



June 23, 2017

Sean Joseph
Senior Technical Advisor, NWB
P.O. Box 119
Gjoa Haven, NU X0B 1J0

**RE: Milne Port Accommodations Camp Pad and Proposed Surface Water Diversion
System (Modification Request)
Water Licence 2AM-MRY1325 – Amend. No. 1**

On June 9, 2017, Baffinland Iron Mines Corporation (Baffinland) received an Inspector's Direction from Indigenous and Northern Affairs Canada (INAC) following an inspection conducted by INAC of the Mary River Project from May 29 to June 1, 2017. The Inspector's Direction documented a stop work order issued to Baffinland for an accommodations camp pad that was in the process of being constructed during the time of the inspection at Milne Port in a location that impeded the flow of an intermittent drainage path(s). On June 14, 2017 Baffinland responded to the Inspector's Direction notifying INAC and other agencies of Baffinland's planned corrective actions to remedy the situation and intention to submit proper documentation, as required by Part D, Item 2 and Part G of Baffinland's Type "A" Water Licence 2AM-MRY1325 Amendment 1 (Type "A" Water Licence), to the Nunavut Water Board (NWB) by June 16, 2017.

In accordance with Part D, Item 2 and Part G of Baffinland's Type "A" Water Licence, the purpose of this letter is to submit a Request for Modification for the proposed surface water diversion system required to redirect surface water from the impeded drainage path(s) around the pad, as shown in Attachments 1 and 2.

It is Baffinland's intention to use the new accommodation camp pad to eventually upgrade the existing accommodations at Milne Port, replacing the existing soft wall camp and increasing accommodations infrastructure in order to support the increased camp populations required for full production (4.2Mt per annum). However, it should be noted that Baffinland is not requesting approval for the future accommodations upgrades in this submission. A subsequent Request for Modification will be made prior to the construction of the camp facilities.

Both the constructed accommodations camp pad and the proposed surface water diversion system are within the Project's Development Area (PDA) and are consistent with approved activities outlined in the Project Certificate (Project Certificate 005 – Amend. 1) issued for the Mary River Project by the Nunavut Impact Review Board (NIRB).

The requested modification is described below and is consistent with the requirements of Part G of the Type "A" Water Licence.

a. Description of Facilities and/or Works to be Constructed

Baffinland has developed a new accommodations camp pad at Milne Port. The new accommodations camp pad is approximately 280m x 120m in size. The constructed accommodations camp pad is located south of the existing Milne Port Ore Stockpile Pad and west of the Tote Road (near Km 1). The proposed surface water diversion system will follow along the pad's southern perimeter and direct flow from the impeded drainage path(s) to the natural drainages west of the accommodations camp pad, as shown in Attachments 1 and 2.

Attachment 1 shows the constructed accommodations camp pad in relation to the Milne Port general layout. As shown in Attachment 2, the sub-grade of the accommodations camp pad was constructed using Type 12 (Run of Quarry <200mm) coarse material and capped with Type 5 (<32mm crushed) crushed granular surface material. Attachment 2 also shows the proposed diversion system and design details, including the associated hydrology and hydraulic design calculations. Attachment 3 details the construction methodology for the proposed diversion system in order to minimize potential environmental effects during construction. The exact dimensions of the proposed diversion system will be field fit during construction based on field observations of the impeded drainages path(s). The completed pad and diversion system will be documented in as-built drawings for the construction.

b. Proposed Location of the Structure

The constructed accommodations pad is located south of the existing Milne Port Ore Stockpile Pad and west of the Tote Road (near Km 1). The proposed surface water diversion system will

follow along the pad's southern perimeter and direct flow to the natural drainages west of the accommodations camp pad, as shown in Attachments 1 and 2.

c. Identification of any Potential Impacts to the Receiving Environment

The impeded drainage path(s) are not classified as fish habitat and therefore the proposed diversion system will not cause harmful alteration, disruption or destruction of fish habitat. The main concern Baffinland foresees is sedimentation from the construction of the proposed diversion system. To prevent the release of sediment into the receiving environment during construction, Baffinland will employ a combination of sediment and erosion control measures (check dams, rip-rap, silt fences, etc.) to address sedimentation concerns, as outlined in Baffinland's Environmental Protection Plan (BAF-PH1-830-P16-0008 – Rev. 1) and Surface Water and Aquatic Ecosystems Management Plan (BAF-PH1-830-P16-0026 - Rev. 4).

d. Monitoring

During construction, daily environmental monitoring will be performed including before, during and after photographs of construction activities. Surface water runoff will be managed as outlined in Baffinland's Surface Water and Aquatic Ecosystems Management Plan (BAF-PH1-830-P16-0026 - Rev. 4). Baffinland will conduct daily water quality monitoring of surface water drainage originating from the construction area. Water quality impacts of construction activities on nearby water bodies will be assessed using water quality discharge criteria established under Baffinland's Type "A" Water Licence. Additional monitoring stations may be established, if required.

