



Sean Joseph
Nunavut Water Board
P.O. Box 199,
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Mr. Joseph,

Re: QIA and BIMC Joint Submission, Status of the Interim Closure and Reclamation Plan, 2AM-MRY1325

The Qikiqtani Inuit Association (QIA) and Baffinland Iron Mines Corporation's (BIMC) provide this joint submission hereby notifying the NWB Nunavut Water Board (NWB) that on March 14, 2016 QIA issued BIMC continued conditional approval¹ of the Interim Closure and Reclamation Plan (ICRP).

QIA's determination of conditional approval is a prerequisite for BIMC's submitting of an updated ICRP to the NWB, which must occur by March 31st, 2016 as part of their Annual Report. QIA's comment and approval of the ICRP is completed in accordance with Section 12.1, of Commercial Production Lease (CPL) Q13C301 which states the ICRP *"require[s] the approval of the Landlord acting reasonably prior to submission of such plans to Governmental Authorities"*.

As part of QIA's conditional approval, updated review comments have been presented to BIMC which provide additional direction to BIMC on how to achieve complete approval from QIA¹ within the agreed upon timelines.

Also attached is BIMC's planned "Path Forward" document (**Attachment A**), which outlines the committed next steps by BIMC to address all QIA's review comments to date, and associated timelines to complete specific phases of the work.

The key deliverable milestones BIMC has committed to as terms of QIA's conditional approval, include:

- BIMC submission of "Priority 2 Revisions" by **May 31st, 2016** for technical review by QIA;
- BIMC submission of an updated ICRP draft document (all sections and appendices) by **July 26th, 2016** for technical review by QIA. This submission will include:
 - "Priority 3 Revisions";
 - Any corrections required for "Priority 1 and 2 Revisions", as determined by the completed QIA reviews; and,
- BIMC submission of a completed ICRP Revision 4 document by **October 1, 2016**, which QIA has confirmed addresses all applicable comments to this point in time.

Additional detail regarding the specific scope of revisions is described in **Attachment A**.

¹ QIA's March 14th, 2016 letter to BIMC entitled, "Baffinland Iron Mines Corporation's Interim Closure and Reclamation Plan – Conditional Approval".

QIA pledges to advise the NWB if and when there is a change to the status of the ICRP under Q13C301.

Sincerely,



Stephen Williamson Bathory
Qikiqtani Inuit Association
Director, Major Projects



Erik Madsen
Baffinland Iron Mines Corporation
Vice President, Sustainable Development Health & Safety

Attachment A: BIMC's Updated Path Forward for ICRP Development in 2016 (10 pages)

cc. Jim Millard, Jennifer St. Paul Butler (Baffinland), Adam Grzegorzczuk (Hatch), Jamie VanGulck (Arktis Solutions)

Attachment A

BIMC's Updated Path Forward for ICRP Development in 2016

Summary of BIMC's Planned Approach¹

Revisions planned by BIMC to address identified gaps in the ICRP are presented in Table 1.

Actions identified to address gaps are categorised based on the following Priority Levels:

- Priority Level 0 – N/A, No further work anticipated.
- Priority Level 1 – High Priority: Additional content required to be developed. Identified as a high priority topic by QIA. Completion date of February 19, 2016.
- Priority Level 2 – Medium Priority: Additional content required to be developed. Not identified as a high priority topic by QIA. Completion date of May 31, 2016.
- Priority Level 3 – Low Priority: No or limited additional content to be developed/minor changes. Not identified as a critical topic by QIA. Completion date of July 26, 2016.

Submission of a completed draft, confirmed by QIA to sufficiently all comments to that point in time, will occur by October 1, 2016.

¹ This has been updated from Hatch's initial Path Forward memorandum submitted to BIMC on February 9th, 2016.

