

P.O. Box 119 GJOA HAVEN, NU X0B 1J0 TEL: (867) 360-6338 FAX: (867) 360-6369 NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYIT
OFFICE DES EAUX DU NUNAVUT

NWB File No: 2AM-MRY----

September 25, 2012

Erik Madsen Vice-President Sustainable Development, Health, Safety & Environment Baffinland Iron Mines Corporation 120 Adelaide Street West, Suite 1016 Toronto, Ontario M5H 1T1

Email: erik.madsen@baffinland.com

Re: Licence No. 2AM-MRY----, Mary River Project: Preliminary Technical Review Teleconference Meeting for the Type 'A" Water Licence Application

Dear Mr. Madsen:

On April 13, 2012 the Nunavut Water Board (NWB or Board) issued correspondence to commence the public review and comment period for the Type "A" Water Licence Application (Application) submitted by Baffinland Iron Mines Corporation (BIMC or Proponent) as part of its Final Environmental Impact Statement (FEIS) for the Mary River Project (Project), based on the NIRB/NWB Detailed Coordinated Process Framework¹. On or before the June 22, 2012 deadline for comments, the Board received technical review submissions² from four (4) intervening parties. The Board has placed the submissions in its Public Registry, and public access to the information is available through the NWB's ftp site using the following link (Username: "Public" and Password: "Registry"):

 $\frac{ftp://nunavutwaterboard.org/1\%20PRUC/2\%20MINING\%20MILLING/2A/2AM\%20-\%20Mining/2AM-MRY----\%20BIMC/$

In accordance with the Detailed Coordinated Process Framework (pg. 21), the Board had planned to conduct a preliminary technical meeting for the Application immediately following the NIRB's final hearing for the Project, with a view to taking advantage of the fact that the interested parties associated with reviewing the Application would be together and would be present at the Final Hearing. However, based on the feedback provided by intervening parties at the NIRB's Technical Meeting in May held in advance of the Final Hearing, and as indicated to the parties at that meeting, the Board decided against scheduling the preliminary technical meeting immediately following the Final Hearing. Instead, the Board decided to schedule the meeting, proposed by way of teleconference, for later in September 2012. The aim of this meeting would be to further define regulatory and technical issues related to the Application, discuss the approach being taken or contemplated by the Proponent in addressing major

_

¹ Nunavut Impact Review Board (NIRB) and Nunavut Water Board (NWB) Detailed coordinated Process Framework for NIRB Part 5 Reviews and NWB Licensing.

² Aboriginal Affairs and Northern Development Canada (AANDC), June 22, 2012; Environment Canada (EC), June 22, 2012; Fisheries and Ocean Canada (DFO) June 22, 2012; and the Qikiqtani Inuit Association (QIA), June 22, 2012.

issues identified through interveners' technical review submissions, including IRs³ and highlight the issues identified in the NIRB's Final Hearing Report to the Minister of Aboriginal Affairs and Northern Development Canada (Minister) that may have implications for the water licensing process.

Recognizing the time that has elapsed subsequent to the Board's receipt of interveners' technical review submissions and given that the main focus over the past months has been almost entirely on the environmental assessment stage for the process, the Board proposes that a more appropriate time for this preliminary technical meeting, by way of teleconference, would be <u>October 18, 2012</u>. By copy of this letter, the NWB is requesting that interested persons provide feedback to the Board on the proposed date by <u>October 5, 2012</u>. Parties should note that, although this meeting is considered a preliminary technical meeting for the Project's Type A Application, the Board suggests that all comments and recommendations, including IRs that relate to the Application (Type "A" water licence application that accompanied the FEIS) be reviewed in preparation for the meeting. The Board also advises that the Proponent provide a written response to intervener's technical review submissions for the Application in advance of the meeting and be prepared to discuss their response to IRs and the comments submitted by the parties to date at the teleconference meeting on **October 18, 2012**.

As indicated to the parties in May, the Board will only be in a position to follow-up with scheduling of the Technical Meeting(s), Pre-hearing Conference and the NWB Public Hearing, following receipt by the NIRB of an appropriate decision from the Minister. However, in the interim, the Board is providing the following basic outline of the various stages and general overview of the timelines of the NWB licensing process as *Appendix A* to this letter. It should be noted that these general timelines have been established under the NWB *Rules of Practice and Procedure for Public Hearing* (2005) and included in Guide 5 of the NWB Guides (to Water Licensing). The NWB reserves the right to modify the general timelines to reflect appropriate project-specific timelines as this Application moves forward.

Should you have any inquiries on technical matters related to the above, please contact Sean Joseph, Technical Advisor, at (604)321-8185 or by email to sjoseph@nunavutwaterboard.org or David Hohnstein, Director of Technical Services, at (780) 443-4406 or by email to dts@nunavutwaterboard.org. For any procedural inquiries and/or requests for information, please contact Phyllis Beaulieu, Manager of Licensing, at 867-360-6338 x 27 or by email to licensing@nunavutwaterboard.org.

Sincerely,

Original signed by

David Hohnstein, C.E.T. Director of Technical Services Nunavut Water Board

Attachments: Appendix A: General Type A Water Licensing Process and Projected Timelines

cc. Mary River Project Distribution List

³ Letter to E. Madsen of BIMC, from A. Hanson, Director of Technical Services, NIRB and D. Hohnstein, Director of Technical Services, NWB, Re: Acceptance of FEIS and Next Steps in the NIRB's Review and the NWB's Water Licensing Process for Baffinland Iron Mines Corp.'s Mary River Project, February 29, 2012.