e. Schedule for Construction

Construction of the proposed surface water diversion system is planned to start as soon as the Request for Modification approval has been received from the NWB.

f. Drawings of Engineered Structures


Hatch Ltd. (Hatch) was retained to design and provide issued-for-construction drawings for the constructed accommodations camp pad and proposed surface water diversion system. The issued-for-construction (IFC) drawings are provided in Attachment 2 of this letter.

g. Proposed Sediment and Erosion Control Measures

Baffinland will employ a combination of sediment and erosion control measures (check dams, rip-rap, silt fences, etc.), as outlined in Baffinland's Environmental Protection Plan (BAF-PH1-830-P16-0008 – Rev. 1) and Surface Water and Aquatic Ecosystems Management Plan (BAF-PH1-830-P16-0026 - Rev. 4), to address and manage sedimentation concerns during construction. No sediment or erosion control measures are expected to be required once construction of the diversion system has been completed.

We trust that this information meets the requirements under Part D, Item 2 and Part G under Baffinland's Type "A" Water Licence and look forward to the NWB's response. Please do not hesitate to contact the undersigned or Andrew Vermeer should you have any questions or comments.

Regards,



Wayne McPhee,
Director Sustainable Development

Attachments:

Attachment 1: Milne Port – New Camp Pad

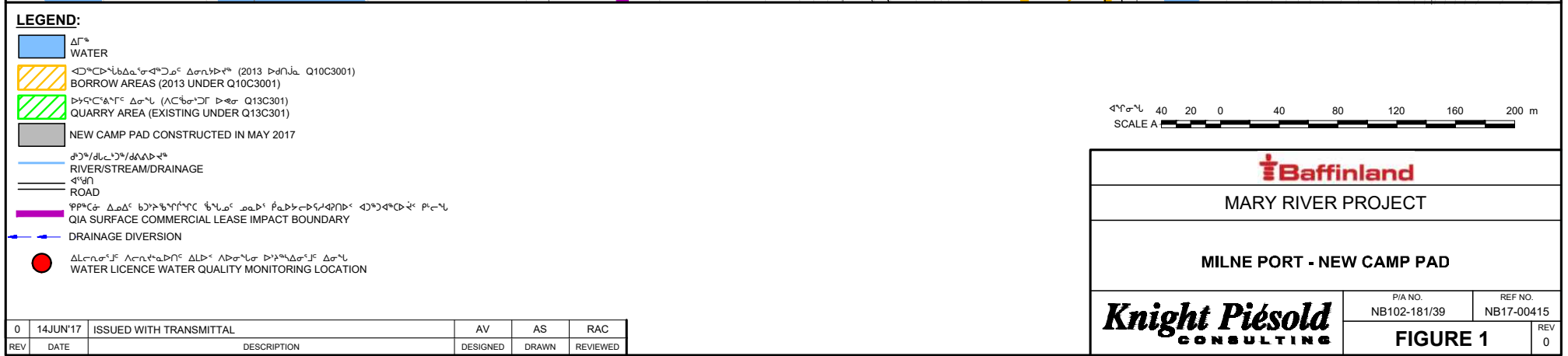
Attachment 2: Milne Port – Camp Pad Natural Stream Diversion – Hydrology & Hydraulic Calculations
(includes engineering/design drawings)

Attachment 3: Construction Methodology – Camp Pad Water Diversion System

cc. Matt Weaver, Laura Taylor, Andrew Vermeer, William Bowden, Todd Burlingame, Sylvain Proulx (Baffinland)
Manager of Licensing, David Hohnstein (NWB)
Justin Hack, Jonathan Mesher, Sarah Forté, Karen Costello (INAC)
Stephen Williamson Bathory (Qikiqtani Inuit Association)

Attachment 1

Milne Port – New Camp Pad



 Baffinland			
MARY RIVER PROJECT			
MILNE PORT - NEW CAMP PAD			
	P/A NO. NB102-181/39		REF NO. NB17-00415
	FIGURE 1		REV 0

Attachment 2

**Milne Port – Camp Pad Natural Stream Diversion – Hydrology & Hydraulic Calculations
(includes Engineering/Design Drawings)**

Project Memo

H-353004

21 June 2017

To: Matt Weaver

From: A Grobbelaar

cc: Tyler Bruce



Baffinland Iron Mines LP Mary River Project

Milne Port - Camp Pad Natural Stream Diversion- Hydrology & Hydraulic Calculations

1. Introduction

The accommodation camp pad intersects a minor seasonal stream. In order to maintain continuation of the stream, it has to be diverted around the camp pad. (See below camp pad location and streams identified)

