



14 August 2018

Assol Kubeisinova
Technical Advisor, NWB
P.O. Box 119
Gjoa Haven, NU X0B 1J0

**RE: Response to Comments
Mary River Project – Crusher Pad Pond Expansion - Modification Request No. 5
Type 'A' Water Licence - 2AM-MRY1325 - Amend. No. 1**

Baffinland Iron Mines Corporation (Baffinland) provides the attached responses to comments received from Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC)¹ regarding Water Licence Modification Request No. 5.

CIRNAC's recent comments¹ focused on design considerations associated with the proposed pond expansion. CIRNAC previously submitted a letter dated 13 June 2018 (Attachment 2) to the NWB indicating that documentation provided by Golder Associates (Golder)² had satisfied CIRNAC's prior comments with respect to the proposed pond capacity, design criteria and pond management. Baffinland requests that CIRNAC provide consistent feedback in their review of future submissions to avoid excessive rounds of review and comment periods. By indicating to Baffinland and the NWB that CIRNAC was satisfied with the proposed pond design on 13 June 13 2018 and then providing subsequent comments related to design and pond capacity, CIRNAC has unnecessarily extended the review period and delayed the ability of Baffinland to execute an environmental improvement at the Mary River Project.

We trust that the attached responses address CIRNAC's recent comments and provide additional clarification on the proposed work. Baffinland requests that the NWB expedite the review and approval of the Water Licence Modification No. 5 given the limiting construction window remaining at the Mary

¹ CIRNAC (2018) Re: Crown-Indigenous Relations and Northern Affairs Canada's comments on Baffinland Iron Mines Corporation's modification request #5 for the Mine Site Crusher Pad Sedimentation Pond Expansion under water licence #2AMMR1325 Amendment #1 – Mary River Project. Letter dated July 11, 2018.

² Golder (2018) Re: Response to INAC's Letter dated November 10, 2017 regarding Baffinland's Proposed Crusher Pad Sedimentation Pond Expansion, Mary River Project. Memo dated May 9, 2018.



River Project in 2018 and the multiple review and comment periods that have already occurred for the proposed work.

Please do not hesitate to contact the undersigned should you have any remaining questions or comments.

Regards,

A handwritten signature in black ink, appearing to read "Chris Murray", with a large, stylized loop at the end.

Christopher Murray
Environmental & Regulatory Compliance Manager

Attachments:

Attachment 1: Baffinland Response to Comments

Attachment 2: INAC Letter, dated June 13, 2018

Cc: Karén Kharatyan (NWB)
Fai Ndofo, Sean Joseph (QIA)
Sarah Forte, Bridget Campbell, Ian Parsons (CIRNAC)
Grant Goddard, Megan Lord-Hoyle, Tim Sewell (Baffinland)

Attachment No. 1

Baffinland Response to Comments

Baffinland Response to Comments on Modification Request No. 5				
Topic	Ref.	Comment	Recommendation	BIMC Response
CIRNAC Comments (July 11, 2018)				
Issued-for-construction and as-built plans	1	<p>The August 29, 2017 Brief includes plans of the sedimentation pond, but not of the pad expansion. The pad expansion plan we were able to find is the first figure in the April 17, 2017 brief. The issued-for-construction plan includes a red outline of the limit of stockpile, provided by Baffinland. The stockpile on site appears to cover a greater area than what is drawn. Additionally, the north eastern end of the ditch was extended northward to capture runoff from the extended stockpile.</p> <p>It is not possible to evaluate the adequacy of pond capacity without updated plans.</p>	As requested in our June 13 letter and July 3 email, Baffinland should provide as-built drawing for the crusher pad.	As Built documentation was submitted to the NWB on 13 August 2018. The as built demonstrates that the total footprint of the Crusher Pad is 106,574 m ² , less than the catchment area used to design the Crusher Pad Pond Expansion provided in the 29 August 2017 design from Golder (107,500 m ²).
Pond capacity	2	Section 1 on sedimentation pond capacity includes Table 1, which contrasts dimensions from two Design Briefs on the pond expansion. The last row of the table is labelled "Pond capacity necessary for 10% pad expansion", however the crusher pad expansion proposed in the August 29 Brief, 18 500 m ² , is equivalent to a 21% increase in area.	Baffinland should confirm the pond capacity will be sufficient for the proposed pad size, which is unclear at this time.	As noted in their memo dated May 9, 2018, Golder confirmed that the areas and volumes provided in their 29 August 2017 memo are correct. The pond design is therefore based on a total area of 107,500 m ² . Based on the provided as-built drawing, the pond capacity is sufficient for the pad size.

