

APPENDIX E.8
Regulatory Correspondence

APPENDIX E.8.1

CIRNAC Inspection Report and Baffinland Responses



Water Licence Inspection Report

☒ Original
☐ Follow-Up Report

Authorization	Representative
Baffinland Iron Mines	Katie Babin/Todd Swenson
Authorization No. / Expiry	Representative's Title
2AM-MRY1325	Environmental Superintendent
Activities Inspected	
<input checked="" type="checkbox"/> Camp, Commercial <input checked="" 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"/> Winter Hauling <input type="checkbox"/> Camp, Private <input type="checkbox"/> Other	

Section 1 Comments

On Wednesday February 14, 2024 I, Sean Noble-Nowdluk, Inspector with the Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) completed an inspection of the site named above for the purpose of verifying terms and conditions in which the water license was issued upon. During the inspection, I focused on the Mary River Mine and Camp site. The inspector was accompanied by Katie Babin, Environmental Superintendent for Baffinland Iron Mines.

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

- Ore Stockpile
- KM 105 Dam
- Heavy/Light Duty Maintenance Shop
- Open Burn Pit
- Water Intake Station
- Polishing Waste Pond
- Incinerator
- Landfill
- Landfarm
- Light Duty Vehicle Refueling Station
- MSC
- Heavy Duty Vehicle Refueling Station
- Waste Water Treatment Plant
- Hazardous Waste Berm

No major issues of non-compliance were observed during the inspection. All operations were being performed as per the Water License terms and conditions except for the one noted below.

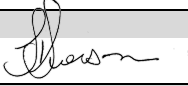

Section 2 Non-Compliance with Acts or License

1. During the inspection, CIRNAC Inspector identified a number of totes filled with waste oil outside the Ore Haul Truck (OHT) Wash Bay. These totes were not situated within secondary containment and are in non-compliance with Part H – Section 3 of the Water License. Part H – Section 3 states “The Licensee shall provide secondary containment for fuel and chemical storage as required by applicable standards and acceptable industry practice.”.
2. At KM105, the Dam has been leaking causing sediment laden water to escape into the surrounding area. The Licensee has since put up mitigation measures to prevent the migration of the water.



Section 3 Action Required

1. All totes or containers filled with hazardous material must be placed in a designated lined facility or secondary containment.
2. The KM105 Dam must be repaired to prevent future releases of sediment laden water.

Licensee or Representative Todd Swenson	Inspector's Name Sean Noble-Nowdluk
Signature 	Signature 
Date March 6, 2024	Date March 4, 2024

Office Use Only: Follow-up report to be issued by Inspector

☐ Yes ☒ No



PHOTO LOG			
Date:	Authorization Number:	Camera/Model:	Inspector
Wednesday, February 14, 2024	2AM-MRY1325	Samsung S23	Sean Noble-Nowdluk
Photo No. 1		Lat/Long (DD.MM.SS.SS, NAD83)	
Photo		71.18.709'N, 79.15.490'W	
			
Description: Drilling operations and preparing to inject grout into the KM105 Dam to repair the leak.			
Photo No. 2		Lat/Long (DD.MM.SS.SS, NAD83)	
Photo		71.18.779'N, 79.16.488'W	
			
Description: Totes of hazardous waste not situated within secondary containment. Photo taken behind the OHT Wash Bay.			



Photo No. 3	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.19.947'N, 79.24.578'W
	
Description: Open burn pit. No garbage or debris was observed outside the site.	


Photo No. 4	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.19.666'N, 79.22.962'W
	
Description: Water Intake Station (Jetty). All systems observed were in proper working condition.	



Photo No. 5

Lat/Long (DD.MM.SS.SS, NAD83)

Photo

71.19.666'N, 79.22.962'W



Description:

Flow intake meter inside the Water Intake Station.

Photo No. 6

Lat/Long (DD.MM.SS.SS, NAD83)

Photo

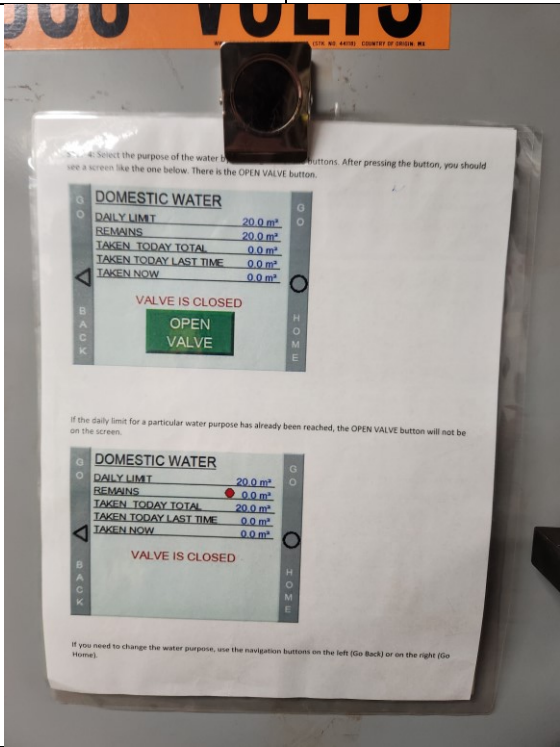
71.19.666'N, 79.22.962'W



Description:

Paper copy of the Water License which was located inside the Water Intake Station.



Photo No. 7		Lat/Long (DD.MM.SS.SS, NAD83)
Photo		71.19.666'N, 79.22.962'W
		

Description:
Computer program instructions. This program tracks and limits the use of water pumped from the station.

Photo No. 8		Lat/Long (DD.MM.SS.SS, NAD83)
Photo		71.19.536'N, 79.22.084'W
		

Description:
The Inspector observed hazardous waste being stored within a hazardous waste containment berm.




Photo No. 9	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.18.837'N, 79.17.210'W
	
Description: Inspector Noble-Nowdluk observed stained soil at the Light Vehicle Refueling Station. A strong fuel odour was present at this location and has since been remediated. The Licensee is working towards spill prevention at these refueling sites.	

Photo No. 10	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.18.873'N, 79.17.067'W
	
Description: Wide view of previous sewage spill location (Spill#2024-041) at the MSC. The Licensee has remediated the site to the best of their abilities. No evidence of sewage was observed and a follow up inspection will be performed during the freshet.	



Photo No. 11

Lat/Long (DD.MM.SS.SS, NAD83)

Photo

71.18.850'N, 79.17.982'W



Description:

Sewage flow meter inside the Waste Water Treatment Plant.



March 12, 2024

Sean Noble-Nowdluk
Resources Management Officer
Crown Indigenous Relations and Northern Affairs (CIRNAC)
Nunavut District, Nunavut Region
P.O. Box 100
Iqaluit, NU X0A 0H0

Re: Baffinland Response to February 2024 CIRNAC Inspection

The following submission from Baffinland Iron Mines Corporation (Baffinland) is a follow up in response to the Water Licence Inspection¹ conducted from February 14-15, 2024, at Baffinland's Mary River Project (the Project), by Crown-Indigenous Relations Northern Affairs Canada (CIRNAC). The attached Table 1 provides a summary of follow up information and updates requested by CIRNAC in their Inspection Report issued March 4, 2024.

Should you have any additional concerns or questions regarding the attached responses, please do not hesitate to contact the undersigned at your convenience.

Regards,

A handwritten signature in black ink, appearing to read "Todd Swenson".

Todd Swenson,

Environmental Superintendent

Cc: Karén Kharatyan, Nidhi Singh (NWB)
Jeremy Fraser, Omer Pasalic (CIRNAC)
Megan Lord-Hoyle, Lou Kamermans, Tim Sewell, Connor Devereaux Todd Swenson, Francois Gaudreau, Martin Beausejour, Allison Parker, Dale Kristoff (Baffinland)

Attachments

Attachment 1 – 240214 2AM-MRY1325-Baffinland Water Licence Inspection February 2024
Attachment 2 – Table 1: Baffinland Responses to CIRNAC 2024 February Inspection Action Items
Attachment 3 – Photos
Attachment 4 – Issued for Use Design and Drawings for KM105 Pond Remediation Plan

¹ CIRNAC (2024) CIRNAC Baffinland Water License Inspection Report – February 2024 - CIRNAC Baffinland Iron Mines Water Licence Inspection Form. Inspection form dated February 14, 2024.

Attachment 1**230914 2AM-MRY1325-Baffinland Water Licence Inspection February 2024**



Water Licence Inspection Report

☒ Original
☐ Follow-Up Report

Authorization	Representative
Baffinland Iron Mines	Katie Babin/Todd Swenson
Authorization No. / Expiry	Representative's Title
2AM-MRY1325	Environmental Superintendent
Activities Inspected	
<input checked="" type="checkbox"/> Camp, Commercial <input checked="" 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"/> Winter Hauling <input type="checkbox"/> Camp, Private <input type="checkbox"/> Other	

Section 1 Comments

On Wednesday February 14, 2024 I, Sean Noble-Nowdluk, Inspector with the Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC) completed an inspection of the site named above for the purpose of verifying terms and conditions in which the water license was issued upon. During the inspection, I focused on the Mary River Mine and Camp site. The inspector was accompanied by Katie Babin, Environmental Superintendent for Baffinland Iron Mines.

