

**WATER LICENCE INSPECTION FORM**☒ Original
☐ Follow-Up Report

Licensee	Licensee Representative
Baffinland Iron Mines Corp – Mary River Project	Connor Devereaux
Licence No. / Expiry	Representative's Title
2AM-MRY1325	Environment Superintendent
Land Authorization No. / Expiry	Land Authorization Expiry
N/A	N/A
Date of Inspection	Inspector
October 5, 2022	
Activities Inspected	
<input checked="" type="checkbox"/> Camp <input type="checkbox"/> Drilling <input checked="" type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input type="checkbox"/> Roads/Hauling <input type="checkbox"/> Other: Municipal <input type="checkbox"/> Other:	

SECTION 1	<input checked="" type="checkbox"/> Comments (s. __)	<input type="checkbox"/> Non-Compliance with Act or Licence (s. __)	<input type="checkbox"/> Action Required (s. __)
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On Wednesday October 5th, 2022 I, Omer Pasalic Senior Inspector with the Crown Indigenous Relations and Northern Affairs Canada (CIRNAC and for the purpose of this report hereafter referred as the " Inspector"), did visit the site of the license holder named above for the purpose of verifying terms and conditions which the water license was issued upon.

At the time of the inspection, there were 511 staff members at Mary River site and an additional number of 306 staff members at Milne Inlet. The number of staff members currently on site reflects the use of water, waste produced and an overall impact to the environment.

During the inspection, mainly focused on the Milne Inlet site, the inspector was accompanied by Connor Devereaux, the environmental superintendent for both Mary River and Milne Inlet sites.

Of note: Prior to the inspector's arrival to the site, license holder named above was approved for additional annual tonnage of shipped iron ore from previous 4.2 million tons to the new limit of 6 million tons. The new limits are in place until December 31st, 2022.

Late entry - Total shipped ore for the 2022 season, with the last shipping vessel leaving the Milne Inlet port on October 13th, 2022 has been calculated at 4.72 million tonnes. That number includes a total of 700.2KT of ore shipped between October 4th to October 13th, 2022.

The following list of items were inspected for compliance with the issued and valid water license:

- 1) Fuel storage (MP03)
- 2) Hazardous waste storage (MP-HWB – 01)
- 3) Waste water treatment facility/plant
- 4) Water treatment plant
- 5) Incinerator
- 6) West ore pad sediment pond (MP06)
- 7) Effluent discharge line
- 8) East ore pad sediment pond (MP05)
- 9) Quarry (Q01)
- 10) Land farm (MP04)
- 11) KM 34 water intake lake

Of note: As per the conditioning contained within the issued water license, the licensee ensured, and verified by the inspector, that a copy of water license is posted and visible in each facility the inspector accessed throughout the inspection.



Following Milne Inlet site inspection, jetty for the Mary River site had also been inspected. Inspector noted that the new construction is underway by the licensee. The construction is licensee's response in order to stabilize run-offs into the lake with the main goal of ultimately reducing the TSS entering the lake.

Overall, the inspector is satisfied with the condition of the site and had no major concerns at the time of the inspection. The licensee insured the wastes are secured throughout the site, spill contingency plans and spill kit equipment is readily available to respond to any spills and the dust monitoring stations were clearly visible and in working condition. The incinerator is used to burn material that is only allowed by the terms and conditions of issued license.


End of report.

SECTION 2 ☐ Comments (s.____) ☒ Non-Compliance with Act or Licence (s.2) ☐ Action Required (s.____)

- Plastic tote outside the berm – Hazardous waste – MP-HWB-01

SECTION 3 ☐ Comments (s.____) ☐ Non-Compliance with Act or Licence, (s.____) ☒ Action Required (s.3)

- Ensure plastic tote has been removed and secured within the prescribed berm.
- Ensure tote did not contain hazardous material.
- Ensure, if applicable, the spill from the tote is cleaned up and the spill report created.

