



May 19, 2022

Omer Pasalic
Senior Resources Management Officer
Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)
P.O. Box 100
Iqaluit, NU XOA 0H0

Re: 2022 Exploration Drilling Program – Mary River Project
Type B Water Licence 2BE-MRY2131
Commercial Lease No. Q13C301

Baffinland will be commencing an exploration diamond drilling program to extend and upgrade the resources at Deposit Nos. 1, 2 and 3. The program is being managed by Baffinland's Exploration Department, and performed by Cyr Drilling International Ltd. The program is scheduled to commence on or about June 1, 2022, end by mid- to late-September 2022, and possibly be extended as late as mid-November 2022. A total of sixty four (64) drill holes are planned, with depths ranging from approximately 150 to more than 500 metres (m) from surface. Drill holes will require water to support diamond drill coring techniques. Attachment 1 provides a map outlining the proposed drill hole collar locations and proposed water sources. UTM coordinates for the drill hole collar locations and new water sources, presented in Attachment 1, are provided in Attachments 2 and 3, respectively.

The equipment to be utilized for the program includes five (5) Zinex A5 rock coring drill rigs. The diameter of the holes to be advanced is approximately 61.1 mm. Supporting equipment will include two A-star B3 helicopters for moving drills, other supporting equipment/supplies and personnel between drill hole locations.

Under Part C, Item 1 of the Type B Water Licence 2BE-MRY2131 (Type B Water Licence), Baffinland is required to provide notification to the Nunavut Water Board (NWB) and the Inspector (CIRNAC) of water sources to be used for drilling activities that are not currently identified. As shown in Attachment 1, there are eight (8) potential water sources (seven ponds and Mary River) that may be used to support the proposed drilling program. A table with the UTM coordinates for the water sources is provided in Attachment 3.

The estimated water usage rate for the drilling program is approximately 1.3 m³ per linear metre drilled. Assuming 9,250 m and 12,766 m drilled at Deposits 1 and 3, respectively, the total water volume requirements for drilling operations at Deposits 1 and 3 are estimated to be 12,025 m³ and 16,596 m³, respectively. At Deposit 1, a large proportion of water used will come from ongoing runoff from the mountain. Water use will be tracked using inline flowmeters to ensure compliance with the daily water withdraw limits for drilling activities (250 m³/day), stipulated in Part C, Item 1 of the Type B Water Licence.

Based upon visual assessment and knowledge from previous drilling programs in the area, Baffinland believes that the new water sources identified in Attachments 1 and 3 can sustain the required withdrawal volumes. Water sources prefixed with a 'WS' and the Mary River tributary highlighted in Attachment 1 are not believed to be fish habitat and will be visually monitored for drawdown during periods of withdrawal. The Mary River has been used as a water source in previous drilling programs at the Project and has sufficient flow volumes necessary to support the proposed water requirements for Deposits 1, 2 and 3. Pumping stations along the Mary River, prefixed with a 'MRP' and shown in Attachment 1, will be utilized to support the program's drilling operations, as required. In accordance with the *Freshwater Intake End-of-Pipe Fish Screen Guideline* (DFO, 1995), water intake lines will be equipped with fish screens to prevent the entrapment of fish during periods of withdrawal from identified water sources.

In accordance with Part F, Item 2, of the Type B Water Licence, drill waste will be disposed of in sumps consistent with Part F, Item 4 of Type B Water Licence. Daily environmental monitoring will be performed at drilling operations, including pre-, during, and post-inspections. Drill water runoff and siltation mitigation measures consistent with Baffinland's Environmental Protection Plan (EPP; BAF-PH1-830-P16-0008, Rev. 2) will be employed, as required.

Despite best planning efforts, it should be noted that unforeseen circumstances may preclude some changes in plans as the program proceeds. Baffinland will endeavor to inform the Inspector (CIRNAC) and other relevant parties in such circumstances.

We trust that this information meets the notification requirements. Please do not hesitate to contact the undersigned, should you have any question or comments.



