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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

File No: 2AM-MRY2540

October 02, 2026

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Re: Licence No: 2AM-MRY2540 Type A; Mary River Project, Baffinland Iron Mines Corporation, Annual Security Review Associated with 2026 Work Plan

As set out in the Nunavut Water Board (NWB or Board) Decision[1] recommending the issuance of the original type A Water Licence No: 2AM-MRY1325 (original Water Licence) in 2013, and as required under Part C and Schedule C of the original Water Licence, the amount of financial security the Board requires Baffinland Iron Mines Corporation (Baffinland or the Licensee) to post under the Water Licence is subject to periodic review, and adjustment to reflect the scale and scope of proposed activities in the year ahead (as described in a work plan filed with the Board in the fall of the preceding year).

In 2025, the Board renewed the Water Licence No: 2AM-MRY1325 as Water Licence No: 2AM-MRY2540 (renewed Water Licence or Licence) that was subsequently approved by Minister of Northern and Arctic Affairs known previously as the Minister of Northern Affairs (Minister). The

[1] Nunavut Water Board, Reasons for Decision for 2AM-MRY1325, June 12, 2013 at pp. 54-63.

security provisions under the renewed Water Licence remained unchanged as set out within Part C and Schedule C of the Licence.

The ASR process formally commenced with the 2026 Work Plan submission. On October 31, 2025, the NWB received from Baffinland the submission of the 2026 Work Plan required to commence the Annual Security Review (ASR) Process. The NWB distributed the 2026 Work Plan for Parties' review on November 7, 2025. **Appendix A** provides a summary of the key documentation and correspondence along with the timeline, and the key activities undertaken by the Board and the Parties pursuant to the 2026 ASR Process. The NWB has placed all non-confidential information associated with the ASR Process on its public registry under 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/

This correspondence is provided to all parties to:

- Explain the Annual Security Review (ASR) process conducted by the Board this year to assess the reclamation security that should be posted under all instruments for reclamation of the licensed undertaking an iron ore mine and associated infrastructure located in the Qikiqtani region of Nunavut (Mary River Project) if the activities proposed in the 2026 Work Plan were to be carried out; and
- Provide the NWB's conclusions and direction in respect of the ASR process, including identifying any changes to security to be held under Water Licence No: 2AM-MRY2540 required to reflect the changes to reclamation liability associated with the 2026 Work Plan.

The ASR process used by the Board to conduct this review of reclamation security associated with Baffinland's 2026 Work Plan is generally described in the Water Licence under Part C and Schedule C. Although the general requirements of the ASR process are set out in Schedule C of the Water Licence, the general timing and steps in the process were modified in the ASR process associated with the 2026 Work Plan to reflect the needs of the participants: Baffinland, the Qikiqtani Inuit Association (QIA), and Crown-Indigenous Relations and Northern Affairs (CIRNA). The usual timeline of the 2026 ASR process was extended due to extension requests and to allow sufficient time for discussions to take place between the Licensee and the holders of security in relation to the Mary River Project, QIA and CIRNA.

As in previous years, at the end of the ASR process, the NWB sets the amount of financial security required to be posted under the Water Licence associated with the annual Work Plan based on the written submissions from Baffinland, the QIA, and CIRNA regarding:

- the estimates of the highest reclamation liability for land and water in the upcoming year when all instruments (including the Commercial Lease between Baffinland and the QIA and the Water Licence) are taken into account (the total financial security amount);
- the reclamation security that is required for the reclamation of land and water associated with the components of the undertaking on Inuit Owned Lands (this security is held by the

QIA under the Commercial Lease between Baffinland and the QIA); and

- the reclamation security that is required for the reclamation of land and water associated with the components of the undertaking on Crown Lands (security held by the Minister under the Water Licence).

As indicated in the NWB's guidance letter issued to the parties on November 7, 2025, concerning the ASR Process, the NWB is issuing this correspondence to fix the security amount that must be posted under the Water Licence with the expectation that Baffinland will post the adjusted security under the Water Licence on or before **October 31, 2026**.

Background of the Annual Security Review (ASR) Process

To date, the NWB has conducted security reviews under the original Water Licence typically on an annual basis, commencing in 2013. Although the timing and detailed process steps have varied slightly to reflect circumstances, essentially the ASR Process under the Water Licence commences with Baffinland providing a new Work Plan in the fall for the upcoming period of March to March, coupled with an updated reclamation estimate that reflects any changes to the global financial security amount required to reclaim the undertaking if all on-going and new activities as identified in the new Work Plan were to proceed.

