

NWB's Review of the 2015 Annual Report

FOR

BAFFINLAND IRON MINES CORPORATION'S MARY RIVER PROJECT

(LICENCES 2AM-MRY1325 / 2AM-MRY1325 – AMENDMENT No. 1, 8BC-MRY1416, & 2BE-MRY1421)

Executive Summary

The Mary River Project (“Project”) is an iron ore project situated in the Qikiqtani Region of Nunavut, approximately 160 km south of Pond Inlet. The project, owned and operated by Baffinland Iron Mines Corporation (“BIMC” or “Licensee”), involves the construction, operation, and eventual closure and reclamation of an open-pit mine.

As part of the regulatory approvals required to operate the mine, the Nunavut Water Board (“NWB” or “Board”) has issued, in recent history, four Water Licences (“Licences”) to BIMC. They include Type “B” Licences 8BC-MRY1416 and 2BE-MRY1421, and Type “A” Licences 2AM-MRY1325 and 2AM-MRY1325 – Amendment No.1. Due to changes in administration of the activities under the Licences, Licence No. 8BC-MRY1416 was cancelled in February 2016 and Licence No. 2AM-MRY1325 – Amendment No. 1 superseded Licence No. 2AM-MRY1325, resulting in two currently active Licences for the Project. It should be noted, however, that all four Licences were active for at least part of the 2015 period.

Terms and conditions included in the Licences issued to the Project require BIMC to submit annual reports for each Licence to address water use and waste deposit activities for the preceding year. The Licensee submitted a combined annual report for the 2015 period aimed at addressing the aforementioned requirements. The NWB reviewed the report and provided several recommendations for BIMC to consider in preparation of future annual reports. The NWB’s comments and recommendations centred on general issues common to the reporting requirements of all Water Licences issued to the Project as well as on the topics of water use, waste deposit, spills, management plans, and monitoring results. Further, a concordance assessment was conducted and included as part of the review to determine the extent to which the reporting requirement of each Licence was addressed.

The NWB concluded from its review that while the reporting requirements for the Type “A” Licence was mostly complete, the reporting requirements for the Type “B” Licence was partly complete due to the Licensee’s partial amalgamation of the reporting requirements of both the Type “A” and Type “B” Licences.

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1.0 Background

The Mary River Project (“Project”) is operated by Baffinland Iron Mines Corporation (“BIMC” or “Licensee”). The Project is located approximately 160 km kilometres south of Pond Inlet in the Qikiqtani Region, Nunavut. The Project involves the construction, operation, and eventual closure and reclamation of an open-pit, iron-ore mine at Deposit No.1, one of several deposits located within the overall Project footprint.

Consistent with the scope and nature of activities associated with the Project, various authorizations have been issued to the Project by different regulatory authorities including the Nunavut Water Board (“NWB” or “Board”). The NWB has issued three (3) Licences and one (1) amended Licence to the Project in the recent past. They include Type “B” Licences 2BE-MRY1421 and 8BC-MRY1416, and Type “A” Licences 2AM-MRY1325 and 2AM-MRY1325 – Amendment No. 1.

The Type “A” Licence No. 2AM-MRY1325 was issued on June 10, 2013 with the expiry date set for June 10, 2025. The Licence allows for the use of water and deposit of waste in support of mining activities. Amendment No. 1 to the Type “A” Licence was issued on July 21, 2015 to allow for the incorporation of an additional phase to the Project known as the Early Revenue Phase (“ERP”) and inclusion of most, if not all, of the scope of activities allowed under Type “B” Licence No. 8BC-MRY1416.

Type “B” Licence No. 2BE-MRY1421 was issued on April 17, 2014 with the expiry date set for April 16, 2021. The Licence allows for the use of water and the deposit of waste in support of exploration activities associated with the Project. Type “B” Licence No. 8BC-MRY1416 was issued on August 6, 2014 with the expiry date set for August 5, 2016. The Licence allowed for the use of water and the deposit of waste in support of construction and site preparation activities related to aspects of the wider Mary River Project. Within the months following issuance of Licence No. 2AM-MRY1325 – Amendment No. 1, the NWB cancelled, on February 25, 2016, Licence No. 8BC-MRY1416.

As part of the requirements included under the specific terms and conditions of the respective Licences issued to the Project, the Licensee is required to submit to the Board for review, on an annual basis, a report pertaining to the activities carried out during the preceding year. The Licensee recently submitted to the Board, for review, a copy of its combined 2015 Annual Report (“Report”) intended to address the reporting requirements included in the Type “A” and Type “B” Water Licences noted above. The results of the NWB’s review of this document are addressed in this correspondence.