Licensee or Representative	Inspector's Name
Connor Devereaux	Omer Pasalic
Signature	Signature
	
Date	Date
Nov 15, 2022	October 5, 2022

Office Use Only: Follow-up report to be issued by Inspector ☐ Yes ☐ No



PHOTO LOG BELOW



PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
2022-10-05	2AM-MRY1325	Huawei P30 Pro	Omer Pasalic

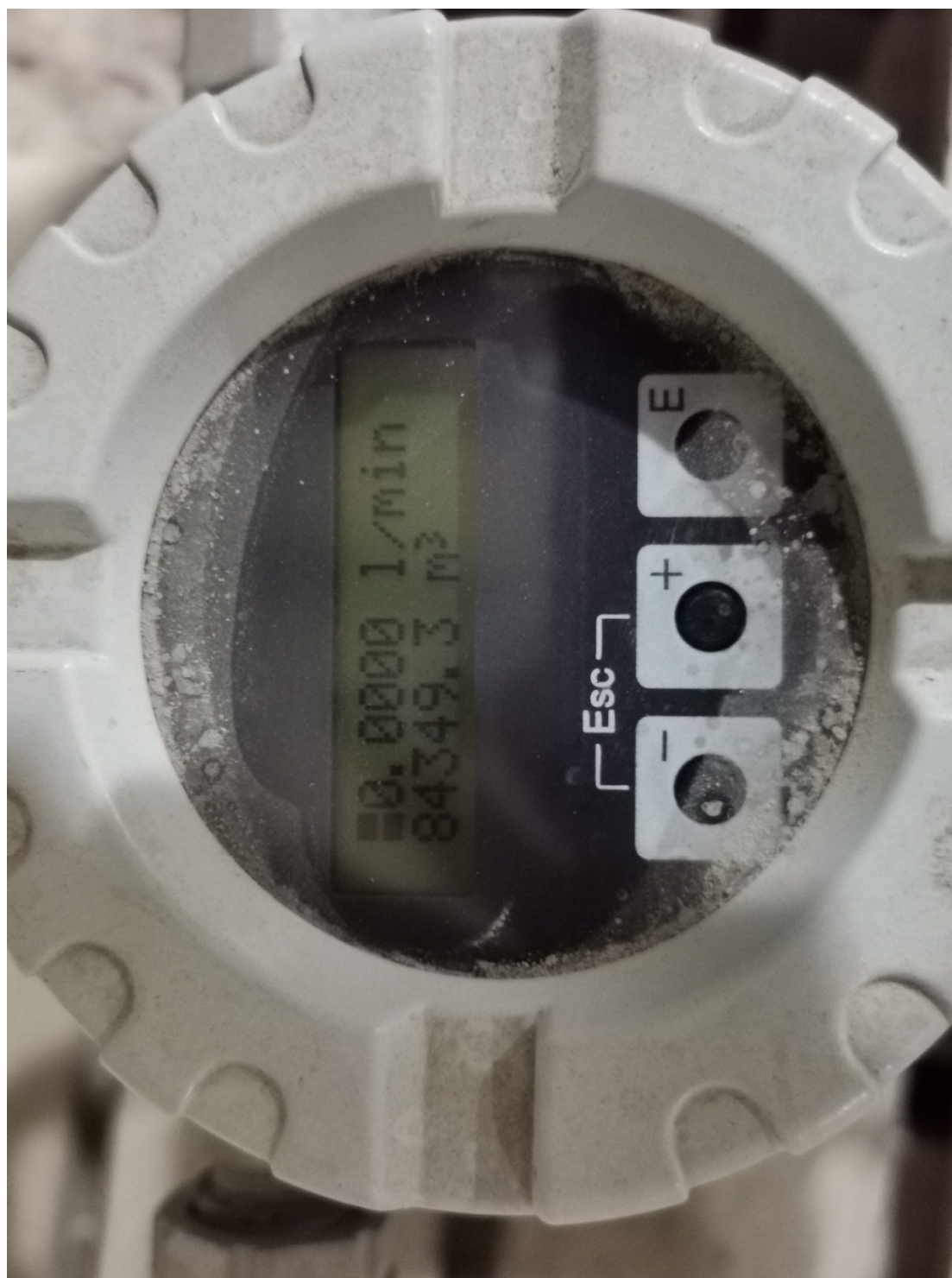




Description:

MP-HWB-01 Hazardous waste area and tote outside the berm





Description:

