

**APPENDIX 2A-3**

DECEMBER 2010 MEETING MINUTES  
(IN ELECTRONIC VERSION ONLY - ON DVD)



## Stakeholder Meeting Minutes

Date: December 3, 2010 (9:45 a.m. - 12:00 p.m.)

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Group/Organization: Federal and Territorial Government Representatives from Iqaluit

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Meeting Location: Movie Theatre - Iqaluit, Nunavut

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### **PRESENT:**

FEDERAL AND TERRITORIAL GOVERNMENT REPRESENTATIVES:  
(See sign-in sheet)

#### **BAFFINLAND:**

Greg Missal (GM)	-	VP, Corporate Affairs
Matthew Pickard (MP)	-	Manager, Sustainable Development
Nick Arnatsiaq (NA)	-	Community Liaison Officer, Igloolik
Brian Larson (BL)	-	HR, Health and Safety Superintendant

#### **CONSULTANTS:**

Anne O'Toole (AO)	-	Consultant, Anne O'Toole Consulting
Oliver Curran (OC)	-	Consultant, Sustainable Results Inc.
Jason Prno (JP)	-	Consultant, Knight Piésold Ltd.

Jason Prno recorded notes for the meeting.

[Matthew Pickard made introductions and delivered the Project Description and Project Benefits presentations]

### **Question and answers:**

Seth (INAC) – How sensitive are things like Project timing and scheduling to changes that could be made in the Project description? How would the road haulage option affect Project timelines?

Matthew Pickard – If we were to pursue the road haulage option it could alter our timelines. The length of the Project could decrease by approximately 2 years if both the Steensby shipping and road haulage options were used together.

Lacey (INAC) – What is the secondary dock location at Steensby Inlet to be used for? What is the approximate distance from this port to the main port?

MP – The freight dock will be used for non-ore materials including fuel, machinery, construction and site materials. Hazardous materials will also be shipped out from here. There will be a road

connecting this dock. We will confirm if there is a rail spur that will go there. It is approximately 2 km between the two docks.

Karen (INAC) – Will the ships be backhauling materials?

MP – No, they will only be hauling ore from the site. Ballast water will be taken on but only to stabilize the ships.

Karen (INAC) – Will there be additional ship traffic that carries mine supplies? If so, how many ships?

MP – The ‘1 ship every 1.8 days’ I mentioned includes all ship traffic to and from site.

Bill (GN – CGS Infrastructure) – Will the company partner with the communities to build community infrastructure?

Greg Missal – Some of the funding in the IIBA could cover this. However, QIA will likely be responsible for distributing this funding.

Bill (GN – CGS Infrastructure) – In regards to backhauling – Will there be opportunities to collect other community materials on the way back?

MP – Theoretically, yes. However, some communities may not have the port facilities suitable for our ships. We would need to assess this possibility further though.

Lacey (INAC) – Since the ore is of such a high quality, shouldn't the amount of waste rock be fairly small? Why is there so much waste rock?

MP – We will still have a significant amount of waste rock simply because of the large amount of ore being mined. Also, we will only be focusing on areas where the ore grades are higher than 62% iron ore.

GM – We also have to strip around the ore body to create the pit. This creates waste rock.

Sheila (CWS) – Mines in the north have presumably gone through similar issues pertaining to creating local employment and developing social opportunities before. Is there anything to learn from those mine?

MP – Nanisivik and Polaris were operational in a different generation of mining. They didn't engage communities like we do today. They made employment promises that were never met. Newer mines like Raglan and Voisey's Bay are different. Voisey's Bay Aboriginal employment is very high – exceeding 50%. We draw insight from these examples and from the diamond mines in northern Canada. For example, DeBeers' Snap Lake mine has lower than hoped for employment numbers because they are competing with other diamond mines in the area. We take all this information into account in our planning. Social benefits delivered to communities differ by mine.

Sheila (CWS) – Have you seen if the caribou crossing structures you have planned have worked yet? Have you seen if they will work before they are all built?

MP – No we haven't yet. The tote road has been in operation and never been a barrier to caribou though. The Raglan road hasn't presented issues either; I've drove it many times and seen numerous caribou.

Oscar Curran – The height of the bank is the main issue for caribou. As long as caribou can see over the bank they will go over it. The substrate they walk over is important to caribou behavior as well.

Sheila (CWS) – Does the EIS investigate marine acoustic impacts from the Project?

MP – Yes.

Lacey (INAC) – If the road haulage went ahead, what would be the frequency of shipping in Milne Inlet?

MP – We would have an approximately 70-80 day shipping season, where 50 ships would visit the port.

Unknown person (CLEY) – In regards to profit sharing and taxes paid by Baffinland – Who would you negotiate these arrangements with? What if the negotiations took place in Ontario? Would tax dollars stay in Ontario?

GM – Contracts would be set up to sell the ore to Europe-based steel producers. I don't think there would be tax dollars flowing to Ontario.

Unknown person (CLEY) – With the Meadowbank mine the negotiations take place in Ontario and tax dollars go to the Government of Ontario.

GM – We would need to get legal advice to confirm that matter. However, we would aim to keep as many tax dollars in Nunavut as we can.

Chris (GN Finance) – What will the division of tax between federal and territorial governments be?

MP – I don't know. I would need to check.

Chris (GN Finance) – We have a problem with keeping tax dollars in Nunavut. With fly-in/fly-out operations tax dollars can be lost. [Question missed].

Brain Larson – I'm a fly-in/fly-out Baffinland employee from Ontario. I pay 2% Nunavut tax.

MP – There may be approximately 250-350 people coming to work at Mary River from outside of Nunavut. The socio-economic section of the DEIS presents further details on this matter.

Chris (GN Finance) – Your presentation states that tax revenues would go to infrastructure improvements. Where did you hear that?

MP – Theoretically, the money we contribute to government coffers could be used for infrastructure improvements. The government could use this money how they see fit. We can't be sure how this money would be used, however. We believe the QIA would request this money be used for infrastructure.

Unknown Person (CWS) – How much money are you planning on spending for decommissioning?

MP – We have a closure plan included in the EIS. The communities and QIA will have the opportunity to take possession of some mine infrastructure. The rail line will be partly removed. For example, ties and crossings will be removed and tunnels filled in. The tote road will be stabilized but not removed as it is a public easement. Foundations on site would be covered and stabilized as they are hard to remove. A bond would also be put up with the Water Board. The bond amount still needs to be negotiated but will be tens of millions of dollars.

Marie (GN) – What is the deal with Baffinland and these takeover bids?

GM – [Explained NIO bid and bid extension and ArcelorMittal bid]. The process now is now to see if shareholders will tender their shares for the bid. We are in a waiting game. It's anyone's guess if the appropriate number of shares will be tendered or if bids are extended. I believe these take-over bids give credibility to the Project; it shows a lot of interest in the Project.

MP – It is safe to say that Baffinland will get consumed by somebody. We don't expect major Project alterations but it could happen. We don't know which staff will stay or leave. It will depend on how the process unfolds. I imagine a number of us will remain.

Allison (GN Environment) – Has there been any consultation done with Northern Labrador?

MP – No, NIRB didn't consider them in their assessment. NIRB did visit northern Quebec communities but scoped them out of their process.

Unknown Person – What do you do with the iron once it is collected?

MP – It will likely go to Europe. It will be fed into steel mills to produce steel. Another company will produce this steel, not Baffinland.

Unknown Person (CWS) – Will it come back to Canada?

MP – It could go anywhere in the world and will be mixed with iron ore from other sources.

Rosanne (INAC) – There are eight additional deposits that could be exploited in future? How are you going to address those additional deposits as cumulative impacts?

MP – The cumulative impacts section includes discussion on all deposits but Deposit #9, because it was only announced last week. We discuss the potential for development of these deposits, but there is no way to know for sure if they would ever be developed. If they mined those deposits they would likely make use of existing mine infrastructure. These deposits would allow us to either expand the life of the project or annual tonnage produced.

Sheila (CWS) – When you did your cumulative impacts work did you look at the possibility of projects on the Melville Peninsula becoming viable? And increased shipping as a result?

MP – We assumed the shipping route would only be used for us. It would not open the area up or grant any greater access. You would still need ice breaking ships to go into other locations.

Sheila (CWS) – What about climate change impacts? Were those looked at?

MP – Yes, there is a section on climate change. Each of the sections also includes discussions on climate change effects. We also look at our own contribution to climate change, through greenhouse gas emissions.

Sheila (CWS) – What about biological impacts due to climate change?

MP – There are likely to be changes in the north and with ice conditions. The transportation corridors won't be changed. The changes to wildlife are considered in the effects assessment.

Unknown Person – Does BIMC have a strategy to make sure they are in accordance with the Inuit Language Protection Act?

MP – Not as of yet, as the Act is not yet in existence.

Unknown Person – It was already passed.

MP – I will need to go back and see how this is addressed in the EIS. I'm not sure how we built it into the HR management plan.

Unknown Person (GN DOE) – Why is Milne Inlet an option again?

MP – It wasn't an economic option in the early years of the Project. It was actually requested by the communities in the NIRB review process. The economics of the Project have also changed. Iron ore prices have doubled since the feasibility study, making this option valid.

Unknown Person (GN DOE) – Will this option increase the mine life?

MP – It would drop the mine life by a couple of years.

Unknown Person – Why would you want to decrease mine life?

MP – [Unrecorded response]

Unknown Person – Have you consulted with Grise Fiord or Resolute?

MP – NIRB determined these wouldn't be affected communities.

Lacey – Could there be a third option of a 'road option only'?

MP – Theoretically, yes. But, I doubt it would be pursued. It causes issues with delivery of ore to steel producers. They require a steady stream of ore. It would then be a very small project. This option would mean the Project would run for 120-130 years. Economically, yes, it is possible. But BIMC is not considering this.

GM – This project is about volume. The annual tonnage for Mary River is actually smaller than most other iron ore mines in the world. You wouldn't consider shipping this amount of ore out by road.

Unknown Person – How are you incinerating your solid waste?

MP – Burnable and non-burnable materials would be separated. We will also conduct emission sample testing. Burnable material will be burned in a modern incinerator.

Unknown Person – Will scrubbers be used?

MP – I can't remember if there are scrubbers that will be used. In any case, we will need to keep furans and dioxins within acceptable ranges.

Unknown Person – Could I get that information?

MP – This information will be made available through NWB reporting.

Alan (GN consultant) – Are there any controls on which Arctic shipping lanes are used and the direction ships can take?

MP – The ships will be held to their shipping lanes as much as possible. Our contracts with the shipping companies will require this. They will need to stay within those lanes as much as possible. When they don't, they will need to provide reasoning. There could be Inuit monitors placed on board the ships also. We don't anticipate that ships will move outside of their lane. You'll be able to see where the ships are via GPS tracking online.

Anne O'Toole – There are regulations that ensure ships will stay in the appropriate ice zone. The Coast Guard will also be monitoring this.



Unknown Person – The Coast Guard are only here for 6 months of the year. Will you be on your own after they are not here?

MP – Yes. Our ships will be of a higher ice breaking class than the government's, however.

Unknown Person – What if an oil spill or ship sinking occurs?

MP – We are engaging the Coast Guard on spill response procedures and how they would occur in each community. These ships are brand new and built very safely. Even if a ship sunk, it would likely not tear the hull or breach the hull. It is our responsibility to make sure adequate training and equipment is available throughout the communities to respond in the event of an accident. We have a spill response plan included in the EIS. It is very, very unlikely a spill would occur.

Unknown Person – Will these costs come out of Baffinland's pockets? Will mine workers' salaries change to pay for the costs?

MP – Yes, these costs will be our responsibility. Salaries will not change. Monies would either come through insurance or from the company's bank account.

Seth (INAC) – Does the DEIS look at potential market fluctuations for iron ore prices? And the effects on long term project activities?

MP – We don't focus on increases so much, but do focus on potential decreases. We focus on what would happen if there was a decrease; for example, what would happen if the Project went into care and maintenance.

Roseanne (INAC) – The road haulage option was requested by the communities?

MP – During the NIRB community visits they heard requests from the communities to look at this option.

Roseanne – How come this wasn't an alternative before?

MP – It wasn't economical previously and there was no opportunity for year-round shipping.

Sheila (CWS) – With new money and purchasing power there will be hundreds of people disposing of material things, too. These communities already have issues with landfilling and disposal. You will be sending a lot of large empty boats back. Have there been discussion with the GN or municipalities about this?

MP – No there haven't been discussions yet. We could possibly look at this. We would need to consider the economic implications of this, but would consider it if we were approached on the issue.

Bill (GN Community and Government Services) – We have a study that is due to be delivered at the end of December that looks at the effects of development and population trends on municipal waste.

MP – Great – We will look into this when it comes out.

Unknown Person (GN DOE) – The bulk sample shipping through Milne Inlet occurred at same time narwhals got stuck near Pond Inlet. Have there been any studies on the response of marine mammals to shipping?

MP – During the bulk sample we had specialists conducting aerial monitoring of marine mammals' response to shipping. Narwhal were seen to turn away from the ship, but returned a couple of hours later. We never looked at how that may have affected narwhal being frozen in.

Unknown Person (GN DOE) – Have there been studies conducted on Pond Inlet narwhal?

MP – Yes, we have done scientific surveying and baseline work. We have also collected a multitude of IQ.

Unknown Person – Have you looked at community travel routes around the Project area?

MP – Yes, we have documented community travel routes. One issue of importance will be the development of a detour route around Steensby Port.

Meeting adjourned at 11:55 a.m.

## Stakeholder Meeting Minutes

Date: December 3, 2010 (7:30 – 10:00 p.m.)

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Group/Organization: Kimmirut Public Meeting

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Meeting Location: Community Hall, Kimmirut, Nunavut

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### **PRESENT:**

#### COMMUNITY:

[See sign-in sheet]

#### QIKIQTANI INUIT ASSOCIATION:

Mathew Akavak (MA)	-	Lands Officer
Levi Barnabas (LB)	-	QIA Community Director, Arctic Bay
Nigel Qaumariaq (NQ)	-	Environmental and Regulatory Affairs Advisor

#### BAFFINLAND:

Greg Missal (GM)	-	VP, Corporate Affairs
Nick Arnatsiaq (NA)	-	Community Liaison Officer, Igloolik
Brian Larson (BL)	-	HR, Health and Safety Superintendant

#### CONSULTANT:

Jason Prno	-	Consultant, Knight Piésold Ltd.
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The meeting was translated by Nick Arnatsiaq and meeting notes were recorded by Jason Prno.

[Prayer]

Levi Barnabas – [Opening remarks and introductions]

Greg Missal – [Delivered the Project Description presentation]

Joannie – Could you give a bit more explanation about the port? About how you plan to clean the water before discharging it back to the environment? Will you be cleaning out the ballast after the trip?

