

File No: 2AM-MRY2540

November 19, 2025

Lou Kamermans Senior Director, Sustainable Development Baffinland Iron Mines Corporation Suite 300 – 2275 Upper Middle Road East Oakville, Ontario, Canada L6H 0C3

Email: lou.kamermans@baffinland.com

RE: NWB Technical Review of 2024 Annual Report for the Mary River Project; Water Licence No: 2AM-MRY2540 – Baffinland Iron Mines Corporation

#### Dear Lou Kamermans:

The Nunavut Water Board (NWB or Board) has completed the technical review of the 2024 Annual Report for the type A Water Licence No: 2AM-MRY2540 (Licence), submitted on March 31, 2025 by Baffinland Iron Mines Corporation (Baffinland or Licensee) as a requirement under Part B of the Licence.

On April 16, 2025, the NWB acknowledged receipt of the Annual Report and provided it to the Mary River distribution list for public review with a deadline set for July 16, 2025. Submissions were received from Qikiqtani Inuit Association (QIA), Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Environment and Climate Change Canada (ECCC), and Fisheries and Oceans Canada (DFO) on or before July 16, 2025.

Baffinland provided response to comments on October 2, 2025. DFO advised that they have no concerns with Baffinland's responses to their comments. CIRNAC and ECCC submitted their reply on October 24, 2025, to Baffinland's response on their initial comments. The NWB did not receive confirmation from QIA whether Baffinland's response to comments addressed their comments and/or concerns.

Copies of all documents received can be accessed through the NWB's Public Registry site using the following link:

https://public.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-MRY2540%20BIMC/3%20TECH/1%20GENERAL%20(B)/2%20ANNUAL%20RPT/2024/

# **Summary of Review**

## Qikiqtani Inuit Association (QIA)

QIA provided forty-eight comments. As the comments are extensive, the NWB decided to include only the comments (in the table below) that are considered unresolved. As advised, the Licensee is referred to the original submission for detailed discussion on each comment and/or recommendation. For deadlines to respond and provide additional information in response to the comments and information requests, please refer to the table below.

Table 1. QIA's Comments on the 2024 Annual Report

I WOIC	1. QIA'S Comments on the 2024 Annual Report	
No.	QIA's Comments / Recommendations	Deadline to Respond and Provide Additional Information
1	<ul> <li>General &amp; Geotechnical – Quality Assurance and Quality Control (QA/QC)</li> <li>1) Provide a basis for considering 6.8% and 14.3% of results exceeding the Lowest Detection Limit (LDL) as negligible contamination and it is acceptable;</li> <li>2) Provide a reference of guideline that supports these thresholds; and</li> <li>3) Confirm that corrective actions implemented for the QA/QC program are also being applied consistently across all aspects of the field sampling program.</li> </ul>	March 31, 2026 (2025 Annual Report)
2	<ul> <li>General &amp; Geotechnical – Baffinland to clarify:</li> <li>1) How the 1,000-year return period this rainfall event was estimated?</li> <li>2) The level of uncertainty associated with this estimate; and</li> <li>3) How the potential for climate change to cause such events on a greater frequency is being factored into stream crossing remediation and design, and erosion and sediment control preparedness?</li> </ul>	March 31, 2026 (2025 Annual Report)
3	Aquatic Environment – QIA requests the absence of spring sampling results be explained.	March 31, 2026 (2025 Annual Report)
4	<ul> <li>Aquatic Environment – QIA recommends:</li> <li>1) The additional sampling conducted during the 2024 special investigation of nitrogen-related compounds in Sheardown Lake tributary 9 (SLDT9) be continued in 2025, along with any other new stations needed to assess the efficacy of measures taken to reduce fugitive nitrogen compounds; and</li> <li>2) That Baffinland consider the value of monitoring airborne dispersal of nitrogen compounds in the vicinity of the Dyno facility and mine pit.</li> </ul>	March 31, 2026 (2025 Annual Report)

## Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)

CIRNAC provided twenty-seven comments. As the comments are extensive, the NWB decided to include only the comments (in the table below) that are considered unresolved or not adequately addressed. As advised above, the Licensee is referred to the original submission for detailed discussion on each comment and/or recommendation. For deadlines to respond and provide additional information in response to the comments and information requests, please refer to the table below.

Table 2. CIRNAC's Comments on the 2024 Annual Report

No.	CIRNAC's Comments / Recommendations	Deadline to Respond and Provide Additional Information
Comn	nents – Not adequately addressed	
1	Review of Previous CIRNAC Annual Report Recommendations (2021 to 2023) — (R-01) CIRNAC recommends Baffinland address all outstanding "Not Addressed" or "In Progress" recommendations by October 15, 2025 (i.e. 90 days from this review). Failure to do so will results in non-addressed recommendations being forwarded to field operations to be further assessed during compliance audit(s).	March 31, 2026 (2025 Annual Report)
2	<ul> <li>Risk Based Screening Criteria for Groundwater Monitoring – (R-26) Past Recommendations from CIRNAC are re-iterated below:</li> <li>a) Provide additional rationale as to how facilities are scored and how the levels of classification are chosen. If based on the ranking criteria used in Knight Piesold (2024b) the landfill facility and hazardous waste berm facility are considered medium risk, then groundwater monitoring should be implemented at all medium risk facilities. Furthermore, risk ranking methodologies between Milne Port and the Mine Site differ. Provide rationale for this discrepancy. Based on the proximity of the Ore Stockpile to the freshwater river to the west and marine environment to the north, groundwater monitoring and an expanded surface water monitoring network is recommended.</li> <li>b) Provide additional rationale on why the risk ranking has not been reevaluated following the identification of various changing conditions including increasing trends related to mine impacts, potentially leaking waste rock facility collection pond liner, increasing trends due to the</li> </ul>	March 31, 2026 (2025 Annual Report)
	emulsion plant, etc. c) Provide additional detail regarding the 2021 test pit program, including test pit locations, test pit logs and	