2.0 BIMC’s 2015 Annual Report Submission

The NWB received BIMC’s 2015 Annual Report (“Report”) and updated Management Plans (“Updated Plans”) submission for the Project on May 10, 2016. The Report and Updated Plans were submitted to address requirements under Part B, Item 4 of Licence No. 2AM-MRY1325 / 2AM-MRY1325 – Amendment No.1; Part B, Item 6 of Licence No. 2BE-MRY1421; and Part B, Item 5 of Licence No. 8BC-MRY1416. The submission included the following documents:

- Baffinland Iron Mines Corporation Mary River Project, 2015 QIA and NWB Annual Report (hard copy and electronic file);

- Updated Management and Monitoring Plans (electronic files only) for Plans required by or associated with the Water Licences and QIA Commercial Lease:
 - Surface Water and Aquatic Systems Management Plan (March 2016);
 - Air Quality and Noise Abatement Management Plan (March 2016);
 - Emergency Response Plan (March 2016);
 - Spill Contingency Plan (March 2016);
 - Fresh Water, Sewage and Wastewater Management Plan (March 2016);
 - Hazardous Materials and Hazardous Waste Management Plan (March 2016);
 - Interim Reclamation and Closure Plan (March 2016);
 - Surface Water Sampling Program – Quality Assurance and Quality Control Plan (March 2016);
 - Waste Management Plan (March 2016);
 - Milne Port Oil Pollution Emergency Plan (OPEP) (July 2015);
 - Terrestrial Environmental Management and Monitoring Plan (March 2016); and
 - Roads Management Plan (March 2016);
 - Revised Aquatic Effects Monitoring Plan (AEMP) that incorporates recommendations of the consultant based on results of this year's program.

On May 30, 2016, the NWB distributed the above-referenced submission for public information. At the time of issuance of this document, the Board had not received any comments or recommendations from the public regarding the Report and Updated Plans.

The following sections include comments and recommendations generated from the NWB's review of the Report and relevant Updated Plans.

3.0 Review's Approach

The review assessed the information provided in the 2015 Annual Report in the context of requirements included in the Water Licences issued to the Project, namely, Schedule B of Type "A" Licence No. 2AM-MRY1325 / 2AM-MRY1325 – Amendment No. 1 and the reporting requirements under Part B of the respective Type "B" Licences, specifically 2BE-MRY1421 and 8BC-MRY1416. The assessment looked at the presence / absence of required information as well as the extent to which the information provided satisfied the reporting requirements of each Licence.

With respect to the review carried out on Updated Plans, only the Plans directly related to the water Licence(s) issued to the Project were reviewed. The review identified updated versions of previously approved management plans for the Type "A" Licence(s) that underwent minimal or significant changes to probably warrant further decisions from the Board. Details are included in the appropriate section of this document regarding the next steps for such plans.

Overall, the review looked at all of the documents in the submission; however, the NWB limited its comments and recommendations to the ones most directly related to the Licences issued to the Project.

4.0 Annual Report Review – General Comments and Recommendations

This section of the review addresses comments and/or recommendations applicable to all of the Water Licences issued to the Project for which the combined Annual Report is filed:

Recommendation 1

The Annual Report developed for each Water Licence issued to the Project should be submitted as a separate and independent document to satisfy the reporting requirements specific to each particular Licence and not as a combined document under a joint submission.

Rationale

The NWB notes that while the above-mentioned Type “A” and Type “B” Licences can be considered interconnected to varying extent and relative to the works, activities, and undertakings associated with the overall Project, each Licence must be treated as an independent authorization from a regulatory perspective. Consequently, the reporting requirements for each Licence should be addressed specifically and independently instead of in the form of a combined submission; notwithstanding, the existence of some similarities in the reporting requirements among the Type “A” and Type “B” Licences.

The NWB commends the Licensee for including Concordance Tables, Appendix A, as part of the report to assist reviewers in locating information relevant to each Licence. However, the Licensee is advised that the Concordance Tables should not be used as a substitute for specifically, and separately, addressing the reporting requirements of each water Licence in an independent manner.

Recommendation 2

Future Annual Reports submitted to address the reporting requirements of each Licence should exclude information intended to address requirements of the Commercial Lease Agreement that exists between the Qikiqtani Inuit Association (QIA) and the Licensee except in cases where there is overlap in information required by the two authorizations. In such cases, the same information may be duplicated and included in the Report required under the Water Licence.

Rationale

While the Board understands that there may be similarities in some aspects of the reporting requirements pertaining to the QIA’s Commercial Lease Agreement and the Type “A” and Type “B” Licences issued to the Project, the Licensee should note that the NWB’s mandate is distinct from that of the QIA’s. Therefore, any submission intended to jointly satisfy both organizations’ requirements does inevitably present additional challenges for the Board in terms of being able to specifically and holistically determine the adequacy of the submission from the perspective of Water Licensing requirements when aspects of the submission are outside of the scope of the Water Licences.

