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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

NWB File No: 2AM-MRY1325
Amendment No.1

September 29, 2014

Erik Madsen,
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Safety & Environment
Baffinland Iron Mines Corporation
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Re: Licence No. 2AM-MRY1325, Type “A” – Notice of Amendment Application and Commencement of Technical Review Period for Mary River Project

Dear Mr. Madsen:

Further to the Nunavut Water Board’s (NWB or Board) August 29, 2014 correspondence¹ in which interested parties were invited to provide comments on completeness and initial technical assessment of the application and supporting documents (Application) submitted by Baffinland Iron Mines Corporation (BIMC or the Applicant) for an Amendment (No.1) to Licence 2AM-MRY1325, issued to the Mary River Project, the NWB has received submissions² from three (3) intervening parties:

- Aboriginal Affairs and Northern Development Canada (AANDC);
- Environment Canada (EC); and
- Qikiqtani Inuit Association (QIA).

Copies of the submissions received from intervening parties and all other documents associated with the Application and file have been placed in the Board’s Public Registry and access made available through the NWB’s FTP site using the following link (Username: **public** and Password: **registry**):

<ftp://ftp.nwb-oen.ca/1%20PRUC%20PUBLIC%20REGISTRY/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-MRY1325%20BIMC/>

Based on the scope and nature of the undertaking, the Application, deemed as an Amendment (No.1) to Type “A” water Licence 2AM-MRY1325, will require a Public Hearing as per applicable provisions of the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* (NWNSTRA or Act). Therefore, all Public

¹ Letter from P. Beaulieu, NWB, to E. Madsen, BIMC, Re: Licence 2AM-MRY1325, Type “A”; Amendment (No.1) Application by Baffinland Iron Mines Corporation (BIMC) for the Mary River Project

² Aboriginal Affairs and Northern Development Canada (AANDC), September 19, 2014; Qikiqtani Inuit Association September 16, 2014; and Environment Canada (EC) September 19, 2014.

Hearing matters will be carried out in accordance with the Board's *Rules of Practice and Procedure for Public Hearing*, dated 2005 (NWB Rules).

The NWB has determined through the completeness and preliminary technical assessment process that the submission³ constitutes an administratively and materially complete Application in accordance with the Guides⁴. Accordingly, the Board has decided that the Application can proceed to the next stage(s) of the licensing process, subject to any outstanding pre-licensing considerations pertaining to land use planning and environmental assessment that may be required for the Application. The Board acknowledges that the Nunavut Impact Review Board (NIRB) has issued its Screening Exemption Decision⁵ for the project in accordance with section 13.5.1 of the NLCA; however, the NWB notes that the Nunavut Planning Commission's (NPC) Land Use Conformity determination is pending and required in accordance with sections 13.4.2 – 13.4.5 of the NLCA. By copy of this letter, the NWB requests that the NPC provide the Board with a copy of its determination once issued.

As the Application proceeds to through the licensing process, Applicant should understand that, if it becomes necessary, the NWB retains the right to request additional information and studies pursuant to section 48(2) of the Act or to issue guidelines for provision of information pursuant to section 48(3) of the Act. Further, the Applicant should note that because the response(s) to IRs received from interveners for the Application may not necessarily be required from the onset of this technical review period, the Board has, through this correspondence, allowed Licensee to provide its IRs response(s) by October 3, 2014, following the commencement of the technical review period. This approach is unlikely to impact the technical review, which is approximately forty-five (45) instead of thirty (30) days for this Application.

Consistent with subsection 55(1) of the Act, the Board hereby gives notice of the Application and invites interested persons to make representation to the Board with respect to the Application. Notice of the Application will be forwarded to the council of each municipality in the area(s) most affected by the Application and shall be published in a newspaper of general circulation in the area(s) affected or, if there is no such newspaper, in such other manner as the Board considers appropriate. Parties are advised that the consequences of failure to respond are outlined in section 59 and subsection 60(2) of the Act⁶.