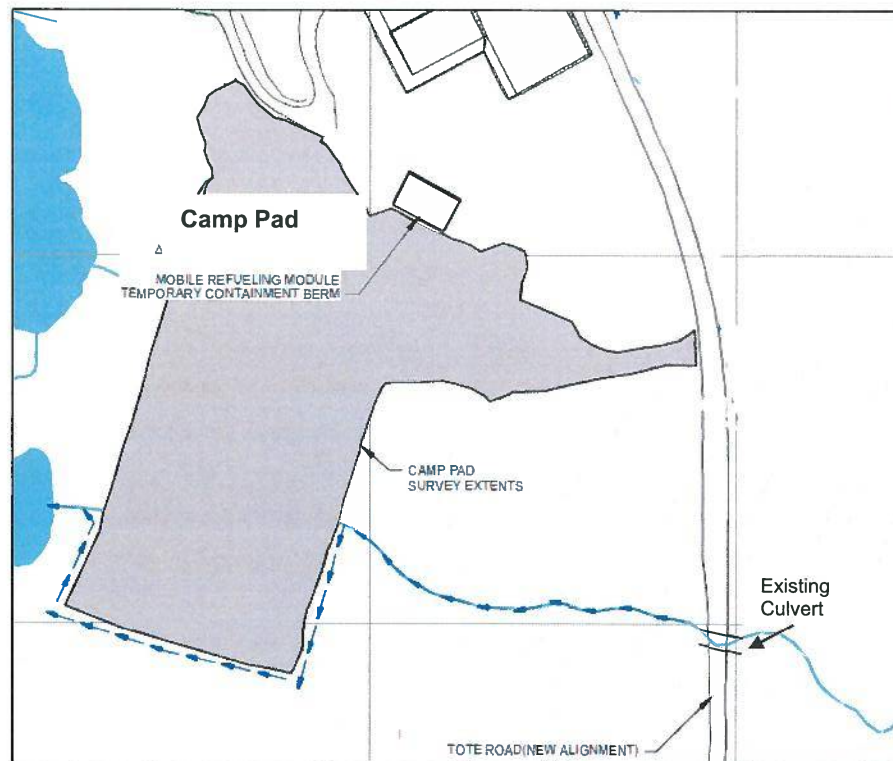


Figure 1: Accommodation Camp Pad Diversion

If you disagree with any information contained herein, please advise immediately.

H353004-2100-240-030-001, Rev. 0

Page 1

The catchment area for the seasonal stream is depicted below:

