

Fisheries and Oceans Canada

Eastern Arctic Area P.O. Box 358 Iqaluit, NU X0A 0H0

Pêches et Océans Canada

Secteur de l'Arctique de l'est Boîte postale 358 Iqaluit, NU X0A 0H0

Your file Votre référence 08MN053 Our file Notre référence NU-07-0050

June 4, 2008

Leslie Payette
Manager of Environmental Administration
Nunavut Impact Review Board
P.O. Box 2379
Cambridge Bay, Nunavut
X0E 0C0

lpayette@nirb.ca

Dear Ms. Payette:

Subject: Baffinland Iron Mines Corporation – Mary River Project

Fisheries and Oceans Canada (DFO) acknowledges receipt of Nunavut Impact Review Board's (NIRB) letter, dated May 2, 2008 and Baffinland Iron Mines Corporation's project proposal entitled: "Mary River Project Development Proposal" dated March 2008.

DFO has reviewed the proponent's proposal and application for authorization for works or undertakings affecting fish habitat under the *Fisheries Act*, and determined that we will likely have jurisdictional responsibilities in relation to the proposed development. It is DFO's opinion that the following works and undertakings related to the development proposal have the potential to cause significant adverse environmental effects, unless appropriate mitigations measures are identified and implemented:

- Lake encroachments along the railway alignment;
- Water crossings along access roads;
- Quarry sites B5 and B13;
- Marine docks and infrastructure at Steensby Inlet;
- Infill of a waterbody at Steensby Inlet airstrip; and
- Water withdrawal for the mine development proposal.

DFO concurs with the proponent's view that the scale and scope of the proposal, particularly those project components and their related activities which have the potential to impact fish and fish habitat, will require an assessment that is more comprehensive than a screening. Therefore, DFO recommends the Mary River Project be reviewed under Part 5 or 6 of the *Nunavut Land Claims Agreement*. Should the environmental assessment proceed to a public review, DFO will be able to participate as an intervener and can offer expertise to NIRB in the areas related to fish and fish habitat.

DFO understands that the Nunavut Planning Commission (NPC) is contemplating a joint process with NIRB to address the requirements of terms and conditions 3.5.11 and 3.5.12 of the *North Baffin Land Use Plan*. In addition, the Nunavut Water Board (NWB) and NIRB, at the request of the proponent, are also contemplating a joint review process for the project. DFO looks forward to working with the NIRB, NWB and NPC on the assessment of the Mary River Project and any additional guidance that may be forthcoming from the respective Boards on the cooperative processes that are being contemplated.

Should you have questions or comments, please contact Julian Lim at (867) 979-8016 or by email at julian.lim@dfo-mpo.gc.ca.

Yours sincerely,

Bev Ross

Manager, Environmental Assessment for Major Projects Fisheries and Oceans Canada – Central and Arctic Region

copy: Brian Aglukark - Nunavut Planning Commission

Phyllis Bealieu - Nunavut Water Board

Keith Pelley - Fisheries and Oceans Canada Julian Lim - Fisheries and Oceans Canada

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