

NIRB File No.: 08MN053

QIA File No.: LUA-2008-008 AANDC File No.: N2008T0014 DFO File No.: 2008 MR

NRCan File No.: NT-056 TC File No.: 7184-17-5

July 5, 2011

To: Mary River Distribution List

Sent Via Email

Re: Commencement of Public Comment Period for the NIRB's review of Baffinland's Draft EIS Submission

Dear Parties:

On January 21, 2011, the Nunavut Impact Review Board (NIRB or Board) received a Draft Environmental Impact Statement (Draft EIS) submission from Baffinland Iron Mines Corporation (Baffinland or Proponent) in support of the NIRB's review of the Mary River Project (the Project). Upon completing its conformity review, with assistance from the Nunavut Planning Commission (NPC) for the requirements relating to the proposed transportation corridor for the Project, on February 15, 2011 the NIRB accepted the submission as a Draft EIS and commenced the technical review period. The Board invited interested parties to review the Draft EIS and submit their Information Requests (IRs) to the NIRB for consideration by Thursday, March 17, 2011. Baffinland submitted its complete IR Response package to the NIRB on or before April 26, 2011 and, in a letter on May 5, 2011, clarified its intentions for addressing outstanding IRs and the removal of the Road Haulage Option alternative from consideration in the NIRB's Review process.

Prior to commencing the 60 day public comment period and scheduling a Technical Meeting and Pre-Hearing Conference (PHC) for this Review, on May 30, 2011 the NIRB requested that Baffinland provide a supplemental information package to address changes to the Draft EIS due to the removal of the Road Haulage Option alternative from consideration. This submission was to include a revised project description and references to the page volumes, sections, and page numbers where the revised information supplements sections of the current Draft EIS. On July 5, 2011 the NIRB received the requested submission from Baffinland and, as a result the Board is now prepared to commence the 60 day public comment period for this file.

The complete Draft EIS, IRs, responses to IRs, supplemental information, and related correspondence to date is available from the NIRB's ftp site at the following link: http://ftp.nirb.ca/02-REVIEWS/ACTIVE%20REVIEWS/08MN053-BAFFINLAND%20MARY%20RIVER/2-REVIEW/

NIRB/NWB and NIRB/NPC Coordination

At the request of the Proponent, the NIRB and the Nunavut Water Board (NWB) have agreed to coordinate the NIRB Review process and the NWB's consideration of the Type A Water Licence application for the Mary River Project, as described in the Detailed Coordinated Process Framework circulated previously. During the technical review period, the NWB is conducting its concordance assessment to determine whether the Draft Type A Water Licence application within the Draft EIS addresses the NWB information requirements (set out in Appendix C the EIS Guidelines for the Project) such that the NWB may issue a public notice of application. The NIRB's PHC report will contain direction from the NWB regarding any outstanding information required with submission of the Final EIS to complete the application.

The NIRB/NWB Detailed Coordinated Process Framework is available on the NIRB's ftp registry here: http://ftp.nirb.ca/02-REVIEWS/NIRB%20NWB%20COORDINATION/

During the technical review period, the NIRB and the Nunavut Planning Commission are evaluating the information in the Draft EIS pertaining to Appendices J and K of the North Baffin Regional Land Use Plan, and are now requesting that interested parties also provide their related analysis within their technical review comments. Upon receipt of technical review comments, the NIRB will forward copies of those comments pertaining to the joint review of the transportation corridor to the NPC, and copies of those comments specific to the Draft Type A Water Licence Application to the NWB (see enclosed Review Process Map).

Next Steps in the NIRB Review Process

The next steps in the NIRB's review process are as follows:

- Commencement of 60 day public comment period on July 5, 2011. Parties are asked to provide their technical review comments on a number of specific points, outlined below.
- Confirmation of final dates for Technical Meeting and PHCs by July 22, 2011.
- Submission of technical review comments to the NIRB by 12:00 pm MST, September 6, 2011
- Circulation of draft agenda for NIRB technical meeting by September 9, 2011.
- Submission of Baffinland's response to technical review comments by September 16, 2011.
- Technical meeting in Iqaluit, tentatively scheduled for September 20-22, 2011. The objective of the Technical Meeting would be to clarify and resolve technical issues in the Draft EIS and lead to instructions for the filing of the Final EIS.
- Community roundtable and Pre-Hearing Conference (PHC) in Pond Inlet, tentatively scheduled for September 23-24, 2011.
- Community roundtable and PHC in Igloolik, tentatively scheduled for September 25-26, 2011.

