



ᐅᐱᐸᐅᐅ ᐅᐱᐸᐅᐅ ᐅᐱᐸᐅᐅ

ᐅᐱᐸᐅᐅ ᐅᐱᐸᐅᐅ: 2AM-MRY1325

ᐅᐱᐸᐅᐅ ᐅᐱᐸᐅᐅ ᐅᐱᐸᐅᐅ ᐅᐱᐸᐅᐅ ᐅᐱᐸᐅᐅ
ᐅᐱᐸᐅᐅ

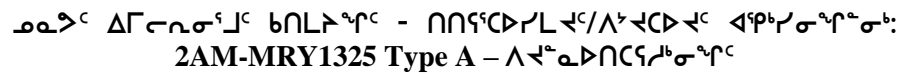
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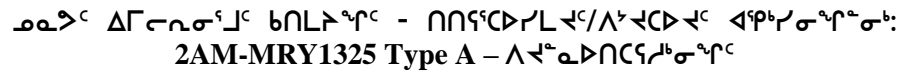


**መጋቢት ልዩ ልማትና ንግድ ሚኒስቴር - በበሽታ ምክር ቤቱ/ሰነድ ለሰነድ ልማት ምክር ቤቱ፡
2AM-MRY1325 Type A – ለሰነድ ልማት ምክር ቤቱ**

በበሽታ ምክር ቤቱ

ለዲፕሎማሲያዊ፡	ኢንፎርሜሽን ስርዓት ምክር ቤቱ Baffinland Iron Mines Corporation	
ወጪ፡	Suite 1016, 120 Adelaide Street West Toronto, ON M5H 1T1 www.baffinland.com	
ለሰነድ ልማት፡	ለዲፕሎማሲያዊ ልማት ምክር ቤቱ “A” ሰነድ ለሰነድ ልማት 2AM-MRY1325 ፕሮጀክት ስርዓት ምክር ቤቱ	
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ለዲፕሎማሲያዊ ልማት ምክር ቤቱ፡	በበሽታ ምክር ቤቱ ፕሮጀክት ስርዓት ምክር ቤቱ Derek Chubb, ልማት ምክር ቤቱ ልማት ምክር ቤቱ ጥቅምት 15, 2008 ለሰነድ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ለዲፕሎማሲያዊ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ፕሮጀክት ስርዓት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ Erik Madsen, ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ፕሮጀክት ስርዓት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ፕሮጀክት ስርዓት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ	
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	ፕሮጀክት 2: ልማት, ልማት 24	ልማት ምክር ቤቱ ልማት ምክር ቤቱ, ፕሮጀክት ስርዓት ምክር ቤቱ ልማት ምክር ቤቱ
	ፕሮጀክት 3: ፕሮጀክት, ልማት 25	ልማት ምክር ቤቱ ልማት ምክር ቤቱ, ፕሮጀክት ስርዓት ምክር ቤቱ ልማት ምክር ቤቱ
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መጋቢት ልዩ ልማትና ንግድ ሚኒስቴር ልማት ምክር ቤቱ፡	ልማት ምክር ቤቱ በበሽታ ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ	D. Côté B. Kogvik D. Hohnstein S. Joseph M. Porter T. Meadows, (Miller Thomson LLP)
መጋቢት ልዩ ልማትና ንግድ ሚኒስቴር በሰነድ ልማት ምክር ቤቱ ልማት ምክር ቤቱ፡	ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ ልማት ምክር ቤቱ	A. Hanson J. Dhillon

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- A. Wilson, Sector Specialist, Water Quality

- G. Williston, Habitat Management Biologist

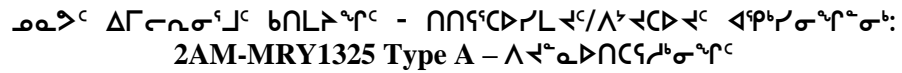
- K. Cavallarò, Senior Environmental Assessment Officer
- J. Clarke, Director, Environmental Assessment Division
- J. Kwong, Senior Environmental Scientist

- K. Landa, Legal Counsel (AANDC, EC, DFO, NRCan)

[illegible]

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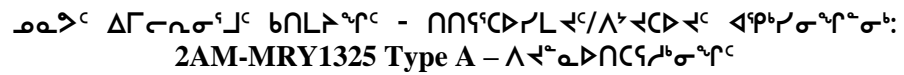
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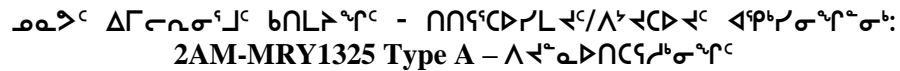


