Appendix A
Table of Concordance

1. Table of Concordance

Project Certificate Terms and Conditions

Hydrology and Hydrogeology

No.	Term and Conditions	Comments
16	The Proponent shall ensure that the water related infrastructure or facilities that are designed and constructed, including the modification of culverts, diversion of watercourses, and diversion of runoff into watercourses along the railway, access roads, the Milne Tote Road, and other areas of the Project site, are consistent, with those proposed in the FEIS in terms of type, location, and scope and that the requirements of all relevant regulatory authorities are satisfied advance of constructing those facilities.	Refer to section 4.1
17	The Proponent shall develop and implement effective measures to ensure that effluent from project-related facilities and/or activities, including sewage treatment plants, ore stockpiles, and mine pit, satisfies all discharge criteria requirement established by the relevant regulatory agencies prior to being discharged into the receiving environment.	Refer to site drainage plans in the Appendix D for monitoring and sampling locations. Also refer to Table 10-2 and Section 6.
18	The Proponent shall carry out continued analyses over time to confirm and update, accordingly, the approximate fill time for the mine pit lake identified in the FEIS.	This shall be included in the updated abandonment and reclamation plan.
19	The Proponent shall ensure that it develops and implement adequate monitoring and maintenance procedures to ensure that the culverts and other conduits that may be prone to blockage do not significantly hinder or alter the natural flow of water from areas associated with the proposed mine. In addition, the Proponent shall monitor, document and report the withdrawal rates for water removed and utilized for all domestic and industrial purposes.	Refer to section 4.3 and section 10.2 for Water Quality and Quantity Monitoring and Table 10.2

Groundwater and Surface Waters

No.	Term and Conditions	Comments
20	The Proponent shall monitor the effects of explosives residue and related by-products from project-related blasting activities as well as develop and implement effective preventative and mitigation measures, including treatment, if necessary, to ensure that the effects associated with the manufacturing, storage, transportation and use of explosives do not negatively impact the Project and surrounding areas.	Refer to Borrow Pit and Quarry Management Plan (dated March 2013) and Quarry Management Plan – Milne Inlet Quarry Q1 (dated March 2013) Refer to the Explosives Management submitted as part of the FEIS (Refer to Explosives Management Submitted as part of the FEIS).
21	The Proponent shall ensure that the scope of the Aquatic Effects Monitoring Plan (AEMP) includes, at a minimum, monitoring of non-point sources of discharge, selection of appropriate reference sites, measures to ensure the collection of adequate baseline data and the mechanisms proposed to monitor and treat runoff, and sample sediments.	Refer to the AMEP Framwork (dated March 2013) and the monitoring section of the Comprehensive Environmental Monitoring Plan (March 2013)
22	The Proponent shall develop a detailed Sediment and Erosion Management Plan to prevent and/or mitigate sediment loading into surface water within the Project area.	Refer to drainage drawings in Appendix A as well as section 4.1 and 4.2
23	The Proponent shall develop and implement a Groundwater Monitoring and Management Plan to monitor, prevent and mitigate the potential effects of the Project on groundwater within the Project area.	Refer to section 10-2.2
24	The Proponent shall monitor as required the relevant parameters of the effluent generated from Project activities and facilities and shall carryout treatment if necessary to ensure that discharge conditions are met at all times.	Refer to section 10-2 and Table 10-2
25	The Proponent shall undertake the additional geotechnical investigations to identify sensitive landforms, modify engineering design for Project infrastructure, develop and implement preventative and/or mitigation and monitoring measures to minimize the impacts of the Project's activities and infrastructure on sensitive landforms.	Refer to section 4.
26	The Proponent shall develop and implement a comprehensive erosion management plan to prevent or minimize the effects of destabilization and erosion that may occur due to the Project's construction and operation.	Refer section 4.1, 4.2 and Table 10.1
28	The Proponent shall monitor the effects of the Project on the permafrost along the railway and all other Project affected areas and must implement effective preventative measures to ensure that the integrity of the permafrost is maintained.	Refer to Table 10.1
29	The Proponent shall provide to the respective regulatory authorities, for review and acceptance, for-construction engineering design and drawings, specifications and engineering analysis to support design in advance for constructing those facilities. Once project facilities	Refer to section 6

	are constructed, the Proponent shall provide copies of the as-built drawings and design to the appropriate regulatory authorities.	
30	The Proponent shall develop site-specific quarry operation and management plans in advance of the development of any potential quarry site or borrow pit.	Refer to Borrow Pit and Quarry Management Plan (dated March 2013) and Quarry Management Plan – Milne Inlet Quarry Q1 (dated March 2013)

