



January 13, 2015

Phyllis Beaulieu  
Manager of Licensing  
Nunavut Water Board  
P. O. Box 119  
Gjoa Haven, NU X0B 1J0

**Re: Application for Amendment to the Type 'A' Water Licence 2AM-MRY1325**

Dear Phyllis,

On October 29, 2014, Baffinland submitted its Project Description for the Phase 2 development of the Mary River Project, and, submitted to the NIRB a "Request for Reconsideration of the Terms and Conditions of Project Certificate No. 005". Phase 2 development of the Mary River Project would result in an increase in iron ore shipments from Milne Port from the approved 4.2 million tonnes per annum (mtpa).

Following receipt of a conformity determination from the NPC, the NIRB will process Baffinland's request for a reconsideration of the Mary River Project Certificate No. 005 pursuant to Section 12.8.2 of the Nunavut Land Claims Agreement, including inviting public comment regarding whether a reconsideration of the Project Certificate is necessary.

In order to complete its conformity determination, the NPC has advised Baffinland that it requires the Company to submit an application to the NWB for an amendment to its Type A Water Licence 2AM-MRY1325 (NPC letter dated December 19, 2015).

Attached is the application form for a amendment to Type A Water Licence 2AM-MRY1325 which will satisfy the NPC requirements. Baffinland understands that no amendment to the water licence can proceed until the proposed project has been approved; however, we trust that this application contains adequate detail in which the NPC may proceed with their conformity determination.

Respectfully,

A handwritten signature in black ink, appearing to read "O. Curran", with a stylized flourish at the end.

Oliver Curran  
Director, Sustainable Development

CC David Hohnstein (NWB)  
Sean Joseph (NWB)  
Megan Porter (NWB)