

Ministre des Affaires autochtones
et du développement du Nord



Minister of Aboriginal Affairs and
Northern Development

Ottawa, Canada K1A 0H4

MAR 28 2013

Ms. Elizabeth Copland
Chairperson
Nunavut Impact Review Board
PO Box 1360
CAMBRIDGE BAY NU X0B 0C0

Dear Ms. Copland:

Thank you for your letter of February 11, 2013, addressed to former Minister John Duncan, regarding the Nunavut Impact Review Board's determination on the Baffinland Iron Mines Corporation's request to reconsider the terms and conditions in Project Certificate No. 005 for the Mary River Project.

In its request of January 13, 2013, Baffinland notified the Nunavut Impact Review Board of its intent to proceed with a two-phased approach to developing the Mary River Project. The Early Revenue Phase would involve transporting ore from the mine site to a port at Milne Inlet over the Milne Inlet Tote Road. Ore would be stockpiled at the Milne port and then shipped to markets in Europe during the open-water season. The Rail Phase would involve the construction and operation of the rail line and port at Steensby Inlet. The Rail Phase has been fully assessed and approved under Project Certificate No. 005.

I am advised that a Road Haulage Option, similar to the Early Revenue Phase, was considered during the Board's previous Part 5 review of the Project; however, the assessment was not completed because it was withdrawn by Baffinland prior to the submission of the Final Environmental Impact Statement. I understand that the Board acknowledges that an assessment of the Early Revenue Phase has not been completed, and, pursuant to Section 12.8.2 (b) of the Nunavut Land Claims Agreement, has proposed a comprehensive reconsideration process to address this issue. I agree that this proposed process is appropriate in light of the scale and nature of the Early Revenue Phase.

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Furthermore, I am advised that the Nunavut Impact Review Board is seeking my direction regarding priorities and time lines associated with the Board's reconsideration of Project Certificate No. 005. I recognize this is a busy time for the Board given the number of projects currently undergoing a Part 5 review. I trust that the Board will make best efforts to ensure that the reconsideration of Project Certificate No. 005 is expeditious and thorough.

On a similar and related matter, the Board has also indicated that it will not initiate its reconsideration of Project Certificate No. 005 until a positive conformity determination is received from the Nunavut Planning Commission. I respect the Board's decision in this matter but suggest that the reconsideration process may, as appropriate, begin independently of the Commission's work in the interests of an expeditious review process.

I would like to thank the Nunavut Impact Review Board for the chance to comment on this matter and I look forward to receiving the Board's report upon conclusion of the reconsideration process.

Sincerely,

A handwritten signature in black ink, appearing to read 'Bernard Valcourt', with a stylized flourish at the end.

Bernard Valcourt, PC, QC, MP

c.c.: Mr. Paul Quassa
Mr. Thomas Kabloona