The NWB then receives comments on both the Work Plan and the updated reclamation estimate from the two landowners, CIRNA in respect of security held for Crown Lands under the Water Licence, and the QIA in respect of the reclamation security held by the QIA under the Commercial Lease. Once all submissions are received, the NWB typically hosts an ASR meeting (by teleconference) with the Parties to present their submissions to the Board and discuss any outstanding technical or process issues. Following the ASR teleconference, Parties are permitted to file additional follow-up submissions. When all submissions have been received, the file is remitted to the three-member Panel appointed by the Board to make decisions in respect of the Water Licence to fix the amount of security that must be posted under the Water Licence. Following Panel deliberation, the Board issues the Board's determination under Part C and Schedule C of the Licence, determining the global financial security amount for the reclamation of the undertaking and specifying the amount of security that must be held under the Water Licence.

As established under the Water Licence, Part C, Item 1(a) and (b), changes to the amount of security that is the outcome of the ASR Process conducted under the Water Licence are not handled as amendments to the Water Licence, and any adjustment to the security required to be posted under the Water Licence is dealt with as an administrative change to the Water Licence that does not require approval of the Minister.

A summary of the submissions from Parties regarding the 2026 ASR process is included below. **Appendix B** provides a summary of total financial security posted pursuant to Part C and Schedule C of the original and renewed Water Licences for 2013-2026.

Summary of the Submissions

Licensee (Baffinland) Submissions

The 2026 Work Plan was submitted by Baffinland on October 31, 2025, for the Mary River Project in accordance with the requirements of type A Water Licence No: 2AM-MRY2540 for the purposes of the Annual Security Review (ASR). Similar to previous years, the 2026 Work Plan included ongoing mining and operational activities as well as new works proposed for the upcoming year. The following summarizes the main activities, works and undertakings identified by Baffinland for 2026:

- Operation of the mine, ore crushing and land transportation, stockpiling and marine shipment of ore;
- Continued development and construction of infrastructure at Milne Port, the Mary River Mine Site and along the Tote Road;
- Continued operation of the Mine Site and Milne Port camps to support ongoing operations and construction activities, including authorized water use and waste deposition;
- Ongoing operation of permitted quarry and borrow sources;
- Delivery of fuel, equipment and supplies to Milne Port during the summer and year-round transportation of materials to the Mine Site via the Tote Road;
- Ongoing environmental effects studies and baseline data collection in support of Project activities and future engineering requirements;
- Continued environmental monitoring in accordance with applicable Project Certificate requirements, licences, authorizations, management plans and environmental effects monitoring plans;
- Ongoing exploration activities including drilling, mapping, prospecting, sampling and geophysics;
- Tote Road improvements to address safety concerns, freshet runoff, fish passage and poor road conditions; and
- Erection of additional maintenance facilities to safely service equipment.

Baffinland also indicated that it continued to anticipate commencement of construction of the Steensby Component in 2026 and that, following a positive decision to proceed, a separate Work Plan Addendum would be submitted describing any associated works proposed for 2026. The 2026 Work Plan identified the following ten (10) specific items requiring reclamation security:

- Milne Port Helipad Expansion;
- Realignment of the Tote Road at crossing CV-216;
- Mine Site Water Treatment Pond;
- KM 105 Water Management Structures;
- Expansion of the Mine Site Power Generator Laydown;
- Material Stockpile Connector Road;
- Construction Material Stockpile Area;

- Mine Site Emulsion Truck Laydown and Heating Garage;
- WRF Non-Acid Generating (NAG) Cover Test Pad; and
- Expansion of a Construction Material Stockpile Area.

In addition, the Work Plan removed a number of previously approved activities from the current scope, with corresponding adjustments to the reclamation-security estimate. Baffinland also reported completing progressive reclamation of four borrow pits along the Milne Inlet Tote Road in 2025, representing a total reclaimed area of 22,705 m². The Work Plan stated that this work was undertaken in accordance with the closure objectives contained in Revision 6 of the Interim Closure and Reclamation Plan (ICRP).

Based on the scope of work proposed in the 2026 Work Plan, and considering an updated capital-cost estimation model, a 2025 Disturbed Area Analysis (DAA), and a Basis of Estimate, Baffinland proposed the total security of **$135,516,503**, consisting of **$133,779,416** for Inuit Owned Lands (IOL) and **$1,737,087** for Crown Lands. This represented a proposed reduction of **$1,237,337** from **$136,753,840** posted for 2025.