PHC Report to be issued by NIRB by October 26, 2011.

Call for Technical Review Comments

A technical review is a more detailed review of the Draft EIS with the intent of analyzing the completeness and quality of the information presented by the Proponent in its Draft EIS. The NIRB is requesting that responsible authorities and parties with specialist advice provide their technical review comments to the NIRB by the conclusion of the public comment period, at 12:00 pm MST, September 6, 2011. Technical review comments should include the following:

- Determination of whether Parties agree/disagree with the conclusions in the Draft EIS regarding the alternatives assessment, environmental impacts, proposed mitigation, significance of impacts, and monitoring measures and reasons to support the determination;
- Determination of whether or not conclusions in the Draft EIS are supported by the analysis provided – and reasons to support the determination;
- Determination of whether appropriate methodology was utilized in the Draft EIS to develop conclusions and reasons to support the determination, along with any proposed alternative methodologies which may be more appropriate (if applicable);
- An indication of each issue's relevance to the NIRB and NPC's joint review of the transportation corridor proposed by the Project;
- An indication of each issue's relevance to the NWB's evaluation of the completeness of the Type A Water Licence application for the Project;
- Assessment of the quality and presentation of the information in the Draft EIS; and
- Any comments regarding additional information which would be useful in assessing impacts – and reasons to support any comments made.

Technical Meeting and Pre-Hearing Conference

The NIRB will hold a technical meeting involving discussions on technical matters related to the DEIS. The technical meeting is kept as informal as possible in an effort to resolve technical issues prior to the Pre-Hearing Conference (PHC). As such the Board is not present and the meeting is facilitated by NIRB staff, with participation by the Proponent, responsible authorities and interested parties. Break-out sessions are often used and each break out group (whether related to engineering, wildlife or socioeconomics issues) is facilitated by NIRB staff. During the technical meeting, NIRB staff will compile a list of commitments made by the Proponent. The list of commitments is then carried forward to the PHC for incorporation into the Board's PHC decision.

Immediately following the technical meeting, the NIRB will hold a PHC in order to discuss such matters as: timelines for submissions and the Final Hearing, future meetings, evidence, document exchange, Final Hearing venue(s), Final Hearing format and any other matters related to the logistics of the Final Hearing. The PHC provides an opportunity for Parties to present to the Board on the issues that were resolved during the technical meeting, and those issues which remain outstanding. It is also an opportunity for the Board to hear from the public regarding the information contained in the Draft EIS. While the technical meeting is a structured but largely

informal opportunity for technical experts to resolve outstanding issues, participation in the PHCs is generally much more restricted, with 1-2 individuals representing each responsible authority and the Proponent, respectively.

The Board will host a community roundtable in Pond Inlet and Igloolik prior to each PHC, with representation from communities identified as potentially impacted by the proposed development, in order to encourage meaningful participation in the PHCs. Following the PHCs, the Board will issue a PHC decision which provides direction to the Proponent regarding what is required in the Final EIS and the procedures for the review of the Final EIS and Final Hearing.

Deadline for submission of technical review comments

Once again, the Board requests that all interested parties submit their Technical Review Comments to the NIRB at info@nirb.ca or by fax to (867) 983-2594 on or before 12:00 pm MST, September 6, 2011.

If you have any questions or require further clarification, please do not hesitate to contact Li Wan, Technical Advisor, at (867) 983-4606 or via email at lwan@nirb.ca or Kofi Boa-Antwi, Assistant Technical Advisor, at (867) 983-4609 or via email at kboa-antwi@nirb.ca.

Sincerely,

Ryan Barry

Director, Technical Services Nunavut Impact Review Board

cc: Matthew Pickard, Baffinland Iron Mines Corp.

Brian Aglukark, NPC Dionne Filiatrault, NWB Robert St. Eloi, QIA Luc Fortin, CTA Margaux Brisco, AANDC

Derrick Moggy, DFO Christopher Aguirre, TC Rob Johnstone, NRCan

Enclosed: Review Process Map