

Executive Summary

Baffinland Iron Mines Corporation (Baffinland) currently operates the Mary River Project, an operating iron ore mine located on northern Baffin Island, in the Qikiqtani Region of Nunavut. Baffinland's currently approved project includes mining and crushing of ore at the Mary River mine site, transportation of up to 6 million tonnes per annum (Mtpa) of ore by truck north along the Tote Road to Milne Inlet, and marine shipping of this ore from Milne Port. Baffinland is proposing an expansion of operations known as the Phase 2 Proposal.

The scope of Baffinland's Phase 2 Proposal includes an increased production rate at the Mary River mine site, construction and operation of a 110 km long North Railway between Mary River and Milne Port, construction and operation of a second ore dock at Milne Port, and increased shipping from Milne Port.

Baffinland's Type 'A' Water Licence 2AM-MRY1325 regulates water and waste at the Mary River Project. This includes use of water for domestic and industrial purposes, waste management (incineration, landfarm, landfill), and discharges of treated effluent to the environment. For the Phase 2 Proposal, Baffinland has applied to the Nunavut Water Board for amendment #2 to its Type 'A' Water Licence. The current Licence already contains the mechanisms and provisions to regulate the Phase 2 Proposal, with only modest modifications to the Licence required to include new project components such as the North Railway, additional stormwater ponds, and a new landfill facility at Milne Port. None of the activities presented by the Phase 2 Proposal are new, and as a result, the monitoring and mitigation measures being implemented for the Approved Project remain relevant.

Technical review comments on Baffinland's amendment application were received from the Qikiqtani Inuit Association, Crown-Indigenous Relations and Northern Affairs Canada, Environment and Climate Change Canada, and Fisheries and Oceans Canada. Topics raised in the technical review comments included:

- Inuit Qaujimanituqangit (5 comments)
- Waste Rock Management (2 comments)
- Monitoring (12 comments)
- Design (3 comments)
- Water Compensation Agreement (1 comment)
- Blasting (1 comment)
- Interim Closure and Reclamation (5 comments)
- Fish and Fish Habitat (16 comments)
- Inuit Water Use (2 comments)
- Management Plans (32 comments)

Many of the issues raised during the technical review process have been resolved through discussions with interveners. Baffinland will take the following next steps to resolve the outstanding concerns brought about through this process:

- Continue to engage with the Qikiqtani Inuit Association to resolve outstanding technical comment concerns, updates to the Interim Closure and Reclamation Plan and associated reclamation security, and amendments to the Water Compensation Agreement
- Issue all updated Management Plans relevant to the Phase 2 Proposal
- Issue the Updated Phase 2 Waste Rock Management Plan.