Water treatment and waste treatment facility meters





Description:

HTO Cabin and fuel storage area for hunters and other users of the cabin



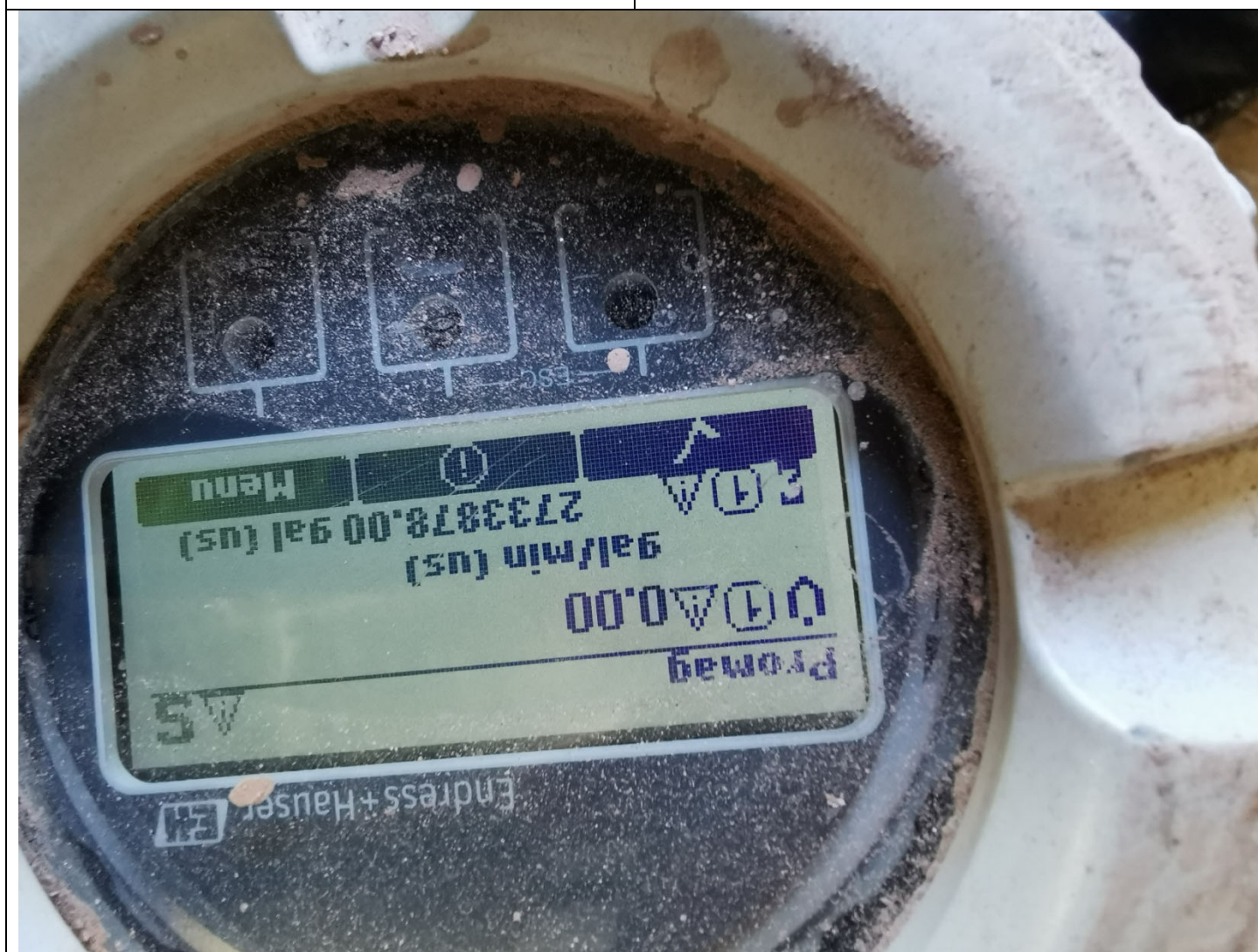


Description:

MP06 and MP05 sediment ponds



Photo No.5





Description:

Water meter (MR) and new construction



KM 34 water intake lake









Description:

Effluent discharge pipe (MP)



END OF PHOTO LOG