

NEWS RELEASE

NIRB File No.: 08MN053

Nunavut Impact Review Board issues amended project certificate for the Mary River Early Revenue Phase Project.

CAMBRIDGE BAY, NU – May 28, 2014 – The Nunavut Impact Review Board (NIRB or Board) has issued an amended Project Certificate No. 005 to Baffinland Iron Mines Corporation (Baffinland or Proponent) to address the Early Revenue Phase proposal for the Mary River Project (the Project). The amended Project Certificate consists of 7 new terms and conditions and 45 revised terms and conditions intended to address the potential adverse effects of the Early Revenue Phase proposal, as approved by the Minister of Aboriginal Affairs and Northern Development on April 28, 2014.

The Mary River Project is located on Baffin Island in the Qikiqtaaluk Region, approximately 160 km southwest of Pond Inlet. Originally approved in 2012 following an extensive public review by the NIRB, the Mary River Project consisted of mining iron ore from the reserve at Deposit No. 1 at a nominal production rate of 18 Million tons per year (Mt/a) for an estimated 21 year mine life, with exploration, construction, operation, closure, and reclamation of an open-pit mine at Mary River and associated infrastructure for extraction, transportation by rail and shipment of iron ore using purpose built ore carriers with ice breaking capability. The Mary River Project consists of 3 main project locations – the mine site at Mary River, Milne Port north of the mine site, and Steensby Port south of the mine site. Milne Port is connected to the mine site by the pre-existing Milne Inlet Tote Road, whereas a railway would be constructed to connect the mine site to Steensby Port.

Following the issuance of the original Project Certificate for the Mary River Project, in January 2013 Baffinland applied to the NIRB for a formal reconsideration of the Project Certificate terms and conditions to reflect additional activities associated an updated development plan, incorporating the Early Revenue Phase proposal. The Early Revenue Phase proposal would allow for transport of up to 3.5 MT of iron ore north on the Milne Inlet Tote Road for annual shipment during the open water season from Milne Port.

The NIRB conducted an extensive public reconsideration process for the Early Revenue Phase proposal pursuant to Section 12.8.2 of the Nunavut Land Claims Agreement which included submission of an addendum to the Mary River Final Environmental Impact Statement by the Proponent, technical review and submission of written comments by parties, and facilitation of community information sessions and a public hearing in Pond Inlet. On March 17, 2014 the NIRB issued a public hearing report to the responsible government ministers, recommending that the Early Revenue Phase proposal should be approved to proceed pursuant to the additional and revised terms and conditions set out in the Board's report.

On April 28, 2014, responding on behalf of the various responsible ministers, the Minister of Aboriginal Affairs and Northern Development Canada accepted the NIRB's report, rejecting one term and condition and further varying 4 terms and conditions. Following receipt of the Minister's approval and prior to issuing the amended Project Certificate, the NIRB facilitated a Project Certificate Workshop to discuss implementation of the Project Certificate terms and conditions and determine whether any additional commentary would be necessary.

All information related to the NIRB's reconsideration of the terms and conditions of the Mary River Project Certificate 005, including the approved Project Certificate Amendment 1, can be accessed online from the Board's public registry at the following location:

http://ftp.nirb.ca/03-MONITORING/08MN053-MARY%20RIVER%20IRON%20MINE/

An Inuktitut translation of the amended Project Certificate is being prepared and will be distributed as soon as it becomes available.

The NIRB looks forward to further developing its monitoring program for the Mary River Project and will be providing regular updates on the implementation of the Mary River Project Certificate moving forward.

For more information, contact:

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