On January 13, 2026, Baffinland responded to comments submitted by the QIA and CIRNA. In its response to QIA, Baffinland disagreed with adjustments proposed for contractor equipment rates, water-treatment costs, reclamation around the airstrip and increasing the Mine Site landfill cover from 3 m to 4 m. Baffinland maintained that the equipment rates reflected recent Nunavut contractor information; that its water-treatment methodology was appropriate based on current conditions and available modelling; that the airstrip apron should remain available for closure monitoring and future use; and that changing the approved 3 m landfill-cover assumption would be premature pending further thermal monitoring and modelling.

Baffinland did, however, accept two issues identified by QIA. Baffinland acknowledged that the building and bridge demolition labor build-up had inadvertently excluded a Foreman and accepted an additional $111,000 for this item. Baffinland also acknowledged that flights, camp and catering costs had not been carried for the proposed one-year intensive Interim Care and Maintenance (ICM) period and accepted an additional $1,707,000. These adjustments increased Baffinland's estimate by $1,818,000, resulting in a revised estimate of **$137,334,503**, comprising $**135,597,416** for IOL and **$1,737,087** for Crown Lands.

In their response to CIRNA, Baffinland disagreed with CIRNA's proposal to cost a two-year ICM period. Baffinland stated that the two-year reference in the ICRP was a legacy drafting error and maintained that a one-year period was used elsewhere in the ICRP. Baffinland however committed to revising the ICRP in 2026 and continuing discussions with CIRNA regarding ICM duration and the evolving RECLAIM framework. Baffinland also disagreed with CIRNA's proposed additional labour cost for fuel mobilization, maintaining that fuel demobilization had already been estimated using an indirect site-wide rate based on actual contractor costs and that applying a direct labor adjustment in isolation would not be consistent with its methodology.

QIA Submissions

On December 16, 2025, the QIA submitted its 2026 Annual Security Determination for Baffinland's Mary River Project accompanied by a detailed report by M.A. O'Kane Consultants Inc. (O'Kane). The submission determined the appropriate reclamation security for IOL under the Commercial Lease as **$138,229,000**.

O'Kane reviewed Baffinland's estimate using the RECLAIM model where directly applicable, equipment and productivity information, external equipment-rate benchmarks, northern project comparisons and its review of the DAA and relevant closure information. O'Kane concluded that Baffinland's estimate was generally reasonable but determined that the required IOL security should be $4,450,000 greater than Baffinland's $133,779,416 IOL estimate, attributing the difference to water-treatment costs, contractor equipment rates, regrading and recontouring adjacent to the airstrip, landfill-cover thickness, omissions in the building and bridge demolition crew build-up, and flights, camp and catering during ICM. During the teleconference held on February 6, 2026, QIA's estimate remained the same (approximately $138.2 million).

Baffinland – QIA Joint Submission

Following the initial submissions and subsequent review process, Baffinland and the QIA continued discussions concerning the outstanding technical differences between their respective 2026 reclamation-security estimates.

On September 14, 2026, Baffinland and the QIA submitted a joint statement advising that the parties had reached alignment on the technical matters that had previously been in dispute during the 2026 reclamation-security review. QIA accepted Baffinland's revised estimate requiring Baffinland to post an additional **$1,832,151** with QIA, resulting in QIA holding total security of **$136,045,317** for IOL. The additional security was to be issued by October 1, 2026, in accordance with the Commercial Lease and relevant legislation.

On September 15, 2026, Baffinland provided additional information regarding the agreement. Baffinland identified its resulting 2026 total security estimate as **$137,782,404**, comprising **$136,045,317** for IOL and **$1,737,087** for Crown Lands. Baffinland indicated that it would post the additional **$1,832,151** with the QIA and would work with CIRNA regarding adjustment of the Crown Lands component following the NWB determination.

CIRNA Submissions

On December 30, 2025, CIRNA submitted a cover letter and a report prepared by Trace Associates Inc. entitled *2025 to 2026 Annual Security Review Report*. CIRNAC noted that Baffinland's CAPEX-based estimate and DAA differed substantially from the Estimate Breakdown Structure and RECLAIM approach used in previous reviews and required significant work to reconcile the respective assumptions and cost components. CIRNAC indicated that the DAA was a draft methodology and expressed concerns about its direct translatability to RECLAIM and whether all

closure liabilities had been captured.