መጀመሪያ ልዩ ስርዓት ስርዓት - በበላይ/አካላዊ ልዩ ስርዓት
2AM-MRY1325 Type A – ለሰላምና ስላም

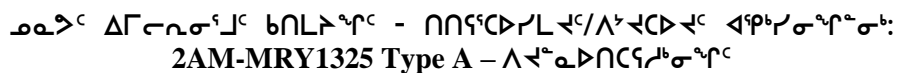
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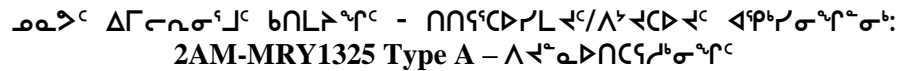
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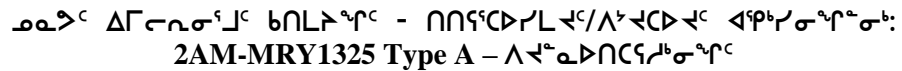
[illegible][illegible][illegible]

⁵O. Curran, BIMC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 23, 2013, p. 44, lines 16-23.



- [illegible]

[illegible][illegible][illegible][illegible]



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ጋራ ልዩ ስራዎችን በጥሩ ሁኔታ ለማግኘት - በጥሩ ሁኔታ ለማግኘት ልዩ ስራዎችን ማግኘት፡
2AM-MRY1325 Type A - ለጥሩ ሁኔታ ለማግኘት

- $\Delta L^{\circ} \Gamma \triangleright C \neg \neg^b d^c$ Fisheries and Oceans Canada (DFO);
- $\neg \neg \Gamma \triangleright C \neg \neg^b d^c$ $\neg \neg C$ Natural Resources Canada (NRCan).

[illegible][illegible]

<ftp://nunavutwaterboard.org/1%20PRUC/2%20MINING%20MILLING/2A/2AM%20-%20Mining/2AM-MRY1325%20BIMC/>

[illegible]

Δ_c^a II: Δ^bcΓΔ^fΓL^c P^aJ^cc^f<Γ^b bNLN^c→Γ^c ▷^fb▷Γ^bh₂▷Δ^c Δ_c▷Δ_g^c

ᑭᓱᑦᑕᓂ ᐃᓄᐃᑦ ᑲᑐᔨᑦᑲᑎᓯᓴᓯᑦ The Qikiqtani Inuit Association (QIA)

[illegible]

၎င်းတို့သည် အောက်ဖော်ပြပါအတိုင်း ဖြစ်ပေါ်ခဲ့သည်။

[illegible]

ጋራ ልዩ ስም - በጥንቃቄ/ሊሳኝ/ሊሳኝ ልዩነት/ሆኑት፡
2AM-MRY1325 Type A – ሊሳኝ/ሆኑት

[illegible]

ፈጠራዊነቱንና ልዩነቱን ለማሳያ ለጥራት ማረጋገጫ ማድረግና ለጥራት ማረጋገጫ ማድረግ ይቻላል።

ᐃᓴᑦᑕᖅᐱᐃᐳᐭ ᐃᓴᑦᑕᑦᑭᒪᐳᐭ ᑕᑦᓴᑭᑦᑭᒪᐳᖅ.

[illegible][illegible]

ኢየሱያግ፣ ልዎብኤርሾም ልሊጌጋበረኤል፡

[illegible]

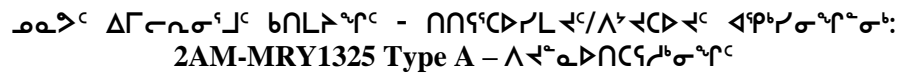
²³ S.C. 2002, c. 10.

²⁴ S.C. 1992, c. 37.

²⁵ Minister of Indian Affairs and Northern Development, (Ottawa: Minister of Public Works and Government Services Canada, 2002) available on-line: http://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-HQ/STAGING/texte-text/recpolnuna_1100100036043_eng.pdf.

²⁶ AANDC Written Intervention for the NWB Hearing submitted to Phyllis Beaulieu, Manager of Licensing, NWB from Murray Ball, Acting Director Resource Management, Nunavut Regional Office, AANDC, dated March 21, 2013.

²⁷ See NWB Public Hearing File No.: 2AM-MRY1325, Exhibits No. 6 and 7, Aboriginal Affairs and Northern Development Canada's "Presentation to Final Hearing, Baffinland Iron Mines Corporation, Mary River Project Type "A" Water Licence Application" Power Point Presentation (English and Inuktitut hard copies) filed by AANDC on April 25, 2013.



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[illegible][illegible]

According to the DFO there is the potential for silt and sediment to be released into water bodies in the project areas as a result of the installation of watercourse crossings and infrastructure construction. In its submissions the DFO stated that the Sediment and Erosion Control Plan presented in the Licence Application does not provide sufficient detail on the mitigation measures which will be implemented to avoid negative impacts to fish and fish habitat. The DFO recommended in its submission that the revised plan (which the proponent committed to provide) be submitted to the DFO for review *prior* to the commencement of any construction activities which have the potential to introduce silt and sediment into fish bearing water bodies.

³³ 1982, c. 11 (U.K.), Schedule B.