GM – Any wastewater or runoff from site will be held in a holding pond. The water will then be run through a wastewater treatment plant; this will make sure the water is safe to be discharged. In regards to ballast water, there are shipping regulations that control this. Rules are in place that requires ships to discharge ballast water prior to entering Canadian waters. They would then fill up with new water.

Simeonie – How will the sewage from the boats be dealt with?

GM – They would have holding tanks on the ships for human waste. They would dispose of it at Mary River or perhaps out at sea. However, they would not be allowed to discharge anything when they pass by South Baffin or in Steensby Inlet.

Niomie – Did you have any community members help you select the shipping routes? If the communities requested the shipping route to be altered, would you alter it?

GM – There have been two important changes made to the shipping route already due to community feedback. [Explained elimination of western Foxe Basin route and creation of an alternative, southern routing in Hudson Strait].

Levi Barnabas – We have been kept informed about the proposed railway. Unfortunately, due to cost considerations, the railway location will remain as is. Igloolik requested the railway be moved. I also want to let you know that the ships Baffinland will be using are going to be huge. They are almost twice the size of the MV Arctic.

Q – How long do you think this project will operate? Will it be operating in winter?

GM – Yes, it will operate in winter – it is a year-round operation. The mining from Deposit #1 will last for approximately 21 years. However, Baffinland has 8 other deposits on site. These deposits haven't been studied enough to know if they can all be mined after we get Deposit #1 up and running. There is no guarantee they can be developed, but we will develop them if they are good enough.

Mathew Akavak – When will the first ship be coming through?

GM – It will be late 2012 or early 2013 when we get through the permitting process. The mine will then require 3-4 years of construction. It would be 2016 or 2017 before we started transporting ore by ship from Mary River.

Joannie – I have never seen a railway before. How are they going to unload the railway? Could you give a better idea of what the train will look like?

GM – There will only be the one, 150 km rail line from the mine site to Steensby Inlet. Each train will have about 140 cars [showed slide with picture of rail cars]. [Describes rail car unloading procedure].

Jeannie – Are you prepared if there is an accident? Are you properly equipped?

GM – Safety is important at all mine sites. Part of our environmental impact assessment submission will include a spill and emergency response plan. We are required to be able to handle most emergencies on site. We will also be required to have properly trained people and have the proper equipment at site to handle spills and accidents.

Jeannie – In case there was an accident, do you have money put aside to compensate our people?

GM – Yes. Any accidents that occurred will be the responsibility of the company to deal with and pay for. Insurance might cover this, or the company would pay directly. There are very strict rules mining companies have to follow in regards to accidents and spills.

[Raffle and break]

Q – You indicated the ships will be very large and that there will be two ports. It is difficult to turn a ship in mid-winter. What arrangements have you made so the ships can move freely?

GM – The ships are specially designed for this project. They will be able to move through any ice conditions found in Steensby Inlet. Turning will not be an issue for these ships.

Brian Larson – These ships will also use oscillating screws, making them easier to turn and navigate in ice.

Q – Would Kimmirut be compensated in case something happened to the wildlife in the area?

GM – The effects the Project will have on marine mammals and the marine environment are covered in the environmental impact assessment. In terms of compensation, this would be negotiated in the IIBA with the QIA. The IIBA has not yet been completed.

Simeonie – We were told we won't be able to see the ship, but I'm sure the ships will make noise. People who hunt at the floe edge will be impacted. I'm sure we'll hear those stories once the Project is in operation. At the workshop at Mary River there were concerns expressed about the port location and it was suggested that the port location should be moved further south to where there would be less landfast ice. There were suggestions made about possibly moving the railway as well.

GM – There were many different options investigated for the location of the port before the current port site was selected. We also had to look at where to site the rail line. We looked at many different things like terrain conditions and steepness. The port site and rail line that were selected are the best possible location for them. The location of the port site is set at this time.

Nigel Qaumariaq – You used scientific knowledge to design the Project, but did not design the Project using IQ. I'm sure we'll hear more comments about this from other communities.

Q – [Question missed]

GM – [Answer missed]

Josephie – The proposed port is the only option being considered?

GM – Yes, that is correct.

Josephie – Are you prepared for a winter shipping accident?

GM – Shipping would occur 12 months of the year. We would be prepared for any accidents that may occur.

Q – Will the ships be taking any water from Steensby Port? If they are, it will have an environmental impact in that area. With climate change, water levels will be lowering. Don't try and get free water from up there. Take it from where you're from.

GM – The water that would be used at Mary River would be a very small amount compared to other mining projects. This is because there is no water used for processing, only for human use.

Q – Where are the ships going to get the water from?

GM – If the ships did fill up with water for human consumption it would only be a very small amount.

Mikidjuk – [Described the ballast exchange process]

Q – I recall you saying the North Baffin communities would be more affected than South Baffin communities. Your company name is 'Baffinland', which implies all of Baffin Island.

GM – The name of the company is just a name. The NIRB has included Cape Dorset and Kimmirut as affected communities. Obviously those two South Baffin communities are important to us.

Levi Barnabas – We have asked Baffinland to look into the employment opportunities that will be available to the communities.

Q – We saw a ship in April close to the community. It may have been a mining company as well. Kimmirut and Cape Dorset are concerned about accidents that may occur. Will we receive compensation if an accident occurred?

GM – As mentioned earlier, we will be prepared to respond to accidents and emergencies that will occur. Compensation will be dealt with through the IIBA, by the QIA.

Q – Will all the communities be informed when the IIBA is signed?

NQ – We will sign the IIBA once Baffinland has got its approval from the NIRB.

LB – Since we now have the Nunavut Land Claims Agreement, companies must come and consult with the communities. We must follow the Agreement's procedures now.

Simeonie – What if there are chemicals in the ore that mix with the ballast water that is discharged? Would that have an impact?

GM – There are no harmful chemicals in the Mary River iron ore. The ballast water would not pick up any chemicals from the iron ore. Dumping the ballast water in the ocean will also ensure there is no foreign water dumped here in Canada.

Matthew Akavak – [Clarified some points regarding ballast and shipping]

Q – What impacts will the Project have on marine mammals? Would we be able to be compensated if we started to see fewer animals? Fishermen were compensated with the Gulf of Mexico oil spill.

GM – The impacts the Project will have on animals will be covered in the EIS. There will also be a monitoring program in place as the Project moves forward. The results of this program will be made available to local communities. Our goal is to have as little impact as possible. In terms of compensation, a great deal of that will be covered in the IIBA. It will be up to the QIA to decide how those funds will be distributed.

LB – We have also raised these issues with NIRB. It is getting late; we should move on as Baffinland has another presentation to make.

Q – I'm a bit confused about when and where ballast will be emptied and loaded. Why is there a need to empty the ballast?

Levi Barnabas – I have asked that same question. There is a regulation that requires ships to manage their ballast. [Clarifies the ballast loading/unloading process].

Jason Prno – [Discussed the results of the IQ study and requested that meeting participants review and comment on the IQ maps posted in the meeting hall. Handouts of the IQ maps were also distributed]

[Break]

GM – [Delivered the Project Benefits presentation]

Simeonie – There will be games and recreation at Mary River for the workers; there are already there. People will need to be quiet when they are in the accommodations section at Mary River to respect the workers. Right now, the recreation section is located next door to the accommodations. These two sections should be separated so it is not too loud. Everybody should be inspected at site for alcohol and drugs – no exceptions. I believe they should have good meals up there. We ate good meals up there. The dining hall is cleaned up after you eat. There will be people on night shift and day shift, so accommodations should be built further away than the recreation section. We also heard that students will be encouraged to stay in school. I just wanted to say that it is good to hear what I just heard.

Meeting Adjourned



## **Stakeholder Meeting Minutes**

Date: December 4, 2010 (1:30 - 3:30 p.m.)

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Group/Organization: Cape Dorset Public Meeting

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Meeting Location: Community Hall, Cape Dorset, Nunavut

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### **PRESENT:**

#### **COMMUNITY:**

[Sign-in sheet - attached]

#### **QIKIQTANI INUIT ASSOCIATION:**

Mathew Akavak (MA)	-	Lands Officer
Levi Barnabas (LB)	-	QIA Community Director, Arctic Bay
Nigel Qaumariaq (NQ)	-	Environmental and Regulatory Affairs Advisor

#### **BAFFINLAND:**

Greg Missal (GM)	-	VP, Corporate Affairs
Nick Arnatsiaq (NA)	-	Community Liaison Officer, Igloolik
Brian Larson (BL)	-	HR, Health and Safety Superintendant

#### **CONSULTANT:**

Jason Prno (JP)	-	Consultant, Knight Piésold Ltd.
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The meeting was translated by a community translator and these meeting notes were recorded by Jason Prno.

[Prayer]

Levi Barnabas – [Opening remarks and introductions]

Greg Missal – [Delivered the Project Description presentation]

Q – When would the first ships start traveling on the shipping route?

GM – There are about 3 years of permitting left, to be followed by three years of construction. In late 2016 or early 2017 the first ships would start traveling. Some ships would visit the site during construction, but ship traffic wouldn't be as frequent as during operations.

Q – I don't believe that we won't be able to see the ship.

GM – Thank you for your comment. We have considered the height of the ship and the curvature of the earth in our calculation. As you get further out in the water it makes it harder to see. It is our expectation that not very many, or any, ships will be visible from shore.

Q – That seems like a rather long route for the ship to take.

GM – There was a lot of work put into developing the shipping route. For example, bathymetric surveys and port studies were conducted. The route shown here is the best route we've come up with and is the one we plan on using. We've also developed this in consultation with the communities.

Q – You said the mine life would be 21 years. What would you do with the camp after the 21 years?

LB – We were only referring to mining Deposit #1. In the meantime we would look for other possibilities to mine ore in the area.

GM – Thank you for your question. My next presentation will provide more details on this. There have been other discoveries at Mary River in addition to Deposit #1. There are now nine deposits at Mary River. Our project proposal only focuses on Deposit #1; this is what will be applied for under NIRB. There is more work to be done on the other eight deposits. However, our initial work leads us to believe there will be mining at Mary River long beyond 21 years. In the EIS we have also included a mine closure plan, which details how we would remove equipment and clean up the site.

Q – I don't feel I was responded to correctly. There would be a camp there, accommodations, equipment and a railroad. What would happen to all that?

GM – Once all the mining is finished at Mary River the site would be reclaimed to as natural a state as possible. But we do think the mine will last beyond 21 years.

Q – If the ship will be using that route we would like to be notified when the first ship starts using it.

GM – We would certainly provide notification of that. We are currently devising a plan for how to inform the community every time a ship passes by.

Q – You visited our community on Southampton Island [Coral Harbour] previously and we were against that route. What about the comments raised from that community?

GM – We have no other choice than to go between Cape Dorset and Southampton Island.

Q – It was suggested you go out through Milne Inlet and by Pond Inlet. Why isn't this being looked at?

GM – We evaluated about 12 different shipping routes before determining the best possible route. The northern route presents issues with the port size and water depth available for the ships. There are ice issues that exist in the ocean outside of Pond Inlet which don't allow shipping 12 months a year. We also looked at going northeast of Mary River; the elevation and terrain is too difficult for a railway to operate. There were many considerations we made in selecting the shipping route.

Q – Is it possible to have the shipping route a bit further south of Mill Island? Closer to the islands to the south? Is a railroad cheaper than using trucks and a road? Thank you for showing up today.

Q – As an elder I tend to get confused and not fully understand. My question is how is this project going to help us? How are we going to benefit?

LB – We're going to discuss this a bit more after our break. Igloolik has requested a port further south in Steensby Inlet. We will discuss this more with the community of Igloolik. You'll get more information on your question after the break.

Q – The last time you were in the community you were supposed to bring information on Raglan mine shipping. [Comments missed]. There is already a route that ships use year round in Nunavik.

Nigel Qaumariaq – We have asked the Nunavik environmental review board to share information with us on Raglan shipping. When we return again we will discuss Raglan shipping with you. Baffinland has offered to send some community members to Voisey's Bay or Raglan mine to see how their shipping works. We will get community members from Cape Dorset and Kimmirut to participate in these visits, which will likely occur sometime in 2011. QIA also wants to find out if their shipping goes into the Nunavut Settlement Area.

Q – There are some not very nice questions that we have left. We have heard that those who were employed from Kimmirut and Iqaluit - there have been a few employed from this community as well – that the company is requesting employees only from the northern communities. It has been said that employees from the southern communities are too expensive. South Baffin employees have said they feel unwelcome. Due to this, they have returned home. They are human like everyone else; they have feelings and can get hurt. They want to work like everyone else. If you're going to be treating employees differently should this mine even open? This will have to change.

GM – Thank you for your comments. I'm going to talk a little bit about the communities that we include and then I will let Brian Larson speak about working at site. We have five communities in the North Baffin that are closest to the Project. Because of the shipping route location of course Cape Dorset and Kimmirut are also important. Those seven communities are what we consider our affected communities; these are the communities we will focus on. This is a big project and there will be many, many people required. Frankly, we feel there might not even be enough people available to fill the jobs we need filled. We're going to be looking for people who are able to come and work at the site and perform the jobs we need performed. We will help

them gain experience to do the jobs they need to. We will certainly not discriminate against anyone.

Brian Larson – I started in April 2007 and I will say we have had very few people from Cape Dorset and Kimmirut on site. Most have come from Pond Inlet, Igloolik, Hall Beach, Clyde River and Arctic Bay. Our workforce is hired through Qikiqtaaluk Logistics. When this mine is being built we are going to be short a lot of people. I think it is a great opportunity for people throughout Baffin Island to work. It is very important for us to have people work safely. We had nearly 587 days without a lost time injury. We treat people with respect no matter where they are from. I treat people the way I would like to be treated. No one is discriminated against. In 2009 employment levels were low; we had only 40 people on site. This last summer we had over 100; it is starting to pick up again. During construction that number may raise to 1500 workers on site. Plumbers, carpenters, cleaners, and cooks will be needed as will those who do work on safety and the environment. [Comments missed]. There is going to be a lot of opportunity.

Jason Prno – [Discussed the IQ study results and gave IQ study map handouts to workshop participants]

[Break and raffle]

GM – [Delivered the Project Benefits presentation]

Q – There has been a consultation meeting previously in regards to the shipping route. Was Baffinland alone on those meetings? Or were other people involved?

GM – Baffinland has been meeting in the communities for many years. Just recently Baffinland hosted a meeting of the communities at Mary River to discuss a number of issues, including the shipping route. We have also had a lot of discussion with the HTOs and CLARCs.

Q – Do you have meeting minutes for those meetings that could be publically shared?

GM – When the environmental impact statement is released there will be a section that chronicles all the meetings that have occurred.

Q – Some of the handouts are very hard to read. They have small printing. For important topics the printing should be more visible and readable. You need a magnifying glass to read this. Next time you have a meeting you should clarify who is hosting the meeting. We thought it was QIA hosting this meeting.