*The total type A security posted as of October 2025 was **$136,753,840**, compared with Baffinland's proposed 2026 security of **$135,516,503**.* CIRNA did not support the proposed reduction. Its initial estimate was **$145,328,262**, with the two principal quantified differences at that stage being a proposed two-year ICM period rather than Baffinland's one-year assumption and additional labour associated with moving fuel from the Mine Site to Milne Port prior to backhaul.

CIRNA's technical review also identified additional uncertainties and discrepancies requiring clarification, including differences between the DAA, Work Plan and ICRP; costs associated with ICM; WRF cover quantities; blended labour and productivity assumptions; progressive reclamation areas; pond backfilling and liner removal; contaminated-soil management; post-closure activities and other closure-cost assumptions.

Following Baffinland's January 13 response, CIRNA submitted a technical memorandum on January 26, 2026, stating that Baffinland had addressed the two matters specifically costed in the initial submission but had not resolved a number of additional uncertainties identified through CIRNA's review. CIRNA consequently developed costs for additional items and revised their recommended security estimate to **$157,522,324** with **$155,718,866** for IOL and **$1,803,459** for Crown Lands. CIRNA's principal adjustments included ICM-related costs, fuel-mobilization labour, the WRF cover-area discrepancy, corrections to blended labour rates and productivity factors, reinstatement of areas that had been removed as reclaimed but had not yet been inspected, pond backfilling, liner removal, additional flight and camp costs and associated indirect costs and contingency.

During the 2026 ASR teleconference on February 6, 2026, CIRNA reduced their recommended security amount attributing the reduced estimate to a one-year ICM assumption for the current ASR, while noting Baffinland's commitment to increase the ICM duration to a minimum of two years in the next ASR. CIRNA's noted Baffinland committed to a two-year ICM assumption, with continued discussions to occur through the planned ICRP revision.

In its February 13, 2026, final submission post teleconference, CIRNA recommended total security of **$137,786,403**, comprising **$136,111,553** for IOL and **$1,674,850** for Crown Lands.

Following the September 14, 2026, Baffinland-QIA joint submission, and Baffinland's submission to the NWB on September 15, 2026, CIRNA advised the NWB on September 21, 2026, that it had not participated in the Baffinland-QIA negotiations and required an opportunity to review the joint submission. CIRNA further advised that the Minister had not approved any reduction in the reclamation security held by the Crown and that CIRNA would communicate its position to the Board following its review.

Subsequently, the Board followed up informally with CIRNA seeking to clarify the outcome of CIRNA's additional review of the joint submission of Baffinland and QIA, including whether CIRNA was intending to modify their February 13, 2026 submission indicating that CIRNA's final estimate of security to be held under the Licence was **$1,674,850 (**which Baffinland indicated in

the Baffinland-QIA joint submission should be increased to **$1,737,087** to ensure that sufficient security is maintained to address the estimated reclamation liability associated with Crown Lands).

On October 1, 2026, CIRNA provided their submission stating *CIRNAC remains consistent with its final submission to the Nunavut Water Board (NWB) dated February 13, 2026*. CIRNA also reiterated their recommendations from February 13, 2026, submission identifying a number of matters requiring further clarification, justification, or inclusion in future iterations of the ICRP and security estimate. These include the following:

- confirmation of a longer Interim Care and Maintenance (ICM) period;
- inclusion of camp and flight costs associated with ICM and post-closure activities;
- reconciliation and justification of labor rates used in the ICM estimates;
- clarification of discrepancies associated with Waste Rock Facility cover areas and corresponding cover material requirements;
- resolution of concerns regarding areas removed from the security estimate on the basis that reclamation had been completed, including the need to verify the work and substantiate any associated reduction in liability before recognizing a reduction in security; and
- justification for the removal of pond backfilling activities and the proposal to leave selected pond liners in place where this differs from the closure approach described in the ICRP.

Summary of Reclamation Estimates Provided by All Parties

The following table (**Table 1**) summarizes the proposed reclamation estimates provided by the various parties for the 2026 period.

