under the B.C. Environmental Assessment Act, a project's environmental assessment certificate ("EAC") expires if the project has not been substantially started by the deadline specified in its EAC. However, the B.C. Minister of Environment and Climate Change Strategy or Associate Deputy Minister (the "Minister") may determine that a project has been 'substantially started' before the deadline, in which case the EAC remains in effect for the life of the project. A life-of-project EAC is an important consideration for our prospective KSM joint venture partners.

KSM's current EAC deadline is July 29, 2026. In determining whether a project has been substantially started, the Minister assesses, on a project-specific basis, whether sufficient permanent on-site physical improvements have been completed to warrant the designation. Examples of B.C. mining projects designated as 'substantially started' include Galore Creek, Kemess and Kitsault.

Since 2021, when Seabridge made the decision to commence early construction activities, \$444 Million has been spent on permanent site construction, focusing on roads and bridges, all-season living facilities for our personnel, hydroelectric power infrastructure and new fish habitat compensation facilities.

Letters of support for the application were submitted by the Tahltan Central Government, the Nisga'a Lisims Government, B.C. Hydro, District of Stewart, City of Terrace, District of New Hazelton, Town of Smithers, Office of the Gitksan Hereditary Chiefs and the District of Kitimat-Stikine.

Seabridge hopes to receive the Substantially Started designation in 2024.

2023 Report Card and 2024 Corporate Objectives

For more than 20 years, Seabridge has set and published annual objectives and reported on the results at the end of each year. We call it our report card. [Here](#) is a link to our report card for 2023. Our degree of success measured against annual objectives is used to determine "at-risk" compensation for senior management and bonus considerations for other employees. Here are the 15 objectives set for 2024 and the weighting factors assigned by our Board.

#	2024 Objectives	Weighting (%)
1	Enter a joint venture agreement on the KSM project with a suitable partner on terms advantageous to Seabridge shareholders	20.5
2	Secure a minimum of \$50 million in new funding to continue to advance construction activities at the BC Hydro switching station which will provide low cost, green hydro power for KSM	12.0
3	Exit 2024 with more gold resources per common share than reported at year end 2023 (including 100% of KSM)	6.0
4	Continue to improve cybersecurity systems to ensure ongoing confidentiality and integrity of Company data and employee access to it	3.0
5	Achieve a positive Substantial Start decision from the B.C. government ensuring that our KSM environmental approvals are valid for the life of the project	13.0
6	Prepare Seabridge Gold and KSM Mining ULC for transition to a Joint Venture Partnership	4.0
7	Initiate and advance a sale/joint venture process for Courageous Lake to unlock shareholder value	4.5
8	Remain in compliance with permit conditions, reporting, regulator inspections and regulator technical requests for all projects	4.5
9	Continue to strengthen our social license with Indigenous Partners and local communities	5.5
10	Continue to mature our risk management programs and systems	3.5
11	Continue to develop and update our sustainability strategy to incorporate the values of Seabridge and reflect the requirements of regulatory and government agencies	4.5
12	Promote a positive culture of Health and Safety through continuous improvement in key leading indicators and initiatives implemented in 2023	4.0
13	File a new Technical Report for Bronson Slope incorporating 2023 drill results and an updated resource estimate and complete a drill program of at least 12,500 meters at Iskut for an evaluation of two deep copper-gold porphyry targets	6.5
14	Complete a drill program at 3 Aces of at least 8,000 meters to evaluate resource expansion potential at three targets in the Central Core Area and complete an initial evaluation on three regional targets	5.5
15	Continue to evaluate the potential for a Getchell style discovery at Snowstorm and progress the permitting on a northern Nevada rift target at Goldstorm	3.0

New Courageous Lake PFS shows significant improvements over its 2012 predecessor

In February, a new NI-43-101 Technical Report was filed for Seabridge's 100%-owned Courageous Lake project located in Canada's Northwest Territories. The new Technical Report includes the results of an updated Preliminary Feasibility Study (the "2024 PFS") and a new Preliminary Economic Assessment (the "2024 PEA") that evaluates a conceptual expansion of the Courageous Lake open pit beyond the 2024 PFS mine plan.