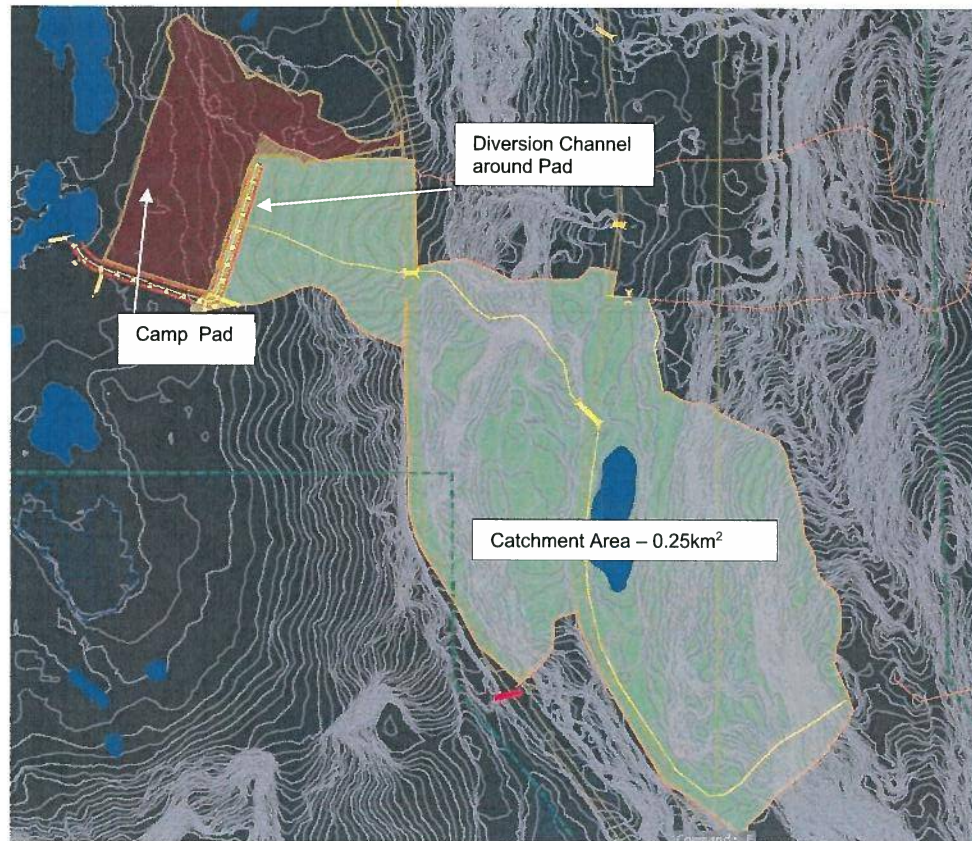


Figure 2: Seasonal Stream Catchment

A suitable sized culvert under the existing quarry access road will have to be installed in order to reduce the catchment size for the seasonal stream to 0.25km². Details, including elevations near the quarry access road, will need to be confirmed by onsite survey prior to finalizing culvert design and associated geotechnical engineering.

1.1 Design Calculations

1.1.1 *Diversion Channel Catchment Runoff Calculation*

In order to design the stream diversion, the expected storm water flow needs to be calculated (For the diversion design, Hatch used a 1:100 year return period storm in line with the previously approved design philosophy for external streams & stream diversions).

Rainfall intensities were obtained from a previous phase approved report by Hatch titled "Civil Design Criteria" – H-349000-1000-10-122-001 (Rev 1). In the report reference is made to the Knight Piesold calculated rainfall intensities for various return periods – See table 1-1 below:

Table 1-1: Rainfall Intensities for Various Return Periods

Duration	2 yrs	5 yrs	10 yrs	15 yrs	20 yrs	25 yrs	50 yrs	100 yrs	200 yrs
5 min	9.5	12.0	14.0	15.1	15.9	16.5	18.3	20.1	22.0
10 min	7.2	9.0	10.5	11.3	11.9	12.4	13.7	15.1	16.5
15 min	6.0	7.5	8.7	9.4	9.9	10.3	11.4	12.6	13.7
30 min	5.0	6.3	7.3	7.9	8.3	8.6	9.5	10.5	11.4
1 hr	4.0	5.2	6.1	6.6	7.0	7.3	8.1	9.0	9.9
2 hr	3.0	3.9	4.6	5.0	5.2	5.5	6.1	6.8	7.4
6 hr	2.0	2.7	3.3	3.6	3.9	4.0	4.6	5.1	5.7
12 hr	1.3	1.8	2.2	2.4	2.6	2.7	3.1	3.4	3.8
24 hr	1.0	1.4	1.7	1.9	2.0	2.1	2.4	2.7	3.0

The catchment area is 0.25km².

The Table 1-2 below indicates the calculation to determine the peak runoff from the 1:100 storm event:

Table 1-2: Peak Flow Calculation

$Q = 0.28 C I A$		$T_c = 0.06628(L^{0.77}/S^{0.385})$		Unit	
Q= 0.78	m ³ /s	Tc= 0.25		hr	15.1 min
C= 0.9		L= 1.177		km	
I= 12.6	mm/hr	S= 0.04317		m/m	
A= 0.25	km ²				

The diversion channel was sized based on a peak catchment flow of **0.78m³/s** for the 1:100year return period storm.

1.1.2 Diversion Channel Hydraulic Calculation

Based on the previous phase approved report by Hatch titled "Civil Design Criteria" – H-349000-1000-10-122-001 (Rev 1), the channel properties were compiled. The side slopes of 2H:1V was used together with the rip rap and the Manning flow friction factor (n) value of 0.04 applied. Using the Flow Master software by Bentley Systems Inc, the flow depth was determined using the natural ground level slope along the accommodations camp pad. A minimum slope of 1:500 was applied where the natural ground was flatter.

Hatch Drawings No H353004-4000-228-272-0001-0001 & H353004-4000-228-271-0001-0001 indicates the layout of the diversion channel and longitudinal profile respectively (see attached).

The seasonal minor stream is re-directed into the diversion channel through a long radius intercept channel, transitioning from the natural stream shape into the trapezoidal channel. This detail is apparent in the drawings referenced above. Some dimensional data will have to be determined on site and adjusted after consultation with the Engineer.

At the south east corner of the pad where the diversion channel turns through 90 degrees, the channel was sized and detailed to contain the specific energy calculated for the stream flow, thus ensuring that no spillage will occur during the storm event.

A general freeboard of 300 mm was applied throughout the channel design.

At the discharge end of the channel, a hydraulic flow dispersion structure is detailed to allow the energy of the $0.78^3/s$ flow to dissipate and not cause any erosion damage. The actual invert level of the natural water body that the diversion channel will drain into shall be confirmed on site and conveyed to the Engineer. This invert level cannot be above the diversion channel invert so as not to allow any capacity reduction of the channel. The Engineer must be consulted in the event that the invert of the natural water body is higher than the diversion channel to allow for adjustment in the details to be constructed.