Q – I just wanted to say that we went on the radio today to let everyone know that Baffinland was hosting the meeting. I have heard some bad things about Nanisivik from someone from Arctic Bay. We should plan this mine so we don't have the same things happen.

Q – We heard on the radio that Baffinland may be sold to some other company. If they were to be bought, I am concerned. I hope the concerns raised in the community consultations won't just be thrown away if Baffinland is bought by another company.

GM – You're correct, there have been two bids by companies to purchase Baffinland. If these companies were successful they would own Baffinland. We've had significant discussions with one of those bidders and they have indicated they don't want to change what Baffinland has done. They also don't want to change many of the people involved in the Project. Because there are two groups who want to purchase Mary River it indicates there is a lot of interest in the Project. This is a positive thing. It will help ensure this project gets built.

Q – I think the route that is chosen is the safest route. Some of the other routes that have been discussed have difficult and unsafe ice. I'm glad this is going on.

Q – I've heard there are small CB radios at the worksite? I heard that once when someone spoke Inuktitut on the radio they were told, over the radio, that they didn't want to hear any Inuktitut on the radio. I heard that unilingual people will be allowed to work there though.

LB – GN is trying hard to preserve the Inuktitut language.

GM – [Closing comments]

Meeting adjourned at 3:30 p.m.

## Stakeholder Meeting Minutes

Date: December 4, 2010 (7:30 – 9:30 p.m.)

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Group/Organization: Hall Beach Public Meeting

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Meeting Location: High School, Hall Beach, Nunavut

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### **PRESENT:**

#### COMMUNITY:

[See sign-in sheet]

#### QIKIQTANI INUIT ASSOCIATION:

Mathew Akavak (MA)	-	Lands Officer
Levi Barnabas (LB)	-	QIA Community Director, Arctic Bay
Nigel Qaumariaq (NQ)	-	Environmental and Regulatory Affairs Advisor

#### BAFFINLAND:

Greg Missal (GM)	-	VP, Corporate Affairs
Nick Arnatsiaq (NA)	-	Community Liaison Officer, Igloolik
Brian Larson (BL)	-	HR, Health and Safety Superintendant

#### CONSULTANT:

Jason Prno (JP)	-	Consultant, Knight Piésold Ltd.
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The meeting was translated by Abraham Qamaniq and meeting notes were recorded by Jason Prno.

[Prayer]

Levi Barnabas – [Opening remarks and introductions]

Greg Missal – [Delivered the Project Description presentation]

Q – People of this community weren't aware of this meeting tonight. We would like to see a Baffinland CLO in this community.

LB – Baffinland and the QIA have been working together for three years and meeting with the communities. We are now at the tail end of our community consultations.

Q – The ships that would be coming up here – it was said that when they get close to here there would be a local person from Igloolik or Hall Beach as observers on the ship.

GM – That is something that we would do. I think it is important to have community members on board the ship from time to time. That was something we did during the bulk sample in 2008 and was very useful for us at that time.

Matthew Akavak – We are from the QIA and are here to observe and listen to your concerns.

GM – [Explains Project development timelines]

LB – One past summer the ship went by Pond Inlet about 3 times. It was a test run for that ship.

GM – [Delivered the Project Benefits presentation]

LB – Any questions?

[No questions]

[Prize draw]

Meeting adjourned.

## Stakeholder Meeting Minutes

Date: December 6, 2010 (10:00 – 12:00 p.m.)

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Group/Organization: Igloolik Hamlet Council Meeting

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Meeting Location: Elders Centre, Igloolik, Nunavut

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### **PRESENT:**

#### **HAMLET COUNCIL/STAFF:**

Lucasie Ivvalu	-	Mayor
Zacharias Kunnuk	-	Councillor
Joe Immaroitok	-	Councillor
Natalino Piugattuk	-	Councillor
Bartholomew Kappianak	-	Councillor
Brian Fleming	-	Senior Administrative Officer
Celestino Uyarak	-	Assistant Senior Administrative Officer

#### **BAFFINLAND:**

Greg Missal (GM)	-	VP, Corporate Affairs
Brian Larson (BL)	-	HR, Health and Safety Superintendant

#### **CONSULTANT:**

Jason Prno (JP)	-	Consultant, Knight Piésold Ltd.
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Meeting notes were recorded by Jason Prno.

[Introductions]

Greg Missal – [Described the DEIS submission process]

Q – Will the EIS be translated?

GM – Yes. It will not be 100% translated, but a good deal of it will be. NIRB requires certain sections of the EIS to be translated. We have about 7 translators currently working on this.

Q – After the submission of the EIS, how long do you think it will take for the agencies to determine it is safe to proceed?

GM – It will be the end of 2012 or early 2013 before all the permits are in place

Lucasie Ivvalu – When you mention the large ships you are going to use it gives the hunters the shivers. Some of these ships are large and untested up here. Will these ships have to turn around?



GM – [Showed a diagram of the MV Arctic compared to the proposed ships].

Brian Fleming – Do you know how many volumes the EIS will be?

GM – It will be very long. Generally, people only focus on reading the sections they are interested in. Very few people will actually read the whole thing aside from a few people within Baffinland.

Brian Fleming – Will it be very technical?

GM – Yes, there are some very technical sections. However, we have prepared a Project Description document that is less technical and easier to read. [Described the various EIS sections]. [Described the NIRB submission process and public comment period]. We're still talking about another 6 years before the Project is up and running. Trying to stay within the timeframes that NIRB has established will be important for everyone to follow. Losing time in the process could cause us to lose an entire year of construction. It's important to all of us, in terms of employment and business opportunities in the communities, that the Project not be delayed.

Q – The mine workers will be transients, right? You won't house families at the mine site?

GM – That's correct. It will be a fly-in/fly-out operation. [Described the Mary River, Steensby Inlet and Milne Inlet camps and the various employment opportunities there]. There will be approximately 600 people working for the mine once in operation. During construction there would be well over 1000 people needed.

Lucasie Ivvalu – People from the directly affected communities would need to be the first ones hired. We have a number of trained people in the community. The complaint has been that most of the hiring has been through Iqaluit, even though they aren't directly affected.

GM – That's a common concern in many of the communities I've visited. There were a lot of employees in 2008, but then our employment numbers decreased. After 2008 we used QL. QL was Iqaluit based; they tried to hire from the communities but if they didn't have any luck there then they hired from Iqaluit. It is a concern for us as well and we've raised these concerns with QL.

Lucasie Ivvalu – So you're quite aware of the situation?

GM – Absolutely, and we've done things about it. We've spoke directly with Harry Flaherty. We're not sure we'll actually need QL in the future. We would like to hire directly. Also, our contractors will hire a number of people. [Describes current mine life and the potential development of the other 8 deposits]. In 2008 we had a number of people from Igloolik working at site and engaged in training programs.

Q – Will the comments on the EIS come from groups or from individuals?

GM – NIRB allows for individual responses, but I believe NIRB expects comments from community groups like the Hamlets. There will also be public meetings NIRB hosts where comments can be made.

Lucasie Ivvalu – There was an interesting comment made by an elder over the radio. He was in support of the mining if it can create jobs. I agree with him. We currently have 80% unemployment.

Zacharias Kunnuk – What is our time frame though? We need to train these people.

GM – [Described employment and training opportunities at Mary River].

Brian Larson – [Described employment and training opportunities at Mary River; discussed previous and existing training opportunities for Igloolik workers]. We've been visiting the schools to see grade 10, 11 and 12 students to discuss jobs and training. We told them I would come back and discuss how to build a resume and job interviewing skills. We've been telling them to stay in school. We'll do this during these visits as well.

Q – There was some interesting training recently down in Ottawa – It was all women training for heavy equipment operation.

BL – [Discusses equal opportunities for women at site].

Q – We don't want to see another Beaufort Sea, where an EIS was done and nothing happened.

BL – [Unrecorded comments]

Q – 2 weeks on / 2 weeks off seems to be very popular here.

BL – 3 weeks on / 3 weeks off seems to be too long for community-based workers.

Q – Yes, if you're a family man. If you're single you want to stay and work longer!

Q – They will have Skype at the mine?

GM – Yes, of course. Telephone and internet will also be available.

Q – We know Baffinland by heart now [i.e. they are familiar with the details of the Project]. Our main concern is the effects on marine life. We have two walrus hunters here; I don't know what is going through their heads right now. This is a major concern of ours.

Q – We are very conscious of the potential effects on walrus. We will be keeping an eye out for potential effects on walrus.

GM – We have some good processes in place to handle that. We have a monitoring and reporting plan in place, where we will monitor our effects and see if we are having an impact.

Our goal is to improve our processes. At the Voisey's Bay and Raglan mines, they have shipping too. They aren't seeing major effects there. We try and learn from these other projects. The NIRB documents we submit will provide much information on this. It is a very transparent process. NIRB came into existence through the land claim. This type of work wasn't done with Nanisivik or Polaris. It's a different age now. I also wanted to talk about the IIBA we're negotiating with the QIA.

Q – As long as there is a good EIS that we are pleased with, it will be good for everybody.

GM – A concern we are hearing from everybody is with shipping. In Cape Dorset and Kimmirut they are concerned with ships sinking. However, we have our routes and we will stay within our shipping routes off shore. We've been told by our advisors the ships won't even be visible from shore. From Igloolik and Hall Beach you definitely won't see them; they will be much too far away. We will also make sure that hunters from these communities that are traveling to different communities will have a detour around the mine site. They can stop in at camp for a meal and fuel up their snow machines, if they like.

Q – Yes, you are not dealing with dumb hunters here. They are very smart.

GM – We're looking into finding a suitable way to notify hunters when the ships pass by. There will be approximately one ship every two days.

Zacharias Kunnuk – Environment Canada will be monitoring this. This is good for us. We always want to know where the floe edge is. We originally asked for the route to go to Milne Inlet. We've been told this won't happen. The shipping is coming; we can't stop it. So, now we need to engage in training. Train the people.

GM – We've put a lot of thought into choosing the routes and port location [describes considerations taken in selecting routes and port location].

Zacharias Kunnuk – We know Mary River by heart now; it's been around since the sixties.

GM – [Describes current bids for BIMC by NIO and ArcelorMittal]. The company that put in the higher bid has told us they want to keep the Project as it is, develop it as soon as possible, and keep the people involved in the Project on staff. [Describes ArcelorMittal's corporate profile]. This is the type of company Baffinland needs to have this project built. They are very familiar in dealing with indigenous people and developing training programs at a global level. The bidding process is not yet finished. This will be completed on December 20<sup>th</sup>. They may extend their bid, or not. I'm not expecting this process to be completed until sometime in the New Year.

Q – We are keeping up to date on all this, through Google Alerts.

Q – I have a question about the tote road. The road has lots of dust that is not good for the caribou and fishing lakes. How will you keep the dust down?

GM – There are a couple things that companies do. Iron ore dust is very heavy and will not blow around easily. Most of the dust would come from the road. Either water or calcium chlorite would be spread on the road.

Q – When you first came here you said you would use no chemicals. Now you are saying you will use chemicals.

BL – We haven't actually used chemicals yet. If we found out the dust was affecting the animals we would use them. However, if we learned there was an effect we would only use water at first.

GM – The comment about chemicals was probably made in regards to no chemicals being needed to process the iron ore.

BL – We can also build the road and compact it in ways that minimize dust.

GM – [Discussed the road haulage option].

Brian Fleming – The tote road option has never been considered to replace the shipping option?

GM – The economics of it doesn't make sense. It is much cheaper to move ore by rail.

Q – How long would the train be?

GM – About 1.5 kilometres. Each car would be about 10 metres long. [Describes side-dumping cars and unloading procedure; use of rail line].

Q – We heard on the radio that the shipping route had been approved by the Hamlet, but we had never even heard of that.

GM – [Describes decision to use the eastern Foxe Basin and southern Hudson Strait shipping routes because of community concerns].

Q – [Comments on global warming].

GM – We don't know what's going to happen with that. These ships will be built to handle the ice conditions. We don't expect any problems. [Discussed the economic reasons why the port site couldn't be moved further south in Steensby Inlet; it would create an added cost of \$1 billion]. If the port had to be moved down there I don't think the Project could be built.

Q – If the Project is built properly, I don't see why the port can't be where it is.

GM – We spent a lot of time finding a good location for the port.

Q – Another concern of ours is that we don't know what the position of QIA and NTI is regarding the mine. Are they in support of it? This makes us nervous. Where do our Inuit representatives stand?

GM – [Discusses IIBA negotiation process].

Brian Fleming – Is there a timetable for the completion of the IIBA?

GM – Unfortunately, one thing that is slowing us down is this bid for Baffinland. We aren't allowed to enter into any material agreements until the deal is completed. I think in about 3-5 months we would probably have it done. We can negotiate an agreement-in-principle, but are not allowed to finalize the agreement until we have a NIRB project certificate. This likely won't come until 2013 sometime. Baffinland believes that it would be helpful to the process if we could have an agreement-in-principle in place going into the NIRB process.

Q – It is only 2 hours to go by snow machine to Steensby Inlet from here. We have tonnes of Arctic Char that needs a market. Mary River will need fish at site.

Q – How can we discuss the IIBA with the QIA? With the people that have been keeping us in the dark? I don't know how many people would be in agreement with the Project, but listening to some of the elders and younger people there is some support for the employment and job opportunities.

GM – We hear a lot about people in the communities wanting employment opportunities.

Q – Not too many students want to leave their communities and home environment to find a job. They don't have to do that with Mary River.

Zacharias Kunnuk – I read the mine has a mine life of 21 years. Is that just Deposit #1?

GM – Yes, just Deposit #1. This has the potential to be a multi-generational project.

Q – We had a number of people working at Nanisivik, but it closed down unexpectedly.

GM – Not everyone wants to work at a mining camp, but there will be spin-off employment opportunities.

Zacharias Kunnuk – We've heard that the mine will be cleaned up when it is done. But, do we want that? There will be an airport there!

GM – NIRB requires us to provide a closure plan. However, I'm sure there will be negotiations with the communities to see if infrastructure can be left behind.

Brian Fleming – I know it seems like a long way away, but 3 years from now to get people trained is like tomorrow. In the EIS, is there a training plan that we can really work with? To me, that is a real key.

GM – There is some information in the EIS, but you will likely see a lot of details in the IIBA.

Q – We will need on the job training as well, for non-educated people.

Zacharias Kunnuk – At Nanisivik all Inuit got were shovelling jobs. We don't want to see that again.

Q – Well, maybe some.

GM – There will be a mix of jobs available.

Brian Fleming – We need to start looking at training now. It will likely take Arctic College a year to develop training programs. If we wait for the Project Certificate to be issued, it will be too late.

GM – Yes, we really need to think about this. We will also be pushing the federal government for funds and assistance.