The 2024 PFS shows a considerably more sustainable and profitable mining operation than its 2012 predecessor, with reduced initial capital, lower strip ratio, higher grade and a smaller mine

footprint. Notable improvements in the 2024 PFS compared to the 2012 PFS include:

- 73% increase in after-tax NPV5% to US\$523 million from US\$303 million in 2012
- 50% reduction in initial capital from US\$1,522 million to US\$747 million
- Increased after-tax IRR from 7.3% to 20.6%
- Reduced capital payback period from 11.2 years to 2.8 years
- Average gold reserve grade increased 19% from 2.2 g/t to 2.6 g/t
- Life of mine strip ratio reduced by 39% from 12.5 to 7.58
- 38% increase in estimated measured and indicated gold resources from 8.0 million to 11.0 million ounces (145.2 million tonnes at an average grade of 2.36 grams of gold per tonne)

The 2024 PEA is a standalone mine plan that evaluates a conceptual expansion of the Courageous Lake open pit below the base of the permafrost after the 2024 PFS reserve has been completely mined out. None of the Mineral Resources used in the 2024 PEA mine plan have been used in the 2024 PFS.

The 2024 PEA establishes the potential for a much longer mine life beyond the 2024 PFS. The PFS uses less than 30% of the estimated M&I gold resource. The PEA includes inferred resources requiring more drilling as well as additional engineering work to qualify as a PFS. Seabridge is confident that the PEA reflects the potential for a greatly extended mine life and that the entire estimated M&I resource represents a meaningful call on gold for our shareholders.

More detail in respect of the 2024 PFS and 2024 PEA is set forth in the Company's news release of January 16, 2024 and the full Technical Report is available on the SEDAR+ website at www.sedarplus.ca.

Application for permits to construct the balance of the MTT

The design of the KSM Project as approved in our Environmental Assessment Certificate includes the MTT complex, two 23 km long parallel tunnels that connect the mine sites to the milling area located near an environmentally suitable valley for tailings disposal. Approximately 12.5 km of the MTT route passes through 11 mineral exploration claims held by Tudor Gold Corp ("Tudor"). We have therefore taken care to obtain the priority rights to occupy and use the provincially owned lands through which the MTT must pass, including the Tudor mineral exploration claims.

KSMCo (a 100% owned subsidiary of Seabridge) currently holds a number of permits required for the MTT including a Mines Act permit M-245 ("M-245") covering a portion of the MTT construction; a License of Occupation (LoO) for the proposed MTT route, and a Conditional Registration Reserve ("CRR") granted by the Provincial Gold Commissioner. These authorizations were granted by the appropriate government agencies in 2014.

As we have advised in our ongoing disclosures, Tudor has contested our MTT rights and made an application to the province to cancel M-245 and the LoO on the arguments that the BC government did not legally have the power to grant these rights to us and that the rights granted to us have caused irreparable damage to the value of their claims. These arguments were refuted by the BC government. On November 17, 2023, the BC Ministry of Water, Land, and Resource Stewardship (WLRS) stated that the province has the legal authority to grant the LoO, that their records show the LoO is in good standing and there is no justification for canceling it under the empowering statute or relevant LoO provisions.

The British Columbia Ministry of Energy, Mines and Low Carbon Innovation (EMLI) reissued their original letter responding to Tudor's application and in their reissued letter dated February 28, 2024 stated that ***"a Conditional Registration Reserve (CRR) was established by the Chief Gold Commissioner, for the MTT area, in 2012, and the CRR prohibits the obstruction, endangerment, or interference, with the construction, operation, and maintenance of the tunnel works by any free miner, including Tudor"***.

The LoO provides KSMCo the right to occupy the area in which it intends to construct the MTT. Once the MTT is constructed, the License will be converted into a statutory right of way for the entire length of the MTT, including the 12.5 km of the MTT that passes through mineral claims owned by Tudor. In the normal course, our existing LoO expires on September 27, 2024. KSMCo has updated the associated management plan and submitted an application for renewal of the LoO at the request of the applicable regulatory authority.

An amendment application for M-245 requesting permission to construct the remainder of the MTT not already permitted was submitted to the British Columbia Ministry of Energy, Mines and Low Carbon Innovation (EMLI) on April 2, 2024. In support of the amended application for M-245, KSMCo has completed 50 holes totaling approximately 34,000 meters of geotechnical drilling and detailed engineering along the entire MTT route including Tudor's mineral claims.

2024 Iskut drill program to focus on copper-gold porphyry targets

A fully funded, \$12 million drill program is planned for the Company's 100%-owned Iskut Project located in the Golden Triangle of northwest B.C. about 30 km. by air from KSM. The 2024 program will concentrate on testing for the source copper-gold porphyry that has driven the intermediate sulfidation epithermal mineral systems recognized in our 2023 program.