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

- Ore Stockpile
- KM 105 Dam
- Heavy/Light Duty Maintenance Shop
- Open Burn Pit
- Water Intake Station
- Polishing Waste Pond
- Incinerator
- Landfill
- Landfarm
- Light Duty Vehicle Refueling Station
- MSC
- Heavy Duty Vehicle Refueling Station
- Waste Water Treatment Plant
- Hazardous Waste Berm

No major issues of non-compliance were observed during the inspection. All operations were being performed as per the Water License terms and conditions except for the one noted below.

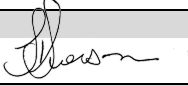

Section 2 Non-Compliance with Acts or License

1. During the inspection, CIRNAC Inspector identified a number of totes filled with waste oil outside the Ore Haul Truck (OHT) Wash Bay. These totes were not situated within secondary containment and are in non-compliance with Part H – Section 3 of the Water License. Part H – Section 3 states “The Licensee shall provide secondary containment for fuel and chemical storage as required by applicable standards and acceptable industry practice.”.
2. At KM105, the Dam has been leaking causing sediment laden water to escape into the surrounding area. The Licensee has since put up mitigation measures to prevent the migration of the water.



Section 3 Action Required

1. All totes or containers filled with hazardous material must be placed in a designated lined facility or secondary containment.
2. The KM105 Dam must be repaired to prevent future releases of sediment laden water.

Licensee or Representative Todd Swenson	Inspector's Name Sean Noble-Nowdluk
Signature 	Signature 
Date March 6, 2024	Date March 4, 2024

Office Use Only: Follow-up report to be issued by Inspector

☐ Yes ☒ No



PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
Wednesday, February 14, 2024	2AM-MRY1325	Samsung S23	Sean Noble-Nowdluk

Photo No. 1	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.18.709'N, 79.15.490'W



Description:
Drilling operations and preparing to inject grout into the KM105 Dam to repair the leak.

Photo No. 2	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.18.779'N, 79.16.488'W



Description:
Totes of hazardous waste not situated within secondary containment. Photo taken behind the OHT Wash Bay.



Photo No. 3	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.19.947'N, 79.24.578'W
	
Description: Open burn pit. No garbage or debris was observed outside the site.	


Photo No. 4	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.19.666'N, 79.22.962'W
	
Description: Water Intake Station (Jetty). All systems observed were in proper working condition.	



Photo No. 5

Lat/Long (DD.MM.SS.SS, NAD83)

Photo

71.19.666'N, 79.22.962'W



Description:

Flow intake meter inside the Water Intake Station.

Photo No. 6

Lat/Long (DD.MM.SS.SS, NAD83)

Photo

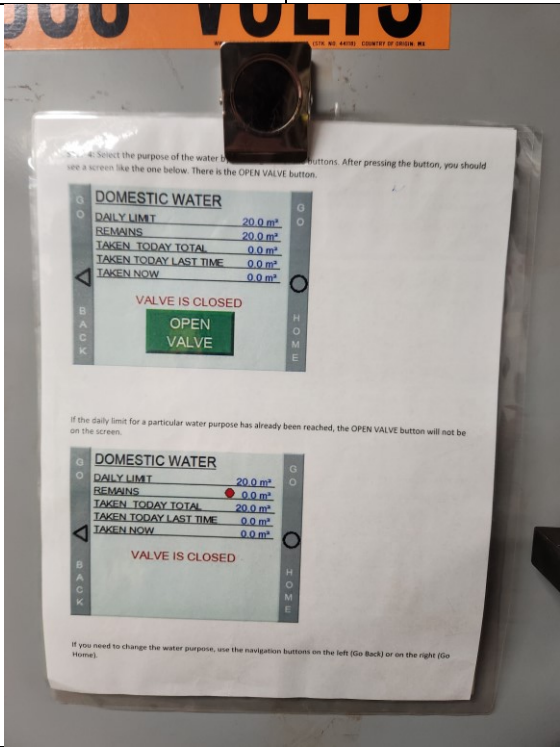
71.19.666'N, 79.22.962'W



Description:

Paper copy of the Water License which was located inside the Water Intake Station.



Photo No. 7		Lat/Long (DD.MM.SS.SS, NAD83)
Photo		71.19.666'N, 79.22.962'W
		

Description:
Computer program instructions. This program tracks and limits the use of water pumped from the station.

Photo No. 8		Lat/Long (DD.MM.SS.SS, NAD83)
Photo		71.19.536'N, 79.22.084'W
		


Description:
The Inspector observed hazardous waste being stored within a hazardous waste containment berm.



Photo No. 9	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.18.837'N, 79.17.210'W
	
Description: Inspector Noble-Nowdluk observed stained soil at the Light Vehicle Refueling Station. A strong fuel odour was present at this location and has since been remediated. The Licensee is working towards spill prevention at these refueling sites.	

Photo No. 10	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.18.873'N, 79.17.067'W
	
Description: Wide view of previous sewage spill location (Spill#2024-041) at the MSC. The Licensee has remediated the site to the best of their abilities. No evidence of sewage was observed and a follow up inspection will be performed during the freshet.	



Photo No. 11	Lat/Long (DD.MM.SS.SS, NAD83)
Photo	71.18.850'N, 79.17.982'W
	
Description: Sewage flow meter inside the Waste Water Treatment Plant.	

Attachment 2

Baffinland Response to CIRNAC 2023 September Inspection Report

Table 1: Baffinland Responses to CIRNAC 2023 September Inspection Report

Section	Description	Baffinland's Response
1	During the inspection, CIRNAC Inspector identified a number of totes filled with waste oil outside the Ore Haul Truck (OHT) Wash Bay. These totes were not situated within secondary containment and are in non-compliance with Part H – Section 3 of the Water License. Part H – Section 3 states “The Licensee shall provide secondary containment for fuel and chemical storage as required by applicable standards and acceptable industry practice.”	All identified totes with waste oil and oily wastewater were removed from the OHT Washbay area and placed within secondary containment. See Photos 1 and 2.
2	At KM105, the Dam has been leaking causing sediment laden water to escape into the surrounding area. The Licensee has since put up mitigation measures to prevent the migration of the water.	<p>Baffinland acknowledges the observation, and clarifies that conditions at the KM105 pond and dam are fully frozen, and there is currently no flow into or out of the pond.</p> <p>A geotechnical drilling program was completed in late 2023 to obtain detailed data relating to the subsurface conditions. This information has been used to develop a comprehensive remediation plan that involves installing a grout curtain to provide a seepage barrier to reduce seepage through the dam foundation. This remediation program has been initiated with an objective to be completed prior to Freshet 2024.</p> <p>The detailed remediation plan is included as Attachment 4 to this response, and will be emailed via KiteWorks due to file size.</p>

Attachment 3

Photos



Photo 1. Totes with waste water and waste oil out of secondary containment behind the OHT Wash Bay.
February 14, 2024



Photo 2. Totes with waste water and waste oil removed from OHT Wash Bay area. Totes pictured in photo are empty. February 18, 2024

**Attachment 4 – Issued for Use Design and Drawings for KM105 Pond
Remediation Plan (Issued via KiteWorks)**



Water Licence Inspection Report

☒ Original
☐ Follow-Up Report

Authorization	Representative
Baffinland Iron Mines	Connor Deveraux
Authorization No. / Expiry	Representative's Title
2AM-MRY1325	Environmental Superintendent
Inspection Date	Inspector
April 3, 2024 to April 5, 2024	Omer Pasalic/Kyle Amsel
Other Authorization/s	
Not applicable during this inspection.	
Activities Inspected	
<input checked="" type="checkbox"/> Camp, Commercial <input type="checkbox"/> Drilling <input checked="" type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input checked="" type="checkbox"/> Roads/Hauling <input type="checkbox"/> Winter Hauling <input type="checkbox"/> Camp, Private <input type="checkbox"/> Other Municipal Water License Inspection	

Section 1 Comments

On Wednesday April 3rd, 2024 and through Friday April 5th, 2024 Inspectors Omer Pasalic and Kyle Amsel of the Crown Indigenous Relations and Northern Affairs Canada, conducted an inspection of the water license 2AM-MRY1325 with an expiry date of June 10th, 2025 issued to Baffinland Iron Mines Corporation of Suite 300-2275 Upper Middle Road East Oakville, Ontario, L6H0C3.

The site inspected was the Mary River Mine located in the Qikiqtani region of North Baffin in Nunavut, Canada. The purpose of the inspection was to ensure the continuous adherence by the licensee of the various terms and conditions contained in the issued water license named above.

