

NWB File No: 2AM-MRY1325

Amendment No. 2

January 15, 2014

Erik Madsen, Vice President, Sustainable Development, Health, Safety & Environment Baffinland Iron Mines Corporation 2275 Upper Middle Road East – Suite 300 Oakville, Ontario L6H 0C3

Email: erik.madsen@baffinland.com oliver.curran@baffinland.com

Re: Licence 2AM-MRY1325, Type "A" – Amendment (No.2) Application by Baffinland Iron Mines

Corporation (BIMC) for the Mary River Project, Phase 2 Development

Dear Mr. Madsen:

The Nunavut Water Board (NWB or Board) acknowledges receipt, on January 13, 2015, of an application from Baffinland Iron Mines Corporation (BIMC) to amend (Amendment No.2) Licence 2AM-MRY1325 so as to include the Phase 2 development proposed for the Mary River Project.

Following receipt, the NWB conducted a preliminary review of the application which noted among other items the absence of certain pre-licensing information with respect to land use planning and environmental assessment.

Accordingly, the NWB is forwarding the application to the Nunavut Planning Commission (NPC) to provide its Land Use Conformity Determination and/or recommendations pursuant to sections 13.4.2 through 13.4.5 of the Nunavut Land Claims Agreement (NLCA) as well as to the Nunavut Impact Review Board (NIRB) to provide its Screening Determination in accordance with section 13.5.1 of the NLCA.

Pursuance to section 39 (1) of the Nunavut Waters and Surface Rights Tribunal Act (Act), the NWB may not issue, renew, or amend a licence to use water and deposit waste until the NIRB has completed its screening and where a review is required under Part 5 or 6, issues a project certificate. Therefore, the NWB will await determinations from both the NIRB and NPC prior to proceeding with the application.

If you have any questions related to the above, please contact the undersigned at your earliest convenience.

Sincerely,

Original signed by;

Phyllis Beaulieu Manager of Licensing, NWB

Cc; NPC Conformity

NIRB

Distribution List- Mary River