Groundwater and Surface Waters

No.	Term and Conditions	Comments
41	The Proponent shall maintain a minimum 100-metre naturally-vegetated buffer between the high-water mark of any fish-bearing water bodies and any permanent quarries with potential for acid rock drainage or metal leaching.	Refer to sections 6.1.3, 6.3.4, 6.4.2 and 6.4.7
42	The Proponent shall maintain minimum a 30-metre naturally-vegetated buffer between the mining operation and adjacent water bodies.	Refer to section 6.3.4
43	Prior to the start of construction, the Proponent must submit a Site Drainage and Silt Control Plan to the appropriate regulatory authorities for approval.	Refer to site drainage plans in Appendix D, Table 4.1 and section 6.
44	The Proponent shall meet or exceed the guidelines set by Fisheries and Oceans Canada for blasting thresholds and implement practical and effective measures to ensure that residue and by-products of blasting do not negatively affect fish and fish habitat.	Refer to Borrow Pit and Quarry Management Plan (dated March 2013) and Quarry Management Plan – Milne Inlet Quarry Q1 (dated March 2013)
45	The Proponent shall adhere to the No-Net-Loss principle at all phases of the project to prevent or mitigate direct or indirect fish and fish habitat losses.	Refer to Table 4-3.
46	The Proponent shall ensure that runoff from fuel storage and maintenance facility areas, sewage and wastewater other facilities responsible for generating liquid effluent and runoff meet discharge requirements.	Refer to site drainage plans in the Appendix D, Table 10-2 in this document and the Comprehensive Environmental Monitoring Plan (dated March 2013)
47	The Proponent shall ensure that all Project infrastructure in watercourses are designed and constructed in such a manner that they do not unduly prevent and limit the movement of water in fish bearing streams and rivers.	Refer to section 4.4, Table 4-3
48	The Proponent shall engage with Fisheries and Oceans Canada and the Qikiqtani Inuit Association in exploring possible Project specific thresholds for blasting that would exceed the requirements of Fisheries and Oceans Canada's Guidelines for the Use of Explosives In or Near Canadian Fisheries Waters (D.G. Wright and G.E. Hopky, 1998).	Refer to Table 4-3.

Appendix A to NIRB Decision Report

No.	Subject	Commitment	Action
6	Environmental Design (Contact Water)	Baffinland is committed to collecting and treating, if required, contact water generated from mining activities to ensure that relevant effluent criteria are met as established in the water licence.	Refer to section 6.
40	Monitoring (Abandonment and Restoration)	Baffinland is committed to undertaking environmental effects monitoring during the mine life mine as well as after closure.	Addressed in Abandonment and Reclamation Plan
57	Management Plans	Baffinland is committed to updating its management plans to reflect new information, new practices and changes to operating conditions.	Refer to page 1 for date of update and Section 1.5
66	Monitoring	Baffinland is committed to the development and implementation of a monitoring program during the construction and other phases of the Mary River Project.	This management plan addressed the Surface Water and Aquatic Ecosystems components. Refer to Section 10.2 and the Comprehensive Environmental Monitoring Plan (dated March 2013)

APPENDIX B – 2013 Work Plan and Site Layouts

2013 WORK PLAN

1.0 Introduction

The following document presents the activities Baffinland intends to undertake as part of its 2013 Work Plan. In the event the Project does not advance, all work items described and constructed as per the 2013 Work Plan will be subject to reclamation, as per relevant regulatory and permit obligations.