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DFO noted that the construction of the rail line will require the use of explosives in and near fish bearing waters. The DFO's *Guidelines for the Use of Explosives In or Near Canadian Fisheries Waters* (Wright and Hopky, 1998) offers guidance on the use of explosives to ensure no harm to fish and fish habitat. DFO indicated that it is the Department's expectation that BIMC will meet their commitment to develop a Blasting Management Plan which will incorporate DFO guidelines, including mitigation measures and monitoring. The DFO recommends that this Plan be submitted to the DFO office for review and approval prior to the commencement of blasting activities in or near fish habitat.

Conceptual Fish Habitat Off-Setting Plan:

According to the DFO the development of the Mary River Project will result in the harmful alteration, disruption or destruction of fish habitat in both the freshwater and marine environment. Impacts in the freshwater environment are the result of the installations of watercourse crossings and lake encroachments associated with the railway and access road construction. The proponent submitted a draft Conceptual Fish Habitat Off-Setting Plan. The DFO recommended that the BIMC continue community consultations to ensure that local input is incorporated into the Plan, and also that BIMC continue collecting sufficient baseline data to support the monitoring of newly constructed fish habitat.

Issues with Fish Passage:

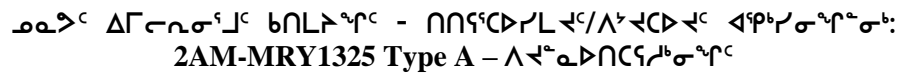
The DFO expressed the importance of including design features in relation to bridges and culverts which will mitigate potential fish passage issues. The DFO recommended in its submissions that BIMC provide stream crossing, final crossing designs, and site-specific mitigation measures to DFO for review upon completion of the detailed engineering phase.

Methodology for Post Construction Performance Monitoring:

The DFO recommended that the proponent develop a detailed methodology for the "Post Construction Performance Monitoring" which was presented at the Aquatic Effects Monitoring Framework (February 2013) and submit this methodology to the DFO for review.

Licence Term:

The DFO recommended a 12 year licence term, which would provide an opportunity to revisit licence conditions related to impacts on fish and fish habitat with sufficient monitoring data and experience to make sound recommendations on any changes. It would also provide an



Natural Resources Canada (NRCan)

As the Board anticipated in its Pre-Hearing Conference Decision,³⁵ a key outstanding technical issue at the Public Hearing was the modeling and determination of pit lake water quality. Given the technical expertise of NRCAN in this regard, the Board requested that NRCAN personnel who could speak to the geochemical investigations and modeling associated with projecting pit lake water quality attend the Public Hearing. Consequently, in its submissions NRCAN also commented on the modeling associated with the future water quality of the pit lake in light of uncertainty regarding predictions of the eventual pit water quality and the plan for reclamation of the pit lake.

At the Public Hearing, NRCan provided the following summary of the results of their review:

Based on my review of all, Natural Resources Canada did not find any fatal flaws with the Proponent's waste rock characterization program.

However, two observations can readily be made based on the information presented in the EIS and a presentation made to NRCan by Baffinland in May 2012. The first observation is that the encapsulation of what is called deleterious ore, which has now become the major part of the potential acid-generating waste rock, with rocks with little neutralization potential in a waste rock dump may or may not be effective depending on relative rate of sulphide oxidation and permafrost degradation. Therefore, the option of segregating the deleterious ore in a separate pile for ready relocation to be submerged in the pit lake if necessary should perhaps be considered.

³⁵ Nunavut Water Board, Pre-Hearing Conference Decision Regarding Application for Type “A” Water Licence by Baffinland Iron Mines Corporation for the Mary River Project, 2AM-MRY1325, January 25, 2013, at p. 15.



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The second observation is that there is uncertainty regarding the predictions of the eventual pit lake water quality. The Proponent proposed that the pit lake water quality will be monitored for a fixed period of time after mine decommissioning.

However, it is NRCan's opinion that the duration of post-closure monitoring should consider the evolving trends of a [sic] water quality in the pit lake instead of just having a fixed period of monitoring. It is NRCan's understanding that Baffinland will consider water quality trends in the pit lake and has committed to monitor as long as necessary and, if required, water treatment would be performed. From that perspective, NRCan would recommend Water Board to consider a requirement for annual monitoring of the pit lake as soon as start to accumulate water [sic] and also conduct a trend analysis at least every three or five years so that we will know how the water quality would change with time.³⁶

SECTION III: SUBMISSIONS BY COMMUNITY REPRESENTATIVES AND MEMBERS OF THE PUBLIC

At the Pre-hearing Conference the NWB held in January, the Board's staff were advised that although Pond Inlet was the most appropriate place to hold the Public Hearing, the communities of Hall Beach, Arctic Bay, Igloolik and Clyde River should also be represented at the Public Hearing as these communities could potentially be affected by the activities and facilities included in the Application. Consequently, to ensure that the Board was provided with the opportunity to hear the concerns, questions and issues of these communities, the Board invited 5 members from each of the four communities, representing Elders, the local Hunters and Trappers Organization, youth, women and the Hamlet to attend the Public Hearing in Pond Inlet. At the Public Hearing, these community representatives were given specific opportunities to ask questions of the Applicant and the interveners and to provide the Board with their views, identify issues, express concerns and provide any other comments relevant to the Application.

