



December 7, 2018
Nunavut Impact Review Board
29 Mitik Street, PO Box 1360
Cambridge Bay, NU, X0B 0C0

Attention: Solomon Amuno
Technical Advisor II
Sent via email: info@nirb.ca

Re: Baffinland Response to the Nunavut Impact Review Board's 2017-2018 Annual Monitoring Report for the Mary River Project and Board's Recommendations

Dear Solomon,

Baffinland acknowledges receipt of the 2017-2018 Annual Monitoring Report for Baffinland's Mary River Project and is pleased to provide responses to recommendations from the Nunavut Impact Review Board (NIRB) that require a 30-day response.

A copy of responses to these comments can be found in Attachment 1.

Baffinland notes that the NIRB provided a total of 16 recommendations for Baffinland focused on the following areas of operation:

- Climate Change Strategy
- Dust Management
- Noise & Vibration Monitoring
- Groundwater Monitoring
- Permafrost Degradation
- Freshwater Aquatic Environment – Setbacks
- Restriction to Fish Passage
- Ballast Water Discharge Impact Predictions
- Shoreline Effects and Sediment Redistribution
- Traffic Log and Shipping Information
- Shipboard Observer Program
- Marine Environment – Ship Noise
- Survey and Monitoring of Arctic Char
- Marine Environment – Vessel Fouling Monitoring.

As well as the three recommendations that were provided by NIRB subsequent to the NIRB's 2018 site visits, focused on the management of:

- Used Tires
- Waste Landfill
- Dust Suppression Measures and Crusher Area.

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It is also noted that Baffinland was provided with two recommendations from comments received by the Qikiqtani Inuit Association and the Government of Nunavut on the 2017 Annual Report, related to:

- Shipping Route Deviations
- Caribou Survey

NIRB has requested additional responses to recommendations within 60-day of receipt or within the 2018 NIRB annual report. Baffinland will provide additional information as requested within these timeframes.

Baffinland is requesting clarification from NIRB on two of the 21 recommendations received.

Recommendation # 11 – Shoreline Effects and Sediment Redistribution

As described in Recommendation # 11, the Board is requiring Baffinland to conduct sediment sampling in 2018 and subsequent years to further evaluate temporal trends and monitor annual sediment transport via Phillips Creek into Milne Inlet, as well as to learn how alluvial transport may be affecting sediment deposition and composition near the head of Milne Inlet.

Baffinland respectfully notes that the NIRB misquoted what was originally reported in the 2017 Annual Report. Baffinland indicated in its 2017 Annual Report on Term and Condition 83(a) that “(...although measurements in 2017 were not significantly different than 2014 and 2016) ...Changes in sediment distribution observed on the West Transect could be associated with alluvial depositions from Phillips Creek.” In the recommendation from the Board, the NIRB reported that Baffinland had “noted that this change was associated with alluvial depositions from Philips Creek.”

It is also noted that the Board recommendation requires Baffinland to implement this condition in 2018 and subsequent years. As receipt of this recommendation was received following the closure of the 2018 field season, Baffinland could not incorporate this request into its 2018 monitoring plan. Further, as described in Term and Condition 83(a), no clear long-term trends have been established in sediment accumulation as there is significant variation across years and additional years of monitoring will be required to determine if Project related effects are occurring. In 2019, Baffinland intends to continue its Marine Environment Effects Monitoring program including the sediment sampling program.

Baffinland will take into account the NIRB recommendation to implement alluvial transport studies that will specifically enhance our understanding of how Phillips Creek may affect sediment accumulation west of the ore dock, during the planning for 2019 programs and following analysis of the 2018 sediment sampling data set. Baffinland requests further discussion with the NIRB to



understand the requirement for this specific sampling and requests that NIRB reconsider the recommendation for sampling in subsequent years past 2019 until further analysis and results are completed and shared. Baffinland requests clarification on this recommendation from the Board in advance of the 2019 field season so that additional sampling, if required, can be incorporated into the 2019 monitoring program.

Recommendation # 12 – Traffic Log and Shipping Information

As described in the Board's recommendations and pursuant to Term and Condition 105, Baffinland is required to ensure that measures to reduce the potential for interaction with marine mammals are implemented (e.g. by reducing ship speed). To address this, the Board has requested in Recommendation # 12 that Baffinland update the Bruce Head Shore-Based Monitoring Program to study the response of narwhals to vessels at varying speeds in Milne Inlet.

Baffinland requests clarification on the NIRB's interpretation of the correlation between the Bruce Head Shore Based Monitoring Program, the request to vary speeds and Term and Condition 105. It is noted by Baffinland that the Bruce Head Shore-Based Monitoring Program was developed to meet the requirements of Term and Condition 101, which stipulated that Baffinland must conduct shore-based monitoring at an appropriate frequency and a minimum of three years. Baffinland wishes to confirm that this has been completed in accordance with the Term and Condition. As a result of the destruction of the observation platform in 2017, Baffinland opted to run an alternate to this program in 2018 while further consideration of the re-design and implementation of a shore-based program continues. Conversations with the community of Pond Inlet are on-going to take into consideration efficiencies or over-lap of the community's interest in monitoring activities in the design of any future program. It should be noted that it may not be feasible for Baffinland to reinitiate a shore-based program in 2019 and that running any voluntary, shore-based or alternate monitoring program as part of the larger marine mammal monitoring program is still under consideration.

Further, Baffinland would like to note that in 2018 ship speeds were reduced to nine knots in Milne Inlet for all Project vessels from the previous seven-ten knot limit. This was communicated via the Shipping Instructions to Masters to all vessel captains prior to the beginning of the 2018 shipping season. Baffinland monitored ship speeds throughout the shipping season and worked with all operators to identify and resolve issues if non-compliance to this speed limit was observed. Baffinland would like further clarification from the NIRB on the desired objective of the proposed study and requests clarification on this recommendation from the Board in advance of the 2019 field season.



Baffinland appreciates the thorough review by NIRB on the 2017 Annual Report and the recommendations provided by the Board. Recommendations that require a response within 60 days, 90 days or in the 2018 Annual Report will be provided by Baffinland in the timeframe set by NIRB.

Should you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

A handwritten signature in black ink that reads "Megan Lord-Hoyle".

Megan Lord-Hoyle
Director, Corporate Sustainability
Baffinland Iron Mines

cc:

Grant Goddard, Vice-President Sustainable Development and Human
Resources, Baffinland Iron Mines
Emma Malcolm Sustainability Specialist, Baffinland Iron Mines
Cory Barker, Nunavut Impact Review Board

Attachments:

1. Baffinland Response to NIRB Recommendations – Dec 8, 2018 Responses Attach 1