Todd Sweson
Environmental Superintendent

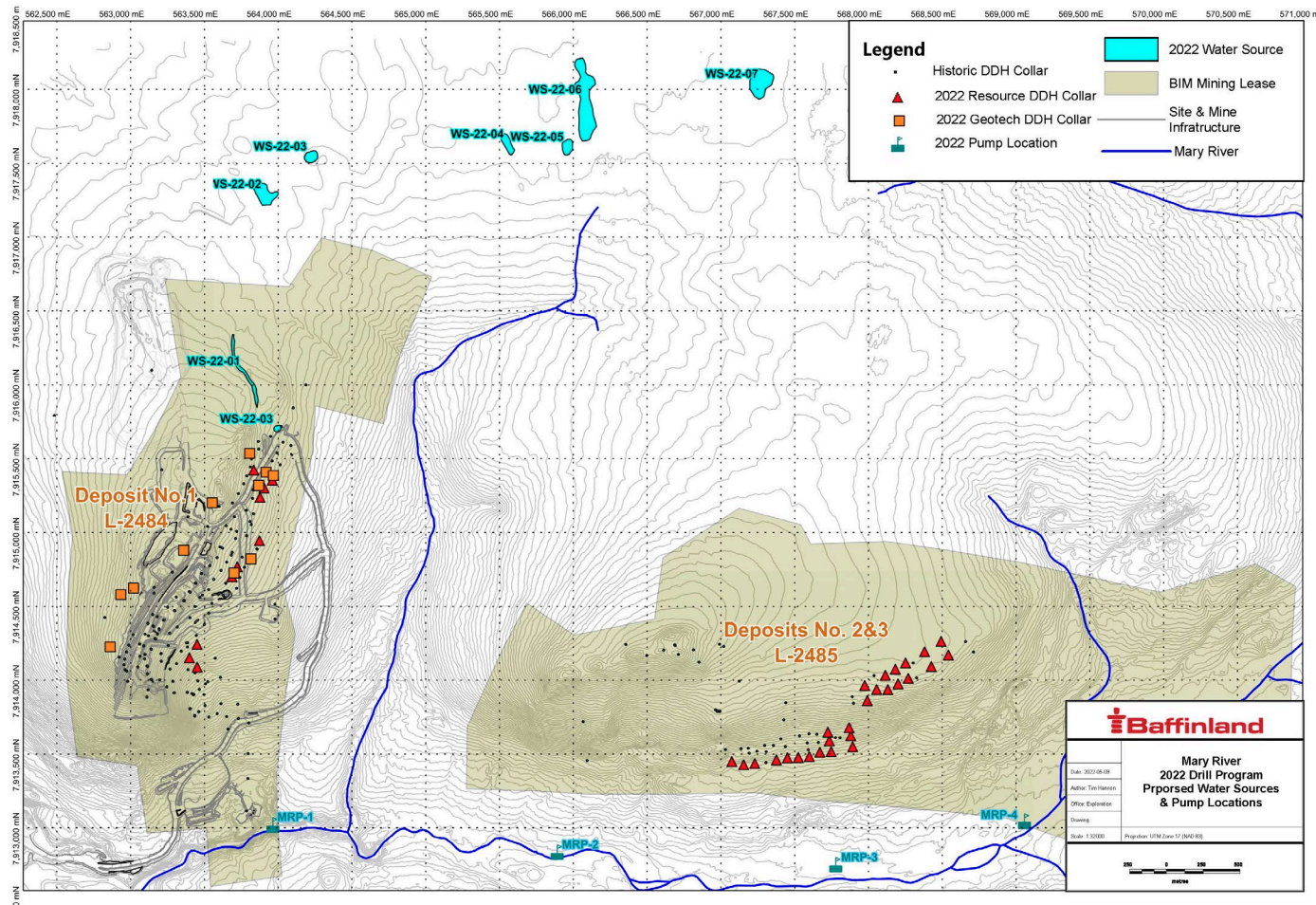
Attachments:

- Attachment 1 – 2022 Mary River Diamond Drilling Program
- Attachment 2 – UTM Coordinates of Proposed Drill Hole Locations
- Attachment 3 – UTM Coordinates of Proposed New Water Sources

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Attachment 1 - 2022 Mary River Diamond Drilling Program





