

NIRB File No.: 08MN053

NWB File No.: 2AM-MRY1325 (Amendment No. 2)

DFO File No.: 07-HCAA-CA7-0050

September 1, 2015

To: Mary River Distribution List

Sent via email

Re: Comment Request on the Applicability of the previously issued Guidelines for the Mary River Project to Baffinland's Phase 2 Development project proposal

Dear Parties:

On August 27, 2015 the Nunavut Impact Review Board (NIRB or Board) issued correspondence advising parties of the Board's determination that reconsideration of Terms and Conditions within Project Certificate No. 005 under Nunavut Land Claims Agreement Section 12.8.2(b) is required for Baffinland Iron Mines Corporation's (Baffinland or the Proponent) Phase 2 Development proposal. To facilitate the reconsideration process, the NIRB will require that Baffinland prepare a comprehensive addendum to the Final Environmental Impact Statement (Final EIS) for the Mary River Project, describing the proposed Phase 2 Development, updates to relevant baseline data, impact predictions, mitigation measures and monitoring plans, as well as proposed community consultation.

The Phase 2 Development project involves a proposed increase to the approved mining rate at the Mary River site as well as undertaking the following additional components and activities:

- Increase iron ore shipping via Milne Port from 4.2 to 12 million tonnes per year, and extend shipping season from June through March;
- Expand infrastructure at Milne Port including: establish second dock, increase tank farm capacity to 140 million litres of fuel, increase stockpiling capacity to 6 million tonnes of iron ore, increase camp and sewage treatment plant to accommodate peak construction work force of up to 500 persons, and 400 persons during the operations phase;
- Use Tote Road to haul iron ore to Milne Port, requiring up to 300 round trips per day, resulting in the need for widening of the road, twinning of bridges and sections of the road, as well as realignment and grading improvements; and
- Use two Polar Class Post Panamax sized self-discharging ore carrier for ship-to-ship transfer of ore (i.e., trans-shipping) utilizing a conveyor system.

All information associated with the Phase 2 Development project proposal can be obtained from the NIRB's online public registry at the following location:

http://ftp.nirb.ca/03-MONITORING/08MN053-MARY%20RIVER%20IRON%20MINE/01-PROJECT%20CERTIFICATE/04-AMENDMENTS/02-PHASE%202/.

The enclosed Environmental Impact Statement (EIS) Guidelines¹ and Addendum to EIS Guidelines² were previously issued by the NIRB to Baffinland for the original Mary River Project and subsequent Early Revenue Phase amendment respectively, providing direction on the information required to support a comprehensive impact assessment for the associated proposed activities. Recognizing the scope of the Phase 2 Development proposal, the NIRB is currently undertaking a review of the enclosed Guidelines documents to determine whether or not they provide sufficient direction on information requirements to facilitate the NIRB's reconsideration process. The Board would like to provide regulatory authorities and interested parties with an opportunity to assist in identifying applicable information requirements within the enclosed documents and provide their views regarding any additional direction that should be included. The NIRB is particularly interested in determining the expectations of regulatory authorities for updates that might be required to enable the required transboundary impacts, cumulative effects, and marine environment assessment sections.

Parties are asked to ensure that the comment submissions include the following details:

- Identify the issue and rationale for importance to the environmental assessment proposal;
- Identify specific information requirements or direction which should be incorporated into the EIS Guidelines or Addendum to EIS guidelines to address the issue;
- Reference the page, section, paragraph, and bullet number within the existing EIS Guidelines and/or Addendum to EIS Guidelines to which the comments applies; and
- Where possible clearly identify the edits being suggested, i.e. any items that should be included, updated, removed, or suggested changes in wording associated with the issue.

After reviewing the comments received from parties, the NIRB will determine whether issuing another Addendum to the Guidelines or issuing revised Guidelines would be the most appropriate approach for providing instruction for Baffinland to develop its comprehensive addendum to the FEIS for the Phase 2 Development proposal.

The NIRB invites interested parties to submit comments on the sufficiency of the existing EIS Guidelines for Baffinland's Phase 2 Development proposal to <u>info@nirb.ca</u> or fax to (867) 983-2594 by September 22, 2015.

Should you have any questions regarding the NIRB's assessment of the Phase 2 Development project proposal, please contact the undersigned at (867) 983-4603 or samuno@nirb.ca.

² Addendum to the Guidelines for the Preparation of an Environmental Impact Statement for Baffinland Iron Mines Corporation's Mary River Project (NIRB File No. 08MN053), November 3, 2010.

¹ Guidelines for the Preparation of an Environmental Impact Statement for Baffinland Iron Mines Corporation's Mary River Project (NIRB File No. 08MN053), November 16, 2009.

Sincerely,

Solomon Amuno, PhD Technical Advisor Nunavut Impact Review Board

cc: Erik Madsen, Baffinland Iron Mines Corporation

Enclosure (2): EIS Guidelines for the Mary River Project (November 16, 2009)

EIS Addendum to the Guidelines for the Mary River Project (November 3, 2010)