

File: Licence No. 2AM-MRY1325/ASR

December 2, 2016

To: Mary River Distribution List

Subject: Type "A" Water Licence 2AM-MRY1325; 2016 – 2017 Annual Security Review

Process for Mary River Project – Process Update and Draft Agenda

Dear Parties:

Further to the Nunavut Water Board's ("NWB" or "Board") November 1, 2016 correspondence regarding additional guidance and revised process schedule for the 2016 – 2017 Annual Security Review (ASR) Process for the Mary River Project, the NWB has received interveners' submissions¹ from the Qikiqtani Inuit Association (QIA) and Indigenous and Northern Affairs Canada (INAC) to date.

Copies of the submissions received have been forwarded to Baffinland Iron Mines Corporation ("BIMC" or the "Licensee") for its response(s), which <u>must</u> be provided by December 6, 2016, in accordance with the timelines established for the current ASR process. Additionally, copies of the submissions as well as documents related to the current and previous ASR processes are accessible through the NWB's ftp site at the following link:

ftp://ftp.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-MRY1325%20BIMC/3%20TECH/2%20SECURITY%20(C)//

Parties should note that the next critical stage of the process, following Baffinland response(s) to interveners' submissions, is the ASR Teleconference scheduled for December 9, 2016. In partial preparation for this teleconference, the Board has attached a copy of the draft agenda. Parties are requested to provide comments and/or recommendations that they may have pertaining to the draft agenda, along with the number and name(s) of their prospective representative(s), by **December 7**, **2016**, **4 p.m.**, **MST** so as to assist the NWB in ensuring that adequate preparations are in place for the

¹ Qikiqtani Inuit Association (QIA) ASR submission, December 2, 2016, and Indigenous and Northern Affairs Submission, December 2, 2016

teleconference. The NWB will make available through public distribution, a finalized version of the Agenda and list of confirmed participants in advance of the Teleconference.

If you have any questions or comments regarding the above, please direct them by email to Sean Joseph, Senior Technical Advisor, at Sean.Joseph@nwb-oen.ca or David Hohnstein, Director, Technical Services, at David.hohnstein@nwb-oen.ca.

Sincerely,

Nunavut Water Board

Stephanie Autut, Executive Director

Cc: Mary River Distribution List

Attachment: Draft Agenda – Mary River 2016 – 2017 Annual Security Review Process



DRAFT AGENDA

MARY RIVER PROJECT (LICENCE NO. 2AM-MRY1325) 2016 – 2017 ANNUAL SECURITY REVIEW PROCESS

Teleconference Call-In Information – To be provided on the Final Agenda

December 9, 2016 (11:00 a.m. – 1:30 p.m., MST; 1:00 p.m. – 3:30 p.m., EST)

- 1. Opening Remarks by the NWB (15 minutes)
 - a. Purpose of the ASR Teleconference
 - b. Introduction of the Participants
 - c. Procedural History for the 2016 2017 ASR process
 - d. BIMC's 2017 Work Plan Submission
 - e. Interveners' submissions for the 2016 2017 ASR Process
 - f. Housekeeping Matters
 - 2. Submission Summaries from Parties (30 Minutes)
 - a. BIMC's ASR Submission Summary (2017 Work Plan including details on proposed changes to the reclamation estimates and summary of all security amounts posted for the Project)
 - b. Questions from parties and the NWB regarding BIMC's submissions / Summary (15 Minutes)

Intermission (15 Minutes)

- c. QIA's ASR Submission Summary (20 Minutes)
- d. Questions from parties and the NWB regarding the QIA's submissions / summary (10 Minutes)
- e. AANDC's ASR Submission Summary (20 Minutes)
- f. Questions from parties and the NWB regarding AANDC's submissions / summary (10 Minutes)
- 3. Presentations by BIMC, QIA, and AANDC of any closing remarks related to the security assessment and offsets for the 2017 period (15 Minutes)
- 4. Closing Remarks by NWB (10 Minutes)
 - a. Timing of notification from the NWB regarding reclamation security to be posted for the Project up to and including the 2017 period, considering information submitted by all parties and any supplementary information to be submitted by INAC and/or the QIA and BIMC on updated security to be held under the QIA land lease on or before February 16, 2017 (5 Minutes)
 - d. Follow-up discussion with BIMC regarding timing issues with respect to any potential adjustment(s) to the reclamation security for the Project (5 Minutes)
- 5. Other Issues (5 Minutes)