BL – [Discusses potential training plans]. It's time to start talking to young people in the schools about job opportunities.

Brian Fleming – Does the EIS consider medical needs for the communities? In Igloolik we would like a residential doctor.

GM – No, it doesn't. Health issues would be considered in the socio-economic section of the EIS, however.

Brian Fleming – What are they going to use for communications at site?

BL – Satellite communications.

Brian Fleming – We'll be looking at getting a cell phone business here in Igloolik. Perhaps you could connect into this. I think it would be good for business and employees at site?

GM – Please keep us in the loop on this.

Brian Fleming – [Questions about the Development Partnership Agreement].

GM – [Discusses Development Partnership Agreement with the GN]. If we get a certain amount of money back in fuel tax from the GN, this money is supposed to be distributed to communities for community projects. The only agreement in place currently is with Agnico-Eagle. We will negotiate one as well.

Meeting adjourned at 12:00 p.m.

## **Stakeholder Meeting Minutes**

Date: December 6, 2010 (7:00 - 11:00 p.m.)

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Group/Organization: Igloolik Public Meeting

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Meeting Location: Catholic Church, Igloolik, Nunavut

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### **PRESENT:**

#### **COMMUNITY:**

[See sign-in sheet]

#### **QIKIQTANI INUIT ASSOCIATION:**

Mathew Akavak (MA)	-	Lands Officer
Levi Barnabas (LB)	-	QIA Community Director, Arctic Bay
Nigel Qaumariaq (NQ)	-	Environmental and Regulatory Affairs Advisor

#### **BAFFINLAND:**

Michael Zurowski (MZ)	-	Executive Vice President
Greg Missal (GM)	-	VP, Corporate Affairs
Qavavauq		
Issugangituq (QI)	-	Community Liaison Officer, Pond Inlet
Brian Larson (BL)	-	HR, Health and Safety Superintendant

#### **CONSULTANT:**

Jason Prno (JP)	-	Consultant, Knight Piésold Ltd.
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The meeting was translated by Abraham Quamaniq and meeting notes were recorded by Jason Prno.

[Prayer]

Levi Barnabas – [Opening remarks and introductions]

Greg Missal – [Delivered the Project Description presentation]

Louis Tapardjuk – Why is QIA here?

Levi Barnabas – To hear the community's concerns. Not to support the Project, but to learn from the community. We will hear community comments privately after Baffinland leaves.

Louis Tapardjuk – Thank you for your clear presentation. No one seems to notice the ice here. It is a major part of our life. I was born on ice. The ships will be running 12 months a year. People cross over to Baffin Island for caribou hunting. Of course you are looking at the



cheapest way to extract that ore. Our descendants will need employment. There is no concern for the environment; only to get the ore. I heard Baffinland say it is too expensive to move the port location. This will be a main point for me and one I make to NIRB. I am not in support of this proposed route.

GM – I would like to address Louis' concern about the environment. Mining is in a different time now. There is much more concern about the environment than there was in the past. The NLCA requires mining companies to look at and assess environmental issues. I think the company has done a very good job on addressing environmental concerns. In regards to the shipping route, over 20 routes were looked at for the Project. It was very difficult to find what mix of rail and shipping routes would work. For example, if the rail line were to become longer the cost of the Project would go up. If it becomes too expensive, the Project may not get built. Other port locations have been suggested, but it is not even known if those other locations are even possible from an engineering perspective. There has been a lot of planning, work, and money put into identifying a location that satisfies the needs of the Project. There are lots of things we can do to work with Igloodik and Hall Beach. For example, we will be looking at creating a detour around the Steensby port for hunters travelling through the area.

Louis Tapardjuk – I'm not against economic benefits. We need to be an economically feasible community. I understand the Project can become too expensive. However, the ore will always be there. Even if you don't proceed with the Project. Maybe we can access it in the future. The ship might not be able to be seen from the community, but the animals will be impacted by the shipping.

GM – A large part of the EIS looks at impacts on wildlife, including marine animals. The EIS also includes plans for monitoring. This monitoring will let us know if our plans need adjusting or not. It provides a way for us to have an understanding of what effects we may be having as the Project goes along.

Paul – What is 'MTPA' on page 3? Also, how much money would you be making per year? Where would you draw the line to make the Project economical? After all the taxes and costs, how much profit will you make?

GM – 'Million Tonnes Per Annum'.

MZ – Based on the Feasibility Study we did, \$18 billion would be generated over 21 years. For every dollar invested we would get a \$0.17 annual return. This is assuming that everything works according to plan.

Nigel Qaumariaq – What are the monitoring plans in place right now? I haven't seen any of the plans.

GM – I can't give you all the details right now. They will be part of the DEIS and discussed in detail there.

NQ – Sorry, my question wasn't clear. How will Inuit be included in monitoring?



GM – We will use Inuit to do monitoring on the ground. There may also be opportunities to have Inuit monitors aboard the ships. Community based monitoring groups may also be used to report on the monitoring results

MZ – We're talking with FedNav to put a monitor on every 5<sup>th</sup> ship. Each monitor would need to stay on the ship for the entire voyage, though. It is not necessarily practical for a monitor to be present for the whole voyage. The ship would take ~31 days for a round-trip.

Paul – Will you be monitoring the land as well?

GM – Yes. Virtually every part of the operation will be monitored and reported on. It is a very standard part of mining operations now.

Q – The proposed shipping route will be open water year-round. We won't be able to cross over to Baffin Island, unless in a boat. What are your thoughts on that?

GM – Thank you for your question. There would be some sort of notification made to the communities when the ships are coming. The ships will be traveling 7 miles an hour. People should be able to avoid the ships at this speed but would still need to pay attention for safety purposes.

Q – Have you considered how we would cross the shipping lane?

GM – There are a few different methods that could be considered. In the case of Raglan and Voisey's Bay mines, the shipping doesn't occur that often. In our case, of course, shipping will be much more frequent than that. We've looked at asking travelers to detour around Steensby Inlet to the north, to avoid any danger around the shipping lane and port site.

George Qullaut – It's unfortunate the HTO is not here; I believe they are still in a public meeting. Have you studied the rivers around Mary River? Have you looked at contaminants? That lake close to here will also be contaminated by the mining project. If they are affected, how will be compensated?

GM – There's very little associated with this Project that would cause the contamination you speak about. There are no chemicals used in the processing of the iron ore. No tailings. We're building brand new ships that are very safe with very few risks associated with them. We will need to develop safe working procedures for dealing with fuel handling.

MZ – Trace element sampling for mercury has come back below detectable limits. One of the reasons we're excited about the Project is because it is very clean. It is an exceptional deposit.

George Qullaut – Mary River will have many hazardous materials. Batteries, fuel, etc. There will be a number of work locations at the mine site and along the rail line and port sites. The mine will produce contaminants and emissions into the air. We need to understand the studies that were done on those.

GM – What you'll see in the DEIS is that all the potential effects of those things have been looked at and assessed. All hazardous materials will be stored properly at site before we haul them away to be disposed of in the south. We don't want that stuff at site for too long either. We'll do an annual haul out of the materials. We'll also report on these activities.

Louis Uttak – What about my descendants? How will the marine mammals be impacted? Fish? Others? What will happen to them in the future? Will my descendants be compensated? I am no longer a young man. I want money. We have two goals. Eating country food and making money. These two things are essential. For my grandchildren in the future I would like to know if you will degrade the marine environment.

GM – We had a very interesting meeting at the high school today and met with kids in grades 10, 11 and 12. It was very encouraging for me to see how interested those kids were about the Project and the many different types of jobs that were available. We tried to leave the message that there were a lot of important opportunities available. Mary River will provide good jobs, skills development, and the ability to come home for 2 weeks after working. That's the real important group we're all thinking about here – that future generation. In terms of effects on animals, the NIRB process requires us to look at potential impacts the Project might have on marine mammals. There are rules in place that tell us we need to do that. There was also a comment made on compensation. Baffinland is working on an IIBA with the QIA. This agreement will be important for all the affected communities. The responsibility for handling compensation will be with the QIA, but it will exist. Thank you.

NQ – Have you incorporated harvest data into your analysis?

JP – [Discussed the IQ and harvest data included in the EIS].

Louis Uttak – I didn't get an answer. I asked what would happen if the marine mammals would be affected.

GM – The effects on marine mammals will be assessed by the experts we have hired for the EIS. This information will be made publically available to those who are interested. We will keep track of what is actually happening through our monitoring and reporting programs.

[Break]

Paul – You are well educated, but you are not educated about the north. Pollution and smoke doesn't rise in the winter. It stays on the ground. Have you thought about the emissions coming from the machinery?

GM – The EIS also looks at emissions. It is something we will address.

Mooshi – I wanted to express that I'm happy. At your meeting last year, Steensby Inlet was your only option. Now, Milne Inlet is also being looked at. That is good. I'm happy to see this. It seems like you are listening to us. I understand it is only an option. It is too narrow for big ships.

There will be less impact for the people of Igloolik and this region. I want to thank you for hearing us, although you did not consider our suggestion of going between Pond Inlet and Clyde River. How much would you be making if you went through with this option?

MZ – [Discussed the restrictions and impracticalities of the various routes, using a slide showing route and port alternatives].

GM – We've also had a request from Cape Dorset to alter the route further south in Hudson Strait. We've since made alterations to that route. We are listening to what the communities have to say.

Louis Tapardjuk – Did your IQ study indicate areas where walrus are calving? Will the ships stop during this time?

JP – Yes, the IQ study contains information on this. I can show you the maps we generated with walrus information at the break.

GM – Right now the ships will run 12 moths per year.

Louis – Even when they are calving operations will continue?

GM – That's correct.

Louis – Does your IQ study show areas where bowhead whales calve? Can you show this information?

GM – We only have paper copies of our IQ study maps, no digital copies. We can show you these at break.

Louis – We do want jobs. The HTO should be here. We're not sure how the QIA will get their royalties. Is it Inuit Owned Land? How will we get royalties? If this is going to proceed they are going to have to follow what Inuit want.

Dominic – We don't usually get what we want. With the proposed routes we are not happy. You don't listen to us, but we still come to your consultations. Our traditional routes will be affected. We will need to detour. We're not saying don't go to work at Mary River. We want what we say to be followed.

GM – We have listened to the community about changing the shipping route. There were changes we could make. There are also changes we can't make. We will consider making changes when they are suggested. However, moving the port to a more southerly location would be very, very difficult. We put a lot of effort, time, and money coming up with locations that work. These locations are what we're presenting in this Project proposal. We do care. If we didn't care, we wouldn't be here tonight. We are interested in hearing from the community. We've also worked with the QIA on a number of issues.

Q – In Milne Inlet, are you able to turn that big 300m+ foot ship?

MZ – I know it looks narrow on a map, but it is more than 3 km in width. That is more than enough width to turn the ship around.

Q – We would like to move the port further south. This is the view of the HTA. I'm a board member of HTA. This is probably the cheaper option. I would be in favour of that.

Josie – There are many shallow points in Steensby Inlet. Have there been studies done on the proposed shipping route?

GM – We've done studies along the whole shipping route. We know the depth of the route. The route presented on screen looks straight, but it does move a bit. There is enough depth.

Josie – Will the captains have someone lead the way to point out the shallow spots? People of Igloolik prefer the point [Nuvuit] for a port rather than Steensby Inlet.

GM – The big issue there is that it requires the rail line to be substantially longer. That adds significant cost to Project.

MZ – We have looked at that point. It would be an added cost to the rail line. The point does not have deep enough water for a port. We have to look at the rail line, the port, and the shipping route combined. It's all three of those items that make a port site viable. Steensby Inlet is the only truly viable route where all those things work out. Milne Inlet and Steensby Inlet suit those criteria; there is the least amount of impact in those locations. There will be an impact in the shorter term, but we don't believe there will be a substantive impact in the longer term.

Q – The point and in-between the islands around the point are probably deep enough. I'm not sure. What would happen if the ship ran into shallow waters? What would we do then? There are tons of fish over there. Once you start building the rail route, there will be two tunnels. When you are tunnelling there will be explosives used. What if the fish start dying off in those rivers due to your blasting? How would our descendants be compensated if this occurred?

GM – There are a number of special ways blasting can occur. The blasters can make the rock move only in certain ways, for example. There are also blasting products that produce total combustion instead of leaving residues. Blasting impacts will be addressed in the EIS.

MZ – Once a shipping route is established, it is virtually unheard of for a ship to run aground. A ship running aground often occurs when a ship jumps the queue at the port site because they want to get loaded first. That won't happen here.

George Qullaut – We saw this presentation in Iqaluit. There is one part that is missing in your presentation tonight. Can you show the slide of the aerial surveys that was shown?

GM – I don't have a copy of it. We could provide it at a later date.

George – I don't want it for myself, I want the people here to see it. No wonder it was taken out of your presentation – It's because you don't want the people to see it.

GM – No, it wasn't taken off. It was presented in a very different presentation. We can provide that if you like.

Louis Tapardjuk – I am representing these people. I wasn't in complete agreement with what you said. You said if you weren't concerned you wouldn't be here. You are required to consult with the communities. I want the people to know what you said wasn't true. Is that Inuit Owned Land or crown land?

NQ – Deposit #1 is on IOL. NTI will get the royalties. Right now QIA gets \$600k per year in rent; this is part of our lease agreement. Afterwards, when Baffinland leaves, I will discuss the IIBA process.

Matthew Akavak – Moving the Steensby Inlet port further south has been brought up by a number of communities. It seems impossible right now. It will make the Project more expensive than \$4 billion. Can you go over \$4 billion for this project? What is the line? Can the ship make a round trip on the same tank of fuel?

MZ – In some cases, changing Project components are just not practical. To get the rail line there is possible, but it is not deep enough for the port and shipping lane. You can't get the ships in and out. Is there a number beyond \$4 billion? I don't know. We chose a route that was the most practical and had the least impact. There are some routes that are simply not practical even if you throw a lot of money at them.

MA – The community is concerned about ice conditions in Steensby Inlet. When would the first sailing of the ship be?

MZ – Late 2015, early 2016 at the earliest. We're looking at 3 to 3.5 years of construction. The ships that are coming in would not need to be refuelled by us. They will only be fuelled in Europe.

Levi Barnabas – How big is 4-5 million litres?

MA – The smaller tanker that goes to Iqaluit is just a bit smaller than this.

[Draw]

GM – [Delivered Project Benefits presentation]

[Break]

Louis Tapardjuk – Copies of the last presentation are not being provided? For which communities will employment be provided? There are very low numbers of Igloolik employees. Igloolik will be one of the most impacted communities but has low numbers of employees.

LB – During the economic downturn the CLOs were cut back. How come employee hiring is slow in Arctic Bay and Igloolik?