5.0 Water Use

This section addresses the water use information provided in the Report in support of reporting requirements in the Type “A” and Type “B” Water Licences. An evaluation of the extent to which the Report addressed water use reporting requirements relative to provisions in the Water Licences

issued to the Project is summarized in **Appendix A**. Appendix A also details the concordance assessment conducted by the NWB

Sections 2.1 – 2.1.3 and Table 2.1 of the Annual Report included details on water withdrawn and used by the Project for the 2015 reporting period. Section 2.1 of the report indicates that water withdrawn for use at the Milne Port and Mary River sites sustained two key activities, camp use and miscellaneous (other) uses. The Report also stated that the freshwater withdrawn for both sites was from approved locations allowed under Part C, Item 1 of Type “B” Licence 8BC-MRY1416 and Part E, Item 3 of Type “A” Licence 2AM-MRY1325.

Potable water required for the Mary River or Mine site was withdrawn from Camp Lake at Monitoring Station MS-MRY-1, situated on Inuit Owned Land (IOL), while potable water required for the Milne Port site was withdrawn from Km 32 Lake at Monitoring Station MS-MRY-3. The report states that the total quantity of water used for domestic and industrial purposes were in compliance with the thresholds for specific locations included in the above-mentioned Type “B” and Type “A” Licences. Industrial uses for freshwater included dust suppression at both the Mary River and Milne Port sites. Further, additional quantities of water for dust-suppression were withdrawn from the marine environment for which reporting to the QIA and NWB is not required.

The daily withdrawal limit of 657.5 m³ allowed under the Type “A” Licence for the Mine Site camp was not exceeded, and no exceedances in water consumption were noted at Milne Port based on the 68.5 m³/day allowed under the Type “A” Licence and the 49 m³/day for camp use and 250 m³/day for industrial uses allowed under the Type “B” Water Licence 8BC-MRY1421. No water use was allocated for geotechnical or geological delineation drilling programs, and no recycled or reclaimed water was used for construction activities or other purposes for the reporting period.

Recommendation 3

The section of the Report that addresses water use for the Type “A” Water Licence 2AM-MRY1325 / 2AM-MRY1325 – Amendment No. 1 should include specific details on water withdrawn and used for the purposes outlined in Schedule B, Item 1(a)(i) – (iii) of the of the Type “A” Licence, in accordance with the thresholds established under the same Licence. Further, the sections of the Annual Report addressing water usage under the Type “B” Water Licence 2BE-MRY1421 should include specific details on the quantity of water withdrawn and used for all purposes outlined in Part B, Item 6(i) – (ii)) of this Licence. Similarly, water use pertaining to Licence No. 8BC-MRY1416 should include specific details on the quantity of water withdrawn and used for the purposes outlined under this Type “B” Licence.

Rationale

The information provided on water use for the reporting period is inadequate to fully determine quantities of water used for the various purposes allowed under each of the Licences issued to the Project. The details provided in Table 2.1 and Sections 2.1 – 2.1.3 of the Annual Report are very general and are not sufficient or specific enough to assist in determining whether the reported uses are within the thresholds included in each of the relevant Licences.

The Licensee should note that Part E, Item 3, and Part E, Item 4, of the Type “A” include respective thresholds for water use related to the Construction and Operations Phases of the Project. Further, Part E, Item 25 of the same Licence includes thresholds for water use pertaining to dust suppression occurring during the Early Revenue Phase of the Project. Taking these thresholds into consideration, the water quantities reported should clearly and specifically reflect the purposes under the Type “A” Licence for which various quantities of water were withdrawn and used. The same recommendation applies to the quantities of water withdrawn and used for various purposes under the Type “B” Licences 2BE-MRY1421 and 8BC-MRY1416.

Apart from the above, the Licensee should ensure that the correct reference is made in the annual report to each Licence issued to the Project. In particular, the reference made to Licensee No 8BC-MRY1421 should be corrected as it is not a valid Licence number.

Recommendation 4

The total quantity of water withdrawn from the marine environment for use in dust suppression under each of the Licences issued to the Project should be included in the Report.

Rationale

While the Board does not have jurisdiction over the marine environment, details pertaining to the quantity of water withdrawn from the marine environment for use in Project-related activities, such as dust suppression, will assist the NWB in assessing if, and to what extent, the overall quantity of freshwater allocated to the Project is consistent with the Project’s freshwater or overall water demand.

6.0 Waste Deposit

Sections 2.2 to 2.2.5, along with the relevant tables and figures included in the Report, were provided to address the waste reporting requirements included in the Licences. While the information provided generally satisfied the reporting requirements under the Type “A” Licence, the information was not distinctive enough to determine whether the reporting requirements under the Type “B” Licences were fully addressed. Consequently, the following recommendations are provided.

Recommendation 5

Similar to the recommendations provided in the previous section, specific clarity is required for the quantities and types of waste generated and managed specifically under each Licence associated with the Project.

Rationale

Although the activities, works and undertaking under the various Licences issued to the Project may be interconnected in some way, the reporting requirements for each Licence must be addressed and accounted for separately, based on the requirements included in each Licence.

