Baffinland

September 15, 2026

Abid Jan
Technical Advisor
Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0

Re: 2AM-MRY2540 - 2026 Annual Security Review (ASR) Outcome

In alignment with the Joint Statement published by Baffinland Iron Mines Corporation (Baffinland) and the Qikiqtani Inuit Association (QIA) on September 14, 2026, Baffinland is pleased to confirm that both parties have reached agreement on the amount of reclamation security to be posted for Inuit Owned Lands (IOL).

Table 1 shows the 2026 Security Estimate based on the alignment obtained through the 2026 ASR process. The total security estimate for the Mary River Project based on the 2026 Work Plan adjustments is $137,782,404. Baffinland will post $1,832,151 with the QIA for the IOL reclamation security, and will work with CIRNAC to adjust the security amount on Crown Lands following the NWB determination.

Table 1. 2026 Security Estimate for the Mary River Project

	Inuit Owned Lands	Crown Lands	Total
2026 Work Plan Estimate	$ 133,779,416	$ 1,737,087	$ 135,516,503
2026 ASR Corrections (previously agreed by BIM during the 2026 ASR)	$ 1,818,000	$ -	$ 1,818,000
2026 Additional Posting	$ 447,901	$ -	$ 447,901
TOTAL 2026 Security Estimate	**$ 136,045,317**	**$ 1,737,087**	**$ 137,782,404**
Amount Posted (as of Jan 2026)	$ 134,213,166	$ 3,451,009	$ 37,664,175
Difference	**$ 1,832,151**	**-$ 1,713,922**	**$ 118,229**

We trust that this information is adequate to conclude the 2026 ASR and we look forward to the 2027 ASR review.

Sincerely,

Elisabeth Luther
Senior Manager, Regulatory Affairs

Cc: Lou Kamermans, Senior Director Sustainable Development
Andrew Keim, Lauren Perrin, Crown Indigenous Relations and Northern Affairs

Baffinland

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