Table 1 that follows provides a summary, by topic, of the key issues related to the Type "A" Water Licence Application raised by community members during the Public Hearing and Community Sessions April 23-25. Those parties interested in a review of all comments received in their entirety are advised to consult the transcripts for the Public Hearing available on-line from the NWB's website.

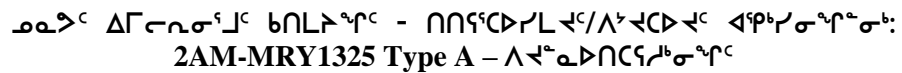
³⁶ J. Kwong, NRCan, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, pp. 614-615, lines 3-26 and lines 1-15.



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Table 1: Key Issues Raised By Community Representatives During the Public Hearing and Community Information Sessions

Topic	Issues/Concerns/Comments
Aircraft landing on roads adjacent to railway	Will the roads adjacent to the railway line be wide enough for aircraft to land?
Discharges of Sewage, Oily Water and Run off	Will sewage, oily water and run off that has contacted the ore stockpile be treated to ensure that contaminants are not being released into the environment?
Blasting/Explosive Residue	How would the explosive residue on snow that builds up during the winter be prevented from becoming part of the snow melt water that goes into nearby creeks and flowing water or sinking into the ground?
	Is the smoke, dust and explosive residue associated with blasting activities toxic or dangerous to animals?
	Will people out on the land still be able to drink water from the small ponds nearby areas that are being blasted, or will these water sources be contaminated by blasting activities?
	How will BIMC ensure that blasting activities do not impact fish in fish-bearing waters?
	How will BIMC make sure that blasting activities along the railway does not leave behind residue that causes permanent effects?
	Are there different criteria for blasting in open water and blasting where there is ice cover?
	Are there ever any allowances made for relocating the fish from a water body that is near to a blast site to a water body further away during blasting?
Contingency/Emergency Planning	What kind of contingency/emergency plans are in place to notify communities if their water sources have been impacted?
Discharge Criteria	Is there a mechanism that can be established to ensure that phosphorus doesn't increase in the lakes receiving discharge from the mine and camps?
Fish Passage	Have there ever been instances where fish have successfully passed through culverts; where culverts do not act as blocks?
Impacts on Wildlife	How will the potential for impacts on water quality that affect wildlife and that could affect whether wildlife are safe to eat be prevented?
	What will the benefits be to compensate communities for the potential loss of traditional food sources associated with animals being impacted by these activities?
	How will birds, fish and animals be affected if they start eating the garbage generated by the mine?
	If there were impacts to wildlife that meant they could not be used for food, how would residents be notified not to eat these animals?
Inspection and Enforcement	Do inspectors and other regulators have plans for visiting the mine site, inspecting the sites and conducting their own monitoring of the sites, and if so, how often would they visit?
Monitoring	Once the project is operating how will it be monitored and will Inuit be sent to participate in monitoring?

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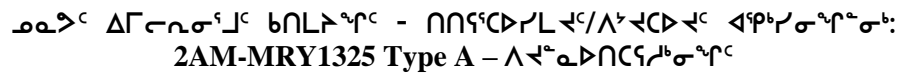
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Topic	Issues/Concerns/Comments
Term of Licence	Concerns expressed that the term of 25 years is too long a term because once a licence is granted there may not be any opportunity for the Board, other agencies, or the communities to revisit the licence during the term of the licence.
Waste Rock/Acid-Rock Drainage	Where will the waste rock that will be used to surround and encapsulate potentially acid-generating rock come from?
	Why does BIMC say that they may have overestimated the potential for acid-rock drainage to impact run off water quality?
	When will BIMC have <u>actual</u> information from the site regarding the acid-generating potential of the waste rock?
Water Quality	What are BIMC's plans if the deterioration in water quality is identified through monitoring and in particular what if the deterioration in water quality jeopardizes having safe drinking water in the project camps? Specifically how would you deliver water to project camps where the nearby source is contaminated or becomes unsafe to use?
Water Use	Is it correct that the greatest use of water will occur during the construction and where is the break down of daily use?
	Are the smaller ponds and lakes that are going to have water taken from them going to be able to withstand the withdrawals without drying up?

In addition to the submissions of designated community representatives, on the evenings of April 23 and April 24, the NWB held Community Information Sessions that consisted of brief presentations from the Board, the Applicant and the Interveners followed by the opportunity for members of the public in attendance at the sessions to ask questions of all the parties. Table 2 summarizes the key issues relevant to the Application raised by members of the public during both the Public Hearing and the Community Information Sessions.