Upon the inspectors arrival to the site, we were met by the Environmental Superintendent Connor Deveraux who informed the inspectors that currently there are 917 personnel on site, including both sites Mary River and Milne Inlet port.

During the inspection, following items of concern were inspected:

- 1) Dam 105 km
- 2) Crusher area
- 3) Fuel storages
- 4) Water intake jetty
- 5) Open burn pit
- 6) Incinerator building
- 7) Land farm/Landfill
- 8) Sewage treatment facility
- 9) Tote Road up to KM 95

It has been noted that the work at Dam 105 KM to address the underground leakage is still ongoing. Inspectors and Mr. Deveraux were met at the location by the Nuna Group of Companies – sub contractor, contracted by the Baffinland Iron Mine Corporation at which time the sub-contractor advised of the technique used and applied in addressing the issue of the leakage.

Fuel storages, water jetty, open burn pit, incinerator building were all inspected and no concerns were noted. All of the areas were kept clean and free of hazards that could potentially affect the environment.

A generator was observed on the site near stacked sea cans with no secondary containment was deployed. Once the photograph was taken, Mr. Deveraux was advised at which time he stated the appropriate personnel will be advised.

Once at the landfill area, the inspectors noted what appeared to be a significant fence damage. Photograph of the damage was taken and included with this report. Mr. Deveraux was made aware of the concern and stated that he will notify the appropriate site's personnel.



At the Tote Road, inspectors noted ongoing work at KM 95's location where culverts were being replaced by sub-contractor of Nuna Group of Companies, contracted by the Baffinland Iron Mine Corporation. The contractor, as requested by the Baffinland Iron Mine Corporation, was utilizing and placing rocks within the newly installed culverts in order to make the culvert appear more as the natural habitat for fish frequenting the streams through the culverts. Upon closer inspection of the location, the inspectors noted that no secondary containment was deployed under the generator used for lighting or nighttime work. Once photograph was taken, Mr. Deveraux was advised and stated the appropriate action of placing the secondary containment will be taken.

No other concerns were noted including no concerns noted of the Tote Road corrosion from the Mary River site to the KM 95 location.

Due to the weather issues, no hauling of ore on the Tote Road was taking place at the time of the inspection. The weather issues also prevented the inspectors of conducting inspection at the Milne Inlet site. Hence, the inspection of this site was postponed until the next available licensee's inspection.

It is noted that water meters and sewage meters installed in the corresponding facilities, as per water license conditions, were functional and operational at the time of the inspection.

Section 2 Non-Compliance with Choose an item.


- **Landfill fence**
- **Secondary containments not deployed where applicable**

Section 3 Action Required

- **Ensure that the fence has been repaired.**
- **Ensure secondary containments are deployed at the locations named in this report.**
- **Inspector requests photographs of required work completed no later than two weeks of the receipt of this report.**

Section 4 Other

Not applicable.

Licensee or Representative	Inspector's Name
Todd Swenson	Omer Pasalic
Signature 	Signature <i>Omer Pasalic</i>
Date April 20, 2024	Date April 19, 2024

Office Use Only: Follow-up report to be issued by Inspector

☒ Yes ☐ No

PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
Wednesday, April 3, 2024	2AM-MRY1325	HUAWEI P30 PRO	Omer Pasalic



Description:

Culvert replacement at Tote Road – KM 95



Description:

No secondary containment was deployed at KM 95.



Description:

Demaged fence at landfill



Description:

No secondary containment deployed at Mary River site

April 30, 2024

Omer Pasalic
Senior Inspector, CIRNAC
Crown Indigenous Relations and Northern Affairs (CIRNAC)
Nunavut District, Nunavut Region
P.O. Box 100
Iqaluit, NU X0A 0H0

Re: Baffinland Response to April 3 to April 5, 2024 CIRNAC Inspection

The following submission from Baffinland Iron Mines Corporation (Baffinland) is a follow up in response to the Water Licence Inspection¹ conducted from April 3 to April 5, 2024, at Baffinland's Mary River Project (the Project), by Crown-Indigenous Relations Northern Affairs Canada (CIRNAC). The attached Table 1 provides a summary of follow up information and updates requested by CIRNAC in their Inspection Report issued April 19, 2024.

Should you have any additional concerns or questions regarding the attached responses, please to not hesitate to contact the undersigned at your convenience.

Regards,



Todd Swenson

Environmental Superintendent

Cc: Karén Kharatyan, Nidhi Singh (NWB)
Jeremy Fraser, Kyle Amsel (CIRNAC)
Megan Lord-Hoyle, Lou Kamermans, Tim Sewell, Connor Devereaux, Katie Babin, Francois Gaudreau, Martin Beausejour, Allison Parker, Dale Kristoff (Baffinland)

Attachments

Attachment 1 – 240419 2AM-MRY1325-Baffinland Water Licence Inspection April 2024
Attachment 2 – Table 1: Baffinland Responses to CIRNAC 2024 April Inspection Action Items
Attachment 3 – Photos

¹ CIRNAC (2024) CIRNAC Baffinland Water License Inspection Report – April 3 to April 5, 2024 - CIRNAC Baffinland Iron Mines Water Licence Inspection Form. Inspection form dated April 19, 2024.

Attachment 1

2AM-MRY1325-Baffinland Water Licence Inspection April 2024

Attachment 2

Baffinland Response to CIRNAC 2024 April Inspection Report Action Items

Table 1: Baffinland Responses to CIRNAC 2024 April Inspection Report Action Items

Section	Action Item Description	Baffinland's Response
1	<p>A generator was observed on the site near stacked sea cans with no secondary containment was deployed.</p> <p>ACTION ITEM: Ensure secondary containments are deployed at the locations named in this report.</p>	<p>The generator is an Allmand Night-Lite V-Series. The brand and model of the generator/light plant has a Fluid Containment System (FCS) that holds up 110% of the fuel and engine oil capacity. See Photos confirming the model of the generator/light plant. Also see attached Allmand Night-Lite V-Series Operator's Manual Fluid Containment System Diagram (Photos 2, 3, and 4).</p> <p>The link outlining the features can be viewed on the company's website at: https://www.allmand.com/na/en_us/product-catalog/light-towers/nightlite-vseries.html.</p>
2	<p>Once at the landfill area, the inspectors noted what appeared to be a significant fence damage.</p> <p>ACTION ITEM: Ensure that the fence has been repaired.</p>	<p>Baffinland is committed to repairing the fence around the landfill as soon as reasonably possible. Given the snow conditions and the accessibility of the damaged area, attempting a repair at this time would most likely result in further damage to the fence.</p> <p>Because the landfill is for inert waste only, Baffinland feels the damaged fence line currently exhibits very low risk. Therefore, the repair has been scheduled for completion once the area is snow-free and the ground beginning to thaw. A Work Order has been created for the repair to be completed by early June (WO# 4613938). See Photo #5 for a snip of the Work Order.</p> <p>Baffinland will provide photographic evidence of the repairs once completed.</p>
3	<p>At the Tote Road, inspectors noted ongoing work at KM 95's location where culverts were being replaced by sub-contractor of Nuna Group of Companies, contracted by the Baffinland Iron Mine Corporation. Upon closer inspection of the location, the inspectors noted that no secondary containment was deployed under the generator used for lighting or nighttime work.</p> <p>ACTION ITEM: Ensure secondary containments are deployed at the locations named in this report.</p>	<p>The generator is an Allmand Night-Lite V-Series. The brand and model of the generator/light plant has a Fluid Containment System (FCS) that holds up 110% of the fuel and engine oil capacity. See Photos confirming the model of the generator/light plant. Also see attached Allmand Night-Lite V-Series Operator's Manual Fluid Containment System Diagram (Photos 2, 3, and 4).</p> <p>The link outlining the features can be viewed on the company's website at: https://www.allmand.com/na/en_us/product-catalog/light-towers/nightlite-vseries.html.</p>

Attachment 3**Photos**



Photo 1: Photograph of generator/light plant near stacked seacans taken during the inspection (note make and model on the side)

