



WATER LICENCE INSPECTION FORM

☒ Original
☐ Follow-Up Report

Licensee	Licensee Representative
Baffinland Iron Mines Corporation (BIMC)	Jim MILLARD/Allan KNIGHT
Licence No. / Expiry	Representative's Title
2AM-MRY1325	Environmental Manager
Land / Other Authorizations	Land / Other Authorizations
8BC-MRY1416	
Date of Inspection	Inspector
November 18-20, 2014	Justin HACK
Activities Inspected	
<input checked="" type="checkbox"/> Camp <input checked="" type="checkbox"/> Roads/Hauling	<input type="checkbox"/> Drilling <input type="checkbox"/> Other: <input type="checkbox"/> Mining <input checked="" type="checkbox"/> Construction <input type="checkbox"/> Other: <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage

Conditions:	A - Acceptable	C - Concern	U - Unacceptable	NA – Not Applicable	NI – Not Inspected			
Water Use	Condition	Comment	Site Conditions	Condition	Comment	Haz/Mat Management	Condition	Comment
Intake/Screen	NI		Water Management Structures	A		Storage	A	
Flow Measure. Device	NI		Culverts / Bridges	A		Spills	A	
Source:	NI		Drainage	A		Spill Plan	A	
Water Use:	A		Erosion / Sediment	A				
Recirculation (y /n)	NA		Mitigation Measures	C		Administrative		
			Reclamation Activities	A		Records	A	
			Materials Storage	A		Reports	C	
Waste Disposal			Signage	A		Plans	A	
Waste Water	NI					Notifications	A	
Solid Waste	A		Monitoring			Other		
Hazardous Waste	A		Sample Collection / Analysis	NA				
*The number in the comments field will correspond with specific comments provided below.								
Samples taken by Inspector:			Location(s):					
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No								

SECTION 1	<input checked="" type="checkbox"/> Comments	<input type="checkbox"/> Non-Compliance with Act or Licence	<input type="checkbox"/> Action Required
Inspectors Statement			
On November 18-20 2014, a water licence inspection was conducted at the Mary River Project, Qikiqtani Region, Nunavut. Sites inspected included the Mary River Mine Site, the Tote Road, and the Milne Port area.			
Background			
At the time of inspection, the Licensee was undertaking activities related to the construction and operation of an open-pit iron ore mine at the Milne Port (Milne Inlet), Mine site (Mary River), and Tote Road. Given that different licence conditions apply to the project depending on what Phase the project is in, and that the project is in both construction and operation phases, Aboriginal Affairs and Northern Development Canada's (AANDC) Water Resource Officer's are working with the Licensee to ensure all relevant conditions are being met.			
Major construction activities on site included the continued development of the Ore Stockpile conveyor belt system, the construction of the Milne Inlet Ore Dock, re-working the single span bridge at KM 97 on the Tote Road, the re-grading and/or upgrades of the Tote Road at KM76 and KM6.			
Major activities occurring on site under the scope of the operations phase include the mining, crushing, screening and transportation of ore from Deposit 1 to the Ore Stockpile area at Milne Inlet. Approximately, 10 half-full haul trucks were transporting loads of iron ore to Milne Inlet twice daily.			
Conditions on Site			
All surface water on site was frozen.			
SECTION 2	<input checked="" type="checkbox"/> Comments	<input type="checkbox"/> Non-Compliance with Act or Licence	<input type="checkbox"/> Action Required
Mary River Site			
Observations:			
1. Open Burn Facility			
• Inspection of the open burn facility confirmed that measures were implemented by BIMC to deal with issues of concern identified in the August 21-25, 2014 Water Inspection Report. This included increased site security, improved waste segregation procedures, more signage, and more education to employees. Details on BIMC's measures to comply with their commitments are outlined in BIMC's			



Proposed Action Plan, submitted September 12, 2014.