Table 2: Key Issues Raised By Members of the Public During the Public Hearing and Community Information Sessions

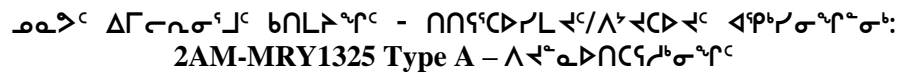
Topic	Issues/Concerns/Comments
Changes to Application	Questions regarding whether the changes to BIMC's plans announced in January 2013 will affect what is being proposed under this Application.
Discharges of Sewage, Oily Water and Run off	How good are the oily water and sewage treatment plants going to be—will they be better than the current Hamlet sewage treatment?
Dredging	Will dredging planned for Steensby Inlet impact benthic organisms, including destroying their habitat?
Explosive Residue	Is what's left behind after blasting toxic to people or fish?
Impacts on Fish	Concern that the project's impacts on fish will affect food sources for adjacent communities



SECTION IV: JURISDICTION OF THE BOARD

“... to provide for the conservation and utilization of waters in Nunavut, except in a national park, in a manner that will provide the optimum

⁴⁰ See s. 43(1)(c) of the NWNSRTA.





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NBRLUP⁴⁵ constituted a “transportation corridor” BIMC identified that an amendment to the NBRLUP was also required to allow for the railway line to proceed.

On April 30, 2008, the Commission issued a positive conformity determination for the Project in relation to the NBRLUP. The conformity determination also outlined the provisions set forth in sections 3.5.11 and 3.5.12 of Appendix C of the NBRLUP, regarding the requirement for a joint public review by the NIRB and the NPC which was required to address the transportation corridor aspect of the Project.

Throughout the NIRB’s Article 12, Part 5 Review of the Mary River Project Proposal, NPC and the NIRB undertook the joint public review of the transportation corridor. Although to date the NPC has not issued a decision regarding the potential amendment to the NBRLUP triggered by the proposed railway, the NPC clearly expressed at the NIRB Final Hearing that any such amendment is not required before the water licensing process can commence:

In summary, the north Baffin regional land use plan does not contemplate that a land amendment be complete before the Nunavut Land Claims part 5 project review is finalized or before any permits, licences, or authorizations can be issued. Implementation of the Nunavut Land Claims Agreement 11.6.3, requires that the Commission provide a recommendation to the Minister of Aboriginal Affairs and Northern Development Canada and the Minister of Environment, Government of Nunavut. The recommendation must advise the ministers on whether their request for the plan amendment should be accepted or rejected in whole or in part. The recommendation of the Commission to accept or reject the plan amendment proposal in whole or in part has no effect on the Nunavut Impact Review Board Review or the issuance of permits, licence, or authorizations.⁴⁶

On this basis, the NWB has considered the requisite land use planning requirements of the NLCA to be fulfilled such that the NWB can consider the processing of this Application and the issuance of the Type “A” Water Licence.

Environmental Assessment

As outlined briefly in the section of this decision discussing the regulatory history of the file, reflecting the requirements of Article 13, Sections 13.5.2 and 13.6.1 of the Nunavut Land Claims

⁴⁵ Approximately 34 km of the proposed railway routing lies within the area covered by the NBRLUP, BIMC Final Environmental Impact Statement submitted to the NIRB, Volume 2, Section 2.2.1, p. 45.

⁴⁶ B. Aglukark, NPC, NIRB Final Hearing File No.: 08MN053 Transcript, July 17, 2012, p. 535 at lines 9-24.



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Agreement (NLCA),⁴⁷ at the request of BIMC and in an effort to co-ordinate, reduce duplication and streamline the impact assessment and water licensing requirements established under Articles 12 (Impact Assessment) and 13 (Water Management) of the Nunavut Land Claims Agreement (NLCA) and applicable to the Mary River Project, the NIRB and the NWB developed and implemented a Detailed Co-ordinated Process Framework (DCPF).

Essentially, the DCPF was intended to co-ordinate, to the extent possible, the submission and review of information required for the NIRB review process and the NWB water licensing process. As a result, the DCPF engaged the water licensing process during the NIRB Review rather than commencing only after the NIRB Review process is completed. However, although the DCPF coordinated the NIRB environmental impact assessment process and the NWB application consideration processes, in this case the DCPF did not include a joint hearing process and did not affect the specific process requirements of either Board.

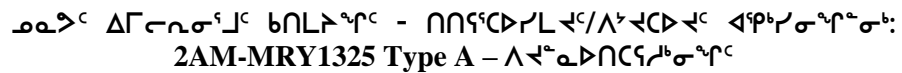
Although a joint hearing process was not undertaken for this file, in keeping with the coordination and cooperation under the DCPF, the NWB's technical advisor responsible for the Application attended the NIRB's Technical Meetings, Pre-Hearing Conference and Final Hearing to provide technical advice and support to the NIRB on water-related issues and the NIRB's Director of Technical Services and the Monitoring Officer for the Mary River Project were in attendance at the NWB's Technical Meeting, Pre-hearing Conference, Public Hearing and Community Information Sessions, providing technical support to the NWB, as well as to provide answers to any potential issues and questions falling under the NIRB's mandate.

