



April 7, 2008

Mr. Derek Chubb
Vice President, Sustainable Development
Baffinland Iron Mines Corporation
Suite 1016, OT., M5H-1T1

Ph. 416.814.3171
Fax 416.364.0193

Dear Mr. Derek Chubb

**Re: Baffinland Mary River Project INAC file # N2008T0014, QIA File # LUA – 2008-008,
DFO-2008, NWB File # 2AM - MRY**

The above-noted proposal has been forwarded to the Nunavut Planning Commission (NPC) for determination of its conformity with the North Baffin Regional Land Use Plan (NBRUP) under the Nunavut Land Claims Agreement and Nunavut Land Claims Agreement Act, S.C. 1993, c. 29. NPC is currently reviewing the proposal and in order to complete its review NPC requires that you undertake to comply with certain terms of the NBLUP.

All project proposals within the region in question are required to comply with the terms of the NBRUP. I am attaching the conformity requirements relevant to your project and with which it must comply. Also attached, is a copy of the Code of Good Conduct and the Caribou Protection Measures. These documents form part of the Plan.

Reply to each statement in the List of Relevant Conformity Requirements by circling either YES or NO, complete the signature block and fax the form back to us at the following number: (867) 857-2243.

If you would like more information, please contact NPC at the following number: (867) 857-2242.

Yours truly,

Brian Aglukark
Director, Regional Planning

Attachment

NUNAVUT PLANNING COMMISSION
APPLICATION TO DETERMINE CONFORMITY
WITH THE NORTH BAFFIN REGIONAL LAND USE PLAN

NUNAVUT PLANNING COMMISSION
BOX 419, Arviat, Nunavut
X0C-0E0

All applicants for a project proposal shall comply with the requirements listed below. The relevant sections of the plan are noted in each requirement.

GENERAL

Baffinland has completed this questionnaire with respect to proposed project activities within the North Baffin Planning region. A portion of the project is outside of this planning region.

1. **Environmental Protection:** s3.13.8: The applicant undertakes to prevent any new occurrences of pollution, garbage and contamination at the site of the development.

Yes

No

2. **Removal of Fuel Drums:** s3.13.8: The applicant undertakes to remove all drums safely from the site and dispose of the drums in a safe manner.

Yes

No

3. **New Site Restoration and Clean Up:** s3.13.1 and Appendix H, s1: The applicant undertakes to clean up the site and restore the site to its natural condition to the greatest extent possible.

Yes

No

3. **Old Site Restoration and Clean Up:** s3.13.2: The applicant undertakes to clean up the site and restore the site to its original condition to the greatest extent possible, including any work required due to the applicant's action prior to this application.

Yes

No

4. **Low-Level Air Flights:** Appendix H, s3: Will the applicant avoid all low-level flights?

Yes

No

Low level flights will be avoided to the extent possible.

- i. If not, explain why such flights are or may be absolutely necessary.

Project development and operations is supported by aircraft. Low

level flights may be required in
circumstances of poor weather/visibility
for example.

- ii. If such flights are or may be absolutely necessary, will they avoid disturbance to people and wildlife?

Yes

No

The NRB review will include mitigating
measures associated with air traffic.

- iii. If not, explain why it is not possible to avoid such disturbance.

5. **Caribou Protection Measures.** s3.3.7 and Appendix I: Will the applicant comply with the Caribou Protection Measures outlined in section 3.3.7 and in Appendix I?

Yes

No

6. **Polar Bear Denning Areas and Walrus Haul-outs:** s3.3.8: Will the applicant keep its activities away from any polar bear denning area or walrus haul-out?

Yes

No

Baffinland will comply with
Caribou Protection Measures
implemented within the North Baffin
Planning Region by QIA for activities
on Crown Lands. The NRB
review will consider potential
protection measures.

Baffinland will keep
its activities away
from these areas
within the North
Baffin Planning Region

HERITAGE RESOURCES

7. **Reporting of Archaeological Sites:** s3.11.3 and Appendix H, s2 and s8: Will the applicant immediately report the discovery of all suspected archaeological sites to the Department of Culture, Language, Elders and Youth (GN)?

Yes

No

MINING

8. **Mining Development:** s3.6.5: Is the proposal for mining development?

Yes

No

If yes, include with the application a mine closure and restoration plan and the proof of complete financial guarantees for the abandonment and restoration of the site.

Closure phase of the project is described in the Development Proposal supporting the referenced applications.

9. **Negative Effects:** s3.6.6: Has the applicant planned to minimize the negative effects of its activity on the environment?

Yes

No

Include with the application the mitigative measures developed.

Baffinland will minimize negative effects to the extent practical. Mitigative measures will be described through the NERB review.

10. **Hunting Restrictions:** s3.6.9: The applicant is informed of any special hunting restrictions that may apply to the area and will strictly enforce them at its mine sites and along transportation routes.