Interested parties are also invited to indicate in their submission, their preference on the form of TM/PHC that may be held in accordance with the NWB's Rules (in person, in writing or by way of teleconference). **All comments/recommendations pertaining to the Application are to be submitted to the NWB's Manager of Licensing, on or before November 14, 2014 (4:00 p.m., MST), by email to licensing@nwb-oen.ca.**

By copy of this letter to the appropriate distribution list, interested persons are invited to complete their thorough technical assessment of the Application to amend the Type "A" Water Licence 2AM-MRY1325. All Application information is available from the NWB's ftp site referenced above or by directly contacting Erik Madsen, Baffinland Iron Mines Corporation, by email to erik.madsen@baffinland.com.

Throughout the technical review phase, interested parties are encouraged to work cooperatively with BIMC to discuss and resolve, where possible, relevant issues in advance of any potential TM/PHC that may be scheduled for the Application. If the parties choose to do so, the NWB requests that it be kept

³ Application to amend Licence 2AM-MRY1325, received from Baffinland Iron Mines Corporation on July 16, 2014.

⁴ The minimum information requirements set out in the NWB Guidance Document- *Guide 7 – Licensee Requirements Following the Issuance of a Water Licence*, April 2010, see Table 3.

⁵ Nunavut Impact Review Board (NIRB) Screening Exemption Decision, September 11, 2014.

⁶ **Section 59:** In the circumstances described in paragraph 58(b), an applicant need not compensate the person under section 58 if the person fails to respond to the notice of application given under subsection 55(1) within the time period specified in the notice for making representations to the Board. **Section 60(2)** Subsection (1) does not apply in respect of a person referred to in that subsection who fails to respond to the notice of application given under subsection 55(1) within the time period specified in that notice for making representations to the Board.

informed of any issues and consensus reached between the parties on specific topics related to the Application. Further, the Board asks that the technical review comments, particularly for matters such as air quality, noise, and wildlife, be focused on only those aspects that involve the NWB's jurisdiction over the use of waters and the deposit of waste into waters or that may enter waters. As stated above, all comments should be filed in writing to the NWB's Manager of Licensing.

Following receipt of technical review comments, the following general steps may be carried out for the Application.

1. Technical Meeting/Pre-Hearing Conference (TM/PHC)

Rule 14 of the NWB Rules permits the Board, through its staff or in conjunction with staff, to hold a Technical Meeting/Pre-hearing Conference (TM/PHC) for the Application with interested parties and members of the public. Based on NWB Rules, the TM/PHC can either be held in writing, by way of teleconference, or in person. The NWB will inform the public in advance of the form and actual date on which any potential TM/PHC may be held.

2. Pre-Hearing Conference (PHC) Decision

Following any TM/PHC held for the Application, the NWB will issue a PHC decision and may outline the technical commitments of the Applicant and the administrative and procedural requirements for a potential Public Hearing.

3. Public Hearing (PH) Notice

Subsection 55(2) of the Act requires that a minimum notice period of sixty (60) days be provided for a Public Hearing (PH). As with the TM/PHC, the Board has the ability to conduct its Public Hearing in writing, by teleconference, or in person. Once the Board has received all information requested through this process and is satisfied that the Public Hearing should proceed, the type or place, date, and time of the hearing will be determined, and a notice will be published by the Board in advance of the Public Hearing and in a manner that promotes public awareness and participation in the hearing.

4. Public Hearing Decision

Following any Public Hearing scheduled for the application, the Board will issue a final written decision with reasons (final decision). The final decision will be provided to the Minister of Aboriginal Affairs and Northern Development Canada (AANDC) for the Minister's decision. Interested and intervening parties will also be provided with a copy of the Board's final decision as well as the Minister's decision.

If you have questions regarding procedural matters related to the Application, please direct them to Phyllis Beaulieu, Manager of Licensing, by phone at (867) 360-6338 or by e-mail to licensing@nwb-oen.ca. Inquiries related to technical matters, should be directed to Sean Joseph, Technical Advisor, by email to sean.joseph@nwb-oen.ca, or David Hohnstein, Director of Technical Services, by e-mail to david.hohnstein@nwb-oen.ca.

Parties should note that the NWB will distribute the Inuktitut versions of this correspondence subsequently.

Yours truly,

Damien Côté
Executive Director

Cc: Qikiqtani Distribution