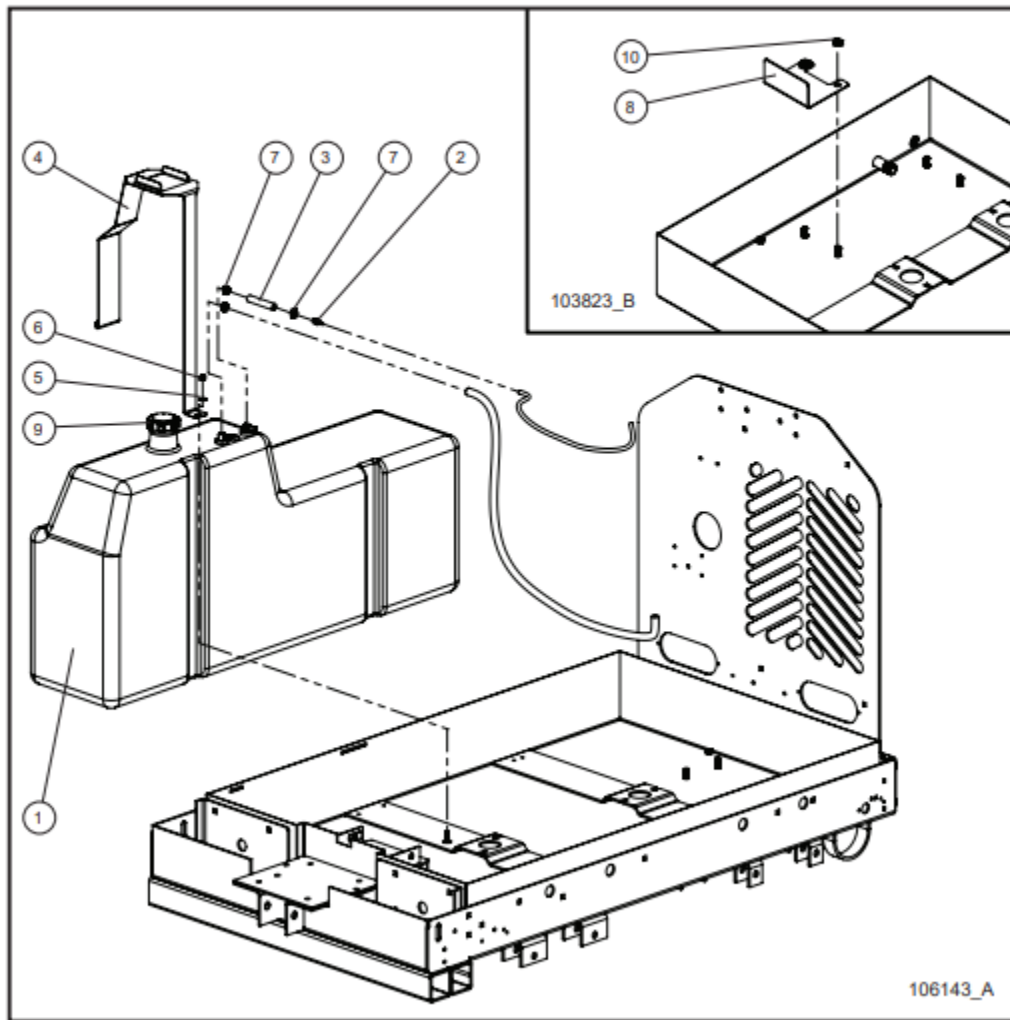


Photo 2: Generator/Light Plant at KM 97 indicating the make and model, April 20, 2024



8.4 - FCS Fuel Tank Group

SN 07-000001 and UP
SN 08-000001 and UP





Night-Lite ProII™ Parts Catalog
©2021 Briggs & Stratton

8.4

Photo 3: Schematic of the Fluid Containment System (holds 110% of all on-board fluids) on the Allmand Night-Lite V-Series Generator/Light Plants.



Photo 4: Location of fluid containment system drain plug on the Allmand Night-Lite V-Series located at KM 97, April 20, 2024.

Notification	10628217	M2	Landfill - REPAIR - Damaged fence
Notific. Status	NOPR ORAS		 APPR
Order	4613938		
<u>Notification</u>	Malfunction/Breakdown	Location data	Items

Reference object

Functional loc.	MR	MARY RIVER MINE SITE
Equipment		
Assembly		

Subject

Coding		
Description	Landfill - REPAIR - Damaged fence	

04/20/2024 15:46:12 EST J. Macdougall (JMACDOUGLL2) Phone 647-253-0596
Repair damaged fence at waste dump. Approximately 6 sections have been damaged due to heavy snow fall. It appears that all the materials are there in place. It will need to be reassembled once the weather permits
End of May - Early June.

Photo 5: Screenshot of Notification for landfill fence repair.



Water Licence Inspection Report

☒ Original
☐ Follow-Up Report

Authorization	Representative
Baffinland Iron Mines Corporation	Katie Babin/Jerad Nadin
Authorization No. / Expiry	Representative's Title
2AM-MRY1325/June 10, 2025	Environmental Superintendents
Inspection Date	Inspector
July 31, 2024	Omer Pasalic
Other Authorization/s	
Not part of conducted water license inspection.	
Activities Inspected	
<input checked="" type="checkbox"/> Camp, Commercial <input type="checkbox"/> Drilling <input checked="" type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input checked="" type="checkbox"/> Roads/Hauling <input type="checkbox"/> Winter Hauling <input type="checkbox"/> Camp, Private <input type="checkbox"/> Other Municipal Water License Inspection	

Section 1 Comments

On Wednesday July 31, 2024 I, Omer Pasalic of the Crown Indigenous Relations and Northern Affairs Canada, herein referred as the Inspector, conducted an inspection associated with the water license mentioned above. During the inspection, the inspector was accompanied by Katie Babin and Jerad Nadin of the Baffinland Iron Mines Corporation. The focus of the inspection was to ensure the continued adherence to the terms and conditions named within the issued water license. It is noted that this inspection was solely conducted on the Milne Port operational grounds and the camp. As the trip from Mary River site to the Milne Port was conducted by a vehicle in both directions, the inspector also focused on the Tote Road, bridges and culverts.

The following points of interest were inspected and or observed:

- Quarry
- Land farm/snow dump
- Pond 1
- Pond 2
- Ditches around ore stockpile
- Temporary waste storage area
- Incinerator
- Fuel tank farm
- Loading port
- Jetty
- Tote Road
- Bridges/crossings
- Culverts

Quarry is kept in good condition with no unapproved material stored at or near the quarry grounds. Multiple loose objects noticed at the land farm. Mainly loose construction material posing environmental hazard issue should the material become windblown. Ponds 1 and 2 no issues noted at the time of the inspection. Ditches around the ore stockpile are kept unobstructed and functioning as intended. Temporary waste storage area kept in good condition with secondary containments deployed where necessary. Incinerator area kept clean. No signs of unapproved burning material present anywhere within the grounds of the incinerator. Fuel tank farm and immediate grounds kept clean with the adjacent spill kit located right outside of the fence surrounding the tank farm. No issues of concern noted at or near the loading port. No items of concern noted at or near the jetty grounds. No signs of erosion, no loose material and no unapproved storage of material alongside the road observed. Bridges and other crossings on the road unobstructed and clearly marked with signs. Culverts appeared to be in good condition with minimal or no damage.

Section 2 Non-Compliance with Choose an item.



- **Land farm/snow dump area**

Section 3 Action Required

- **Secure the loose objects/material within the grounds of the specified area.**

Section 4 Other

Not applicable.

Licensee or Representative	Inspector's Name
Todd Swenson	Omer Pasalic
Signature	Signature
<i>Todd Swenson</i>	<i>Omer Pasalic</i>
Date	Date
08-Aug-24	

Office Use Only: Follow-up report to be issued by Inspector

☐ Yes ☒ No

PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
Wednesday, July 31, 2024	2AM-MRY1325	HUAWEI P30 PRO	Omer Pasalic



Description:

Quarry



Description:

Land farm/Snow dump



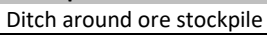
Description:

Settling pond 1



Description:

Settling pond 2





Description:

Temporary waste storage area

August 28, 2024

Omer Pasalic
Senior Inspector, CIRNAC
Crown Indigenous Relations and Northern Affairs (CIRNAC)
Nunavut District, Nunavut Region
P.O. Box 100
Iqaluit, NU X0A 0H0

Re: Baffinland Response to July 31, 2024 CIRNAC Inspection

The following submission from Baffinland Iron Mines Corporation (Baffinland) is a follow up in response to the Water Licence Inspection¹ conducted on July 31, 2024, at Baffinland's Mary River Project (the Project), by Crown-Indigenous Relations Northern Affairs Canada (CIRNAC). The attached Table 1 provides a summary of follow up information and updates requested by CIRNAC in their Inspection Report issued August 8, 2024.

Should you have any additional concerns or questions regarding the attached responses, please to not hesitate to contact the undersigned at your convenience.

Regards,



Todd Swenson

Environmental Superintendent

Cc: Karén Kharatyan, Nidhi Singh (NWB)
Jeremy Fraser, Kyle Amsel (CIRNAC)
Megan Lord-Hoyle, Lou Kamermans, Tim Sewell, Connor Devereaux, Katie Babin, Francois Gaudreau, Martin Beausejour, Allison Parker, Dale Kristoff (Baffinland)

Attachments

Attachment 1 – 240419 2AM-MRY1325-Baffinland Water Licence Inspection July 2024
Attachment 2 – Table 1: Baffinland Responses to CIRNAC 2024 April Inspection Action Items
Attachment 3 – Photos
Attachment 4 – Caribou Sighting/Observation Log

¹ CIRNAC (2024) CIRNAC Baffinland Water License Inspection Report – July 31, 2024 - CIRNAC Baffinland Iron Mines Water Licence Inspection Form. Inspection form dated August 8, 2024.