GM – There are five local communities surrounding the Mary River Project. Pond Inlet and Igloolik are the two largest communities. We've focused on those two communities in the past. There have been a number of people hired from those communities at site. During the bulk sample we hired a lot of people from those communities because there was a lot of work that needed to be done. In 2009 we experienced the economic downturn which caused us to cut back on the number of employees we had. During the exploration phase of mining projects there are lower numbers of people hired. This number will go up in the construction phase.

MZ – In 2010, we had a total of 45 people working on site. 54% of 'man days' worked by beneficiaries came from Pond Inlet, 28% from Igloolik, and 17% from Iqaluit. We had a training program in 2009 for heavy equipment operation and driller helpers. We had 10 trainees and 6 jobs available for them. We only have enough jobs for the amount of equipment we have. We had about ~20 beneficiaries on site this year.

GM – There are no contracts in place right now for the construction and operations phase. In the past we have used QC and QL.

Louis Tapardjuk – There are probably more Newfoundlanders working up there than beneficiaries. Are there positions available for people from Igloolik for entry level work?

Brian Larson – We had chefs come out of Igloolik and drillers out of Arctic Bay. We also had HEOs come from Pond Inlet.

Louis Tapardjuk – How come the cleaners and cooks were from Iqaluit? Would it be better if we spoke to QC?

BL – We have spoken to QC about hiring issues. However, sometimes to get cooks you have to hire them from Iqaluit.

MZ – Out of the HEOs we hired from Pond Inlet, one of them moved to Iqaluit. Sometimes people move around. One employee was hired from a different community ever year he applied because he moved around. We are a small company. We have no revenue and have to raise money. We believe we are very good at hiring from northern communities. Sometimes people that have been hired from the communities quit, as they don't want to be away from home.

MA – What are the numbers of people that will be hired from Montreal, Ottawa and Yellowknife?

MZ – We don't track where the people we hire from down south come from.

NQ – What would the percentage be?



MZ – We have scientists, drillers, engineers, electricians, and other specialists that come from down south.

George Qullaut – It's no fun wearing two hats. I work for QC and [missed comments]. There are some contracts for catering. Sometimes contracts are given to people outside of the region. Only small contracts are given to the Baffin region. We don't want to see this again. QC can be given smaller contracts. This is not right. Nuna Logistics does not deal with Baffin Region.

LB – We also wear two hats.

Larry – You said if we got our certificates we would be able to work there. I've worked at Mary River. There seem to be less Inuit working there. We seem to be second tier. There doesn't seem to be much help there. I would like to see more training in the environment field. It seems that only white people are there.

LB – QIA representatives are writing down your concerns.

Q – I believe that drugs and alcohol won't be allowed at Mary River. At Nanisivik this was said too. But what is said and what is done is different.

LB – [Discusses potential extension of Project lifespan with Deposits 2-9]

Louis Tapardjuk – In the IBA, what will the percentage of Inuit employees be?

NQ – What mechanism will Inuit employment be guaranteed under?

MZ – The economic provisions of the IIBA. We signed an MOU with the QIA in March 2009 because we can't sign the final IIBA until the Project Certificate is issued. We want to see Inuit trained and educated. We are also encouraging higher education. You spoke about environmental jobs; most environmental people had at least bachelor's degrees.

Louis Tapardjuk – Thank you to Baffinland. You have been contributing computers to Grade 12 graduates.

MZ – We have been giving more computers every year; the number of graduates has been going up. That is good news.

Louis Tapardjuk – Would the railroad have Inuit employees? And the shipping company? Would we have to go through Baffinland for this?

MZ – One section in the IIBA we haven't negotiated yet pertains to shipping. There are only about 20 people on the ship; they work 6 months on and 6 months off. There will be a section on shipping in the IIBA.

George Qullaut – There is another presentation that should be made here. These are only some of the results of their studies. There were many studies undertaken. They are only promoting

their high points. The Newfoundlanders are the largest number of hires, every year. It would be beneficial to have a higher number of Inuit employees.

Kevin – How many times do I need to apply to get a job? The hiring process seems to be too long. There are maybe 24 people who have the training for drilling here including me. I've waited so long my certificate has expired.

LB – How long is the waiting list for people who are waiting to work for the company?

MZ – We hired 6 drillers this year. We only had 2-3 rigs running. Your concern is very valid. We have a lot of people trained on heavy equipment. But, we only have a limited number of pieces of heavy equipment. We need to see people trained in a lot of different areas. We do have people slipping through the cracks and I apologize for that. I will take his name and look into it. Just because his certificate is expired doesn't mean he can't apply.

Paul – We have told QL in writing that we would like to work at Mary River. The response is that it is too expensive for us to work there. This will have to be ironed out. You come here and smile at us, but once you turn around you will probably forget about us right away.

GM – [Closing comments]

Meeting adjourned at 11:00 p.m.



## Stakeholder Meeting Minutes

Date: December 7, 2010 (7:00 - 11:20 p.m.)

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Group/Organization: Arctic Bay Public Meeting

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Meeting Location: Community Hall, Arctic Bay, Nunavut

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### **PRESENT:**

#### **COMMUNITY:**

[See sign-in sheet]

#### **QIKIQTANI INUIT ASSOCIATION:**

Mathew Akavak (MA)	-	Lands Officer
Levi Barnabas (LB)	-	QIA Community Director, Arctic Bay
Nigel Qaumariaq (NQ)	-	Environmental and Regulatory Affairs Advisor

#### **BAFFINLAND:**

Michael Zurowski (MZ)	-	Executive Vice President
Greg Missal (GM)	-	VP, Corporate Affairs
Qavavauq		
Issugangituaq (QI)	-	Community Liaison Officer, Pond Inlet
Brian Larson (BL)	-	HR, Health and Safety Superintendant

#### **CONSULTANT:**

Jason Prno (JP)	-	Consultant, Knight Piésold Ltd.
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The meeting was translated by Mishak Allurut and meeting notes were recorded by Jason Prno.

[Prayer]

Levi Barnabas – [Opening remarks and introductions]

Greg Missal – [Delivered the Project Description presentation]

Tommy – My question is related to the first picture. The shipping lane and the rail line – Why is it closer to here than to the other side of the island? Is it more difficult to go other ways?

GM – We took many different things into consideration when choosing a location for the routes. We looked at the environmental conditions, land and marine mammals, bathymetry, ground conditions, etc.

Tommy – What is the reason you haven't built the rail line to the eastern part of the island? It seems closer to the ocean.

GM – We looked at that route, but elevation and challenges associated with building a port in a fjord were issues.

Q – We expressed our concerns in earlier meetings. It seems like plans were already laid out. It seems like you don't want to change your plan to go east, towards Bylot Island. It seems like our concerns are never even considered. There are small islands inside Steensby Inlet. Which side of the islands will the shipping route travel through?

GM – It's a little bit difficult to see this level of detail on these maps. If you look on page 17 of the handout there is some better detail provided. After the break, perhaps you could come up and look at the map a little more with us. Regarding the shipping route, there was a great deal of thought and consideration put into the location of the shipping route. Our experts looked at a number of options. The current route was determined to be the best.

Koonoo Oyukuluk – I'm glad. I recognize the Baffinland people from our visit this summer. I want the people to know that this rail line and road to Milne Inlet will block the caribou. When they are migrating towards the west towards Arctic Bay they will be blocked. We met this summer and discussed this. This concern about the caribou needs to be taken seriously. It will effectively block the caribou trail. I want the people here to be aware of that. The caribou will turn back to the east if they see something blocking them.

GM – Thank you. That deserves some further discussion. The angle of the slopes of the rail bed can be built in such a way to allow caribou to cross. The use of certain rail bed materials also makes it easier for caribou to cross. Mines in western Nunavut and the NWT have been built to allow caribou to pass through them. We're not expecting the rail line to cause any problems in terms of caribou migration.

Kik Shappa – Welcome to Arctic Bay. Especially the QIA. I have a question about page 4. You don't know what option you are going for – Steensby Inlet or Milne Inlet. Which option are you more focused on?

GM – Sorry for not making that clear before. The rail option is what we are pursuing in the Project Description. If we choose the trucking option in the future, we would need to apply for additional permitting.

Kik Shappa – How many people would be employed at Mary River? When will you need them?

GM – [Discusses employment requirements and hiring timelines].

Kik Shappa – Back during the planning of this mine Baffinland representatives came in and told us there would be no families living there, only the workers.

GM – That is correct and that is still the plan. The mine would be a fly-in/fly-out operation. There would be a two week in / two week out rotation for employees.

MZ – The Nunavut Government does not want another community developed. They want all the infrastructure and development to remain within the existing communities. We have no option but to do the two week in / two week out option.

Kik Shappa – How many ships would there be in Steensby Inlet?

GM – There is enough space at the dock for two ships at any one time. We would have a ship come about every two days. There would be about 100 voyages every year.

Kik Shappa – You said there would be 80-90 trucks used. What kind of trucks would you use?

MZ - They would be 120 tonne trucks.

Kik Shappa – You said there would be 150 people working at the Milne port.

GM – Yes, we would still need about 150 people at that port.

Tommy Kilabuk – We've recently heard there will be ownership changes in Baffinland.

GM – [Discusses the two bids for Baffinland currently in place].

Tommy Kilabuk – Would the agreements we are negotiating still stand with the new owners?

GM – Any existing agreements would carry on in a new ownership situation. The second bidder, ArcelorMittal, has indicated they would like to continue on with the work that Baffinland has done because we have done a good job already.

Tommy Kilabuk – You don't have the funding to build those ships?

MZ – We would finance the ships by signing long term contracts to provide ore. ArcelorMittal is the largest steel company in the world by a factor of three.

Tommy Kilabuk – How long do you plan to use Milne Inlet?

MZ – The Milne Inlet option would use existing ships, but only in the open water period. The Steensby Inlet option would require new ships to be built in Korea. These could be built and ready for operations in 18 months.

Tommy Kilabuk – Have you checked the depth of the shipping route in Steensby Inlet? I know Steensby Inlet is shallow. The eastern part of Baffin Island is much deeper. I don't agree with you when you say the inlets in the east are shallower than Steensby. We know better. We also know there are more deposits close by to the mine and that you will do more exploration. We want a separate compensation agreement for the communities.

LB – We will get into the details of compensation agreements afterwards.

MZ – We looked at building a port with minimal impact, we looked at depth considerations, and the other logistics of building a port site. I believe you when you say the east is deeper. We conducted bathymetry work to make sure our proposed shipping lane is deep enough.

Tommy Tatatuapik – Will Baffinland operate the mine or will it be some other company, under contract?

GM – The mine would be owned and operated by Baffinland. However, I mentioned earlier there have been bids for Baffinland; if one of these bids were successful there would be a new owner. It would be owner-operated.

Tommy – Which is more important – people's lives or finances?

GM – There is no question. People's lives are more important.

Tommy Tatatuapik – We would want part of the money that is acquired through the mining operation, as we are inhabitants of this land. As long as QIA is getting royalties, then I would agree with that.

GM – Projects like this provide opportunity. Nunavut and Baffin Island is in dire need of those opportunities. The Mary River Project will provide employment and training, especially for youth. We visited the school today and met with students there to discuss opportunities. They were very interested in the opportunities available. We will also be negotiating an IIBA with the QIA to ensure benefits are delivered to the communities.

Tommy Tatatuapik – Nanisivik promised benefits to the community, but they didn't carry out their plans. There was discrimination. People who weren't qualified were paid less. People with credentials were paid more. Would you still be doing that?

GM – Thanks for your question. We have to keep in mind that Nanisivik was a long time ago. I know that the project was very close to this community and that its closure did not end up well. Since then, the NLCA has been signed. It requires environmental impacts of mining projects to be assessed. Mining companies must also negotiate IIBAs with regional Inuit associations. The mining industry has also changed, and encourages equality at the mine site. Different jobs will be paid differently. However, we are encouraging training and development for workers who want to improve and advance.

[Break]

GM – [Delivered the Project Benefits presentation].

Sakiasee Qaunaq – In 2008 and 2009 I was involved in the IQ committee. If you sell the company and you are replaced by another owner, would we lose the committee and studies we have completed?

GM – We're at the stage in the Project where we have compiled the necessary information and are submitting the EIS to the NIRB. The environmental studies done previously won't be lost. It will always be valuable information for whoever is running the Project.

Sakiasee Qaunaq – Dust created from the mine needs to be carefully considered. The mine in Yellowknife had dust issues.

GM – Dust would be something we would carefully consider. The dust from iron ore does not have anything unsafe in it. The dust is so heavy it is not able to fly in the air, not like at other mine sites. It is something we pay attention to. The rock crusher at Mary River will be completely enclosed, to help cut down on dust. Roads are where most of the dust comes from. We will have ways to keep dust down on the roads.

Sakiasee Qaunaq – You will be dredging the Steensby port to make it deeper. Has the DFO been consulted on this?

GM – Thank you. There is no dredging required for shipping in Steensby Inlet. We have done bathymetric surveying to determine the shipping route is deep enough.

Sakiasee Qaunaq – The ore will be stockpiled near the port. If snow builds up on the stockpile you will have snowdrifts that will freeze the stockpile. You will then have problems accessing the stockpile. At Nanisivik they had difficult times dealing with this. Our winter is very harsh. How would you deal with the frozen stockpile of iron ore?

MZ – We're going to be crushing very coarsely at Mary River. The material at Nanisivik was very fine, almost like a powder. We don't see any problems with the stockpile freezing. We did not see any stockpiles freezing during our trials.

David Kalluk – We're glad to hear there will be no blasting in the water. What happens if there is an accident with the ship? Do you have a contingency plan in place to deal with an accident? The rail line will block off our land to the east. We have to be careful with migrating animals. They move from place to place, based on their feeding. Are rail lines in the south having any effect on animals? Like deer? Do you have any examples? I understand there will be compensation as well. I know you are different than those Nanisivik people. We regret not negotiating benefits with Nanisivik. I want people to be compensated if they are hurt. We used to have an environment committee. I would like that committee to continue.

MZ – We have looked at the rail line between Schefferville and Sept Illes, Quebec. It is not a barrier to the caribou migration. Hundreds of thousands of caribou regularly cross it. The real impact will be during construction. During operations, we believe the impacts will be minimal. If there are damages, there will be compensation. Compensation to be negotiated with the QIA in the IIBA. We will have an emergency plan in place to deal with any potential shipping accidents. All employees at the mine will have a benefits package.

JP – [Discussed the IQ study, use of IQ data, and potential use of IQ data in the future].

LB – Will there be a CLO in Arctic Bay?

GM – We had a CLO here before. After the bulk sample, we didn't have enough work to be able to keep a CLO employed here. Once in operations, we would look at hiring a CLO here again.

NQ – We had a caribou expert at the Mary River workshop say large numbers of caribou won't be a problem, but when in smaller numbers they won't cross. At a diamond mine in the NWT they have seen the same thing. At QIA we believe there will be an impact from the mine.