2. Expansion of Weatherhaven Camp at Mine Site
 - On October 21, 2014, BIMC notified Water Resource Officers of an expansion of the lay-down area south of the old Weatherhaven Camp at the Mine Site. The expansion was occurring due to the fact that the airstrip right-of-way has impinged on portions of existing seacan storage.
 - An inspection of the area confirmed that this activity has not affected water. However, it should be noted that there was disturbance of the topsoil during construction and that this area should be monitored during freshet for potential total suspended sediment loading.
3. Quarry Site (QMR2) Culvert
 - It was noted during the previous Inspection that at the entrance of road entering into QMR2, mud was overtopping the berm walls at both sides directly above the culvert contributing to the sedimentation of the stream.
 - It appears that concern was addressed as the side walls of the road were heightened.
4. Waste Ash in barrels near incinerator
 - Barrels were contained within a secondary containment berm. Progress was noted on meeting milestones of plan.

Sites of Concern Requiring Ongoing Maintenance

1. Culvert Crossing on road to Explosive Magazines
 - Not inspected during site inspection.
 - Continue to take preventative action to minimize sediment entering into watercourse.
2. Road to Deposit One from Camp
 - Not inspected during site inspection.
 - During previous inspection, it was noted sediment and erosion control measures were needed in areas leading to the deposit to prevent sediment from entering water.
 - Conduct these activities in the dry if it is anticipated preventative measures may increase sediment loading.
3. Surface drainage (yard swale) to Camp Lake near MS-MRY-1.
 - A final design plan was submitted by BIMC, on October 30 2014, to address some concerns identified by AANDC Water Inspector's pertaining to the sediment loading of surface drainage into Camp Lake near MS-MRY-1a.
 - Implementation of the new plan will be monitored by AANDC Water Resource Officer's as commitments become due.

Tote Road

Observations

As of October 2014, the Tote Road is being used to transport iron ore to Milne Inlet, as well as other activities associated with the construction and operation of the Mary River Project. Approximately, 10 half-full haul trucks were transporting loads of iron ore to Milne Inlet twice daily. At the time of Inspection, upgrades of the Tote Road were ongoing. Notable construction was occurring at KM97 (bridge repairs), KM93 (new culverts), KM76 (realignment), KM6 (realignment).

It was noted that sediment erosion measures were installed at some locations along the Tote Road; however, continue to take preventative action to minimize sediment entering into watercourses as construction continues.

Milne Port Site

Observations

1. Open Burn Facility
 - Inspection of the open burn facility confirmed that measures were implemented by BIMC to deal with issues of concern identified in the August 21-25, 2014 Water Inspection Report. This included increased site security, improved waste segregation procedures, more signage, and more education to employees. Details on BIMC's measures to comply with their commitments are outlined in BIMC's *Proposed Action Plan*, submitted September 12, 2014.
2. Hazardous Waste Berm
 - Concerns as identified in the previous inspection have been addressed.
 - There are no concerns with the hazardous waste berms on site.
3. Landfarm and Contaminated Snow Facility
 - Ensure that the discarded geotechnical liner is disposed of in the appropriate manner.
4. Waste Management
 - Significant improvements on site were noted with respect to waste diversion and separation objectives.

Sites of Concern Requiring Ongoing Maintenance

1. Drilling/Road Salt (Calcium Chloride)
 - Since the August 21-25 2014 Inspection, BIMC has submitted a plan to address concerns AANDC




Water Resource Officers had with the storage of Calcium Chloride near the quarry site at Milne Inlet.

- As per the plan, BIMC has segregated salt bags and debris that have the potential to become windblown to prevent them from becoming displaced around site. Further work is planned and AANDC will monitor deliverables as commitments become due.

Reports

1. Geotechnical Reports
- On October 3, 2014 BIMC informed the NWB and AANDC that it was their intention to provide a single geotechnical inspection report that will present the results and recommendations of the two geotechnical inspections required under Part H, Items 12 and 13 and Part D, Item 19.
 - In response to BIMC’s request, AANDC Water Resource Officer has asked that BIMC maintain the requirements of these parts and submit both geotechnical inspection reports as they are due.

Inspector’s Name	
Justin Hack	
Signature	
	
Date	
November 26, 2014	