Recommendation 6

The Report included details on waste backhauled to facilities in southern Canada for treatment and/or disposal. However, details or confirmation on whether any waste was backhauled to communities in

Nunavut was not seen in the Report. Therefore, confirmation should be provided on whether any waste is backhauled to communities in Nunavut, as part of the information included in future Reports.

Rationale

Confirmation or information on waste backhauled to communities in Nunavut will assist the NWB in determining the extent to which communities in Nunavut may be affected by aspects of the Project's waste management practices or activities.

7.0 Spills

Section 3.0 and Appendix 7.4 of the Report addressed spills and spill reporting requirements associated with the Licences issued to the Project. Details provided in the aforementioned-sections indicated that forty-two spills were reported for the 2015 period, of which 19 occurred at the Milne Port site, 22 at the Mary River site, and 1 along the Tote Road.

Recommendation 7

Specific details should be provided, where possible, with respect to the Licences under which the spills have occurred as it is difficult to determine from the information provided which of the spills resulted from activities conducted under the Type "B" or the Type "A" Licences or for the mining or exploration project.

Rationale:

The reporting requirements for each Licence issued to the Project require provision of details pertaining to spills that have occurred during works, activities, and undertaking carried out for each particular Licence.

8.0 Updated Management Plans

As stated above, several Updated Management Plans (Updated Plan) were submitted as part of the 2015 Annual Report submission or subsequent submission(s). The NWB has reviewed the Updated Plans directly related to the Type "A" Licence and in cases where updates to previously approved plans were significant enough to possibly warrant further approvals / Board directions, the NWB will issue further correspondence regarding how such Plans will be treated. Similarly, for new or resubmitted plans that were not previously approved / accepted, the NWB will also provide guidance on how these plans will be treated. The following sections summarize, the approach that the Board may take for the Plans submitted in relation to requirements in the Type "A" Licence(s).

General Recommendation on Management Plans

Recommendation 8

Management plans specific to addressing the requirement of each Water Licence should be provided for consideration by the Board as such plans may not interchangeably and sustainably address the requirements of more than one Water Licences if the Licences' terms and conditions do not allow for this.

Rationale

While the NWB notes that the required content of some management plans may be similar for both the Type “A” and Type “B” Licences, plans submitted and approved in support of the Type “A” Licence cannot be used to automatically satisfy requirements of the Type “B” Licences. Therefore, the requirements for submission of management plans under each Water Licence must be addressed separately and reasonably independently.

8.1 *Surface Water and Aquatic Systems Management Plan (March 2016)*

The updated version of the Surface Water and Aquatics Ecosystem Management Plan (March 2016, Revision 4) is the fourth version of the plan submitted following approval of the 2013 version, approved with issuance of the Type “A” Licence. The history of this plan dates back to the Type “B” Licence issued to the Project several years prior to the Type “A” Licence.

Details contained in the 2016 version of the plan suggest that notable changes were made to the plan to address scope of work, water licence referencing; sustainability, health, safety and environmental policies, project team environmental responsibilities, organizational chart, water balance flow diagrams, site monitoring locations / drawings, and more. The NWB notes that although the changes made to the plan may not be significant enough to warrant re-approval, interveners’ comments and recommendations will be taken into consideration regarding the Board’s decision on the plan. It is advised that future updates to the plan should address the following:

- a. Section 7.1.4 – Error in references should be corrected;
- b. Section 9.2.3 – Details on ground water monitoring wells proposed for installation down stream of select infrastructure should be included;
- c. Appendix E – Omitted sections for the deferred Steensby Port and Railway Corridor construction should be included.

8.2 *Emergency Response Plan (March 2016, Rev 1)*

The Board approved, with issuance of the Amended Type “A” Licence, the 2015 Revision of the Emergency Response Plan. Revision 1 to the plan, submitted with the report, includes changes mainly to roles and responsibilities, contact information and titles, quantities of materials stored on site, site layout and more. As the extent of the changes are minimal and does not necessarily change the overall scope of the plan, the Board does not anticipate that there will be a requirement for re-approval. However, the Board intends to seek interveners’ comments and recommendations in determining whether Revision 1 of the Plan should supersede Revision 0 with or without additional Board approval.

8.3 *Spill Contingency Plan (March 2016)*

The plan entitled Spill Contingency Plan (Revision 2) was submitted together with the 2015 Annual Report submission. Revision 0 of the Plan was approved with the Type “A” Licence issued in 2013 while Revision 1 was approved with issuance of the Type “A” Licence – Amendment No.1. Revision 2 of the plan includes environmental and development policy changes; updates to information on infrastructure, spill kit locations, Material Safety Data Sheets (MSDS), distribution list, and references. As the overall scope of Revision 2 has not changed, the Board anticipates that the plan would be accepted rather than re-approved. Prior to issuing a decision on the Plan, the Board will request, for consideration, comments and recommendations from intervening parties.