Attachment 2 – UTM Coordinates of Proposed Drill Hole Locations

Table A-2 – Proposed Drill Hole Locations and Depth from Surface

Hole ID	Easting	Northing	Elevation	Azimuth	Dip	Length (m)
GT22-09a	562862	7914226	627	270	-70	300
GT22-10b	563020	7914623	661	315	-70	310
GT22-12a	562934	7914579	634	120	-65	580
GT22-18	563816	7914821	562	260	-65	425
GT22-20	563701	7914725	575	130	-65	275
GT22-02a	563360	7914879	663	325	-70	335
GT22-03a	563553	7915203	639	280	-65	240
GT22-14	563807	7915535	603	320	-60	275
GT22-15a	563918	7915408	585	37	-65	400
GT22-16	563967	7915385	568	130	-60	330
GT22-17a	563868	7915319	590	260	-60	400
MR1-22-P01	563686	7914701	575	295	-50	381
MR1-22-P02	563722	7914767	574	295	-50	359
MR1-22-P03	563873	7914945	565	295	-50	406
MR1-22-P04	563873	7914945	565	295	-63	449
MR1-22-P05	563834	7915423	597	295	-70	215
MR1-22-P06	563960	7915354	571	295	-55	280
MR1-22-P07	563960	7915354	571	295	-70	280
MR1-22-P08	563903	7915304	579	295	-55	270
MR1-22-P09	563903	7915304	579	295	-70	270
MR1-22-P10	563877	7915239	585	295	-70	270
MR1-21-326	563450	7914243	523	255	-65	600
MR1-22-Z01	563398	7914152	511	255	-50	500
MR1-22-Z02	563398	7914152	511	255	-65	550
MR1-22-Z03	563451	7914088	483	255	-65	550
MR3-22-P01	567880	7913625	453	350	45	250
MR3-22-P01b	567880	7913625	453	350	65	375
MR3-22-P02	567868	7913680	468	350	45	175
MR3-22-P03	567734	7913591	448	350	45	230
MR3-22-P03b	567734	7913591	448	350	65	340
MR3-22-P04	567724	7913650	463	350	45	165
MR3-22-P05	568182	7914074	557	170	45	298
MR3-22-P05b	568182	7914074	557	170	60	344
MR3-22-P06	568200	7913975	549	170	45	182
MR3-22-P07	567974	7913964	545	170	45	282
MR3-22-P07b	567974	7913964	545	170	59	333
MR3-22-P08	567992	7913861	529	170	45	151
MR3-22-P09	568055	7913937	542	170	45	207
MR3-22-P10	568380	7914193	560	155	45	274
MR3-22-P10b	568380	7914193	560	155	60	321
MR3-22-P11	568425	7914093	555	155	45	163
MR3-22-P12	568492	7914264	557	155	45	273
MR3-22-P12b	568492	7914264	557	155	60	317
MR3-22-P13	568541	7914171	553	155	45	161
MR3-22-P14	568114	7914033	554	170	45	293
MR3-22-P14b	568114	7914033	554	170	60	339
MR3-22-P15	568131	7913936	543	170	45	172
MR3-22-P16	568251	7914117	560	170	45	301
MR3-22-P16b	568251	7914117	560	170	60	347
MR3-22-P17	568269	7914012	554	170	45	188
MR3-21-323	567154	7913428	418	350	50	445
MR3-22-W01	567154	7913428	418	350	60	525
MR3-22-W02	567074	7913450	425	350	60	550
MR3-22-W03	567229	7913436	418	350	50	410
MR3-22-W03b	567229	7913436	418	350	60	475
MR3-22-W04	567376	7913461	422	350	50	330
MR3-22-W04b	567376	7913461	422	350	65	440
MR3-22-W05	567450	7913474	422	350	65	425
MR3-22-W06	567524	7913477	419	350	50	340
MR3-22-W06b	567524	7913477	419	350	65	450
MR3-22-W07	567599	7913483	421	350	60	425
MR3-22-W08	567670	7913513	426	350	60	420
MR3-22-W09	567893	7913551	428	350	65	550
MR3-22-W10	567747	7913517	426	350	65	500
TOTAL						22,016

Notes:

All coordinates in UTM, NAD 83, Zone 17.

Attachment 3 – UTM Coordinates of Proposed Water Sources and Pumping Stations

Table A-3-1 – Designated Water Sources and Mary River Pumping Stations (MRPs)

Proposed Water Sources			
ID	Easting	Northing	Elevation (m)
WS-22-01 (km108.5 Sump)	563998	7915617	572
WS-22-02	563750	7916100	592
WS-22-03	563900	7917290	567
WS-22-04	564220	7917540	565
WS-22-05	565560	7917630	560
WS-22-06	565970	7917610	560
WS-22-07	566080	7917910	560
WS-22-08	567270	7918050	565
Mary River Pumping Stations			
ID	Easting	Northing	Elevation (m)
MRP-1	563964	7913013	231
MRP-2	565890	7912827	289
MRP-3*	567778	7912742	313
MRP-4	569057	7913037	323

Notes:

All coordinates in UTM, NAD 83, Zone 17.

*Pump shack currently in place