In order to obtain the flow properties for the channel at various sections (change in gradient) the software by DEVOTECH was used. The EPA storm water management model - version 5.1 (build 5.1.006) calculates the flow properties at set sections and generates the long sections data as reflected on the drawing.



A Grobbelaar

AG:AG

Attachment(s)/Enclosure:

- Diversion Channel hydraulic calculation – Attachment 1
- Diversion Channel steady uniform flow calculation- Attachment 2
- H353004-4000-228-272-0001-0001- Attachment 3
- H353004-4000-228-271-0001-0001- Attachment 4

Attachment 1:

Diversion Channel Hydraulic Calculation

Project Description

Friction Method Manning Formula
Solve For Bottom Width

Input Data

Roughness Coefficient	0.040
Channel Slope	0.20 %
Normal Depth	0.40 m
Left Side Slope	2.00 m/m (H:V)
Right Side Slope	2.00 m/m (H:V)
Discharge	0.78 m³/s

Results

Bottom Width	2.95 m
Flow Area	1.50 m²
Wetted Perimeter	4.74 m
Hydraulic Radius	0.32 m
Top Width	4.55 m
Critical Depth	0.18 m
Critical Slope	0.02947 m/m
Velocity	0.52 m/s
Velocity Head	0.01 m
Specific Energy	0.41 m
Froude Number	0.29
Flow Type	Subcritical

Attachment 2: Diversion Channel Steady Uniform Flow Calculation

PA STORM WATER MANAGEMENT MODEL - VERSION 5.1 (Build 5.1.006)

About: File generated by iDAS (www.devotech.co.za)

NOTE: The summary statistics displayed in this report are based on results found at every computational time step, not just on results from each reporting time step.

Analysis Options

Flow Units CMS

Process Models:

Rainfall/Runoff NO

RDII NO

Snowmelt NO

Groundwater NO

Flow Routing YES

Ponding Allowed NO

Water Quality NO

Flow Routing Method STEADY

Starting Date JUN-08-2017 00:00:00

Ending Date JUN-09-2017 00:00:00

Antecedent Dry Days 0.0

Report Time Step 00:01:00

Routing Time Step 10.00 sec

*****	Volume	Volume
Flow Routing Continuity	hectare-m	10^6 ltr
*****	-----	-----
Dry Weather Inflow	0.000	0.000
Wet Weather Inflow	0.000	0.000
Groundwater Inflow	0.000	0.000
RDII Inflow	0.000	0.000
External Inflow	6.739	67.389
External Outflow	6.739	67.389
Internal Outflow	0.000	0.000
Evaporation Loss	0.000	0.000
Seepage Loss	0.000	0.000
Initial Stored Volume	0.000	0.000
Final Stored Volume	0.000	0.000
Continuity Error (%)	0.000	

Highest Flow Instability Indexes

All links are stable.

Routing Time Step Summary

Minimum Time Step : 10.00 sec

Average Time Step : 10.00 sec

Maximum Time Step : 10.00 sec

Percent in Steady State : 0.00

Average Iterations per Step : 1.00

Percent Not Converging : 0.00

Node Depth Summary

Node	Type	Average Depth	Maximum Depth	Maximum HGL	Time of Max Occurrence
		Meters	Meters	Meters	days hr:min
CN1	JUNCTION	0.40	0.40	13.68	0 00:00
CN4	JUNCTION	0.40	0.40	13.62	0 00:00
CN5	JUNCTION	0.39	0.39	13.06	0 00:00
CN6	JUNCTION	0.39	0.39	12.91	0 00:00
CN7	JUNCTION	0.20	0.20	11.76	0 00:00
CN8	JUNCTION	0.19	0.19	11.43	0 00:00
CN9	JUNCTION	0.31	0.31	10.94	0 00:00
CN10	JUNCTION	0.40	0.40	10.85	0 00:00
CN11	JUNCTION	0.40	0.40	10.78	0 00:00
CN12	JUNCTION	0.52	0.52	10.82	0 00:00
CN13	JUNCTION	0.52	0.52	10.82	0 00:00
CN14	JUNCTION	0.40	0.40	10.64	0 00:00
CN15	JUNCTION	0.40	0.40	10.63	0 00:00
MH70	OUTFALL	0.39	0.39	10.62	0 00:00

Node Inflow Summary

Node	Type	Maximum		Time of Max Occurrence	Lateral Inflow Volume	Total Inflow Volume	Flow	
		Lateral Inflow	Total Inflow				Balance	Error
		CMS	CMS		10^6 ltr	10^6 ltr	Percent	
CN1	JUNCTION	0.780	0.780	0 00:00	67.4	67.4	0.000	
CN4	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN5	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN6	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN7	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN8	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN9	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN10	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN11	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN12	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN13	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN14	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
CN15	JUNCTION	0.000	0.780	0 00:00	0	67.4	0.000	
MH70	OUTFALL	0.000	0.780	0 00:00	0	67.4	0.000	

Node Surge Summary

No nodes were surcharged.