2.0 Overview of Site Activities for March 2013 to December 2013

This 2013 Work Plan provides for:

1) The development and construction of infrastructure required for site capture at Milne Port and the Mine Site for the launching of the 18 MT Mary River Project.
2) Ongoing environmental baseline data collection and geotechnical drilling in order to sustain the development of the 18 MT Project. These activities will resume at the Milne Port site, along the Tote Road, at the Mine Site, at numerous quarry sites and at other Project development areas.

The specific scope of activities to be undertaken at each Project site is presented in Section 3 of this Work Plan. The Work Plan is presented within the context of the applicable regulatory authorizations and schedule.

Baffinland holds, or will soon hold, all the permits and authorizations required to carry out the 2013 Work Plan. The main regulatory instruments that allow for the 2013 Work Plan activities include:

- Project Certificate
    - All works and activities proposed have been screened by the NIRB and have been considered in the Project Certificate issued by the NIRB on December 28, 2012.
- Type B Water Licence
    - The current Type B Water Licence (2BB-MRY1114) authorizes Baffinland to operate the existing sewage treatment plants, incinerators, landfill, wastewater treatment and other facilities regulated by the Nunavut Water Board. A request for a modification to this licence will be submitted shortly, for the construction of an additional 5ML fuel tank construction within the existing secondary containment as well as for the construction of a second PWSP pond at Milne Port (these work items are discussed in section 3.1.2 of this letter). The Type B Water Licence also authorizes Baffinland to undertake mineral exploration and geotechnical drilling programs. Prior to March 31st 2013, Baffinland will submit to the NWB an update of all the environmental management plans associated with the Type B water Licence.
- Type A Water Licence
    - The final hearings for the Type A Water Licence associated with the Project Certificate are scheduled for April 23 to 25, 2013, in Pond Inlet. Baffinland expects that the Type A Water Licence will be granted by mid June 2013. The scope of the Type A Water Licence exceeds the requirement of the 2013 Work Plan for all

activities considered in this 2013 Work Plan. Following the issuance of the Type A Water Licence, Baffinland will submit to the NWB updates for the environmental management plans associated with this Water Licence.

- Use and Storage of Explosives
  - Baffinland's Explosives Contractor will obtain the necessary permits and authorizations from NRCan for the use and storage of explosive at the Project sites. It is anticipated that these permits will be obtained prior to commencement of the 2013 Work Plan (expected in mid April 2013).
- Quarry Permits
  - Schedule 'B' Quarry Concession Agreement under IOL Commercial Lease Q10C3001.
    - It is anticipated that quarrying of rock and gravel from permitted quarry locations (as shown on Schedule "A1") of this Lease will continue. In addition, Baffinland will be applying for access and quarry permits to extract rock and gravel material adjacent and near the existing Milne Inlet Tote Road by means of an Amendment to the existing Schedule 'B' to the Lease.
  - The Project Certificate included the detailed assessment of 5 quarries. Two of these quarries will be developed at the onset of the 2013 Work Plan:
    - Quarry Q1 located at Milne Inlet – a site specific Quarry Management Plan was provided in the FEIS (Volume 3, Appendix 3B, Attachment 6: Operation and Management Plan Milne Inlet Quarry). The surface area of the quarry is 200,000 m^2 and the volume of material to be extracted is approximately 300,000 m^3.
    - Quarry QMR2 located at the Mary River Mine Site - a site specific Quarry Management Plan was provided in the FEIS (Volume 3, Appendix 3B, Attachment 6: Operation and Management Plan Mary River Mine Site Quarry). The surface area of the quarry is 252,700 m^2 and the volume of material to be extracted is approximately 538,000 m^3.
  - AANDC Land Use Permit and Quarry Permit to access existing and possibly new borrow and rock quarries adjacent and near the Tote Road.

3.0 Scope of 2013 Construction Activities

3.1 Pre-Sealift Activities – mid April to June 30, 2013

Construction activities will commence in April 2013. Equipment already on site will be used to begin earthworks and site preparation. Beginning in April 2013, key activities will include:

3.1.1 Mary River Mine Site

- Operate the Mary River Exploration Camp and increase occupancy as of mid April 2013. The camp with its associated sewage treatment plant and incinerator will operate in accordance to the terms and conditions of Baffinland's Type B Water Licence.