8.4 *Fresh Water Supply, Sewage and Wastewater Management Plan (March 2016)*

Revision 4 to the Freshwater Supply, Sewage, and Wastewater Management Plan was also submitted with the Report. Revision 0 was approved with issuance of the initial Type “A” Licence while Revision 3 was approved with issuance of Amendment No. 1 to the Type “A” Licence. Revision 4 changes includes modifications to the quantities of water allowed for the withdrawal locations approved under Amendment No. 1, addition of a mobile oil – separator (OWS) operation manual, which was not included in the original plan; and additional details on Metal Mining Effluent Regulations (MMER) sampling and reporting requirements. Given that the scope and nature of the changes to this Plan are considered substantive, the Board anticipates that approval of Revision 4 of the Plan may be required. However, interested parties will be consulted and their comments and recommendations considered prior to a Board decision regarding the Plan.

8.5 *Hazardous Materials and Hazardous Waste Management Plan (March 2016)*

The Hazardous Materials and Hazardous Waste Management Plan, Revision 4, includes updates that the Board determined may not be significant enough to require further approval of the plan. However, the Board intends to seek comments and recommendations from interested parties prior to issuing a decision regarding this plan.

8.6 *Surface Water Sampling Program – Quality Assurance and Quality Control Plan (March 2016)*

Based on the Licence conditions, the Board’s acceptance is required for the Quality Assurance / Quality Control (QA/QC) and any laboratory acceptance letter accompanying the plan. The NWB will seek comments and recommendations from interested parties prior to issuance of correspondence regarding acceptability of the plan.

8.7 *Waste Management Plan (March 2016)*

Revision 4 to the waste management plan submitted follows Revision 0 of the plan, approved with issuance of the original Type “A” Licence, and Revision 3, approved with issuance of the Type “A” Licence – Amendment No. 1. Revision 4 includes changes related to policies, site layout, 2016 work plan, open-burning procedures, and more. Although the changes to the plan may be considered not significant enough to warrant new or additional approval, the Board will seek comments and recommendations from interested parties or persons prior to issuing any decision regarding the plan.

8.8 *Interim Reclamation and Closure Plan (March 2016).*

Revision 4 of the Interim closure and Reclamation plan was submitted with the Report as previous versions of the plan was not approved by the Board at the time of submission. Subsequent to receipt, the Board approved an earlier version to Revision 4 of the Plan, which was extensively reviewed by interveners and the Board.

8.9 *Aquatic Effect Monitoring Plan*

Revision 2 of the Aquatic Effect Monitoring Plan (AEMP) was submitted with the Report for the Board’s consideration. The Board intends to consider interveners’ comments and recommendations in its decision on whether or not approve this plan.

9.0 Monitoring Results

As indicated above, the quantities of water used for potable and industrial purposes during the reporting period are provided in Table 2.1 of the Report. The Board notes that while the overall quantity of water used during the reporting period appears to have not exceeded the total maximum allowed under the various Licences, it is unclear from the information provided as to whether or not specific water use thresholds included in each Licence and/or for specific sources were exceeded. Future Reports should include more specific information on water use in the context of thresholds established for sources under the various Licences.

Details on the types of wastewater generated and treated by the Project are included in Tables 2.2 and 2.3 of the Report while information on monitoring results are provided in Tables 5.2 and 5.3. The results of field Quality Assurance / Quality Control Analyses are provided in Table 5.4. The Licences issued to the Project do not include thresholds for the quantities of wastewater generated; therefore, the NWB's review of this section generally centred on wastewater quality effluent. Based on the monitoring results provided, the effluent quality of the wastewater generated did not exceed criteria in the Type "A" water Licence except in a few instances where the limits for Oil and Grease, pH, and Total Suspended Solids (TSS) were exceeded.

The NWB noted that Tables 5.1 and 5.2 included additional stations to monitor surface runoff and /or discharge from quarries at the Milne Port and Mary River Mine sites. Further, the Core Receiving Environment Monitoring Plan, Appendix E.10.1, 2015, includes recommendations for the discontinuation or addition of several water quality monitoring stations for stream and lake water quality as well as for other types of matrix. For the relevant changes proposed, or already implemented, to the monitoring program that directly affect the Type "A" Licence, the NWB recommends that the Licensee consult the Board to determine the best approach to take with respect to accepting and/or incorporating said changes into the Type "A" Licence.

10.0 Conclusion

Considering the comments and recommendations provided above, the 2015 Annual Report is considered mostly complete from the perspective of the Type "A" Licence and partially complete from the standpoint of the Type "B" Licences due, in part, to the amalgamation of reporting information provided for the Licences.

The Licensee is therefore advised to incorporate the comments and recommendations provided above in preparation and submission of the 2016 Annual Reports for the Project, which as recommended above, should be prepared as separate documents for the Type "A" and Type "B" Water Licences.