Table 1: Security Proposed in Various Parties' Submissions for the 2026 ASR

Party Submission	Water Licence ($)	Commercial Lease ($)	Total ($)
QIA	N/A	$138,229,000	**N/A**
Baffinland – Initial	$1,737,087	$133,779,416	**$135,516,503**
Baffinland – Updated	$1,737,087	$135,597,416	**$137,334,503**
Baffinland – Final	$1,737,087	**$**136,045,317	**$137,782,404**
CIRNA Initial	$1,721,147	$143,607,115	**$145,328,262**
CIRNA – Updated	$1,803,459	$155,718,866	**$157,522,324**
CIRNA – Final	$1,674,850	$136,111,553	**$137,786,403**
Baffinland-QIA (Jointly)	N/A	$136,045,317	**N/A**

NWB's Conclusion

The Updated Global Financial Security Amount for 2026

The Board acknowledges that there continued to be differences in approach between Baffinland, CIRNA, and the QIA with respect to the assumptions underlying the development of the global financial security amount for reclamation of the undertaking. However, after reviewing the submissions received throughout the 2026 ASR process, the 2026 Work Plan, and the estimates as proposed and revised by the parties, the Board is confident that there is sufficient information to support the Board's decision that the global financial security amount should be increased by **$1,028,564**, from **$136,753,840** as determined by the Board in the 2025 ASR Decision to **$137,782,404** as determined by the Board at the conclusion of the 2026 ASR process.

With respect to the allocation of the updated global financial security amount, the Board accepted the amount agreed to by Baffinland and the QIA of **$136,045,317** for IOL, to be held by the QIA under the Baffinland-QIA Commercial Lease. For the Crown Lands component, the Board considered Baffinland's September 15, 2026 estimate of **$1,737,087** and CIRNA's February 13, 2026 final estimate of **$1,674,850**, and accepted the higher amount of **$1,737,087** to ensure that sufficient security is maintained to address the estimated reclamation liability associated with Crown Lands. As outlined in the Water Licence, the security required to be held by the Minister must be provided in the form required under the *Nunavut Waters Regulations* and as acceptable to the Minister.

It should be noted that the Crown Lands security amount represents a reduction of **$1,713,922** from the **$3,451,009** currently held by the Minister. Consequently, the amount of security required to be held by the Minister under the Water Licence shall be reduced from the existing **$3,451,009** to **$1,737,087.**

Having considered all the submissions of the parties throughout the 2026 ASR process, the Board's duly appointed decision-making Panel for the file (Mary River Panel or Panel P4) concluded, by way of Panel Motion **No: 2026-07-P4-04** on October 2, 2026, that the global financial security amount should be **$137,782,404**. The Board is confident this amount reflects the highest reclamation liability for land and water associated with the undertaking governed the Water Licence No. 2AM-MRY2540 for the 2026 period.

Closure of the 2026 ASR Process

This concludes the Board's ASR determination with respect to the global financial security amount and the updated security required to be held under Part C, Item 1 and Schedule C of type A Water Licence No: 2AM-MRY2540 for the upcoming 2026-2027 season, as specified under the Licence, Schedule C, Item 4.

During the 2026 ASR Process, the Licensee agreed to post the adjusted security related to the IOL component of security as determined in the joint submission by QIA-Baffinland on or before **October 1, 2026**. Recognizing the delays in the Board's release of this ASR decision due to

various extensions and comment submissions by parties and with the acknowledgement that time is required for all parties to make adjustments to security, the Board requires the security to be held under the Water Licence as adjusted to reflect the NWB's 2026 ASR decision by October 31, 2026.

All parties are advised that, if confirmation of the adjusted security being posted as directed in the NWB's 2026 ASR decision is not received by November 1, 2026, the Board may take further steps and issue further written direction under the ASR Process to ensure that adequate security is in place prior to the commencement of remaining work under the 2026 Work Plan.

As the information and advice to the Board associated with these processes is received, the NWB will issue additional guidance as considered necessary to ensure the NWB's periodic review of security is aligned with the NWB's developing best practices for fixing security, including changes that reflect amendments to the *Nunavut Waters and Nunavut Surface Rights Tribunal Act* and the *Nunavut Waters Regulations* with respect to the Board's consideration of security that were brought into force only after the Water Licence for the original Mary River Project was issued in 2013.

If you have any questions or require further direction with respect to this matter, please contact the Board's Executive Director, Stephanie Autut at (867) 360-6338, Ext: 22 or via e-mail at stephanie.autut@nwb-oen.ca or Director of Technical Services, Karén Kharatyan at (867) 360-6338, Ext: 35 or via e-mail at karen.kharatyan@nwb-oen.ca.