Attachment 1**2AM-MRY1325-Baffinland Water Licence Inspection July, 2024**



Water Licence Inspection Report

☒ Original
☐ Follow-Up Report

Authorization	Representative
Baffinland Iron Mines Corporation	Katie Babin/Jerad Nadin
Authorization No. / Expiry	Representative's Title
2AM-MRY1325/June 10, 2025	Environmental Superintendents
Inspection Date	Inspector
July 31, 2024	Omer Pasalic
Other Authorization/s	
Not part of conducted water license inspection.	
Activities Inspected	
<input checked="" type="checkbox"/> Camp, Commercial <input type="checkbox"/> Drilling <input checked="" type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input checked="" type="checkbox"/> Roads/Hauling <input type="checkbox"/> Winter Hauling <input type="checkbox"/> Camp, Private <input type="checkbox"/> Other Municipal Water License Inspection	

Section 1 Comments

On Wednesday July 31, 2024 I, Omer Pasalic of the Crown Indigenous Relations and Northern Affairs Canada, herein referred as the Inspector, conducted an inspection associated with the water license mentioned above. During the inspection, the inspector was accompanied by Katie Babin and Jerad Nadin of the Baffinland Iron Mines Corporation. The focus of the inspection was to ensure the continued adherence to the terms and conditions named within the issued water license. It is noted that this inspection was solely conducted on the Milne Port operational grounds and the camp. As the trip from Mary River site to the Milne Port was conducted by a vehicle in both directions, the inspector also focused on the Tote Road, bridges and culverts.

The following points of interest were inspected and or observed:

- Quarry
- Land farm/snow dump
- Pond 1
- Pond 2
- Ditches around ore stockpile
- Temporary waste storage area
- Incinerator
- Fuel tank farm
- Loading port
- Jetty
- Tote Road
- Bridges/crossings
- Culverts

Quarry is kept in good condition with no unapproved material stored at or near the quarry grounds. Multiple loose objects noticed at the land farm. Mainly loose construction material posing environmental hazard issue should the material become windblown. Ponds 1 and 2 no issues noted at the time of the inspection. Ditches around the ore stockpile are kept unobstructed and functioning as intended. Temporary waste storage area kept in good condition with secondary containments deployed where necessary. Incinerator area kept clean. No signs of unapproved burning material present anywhere within the grounds of the incinerator. Fuel tank farm and immediate grounds kept clean with the adjacent spill kit located right outside of the fence surrounding the tank farm. No issues of concern noted at or near the loading port. No items of concern noted at or near the jetty grounds. No signs of erosion, no loose material and no unapproved storage of material alongside the road observed. Bridges and other crossings on the road unobstructed and clearly marked with signs. Culverts appeared to be in good condition with minimal or no damage.

Section 2 Non-Compliance with Choose an item.



- **Land farm/snow dump area**

Section 3 Action Required

- **Secure the loose objects/material within the grounds of the specified area.**

Section 4 Other

Not applicable.

Licensee or Representative	Inspector's Name
Todd Swenson	Omer Pasalic
Signature	Signature
<i>Todd Swenson</i>	<i>Omer Pasalic</i>
Date	Date
08-Aug-24	

Office Use Only: Follow-up report to be issued by Inspector

☐ Yes ☒ No

PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
Wednesday, July 31, 2024	2AM-MRY1325	HUAWEI P30 PRO	Omer Pasalic



Description:

Quarry



Description:

Land farm/Snow dump



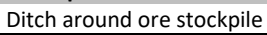
Description:

Settling pond 1



Description:

Settling pond 2





Description:

Temporary waste storage area

Attachment 2

Baffinland Response to CIRNAC 2024 August Inspection Report Action Items

Table 1: Baffinland Responses to CIRNAC 2024 April Inspection Report Action Items

Section	Action Item Description	Baffinland's Response
1 (July)	<p>A generator was observed on the site near stacked sea cans with no secondary containment was deployed.</p> <p>ACTION ITEM: Secure the loose objects/material within the grounds of the specified area.</p>	<p>The area was cleaned up and photos sent to the inspector at the time of signing of the report (Photos 1, 2, 3, 4, 5, and 6).</p>
2 (April)	<p>Once at the landfill area, the inspectors noted what appeared to be a significant fence damage.</p> <p>ACTION ITEM: Ensure that the fence has been repaired.</p>	<p>Repairs were completed. (Photos 7, and 8)</p>
Request (July)	<p>The inspector requested Baffinland to share a copy of the caribou sightings log to the end of July.</p>	<p>Caribou Sightings/Observations Log attached</p>

Attachment 3**Photos**



1) Debris at the Milne Port Landfarm – before clean up. July 31, 2024



2) Debris at the Milne Port Landfarm – removed. August 2, 2024



3) Debris removed from the Milne Port landfarm. August 2, 2024.



4) Milne Port Open Burn showing gates locked and good housekeeping – August 3, 2024.



5) Waste water totes being loaded into sea cans at Mile Landfarm – August 6, 2024



6) Seacans being staged for removal of waste water totes at Mile Landfarm – August 6, 2024



7) Landfill fence repairs completed (from April Inspection report)



8) Landfill fence repairs completed (from April Inspection report)

Attachment 4
Caribou Sightings/Observations Log

Date	# of Animals	Location Description	Observed Behaviours
21-May-24	3	KM 86 across the lake to the ESE	foraging, walking
30-May-24	2	1.5KM South from Dyno Plant	foraging
2-Jun-24	4	600m east of 88.5KM on the Tote Road	foraging
3-Jun-24	4	KM 88.5	foraging, laying down
6-Jun-24	3	KP85	foraging, walking
7-Jun-24	1	KM 90-89	walking
10-Jun-24	2	KM 95 200m off the TR to the NE	foraging, laying down
11-Jun-24	3	KM 77 TR - 600m NE	laying down
11-Jun-24	2	Between KM79 and 80 >100m	foraging
11-Jun-24	2	KM 95 100 off the TR to the east	foraging
14-Jun-24	2	Sailiviik S Bend	walking
14-Jun-24	1	KM 100 on top of the hill to the E	foraging, walking
14-Jun-24	2	KM 102	walking
19-Jun-24	1	KM 75	too far to discern
23-Jun-24	3	KM 86 on the E side of the road.	foraging, laying down, walking
23-Jun-24	1	KM 86	foraging, laying down
26-Jun-24	3	KM 82	foraging
27-Jun-24	3	KM 82 on the E side of road.	foraging, laying down, walking
28-Jun-24	3	KM 82	foraging
28-Jun-24	3	KM 82 on the E side of road.	foraging, laying down, walking
8-Jul-24	1	Km90	foraging, laying down
6-Jul-24	2	Archaeology remote site on route to Steensby	foraging
6-Jul-24	1	Archaeology remote site on route to Steensby	foraging, laying down, walking
6-Jul-24	2	Archaeology remote site on route to Steensby	foraging, laying down, walking
6-Jul-24	7	Archaeology remote site on route to Steensby	foraging, laying down, walking
6-Jul-24	1	Archaeology remote site on route to Steensby	foraging, laying down, walking
6-Jul-24	2	Archaeology remote site on route to Steensby	foraging, laying down, walking
6-Jul-24	1	Archaeology remote site on route to Steensby	foraging, laying down, walking
7-Jul-24	3	Archaeology remote site on route to Steensby	walking
7-Jul-24	1	Archaeology remote site on route to Steensby	walking
7-Jul-24	1	Archaeology remote site on route to Steensby	walking
7-Jul-24	1	Archaeology remote site on route to Steensby	walking
7-Jul-24	4	Archaeology remote site on route to Steensby	walking
9-Jul-24	1	Archaeology remote site on route to Steensby	walking
9-Jul-24	2	Archaeology remote site on route to Steensby	walking
10-Jul-24	1	Archaeology remote site on route to Steensby	too far to discern
11-Jul-24	1	Archaeology remote site on route to Steensby	too far to discern
13-Jul-24	3	Archaeology remote site on route to Steensby	laying down
14-Jul-24	1	Archaeology remote site on route to Steensby	walking, running
17-Jul-24	1	Archaeology remote site on route to Steensby	too far to discern
20-Jul-24	1	Archaeology remote site on route to Steensby	too far to discern
20-Jul-24	2	Archaeology remote site on route to Steensby	too far to discern
21-Jul-24	2	Archaeology remote site on route to Steensby	walking
22-Jul-24	1	Archaeology remote site on route to Steensby	walking



Water Licence Inspection Report

☒ Original
☐ Follow-Up Report

Authorization	Representative
Baffinland Iron Mines	Dale Kristoff/Romy Done
Authorization No. / Expiry	Representative's Title
2AM-MRY1325	Reg. Specialist/Production Eng.
Inspection Date	Inspector
August 21, 2024	Omer Pasalic
Other Authorization/s	
Not applicable during this inspection.	
Activities Inspected	
<input type="checkbox"/> Camp, Commercial <input type="checkbox"/> Drilling <input type="checkbox"/> Mining <input type="checkbox"/> Construction <input checked="" type="checkbox"/> Reclamation <input type="checkbox"/> Fuel Storage <input type="checkbox"/> Roads/Hauling <input type="checkbox"/> Winter Hauling <input type="checkbox"/> Camp, Private <input checked="" type="checkbox"/> Other: Waste Rock Facility (WRF)	

Section 1 Comments

On Wednesday August 21, 2024 and at the request of CIRNAC-Waters Division, Inspector Omer Pasalic of the Crown Indigenous Relations and Northern Affairs Canada, conducted an inspection of the Waste Rock Facility (WRF) under the water license number 2AM-MRY1325. The forementioned license has been issued to the Baffinland Iron Mines Corporation with an expiry date of June 10, 2025.