Appendices

Appendix A: Evaluation of 2015 Annual Report Based on Licence No. 2AM-MRY1325 – Reporting Requirements

Part Item	Licence Term/Condition	Requirements Met	Comments
Water			
Part B, Item (a)(i)	the monthly and annual volumes, in cubic metres, of all fresh Water withdrawn for domestic, industrial purposes and for dust suppression associated with the Early Revenue Phase from each source in, on, or flowing through Inuit-owned land in accordance with Part E, Items 3, 4, and 25 of the Licence;	Partially	Volumes of water withdrawn on a monthly basis were provided; however, a full and detailed breakdown of uses for purposes under this Licence was not included in the report.
Part B, Item (a)(ii)	the monthly and annual volumes, in cubic metres, of all fresh Water obtained for domestic, industrial purposes and for dust suppression associated with the Early Revenue Phase, from each source in, on, or flowing through Crown Lands in accordance with Part E, Items 3, 4, and 25 of the Licence;	Partially	See comment above
Part B, Item (a)(ii)	the combined monthly and annual volumes in cubic metres of all fresh Water withdrawn for domestic, industrial purposes and for dust suppression associated with the Early Revenue Phase, from sources in, on, or flowing through both Inuit-Owned Land and Crown Lands;	Partially	The Report states that dust suppression includes some of the miscellaneous uses for which water was used; however, specific details on water used for dust suppression was not provided.
w	the monthly and annual volumes of reclaimed or recycled Water used and the purposes for which it is used;	Yes	Reporting requirement generally met
Waste			
Part B, Item (b)(i)	the monthly and annual volume in cubic meters of treated Sewage Effluent discharged from each Sewage Treatment Facility including each Polishing Waste Stabilization Pond;	Yes	For future reports, the total yearly volume should be tabulated from the monthly volumes provided in Table 2.4.
Part B, Item (b)(ii)	the monthly and annual volume in cubic meters of treated wastewater discharged from each Oily Water/Wastewater Treatment Facility;	Yes	For future reports, the total yearly volume should be tabulated from the monthly volumes provided in Table 2.2 and included in the relevant section of the Report.

Part B, Item (b)(ii)	monthly and annual quantities of all Effluent discharged from each Surface Water Management (SWM) Pond;	Yes	For future reports, the total yearly volume should be tabulated from the monthly volumes provided in Table 2.3 and included in the relevant section of the Report.
Part B, Item (b)(iv)	the monthly and annual volumes in cubic metres of Sludge removed from each Sewage Treatment Facility and disposed of at each Landfill Facility or any approved alternative disposal facility;	Yes	For future reports, the total yearly volume should be tabulated from the monthly volumes provided in Table 2.4 and included in the relevant section of the Report.
Part B, Item (b)(v)	the monthly and annual volume in cubic metres of Hazardous Waste generated and transported from the Project sites to Licensed facility outside of Nunavut for treatment;	Yes	Reporting requirement generally met.
Part B, Item (b)(vi)	the monthly and annual volume in cubic metres of any Wastes backhauled to communities in Nunavut for treatment;	Partially	Details were provided on waste backhauled to facilities in southern Canada; however, it is unclear from the information provided whether any waste was backhauled to communities in Nunavut.
Part B, Item (b)(vii)	the monthly and annual volume in cubic metres of Waste deposited at each Landfill Facility;	Yes	Reporting requirement generally met.
Part B, Item (b)(viii)	monthly and annual volume in cubic metres of hydrocarbon impacted soil and water deposited at each Landfarm Facility;	Yes	Reporting requirement generally met.
Part B, Item (b)(ix)	the monthly and annual volume in cubic metres of Sewage transported for treatment from the Railway camps to the Mine Site and Steensby Port Site Sewage Treatment Facilities;	No	No details appear to be provided in the report to fulfill this requirement.
Part B, Item (b)(x)	the monthly and annual quantities of waste rock generated and used or disposed of;	Yes	Reporting requirement generally met.
Part B, Item (b)(xi)	summary of quantities and analysis of seepage and runoff monitoring from the Landfill Facilities, Landfarm Facilities, and any other relevant facilities including ponds embankment dam;	Yes	Reporting requirement generally met.
Part B, Item (b)(xii)	a summary report of solid waste disposal activities including monthly and annual quantities in cubic metres of Waste generated and location of disposal;	Yes	Reporting requirement generally met.