Yes

No

11. **Carving Stone Deposits:** Appendix H, s9. Will the applicant report any discoveries of carving stone deposits to the Qikiqtani Inuit Association?

Yes

No

MARINE AND TERRESTRIAL TRANSPORTATION

21. Corridor: s3.5.11, s3.5.12 and appendix J & K: Does the proposal consider the development of a transportation and/or communications corridor?

☒ Yes

No

A rail line is proposed within a portion of the North Baffin Planning region.

If yes, include with the application an assessment of alternate routes, the cumulative effects of the preferred route and options for other identifiable transportation and utility facilities.

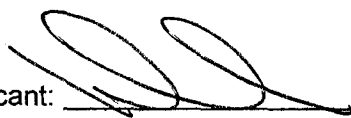
22. Code of Good Conduct for Land Users: Appendix H: The applicant undertakes to adhere to the code of Good Conduct at all times.

☒ Yes

No

I, Derek Chubb (name of applicant), certify that the information I have given in this application is true and correct and hereby make the above undertakings which form part of my application for a project proposal within the meaning of the Nunavut Land Claims Agreement.

Date: April 9, 2008

Signature of Applicant: 

**North Baffin Regional Land Use Plan
Appendix H
Code of Good Conduct for Land Users**

1. The landscape of each camp and other land use sites will be restored to its original condition to the greatest degree possible. Water quality will be preserved and no substances that will impair water quality will be dumped in water bodies. When possible and feasible, old sites will be restored to the natural state.
2. All land users shall assist communities and government(s) in identifying and protecting archaeological sites and carving-stone sites, as required by law.
3. Generally, low-level flights by aircraft at less than 300 metres should not occur where they will disturb wildlife or people. If such flights are necessary, they should only take place after consultation with the appropriate communities. All land users are responsible for reporting to the land managers any illegal or questionable low-level flight.
4. All activities on the land will be conducted in such a fashion that the renewable resources of the area in question are conserved.
5. Whenever practicable, and consistent with sound procurement management, land users will follow the practice of local purchase of supplies and services.
6. Land users will establish working relationships with local communities and respect the traditional users of the land.
7. During the caribou calving, post-calving and migrating seasons, land use activities should be restricted to avoid disturbing caribou, in general, and activities will be governed more specifically by caribou protection measures such as those contained in Appendix I.
8. Artifacts must be left where they are found. All land users are responsible for reporting the location of, or any removal or disturbance of artifacts, to CLEY.
9. The mining industry is encouraged to assist in identifying local carving-stone deposits and report any discoveries to the QIA. Industry is also encouraged to identify and report old waste sites that need to be cleaned up.
10. All land users shall obey the laws of general application applying to land use.

**North Baffin Regional Land Use Plan
Appendix I
DIAND Caribou Protection Measures**

1. (a) The Permittee shall not, without approval, conduct any activity between May 15 and July 15 within the Caribou Protection Areas depicted on the map certified by the Engineer as the "Caribou Protection Map" and annexed to this Land Use Permit.
(b) A Permittee may, upon approval by the Land Use Inspector, operate within the said Caribou Protection Areas beyond the May 15 deadline set out in 1 (a), provided that, when monitoring information indicates that caribou cows are approaching the area of operation, the Permittee will implement 1 (c).
(c) On cessation of activities pursuant to 1 (a) or 1 (b), the Permittee will remove from the zone all personnel who are not required for the maintenance and protection of the camp facilities and equipment, unless otherwise directed by the Land Use Inspector.
(d) The Permittee may commence or resume activities prior to July 15 within those parts of the Caribou Protection Areas released by the Land Use Inspector for the reason that caribou cows are not expected to use those parts for calving or post-calving (note 1).
2. (a) In the event that caribou cows calve outside of the Caribou Protection Areas, the Permittee shall suspend operations within the area(s) occupied by cows and/or calves between May 15 and July 15.
(b) In the event that caribou cows and calves are present, the permittee shall suspend:
 - (i) blasting;
 - (ii) overflights by aircraft at any altitude of less than 300 meters above ground level; and
 - (iii) the use of snowmobiles and ATVs (all-terrain vehicles) outside the immediate vicinity of the camp.
3. (a) During migration of caribou, the Permittee shall not locate any operation so as to block or cause substantial diversion to migration.
(b) The Permittee shall cease activities that may interfere with migration, such as airborne geophysics surveys or movement of equipment, until the migrating caribou have passed.
4. (a) The Permittee shall not, between May 15 and September 1, construct any camp, cache any fuel, or conduct any blasting within 10 kilometres of any "Designated Crossing" as outlined on the map certified by the Engineer as the "Caribou Protection Map" and annexed to this Land Use Permit.
(b) The Permittee shall not, between May 15 and September 1, conduct any diamond drilling operation within 5 kilometres of any "Designated Crossing" as outlined on the map certified by the Engineer as the "Caribou Protection Map" and annexed to this Land Use Permit.