

Ryan Barry Executive Director Nunavut Impact Review Board

Re: Clarification respecting "Mary River Project: Environmental Review of Shipping Through the Northwest Passage (Stantec, July 12, 2019)"

Sept. 20 2019

Dear Ryan,

The purpose of this letter is to provide clarity with respect to Baffinland's intentions regarding shipping through the Northwest Passage (NWP) and Navy Board Inlet.

Based on an article that appeared in Nunatsiaq News on September 5, 2019, we understand that there are some questions respecting a document filed by Baffinland with NIRB, "Mary River Project: Environmental Review of Shipping Through the Northwest Passage (Stantec, July 12, 2019)" (the Northwest Passage Report). The use of Navy Board Inlet and the NWP as potential alternative routes was identified through the Phase 2 process. During the Technical Review period of the Phase 2 Proposal, Baffinland was asked by Fisheries and Oceans Canada and the Government of Nunavut to provide additional information about alternative marine shipping routes through Navy Board Inlet and the NWP. Baffinland committed to provide additional information and filed the Northwest Passage Report with NIRB on July 12, 2019 in order to fulfil its commitments. The Northwest Passage Report was not provided for the purpose of seeking NIRB permission to use Navy Board Inlet or the NWP for the Phase 2 Project at this time, but rather to support ongoing conversations respecting optional alternative shipping routes.

For clarity, Baffinland is not seeking permission from NIRB to proceed with shipping via Navy Board Inlet or the NWP as part of the Phase 2 Project Proposal.

What follows is intended to provide clarity on potential future use of Navy Board Inlet and the NWP:

- Use of Navy Board Inlet is highly unlikely unless Baffinland gets a specific request to use it from the community. Through the life of the project and the Phase 2 Project Proposal NIRB reconsideration process, Navy Board Inlet has been identified to Baffinland by community members as a potential mitigation for future consideration that could reduce the number of vessel transits in front of Pond Inlet. Should future community consultation identify that Baffinland should give serious consideration to revising the shipping route to include Navy Board Inlet, prior to utilizing Navy Board Inlet, Baffinland would seek advice from NIRB and NPC following the established policies relating to project modifications. Baffinland would follow any required regulatory process as identified.
- As discussed during technical meetings, Baffinland continues to consider the issue of access to Eastern markets for iron ore. Should Baffinland identify the need to advance discussions regarding the issue of access to Eastern markets for iron ore, Baffinland may develop a pilot



study in future which would send limited numbers of test vessels to help evaluate feasibility of this option. Should the pilot study support further consideration of requesting permission for Baffinland to use the NWP as a permitted Mary River Project shipping route, Baffinland may seek approval for use of this route in the future. For both the pilot study and any future route revision, Baffinland would seek advice from NIRB and NPC following the established policies relating to project modifications. Baffinland would follow any required regulatory process as identified.

Should you have additional questions about this letter please do not hesitate to contact me directly.

Sincerely,

Megan Lord-Hoyle

Vice-President, Sustainable Development

Megan Lord-Hoyle