Part B, Item (b)(xiii)	the monthly and annual volume in cubic metres of treated Effluent discharged into the marine environment from the Milne Port Ore Stockpile Sedimentation Pond.	Yes	Table 5.1 stated that there was no discharge from the east and west Ore Stockpiles at Milne port.
Spills			
Part B, Item (c)(i)	a list and description of all unauthorized Discharges including volumes of spills, report line identification numbers, and summaries of follow-up action taken;	Yes	Reporting requirement generally met.
Part B, Item (c)(ii)	a list of unauthorized discharges and a summary of follow-up action(s) taken;	Yes	Reporting requirement generally met.
Part B, Item (c)(iii)	a summary of any updates or revisions to the Spill Contingency Plan;	Yes	Reporting requirement generally met.
Modifications			
Part B, Item (d)(i)	a summary of modifications and/or major maintenance work carried out on all water and waste related structures and facilities;	Yes	Reporting requirement generally met.
Monitoring			
Part B, Item (e)(i)	the results of monitoring under the AEMP framework and other monitoring requirements and/or any other monitoring program, regime or plan authorized by the Board in writing;	Yes	Reporting requirement generally met.
Part B, Item (e)(ii)	results of thermal monitoring and/or research carried out in conjunction with the Waste Rock Management Plan and disposal of potentially acid generating and metal leaching materials, permafrost integrity along the railway alignment and other project sites;	Yes	More details could have been provided on measures taken to monitor permafrost integrity and/or reduce degradation.
Part B, Item (e)(iii)	tabular summaries of the results and interpretation of all data generated under the Monitoring Program in Part I and Schedule I	Yes	Reporting requirement generally met.
Closure			
Part B, Item (f)(i)	a summary of any progressive closure and reclamation work undertaken including photographic records of site conditions before and after completion of	Yes	Reporting requirement generally met.

	operations, and an outline of any work anticipated for the next year, including any changes to implementation and scheduling;		
Part B, Item (f)(ii)	an updated estimate of the current restoration liability required under Part C, Item 1(b), based upon the results of progressive restoration, restoration research, project development monitoring, and any changes or modifications to the project;	Yes	Reporting requirement generally met.
<i>Plans/Reports/Studies</i>			
Part B, Item (g)(i)	a summary of any studies requested by the Board that relate to Waste disposal, Water use or Reclamation, and a brief description of any future studies planned	Yes	Reporting requirement generally met.
Part B, Item (g)(ii)	where applicable, revisions provided as Addendums with an indication of where changes have been made for Plans, Reports, and Manuals.	Yes	The revisions made to plans were not in the form of addenda. It is advised that future revisions to plans, that are not significant, be in the form of addenda.
Part B, Item (g)(iii)	an executive summary in English, Inuktitut, and French of all plans, reports, or studies conducted under this Licence;	Yes	Reporting requirement generally met.
Part B, Item (g)(iv)	a summary, including photographic records before, during and after construction activities, of any modifications and/or major maintenance work carried out on facilities and Infrastructure designed to contain, withhold, divert or retain Water or Wastes, and an outline of any work anticipated for the next year;	Yes	Reporting requirement generally met.
Part B, Item (g)(v)	a summary of the results of any geochemical analyses conducted on materials used to construct facilities and infrastructure under Part D, Item 13;	Yes	Reporting requirement generally met.
Part B, Item (g)(vi)	a detailed discussion on the performance, installation, and evaluation, including the use of photographic records, of the primary and secondary containment structure used in fuel storage to safeguard impacts to freshwaters;	Yes	Reporting requirement generally met.
Part B, Item (g)(vii)	the results of chemical analyses conducted on residue generated from each incinerator system prior to disposing of in any landfill;	Yes	Reporting requirement generally met.

Part B, Item (g)(viii)	a brief description of follow-up action(s) taken to address concerns presented within any inspection and compliance reports prepared by the Inspector;	Yes	Reporting requirement generally met.
Part B, Item (g)(ix)	an update, where required under Part B, Item, 17, in the form of an addendum or revision to the Plans approved under the relevant sections of this Licence;	Yes	Please refer to comment for Part B, Item g(ii).
Part B, Item (g)(x)	monthly and annual quantities of aggregates excavated and used from Quarries and Borrow Pits associated with the Licence;	Yes	Reporting requirement generally met.
Part B, Item (g)(xi)	the results of any further acid/base accounting conducted on potential acid generating and non-potential acid generated waste rock(PAG and NPAG);	Yes	Reporting requirement generally met
Part B, Item (g)(xii)	a summary of any specific studies or reports requested by the Board, and a brief description of any future studies planned or proposed;	Yes	Reporting requirement generally met.
Part B, Item (g)(xiii)	all monitoring data with respect to geochemical analyses conducted on material used to construct roads, quarries, and other infrastructure;	Yes	Reporting requirement generally met.
General			
Part B, Item (h)(i)	a summary of actions taken to address concerns or deficiencies listed in the inspection reports and/or compliance reports filed by an Inspector;	Yes	Reporting requirement generally met.
Part B, Item (h)(ii)	summary of public consultation and participation with local organizations and the residents of the nearby communities, including a schedule of upcoming community events and information sessions;	Yes	Reporting requirement generally met.
Part B, Item (g)(iii)	monthly and annual volume of iron ore generated by the project; and	Yes	Reporting requirement generally met.
Other			
Part B, Item (j)(i)	any other details on Water use or Waste Disposal requested by the Board by the 1st of November of the year being reported	Yes	Reporting requirement generally met.

