

February 13, 2026

Lauren Perrin
Water Management Specialist
Crown Indigenous Relations and Northern Affairs Canada
PO Box 2200, Iqaluit, NU, X0A 0H0

Re: Response to CIRNAC's Teleconference Presentation for the 2026 Workplan for the Annual Security Review for Water Licence 2AM-MRY2540

Dear Ms Perrin,

Baffinland Iron Mines Corporation (Baffinland) acknowledges the alignment between the security estimate submitted on November 1, 2025 and the revised security estimate of \$137,786,403 submitted by Crown Indigenous Relations and Northern Affairs Canada (CIRNAC's) to the Nunavut Water Board (NWB) on February 6, 2026.

In accordance with the Joint Statement issued by Baffinland and the Qikiqtani Inuit Association (QIA), Baffinland will formally confirm its final security estimate upon the conclusion of ongoing discussions with the QIA.

Baffinland commits to address the following items in the next revision of the Interim Closure and Reclamation Plan (ICRP), scheduled for submission to the Nunavut Water Board (NWB) by November 1, 2026, as required under Part B, Item 15(d) of the Type A Water Licence 2AM-MRY2540:

- **Interim Care and Maintenance (ICM):** The ICRP will be updated to explicitly define the scope and duration of unplanned ICM, with consideration for CIRNAC's preference of two years.
- **Waste Rock Facility Cover Area:** Baffinland will include a procedure for calculating waste rock facility volume to clarify assumptions used in cost estimation.
- **Reclaimed Areas:** The updated ICRP will include a procedure for verifying progressive reclamation activities have occurred prior to their removal from the global security estimate. Baffinland will engage with CIRNAC and QIA to standardize the progressive reclamation verification process.
- **Pond Backfilling:** The ICRP will provide a clear description of the criteria and timelines for pond backfilling. As needed, security estimates will be adjusted to reflect these requirements.

February 13, 2026

- **Liner Removal:** Baffinland will clarify the requirements and procedures for liner removal within the ICRP. As needed, security estimates will be adjusted to reflect these requirements.
- **Flights and Camp Costs:** Baffinland will refine the cost assumptions for flights and camp operations to accurately and reasonably reflect the logistical requirement during all types of closure.

Baffinland is committed to work with CIRNAC and QIA to address the above items in the next revision to the ICRP. Following the acceptance of the next iteration of the ICRP, these updates will be used to adjust the closure security estimate.

We would like to thank CIRNAC for its comprehensive review of the 2026 ASR. We look forward to continuing our work with the CIRNAC team through this and future ASR processes.

Regards,

A handwritten signature in blue ink, appearing to read "Elisabeth Luther".

Elisabeth Luther
Senior Manager, Regulatory Affairs

Cc: Lou Kamermans, Senior Director Sustainable Development
Spencer Dewar, Regional Director General, CIRNAC