- Fly in pre-packaged explosives to the Mary River airstrip and transport to explosives magazines at Milne Port for storage and use in quarry operations.
- Construct camp pad and begin installation of construction camp.

3.1.2 Tote Road

Routine maintenance of the Tote Road will continue in 2013. The following activities will be undertaken prior to the sealift:

- Open the Tote Road (snow clearing) in early April;
- Relocate crusher train from the Mary River mine site to Milne quarry site (the crusher will be transported across river ice at four locations where box culverts are now in place);
- Follow up on the requirements pursuant to the Fisheries Authorization for the Tote Road Net Loss and Monitoring Program, QIA lease, and AANDC land permit and quarry permit requirements;
- Implementation of a freshet management plan for the Milne Inlet Tote Road to minimize associated environmental risks;
- Develop laydown areas for storage of explosive magazines (3 areas) in proximity of Q1 quarry at Milne Inlet. Position explosive magazines.

Milne Port

- Open the Milne Port camp site (mid April) and operate at full capacity (60 beds). Restart and operate the existing sewage treatment plant at Milne Port and the camp incinerator. The camp will operate in accordance with the terms and conditions of Baffinland's Type B Water Licence.
- Construct a second polishing waste stabilization pond (PWSP) at Milne in preparation for larger off-specification sewage treatment capacity during construction ramp up.
- Begin development of quarry Q1 1+100 (submitted with FEIS) to generate crushed and screened aggregate for the development of the Milne Port site. An estimated aggregate volume of 100,000 m^3 will be required for Milne Port site development.
- Earthworks at Milne Port prior to the sealifts will focus on the following areas:
    - Develop laydown area B (used for Owner/Contractor laydown);
    - Develop laydown area A for storage of material and equipment to be received during the 2013 sealift;
    - Develop pad for the expanded camp facilities;
    - Upgrade (extend) the airstrip runway;
    - Construct fuel tank farm secondary containment area;
    - Construct one 5ML diesel fuel storage tank within the secondary containment constructed in 2011 (same construction as existing 5 ML tank);
    - Construct laydown area for waste storage/transfer;
    - Development of parking areas for heavy equipment and rolling stock fleet to be delivered during the sealifts.

3.2 2013 Sealift – July 1st to October 1st, 2013

For Milne Port, it is expected that sealifts will occur between July 1st and October 1st, 2013. An estimated 14 barges/ships (dimension of barges approximately 35 m x 140 m) will be necessary to transport the equipment and material required for the execution of the 2013 Work Plan and execution of the work planned for January to June of 2014.

Material, equipment, fuel and supplies required for construction activities at the Mine Site and the operation of the Mary River facilities will be transported to the Mine Site via the Tote Road during the fall of 2013 and the winter of 2014.

The material, equipment, supplies, buildings and machinery received at Milne Inlet during the sealifts will consist of the following:

3.2.1 Prefabricated Buildings and Fold-away Structures

- Camps complete with dormitories, kitchen facilities, washrooms, laundry facilities;
- Pre-assembled sewage treatment facilities;
- Camp incinerators;
- Emergency services building;
- Power generation equipment with electrical distribution system (several generators ranging from 50 kW to 500 kW);
- Two concrete batch plants;
- Boiler modules;
- Temporary emulsion plant;
- All modular buildings and fold-away structures to be used for offices during the 2013-2014 period. A preliminary list is presented in the table below:

Facility	Quantity
Maintenance shops	3
Trade shops (electrical, carpentry, piping, mechanical)	3
Warehouses	3
Parking garages	3
Tire shops	3
Office complexes	3
Lunchrooms	3
Wash cars	13
Field offices and lunch rooms	10
Fold-away structures	5

3.2.2 Heavy Equipment and Rolling Stock

- All heavy equipment and rolling stock required for the construction activities scheduled from July 2013 to July 2014 (next sealift). An overview of the rolling stock is presented in the table below:

Preliminary list of Rolling Stock and Heavy Equipment			
Description	Quantity	**Description**	Quantity
Loader	26	Emulsion Delivery Trucks	3
Grader	7	Loader Snow Blower Attachments	5
Track Dozer	13	Development Rock Drills	2
Excavator	11	Production Rock Drill	2
Haul Trucks	23	Crusher 6000 Ton/Day 6" (Cone Crusher)	2
Service trucks (pick-ups)	27	45ft Van Trailer Generator	2
Skidsteer	5	Hot Box	4
Highway Tractor Truck	4	Frost Fighters	12
Low Boy Trailers	8	Drive on Compactor	8
Boom Truck	3	Walk Behind Compactor	4
80 Ton Mobile RT Crane	2	Plate Compactors	4
200 Ton Track Mount	2	Trash Pumps	8
Crane RT	1	Development Drills	4
Crawler Crane	1	Roll Off Truck	2
Vac Truck - Roll Off	2	Potable Water Tank	1
Potable Water Tanks	2	Water Truck	2
Raw Water Tanks	2	Snow Cat	2
Sewage Vac Tanks	4	Fuel and Lube Truck	4
Garbage Bins	25	Tractor Truck	2
Container Handler	2	Low Boy Float	2
Telehandler	4	Low Boy Drop Deck	2
Ambulance	2	Portable Concrete Batch Truck	2
Fire Truck	2	10 cu.yd Mixer Truck	6
Dewatering Pump	4	100ft Pump Trucks	2
Plow/Sand Truck	4	320000BTU Frost Fighter	20
Buses	8	8kW Light Towers	10
Manlift	6	20kW Whisper Watt Gen Set	7
Scissor Lifts	4	185cfm Air Compressor	2
Maintenance Truck c/w Pick	2	400 Amp Welding Machines	
Fuel Delivery Truck - B-Train	2	Portable Grout Plant (3 off Sea Cans)	
Camp Power-Genset(1250)	10	Ice Profiler	
Boiler Modules	1	4" Ice Auger	
Solution Modules	1	4 ton Propane Bullet c/w Refill Station	
Bob Cat	1	10,000 L Gasoline ISO Container	
Air Compressors	2	Rock Breaker	
Magazines	15	Spray Equipment	

3.2.3 Fuel Delivery

At least two bulk fuel deliveries will occur during the 2013 sealift. At the onset of the shipping season, arctic diesel will be delivered to fill the existing 5 ML storage tank and the newly constructed 5 ML steel tank located at the Milne tank farm. In addition, 1.5 ML of jet A fuel will also be included in the initial fuel delivery.

Throughout the summer months, construction will continue on two additional 10 ML steel tanks (within the confine of the tank farm secondary confinement) for the storage of diesel fuel.

Towards the end of the open water season, a second fuel delivery will occur to fill all tankage available at Milne Port. It is expected that this second fuel delivery will consist of 25 ML of arctic diesel and 1.5 ML of jet A fuel.

In addition to bulk fuel delivery, an estimated twelve 100,000L double wall isocontainer fuel storage tanks will be delivered to Milne Port. These isocontainers will provide the fuel storage at various quarry sites and construction sites for the execution of the 2013 Work Plan and the work scheduled for the Tote Road upgrade and bridge construction during the winter of 2014.

3.2.4 Material and Supplies

To the extent practicable, all materials and supplies required to execute the 2013 Work Plan and the work scheduled for January to June 2014 will be received during the 2013 sealifts. This includes:

- Delivery of ammonium nitrate (1.5 million kg);
- Delivery of pre-package explosives;
- Delivery of cement (12,000 tonnes);
- Delivery of construction material (generators, cabling, control centres, etc.);
- Delivery of consumables (lubricants, grease, detergents, dry goods, food, household supplies, etc.);
- Delivery of twelve 100,000L double wall isocontainers for fuel.

3.3 Construction Activities from July 1 to December 31, 2013

As mentioned in Section 2.1, Baffinland expects to be granted its Type A Water Licence by mid June 2013. As equipment and material is delivered by sealifts, additional construction activities will begin. These include:

3.3.1 Milne Port

During the sealift, most of the activities at Milne Port will focus on unloading the barges and positioning received equipment and material in designated laydown areas. In addition, the following construction activities will continue:

- Install emergency response building;
- Construct and commission two 10 ML diesel fuel steel tanks at the tank farm (construction completion before the end of sealift season);
- Construct and commission two additional 10 ML diesel fuel steel tanks at the tank farm;
- Install and commission fuel dispensing system for bulk fuel facility;
- Install and commission camp extension (100 person camp) including sewage treatment plant and incinerator;
- Install concrete batch;
- Construct landfarm;

- Ongoing decommission of the bladder farm;
- Install maintenance shops;
- Install trade shops;
- Install warming shed and parking garage;
- Install warehouses;
- Install administration buildings and field offices.