Node Flooding Summary

No nodes were flooded.

Outfall Loading Summary

Flow Freq	Avg Flow	Max Flow	Total Volume
--------------	-------------	-------------	-----------------

Outfall Node	Pcnt	CMS	CMS	10^6 ltr
MH70	100.00	0.780	0.780	67.389
System	100.00	0.780	0.780	67.389

Link Flow Summary

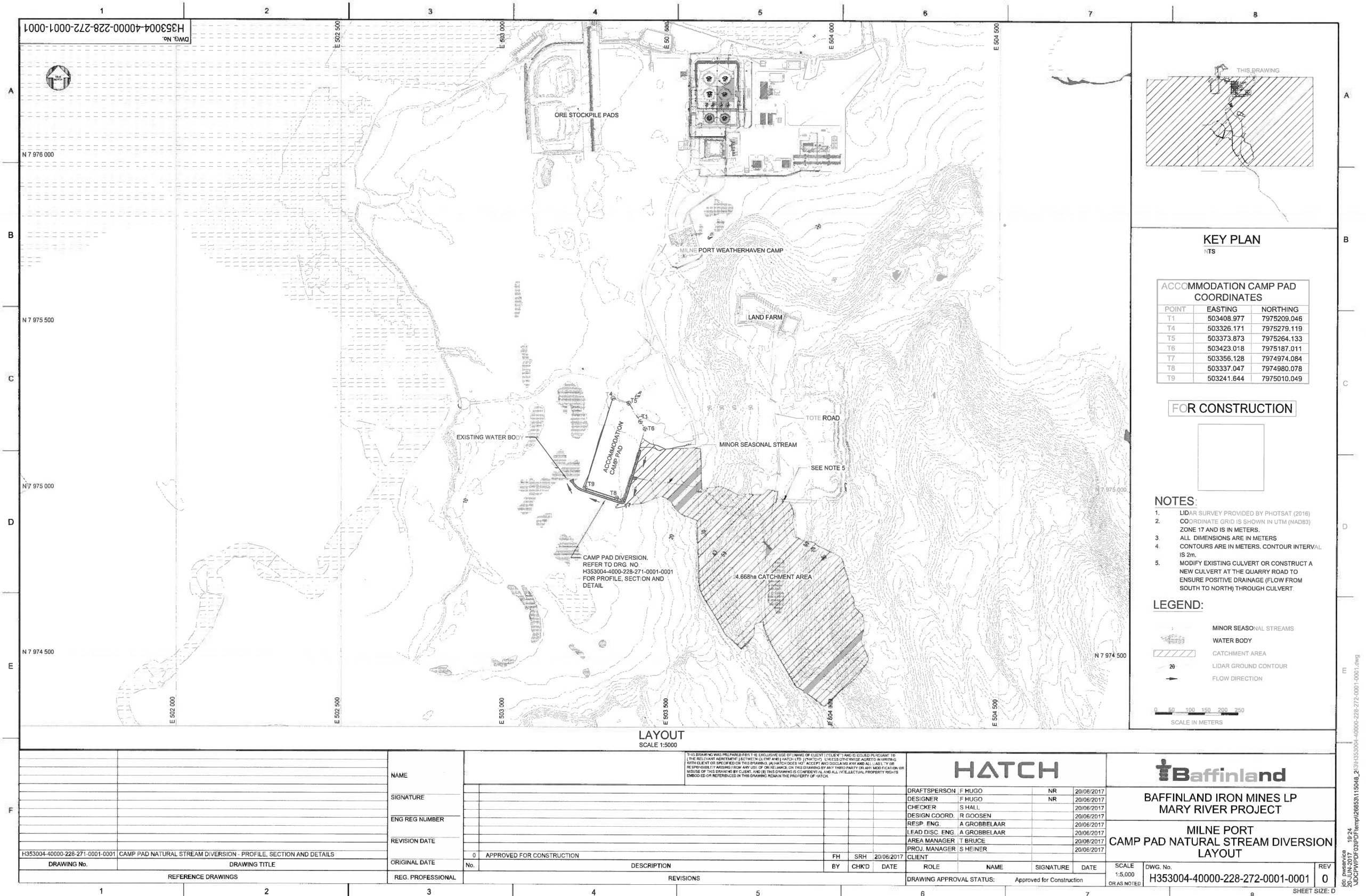
Link	Type	Maximum Flow CMS	Time of Max Occurrence days hr:min	Max Veloc m/sec	Maximum Full Flow	Max/ Full Depth
CH21	CONDUIT	0.780	0 00:00	0.37	0.57	0.74
CH24	CONDUIT	0.780	0 00:00	0.52	0.35	0.56
CH1	CONDUIT	0.780	0 00:00	0.51	0.36	0.57
CH17	CONDUIT	0.780	0 00:00	1.24	0.10	0.27
CH11	CONDUIT	0.780	0 00:00	1.20	0.10	0.27
CH8	CONDUIT	0.780	0 00:00	1.35	0.08	0.25
CH9	CONDUIT	0.780	0 00:00	0.52	0.35	0.56
CH10	CONDUIT	0.780	0 00:00	1.17	0.11	0.28
CH18	CONDUIT	0.780	0 00:00	0.68	0.24	0.45
CH19	CONDUIT	0.780	0 00:00	0.52	0.36	0.57
CH20	CONDUIT	0.780	0 00:00	0.52	0.36	0.57
CH22	CONDUIT	0.780	0 00:00	0.52	0.35	0.56
CH23	CONDUIT	0.780	0 00:00	0.51	0.36	0.57

