WATER LICENCE INSPECTION FORM

\leq	Original	
	Follow-Up	Report

Licensee Representative								
Baffinland Iron Mines Corporation (BIMC) Jim MILLARD/William BOWDEN								
Licence No. / Expiry			Representative's					
	2AM-MRY1325 Environmental Manager							
Land / Other Authorizations Land / Other Authorizations NO.014 VO.012 N.2014 C.0012								
Date of Inspection	2BE-MRY1421 N2014X0012, N2014Q0016, N2014C0013 Date of Inspection Inspector							
Sept 28-29, 2	2016		Justin HAC	CK				
Activities Inspected			_				_	
	☐ Drilling ☐ Other:	Mining	⊠ Constructi ☐ Other:	ion		Reclamation	∑ Fuel Storage	
Conditions:	A - Acceptable	C - Concern	U - Unacceptable		NA –	Not Applicable	NI – Not Inspe	ected
Water Use		Comment Site Conditions	C	Condit	Comme	Haz/Mat Managem	-	Comment
Intake/Screen	NI	Water Manage		ion	nt 5	Storage	NI	
,		Structures						
Flow Measure. De	vice A	Culverts / Bridg	ges A	4		Spills	NI	
Source:	Α	Drainage	P	4		Spill Plan	Α	
Water Use:	A	Erosion / Sedin	nent A	4	16			
Recirculation (y /r	n) NA	Mitigation Mea	sures A	4		Administrative		
		Reclamation Ac	ctivities A	4		Records	NI	
		Materials Stora	3			Reports	Α	
Waste Disposal		Signage	A	4		Plans	A	
Waste Water	A	Manitarina				Notifications	Α	
Solid Waste Hazardous Waste	A	Monitoring Sample Collecti	on / Analysis	NI		Other Follow-up from	А	
Hazardous waste		Sample Collecti	OII / Allalysis	VI		previous inspection		
						previous inspection		
	*The number i	in the comments field wi	II correspond with s	pecifi	ic comn	nents provided below		
*The number in the comments field will correspond with specific comments provided below. Samples taken by Inspector: Location(s):								
Samples taken by	Inspector:	Location(s):						
Yes No	Inspector:	Location(s):						
	Inspector:	Location(s):						
	Inspector:		Compliance with Ac	ct or l	Licence	Actic	n Required	
Yes No			Compliance with Ac	ct or l	Licence	Actio	n Required	
Yes No SECTION 1 Inspectors State	Comment:					<u></u>		
Yes No SECTION 1 Inspectors State On September 28 Nunavut. Sites in	Comment ment Section 1. Section 1	s Non-	was conducted at	t the	Mary	— River Project, Qikiq	tani Region,	e
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- a. A recent expansion of this facility was completed.
- b. It was noted previously that BIMC had installed mitigation measures to address sedimentation during construction.
- c. At the time of this inspection, BIMC left the mitigation measures in place to address possible sedimentation during spring melt.
- 3. Crusher Pad Sedimentation Pond
 - a. Significant snow cover prevented proper inspection of this facility; however, no signs of leaks were apparent.
- 4. Ore Stockpile Sedimentation Pond West
 - a. During the Jul 2016 Geotechnical Inspection, it was identified that there is concern over the stability of the liner in this pond.
 - b. Furthermore, culvert inlet is possibly allowing water to flow under the liner. This must be repaired during the next construction season.
- 5. Ore Stockpile Sedimentation Pond East
 - a. At the time of the inspection, the water within the pond was approximately 30cm from overtopping. It was recommended to BIMC that this pond be decanted to prevent uncontrolled discharge from this facility.
- 6. Hazardous Waste Berms (MS-HWB1 to 6, and MP-HWB-1, MP-HWB-3 to 5)
 - a. All hazardous waste berms were inspected.
 - b. All waste was contained within the facility and no signs of leaks were apparent.
- 7. Polishing Waste Stabilization Ponds (Three Ponds at Mary River and One Pond at Milne Port)
 - a. Significant snow cover prevented a proper inspection; however, no signs of leaks in the berm walls or tears in the liner were apparent.
- 8. Ore Stockpile Pad Diversion Ditches
 - a. No concerns related to this infrastructure.
- 9. Contaminated Snow Containment Facility
 - a. Significant snow cover prevented proper inspection of this facility; however, no signs of leaks were apparent.
- 10. Landfarm Facility
 - a. Significant snow cover prevented proper inspection of this facility; however, no signs of leaks were apparent.
- 11. Bulk Fuel Storage Facility at Mine Site, Aerodrome, and Milne Port
 - a. No concerns with these structures.

Water Use:

- 12. Records for water use were in good order at the time of the inspection at both Milne Port and Mary River Mine Site.
- 13. At the time of the inspection, water was primarily being used to support camp functions.

Waste Discharges:

- 14. BIMC was discharging sewage waste as intended. No other discharges of wastes were occurring during the inspection.
- 15. Records of sewage discharges were in good order.

Erosion and Sedimentation

- 16. General Site Comment
 - a. Due to the significant sedimentation of waterways around the project, a *Letter of Non-Compliance* was issued to BIMC to address this issue.
 - b. In response to the Letter of Non-Compliance, BIMC has made significant progress related to mitigating sedimentation events from project activities.
 - c. On September 30, 2016 a Dust Mitigation Action Plan and a Sedimentation Mitigation Action Plan was submitted by BIMC to address the concerns over Dust and Sedimentation on site.
- 17. Jetty at Camp Lake
 - a. The construction of this structure was complete at the time of the inspection.
 - b. Proper sedimentation measures were installed during construction.

Culverts/Bridges

- 18. Bridges along Tote Road
 - a. In a previous inspection it was noted that road material was being pushed into water courses that are crossed by a bridge.
 - b. BIMC has developed a plan to minimize the amount of road material entering major water courses.
 - c. This will be monitored during future inspections.



*	Indigenous and Northern Affairs Canada	Affaires autochton et du Nord Canad	
Justin Ha	ack		
Signature			
	, when find		
Date			
Novemb	er 9, 2016		

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