3.3.2 Tote Road

During the second half of 2013, all equipment, material, fuel, and supplies required for construction activities at Mary River will be transported from Milne Port to the Mine Site via the Tote Road.

The upgrade of the road will commence late in 2013 and is expected to take 8 to 10 months. In order to improve construction efficiency, contractors have expressed the need for establishing a temporary 49 person camp mid-way along the Tote Road.

Should this camp be required, it will be erected in the later part of 2013. Water required for the camp operation would be trucked to this camp from the Mine Site or Milne Port water supply (approved under Type A and current Type B). All sewage generated from this camp would be trucked to either the Mine Site or Milne Port sewage treatment plants. Finally, all waste generated at the camp would also be transported to either the Mine Site or to Milne Port for ultimate disposal. There will be no local discharge from this camp.

3.3.2 Mine Site

Construction activities at the Mine Site will begin shortly after the first sealift. The activities will consist of:

- Development of the quarry QM2 at Mine Site (submitted with FEIS). The expected volume of aggregate required at the Mine Site for the 2013 work is 200,000 m^3;
- Complete construction camp pad and installation of the 400 person construction camp facility including sewage treatment plant, incinerator and treated sewage storage pond(s) and discharge pipeline to Mary River;
- Upgrade (extend) of the Mary River airstrip;
- Development of equipment laydown areas for Owner/Contractor;
- Development of parking area for mobile equipment. Mobile equipment fleet will include:
    - Flat bed trucks;
    - Boom trucks;
    - Fuel Tanker trucks;
    - Water tanker trucks;
    - Cranes;
    - Excavators;
    - Graders;

    - Pick-up trucks;
- Erect/install:
    - Emergency response building;
    - Concrete batch plant;
    - Emulsion plant;
    - Maintenance shop (including truck wash facility);
    - Trade shops;
    - Warming shed and parking garage;
    - Warehouses;
    - Administration buildings and field offices.
- Construct fuel tank farm secondary containment structure;
- Install 4 x 500,000L double wall diesel fuel tank (tank complete with fuel dispenser);
- Install one 50,000L double wall jet A fuel tank;
- Transfer fuel from Milne Port tankfarm to newly install fuel tanks at the Mine Site;

4.0 Ongoing Exploration and Geotechnical Activities

It is anticipated that the 2013 field work program would include the following items:

- Potentially seasonal occupation of Steensby Inlet and Mid-Rail Camps;
- Fixed wing aircraft and helicopter to support general site activities including environmental monitoring and potentially additional exploration drilling and regional exploration;
- Geotechnical drilling and surveys at project development areas, as required to support Project design requirements:
    - The Tote Road alignment and bridge crossings, a portion of the drilling for bridge design being on ice as well as near water bodies;
    - Port site(s), with land based drilling as well as possible barge based and ice based drilling on the sea ice in Steensby Inlet;
    - Waste rock and ore disposal areas;
    - Milne Inlet Tote Road and bridge crossings, a portion of the drilling for bridge design being on ice as well as near water bodies;
    - Prospective quarry sites and borrow areas along the Tote Road.
- Continue archaeological surveys at project component areas as required.