The NIRB completed a full environmental assessment of the Project under Article 12 Part 5 of the NLCA, including a Final Hearing in Iqaluit, Igloolik and Pond Inlet in July 2012, which resulted in the issuance on December 28, 2012, of Project Certificate No. 005 to BIMC to authorize the Mary River Project.

⁴⁷ These sections of the NLCA state:

13.5.2 Where the water application is referred for review under Article 12, the NWB and the review body shall coordinate their efforts to avoid unnecessary duplication in the review and processing of the application. Legislation may provide for joint hearings or authorize the NWB to forego public hearings on any water application where it has participated in a public review of the relevant water application pursuant to Article 12.

13.6.1 The NPC, NIRB and the NWB shall co-operate and co-ordinate their efforts in the review, screening and processing of water applications to ensure they are dealt with in a timely fashion.



Inuit Water Rights

The Nunavut Waters Regulations

⁵⁸ S.O.R./93-303.



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S.O.R./2002-253. Prior to the Public Hearing, however, the *Northwest Territories Waters Regulations* were replaced by the new *Nunavut Waters Regulations* (NWR),⁵⁹ which came into force on April 18, 2013. Consequently, as the Type “A” Water Licence had not yet been issued for BIMC, issues such as water user fee calculations are to be governed by the provisions of the NWR, as discussed in more detail in the appropriate section of the decision.

Recommendations on Marine Areas

Section 41 of the NWNSRTA permits the Board to advise and make recommendations respecting any marine matters that may arise to any department or agency of the Government of Canada or the Government of Nunavut.⁶⁰ In this respect, the Board notes that although the Board does not have jurisdiction to regulate effluent being discharged directly into marine areas, in the Board’s view it is reasonable for the same effluent criteria for discharges into freshwater to be applied to discharges to the marine environment as well. Consequently, the Board recommends that Environment Canada consider applying the same discharge criteria to effluent discharged into the marine environment as currently adopted under the Water Licence.

Fisheries Act and Regulations

Under s. 73 of the NWNSRTA, any condition of a water licence relating to the deposit of waste into waters where regulations pursuant to s. 36(5) of the *Fisheries Act* apply shall be at least as stringent as the conditions prescribed by those regulations. Further, the Board emphasizes that the licences issued by the NWB do not authorize habitat alteration disruption or destruction pursuant to s. 35 of the *Fisheries Act*,⁶¹ nor does a water licence authorize the deposit of

⁵⁹ S.O.R./2013-69.

⁶⁰ Section 41 of the NWNSRTA states:

The Board may, either jointly with the Nunavut Planning Commission, the Nunavut Impact Review Board and the Nunavut Wildlife Management Board, as established by the Agreement, acting as the Nunavut Marine Council referred to in section 15.4.1 of the Agreement, or on its own, advise and make recommendations respecting any marine area to any department or agency of the Government of Canada or the Government of Nunavut, and those governments shall consider that advice and those recommendations when making any decision that may affect that marine area.

⁶¹ See s. 35(1) of the *Fisheries Act* which states:

No person shall carry on any work, undertaking or activity that results in the harmful alteration, disruption or destruction, of fish habitat.

(Subject only to the exceptions in s. 35(2), which include carrying on the work, undertaking or activity in accordance with prescribed conditions, conditions established by the Minister, in accordance with an authorization or permission granted under the Act or in accordance with regulations).



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deleterious substances into waters frequented by fish pursuant to s. 36 of the *Fisheries Act*.⁶² Separate authorizations are required by the DFO to authorize such activities.

SECTION VI: DECISION TO ISSUE

Following the Public Hearing and for reasons elaborated further below, the Board has decided to issue Water Licence 2AM-MRY1325 (Licence) subject to the conditions set out therein.⁶³ The Licence contains terms and conditions necessary to protect the environment, conserve the water resources, and provide appropriate safeguards in respect of the Licensee's use of waters and deposit of waste. The Licence also parallels the recommendations and suggestions made by the NIRB in the Environment Assessment Report approved by the Minister.⁶⁴

Conditions for Issuance of a Licence

Section 57 of NWNSRTA provides several key legislative requirements that must be satisfied before the Board may issue a licence.⁶⁵ On the issue of waste produced by the undertaking the

⁶² See s. 36 of the *Fisheries Act* which states:

36. (1) No one shall...

(3) Subject to subsection (4), no person shall deposit or permit the deposit of a deleterious substance of any type in water frequented by fish or in any place under any conditions where the deleterious substance or any other deleterious substance that results from the deposit of the deleterious substance may enter any such water.

