



NIRB File No.: 08MN053

June 4, 2013

To: Mary River Distribution List

Sent via Email

RE: Anticipated Submission of an Addendum to the Final Environmental Impact Statement for Baffinland Iron Mines Corp.'s Early Revenue Phase for the Mary River Project

Dear Parties:

On January 13, 2013 the Nunavut Impact Review Board (NIRB or Board) received correspondence from Baffinland Iron Mines Corporation (Baffinland or the Proponent) which indicated that, due to various business drivers, Baffinland was proposing to make changes to the schedule and specific activities in the initial stages of project development associated with the Mary River Project, collectively termed by the Proponent as the "Early Revenue Phase" (File No. 08MN053). Baffinland noted it understood that this Project amendment request would potentially necessitate a reconsideration of the Terms and Conditions contained within Project Certificate No. 005 as issued by the NIRB on December 28, 2012 for the Mary River Project.

As reviewed by the NIRB, the Mary River Project involved the development of an open pit iron ore mine on northern Baffin Island, with associated infrastructure to include a tote road between Milne Inlet and a mine site at Mary River, ports at Milne Inlet and Steensby Inlet and a railway connecting the mine to the Steensby port. Iron ore would be transported from the mine site via the railway to the port at Steensby Inlet, with year-round shipping of ore through Foxe Basin and Hudson Strait to markets in Europe using custom designed ore carriers.

The Early Revenue Phase proposal as outlined in January 2013 includes the development of a 3.5 million tonnes per annum (Mt/a) road haulage operation from Mary River to a port facility at Milne Inlet for the shipping of iron ore during the open water season. This development option has not been subject to impact assessment by the Board or approval by the various responsible authorities. Therefore, the current terms and conditions in the Project Certificate do not directly address the potential for impacts associated with Baffinland's proposed implementation of this development scenario.

On January 14, 2013 the NIRB requested that interested parties review the description of Baffinland's proposed Early Revenue Phase amendments to the Mary River Project and provide comments. After considering the information provided by the Proponent, comments submitted

by parties and options available pursuant to the NLCA, the NIRB determined that a reconsideration of the Terms and Conditions contained within Project Certificate No. 005 was warranted pursuant to NLCA 12.8.2(b). The Board's reconsideration will determine whether the proposed Project amendment should be allowed to proceed and, if so, whether the wording of specific Terms and Conditions within the Mary River Project Certificate would require updating and/or inclusion of additional Terms and Conditions.

In order to facilitate its assessment of the project amendment, the NIRB requested that Baffinland prepare a comprehensive addendum to the Final Environmental Impact Statement (Final EIS) describing all aspects of the proposed Early Revenue Phase, including updates to relevant baseline data, impact predictions and proposed mitigation measures and monitoring plans. The Proponent was directed to ensure that its Addendum addresses the NIRB's EIS Guidelines and Addendum to EIS Guidelines issued to Baffinland for the Mary River Project on November 16, 2009 and November 10, 2010, respectively.

On February 25, 2013 the NIRB received the enclosed correspondence from BIMC indicating that it anticipated submitting the addendum to the Final EIS for the Early Revenue Phase to the NIRB at the end of June, 2013.

Upon receipt of Baffinland's addendum to the Final EIS and a positive conformity determination from the NPC which indicates that the proposed Project amendment conforms to the requirements of the North Baffin Regional Land Use Plan (NBRLUP), the NIRB will conduct an internal check for conformity with the EIS Guidelines and the Addendum to the EIS Guidelines. Upon the NIRB's acceptance of Baffinland's submission, the Board will initiate a public technical review that includes a 60 day comment period, the facilitation of public information sessions in potentially affected communities, a potential meeting of technical experts, and a Final Hearing and Community Roundtable Session. Following the completion of these steps, the Board will prepare a report detailing its reconsideration and recommendations for the Minister of Aboriginal Affairs and Northern Development pursuant to NLCA 12.8.3.

In preparation for the submission of Baffinland's addendum to the Final EIS and commencement of next steps, the NIRB requests that interested parties indicate the number of copies that are requested (electronic via cd or memory key and/or print version) in order to facilitate participation in this assessment. Please advise our office with the contact name, agency/department, mailing address, contact email address and the number of copies requested (please specify electronic and/or print) via email to info@nirb.ca by **June 14, 2013**.

If you have any questions or require further clarification related to the NIRB's process or the Mary River project, please contact me directly at (867) 983-4609 or jdhillon@nirb.ca.

Sincerely,

Original signed by:

Jaswir Dhillon, P.Eng, M.Eng
Technical Advisor
Nunavut Impact Review Board

cc: Oliver Curran, Baffinland Iron Mines Corporation
Erik Madsen, Baffinland Iron Mines Corporation

Enclosed: Baffinland e-mail to the NIRB indicating anticipated date of submission of Addendum to the Final EIS (February 25, 2013)