Tommy Kilabuk – [Question on road haulage option].

GM – The current Project Description focuses on the Steensby Inlet shipping option only.

Tommy Kilabuk – Your current plans are to start mining only if you build a railway?

GM – Yes. We wouldn't be able to transport iron ore from the mine site unless we have constructed the railway.

Tommy Kilabuk – If you're going to use blasting, what are the impacts? How much study have you done on this and the dust from the blasting?

MZ – The main impact will be with the ammonium nitrate and fuel oil used in blasting. Some of the ammonium nitrate will get into the environment, but it is very highly controlled. Dust from ore will be minimal. Iron oxide is an inert material. It has been stable for 2.7 billion years. It is actually added to animal feed to help with digestion. It is harmless.

Tommy Kilabuk – Blasting will have an impact because of its sound. Noise pollution will be a major impact. It could also impact lake fish and landlocked char.

GM – Noise monitoring will occur so we know what impacts the mine may have.

Tommy Kilabuk – People from communities close to the mine are not being hired. They are all being hired from Iqaluit.

MZ – Pond Inlet is actually the closest community and they complain about not enough hires as well. [Described the number of people working at Mary River from Pond Inlet, Igloolik and Iqaluit]. 30% of our employees are currently beneficiaries. We have had a lot of technical staff on site. During the bulk sample it was easier to hire from the communities because we needed the help. During operations all 5 North Baffin communities will be hiring centres. There will be no restrictions on people from these communities. Working 2 and 2's has also been a challenge for retaining people. Currently, we cannot hire from each community as the costs are substantive. I would have liked to hire from every community, but couldn't.

Tommy Kilabuk – Thank you. You are welcome here. When do you start paying royalties to NTI and QIA?

[Break and draw]

Moses Oyukuluk – What will happen with the ballast water from the ships?

MZ – Ballast water is very tightly controlled internationally. Any ballast water will be picked up in the mid-Atlantic. It will not be European water. This is because we are concerned with invasive species.

Moses Oyukuluk – Before you empty your ballast water, I think it should be checked to make sure it is not contaminated. How long would it take to stop the train if it needed to stop?

MZ – It would take between 500 m and 1 km to stop the train. That is normal for almost any train.

Moses Oyukuluk – Even though we don't have caribou in the Mary River area, we know they will come back in the future. I was asking about stopping the train in order avoid hitting a herd of caribou. Can we become shareholders in the company? What is the process of becoming a shareholder?

MZ – [Discussed current takeover bids]. You can buy shares in our company. However, I wouldn't buy at the current price of 1.15 and sell to ArcelorMittal at 1.10.

Moses Oyukuluk – I think we'll need a committee to review the agreements. There will be ownership changes in the future. In order to have a consistent carry-over of agreements we need to do this.

MZ – We have an MOU in place with the QIA on the IIBA. This will eventually become a binding agreement between the company and the QIA. There will be repercussions for the company if they don't follow the agreement.

Moses Oyukuluk – So the new owners do not have to follow old agreements? Nanisivik did this.

MZ – No, they have to follow the old agreements.

Attagutak Ipeelee – We are trying to express our concerns about country food. We grew up eating country food. I am asking the three people from Iqaluit [referring to the QIA representatives attending the meeting] to write down that one elder from Arctic Bay wants country food and that if animals are affected by mining... [comments missed]. If you brought in caribou meat to the community, support for the Project would be higher. Animals can take detours. Caribou can smell and hear. Since Arctic Bay is lacking caribou meat, perhaps the company can help bring in caribou meat. It doesn't have to be every day, but it could be a friendly gesture, every once in a while. I want them to note that one elderly woman is requesting caribou meat; we don't have any caribou in the area. If it's possible, take hunters from here and take them to where the caribou are available to harvest. The noise created from the mine development will have impacts. Mary River is an area where caribou pass by. There are some



big rocks at Adams Sound that make it difficult to pass by. They should be blasted apart and moved out of the way so we can have easier access to travel between the two communities.

LB – This is the first time we've heard during our community visits of comments regarding inter-community trade. Would Baffinland like to comment on inter-community trade?

GM – We will take both points into advisement and discuss with the QIA how it could fit into our plans.

Martha Naqitarvik – The Hamlet Council doesn't really do any liaison work with the community. The animals are very sensitive, so they will be affected. We've heard about the rail line blocking the migration route for caribou. It looks like they will be impacted. Can the company provide supplies if it turns out the caribou have turned back? What have the Hamlet Councils of these communities said about compensation? Is it in your plans to compensate the communities? This has to be part of the plan. We haven't heard if this will be included. We know for a fact the caribou will be impacted and affected from all the blasting and noise. We're not guessing there will be impacts from the smoke from the ship; we know there will be impacts. You have to be prepared to compensate the affected communities. Here in the communities, some people rely only on sea mammals for their food. The company needs to have a good plan in place for compensation.

GM – Thanks for your comments. I think all of the items that you mentioned will be monitored and discussed in our environmental impact statement. In terms of compensation, that will be something covered in the IIBA; you can discuss this with the QIA after our meeting.

Juda Oqituq – The price of iron ore will affect the mining. We will need to downsize the employment levels if the prices go down. If the price of ore goes down, would you continue to operate? How much cargo can your ships load? How many metric tonnes? Would you continue to mine after 21 years if the price of ore went down?

MZ – The current price for iron ore is \$140.00/tonne. The price in our Feasibility Study was \$55 – \$67/tonne. Our ore is high grade and will be sought after. The ships will carry up to 190,000 tonnes of iron ore. We will be looking to have 8 vessels built.

Juda Oqituq – We dealt with ore carriers with Nanisivik. For one ship, how much can it load?

MZ – 190,000 tonnes. These ships can carry about 8 times the amount of the MV Arctic.

Kik Shappa – Would you have on the job training? Apprenticeship programs?

GM – We would definitely be supporting apprenticeship-type programs.

Kik Shappa – I used to work at Mary River, until I was laid off. During my employment, there were two liaison officers. One working for Baffinland, one working for QIA. This was confusing. I would suggest that only one person be a coordinator for these jobs and travel logistics. Workers were sometimes given short notice. They were sometimes told they were going to work



tomorrow, when they had plans to go hunting. They should have more notice. We didn't know what was happening when the CLO office closed down. This needs to be properly organized.

MZ – You're right, there were some difficulties with people given short notice. In some cases this was our fault. However, there were some cases where people gave us short notice and told us they were no longer going to work. 2 weeks in / 2 weeks out presents some challenges. It's not always easy on families. During the economic downturn, Baffinland was forced to make changes. We had to lay off 3 CLOs. We went from 30 employees to 20. As we move forward, we will start looking into hiring CLOs again. I also agree with you, that we need to improve communication.

Kik Shappa – Thanks for making me smile.

Niore Ikalukjuq – Inuit are always concerned about the wildlife. Hunters go anywhere to find animals. There is a high cost of transportation here. We travel by ski doo because of the high cost of airfare. If there was an accident, would you provide compensation to the hunter if he was injured?

MZ – For our employees, we will have insurance cover this. Hunters should not be going near the infrastructure. If a hunter was injured, our insurance would not cover it.

Niore Ikalukjuq – We have to go a long ways to travel, sometimes to Clyde River. Would you have a safe way of traveling through the site?

MZ – Yes. Anyone traveling through the site will have a safe way to pass through. They can also stop in for a meal, fill up there snow machines with gas, camp and get a bunk there. The ski doo trails through site will be very well marked. The site will not be a barricade.

Niore Ikalukjuq – You seem to be in a hurry to end the meeting. I think QIA should have gone before Baffinland. How did you come up with the 23 billion dollar figure?

MZ – Based on 2008 price levels of lump and fine ore. That would generate 38 billion in revenue. Less operating costs. We would also pay royalties.

Moses Koonoo – If the Project goes ahead, we will want one person from the community as a CLO. We need better communication. Even today, I went to the wrong airport to pick you up because there wasn't clear communication. That's one area that needs improving. You will use fine gravel on the rail embankment. In Kivaliq there is a mine where they have studied this. This studied showed there was no effect on the caribou. They have a different species of caribou there though. The biologist also only studied a very small herd of caribou.

Martha Tatatuapik – Why did Baffinland lose their office here? When the office was here they were very welcoming with hiring and making sure people were informed. Right now, young people call Iqaluit to look for a job. At Nanisivik we were told to stay inside when there was blasting. We listened to them. We all have experience with blasting. We were warned not to go outdoors afterwards because of the dust we might inhale. We were told there would be jobs,

jobs, jobs. Because of the blasting, we weren't allowed to eat animals close to the mine. Baffinland seems to be the same. When Nanisivik started they were very welcoming but that changed as time went on. We are concerned about the animals that will be affected; we are concerned about our grandchildren. Try to be honest and tell me what impacts there will be. At Nanisivik the jobs were not very good. They were very dirty. Tell it to us straight. Will these jobs be clean or dirty?

GM – Thank you very much for your questions and comments. We had no choice but to cut back on some of our workers in 2009; unfortunately, the CLO position here was part of those cuts. In 2008 there were lots of people, a few hundred, working during the bulk sample. That included people from this community. In 2009, after the bulk sample, Mary River reverted back to being an exploration project and there simply haven't been many jobs available at site during this period. This year we have been mainly concerned with completing the EIS. We haven't forgotten about Arctic Bay. Once the mine construction starts we will be hiring from Arctic Bay again. Right now we're in a low employment phase.

Ikey Naqitarvik – Where are you getting the gravel to build the railway?

GM – The rail bed will be composed of crushed rock taken from quarries along the rail line.

Ikey Naqitarvik – How high will the rail line be?

GM – 1.5 – 4 meters. It will depend on the area. The sides will be sloped to allow caribou to cross.

Ikey Naqitarvik – Question to the people - If the rail line is low will the caribou cross? Or if it is high will they turn back? Can we put a condition on the railroad, to be as low as possible? To keep it to a certain height? People are saying they get neglected by the companies over time. Can the company give money to the QIA, who can give money to the community?

GM – It would be in our best interest to keep the rail line height as low as possible. This will minimize the work we need to conduct and be more cost effective.

LB – At QIA, we will negotiate the IIBA with Baffinland.

Leah Oqallak – There will be no families at the mine site? Why is that?

LB – The Government of Nunavut has decided that there will be no new communities in Nunavut.

Leah Oqallak – It will be two weeks in / two weeks out?

MZ – Yes, on average.

Leah Oqallak – There will be no alcohol or drugs on site?

GM – Yes, that is correct.

Leah Oqallak – Nanisivik never stuck to that rule. You are better than that company?

GM – Yes.

MZ – We could put that in the IIBA if you like. It would be in a binding contract then.

Leah Oqallak – This is the first time I've heard a good plan.

LB – They have to stick to the NLCA. Nanisivik was different because it was before the NLCA.

Leah Oqallak – We've heard there will be training programs for our young people. We know that Inuit people are not very good workers; not very good employees. I like the idea of on the job training programs. There are birds and caribou at Mary River. Are there other animals like geese in the area?

MZ – There are geese in that area. Caribou have been harvested down in that area as well. We are in a low caribou cycle now.

Leah Oqallak – How would the material for the railroad be made? Would it be crushed?

GM – Yes.

Leah Oqallak – Mary River can be a very windy place, with strong winds. The dust is not dangerous to the animals.

[Missed comments]

MZ – Do you mean the gravel would not have an effect?

Leah Oqallak – Oh, I thought it would be crushed iron used for the rail bed.

MZ – No, we would want to sell that.

Leah Oqallak – So, there is no concern for the animals. I don't know a lot about iron.

MZ – [Discussed the chemistry and processing of iron ore].

Leah Oqallak – I want to support the mine because I like metal and steel. But I'm concerned about the animals. I'm afraid of losing our animals. Store food is very expensive here. You've said you will look after the environment and the animals. I'll come back when you go against your word.

Koonoo Oyukuluk – When I was a child we used to go to the Mary River area to go caribou hunting. Mary River used to have caribou and they didn't come here to Arctic Bay, so we used

to go there. If the caribou come back to the area, if we go hunting by skidoo, can you provide gas to the hunters to harvest the caribou?

MZ – Yes, we would provide gas and a meal at the mine site.

Koonoo Oyukuluk – You say there is no danger to the animals. Even one ship from Nanisivik had a big negative impact to our animals and environment. We know from our experience that any activity that is not natural will have an effect on the animals.

Olayuk Naqitarvik – If there was no visibility, would the train keep on moving?

GM – Yes, they would be able to move with very little visibility.

Olayuk Naqitarvik – Snow drifts would not be a problem to go through?

GM – Yes, that's right. In addition, we would have a plow to help clear the tracks.

Ikey Kigitikakjuk – I have a concern about Mary River. What will happen when the ships are being loaded? Will spilled material affect the sea bottom and sea creatures? I'm concerned about the caribou too. The rail line is a concern, but I know the caribou can take that. It's different with the marine mammals. When Nanisivik was operating we had caribou in the area. We would see them from the road. Caribou can get used to man-made things. They can still go over railroad tracks. They can get used to sound. They have more areas to turn to compared to marine mammals. I want more studies done on the marine mammals and the effects the ship would have on them.

GM – Thank you for your comments. The marine mammals that you speak of are assessed in the environmental impact study. We will monitor those mammals and any possible effects on them throughout the Project. This information will be reported back to the communities.

Meeting adjourned at 11:20 p.m.

## Stakeholder Meeting Minutes

Date: December 8, 2010 (7:00 - 12:15 p.m.)

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Group/Organization: Pond Inlet Public Meeting

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Meeting Location: High School, Pond Inlet, Nunavut

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### **PRESENT:**

#### COMMUNITY:

[See sign-in sheet]

#### QIKIQTANI INUIT ASSOCIATION:

Mathew Akavak (MA)	-	Lands Officer
Levi Barnabas (LB)	-	QIA Community Director, Arctic Bay
Nigel Qaumariaq (NQ)	-	Environmental and Regulatory Affairs Advisor

#### BAFFINLAND:

Michael Zurowski (MZ)	-	Executive Vice President
Greg Missal (GM)	-	VP, Corporate Affairs
Qavavauq		
Issugangituq (QI)	-	Community Liaison Officer, Pond Inlet
Brian Larson (BL)	-	HR, Health and Safety Superintendant

#### CONSULTANT:

Jason Prno (JP)	-	Consultant, Knight Piésold Ltd.
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The meeting was translated by Malachi Arreak and meeting notes were recorded by Jason Prno.

[Prayer]

Greg Missal – [Introductions; delivered the Project Description presentation].

Paniloo – With regards to the Milne Inlet shipping option – Whatever you use to emit sound should not be used. These instruments keep the animals away. [Comments missed]. There are no seals or narwhal in Milne Inlet. It seems as though they have moved towards Clyde River. There seems to have been an impact. I don't want any sound disturbing devices used.

