

EXECUTIVE SUMMARY

Overview of the Assessment Report

This Assessment Report summarizes the findings and recommendations of the environmental assessment for the Eskay Creek Revitalization project (ECRP), an open pit gold-silver mine proposed by Eskay Creek Mining Limited, a wholly owned subsidiary of Skeena Resources Limited (Skeena). This Report outlines key issues, engagement with Indigenous nations, environmental, social, health, economic and cultural effects, including cumulative effects, and proposed measures to mitigate potential adverse impacts. This report aims to inform the provincial Ministers responsible for making a decision on whether to issue an environmental assessment certificate and the federal Minister of Environment and Climate Change (or Governor in Council) for decision-making under the *Impact Assessment Act*.

Project Details

Skeena is proposing to restart mining operations at the former Eskay Creek Mine in northwestern British Columbia (B.C.), using conventional open-pit methods to produce gold and silver concentrate for export to overseas smelters. The ECRP would yield 0.20–0.25 million ounces of gold and 5.5–7.0 million ounces of silver annually, contributing to global precious metals supply and creating economic opportunities for local communities and Indigenous nations. Ore would be processed onsite and concentrate trucked along Highways 37 and 37A to port facilities in Stewart for overseas shipment.

Located within the Regional District of Kitimat-Stikine, the proposed mine site overlaps with the territory of the Tahltan Nation, whose consent is required under a [Declaration Act Agreement](#). The proposed transportation route also intersects with other Indigenous nation territories, including Tsetsaut Skii km Lax Ha, and Gitanyow Nation, as well as Nisga'a Lands, the Nass Wildlife Area, and the Nass Area, and use areas of the Métis Nation of British Columbia. ECRP would utilize existing infrastructure from the former mine and add new facilities, including material, ore processing, and water management systems.

Regulatory Review

ECRP is subject to an environmental assessment under B.C.'s *Environmental Assessment Act* and an impact assessment under Canada's *Impact Assessment Act*. On November 29, 2022, the federal Minister of Environment and Climate Change approved the substitution of the federal impact assessment to the Province of B.C. The Environmental Assessment Office (EAO) conducted the substituted assessment to meet both provincial and federal requirements, thereby enabling decisions under both B.C.'s *Environmental Assessment Act* and Canada's *Impact Assessment Act*. The EAO prepared this Assessment Report in consultation with a technical advisory committee, which included federal, provincial and local government representatives with the mandates and skill sets relevant to the review of the Application, as well as representatives of Indigenous nations potentially affected by ECRP activities. The Impact Assessment Agency of Canada also provided advice to the EAO in relation to fulfilling requirements of the *Impact Assessment Act*.

Assessment of Effects

The EAO assessed all effects as required by the *Environmental Assessment Act* and effects within federal jurisdiction required under the *Impact Assessment Act*. This assessment was informed by the Revised Application provided by Skeena as well as comments received from Indigenous nations, the Technical Advisory Committee, the Community Advisory Committee, the Alaska Tribes Transboundary Advisory Committee, and the public.

The EAO assessed effects on valued components that were identified as potentially affected by ECRP, specifically: air quality, noise and vibration, groundwater, surface water, fish and fish habitat, terrain and soils, vegetation and ecosystems, wildlife and wildlife habitat, human health, infrastructure and services, non-traditional land and resource use, visual resources, employment and economy, and heritage resources. In its assessment, the EAO concluded whether any adverse effects to these valued components would be significant.

The EAO also assessed potential effects to other assessment matters required under provincial legislation, including: risks and uncertainties associated with effects, interactions between effects, disproportionate effects on distinct human populations, consistency with land use plans, effects on biophysical factors that support ecosystem function, greenhouse gas emissions, effects of the environment on the project, risks of malfunctions and accidents, alternative means of carrying out the project, effects on current and future generations, and ECRP's contribution to sustainability in B.C.