Conduit Surge Summary

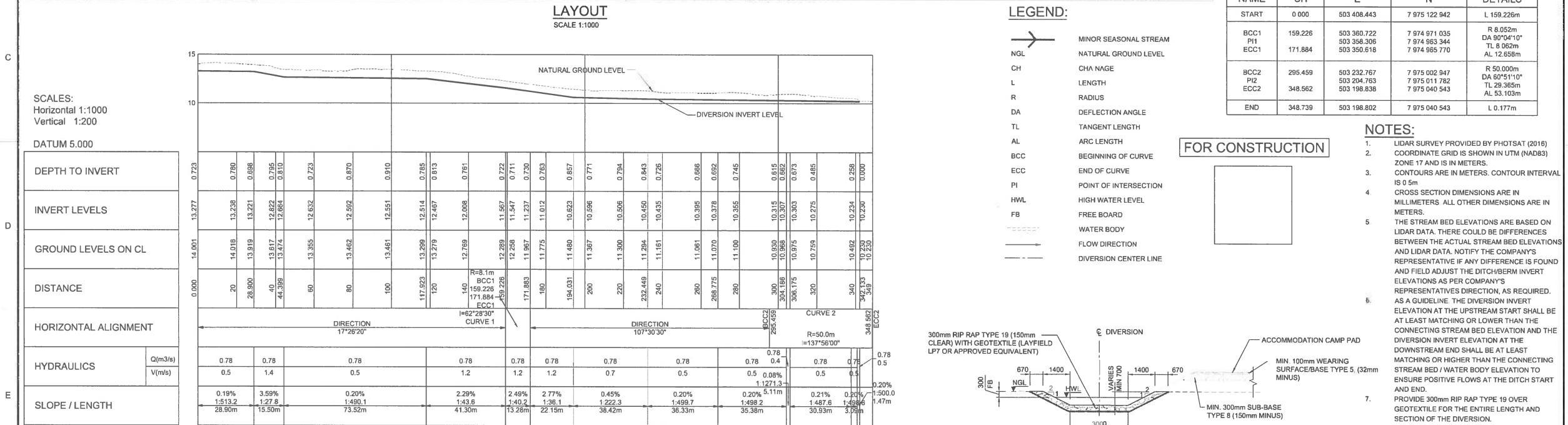
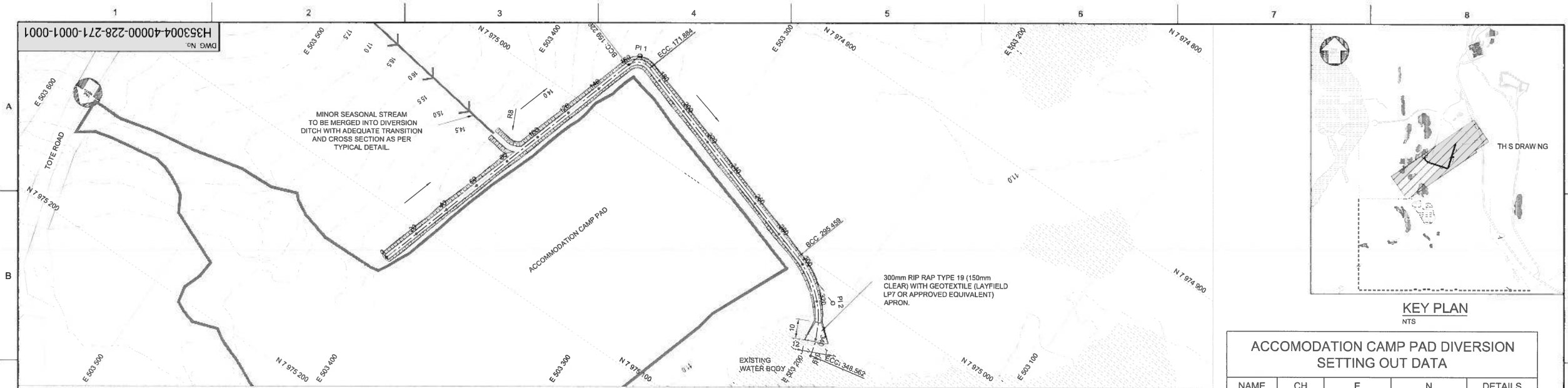
No conduits were surcharged.

