



NIRB File No.: 08MN053

NWB File No.: 2AM-MRY1325 - Amendment No. 1/G1

October 30, 2018

Megan Lord-Hoyle
Director, Sustainable Development
Baffinland Iron Mines Corporation
2275 Upper Middle Road East
Oakville, ON L6H 0C3

Sent via email: megan.lord-hoyle@baffinland.com

Re: Amendment No. 2 to NIRB Project Certificate No. 005 Issued to Baffinland Iron Mines Corporation as Directed by the Responsible Ministers to Reflect Modifications to the Previously-Approved Mary River Project as Proposed in the “Production Increase Proposal”

Dear Megan Lord-Hoyle:

Please find accompanying this correspondence Amendment No. 2 to the Nunavut Impact Review Board (NIRB or Board) Project Certificate No. 005 issued to Baffinland Iron Mines Corporation (Baffinland) for the Mary River Project in the Qikiqtani Region of Nunavut (NIRB File No. 08MN053). The revisions and additions to Project Certificate No. 005 as set out in Amendment No. 2¹ are as directed in the September 30, 2018 decision of the Minister of Crown-Indigenous Relations and the Minister of Intergovernmental and Northern Affairs and Internal Trade on behalf of the Minister of Transport, the Minister of Environment and Climate Change, the Minister of Natural Resources and the Minister of Fisheries, Oceans and the Canadian Coast Guard (the Responsible Ministers) under ss. 112(6) and (7) of the *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2 (*NuPPAA*). The revisions to Project Certificate No. 005 included in Amendment No. 2 were considered by the Responsible Ministers to be necessary to allow Baffinland to modify the previously-approved Mary River Project as requested in Baffinland’s “Production Increase, Fuel Storage and Milne Port Accommodations Modification Proposal” (Production Increase Proposal) received by the Board on April 30, 2018.

As recommended in the Board’s August 31, 2018 Reconsideration Report and Recommendations associated with the Production Increase Proposal,² and accepted by the Responsible Ministers, two

¹ Consisting of amendments to terms and conditions #10, #179(a) and #179(b) and additions to add new terms and conditions in #179(c), #183 and #184.

² Nunavut Impact Review Board, Reconsideration Report and Recommendations, Production Increase Proposal, Baffinland Iron Mine Corporation, NIRB File No. 08MN053. Public Registry ID: 319634

elements of the Production Increase Proposal were authorized to proceed without updates to the existing terms and conditions of Project Certificate No. 005:

- the addition of a 15 ML diesel fuel tank to the existing Fuel Storage Facility at Milne Port; and
- the installation of a new 380-person accommodations camp at Milne Port.

However, as directed by the Responsible Ministers in their September 30, 2018 decision, revisions to Project Certificate No. 005 are required to allow for the time-limited increase³ to the volume of iron ore year Baffinland is permitted to produce and transport along the Tote Road and ship via Milne Port from the previously-approved limit of 4.2 Million tonnes per year to 6.0 Million tonnes per year. The changes to terms and conditions #179(a) and (b) of Project Certificate no. 005 as set out in Amendment No. 2 authorize this increase until 2019. Further, the Responsible Ministers having noted the NIRB's concerns about the potential for adverse effects on air quality along the Tote Road and effects on the marine environment, marine mammals and Inuit harvesting that may be associated with this increased ore transport and shipping out of Milne Port, also directed the NIRB to include revisions to existing term and condition #10 and additional terms and conditions in the amended Project Certificate to address the potential for adverse ecosystemic and socio-economic effects associated with the increased iron ore production and transport. Amendment No. 2 includes the revision to term and condition #10 and the required additional new terms and conditions in #179(c), #183 and #184.

All terms and conditions of Project Certificate No. 005, as amended by Amendment No. 1 continue to govern the Baffinland's conduct of the Mary River Project and the revised and additional terms and conditions in Amendment No. 2 are effective from today's date, being the date of issuance of the revised Project Certificate No. 005 as amended by Amendments No. 1 and 2.

Should you have any questions in relation to this matter, please contact Ryan Barry, Executive Director directly at (867) 983-4608 or rbarry@nirb.ca.

Sincerely,



Elizabeth Copland
Chairperson
Nunavut Impact Review Board

cc: The Honourable Dominic LeBlanc, Q.C. P.C. Minister of Intergovernmental Affairs, Northern Affairs and Internal Trade
The Honourable Carolyn Bennett, M.D. P.C., Minister of Crown-Indigenous Relations
The Honourable Jonathan Wilkinson, P.C., Minister of Fisheries and Oceans and the Canadian Coast Guard
The Honourable Catherine McKenna, P.C., Minister of Environment and Climate Change
The Honourable Amarjeet Sohi, P.C., Minister of Natural Resources
The Honourable Marc Garneau, P.C., Minister of Transport
The Honourable Hunter Tootoo, MP for Nunavut

³ Unless amended further, the production increase will end on December 31, 2019.

The Honourable Joe Savikataaq, Premier of Nunavut
Aluki Kotierk, President, Nunavut Tunngavik Incorporated
P.J. Akeeagok, President, Qikiqtani Inuit Association
Lootie Toomasie, Chairperson, Nunavut Water Board
William Napier Baffinland Iron Mines Corporation
Lou Kamermans, Baffinland Iron Mines Corporation
Stephanie Autut, Nunavut Water Board
Karén Kharatyan, Nunavut Water Board
Mary River Distribution List