5.0 Progressive Reclamation of the Exploration and Bulk Sample Project

There will be continued progressive reclamation of areas of current and past use in association with drilling, bulk sample, and historical exploration programs. In addition, progressive reclamation plans will include:

- Development of an action plan to address concerns from stakeholders about long term salt storage;

- The completion of a program to test and dispose of incinerator bottom ash and the development of a plan to management and dispose of ongoing generation of ash;
- Continuing with the ongoing decommissioning of the existing bladder farm at Milne Inlet and the transport of hydrocarbon impacted soils to the planned landfarm facility;
- Development and implementation of a long term multi-year plan to address localized areas of permafrost melting associated with current borrow areas, and taking into consideration the longer term plans for Tote Road upgrades and new quarry development;
- Continued progressive reclamation of areas of current and past use in association with drilling, bulk sample, and historical exploration programs;
- Demobilization of equipment and supplies not required for near term activities, as well as the current inventory of hazardous waste and other materials by means of sealift from Milne Port;
- Continued development of the Mine Site landfill and deposition of non-hazardous wastes in accordance with the landfill operations and maintenance manual; and,
- Discharge of treated sewage stored in PWSPs at Mary River Camp and Milne Inlet after treatment as required. Two periods of discharge are planned, the first corresponding to freshet (May-June), and the second later in the summer if required.

6.0 Workforce and Employment Opportunities

The site work program is expected to begin in April 2013. Until material and equipment are received by sealifts, to a large extent, development activities are limited by availability of equipment currently on site. The work force is expected to peak during the sealifts period. Current estimates of the work force are as follows:

- Milne Port:
    - Pre-sealift period: 70 person
    - Sealift period; 60 to 120 persons
    - Post sealift period: ramp up to 150 person (full camp capacity)
- Mine Site Construction personnel:
    - Pre-sealift period: 8 to 12 persons
    - Sealift period; ramp up to 250 persons
    - Post sealift period: ramp up to 180 person

The 2013 work program will offer employment opportunities for many residents of northern Baffin Island. Baffinland will endeavor to maximize Inuit employment throughout 2013. Baffinland's "Work Ready Program" along with site specific training will prepare potential Inuit employees for these job opportunities. Job advertisements for a number of positions are currently posted in all the North Baffin communities. In addition, Baffinland will provide guidance to all its Contractors for training requirements and Inuit employment in the contract documents.

7.0 Early Revenue Phase (ERP) Environmental Impact Assessment

As stated in correspondence to the NIRB on January 13, 2013, due to various business drivers, Baffinland proposes to make changes to the schedule and some activities in the initial stages of project development associated with the Mary River Project Proposal for which the NIRB recently issued Project Certificate No. 005 (the 'Project Certificate').

In its request to the NIRB, Baffinland indicated that although the Proponent remains committed in the long-term to developing the Project as authorized in the Project Certificate, in the short term Baffinland proposes to change some development activities and project timelines to accommodate a proposed "Early Revenue Phase" which would include development of a nominal 3.5 million tonnes per annum (Mt/a) road haulage operation from the Mary River mine site to a port facility at Milne Inlet for shipping of iron ore during the open water season. As noted by Baffinland, this development option was presented previously as a project alternative, and was included within the initial technical review of the Draft Environmental Impact Statement for the Mary River Project Proposal.

Baffinland recognizes that this Early Revenue Phase will require an amendment to the Project Certificate which in turn requires the submission and review of an Environmental Impact Assessment. In accordance to the directives issued by the NIRB, Baffinland expects to complete its Environmental Impact Assessment for the Early Revenue Phase (ERP) of the Project by June 2013. It is anticipated that this EIA will be submitted to the NIRB by June 30, 2013, and the proposal will be subjected to the NIRB review process which is expected to be completed by the first quarter of 2014.

Once a favorable decision is granted from the Minister of AANDC with respect to the ERP, and subject to obtaining any amendments (if any) which might be necessary to the Water Licence, Baffinland will proceed with the construction of facilities required for the completion of the ERP. This work will be included in the 2014 Work Plan, once the Project Certificate has been amended.

8.0 Potential 2014 Bulk Sampling Campaign

In addition to the scope of activities described herein, Baffinland is also considering the undertaking of a second "bulk ore sampling" campaign. This campaign would consist of mining up to 500,000 tonnes of ore for shipment to potential customers via Milne Port during the 2014 open water season. A feasibility study is in progress and a decision by Baffinland's Board of Directors on whether to proceed with this bulk sampling campaign is expected by the end of March 2013. Should the decision of the Board be favorable, an addendum to this 2013 Work Plan will be submitted in April 2013. This addendum will highlight additional activities that must be undertaken in 2013 in order to execute the 2014 bulk sampling campaign.