MZ – The gauges we have put in the water have been used since 2005. They are passive gauges and only monitor tidal water flow. They do not emit sound. They are only monitoring tidal activity.

Ham Kadloo – The company has presented a positive spin. But we have stated on multiple occasions that there may be impacts on wildlife. We've talked about building a port between

Pond Inlet and Clyde River. I've been involved in the IQ study. I would like to know if the baseline will involve IQ.

MZ – I would like to talk about the different port sites we looked at. [Discussed the various port sites assessed for the Project]. Selecting a port site involves finding the right combination of locations for a shipping route, rail route, and a port. We need a port where these three things are feasible to construct and operate. The route between Clyde River and Pond Inlet did not meet these criteria.

JP – [Discussed the IQ study and how information from the study would be used in the EIS].

Manasie – I would prefer if you could use that other shipping route, even though I know it will cost a bit more. The impacts on the wildlife will be greater; the southern route will have less impact on Inuit and wildlife. Our most pressing concern is to preserve our wildlife.

Q – I heard there would be a fence along the railroad to Steensby Inlet. It seems this Project has changed due to circumstances beyond our control. We have to balance wildlife conservation versus development. We don't want iron ore ships going in front of Pond Inlet. Sometimes the Project seems to be in limbo. I believe the only limitation of a route to Nanisivik would be its length. I heard there would be a study on archaeological items that might be destroyed by construction, and on potential compensation.

MZ – There will be no fence on the rail line. The rail line bed will be about 1.5 - 4 meters in height and the slope will be very gentle so caribou can walk across it. We are looking at both options for the shipping route. We do want to hear about your concerns regarding Milne Inlet – Thank you. In regards to a route to Nanisivik, the rail line needs to be constructed on a gentle grade for the train to be able to travel. This isn't possible with this route. We would need to blast a number of tunnels, which is very expensive. We've had archaeologists on site who have fenced off archaeological sites, so there will not be anything but perhaps only minor damage occur.

Q – It was brought up by a Baffinland scientist. Baffinland would study old Inuit artefacts that will be affected.

MZ – [Discussed archaeological component of EIS and archaeological studies that have been conducted].

James Attagootak – Have you looked at all these different options for the shipping route? I only see the Milne Inlet and Steensby Inlet routes marked on the map. If you've studied them, they should be included. Although they may be expensive, I would like these alternatives be examined. It's hard to know if you've looked at this or not if you don't show us. My second question is in regards to Steensby Inlet. That area is fairly shallow. You will need to dredge to make sure the ships can get in. There are char and other species there. There will be explosions and dynamite that will affect the animals. I've heard discussions about moving the port to Nuvuit. When it's foggy it will be hard for the train to see what is in front of it. What will happen if the train kills caribou when it is foggy? Will there be compensation? You also talked

about the shipping in summer from Milne Inlet. A lot of people from Pond Inlet are in complete opposition to this option. You will be impacting their livelihoods and will need to compensate them. If you do this, all the wildlife will leave the area. In Resolute, they said all the animals left when the ships came in for the mine.

MZ – [Discussed various port location options and siting restrictions; shows port alternatives slide]. There will be no blasting at Steensby Inlet; we've changed our port design to make use of steel containers filled with rock. There will be no blasting necessary with this design. We have not chosen the least expensive option; we looked at the best option for the Project. We've always said that if the communities don't want this Project to move forward, it will not move forward. Yes, Steensby Inlet is a shallow basin, but we have done studies and determined that it is deep enough to ship. Building the port at Steensby Inlet is more expensive than Milne Inlet. We looked at the most doable option. We have looked at ways to get this Project moving as quickly as possible. We need to generate revenue; currently we only raise income and don't generate any revenue. We believe the Steensby Inlet option will have the least impact. But, we're looking at both options and studying them as a way to get the Project moving quickly. Compensation will be paid if any animals are killed. This will be part of the IIBA negotiated with the QIA.

[Break and draw]

Apitak Innurak – What will be the expected ratio of Inuit workers at site? Will the communities have access to medical services on site? Question for QIA – If we don't support the proposal and we cannot mitigate the impacts, can we create a moratorium on the Project? Say, for 50 or 100 years? Or until we find someone who can develop the Project, or have Inuit develop their own mine?

MZ – We were going to have targets, but we still have to determine what those will be. During the past few years we have been around 30% Inuit employment on site and we would like to improve on that. [Described future employment needs at Mary River]. The medical services offered at site will be a fairly small operation. Pond Inlet will probably have better services and doctors than we will at site.

Levi Barnabas – The QIA will need to look into that last matter.

Caleb Sangoya – All boats irrespective of their size have a depth finder. All animals don't like those because they make a sound. They make a sound like the seismic testing. The whales flee from ice breakers in Lancaster Sound. It seems like every time you guys come in there is a slightly different presentation. You first told us you would be buying supplies from the Co-op for the exploration phase and make use of local businesses, and that the majority of Inuit employment would come from Pond Inlet. After this, the majority of contracts were moved to QC in Iqaluit. You changed our previous agreement after 8 months. The supply and labour contracts were moved to Iqaluit. When you make another presentation we would like know about the impacts of Mary River. We are already seeing impacts. The caribou and narwhal have moved away. We've already seen impacts in this six year period. I don't want to see impacts to the wildlife.



MZ – We're still using the Co-op to purchase our food; this has been going on since 2004. About 55% of the beneficiaries working on site were from Pond Inlet. We employed through the Co-op from 2004-2006. After this, we moved hiring to QL. As we move forward, Baffinland will be hiring directly. We will do this as soon as we can. [Comments missed]. We believe people are talking about impacts that might not exist. I understand your statements and I'm not sure if they're true; we'll have to see about this moving forward. Please remember there has also been a lot of harvesting going on in Pond Inlet. We only have 65 people that work on site right now; we've been right around 30% Inuit employment. The ships use charts. They do not use active sonar; they use passive measures. The ships measure bathymetry mainly through use of MRI, or, magnetic imaging. There is no pinging involved.

Caleb Sangoya – There are people from here that have worked at Mary River or visited the site. Every time they visit there are more people from Iqaluit. There are no people from Pond Inlet now.

MZ – The people that are currently there are only taking care of the site over the winter. There are only 6 people there right now; mainly to take care of the generators and equipment. There are also 2 people working at Milne Inlet.

Matthew Akavak – I heard there were 20 people up there?

MZ – That was during the field season. There was a peak of 65 people on site. Now it is just the care and maintenance people on site.

Brian Larson – There will be 28 people on site tonight, because of a crew change and the people involved in this community tour who are visiting.

Harvey Nutarak – The surface and subsurface is owned by the people. All of these roads need to go on the surface of the land. My question is what are you guys doing? The land is owned by QIA. Right now you are leasing the land. Has QIA thought about that?

NQ – Right now the company pays for being able to access to the tote road. That is included in the lease for the Project.

Enokie Inuarak - The 365 million tonnes – That's from Mary River?

MZ – That's just Deposit #1.

Enokie Inuarak – How much will you make per tonne?

MZ - \$67 per tonne for lump ore, \$55 per tonne for fine ore. Our operating cost to mine the ore is about \$15 per tonne. The capital cost to build everything is about \$4 billion. The current iron ore price is much higher than the numbers used in the Feasibility Study.

Enokie Inuarak – Total revenue?



MZ - \$40 billion.

Enokie Inuarak – Steensby Inlet and Milne Inlet seem like the only options?

MZ – Yes.

Enokie Inuarak – You can't afford any other options?

MZ – It's not a matter of affordability. It's a matter of practicability. We need to be able to build it. The rail line can't be constructed on anything steeper than 3 degrees slope.

Enokie Inuarak – It seems like those are the only options then. I have seen where you guys have studied; it looks like you can go further south.

MZ – [Describes the evaluation of port and route alternatives and selection process used].

Enokie Inuarak – There are airplanes that can carry tonnes and tonnes. Does that cost too much? If you can't afford that, you can't afford to build Mary River. Because country food is the most important to us. It's the healthiest food we have. We can barely get healthy food from the stores, you can check for yourself.

MZ – To fly would cost \$1000 per tonne. We only sell it for \$60-70 per tonne. You're right, the mammals are important. We want to minimize our impact. We will be filing a Draft Environmental Impact Statement. It will be about 5000 pages long and look at all the main animals and our potential impacts on them.

Enokie Inuarak – Mary River was selected by the people of Pond Inlet as IOL. The people who are the actual owners of the land are not getting any of the benefits. I would like to see royalties going to Pond Inlet as well. It is very difficult to get basic infrastructure here; that money could be used for that. All that money should be going to QIA.

NQ – We very much hear this at QIA. People want to see benefits going to Pond Inlet. The money Pond Inlet gets from the land lease is currently going towards the environmental review. This is a very expensive process. Mike's comment that marine mammals don't use currents is not true.

MZ – I was talking about the ice, not the marine mammals. The currents keep the ice moving and make a lot of noise. For our purposes, it is easier to ship through. The whales do not like the sound of the moving ice.

NQ – There are walrus that use that area.

MZ – They are mainly over by Rowley Island and Jens Munk Island..

Michael Peterloosie – Thank you for remembering my late father [Jayko Peterloosie]. He was a valuable source of IQ. I do not want his words forgotten. How long will the sound travel? There are nine deposits on site? That would be almost 100 years of mining. As a hunter in that area, I would like to know when blasting will occur and how many times it will occur. We also need to know about the safety precautions hunters will need to take. Over a year, what kind of quantities are we talking about? How much dynamite will be used? If I go hunting at Mary River, I would like to know this. I don't want to be caught by a surprise explosion. The railroads in the south are also very loud. I would like to know what the level of sound will be for the railroad. Mary River won't be the only area that will require blasting. You will need to blast along the railroad. What will the decibels be?

MZ – In the mine environment blasting is a regular event. It only occurs when there are no people in the pit. It occurs either at the beginning or end of a shift. Yes, there are nine deposits on site, but we are only focusing on Deposit #1; the other deposits need more work done on them. Blasting will be heard several kilometres away. There might be some blasting needed for the quarry work, but we will try and use already broken rock wherever possible. It is less expensive for us this way. All the information on blasting will be included in the DEIS.

Joanna – I didn't quite understand what you discussed regarding the shipping route by Cape Dorset and Kimmirut. You said you might not always be able to use the southern route, but you will have ships stronger than what the Coast Guard uses. Will you be doing an archaeological inventory? Or is this already done? The Steensby Port is an old landslide; there could be archaeological sites there. You might want to move the port if there are too many archaeological sites.

MZ – There are some archaeological sites at the Steensby Port site, but we have made sure there won't be any infrastructure developed on these. During some times of the year ice conditions would make shipping difficult in the southern shipping route by Cape Dorset and Kimmirut.

Colin Saunders – You said the contracts through the Co-op are still ongoing?

MZ – We buy through their distributor and they get a commission.

Colin Saunders – Will there be a time when you will buy all your food through the Co-op?

MZ – [Missed comments]. We buy it in bulk through their supplier and they get a commission. That has been going on since 2007.

Colin Saunders – That is not the message I got through our Co-op manager. I think there needs to be some more discussion on this. There is a great interest amongst community members to have these contracts go directly through the Co-op.

MZ – The food that we buy and that you buy comes from the same supplier. It just takes a different route to get where it is going. We aren't buying a lot of food, because our employment numbers on site are lower than before. The food is not coming to Pond Inlet and then to site.

This is a misconception. It goes directly to site. We cannot be part of the food mail program here; we have to have a separate transport arrangement.

Timothy Aksarjuk – What was Igloolik's position on building a port at Steensby Inlet? If this will become a year round operation we know there will be an impact.

LB – There is a very big concern. The marine mammals are a concern. There was discussion of blasting by fish bearing lakes. There are also concerns about walrus, as there are a number of haul-out sites in Steensby Inlet. That is why Igloolik wanted the proposed site moved to Nuvuit. They thought the port location would make it difficult for Igloolik hunters to harvest.

Timothy Aksarjuk – [Unrecorded comments].

Titus Alooloo – Are you looking at permanent accommodations for workers and their families?

MZ – The Nunavut Government has the 'Nunavut Mining Strategy'. They want development to occur in the existing communities. There will be no new communities. Mary River will be a fly in / fly out operation. [Discussed employment needs at Mary River].

Titus Alooloo – Are you also looking at socio-economic impacts in the environmental impact statement?

MZ – Yes, those will be included.

Titus Alooloo – Does NIRB have a policy indicating how they will consult with the communities after the impact statements have been submitted?

NQ – NIRB has developed guidelines that Baffinland must adhere to. There were some 1500 points that Baffinland had to address. After the submission of the EIS, NIRB will do a conformity check and ask for comments from the federal government and QIA to make sure Baffinland has answered all those questions. If more information is needed, Baffinland will be required to submit more information to satisfy those requirements. Once the conformity check is complete and the company submits a final EIS, NIRB will visit the communities.

Samson Erkloo – Do you have a website to browse for employment opportunities? Will you be corresponding with Pond Inlet and Igloolik to discuss employment opportunities? Have you looked at scholarship opportunities?

MZ – We have agreed to an MOU for the economic provisions of the IIBA. We do not yet have an employment website. In the future we will develop a website for these purposes. Our dealings with the QL have not been as efficient as they could be. Their database of resumes is not as full and complete as it should be. Please remember our employment numbers have decreased because we haven't had many people on site since the bulk sample. As we move forward there will be hiring centres and improved communication. We do have a website – [www.baffinland.com](http://www.baffinland.com). In Igloolik and Pond Inlet we also have CLOs. If you have a resume you

can give it to the CLO, or contact him if you would like more information on employment opportunities.

Samson Erkloo – Will you be establishing scholarships?

MZ – When we implement the IIBA, yes. We have also given computers to graduates in the five communities. 33 computers were given out in 2007 and 57 were given out this year. There has been a steady increase in the number of people graduating.

Manasie Amagoalik – Will the IIBA be for the life of the Project?

MZ – Yes.

Manasie Amagoalik – There should be a referendum in North Baffin to see if there is support for the Project.

[Raffle and draw]

GM – [Delivered Project Benefits presentation].

Titus – [Question on training; details of question missed]

MZ – During the trial cargo we made use of a simulator on site for training. [Describes training programs initiated by Baffinland in the past]. As we move forward, we will implement life skills courses and on-site courses through Arctic College, especially for apprenticeships. I want to push university education and have people go to university and college down south. We would have some teachers on site to help with training, but some people may have to go off site.

Ham Kadloo – I have never had any formal education nor do I speak English, but I have worked as a number of years as an electrician and welder. I have been able to do these jobs. Other people may be able to learn. Once they learn their duty they will be able to do the job. Inuit are not like white people; we learn very quickly. It doesn't take them very long to learn how to do something.