(4) No person contravenes subsection (3) by depositing or permitting the deposit in any water or place of
(a) waste or pollutant of a type, in a quantity and under conditions authorized by regulations applicable to that water or place made by the Governor in Council under any Act other than this Act;

(b) a deleterious substance of a class and under conditions -- which may include conditions with respect to quantity or concentration -- authorized under regulations made under (5) applicable to that water or place or to any work or undertaking or class of works or undertakings; or

(c) a deleterious substance the deposit of which is authorized by regulations made under subsection (5.2) and that is deposited in accordance with those regulations.

⁶³ The Licence has been issued under separate cover as 2AM-MRY1325.

⁶⁴ Letter from the Honourable John Duncan, PC, MP to Elizabeth Copland, Chairperson of the Nunavut Impact Review Board, dated December 3, 2012, accepting the NIRB's Decision Report and Recommended Project Certificate Terms and Conditions.

⁶⁵ Section 57 of the NWNSRTA states:

The Board may not issue a licence unless the applicant satisfies the Board that

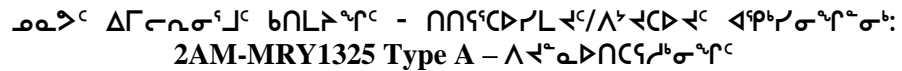
(a) any waste produced by the appurtenant undertaking will be treated and disposed of in a manner that is appropriate for the maintenance of the water quality standards and effluent standards that are prescribed by the regulations or, in the absence of such regulations, that the Board considers acceptable; and

(b) the financial responsibility of the applicant, taking into account the applicant's past performance, is adequate for

(i) the completion of the appurtenant undertaking,

(ii) such measures as may be required in mitigation of any adverse impact, and

(iii) the satisfactory maintenance and restoration of the site in the event of any future closing or abandonment of that undertaking.



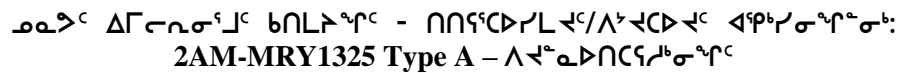
Financial Responsibility of the Applicant

- the financial ability of the Applicant to complete the appurtenant undertaking;
- the ability of the Applicant to undertake measures to mitigate, and in the Board’s view, also monitor for, impacts; and
- the Applicant’s ability to maintain and restore the site during closure and abandonment.

Section 57 also makes it clear that the NWB's assessment of the Applicant's financial responsibility is a contextual analysis that considers not only the undertaking which is the subject matter of the Licence, but also the Applicant, with particular regard to the Applicant's past performance. In this case, the Applicant has had a Type "B" Licence in place since 2008 to authorize exploration activities, including effluent discharges from the camp at the mine site. There was no evidence before the Board of any outstanding issues of non-compliance with the existing Licence.

Firstly, let me pose this query. We have spent about 21 years in planning for Mary River, and with the company that now owns the mineral rights at Mary River, I will use this example, and again, Arctic Bay tends to use Nanisivik. Nanisivik was also taken over by a different corporation, in particular, near the closure where the ownership kept changing hands. With the plans in place, with the ownership changing hands or the

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In response, BIMC identified that the restructuring of the company to go from a publicly-traded company to a private held company has actually increased the company's financial capacity to carry out the project as follows:

The plans that you're hearing about here today and the plans that we took through the Nunavut Impact Review Board process were plans that those two companies came up with and agreed to, so those are plans that are very current and that the current ownership has instructed us to pursue.⁶⁸

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2AM-MRY1325 Type A – ᐱᓪᓂᑭᑦᑭᑦᑭᑦᑭᑦᑭᑦ

the Board is confident that the Applicant has the financial resources required to hold the Type “A” Water Licence as required under the NWNSRTA.

Compensation of Existing or Other Users

The NWNSRTA requires that the Board be satisfied that compensation of existing or other users has been or will be paid.⁷⁰ Notice of the Application⁷¹ was given and the NWB confirms that no representations regarding compensation were made to Board within the time period specified.

Issuance of a Licence

As stated above and pursuant to s. 42(1) of the NWNSRTA, the Board has decided to issue Water Licence 2AM-MRY1325 subject to the terms and conditions set out therein and explanations provided herein. In issuing the licence, the Board is satisfied that the Application contains the required information and is in the proper form having regard to the requirements of the NWNSRTA⁷² and associated regulations.⁷³

Assumptions

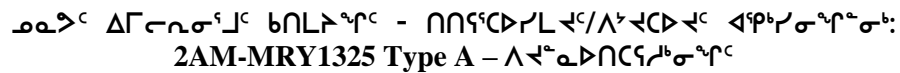
When faced with choices regarding monitoring requirements such as standards or parameters to be imposed under the Licence, the Board has opted to impose stringent monitoring requirements in an effort to ensure that the Applicant meets their on-going environmental protection obligations.

⁷⁰ See ss. 58-60 of the NWNSRTA.

⁷¹ Notice of the Application in accordance with s. 55 of the NWNSRTA was issued on April 16, 2012.

⁷² See s. 48 of the NWNSRTA.

