



ᓄᓇᓂᓪ ᐃᓕᓕᓂᓪ ᑲᓂᓕᓂᓪ
NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File: 2AM-MRY2540

April 16, 2026

Elisabeth Luther
Senior Manager, Regulatory Affairs
Baffinland Iron Mines Corporation
#300 – 360 Oakville Place Drive
Oakville, Ontario, L6H 6K8

E-mail: Elisabeth.Luther@baffinland.com

Subject: Licence No: 2AM-MRY2540 Type A, Mary River Project; Baffinland Iron Mines Corporation; Request for Approval of 2026 Work Plan Items

Dear Elisabeth Luther:

On March 25, 2026, the Nunavut Water Board (NWB or the Board) received a letter from Baffinland Iron Mines Corporation (Baffinland or Licensee) seeking approval to proceed with seven (7) work plan items as there is delay in the on-going Annual Security Review (ASR) process for the 2026 Work Plan. The requested work plan items are as follows:

1. Milne Port Helipad Expansion
2. Realignment of Tote Road at crossing CV-216 (KM80.5)
3. Mine Site Water Treatment Pond
4. KM 105 Water Management Structures
5. Construction Material Stockpile Area
6. Waste Rock Facility Non-Acid Generating (NAG) Cover Test Pad
7. Construction Material Area Stockpile Expansion

The 2026 ASR process has not been completed yet, and the NWB is expecting a joint submission from Baffinland and Qikiqtani Inuit Association (QIA). Once the joint submission is received, the NWB will issue the ASR Decision that advises the Licensee and interested parties of the total financial security required to be posted for the 2026 Work Plan under Part C, Item 1 of the Licence.

Baffinland noted in their letter that the seven work items are considered urgent, and must be approved to begin as soon as possible due to environmental, mine planning, and regulatory priorities, in addition to the short summer construction period available in Nunavut. Baffinland also stated that *the reclamation security direct costs associated with these items is estimated at \$1,020,128, using the rates proposed in their 2026 Basis of Estimate. While reclamation security for the seven new work plan items will be posted at the conclusion of the 2026 ASR, there is sufficient security in place for*

these works to commence with security that has already been posted for 38 work plan items that are no longer planned to be completed.

On March 25, 2026, the NWB distributed the request to QIA and Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), and invited them to provide their inputs on whether they have any concerns with Baffinland's request.

QIA in their submission of April 2, 2026, noted that *QIA maintains its approval authority over Baffinland's Annual Work Plan items in the absence of the posting of reclamation security by January 31st of the calendar year in question, pursuant to the terms of the QIA-Baffinland Commercial Lease. Upon reviewing the information provided in Baffinland's March 25, 2026, request, QIA is providing approval to proceed with all seven (7) Work Plan items contained therein.* QIA also shared details of their review and approval in a memo by M.A. O'Kane Consultants Inc., appended to their submission.

CIRNAC in their submission of April 9, 2026, provided the following comments:

- *CIRNAC remains confident in the estimate it provided to the Board on January of 2026. The QIA has made the decision to approve Baffinland in proceeding with 7 of the work items outlined in its 2026 workplan for activities occurring in and on Inuit Owned Lands. CIRNAC supports the QIA voluntarily taking on the added risk and liability themselves.*
- *CIRNAC fully supports the QIA in exercising its discretionary authority over Inuit Owned Lands. CIRNAC, however, remains concerned that there will be additional unfunded risk associated with undertaking activities not approved under the current posted security without any new security being included under the completed ASR process.*

Copies of all documents and submissions received with regards to the Baffinland's request to proceed with seven work items can be accessed through the NWB's Public Registry site using the following Link:

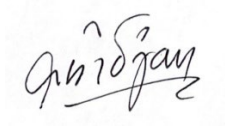
[https://public.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-MRY2540%20BIMC/3%20TECH/2%20SECURITY%20\(C\)/2026/](https://public.nwb-oen.ca/registry/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-MRY2540%20BIMC/3%20TECH/2%20SECURITY%20(C)/2026/)

By way of this correspondence, giving consideration to factors including the delay in 2026 ASR process, urgent nature of the proposed work items, a security amount already in place, and taking into account comments by QIA and CIRNAC, the Board finds Baffinland's request to proceed with seven of the work items, acceptable.

The Board reiterates that a joint submission from Baffinland and QIA is expected by the Board. After receiving the joint submission, the Board will provide further information and updated timeline for the issuance of the ASR Decision. The ASR Decision will advise the Licensee and interested parties of the total financial security required to be posted for the 2026 Work Plan under Part C, Item 1 of the Licence.

Should you have any questions regarding the above, please contact the NWB Licensing Department by email to licensing@nwb-oen.ca or by phone at (867) 360-6338.

Sincerely,

A handwritten signature in black ink, appearing to read "Abid Jan", is placed over a light grey rectangular background.

Abid Jan
Technical Advisor
Nunavut Water Board

aj/rh

Cc: Distribution List – Mary River