Regards,



Lootie Toomasie
Chairperson
Nunavut Water Board

cc. Public Registry
Chris Spencer, Conor Goddard (QIA); Lauren Perrin (CIRNA)

APPENDIX A
List of Key Documentation and Activities in Support of the 2026 ASR Process

Date	Procedural Milestone
October 31, 2026	The Licensee (Baffinland) filed a copy of its 2026 Work Plan as required under Schedule J of the Licence.
December 31, 2025	CIRNA and QIA filed written submissions regarding the Licensee's 2026 Work Plan and any updates to the reclamation security estimates for the Project.
January 14, 2026	The Licensee filed updated information regarding additional security amounts posted with the QIA and territorial or federal authorities that have issued authorizations to the Project, including CIRNA.
January 27, 2026	Licensee filed its response(s) to interveners' submissions regarding reclamation security associated with the 2026 Work Plan. Parties filed any presentation materials on which the parties intend to rely during the NWB's teleconference regarding the ASR associated with the 2026 Work Plan
February 6, 2026	The NWB held a teleconference regarding the ASR associated with the 2026 Work Plan
February 13, 2026	Parties filed updates and/or addenda to their submissions based on the discussion and commitments at the teleconference.
February 13, 2026	Baffinland and the QIA submitted a joint letter providing status update noting that they are working towards alignment on outstanding technical items and will advise NWB accordingly.
September 14, 2026	Baffinland and the QIA submitted a joint statement advising that the parties had reached alignment on the technical matters that had previously been in dispute during the 2026 reclamation-security review

APPENDIX B
Summary of Total Reclamation Security for Licence No: 2AM-MRY2540 for 2013-2026

Table 1 Global Security Amount Posted for the Mary River Project Annually

Year		Total ($)
2013	With Licence Issuance	$36,000,000.00
Q1 2014 to Q1 2015	Based on the 1st ASR, 2014 ASR	$39,959,000.00
Q1 2015 to Q1 2016	Based on the 2nd ASR, 2015 ASR	$47,683,500.00
Q1 2016 to Q1 2017	Based on the 3rd ASR, 2016 ASR	$50,055,500.00
Q1 2017 to Q1 2018	Based on the 4th ASR, 2017 ASR	$52,682,600.00
Q1 2018 to Q1 2019	Based on the 5th ASR, 2018 ASR	As directed by the NWB: $85,007,826 As agreed by Baffinland and the QIA: $75,128,326
Q1 2019 to Q1 2020	Based on the 6th ASR, 2019 ASR	As directed by the NWB: $88,136,459 As agreed by Baffinland and the QIA: $106,136,459
Q1 2020 to Q1 2021	Based on the 7th ASR, 2020 ASR	As directed by the NWB: $106,278,658 As agreed by Baffinland and the QIA: $114,962,000
Q1 2021 to Q1 2022	Based on the 8th ASR, 2021 ASR	$123,787,500.00
Q1 2022 to Q1 2023	Based on the 9th ASR, 2022 ASR	$123,783,718.00
Q1 2023 to Q1 2024	Based on the 9th ASR, 2022 ASR	$123,783,718.00
Q1 2024 to Q1 2025	Based on the 10th ASR, 2024 ASR	$133,784,485.00
Q1 2025 to Q1 2026	Based on the 11th ASR, 2025 ASR	$136,753,840.00
Q1 2026 to Q1 2027	Based on the 12th ASR, 2026 ASR	$137,782,404.00

Table 2 Summary of Reclamation Security Amounts Posted Under the Commercial Lease and the Water Licence for 2013-2026

Year	Inuit-Owned Land and/or Water	Crown Land and/or Water	Total
2013	$26,200,000	$9,800,000	**$36,000,000**
2014	$39,793,000	$166,000	**$39,959,000**
2015	$47,517,500	$166,000	**$47,683,500**
2016	$48,845,500	$1,210,000	**$50,055,500**
2017	$51,384,000 $64,642,000*	$1,298,555	**$52,682,555** **$65,940,500***
2018	$73,829,771	$1,298,555	**$75,128,326**
2019	$104,687,658	$1,448,801	**$106,136,459**
2020	$104,687,658 $113,371,000**	$1,591,000	**$106,278,658** **$114,962,000****
2021	$120,999,500	$2,788,000	**$123,787,500**
2022	$120,999,500	$2,788,000	**$123,787,500**
2023	$120,999,500	$2,788,000	**$123,787,500**
2024	$130,333,476	$3,451,009	**$133,784,485**
2025	$133,302,831	$3,451,009	**$136,753,840**
2026	$136,045,317	$1,737,087	**$137,782,404**

*including additional security posted on August 7, 2017, as per the 2017 Work Plan Addendum.
**including additional security posted in December 2020 per the arbitration outcomes for reconciliation for 2019.