	rationale on why two test pits are deemed to be sufficient for assessing the presence of groundwater in an area over	
	50 hectares. Rationale should also be provided for why	
	the use of a drill rig for monitoring well installation within	
	the WRF was not followed.	
	CIRNAC recommends Baffinland address these outstanding	
	recommendations by October 15, 2025 (i.e. 90 days from this	
	review).	
3	Waste Rock Management (WRF) – (R-27) CIRNAC	March 31, 2026 (2025
	recommends:	Annual Report)
	a) Baffinland provide additional supporting information for	Tames are ports)
	Baffinland's conclusion that 17% of seepage samples	
	from the Waste Rock Facility (WRF) being acidic is not	
	an issue for concern.	
	b) Baffinland provide an examination of trends for metals	
	and metalloids of environmental concern for the WRF,	
	including figures. Several of these metals and metalloids	
	reported total concentrations greater than the detection	
	limit and are possibly associated with neutral mine	
	drainage from the WRF. These include dissolved	
	aluminium, iron, manganese, cadmium, chromium,	
	copper, lead, mercury, nickel, selenium, and zinc.	
	c) Baffinland complete an investigation of total dissolved	
	solids concentrations above 1000 mg/L at the WRF which	
	in the absence of explained alternate source of salinity	
	suggests the waste rock may be a significant point source	
	of salinity and potential adverse effects on revegetation of	
	the final landform at closure. It is also recommended that	
	Baffinland provide mitigation measures the source of	
	salinity.	
	CIRNAC recommends Baffinland address these outstanding	
	recommendations by October 15, 2025 (i.e. 90 days from this	
	review).	
Comn	nents – Unresolved pending further updates	
	R-05; R-06; R-07; R-08; R-09; R-11; R-14; R-15; R-17; R-19;	March 31, 2026 (2025
R-20;	R-21; R-22; R-23; R-24; R-25	Annual Report)

CIRNAC stated in their submission of October 24, 2025, that they expect the 2025 Annual Report to include detailed responses to all outstanding recommendations, either integrated within the main body of the report or clearly outlined in a dedicated subsection, rather than presented solely in tabular format.

### Environment and Climate Change Canada (ECCC)

ECCC provided five comments. Baffinland in response to Interveners comments on October 2, 2025, addressed ECCC's comments and recommendations by providing additional information. ECCC in reply to Baffinland's response to comments provided additional recommendation on unresolved comment regarding Total Suspended Solids (TSS) freshet exceedances at camp lake settling ponds outfall. For deadline to respond and provide additional information in response to the additional recommendation, please refer to the table below.

Table 3. ECCC's Comments on the 2024 Annual Report

No.	ECCC's Comments / Recommendations	Deadline to Respond by and Provide Additional Information		
Environment and Climate Change Canada (ECCC)				
1	TSS Freshet Exceedances at Camp Lake Settling Ponds	March 31, 2026 (2025		
	Outfall –Comment #1: Consider whether increasing the Camp	Annual Report)		
	Lake Settling Pond's retention time is feasible and could be			
	beneficial, and whether the current sampling location yields			
	the most accurate measurements of TSS in water discharged			
	from the pond.			

### Fisheries and Oceans Canada (DFO)

DFO provided three comments. Baffinland in response to Interveners comments on October 2, 2025, addressed DFO's comments and recommendations by providing additional information. DFO advised that they have no concerns with Baffinland's responses to their comments.

The NWB would like to remind parties to keep comments and recommendations limited to the requirements of Annual Reports listed under Schedule B of the Water Licence. The Board also highlights that there are other avenues (i.e. NIRB, Commercial Lease Agreement etc.) that can be used for information requests related to matters not covered under the NWB Annual Report requirements. Additionally, the NWB echo's concern highlighted by CIRNAC that a number of recommendations have been deferred to the 2025 Annual Report. For the next Annual Reporting cycles, the Board asks Baffinland to make their best effort to address as many comments as possible by providing required information and details within their response to comments on Parties initial submissions on Annual Report. This is with the understanding that there may be some comments that require additional time to address and hence can be deferred to the proceeding Annual Report submission.

Should you have any questions, please feel free to contact the undersigned at (867) 360-6338 (extension 29) or at <a href="mailto:abid.jan@nwb-oen.ca">abid.jan@nwb-oen.ca</a>.

Sincerely,

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Technical Advisor Nunavut Water Board

Enclosure: Comments – QIA, CIRNAC, ECCC, DFO

Cc: Distribution List – Mary River