Analysis begun on: Tue Jun 20 16:00:38 2017
Analysis ended on: Tue Jun 20 16:00:38 2017
Total elapsed time: < 1 sec

Attachment 3



Attachment 4



DIVERSION LONGITUDINAL PROFILE										TYPICAL DIVERSION CROSS SECTION										0 10 20 30 40 50 SCALE IN METERS																																																																					
										SCALE 1:100																																																																															
<div>NAME</div> <div>SIGNATURE</div> <div>ENG REG NUMBER</div> <div>REVISION DATE</div>										<div><div>THIS DRAWING WAS PREPARED FOR THE EXCLUSIVE USE OF (NAME OF CLIENT) (CLIENT) AND IS LOANED PURSUANT TO THE AGREEMENT. NO REPRODUCTION, EITHER WHOLLY OR IN PART, OF THIS DRAWING OR ANY OF ITS CONTENTS IS PERMITTED WITHOUT THE WRITTEN CONSENT OR SPECIFICATION OF THIS DRAWING. (NAME OF CLIENT) DOES NOT ACCEPT OR DISCLAIM ANY LIABILITY, AND THE USER SPECIFICALLY AGREES TO HOLD ANY OF THE ENGINEER AND/OR THE ENGINEER'S PARTIAL OR WHOLLY GUARANTEED OR OTHERWISE BY CLIENT AND (B) THE ENGINEER'S CONFIDENTIAL AND ALL INFORMATION RIGHTS REMAINED OR REFERENCED IN THIS DRAWING REMAIN THE PROPERTY OF (NAME OF CLIENT).</div><div>HATCH</div><div>Baffinland</div></div>										<div>BAFFINLAND IRON MINES LP MARY RIVER PROJECT</div> <div>MILNE PORT CAMP PAD NATURAL STREAM DIVERSION PROFILE, SECTION AND DETAILS</div>																																																																					
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Attachment 3

Construction Methodology – Camp Pad Water Diversion System

(H353004-40000-400-050-0001)

Plan

Construction Methodology - Camp Pad Water Diversion System

						
2017-06-16	1	Approved for Use	T Bruce	L Langlois	S Heiner	M Weaver
DATE	REV.	STATUS	PREPARED BY	CHECKED BY	APPROVED BY	APPROVED BY
						Employer

1. Overview

A diversion channel is required to divert a seasonal stream that runs through the Milne Port accommodations camp pad of which construction was ongoing during May 2017. The seasonal stream flows briefly in the spring freshet and during significant rain events. Due to the timing and criticality of this diversion, a sequential plan must be in place and followed to ensure impacts to the downstream receiving environment are minimized.

2. Design

The diversion which has been designed to pick up the flows, divert and discharge into the natural drainages west of the constructed accommodations camp pad, runs along the southern perimeter of the pad and has a cut throughout several hundred meters which reaches a depth of 1.0 meters at its deepest. This cut must be performed in order to maintain flow while eliminating any ponding water.

3. Construction Methodology

The accommodation camp pad has previously been constructed and remains in place. Although flows for the remainder of this year will only occur during any significant rain events, the diversion must be fully constructed as soon as possible in the event flows do occur.

The diversion shall be constructed starting at the downstream end and progressing to the upstream to eliminate the possibility of encountering flows during construction. The sequence of construction shall be as follows:

1. Create a sump upstream of the diversion consisting of an excavated hole armored with rip rap to prevent erosion.
2. Setup of a pump with an intake in the sump and discharge hose running to a determined discharge location that flows to the natural drainages west of the pad.
3. Install a dam which does not allow water to travel downstream of the sump to the proposed construction area and downstream drainages. It should be noted that above pumping setup will only be used if flows are encountered during construction.
4. Complete all excavation for the full alignment of the diversion. Note that frozen conditions will be encountered in areas of cut deeper than 300 mm. To achieve the cuts an iterative process will be taken involving cutting to maximum depth allowed by local frozen conditions, allowing the frozen ground to thaw over 5-7 days and then revisiting the area until design depths have been achieved.
5. Place geotextile and rip rap on all areas of new diversion system to mitigate erosion and scouring from flow.

6. Upon completion of all ditching and placement of geotextile and rip rap, the diversion system will be complete and the upstream sump, dam and pumping setup will be removed to allow for flow through the diversion system.
-