Table 1: 2016 Revision Schedule for Mary River ICRP

INAC Guidelines Reference - Part 2	Topic	Summary of Guideline Requirement	ICRP Rev 4 [DRAFT] Current Reference	Summary of Proposed Revision(s)	Priority Level ¹	Anticipated Submission Date ²
-	Formatting	None.	All	Formatting and full grammar review of document required.	3	July 26, 2016
1.0	Plain Language Summary	Provide a plain language summary of the CRP with a level of detail dependant on the stage of the project.	Section 1.0	Review required to ensure use of plain language and consideration of most recent updates.	3	July 26, 2016
2.0	Introduction	See below.	-	-	-	-
2.1	Purpose and Scope of the Closure and Reclamation Plan	Describe the purpose and scope of the CRP as it relates to the Boards' requirements, previous versions of the interim CRP, and the expectations of stakeholders.	Section 2.0	None. Already deemed complete.	0	C
2.2	Goal of the Closure and Reclamation Plan	Provide the closure and reclamation goal.	Section 2.2	None. Already deemed complete.	0	C
2.3	Closure and Reclamation Planning Team	Describe, list, or show the important internal and external organizational relationships and specific responsibilities (e.g., accountability structure, operations vs. post closure, etc.) that will facilitate and manage the closure and reclamation process	Section 2.1 Section 2.3	None. Already deemed complete.	0	C
2.4	Engagement	Outline approach to engagement and how Proponent will integrate local community values into closure and reclamation planning, including any strategies for engaging communities in CRP development and implementation.	Section 2.3	None. Already deemed complete.	0	C
2.5	Regulatory Instruments for Closure and Reclamation	A detailed summary of all existing and potentially required permits, authorizations, and agreements	Table 2-1 Section 16 Appendix B	None. Already deemed complete.	0	C
3.0	Project Environment	Detailed descriptions of pre-disturbance conditions and the current development status of the project. The amount of information presented for each subsection should be sufficient to understand baseline conditions.	Section 4 Appendix C	None. Already deemed complete.	0	C

INAC Guidelines Reference - Part 2	Topic	Summary of Guideline Requirement	ICRP Rev 4 [DRAFT] Current Reference	Summary of Proposed Revision(s)	Priority Level ¹	Anticipated Submission Date ²
3.1	Atmospheric Environment	Provide an overview of the regional and local climate setting, temperature, and precipitation statistics and trends based on regional and project-specific climate stations.	Section 4.1	None. Already deemed complete.	0	C
3.2	Physical (Terrestrial) Environment	Provide an overview of the regional and local physiography (e.g., topography and relative relief and drainage basin, surface- and ground-water characteristics), surficial and bedrock geology, extent and distribution of permafrost, geologic hazards and hydrogeology.	Section 4.2/4.3	None. Already deemed complete.	0	C
3.3	Chemical Environment	Provide an overview of regional and local soil and sediment chemistry, surface water quality (i.e., lakes, streams, springs), groundwater quality (i.e. from production and/or monitoring wells), and acid rock drainage (ARD) and metal leaching (ML) potential.	Section 4.1 Section 4.2/4.3 Section 4.4	None. Already deemed complete.	0	C
3.4	Biological Environment	Provide an overview of vegetation (flora), aquatic life, terrestrial wildlife (fauna), avifauna and their respective habitats, and the overall ecosystem(s)	Section 4.4	None. Already deemed complete..	0	C
4.0	Project Description	See below.	-	-	-	-
4.1	Location and Access	Describe regional and local contexts of affected areas	Section 3.2	None. Already deemed complete.	0	C
4.2	Site History	Provide a relevant summary of the history of any ore discovery, exploration, and previous development and operations that have led to the current project	-	Short and high-level description of the history of the site based on FEIS content (include any ownership changes and a synopsis of the application, permitting, and licensing process to date).	3	July 26, 2016
4.3	Site Geology	Describe major rock types and structure, to the level of detail appropriate to depict the mining resource, extraction methods that were/will be used, and the rationale for footprint and specific target areas.	Section 4.2/4.3	None. Already deemed complete.	0	C

INAC Guidelines Reference - Part 2	Topic	Summary of Guideline Requirement	ICRP Rev 4 [DRAFT] Current Reference	Summary of Proposed Revision(s)	Priority Level ¹	Anticipated Submission Date ²
4.4	Project Summary	Provide the "life of" mine plan through closure and reclamation as well as a brief summary of the various options that the proponent proposed during the environmental assessment. List all of the project components	Section 3.2.1	Would need to be expanded (from current Section 3.2.1) to include short and high-level summary of the various options that were proposed during the environmental assessment based on FEIS content.	3	July 26, 2016
5.0	Permanent Closure and Reclamation	See below.	-	-	-	-
5.1	Definition of Permanent Closure and Reclamation	This section should include the following definition of permanent closure: "Permanent closure is the final closure of a mine site with no foreseeable intent by the existing proponent to return to either active exploration or mining."	Section 9.0	Minor edit to definition required to fully align with Guidelines.	3	July 26, 2016
5.2	Permanent Closure and Reclamation Requirements	Describe details for each individual project component related to:	-	-	-	-
		<i>Project Component Description:</i> Provide a description of each project component, including proposed components and historical components no longer in use.	Section 3.2.1 Table 3-1	Provide a high-level description (1-2 paragraphs each) for: open pit, waste rock stockpile, buildings, equipment, mine infrastructure, transportation routes, landfills and waste disposal areas, and waste management systems. Add updated site overview figures of each of the main areas if available. Update Figure 3-1 with higher resolution image. Append Construction Summary Reports? (TBD based on discussions with BIM)	2	May 31, 2016
		<i>Pre-Disturbance, Existing, and Final Site Conditions:</i> Using maps, photos, photo mosaics, etc. as appropriate, describe (compare and contrast) the pre-development (or pre-disturbance), existing, and projected final site conditions.	Section 12	Would need to expand Section 12 to more explicitly contrast the pre-development (or pre-disturbance) and projected final site conditions. Would be based on residual effect discussion. High level summary table proposed.	2	May 31, 2016