The focus of the inspection was licensees progressive reclamation in alignment with the Phase 1 Waste Rock Management Plan and Waste Rock Facility QA/QC monitoring program. Baffinland has split the progressive reclamation into 4 quarters with the aim to have 85 percent of the Waste Rock Facility covered with the non-acid generating waste by the end of the quarter 4 report.



Thus far, Baffinland has produced 2 quarterly reports dated May 24, 2024 and July 28, 2024 of the progress made to cover exposed potentially acid generating (PAG) waste with layer(s) of non-acid generating (Non-AG) waste. At the end of quarter 2, Baffinland has completed approximately 35 to 38 percent of the 85 percent goal. The work progress made was visually verified by the inspector during the inspection conducted of the WRF alongside the Baffinland's staff personnel Dale Kristoff, Regulatory Specialist, and Romy Dome, Production Engineer.



The inspector was advised that the licensee conducts testing of waste rock for total sulphur and paste PH on-site to ensure proper waste rock characterization , non-acid generating waste rock, is deployed as a cover throughout the WRF where the potential acid generating waste is present.

In addition to the on-site testing, the licensee sends samples off site to a laboratory located in southern Canada for the Modified Sobek testing. However, due to the logistical issues the licensee is experiencing when sending the bulk samples off the site, the sample results from the laboratory are delayed. The test results will be sent to the inspector as soon as they become available and will also be included in the licensees quarter 3 report.

It is also noted that the thickness of the cover (Non-AG) is 4 meters and is measured using drone technology as well as physical on the ground thickness measurements.

The inspector is satisfied with the overall progress of the WRF reclamation efforts and does not see/note any discrepancies with the facts as presented in the licensees quarter 1 and quarter 2 reports.

Section 2 Non-Compliance with Choose an item.


None at this time.

Section 3 Action Required

- **Produce Modified Sobek lab test results, as referenced in the Q2 report, as soon as possible.**
- **(As a result of heavy machinery use) - Ensure no waste rock is unintentionally stored outside the Waste Rock Facility perimeters.**

Section 4 Other

Not applicable.

Licensee or Representative	Inspector's Name
Katie Babin	Omer Pasalic
Signature	Signature
	<i>Omer Pasalic</i>
Date	Date
September 16, 2024	August 30, 2024

Office Use Only: Follow-up report to be issued by Inspector

☒ Yes ☐ No

PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
Wednesday, August 21, 2024	2AM-MRY1325	HUAWEI P30 PRO	Omer Pasalic



Description:

WRF



Description:WRF



No secondary containment was deployed at KM 95.



Description:

WRF



Description:

WRF

Baffinland Documentation for CIRNAC 2024 August inspection Report

Section	Description	Baffinland's Response
3	Produce Modified Sobek lab test results, as referenced in the Q2 report, as soon as possible.	Lab results shared with the Inspector and also included in the Q3 Waste Rock Facility Report.
3	(As a result of heavy machinery use) - Ensure no waste rock is unintentionally stored outside the Waste Rock Facility perimeters.	As per the October 23rd CIRNAC inspection report, no loose rock was noted outside of the Waste Rock Facility parameters. Baffinland will continue to ensure no loose rock is stored outside the Waste Rock Facility parameters.



Water Licence Inspection Report

☒ Original
☐ Follow-Up Report

Authorization	Representative
Baffinland Iron Mines	Katie Babin/William Bowden
Authorization No. / Expiry	Representative's Title
2AM-MRY1325	Env. Superintendent/Sr. Env. Superintendent
Inspection Date	Inspector
October 23, 2024	Omer Pasalic
Other Authorization/s	
Not applicable during this inspection.	
Activities Inspected	
<input checked="" type="checkbox"/> Camp, Commercial <input type="checkbox"/> Drilling <input type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input checked="" type="checkbox"/> Roads/Hauling <input type="checkbox"/> Winter Hauling <input type="checkbox"/> Camp, Private <input checked="" type="checkbox"/> Other: Waste Rock Facility (WRF)	

Section 1 Comments

On Wednesday October 23rd, 2024 Inspector Omer Pasalic of the Crown Indigenous Relations and Northern Affairs Canada, conducted an inspection of the Mary River site to ensure adherence by the licensee to the terms and conditions as set under the water license number 2AM-MRY1325. The forementioned license has been issued to the Baffinland Iron Mines Corporation with an expiry date of June 10, 2025.

The following items were inspected:

- 1) Tote hauling road
- 2) Water intake jetty
- 3) Fuel storage farm
- 4) Waste rock facility
- 5) Overall conditions of the site

At approximately 08:00 hours, the inspector accompanied by Katie Babin and William Bowden, Environmental Superintendent and Senior Environmental Superintendent of the Baffinland Iron Mines Corporation, made their way to the KM 51 marker of the Tote Road. During the rain event in late September that saw roughly 77mm of rain over the 24 hours period, a large part of the road was washed out preventing any travel to and from Milne Inlet site. As emergency measures Baffinland was able to temporarily repair the road just enough for one-lane traffic so that the movement of the iron ore can resume as well as establishing physical contact between the two sites, Mary River site and Milne Inlet port site.

As this location is the fish bearing crossing, the complete repairs including necessary work on the culverts will be done once the canal freezes over to ensure the fish is not traveling while the work is being done. The complete repairs are expected to be done by early to mid spring 2025.

At 63.5 KM marker of the Tote Road, the road was completely washed out requiring extensive repairs. New culverts were installed. The damaged and replaced culverts are still on the site. Currently, Baffinland is looking at the options to remove the damaged and replaced culverts from the site.

At 64 KM marker of the Tote Road, the road was also washed out but there are no culverts installation present on this location. Repairs were completed allowing the movement of the traffic.

At 72 KM marker of the Tote Road, the water was observed over the road but no major damage sustained. Repairs completely made allowing the movement of the traffic.

At 87 KM marker of the Tote Road, the water was overflowing on the road near the David Lake, but the road itself did not wash out. After recapping the surface of the road the movement of the traffic did resume.



No damage to already installed culverts sustained.

All inspected locations mentioned above are in the reference to the September 20th, 2024 rainfall impact along the Tote Road, Baffin Island, Nunavut.

Once the Tote Road conditions were inspected, at approximately 11:30 hours water intake jetty for the Mary River site was inspected. Water meter operational. Water logs up to date. Site appeared to be clear of windblown debris or other items that would pose an environmental risk. No items of concern noted.

At approximately 11:50 hours, fuel tank farm was inspected. There was concern noted regarding an amount of loose used rugs/pads on top of the yellow drum on the right side of the fueling station as well as around on the ground adjacent to the yellow drum. These rugs/pads appeared to be used as hydrocarbon absorbent rugs/pads from the pumps after fueling of the various on-site motorized vehicles.

At approximately 1315 hours, an inspection of the Waste Rock Facility (WRF) was inspected. During the inspection, on going work was being conducted in accordance with the Baffinland's QA/QC monitoring program. Drill for confirmatory additional sampling as well as the thermal monitors were observed on site. Baffinland is using RTK drone to precisely measure the depth of the non-acid generating rock placements (4 meters).

No loose rocks or other material was observed at the bottom of the WRF slopes. Due to the snow cover, limited visual inspection on the stability of the overall slopes conditions was performed with no concerns noted at the time of the inspection.

The inspector was advised by Jacob Prince, Senior Geologist – Baffinland Iron Mines Corporation, that approximately 54 percent of 85 percent cover target has been achieved. Baffinland Iron Mines Corporation anticipates Q3 report to be completed and sent out to interested parties by October 30th, 2024.

Baffinland Iron Mines Corporation will be continuing to work on the 85 percent cover placement goal.

At the time of the inspection, there was 493 staff members at the Mary River site and an additional 289 staff members at the Milne Inlet port.

Photo log:

- 1) KM 51 One lane traffic
- 2) KM 63.5 Damaged and replaced culverts
- 3) Water meter – Jetty
- 4) Loose rags/pads
- 5) WRF
- 6) WRF
- 7) WRF

End of report.