Baffinland Response to Comments on Modification Request No. 5				
Topic	Ref.	Comment	Recommendation	BIMC Response
Second crusher pad expansion	3	<p>The issued-for construction pad expansion plan in the April 17 Brief is for an extension to the south east of the existing pad. Appendix C2 of the 2017 Work Plan is a mine site crusher pad extension sketch, where the south eastern extension is labelled phase 1, 8,200 m², and there is a 17,500 m² phase 2 area to the north west. No plans have been provided for the second extension.</p> <p>The cover letter for the April 17 Brief specified that the modification request was only for phase 1, and that extra pond capacity was being built in for future expansion.</p>	Baffinland should confirm the second pad expansion is not being considered in this 2018 modification request.	Water Licence Modification No. 5 is based on the design footprint outlined above.
Rainfall and freshet design criteria	4	CIRNAC appreciates the effort taken to review the design criteria for rainfall and freshet flows. We agree with the conclusion that, at present, the data does not warrant changing the criteria.	The discussion notes that for four out of the six years of streamflow records at the gauge H11, the time series begins after freshet. We encourage Baffinland to install loggers sufficiently early to measure freshet flows, when it is safe to do so.	Noted. Baffinland will consider INAC's recommendation.

Attachment No. 2

INAC Letter, dated June 13, 2018



Resource Management
Nunavut Regional Office
P.O. Box 100
IQALUIT, NU X0A 0H0

Your file – Notre référence
2AM-MRY1325
CIDM #1221519

June 13, 2018

Assol Kubeisinova
Technical Advisor
Nunavut Water Board
P.O. Box 119
GJOA HAVEN, NU X0B 1J0

Re: 2AM-MRY1325 Mine Site Crusher Pad Expansion Modification No. 1

Dear Ms. Kubeisinova

On May 30th, 2018, the Nunavut Water Board (NWB) gave interested parties the opportunity to review and make representations regarding Baffinland Iron Mines Corporation's (BIMC) submission entitled **Mine Site Crusher Pad Expansion Modification No.1**.

Indigenous and Northern Affairs Canada (INAC) reviewed the supporting document of BIMC's modification request. Please find below here INAC's comments for the NWB's consideration. Comments have been provided pursuant to INAC's mandated responsibilities under the Nunavut Waters and Nunavut Surface Rights Tribunal Act and the Department of Indian Affairs and Northern Development Act.

1. The explanations provided by BIMC through Golder's letter of May 9th, 2018, in response to INAC concerns (dated November 10th, 2017) with respect to sedimentation pond capacity, design criteria and pond management for the Mine Site Crusher Pad Expansion are satisfying.
2. We acknowledge that issued for construction drawings (dated 2017-08-29) were provided in Attachment 1 of BIMC's letter of September 27th, 2017 but it not clear to us if they are updated in light of the clarifications provided in the indicated Golder's letter. Please have BIMC provide stamped drawings by Professional Engineer according to the proposed modifications and in compliance to Part G - Item 3 of the Water Licence.



3. A schedule for construction is missing in this submission. INAC expects BIMC to provide one according to Part G – Item 3 of the Water Licence.

Should you need any clarifications, please do not hesitate to contact me at (867) 975-4657 or by e-mail at wajid.daouda@canada.ca

Regards,



Wajid Daouda, P.Eng
Senior Engineer – Major Projects
Resource Management

Cc:

Ida Porter, Licensing Administrator, NWB
Spencer Dewar, Director Resource Management, INAC
Ian Parsons, A/Manager Water Resources, INAC
Jonathan Mesher, Water Resource Officer, INAC