INAC Guidelines Reference - Part 2	Topic	Summary of Guideline Requirement	ICRP Rev 4 [DRAFT] Current Reference	Summary of Proposed Revision(s)	Priority Level ¹	Anticipated Submission Date ²
		<i>Closure Objectives and Criteria:</i> list the closure objectives and closure criteria for each project component. Any uncertainties related to closure objectives and criteria must be noted along with a reference to the reclamation research plan associated with each.	Table 6-1	Add references to: Table 6-1 'Final Closure Activities (Permanent)' Column, to relevant discussion in Section 9.	3	July 26, 2016
		<i>Consideration of Closure Options and Selection of Closure Activities:</i> This section presents alternatives analyses of various closure options, including a discussion of various risk scenarios and any unique or novel closure situations for the component under discussion.	-	Add a short discussion discussing rationale on how closure approach was determined. Ensure Section 9 includes discussion of major waste products and their methods of transportation based on each project component.	2	May 31, 2016
		<i>Engineering Work Associated with Selected Closure Activity:</i> This section should describe all demolition, construction, or other engineering work that will be necessary to close and reclaim each project component.	Section 9.0	None. Already deemed complete.	0	C
		<i>Predicted Residual Effects:</i> This section contains an assessment of any potential negative residual effects that may remain after the completion of reclamation.	Section 11.0	A summary of residual effects for each VEC and VSEC (1-2 paragraphs) as identified in the FEIS. Will group VEC/VSEC (e.g. animals) if effects similar. Plain language to be used if possible. Focus will only be on effects that are predicted to occur at the end of Operations as per FEIS (e.g. "Only impacts that extend to or beyond closure as per FEIS") Will ensure captures discussion on what was considered when environmental significance was evaluated. Link any residual effect to post closure monitoring program, as applicable.	1	February 19, 2016

INAC Guidelines Reference - Part 2	Topic	Summary of Guideline Requirement	ICRP Rev 4 [DRAFT] Current Reference	Summary of Proposed Revision(s)	Priority Level ¹	Anticipated Submission Date ²
				Add reference to NIRB Annual Review Process to ensure reader understanding that effects are evaluated annually and to date no revisions to the impact predictions are deemed necessary". List studies conducted previously only if they had an impact on closure planning.		
				List identified uncertainties at this time: Waste Rock Stockpile, Open Pit, and Natural Re-vegetation. Have Reclamation Research Plan, in a format prescribed by Guidelines, to address the uncertainties related to these three (3) items. Since the study of these items is anticipated in the future, for now include a schedule of preliminary tasks and timelines when they will be proposed to be addressed (# of years). It is recognized more research may be identified as part of working group, ongoing monitoring plan results. It is recognized research and monitoring studies will overlap, however ICRP needs to describe what is being done regardless of driver if it relates or has implications on closure planning. Maintain consistency with other mines preliminary research plans when they were at Mary River's Stage (high-level).	1	February 19, 2016
		<i>Uncertainties:</i> Identify important uncertainties that arise during closure planning and indicate how each uncertainty will be addressed.	Section 5.2			
		<i>Post-Closure Monitoring, Maintenance, and Reporting:</i> provide a description of what (e.g., fugitive dust, stream flow, wildlife and aquatic life movement, etc.) will be monitored and why.	Section 13.0	None. Already deemed complete.	0	C
		<i>Contingencies:</i> Describe what will happen if it becomes apparent that the selected closure activity will not be	Section 11.2	Need to add a short discussion or process on what will happen if it becomes apparent that the selected	2	May 31, 2016