The EAO also assessed potential effects on federal assessment matters, specifically: an adverse change to fish and fish habitat and migratory birds. The EAO also assessed adverse federal effects with respect to the Indigenous peoples of Canada, specifically: an adverse impact resulting from any changes to the environment on cultural and physical heritage, current use of lands and resources for traditional purposes, and any structure, site or thing that is of historical, archaeological, paleontological or architectural significance, and a change to health, social or economic conditions. The EAO determined whether adverse federal effects are likely to be, to some extent, significant, and if so, to what extent.

Indigenous Nations

On June 6, 2022, the Tahltan Central Government and the Province entered into the first consent-based decision-making agreement under the *Declaration on the Rights of Indigenous Peoples Act* for ECRP, known as the [Declaration Act Agreement](#). Under the Declaration Act Agreement, TCG conducted their own assessment of ECRP (the Tahltan Risk Assessment) to support a Tahltan Leadership decision as to whether to consent to ECRP proceeding. The Tahltan Risk Assessment incorporates Tahltan requirements for scope, criteria, methods, and assessment standards and practices. TCG also had the ability to propose their own terms and conditions in order to inform their Consent Decision. The EAO and TCG worked closely together to assess potential effects to Tahltan Nation and its interests, and to appropriately mitigate and reduce those effects.

The highway transportation route between the mine site and the port at Stewart, by which Skeena would transport concentrate, supplies and personnel for the ECRP, overlaps the Nisga'a Nass Area and Nass Wildlife Area, as well as the territory of Tsetsaut Skii km Lax Ha and Gitanyow Nation. The EAO also worked collaboratively with the Nisga'a Nation, as represented by Nisga'a Lisims Government, under the Nisga'a Final Agreement, and engaged with Tsetsaut Skii km Lax Ha and Gitanyow Nation throughout the environmental assessment.

The EAO also consulted with Métis Nation British Columbia, on behalf of the federal Crown as part of the substituted assessment.

The EAO, on behalf of the provincial and federal Crown, consulted with these First Nations throughout the substituted assessment process. The Impact Assessment Agency of Canada worked in coordination with the EAO on consultation activities leading up to the substitution decision and throughout the effects assessment phase.

Key Issues

Several key issues arose during the assessment process. To mitigate potential adverse effects, Skeena proposed a suite of mitigation measures as part of project design and operations. Additionally, the EAO has proposed provincial conditions as legally binding requirements in the event an environmental assessment certificate is issued. The EAO also recommended federal Key Mitigation Measures and Follow-up Programs to the Impact Assessment Agency of Canada to inform federal decision making under the *Impact Assessment Act*. If approved, the ECRP would also require a number of additional provincial, federal and municipal approvals and permits that would impose additional requirements.

Effects on Water Quality: The ECRP's location within the upper Unuk River watershed raised substantial concerns about effects on water quality and quantity, especially related to drinking water, groundwater/surface water interactions, cultural practices, and health of fish and aquatic habitat. Skeena revised its plan from two to one optimized water treatment plant and committed to monitoring programs and adaptive management. However, uncertainty remains around the undefined duration of required water treatment, which Tahltan Nation viewed as "in perpetuity" and inconsistent with their sustainability goals. The EAO concluded that, with extensive mitigation measures and conditions, the ECRP would not cause significant adverse residual or cumulative effects on water resources.

Effects on Fish and Fish Habitat: Healthy fish populations are central to local food security, cultural well-being, and ecological integrity, making potential impacts to fish and fish habitat a key issue. Concerns regarding possible fish spawning near the site, selenium contamination, and downstream effects on fish consumers were raised, and Skeena responded with updated water treatment and seepage control measures, site-specific selenium bioaccumulation modelling, and revisions to their aquatic effects monitoring program. The EAO determined that with these additional mitigation and monitoring commitments, and proposed provincial and federal Certificate conditions, significant adverse residual or cumulative effects on fish and fish habitat are not expected.

