

Type 'A' Water Licence Amendment

Attachment 4: Interim Closure and Reclamation Plan for the Mary River Project and Associated Estimated Security Deposit

1. Introduction

This attachment includes all works and/or undertakings required for the Mine Closure Phase of the Project.

2. Document List

The documents and drawings which provide details Mine Closure and Reclamation are included below:

Document Title	Document Number	Description
The Interim Mine Closure and Reclamation Plan	BAF-PH1-830-P16-0012	<p>The Interim Mine Closure and Reclamation Plan has been updated from previous revisions and the Preliminary Mine Closure and Reclamation Plan presented in Volume3, Appendix 3B, Attachment 10 of the FEIS. Updates were done in accordance with applicable requirements of the Type 'B' Water Licence(s) and Type 'A' Water Licence 2AM-MRY1325, as well as requirements set forth in Commercial Lease No. Q13C301 and the expired Commercial lease No.QI0C3001.</p> <p>Three abandonment scenarios have been described in this Interim Mine Closure and Reclamation Plan: short-term temporary mine closure, long-term temporary mine closure and final mine closure. Additionally, progressive reclamation measures have been proposed to facilitate temporary and final mine closures. Specific closure and reclamation goals, objectives and criteria for all Project components are described.</p> <p>The Interim Closure and Reclamation Plan commits to post closure monitoring will until closure objectives have been achieved as shown by monitoring results. Monitoring and follow-up inspections will be conducted to assess the physical and chemical stability of various components after closure and reclamation of the facilities.</p> <p>Environmental monitoring and follow-up inspections will assess the ongoing effectiveness of the reclamation.</p>

Document Title	Document Number	Description
		<p>An estimate of the financial cost of final closure and reclamation measures for the full Project is included based on the information available at the time of publishing and will require updating as the Project progresses under the Annual Security Review process conducted in accordance with Schedule C of Type 'A' Water Licence 2AM-MRY1325.</p> <p>Drawings include:</p> <ul style="list-style-type: none"> • Project Location Map; • H337697-7000-07-012-0001 Preliminary Mine Closure and Reclamation Plan - Milne Inlet; • H337697-0000-07-126-0014 Preliminary Mine Closure and Reclamation Plan - Tote Road from Milne Inlet to Mine Site Final Closure Phase; • H337697-4210-07-012-0001 Preliminary Mine Closure and Reclamation Plan – Mine Site Construction Phase; • H337697-2000-07-012-0001 Preliminary Mine Closure and Reclamation Plan - Mine Site Final Closure Phase; • H337697-2000-07-012-0001 Preliminary Mine Closure and Reclamation Plan – Railway Alignment; • H337697-7000-07-012-0002 Preliminary Mine Closure and Reclamation Plan - Ravn River Rail Camp; • H337697-7000-07-012-0003 Preliminary Mine Closure and Reclamation Plan - Mid Rail Rail Camp
The 2014 Marginal Reclamation and Closure Security Estimate	H349000-1000-07-126-0017	<p>The 2014 Marginal Reclamation and Closure Security Estimate provides a summary of the closure and reclamation security estimated to be required to meet the reclamation objectives outlined in the Mary River Interim Mine Closure and Reclamation Plan (BAF-PH1-830-P16-0012) taking into consideration planned work in 2014 being conducted under Type 'A' Water Licence 2AM-MRY1325 and the Qikiqtani Inuit Association's Commercial Lease (No. Q13C301). A summarized cumulative estimated cost of closure and reclamation activities required for the Mary River Project to-date, upon completion of the 2014 Work Plan, is provided.</p>

Document Title	Document Number	Description
		<p>An annual adjustment to reclamation security or 'Annual Security Review (ASR)' is required both under Section 9.2 of the Commercial Lease, No. Q13C301, agreed to between Baffinland and the QIA and under Part C and Schedule C of Type 'A' Water Licence No. 2AM-MRY1325. The amount of security required to be posted following the ASR is based on both an estimate of the highest reclamation liability in the upcoming year, and considerations relating to reducing from the global security amount the equivalent financial security that may be held by the Qikiqtani Inuit Association under the land use permit to arrive at the total security amount that must be held under the Water Licence for the upcoming year. The NWB invited AANDC, QIA and other stakeholders to provide comments or updated estimates regarding the reclamation liability estimate based on the scope of Baffinland's activities and undertakings for the upcoming 2014-2015 season. Discussions, clarifications and amendments took place between relevant parties and agreement was achieved with NWB, QIA, AANDC and Baffinland for the 2014-2015 year that Baffinland's proposed additional amount presented in the 2014 Marginal Reclamation and Closure Security Estimate should be added to the global security amount.</p>