INAC Guidelines Reference - Part 2	Topic	Summary of Guideline Requirement	ICRP Rev 4 [DRAFT] Current Reference	Summary of Proposed Revision(s)	Priority Level ¹	Anticipated Submission Date ²
		successful in meeting closure criteria and objectives.		closure activity will not be successful in meeting closure criteria and objectives.		
6.0	Progressive Reclamation	See below.	-	-	-	-
6.1	Definition of Progressive Reclamation	Include the prescribed definition of progressive reclamation	Section 5.1	Minor edit to definition required to fully align with AANDC Guidelines.	3	July 26, 2016
6.2	Opportunities for Progressive Reclamation	Details of any progressive reclamation and expected relinquishment that will occur during the life of the project.	Section 5.1.1	None. Already deemed complete.	0	C
6.3	Completed Progressive Reclamation	A summary of all progressive reclamation activities that have occurred at the site, including their locations.	Section 5.1	Need minor update to include list of progressive reclamation activities that have occurred at the site to date.	3	July 26, 2016
7.0	Temporary Closure	See below.	-	-	-	-
7.1	Temporary Closure Goal and Closure Objectives	State the closure goal and closure objectives of temporary closure if these differ from those for permanent closure.	Section 7.0 Section 8.0	None. Already deemed complete.	0	C
7.2	Temporary Closure Activities	Temporary closure activities for each individual project component should be selected and described to ensure the closure objectives are met.	Section 7.0 Section 8.0	None. Already deemed complete.	0	C
7.3	Temporary Closure Monitoring, Maintenance, and Reporting	Description of any monitoring activities that will occur during temporary closure to ensure the CRP's closure objectives and all water licence conditions are met.	Section 7.11	None. Already deemed complete.	0	C
7.4	Temporary Closure Contingency Program	Description of how unforeseen events or conditions during temporary closure would be handled if the response would differ from normal operations.	Section 7.11	None. Already deemed complete.	0	C
7.5	Temporary Closure Schedule	Describe the anticipated timing and sequence of events preparing for and occurring during temporary closure; Provide descriptions of temporary closure activities for each project component; Use charts or tables if the nature of activities is complex; and for	Section 7.0 Section 8.0	None. Already deemed complete.	0	C

INAC Guidelines Reference - Part 2	Topic	Summary of Guideline Requirement	ICRP Rev 4 [DRAFT] Current Reference	Summary of Proposed Revision(s)	Priority Level ¹	Anticipated Submission Date ²
		planned temporary closure, estimate how long the closure will last and provide the approximate end date of the closure period.				
8.0	Integrated Schedule of Activities	Provide a component-specific schedule that depicts operations, closure dates, and expected start and end times for selected closure activities. This schedule will include any progressive reclamation, initiation, and completion of research (including pilot studies), timeframes for meeting closure criteria and monitoring and reporting phases; schedule uncertainties.	Section 10.0	None. Already deemed complete.	0	C
9.0	Post-Closure Site Assessment	Provide a description or study design of how the residual environmental impacts of the project as a whole will be assessed once they have completed the selected closure activities.	Section 11.3.1	Need to add to ICRP a process based on the methodology used in NIRB Annual Reporting to demonstrate how the residual environmental impacts will be assessed upon completion of closure activities.	2	May 31, 2016
10.0	Financial Security	Provide estimates of total liability associated with permanent closure (including post-closure monitoring programs and activities); and break down costs associated with each component.	Section 14.0	None. Already deemed complete.	0	C
11.0	References	Documents and reports that support the characterization of baseline environmental data (e.g., terrestrial studies, hydrology and aquatic studies, and climate and air quality studies), geochemical analyses and predicted ARD/ML potential, and any relevant engineering work related to support the CRP.	Section 18.0	None. Already deemed complete.	0	C
Appendices	All CRPs should include the following appendices:		-	-	-	-
	A) Glossary of Terms and Definitions		Section 17.1	None. Already deemed complete.	0	C
	B) List of Acronyms, Abbreviations, Units, and Symbols		Section 17.2	None. Already deemed complete.	0	C

INAC Guidelines Reference - Part 2	Topic	Summary of Guideline Requirement	ICRP Rev 4 [DRAFT] Current Reference	Summary of Proposed Revision(s)	Priority Level ¹	Anticipated Submission Date ²
		C) Record of Engagement	-	To be added based on FEIS, NIRB/QIA Annual Reports. Will be driven by Mine Closure working group once established.	2	May 31, 2016
		D) Lessons Learned from Other Projects	-	Need to add a short discussion and path forward.	2	May 31, 2016
		E) Reclamation Research Plans	-	Need to be developed relating to Waste Rock Stockpile, Open Pit, and Natural Re-vegetation as per format prescribed by Guidelines. Since the study of these items is anticipated in the future, for now include a schedule of preliminary tasks and timelines when they will be proposed to be addressed (# of years).	1	February 19, 2016

NOTES:

Note 1: Priority Levels:

0 – N/A, No further work anticipated

1 – High Priority: Additional content required to be developed. Identified as a high priority topic by QIA.

2 – Medium Priority: Additional content required to be developed. Not identified as a high priority topic by QIA.

3 – Low Priority: No or limited additional content to be developed/minor changes. Not identified as a critical topic by QIA.

Note 2: C = Completed

As agreed between the parties.