



May 9, 2016

Hua Chang/Omer Manzer
The Bank of Nova Scotia
Trade Service Centre
61 Front Street West, 4th Floor
Toronto, Ontario
M5H 1H1

Re: Cancellation of Bank of Nova Scotia Irrevocable Standby Letter of Credit No. OSB832TOR

Dear Madam or Sir,

On behalf of Indigenous and Northern Affairs Canada (INAC), please accept this request to cancel the above referenced \$146,826.10 irrevocable standby letter of credit (letter of credit) that was issued to Her Majesty the Queen in Right of Canada, as represented by the Minister of Indian Affairs and Northern Development Canada, Payable to the Receiver General for Canada on June 24, 2013 along with its subsequent amendment.

This letter of credit was issued on Baffinland Iron Mines Corporation's behalf for reclamation security associated with the Nunavut Water Board water licence 8BC-MRY1416 issued for the Mary River Site Preparation Project that is situated in Nunavut. This licence was cancelled by the Nunavut Water Board on February 25, 2016 and its associated security is no longer required.

The letter of credit and the amendment held by INAC are provided for cancellation.

A brief overview of the letter of credit and its amendments are provided in Table 1 below.

Table 1: Bank of Nova Scotia Letter of Credit No. OSB832TOR and Amendment Held by INAC

Status	Date	Value
Original	June 24, 2013	\$122,019.00
Amendment No. 1	August 26, 2014	\$146,826.10

Please don't hesitate to contact Sarah Forté by telephone at (867) 975-3876 or email at sarah.forte@aadnc-aadnc.gc.ca for further information.

Sincerely,



Matthew Senkow

Acting Director of Resource Management
Indigenous and Northern Affairs Canada
Nunavut Region
P.O. Box 100
Iqaluit, NU
X0A 0H0

Cc. Eric Madsen, Jim Millard, Baffinland Iron Mines Corporation
Scott Burgess, Mark Rideout, INAC
Karén Kharatyan, Nunavut Water Board
Stephen Williamson Bathory, Qikitani Inuit Association