Section 2 Non-Compliance with Choose an item.

- Hydrocarbon rugs/pads out of containment
- Culvert misplacements

Section 3 Action Required

- Cleanup of the area where hydrocarbon rugs/pads were observed
- Produce an action plan when and where damaged and replaced culverts will be removed from the current location(s).



Section 4 Other

It is noted that the Baffinland Iron Mines Corporation has already actioned section 3 comments.

- We cleaned up the fuel mod area and removed the used absorbent hydrocarbon pads.
- We will remove the culverts downstream of the km 63.5 crossing when conditions have fully frozen and working around the high water mark with heavy equipment is safe to do so.

Licensee or Representative	Inspector's Name
William Bowden	Omer Pasalic
Signature	Signature
<i>William Bowden</i>	<i>Omer Pasalic</i>
Date	Date
October 31, 2024	October 25, 2024

Office Use Only: Follow-up report to be issued by Inspector

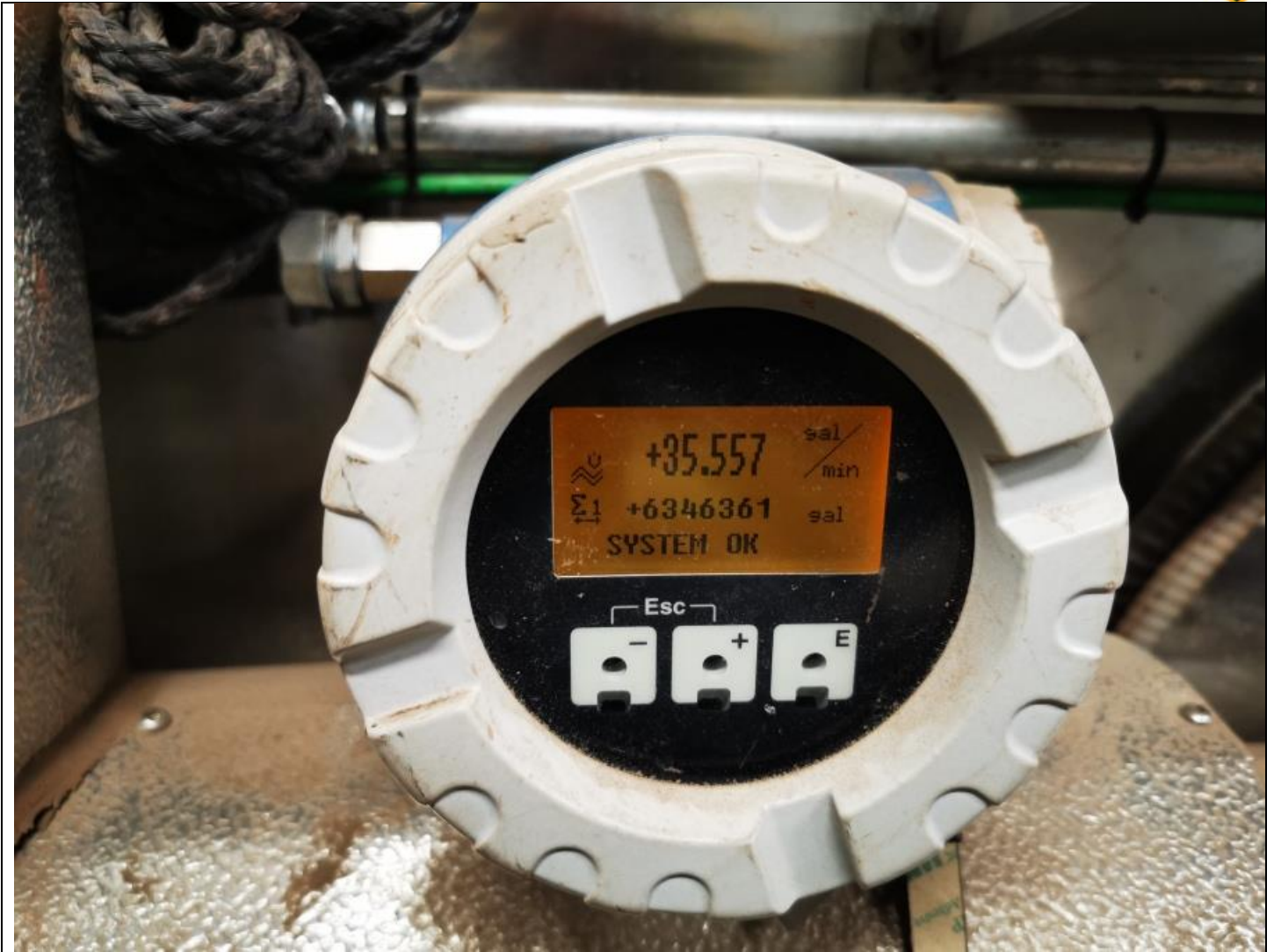
☒ Yes ☐ No

PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
Wednesday, October 23, 2024	2AM-MRY1325	HUAWEI P30 PRO	Omer Pasalic

















Picture showing clean-up completed at the location identified above in the report.

March 23, 2025

Omer Pasalic
Senior Inspector, CIRNAC
Crown Indigenous Relations and Northern Affairs (CIRNAC)
Nunavut District, Nunavut Region
P.O. Box 100
Iqaluit, NU X0A 0H0

Re: Baffinland Response to October 23, 2024 CIRNAC Inspection

The following submission from Baffinland Iron Mines Corporation (Baffinland) is a follow up in response to the Water Licence Inspection¹ conducted on October 23, 2024, at Baffinland's Mary River Project (the Project), by Crown-Indigenous Relations Northern Affairs Canada (CIRNAC). The attached Table 1 provides a summary of follow up information and updates that was previously supplied on January 8th by email to CIRNAC for their Inspection Report issued October 25, 2024.

Should you have any additional concerns or questions regarding the attached responses, please do not hesitate to contact the undersigned at your convenience.

Regards,



Todd Swenson

Environmental Superintendent

Cc: Karén Kharatyan, Nidhi Singh (NWB)
Jeremy Fraser (CIRNAC)
Megan Lord-Hoyle, Lou Kamermans, William Bowden, Katie Babin, Francois Gaudreau, Allison Parker, Shannon Mulhall (Baffinland)

Attachments

Attachment 1 - 241025 2AM-MRY1325-Baffinland Water Licence Inspection October 2024

Attachment 2 – Table 1: Baffinland Responses to CIRNAC 2024 October Inspection Action Items

¹ CIRNAC (2024) CIRNAC Baffinland Water License Inspection Report – October 23, 2024 - CIRNAC Baffinland Iron Mines Water Licence Inspection Form. Inspection form dated October 25, 2024.

Attachment 1**241025 2AM-MRY1325-Baffinland Water Licence Inspection October 2024**



Water Licence Inspection Report

☒ Original
☐ Follow-Up Report

Authorization	Representative
Baffinland Iron Mines	Katie Babin/William Bowden
Authorization No. / Expiry	Representative's Title
2AM-MRY1325	Env. Superintendent/Sr. Env. Superintendent
Inspection Date	Inspector
October 23, 2024	Omer Pasalic
Other Authorization/s	
Not applicable during this inspection.	
Activities Inspected	
<input checked="" type="checkbox"/> Camp, Commercial <input type="checkbox"/> Drilling <input type="checkbox"/> Mining <input type="checkbox"/> Construction <input type="checkbox"/> Reclamation <input checked="" type="checkbox"/> Fuel Storage <input checked="" type="checkbox"/> Roads/Hauling <input type="checkbox"/> Winter Hauling <input type="checkbox"/> Camp, Private <input checked="" type="checkbox"/> Other: Waste Rock Facility (WRF)	

Section 1 Comments

On Wednesday October 23rd, 2024 Inspector Omer Pasalic of the Crown Indigenous Relations and Northern Affairs Canada, conducted an inspection of the Mary River site to ensure adherence by the licensee to the terms and conditions as set under the water license number 2AM-MRY1325. The forementioned license has been issued to the Baffinland Iron Mines Corporation with an expiry date of June 10, 2025.

The following items were inspected:

- 1) Tote hauling road
- 2) Water intake jetty
- 3) Fuel storage farm
- 4) Waste rock facility
- 5) Overall conditions of the site

At approximately 08:00 hours, the inspector accompanied by Katie Babin and William Bowden, Environmental Superintendent and Senior Environmental Superintendent of the Baffinland Iron Mines Corporation, made their way to the KM 51 marker of the Tote Road. During the rain event in late September that saw roughly 77mm of rain over the 24 hours period, a large part of the road was washed out preventing any travel to and from Milne Inlet site. As emergency measures Baffinland was able to temporarily repair the road just enough for one-lane traffic so that the movement of the iron ore can resume as well as establishing physical contact between the two sites, Mary River site and Milne Inlet port site.