Our growing Bronson Slope Mineral Resource and our 2023 discovery of similar mineralization at Snip North are interpreted to be high-level expressions of intrusive related porphyry mineralization. The 2024 search for these source intrusions will employ three helicopter-portable drill rigs to complete approximately 15,000 meters of core drilling this year.

The 2023 Iskut program discovered extensive epithermal-style mineralization that is consistent with the upper parts of significant porphyry copper-gold mineral systems. The expansion of the Bronson Slope mineral resource and the new discoveries at Snip North have given us clear direction on where to focus our efforts. These intrusive targets appear to be embedded in a district-scale structural trend that is reminiscent of our KSM deposits and this year's work is dedicated to realizing the porphyry potential we had in mind when we acquired the Iskut project.

2024 Drill Program at 3 Aces to Pursue Confirmed Exploration Model

Preparations are underway at Seabridge's wholly owned 3 Aces project in Canada's Yukon to expand upon the comprehensive exploration model confirmed from last season's drill program. This year's program is a multi-pronged effort to apply the exploration model to new targets within the Central Core, evaluate the size and potential of existing zones, and assess the exploration model at regional targets across the larger 3 Aces property.

The fully funded program plans to complete additional geophysical surveys and about 8,000 meters of core and reverse circulation drilling in the Central Core Area and outlying targets on the 357 km² 3 Aces property at a budgeted cost of \$6.0 million.

Over the past two years, Seabridge's exploration team has confirmed several key parameters that are critical to localizing gold concentrations in the Central Core Area. Findings from last season's program give us confidence in our ability to expand mineralized zones utilizing our robust exploration model. We are excited to apply this understanding across more of the 3 Aces land package. We view this year's work as pivotal for moving the project towards resource delineation.

The Gold Market

We believe we have entered a new gold market characterized by gold's return to a significant role in the global financial system. The evidence comes in two forms. First, gold no longer trades in tandem with long established financial parameters. The gold price no longer trends down with real rates of interest or Treasury yields. Gold is trading independently of the US dollar. As the gold price rises, holdings of the metal by western physical gold ETFs have fallen precipitously and open interest on COMEX has not expanded as it has historically, remaining essentially flat.

Second, gold is being accumulated aggressively by non-western purchasers. Supporting this

observation are increasing shipments by refiners to oil producing states, persistent price premiums in China and elsewhere in Asia and continuing high levels of buying from non-western Central Banks. It is clear that BRICS nations are using gold to settle trade transactions, especially oil purchases. In 2021, the percentage of global oil transactions taking place in currencies other than the US dollar was zero. In 2023, it was estimated at 20%. In these transactions, gold is being used for final settlement in place of the US dollar. In parallel, Central Banks are increasing their gold reserves while reducing their US dollar denominated reserves.

Remarkably, even these observable phenomena do not explain the full measure of the transition occurring in the gold market.

The World Gold Council's April 30th publication of Gold Demand Trends found 136 tonnes of Q1 2024 OTC gold demand and 290 tonnes of Central Bank purchases: 208 tonnes larger than official IMF data at 82 tonnes. Thus, the first-quarter 2024 gold price average of \$2,083/oz that rose to \$2,363/oz in April 2024 appears to have been driven by over 344 tonnes or nearly 12 million oz of unknown gold demand.

Analyst John Tumazos of Very Independent Research LLC speculates: "It is possible that China buys over 1,500 tonnes or 50 million oz or \$100 billion of gold annually, or about 25 t/month disclosed and over 100 t/month not disclosed, to target over 10,000 tonnes of gold reserves. Such buys may explain gold purchases and enable China after 5 years at such rates to own 10,000 tonnes, up from 2,257.5 tonnes in IMF disclosures on February 2024, to exceed the USA at 8,133.5 tonnes. Such would please President Xi and slow gains in U.S. dollars or treasury bonds with over \$50 billion in monthly trade surpluses with the U.S."

One thing is certain: gold is no longer just a passive Central Bank asset and safe haven asset for investors in troubled times.

Financial Results

During the three-month period ended March 31, 2024 Seabridge posted a net loss of \$8.2 million (\$0.09 per share) compared to a net loss of \$10.8 million (\$0.13 per share) for the same period in 2023. During the 1st quarter, Seabridge invested \$39.3 million in mineral interests project spending compared to \$48.6 million in the 1st quarter of 2023. At March 31, 2024, net working capital was \$43.2 million compared to \$54.5 million at December 31, 2023.

On Behalf of the Board of Directors,



Rudi P. Fronk
Chairman and Chief Executive Officer
May 13, 2024