H349000-2000-00-015-0002

MILNE INLET

EFFLUENT DISCHARGE LOCATION
TO RECEIVING ENVIRONMENT
N:7976482.047
E:503211.450

LAYDOWN A1
EARTHWORKS
CONTRACTOR YARD

10 ML
P-50 DIESEL

5 ML
P-50 DIESEL

FUEL TANK FARM

RAMP TO BEACH

SEALIFT BARGE
LANDING AREA

DRAINAGE DIVERSION
DITCH

EXISTING HTO CABIN

LAYDOWN B1

LAYDOWN A1
AREA

EXISTING POLISHING
WASTE STABILIZATION
POND

INCINERATOR

EXISTING
BLADDER FARM

LINED STORAGE
AREA

LINED STORAGE

LAYDOWN
AREA

AIRSTRIP

EXISTING
WASTE WATER
TREATMENT
FACILITY

EXISTING TRAILER
CAMP

TENT CAMP

POWER
GENERATORS

POLISHING
WASTE STABILIZATION
POND

HAZARDOUS WASTE
BERM

750,000L
JET A FUEL

SERVICES AREA PAD B3
SITE FACILITIES, INCLUDING:

- MAINTENANCE/WAREHOUSE BUILDING
  OILY WATER TREATMENT PLANT
- WELDING SHOP BUILDING
- WORKSHOP OFFICE BUILDING

CAMP INFRASTRUCTURE PAD B2
SITE FACILITIES, INCLUDING:

- ACCOMMODATION COMPLEX
- EMERGENCY RESPONSE OFFICE
- EMERGENCY RESPONSE
  GARAGE
- SEWAGE TREATMENT
  PLANT
- POTABLE WATER
  TREATMENT PLANT
- WASTE MANAGEMENT FACILITY

WASTE DISPOSAL
LAND FARM

ROCK QUARRY NO.1

PROJECT
DEVELOPMENT
AREA

EXISTING
LAND LEASE
BOUNDARY

POTABLE
WATER SUPPLY

CONSTRUCTION PAD C
CONCRETE BATCH PLANT

TOTE ROAD

PROPOSED EXTENT OF
QUARRY

PERMITTED OPEN BURN PIT AREA

BORROW PITS

BORROW SOURCE NO.1

MILNE INLET TOTE ROAD

BORROW PITS

PHILLIPS CREEK

0 50 100 150 200 250
SCALE IN METERS

MILNE
PORT

MINE SITE

KEYPLAN

NOTES:

1. TOPOGRAPHY PROVIDED BY TERRAPOINT CANADA INC.
2. COORDINATE GRID IS SHOWN IN UTM (NAD83) ZONE 17 AND IS IN METRES.
3. CONTOURS ARE IN METRES. CONTOUR INTERVAL IS 1.5 METRES.
4. AS-CONSTRUCTED INFORMATION PROVIDED BY GENIVAR IN 2008.

LEGEND:

- WATER
- PROPOSED QUARRY
- LAYDOWN AREA (CONSTRUCTION PHASE)
- ADVANCED EXPLORATION UNDER EXISTING TYPE 'B' WATER LICENSE
- EARLY WORKS (MAY TO JULY 2013) UNDER NEW TYPE 'B' WATER LICENSE (IN PROCESS)
- CONSTRUCTION PHASE UNDER FUTURE TYPE 'A' WATER LICENSE (JULY TO DECEMBER 2013)
- EXISTING BORROW AREA (IOL COMMERCIAL LEASE)
- EXISTING ROCK QUARRY (IOL COMMERCIAL LEASE)
- RIVER/STREAM/DRAINAGE
- PROJECT DEVELOPMENT AREA
- BAFFINLAND'S COMMERCIAL LEASE ON INUIT OWNED LAND
- ROAD

Baffinland Iron Mines Corporation

MARY RIVER PROJECT

MILNE PORT

SITE LAYOUT

SCALE	DWG. NO.	REV.
1:5000 OR AS NOTED	H349000-2000-00-015-0002	A