As this location is the fish bearing crossing, the complete repairs including necessary work on the culverts will be done once the canal freezes over to ensure the fish is not traveling while the work is being done. The complete repairs are expected to be done by early to mid spring 2025.

At 63.5 KM marker of the Tote Road, the road was completely washed out requiring extensive repairs. New culverts were installed. The damaged and replaced culverts are still on the site. Currently, Baffinland is looking at the options to remove the damaged and replaced culverts from the site.

At 64 KM marker of the Tote Road, the road was also washed out but there are no culverts installation present on this location. Repairs were completed allowing the movement of the traffic.

At 72 KM marker of the Tote Road, the water was observed over the road but no major damage sustained. Repairs completely made allowing the movement of the traffic.

At 87 KM marker of the Tote Road, the water was overflowing on the road near the David Lake, but the road itself did not wash out. After recapping the surface of the road the movement of the traffic did resume.



No damage to already installed culverts sustained.

All inspected locations mentioned above are in the reference to the September 20th, 2024 rainfall impact along the Tote Road, Baffin Island, Nunavut.

Once the Tote Road conditions were inspected, at approximately 11:30 hours water intake jetty for the Mary River site was inspected. Water meter operational. Water logs up to date. Site appeared to be clear of windblown debris or other items that would pose an environmental risk. No items of concern noted.

At approximately 11:50 hours, fuel tank farm was inspected. There was concern noted regarding an amount of loose used rugs/pads on top of the yellow drum on the right side of the fueling station as well as around on the ground adjacent to the yellow drum. These rugs/pads appeared to be used as hydrocarbon absorbent rugs/pads from the pumps after fueling of the various on-site motorized vehicles.

At approximately 1315 hours, an inspection of the Waste Rock Facility (WRF) was inspected. During the inspection, on going work was being conducted in accordance with the Baffinland's QA/QC monitoring program. Drill for confirmatory additional sampling as well as the thermal monitors were observed on site. Baffinland is using RTK drone to precisely measure the depth of the non-acid generating rock placements (4 meters).

No loose rocks or other material was observed at the bottom of the WRF slopes. Due to the snow cover, limited visual inspection on the stability of the overall slopes conditions was performed with no concerns noted at the time of the inspection.

The inspector was advised by Jacob Prince, Senior Geologist – Baffinland Iron Mines Corporation, that approximately 54 percent of 85 percent cover target has been achieved. Baffinland Iron Mines Corporation anticipates Q3 report to be completed and sent out to interested parties by October 30th, 2024.

Baffinland Iron Mines Corporation will be continuing to work on the 85 percent cover placement goal.

At the time of the inspection, there was 493 staff members at the Mary River site and an additional 289 staff members at the Milne Inlet port.

Photo log:

- 1) KM 51 One lane traffic
- 2) KM 63.5 Damaged and replaced culverts
- 3) Water meter – Jetty
- 4) Loose rags/pads
- 5) WRF
- 6) WRF
- 7) WRF

End of report.

Section 2 Non-Compliance with Choose an item.

- Hydrocarbon rugs/pads out of containment
- Culvert misplacements

Section 3 Action Required

- Cleanup of the area where hydrocarbon rugs/pads were observed
- Produce an action plan when and where damaged and replaced culverts will be removed from the current location(s).



Section 4 Other

It is noted that the Baffinland Iron Mines Corporation has already actioned section 3 comments.

- We cleaned up the fuel mod area and removed the used absorbent hydrocarbon pads.
- We will remove the culverts downstream of the km 63.5 crossing when conditions have fully frozen and working around the high water mark with heavy equipment is safe to do so.

Licensee or Representative	Inspector's Name
William Bowden	Omer Pasalic
Signature	Signature
<i>William Bowden</i>	<i>Omer Pasalic</i>
Date	Date
October 31, 2024	October 25, 2024

Office Use Only: Follow-up report to be issued by Inspector

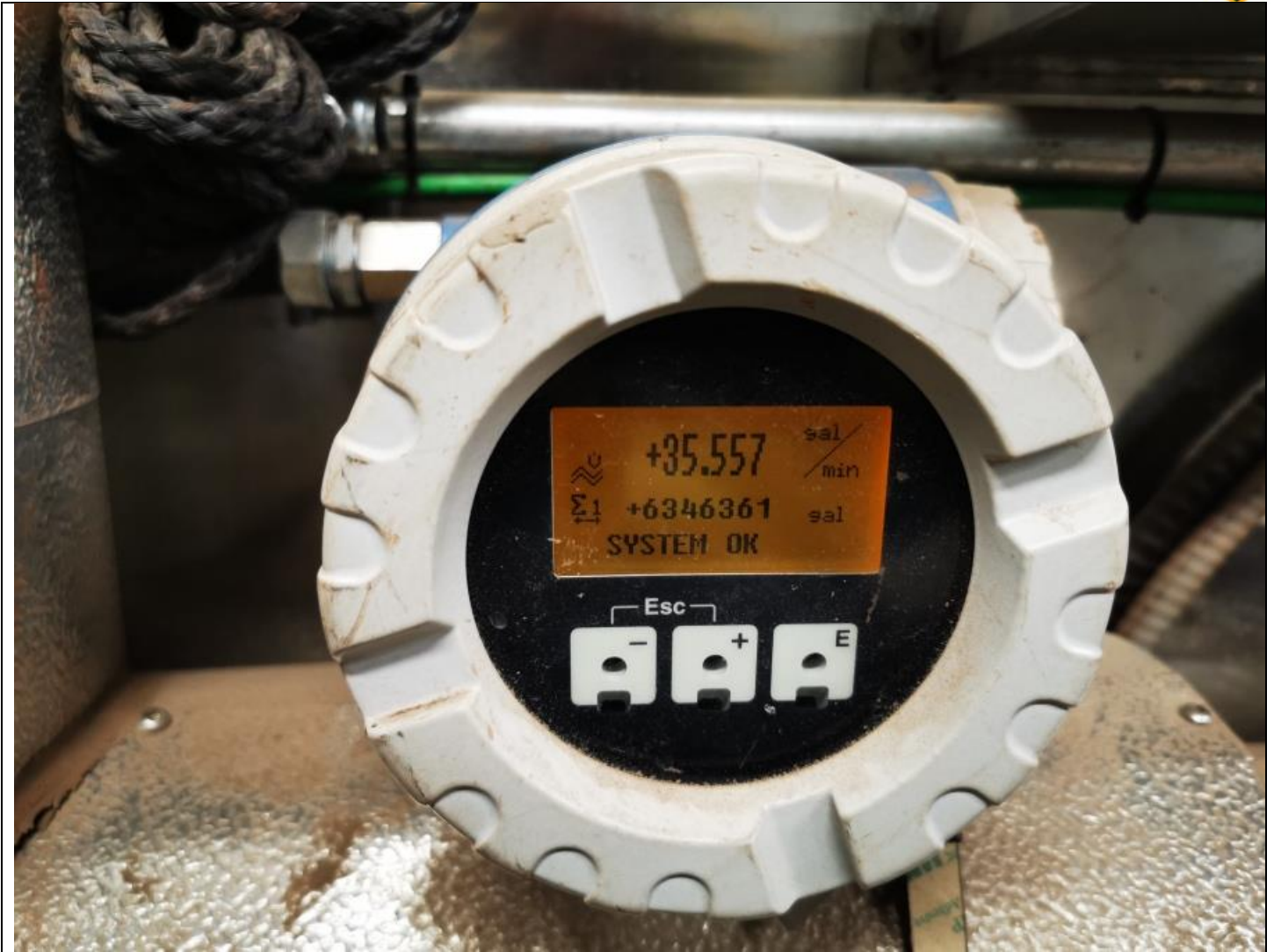
☒ Yes ☐ No

PHOTO LOG

Date:	Authorization Number:	Camera/Model:	Inspector
Wednesday, October 23, 2024	2AM-MRY1325	HUAWEI P30 PRO	Omer Pasalic

















Picture showing clean-up completed at the location identified above in the report.

Attachment 2

Baffinland Response to CIRNAC 2024 October Inspection Report

Table 1: Baffinland Responses to CIRNAC 2024 October Inspection Report

Section	Description	Baffinland's Response
3	Cleanup of the area where hydrocarbon rugs/pads were observed	Fuel Mod area was cleaned up by collecting the used absorbent pads and disposing them in the appropriate waste bin for hydrocarbon impacted waste. Refer to the inspection report for photos.
3	Produce an action plan when and where damaged and replaced culverts will be removed from the current location(s).	A work plan was developed to retrieve the culverts that were washed-out and carried downstream of the CV-048 crossing at KM 63.5, during the September Rain Event. The plan incorporated best practices from the DFO Code of Practice: Temporary Fords (DFO, September 2022), to ensure measures were taken to protect fish and fish habitat. The work was completed on November 26, 2024, when the watercourse and surrounding tundra was snow covered and frozen. These conditions allowed heavy equipment to retrieve the culverts with negligible disturbance to the natural environment.