Appendix B: Evaluation of 2015 Annual Report Based on Licence No. 2BE-MRY1421- Reporting Requirements

Part Item	Licence Term/Condition	Requirements met (Yes/No)	Comments
Part B, Item 6(i)	the monthly and annual volumes, in cubic metres, of freshwater used for all purposes under the Licence and obtained from sources located on, in or flowing through Crown Lands;	Partially	It is unclear from the information provided in Section 2.1.1 and Table 2.1 of the Report the monthly and annual quantities of water used under this licence.
Part B, Item 6(ii)	the monthly and annual volumes, in cubic metres, of freshwater used for all purposes under the Licence and obtained from sources located on, in or flowing through Inuit-owned lands;	Partially	Please see comments above.
Part B, Item 6(iii)	A summary, including photographic records before, during and after any relevant construction activities or modifications and/or major maintenance work carried out on facilities under this Licence and an outline of any work anticipated for the next year;	Yes	It is noted from information provided in the Report that no exploration work was carried out for the project in 2015 and that exploration work will resume in 2016.
Part B, Item 6(iv)	The geochemical analysis of drill cores as per Part F, Item 3;	Yes	It is understood from the information provided that no exploration activities were carried out in 2015.
Part B, Item 6(v)	Detailed discussion on the performance, installation, and evaluation, including the use of photographic record, of the primary and secondary containment functions used in fuel storage to safeguard impacts to freshwaters;	Partially	It is unclear from the information provided which primary and secondary containment functions are associated with this Licence.
Part B, Item 6(vi)	Report all artesian flow occurrences as required under Part F, Item 6;	Partially	Although satisfaction of this requirement can potentially be inferred, no specific details were provided.
Part B, Item 6(viii)	A list of unauthorized discharges and a summary of follow-up action(s) taken;	Partially	Although details related to unauthorized discharges were included in the report, it is unclear which of the discharges are specific to undertakings or activities associated with this Licence.

Part B, Item 6(viii)	A brief description of follow-up action(s) taken to address concerns presented within inspection and compliance reports prepared by the Inspector;	Partially	Please refer to the comments above.
Part B, Item 6(ix)	Updates in the form of an addendum or revisions to the Abandonment and Restoration Plan, and Spill Contingency Plan;	No	The spill contingency plan required for approval, and any addendum that may have been required subsequent to approval of the plan, remains outstanding.
Part B, Item 6(x)	A description of all progressive and/or final reclamation work undertaken, including drill sites, presented with photographic records of site conditions before, during and after completion of operations;	Partially	It is unclear which of the details provided on progressive reclamation are specific to this Licence.
Part B, Item 6(xi)	An updated estimate of the current restoration liability required under Part B, Item 2, based upon the results of restoration assessment, project development monitoring, and any changes or modifications to the project	No	Details on updated reclamation liability specific to this Licence should be provided.
Part B, Item 6(xii)	A summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted;	Partially	Details on aspects of the consultation conducted specific to this Licence appear to be absent.
Part B, Item 6(xiii)	A summary of any specific studies or reports requested by the Board, and a brief description of any future studies planned or proposed; and	Partially	Details on aspects of studies conducted specific to this Licence seem to be missing.
Part B, Item 6(xiv)	Any other details on Water use or Waste disposal requested by the Board by November 1 of the year being reported.	Yes	Requirement generally met.

Appendix C: Evaluation of 2015 Annual Report Based on Licence No. 8BC-MRY1421- Reporting Requirements

Part Item	Licence Term/Condition	Requirements Met	Comments
Part B, Item 5(a)	Summaries for all data and information generated under the Monitoring Program;	Partially	It is unclear which aspects of the information provided apply to this Licence.
Part B, Item 5(b)	A review and analysis of data collected during the Monitoring Program and a brief description of any future studies planned by the Licensee;		
Part B, Item 5(c)	a summary of materials stored or backhauled for future disposal as required by Part D, Item 8;		
Part B, Item 5(d)	The results of any review conducted and any recommendations regarding any changes to the Monitoring Program and/or remediation requirements;		
Part B, Item 5(e)	A summary of any abandonment and restoration work undertaken during the year and an outline of any work anticipated for the next year;		
Part B, Item 5(f)	A list of unauthorized discharges and summary of follow-up actions taken;		
Part B, Item 5(g)	If applicable, a description of any trenches and sumps excavated, including the following: GPS coordinates, dimensions, depth below active layer, and secondary containment features;		
Part B, Item 5(h)	A description of all progressive and or final reclamation work undertaken, presented with photographic records of site conditions before, during and after completion of operations;		
Part B, Item 5(i)	A brief summary of work done to address concerns or deficiencies listed in any inspection reports and/or compliance reports prepared by an Inspector;		
Part B, Item 5(j)	A public consultation/participation report describing consultation with local organizations and the residents of the nearby communities;		

Part B, Item 5(k)	An executive summary in English and Inuktitut of all plans, reports, or studies conducted under this Licence;		
Part B, Item 5(l)	Any updates to management Plans approved under this Licence are to be submitted as an addendum together with the annual report; and		
Part B, Item 5(m)	Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.		