To: Alexandre Chaikine, Senior Environmental Assessment Specialist, CIRNAC

From: Miles Legault, Mine Manager

Cc: Scot Klingmann, Connor Devereaux, Elisabeth Luther

Date: July 10, 2024

Re: *Baffinland Waste Rock Reconciliation for Material Mined between 2014 and 2022*

Background

Baffinland has stated in the most recent Life of Mine Waste Rock Management Plan (LOM-WRMP, BIM-5200-PLA-0030, rev 0) and the Final Environmental Impact Statement (FEIS, Volume 3, Table 3-3.1).

> *A total of about 640 – 643 Mt of waste rock and overburden [is projected to be] produced over the thirty year mine life. Of this total up to 145 Mt may be PAG.*

This equates to approximately 22.5% PAG (potentially acid-generating) to total waste rock and overburden mined.

In their response to the 2022 NIRB Annual Report, CIRNAC has requested clarification if these predictions are still relevant, given increased relative percentages of PAG observed in 2022.

Baffinland provided the below response to this inquiry:

> *CIRNAC notes that the proportion of PAG waste mined in 2022 was well over what was anticipated for the life of mine, and indicates this warrants a comment on LOM tonnage estimates of PAG waste rock. However, annual variability is and should be expected when comparing against LOM averages, and a relatively higher percentage of PAG mined in 2022 does not indicate concern with LOM estimates. Noteworthy, Baffinland does recognize the value in reconciling waste mined vs. modelled over a multi-year period and has already planned to complete this exercise. Baffinland will prepare a memo on waste reconciliation for material mined between 2014 and 2022, and will provide this to regulators no later than June 30th 2024.*

This submission and the information provided below is intended to satisfy the commitment to supply a memo mentioned in the above response.

Waste Rock Reconciliation Summary

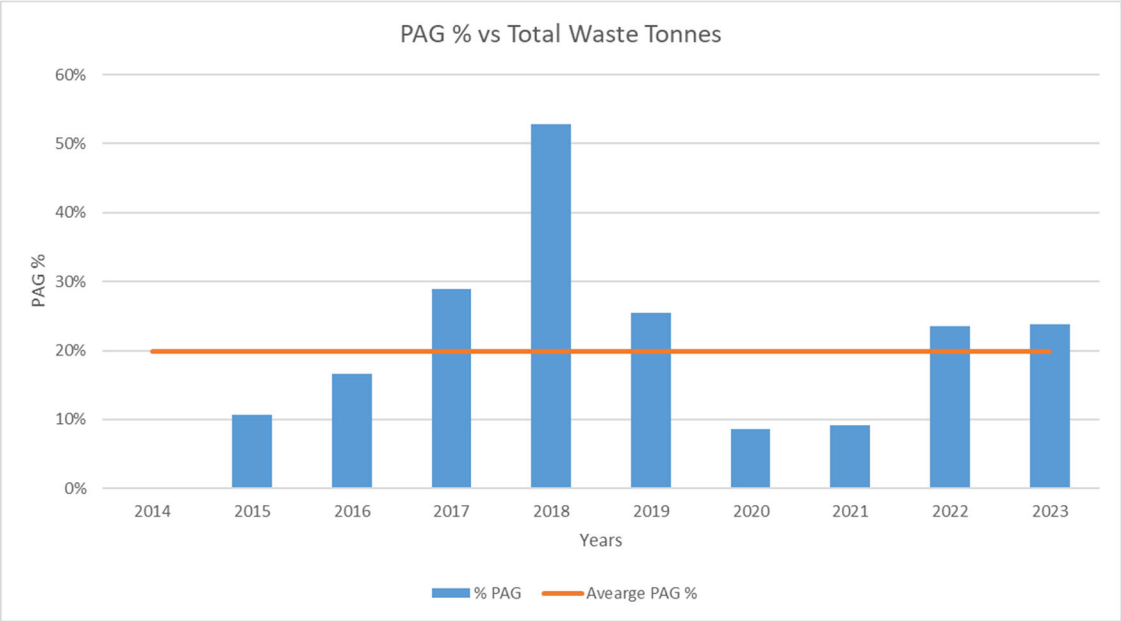
It is important to understand for the purposes of this brief memo, the following points:

- Operational testing of waste rock generated by mining operations at Deposit No. 1 involves the on-site sampling and analysis of blast-hole cuttings for total sulphur content and paste pH on all waste samples.

- The operational testing results provide the basis for determining the appropriate waste rock classification between PAG and Non-AG.
- Samples analysed to have a paste pH value greater than 6 and a total sulphur concentration less than 0.20% are classified as Non-AG while samples analysed to have either a paste pH value less than 6 or a total sulphur concentration greater than 0.20% are classified as PAG.

As suggested, Baffinland performed a waste reconciliation for material mined, the findings of this reconciliation of Baffinland's operational testing results indicates 13% of the waste mined between 2014 and 2023 was PAG, and 87% was Non-AG. These percentages are in-line with the initial LOM estimates.

Notably, when mining PAG waste, some Non-AG waste is taken as dilution (essentially a factor of safety to ensure all PAG is fully captured). This acceptance of Non-AG waste as dilution maximizes recovery of PAG waste during mining and in turn ensures PAG waste is appropriately managed at the waste rock facility.



Conclusion

Between 2014 and 2023, 20% of the waste rock mined was hauled to the waste rock facility for management using deposition practices for PAG waste. This indicates that all operational waste rock production has been within predictions presented in both the FEIS and the LOM WRMP.