Graph 1: Graph Showing Reclamation Security Posted Annually for the Mary River Project, 2013-2026

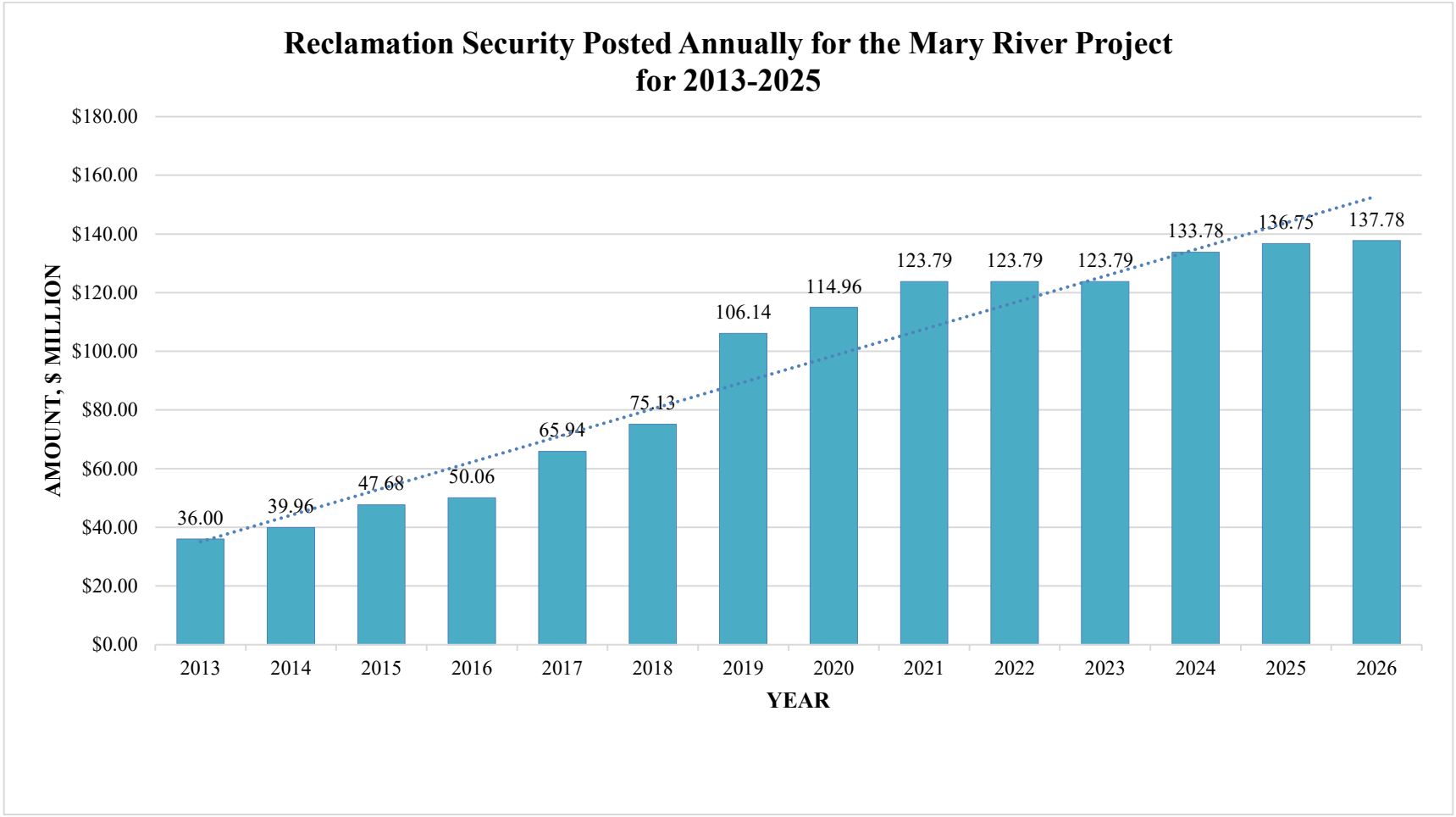
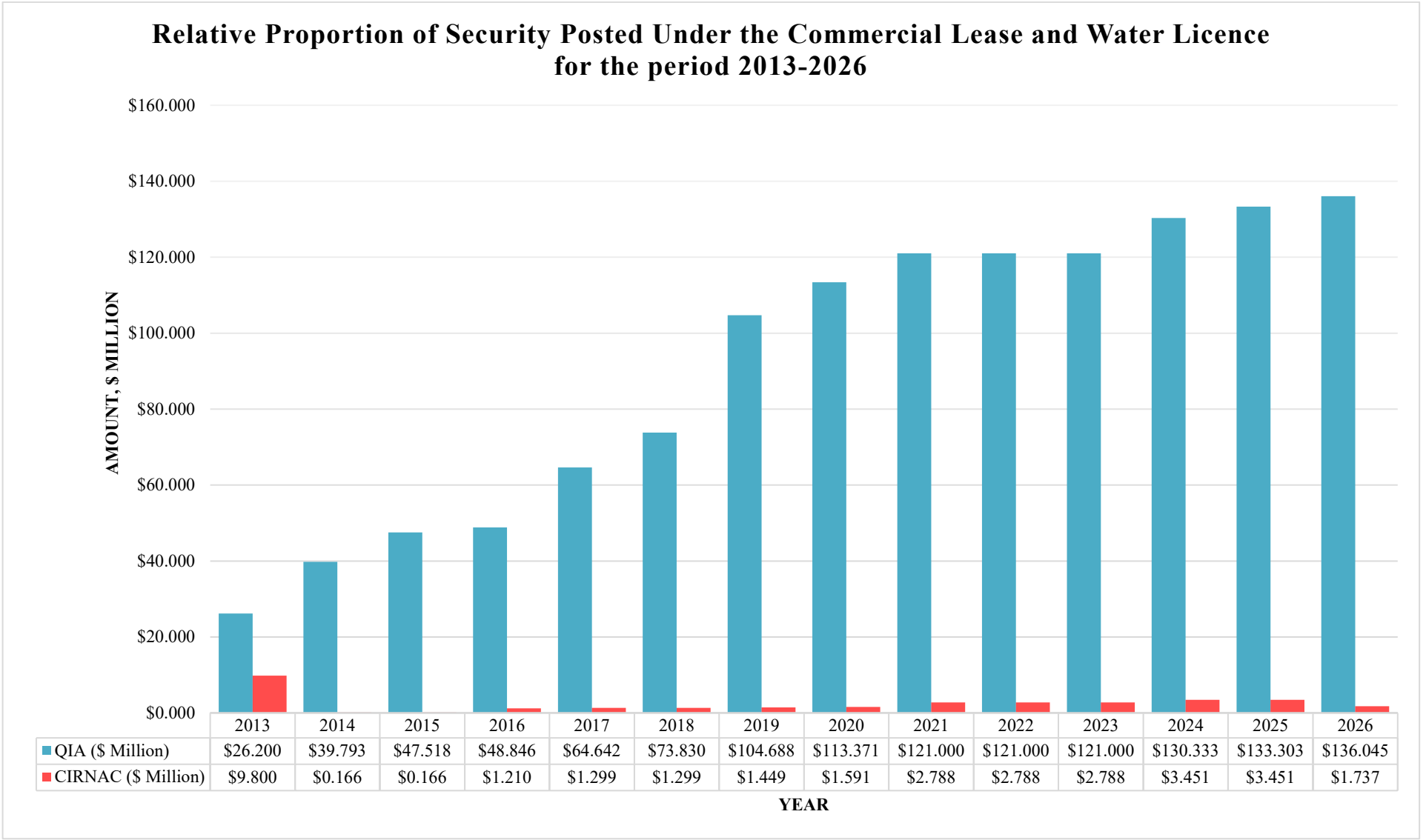


Figure 2: Graph Showing the Relative Proportion of Security Posted Under the Commercial Lease (QIA) and the Water Licence (CIRNA) for the Period 2013-2026



	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
QIA ($ Million)	$26.200	$39.793	$47.518	$48.846	$64.642	$73.830	$104.688	$113.371	$121.000	$121.000	$121.000	$130.333	$133.303	$136.045
CIRNAC ($ Million)	$9.800	$0.166	$0.166	$1.210	$1.299	$1.299	$1.449	$1.591	$2.788	$2.788	$2.788	$3.451	$3.451	$1.737