Socio-Community Effects: While the ECRP is anticipated to bring positive economic benefits such as jobs, revenue, and business opportunities, concerns were raised about socio-community impacts, particularly for Indigenous communities near the ECRP. This could include risks of gender-based violence, healthcare infrastructure strain, and mental health impacts associated with transient workforces. Skeena committed to zero-tolerance policies for violence and harassment, fly-in-fly-out staffing to limit migration to local communities, local hiring, and supports for mental health, along with a socio-economic monitoring plan and the creation of a Tahltan Community Liaison Committee. The EAO concluded that, with federal, provincial, and Tahltan conditions in place, the ECRP is not expected to result in significant adverse residual or cumulative socio-community impacts.

Increased Traffic on Highways 37 and 37A: The ECRP would rely on the existing Eskay Creek Mine Access Road, which connects to Highway 37, and Highways 37 and 37A to transport concentrate, equipment and personnel. These highways are critical for Indigenous access to cultural harvesting areas. Traffic-related impacts are a concern, including increased air

pollution, wildlife collisions, noise, and effects on community well-being. Skeena committed to setting speed limits, installing signage, and incorporating traffic-related mitigation measures into its plans. Noise and vibration effects were determined to be within acceptable levels, though community concerns about noise were carried forward to be addressed through the Tahltan Community Liaison Committee and EAO's proposed conditions. With these mitigations, the EAO concluded that significant adverse residual or cumulative effects from traffic, including on wildlife, vegetation, noise, and community health, are not anticipated.

Long-term Impacts to Land, Water and People: Concerns from the Indigenous nations focused on the long-term legacy of the ECRP, including permanent habitat loss, soil and water impacts, and implications for Indigenous communities beyond mine closure. Tahltan Nation raised persistent concerns about uncertainties in reclamation and restoration and the potential for perpetual water treatment, questioning alignment with the Tahltan Sustainability Requirements. Skeena acknowledged these concerns and committed to ongoing engagement on reclamation and closure planning through *Mines Act* requirements and Tahltan conditions, including provisions for future generations. The EAO recognized long-term impacts as a key issue but concluded that with integrated reclamation planning, monitoring, and proposed provincial and federal conditions, significant adverse residual or cumulative long-term effects are not expected.

Conclusions

The EAO carefully considered all information submitted by Skeena, Indigenous nations, local governments, the Alaska Tribal Transboundary Advisory Committee, the Community Advisory Committee, the Technical Advisory Committee, and the public. Based on a thorough analysis of the assessment materials, the proposed mitigation measures, acceptable implementation of the proposed provincial conditions, the recommended federal Key Mitigation Measures and Follow-up Programs under the *Impact Assessment Act*, and the permitting and other regulatory requirements that the ECRP would be subject to, the EAO has determined that the ECRP is not likely to result in significant adverse project-specific effects or contribute significantly to adverse cumulative effects. The ECRP also has the potential to provide significant economic benefits, particularly for the Tahltan Nation and other Indigenous communities as well as local communities.

In reaching its conclusions, the EAO considered the effects in federal jurisdiction under the *Impact Assessment Act* and concluded that adverse residual and cumulative federal effects are not significant for aquatic species, migratory birds, and greenhouse gas emissions. With respect to the Indigenous peoples of Canada, the EAO determined adverse residual, and cumulative federal effects are not significant for physical and cultural heritage, any structure, site or thing that is of historical, archaeological, paleontological or architectural significance, the current use of lands and resources for traditional purposes, and health, social or economic conditions.

Based on the assessment, the EAO is of the view that:

- Provincial requirements for the ECRP established through proposed Certificate conditions and subsequent permitting processes would minimize adverse effects on the environment;
- The ECRP would foster a sound economy by providing continuing and new employment, contracting, and training opportunities, by generating higher wages in the region, and would contribute financial support to Indigenous nations and taking steps towards the goal of economic reconciliation with Tahltan Nation; and
- While the ECRP would have potential adverse effects on water quality, fish, traffic, and socio-community, it would also contribute to the well-being of British Columbians and their communities, including Indigenous nation

communities, by managing the effects of the ECRP on topics important to Indigenous nation and local communities, by capacity building within Indigenous nation communities and by ensuring Tahltan Nation perspectives and interests are integrated in construction, operation and decommissioning of the ECRP.