MZ – When I'm talking about education, I'm not always talking about formal English education. [Describes IIBA provision on use of Inuktitut language at the work site].

Enokie – I'm a student at the college taking environmental technology. Will you provide scholarships?

MZ – Not right now, but we will in the future. Once the IIBA is in place.

Michael Peterloosie – Thank you for making a presentation to our community. How will you be mitigating the drug and alcohol issues at site? It can be dangerous for people to operate heavy equipment if they are not sober. Will you be doing blood tests?

MZ – Some people in certain jobs and where safety is a factor may be required to do an oral swab. Companies can be criminally liable if they know about an employee who is drunk or on drugs and operating heavy equipment. Companies need to create a safe working environment. Our incidents on site have been going down and were very, very few last year. Everyone's bags are searched when they arrive on site; even the Premier had her bags searched when she visited.

Caleb – I don't want to be given a deadline for me to approve or disapprove the Project. It is IOL. I would like to see an options report to QIA. I would like to see a quarry agreement. We would like to create a community development corporation. We would like to conduct a study on caribou...[comments missed].

GM – The NIRB process we are now going into provides an opportunity for communities and the Hamlets to review our environmental assessment material. There will be technical hearings and community-based hearings as well. It is a very open and public process. I've gone through it for another project in western Nunavut. It allows the public an opportunity to provide input. The IIBA will also be important for providing benefits.

Philip Paneak – He keeps stating the IIBA may be completed in a year. Perhaps he knows some information I don't. We have put aside a two year period to negotiate the IIBA. We have also heard that some people have been told they are too old to apply for a job.

Ham Kadloo – I applied to be a polar bear monitor at site but was disqualified because I don't have a gun licence. I could have protected the people based on IQ. I don't follow the southern ways. I also would like to be gainfully employed.

LB – [Closing remarks]

Meeting adjourned at 12:15 p.m.

## Stakeholder Meeting Minutes

Date: December 9, 2010 (7:20 – 9:30 p.m.)

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Group/Organization: Clyde River Public Meeting

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Meeting Location: High School, Clyde River, Nunavut

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### **PRESENT:**

#### COMMUNITY:

[See sign-in sheet]

#### QIKIQTANI INUIT ASSOCIATION:

Mathew Akavak (MA)	-	Lands Officer
Levi Barnabas (LB)	-	QIA Community Director, Arctic Bay
Nigel Qaumariaq (NQ)	-	Environmental and Regulatory Affairs Advisor

#### BAFFINLAND:

Michael Zurowski (MZ)	-	Executive Vice President
Greg Missal (GM)	-	VP, Corporate Affairs
Qavavauq		
Issugangituq (QI)	-	Community Liaison Officer, Pond Inlet
Brian Larson (BL)	-	HR, Health and Safety Superintendant

#### CONSULTANT:

Jason Prno (JP)	-	Consultant, Knight Piésold Ltd.
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The meeting was translated by Looseosie Paneak and meeting notes were recorded by Jason Prno.

[Prayer]

Levi Barnabas – [Opening remarks and introductions].

Greg Missal – [Delivered the Project Description presentation].

Joesie – I think you are going the wrong way. I think you are more worried about those [unrecorded comments] things than the animals.

GM – Thank you for your comments. A great deal of our work is focused on the animals and environment. There are a number of studies included in our EIS. We will also conduct monitoring. The results of this monitoring will help indicate if we need to make adjustments in our operations.

James – The ship going north won't be carrying ore? I would like more information on the water being carried aboard the ships from other places.

MZ – There are very clear rules and regulations around ballast water. Ships collect ballast water and empty ballast water in the mid-Atlantic Ocean. They are not allowed to exchange ballast water at port locations. All ballast waters will be clear of invasive species.

Joesie – Is the water deep enough on the shipping route around Cape Dorset and Kimmirut?

MZ – We have conducted bathymetric studies to make sure our shipping route is deep enough. The shipping route is about 30 - 50 meters in depth on average.

Peter – If something bad happens to the ship in the winter, would there be contamination?

GM – If there was a spill?

Peter – When I was working at Nanisivik there was an ice breaker filled with ore that sank somewhere off Baffin Island. It looks like QIA has not been saying anything about that. Will the ship contaminate the water?

GM – Thank you for your comment. The ships used for this project will be built brand new. They will be double hulled and will be Polar Class 4. They will be able to handle any ice conditions that exist in Hudson Strait and Foxe Basin. In the event there was a spill, we have developed a spill contingency plan that describes the response we will take to deal with it. People will also have special training to be able to handle such an event. However, because the ships are so new we don't envision we will have those types of problems.

NQ – What is the spill contingency plan for spills on ice? There's not much you can do with spills on ice.

MZ – The fuel on board the ships will be found in a bunker deep inside the ship. This will make spills unlikely. There will be contingency plans for each ship to deal with spills. You're right though; there is not much you can do for spills on ice. Fuel tankers will only come to site in the open water season.

MA – Ore carrying ships will still have 4 to 5 million litres of fuel on board.

MZ – The fuel bunkers and containment for the ship is not anywhere near the edges of the ship. It is kept close to the engines. Virtually all the spills that have ever happened have been from ships carrying fuel in their holds/containers.

Q – In Pond Inlet and Clyde River, we will keep hunting animals into the future and eating them. Mary River is an important area for caribou. Are the Inuit working there able to hunt caribou when they are working?



MZ – Safety rules state that no one can hunt within 1 km of any project infrastructure; the same as no one can hunt within 1 km of any community. Everyone will be working 12 hour shifts and we need to make sure they get 8 hours rest. We haven't restricted anyone from hunting in the IIBA, but from a practical point of view they probably won't be hunting in between shifts. There won't be any restrictions on hunting outside of the 1 km radius. Anyone who comes by the site to hunt will be provided with meals and fuel. Accommodation can be provided in an emergency.

Q – Your answer is very good; this is what we have been looking for. When Inuit are not allowed to hunt on their own land, it is not right. Inuit have fast skidoos; people will still go hunting down there. I want to thank you for visiting the communities and announcing your intentions and plans for us to hear.

NQ – Does the 1km hunting exclusion zone apply to Milne Inlet, Steensby Inlet, the rail road and tote road?

MZ – Yes.

Q – Although we are not very close to the proposed mine, how can we benefit from it? Can we get employment and contracts for work?

MZ – We have agreed to the 'economic provisions' of the IIBA with the QIA which includes employment. [Describes the economic provisions of the IIBA]. The IIBA would only come into effect once the Project is approved and we begin construction. We have already initiated training programs for community members interested in working on site. More recently we've had about 65 people on site; about 20 of those have been beneficiaries. Our recent work has been exploration-oriented, as we work towards submission of our EIA. That process will be completed by the end of 2012.

James – With the use of Steensby Inlet, the travel route from Clyde River to Igloolik will be blocked. How will you deal with that?

GM – Thank you for your question James. People traveling could come through the mine site area. We would have a special route for people coming through the mine. People would be welcome to fuel up and have a meal and, in special conditions, stay the night.

LB – The question referred to the ships cutting off the route. How will you manage people not being able to get across the shipping route?

GM – People would have to travel a bit off course and come to the mine site.

LB – What about the shipping route? The ship is going to be so huge they won't be able to cross. How will they get across the shipping lane?

GM – People traveling from Clyde River and Igloolik will have to travel to the Steensby Port. If they came to Steensby Port they would be able to travel around the shipping route.



Sam – I didn't understand.

GM – [Describes the detour around Steensby Port site].

Sam – I have travelled that route more than once. It takes almost all of our gas supply to get there. I want to make sure we will have enough gas.

GM – Thanks. We will let you fuel up at site to be able to continue on to Igloolik.

Jayko – The ship will make a crack in the ice in the winter. As a hunter, I might not see that crack and lose my ski doo and equipment. If this were to happen, would I be compensated?

GM – We will be devising a way to notify community members of ship traffic. Of primary importance is people's safety. The ski doo would be our secondary concern. That is why we would like people to take the detour at the Steensby Port.

James – We will have to take a long detour. We normally cross much farther south than the port site [crossing would normally occur near Nuvuit point]. It would be an extra day of travel. 5 or 6 people may travel that route every year.

Looseosie – In some years when there is a dog team race there could be many more people travelling that route. Close to 100 people would use that area sometimes.

MA – I would like them to talk more about the possible detour routes at Steensby Inlet.

GM – [Shows Steensby Inlet port slide and describes detour route]. Do you think it would be helpful if the Clyde River HTO knew when the ships were travelling, or if hunters who were travelling checked in with the HTO before they left?

Joesie – I think the best thing would be to let the Hamlet know of when the ships will be travelling.

[Break and draw]

GM – [Delivered the Project Benefits presentation].

Q – It was mentioned there would be landfills and garbage. They would probably put the old oil barrels in the garbage. Last year at Cape Christian they left old barrels with oil in them. Will you consider the unemployed people? Will they be able to benefit from the mine?

GM – We certainly wouldn't dispose of any old barrels in the landfill. If we had any empty barrels they would be sent back south. In terms of employment, we will be looking for people who can fill the job requirements at Mary River. We will be conducting training programs and on-the-job training. We want people who can fill the job requirements and who want to come and work at Mary River.

Q – Previously, it was mentioned there would be jobs for the communities. As far as I know, only one person from Clyde River has been hired by Baffinland.

GM – Please remember that during the bulk sample we employed a large number of people because we needed to. There were a number of people from Clyde River employed at that time. Then we experienced the global economic downturn which forced us to have fewer people on staff. We have since hired more employees and will be looking to hire more people from the North Baffin and Cape Dorset and Kimmirut as the Project moves into construction and operations. We will be conducting training for these people as well.

Q – If the mine's finances went down again, or if expenses went up again, the implications would need to be considered. You seem to be looking only for educated people. Uneducated people can also do good work, like being a janitor.

MZ – There are jobs for uneducated people at a mine site, but there are very few of them. We would like to see people move up and advance in their jobs. One of our goals is to see the mine manager be from North Baffin. We would like to see engineers, managers, etc.

James – If Baffinland goes ahead with the mine, will those employees who were considered earlier be allowed to apply again?

MZ – Yes they would. Being away from home for 2 weeks at a time can be difficult. It requires support from both the community and company.

Peter Paneak – When I worked at Nanisivik I was away from home. When Mary River first started there seemed to be a lot of information coming to the community, then it stopped. I would like to see a CLO for Clyde River. They provide a valuable role. There are people who are about to graduate from grade 12 and they need to be informed of employment opportunities. Some of them know as much as people who were educated down south. If a unilingual white man was lost and stuck up here he could be helped out by us. Unilingual people may not know about numbers and words but they can still work and help out. As long as they are trained properly they can work very well. I can't consider myself too old to work.

GM – Thank you for those very valuable comments. Our plan would be to bring back a CLO to Clyde River once construction begins at site. Making the young people aware of employment opportunities is very important. We met with the high school students today to discuss employment opportunities at site. Brian and I were also here before to discuss this with the students.

Q – Maybe you can stop the ship during the winter? The Americans are saying the polar bears and seals endangered and that they will run out of things to eat. Maybe Baffinland could be informed about that. I just want this to be checked.

GM – Thank you for the comments. The plan included in the Project Description is for the mining and ore hauling to happen 12 months of the year. We need to mine and transport a large volume of ore, because it is what is called a 'bulk commodity'. In terms of the wildlife, many

different types of wildlife are assessed in our environmental assessment. Polar bear, seals, and many others will be assessed. Thank you.

Q – You're going to take the iron ore out of the ground. There will be lots of toxic chemicals produced and you will contribute to global warming.

GM – Steel won't be produced at Mary River.

Q – I wasn't talking about here. But it will be produced somewhere.

GM – We are going to focus on the mining part of the Project. The steel factories have their own regulations they must abide by.

MZ – Mary River iron ore is a very high quality ore that will reduce the amount of energy needed to produce steel. The ore produced will be 75% lump which will also reduce emissions.

Q – This is not the first time we've heard about employment and financial opportunities. There haven't been any benefits here. I know that at most only 5% of Clyde River people will ever work for the Mary River mine. I would like those who would be employed to be looked at more carefully. Only the qualified people will get jobs, not Inuit. There are quite a few people in the communities that already have a grade 12 education and are trained. For those of us who will not be working there what kind of benefits can we expect?

GM – There will also be benefits provided under the IIBA. Baffinland has done quite a bit of work with the QIA to negotiate that agreement. The IIBA focuses on employment, business opportunities and financial contributions from Baffinland to QIA. It is then up to the QIA to choose how to manage that money. But the intention is that those funds will be provided to the communities for any potential impacts that occur as a result of the Project.

Jaykopie – You mentioned that the graduates will be the first ones considered for employment. When we worked at Cape Christian, the white man wasn't able to work during bad weather; he slept all day. We can work in bad weather. I think any Inuk can work and learn very fast if they are trained.

Q – The people who have not graduated seem to be more educated than those who have grade 12. As long as they're bilingual I think they can do a good job. You have more opportunities when you are bilingual.

Sam – I worked at the Nanisivik mine before. I would work 6 weeks on and get 2 weeks off. I wouldn't get paid for those 2 weeks off. Will you have vacation pay? When will the Project start operating?

GM – 2016 is when the full scale mine operation would occur. But, we would need many people to help us out with the construction phase beforehand. Typically the work rotations are 2 weeks in / 2 weeks out. You work a 12 hour shift each day, for 14 days in a row. You get paid for the 2

weeks at work and the 2 weeks you are off. There would be vacation pay and benefits paid to our employees.

NQ – I know in northern Quebec they only used their railroad and ships in the summer time.

MZ – In Sept Illes and with IOC they ship and use the rail line 12 months per year.

Sam – Will the benefits include spouses and children?

GM – Typically, health benefits cover a spouse and children. Employees are usually given 3 weeks of holidays per year; this time is accrued monthly. Holidays get built up over time and you can take holidays when they are approved by your supervisor.

MZ – The amount of vacation you receive will increase the longer you have been employed.

Q – Is there going to be more than one ship?

GM – There will be 8 or 9 ships total.

Q – There is soapstone at Mary River and there are lots of carvers in the north. Would you be able to deliver soapstone to the communities?

GM – That is something we would consider doing. We have to sign a Development Partnership Agreement with the Government of Nunavut. We might consider doing this within that agreement.

Q – We look for things that can make us better. One of the reasons people don't want to work is because the rent goes up when you start working. Rent is raised by the housing association. Have you thought about helping your employees get a mortgage and buy a house? If you earn \$1000 salary, you only get like \$100.

MZ – I've had a number of discussions with the government about this. I think that system has failed and needs to be changed. We can look at housing assistance programs for our employees. It's not something that is easy because we can't come in and build the houses. The government would need to build them.

LB – [Closing remarks].

[Various discussions on the NLCA]

Meeting adjourned at 9:30 p.m.