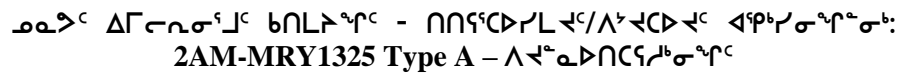
⁷³ *Nunavut Waters Regulations*, SOR/2013-69, April 18, 2013.



Overall, the Board is satisfied that the requirements of s. 48 of the NWNSTRA have been met. BIMC filed an Application which complied with the Board's Rules, accompanied by the fees required by regulation including the application fee and water use fees.⁷⁴ In addition, the Licensee also provided the necessary information to evaluate the qualitative and quantitative effect of the use of water or the deposit of waste into water.

In relation to future applications to amend or modify the Project, the Board reminds BIMC that it must comply with all requirements of the NLCA⁷⁵ and NWNSTRA⁷⁶ where applicable. With respect to the potential for future amendments to this Licence as a result of the Early Revenue Phase activities, the Board reiterates, from its Pre-hearing Conference Decision that:

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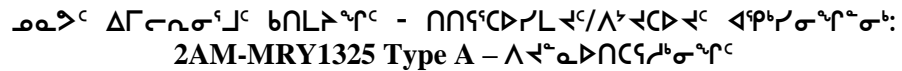


Cancellation or Expiry of the Licence

Term of Licence

Number 1, although the scale of the development is large, the complexity is low. From a water use and discharge perspective, there is nothing new with the proposed activities that haven't been experienced elsewhere. Secondly, Baffinland has applied for a 25 year licence to coincide with the expected life of the mine and as a basis of the significant capital investment. A longer term licence provides certainty for the large investment. And lastly, the project has incorporated an adaptive management approach to deal with unforeseen events.⁷⁸

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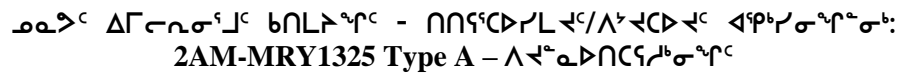
We do feel it's important for the mine to have time to develop a track record that will inform a renewal, and in that light are recommending that the term be in the range of 10 to 12 years.⁷⁹

The Applicant did request a 25 year term for the licence. Aboriginal Affairs, in our submission, recommended a term in the order of 10 to 12 years. We believe that this is appropriate. It will allow the Applicant to complete construction and also collect additional information, which will help inform some of its plans.

In their written submissions filed in advance of the hearing the Qikiqtani Inuit Association indicated that a five year term was appropriate as the renewal of the licence partway through the life of the mine would afford the Board and the parties with an opportunity to review the Applicant's Closure and Reclamation Plan, as well as to address any other outstanding issues at that time. Subsequently, at the Hearing, in response to the rebuttal submissions of the Applicant, the QIA modified their position as follows:

With respect to licence term, at the onset of the hearings, QIA recommended a licence term of five years to coincide with the construction of the Mary River Project. Having further discussed and considered this matter, QIA feels that a term of eight to ten years is more appropriate. This change in position is meant to ensure that the

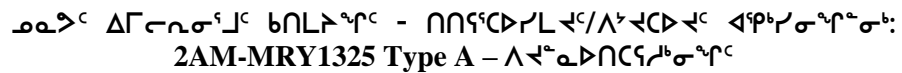
⁸⁰ K. Costello, AANDC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, p. 656, lines 10-21.



In addition, at the community sessions and in the submissions of community representatives, it was stated that most community members considered a term longer than 5 years, but shorter than 25 years to be more appropriate.⁸²

- the considerable uncertainty regarding the operating conditions likely to be encountered by the Applicant and the extent to which the existing mine operating plans, reclamation and abandonment plans, adaptive management plans, etc. will need to be significantly modified as a result; and
- due to a lack of site-specific data, there is a high level of uncertainty surrounding what will be necessary to ensure appropriate mine closure and reclamation with respect to issues such as ensuring pit lake quality is maintained, and these issues can only really be determined when there is appropriate site-specific data coupled with operating history.

⁸² See for example question by P. Ivalu, Igloodik to EC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, pp. 650-651 at lines 22-26 and lines 1-3.



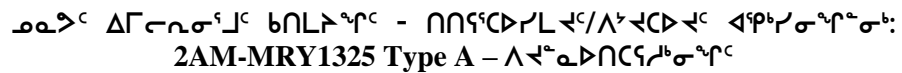
The Licence does not take effect until approval of the Minister is given or deemed to have been given pursuant to s. 56 of the NWNSRTA.⁸³ As indicated in Section VI, the Board has decided to issue Water Licence No. 2AM-MRY1325, subject to the conditions set out therein and which are further clarified and contextualized in the comments and discussions provided below. The Board has not provided specific comments with respect to terms and conditions which are clear in their wording and intent.

The Project for which this Licence is issued is classified as a Mining Undertaking in accordance with Schedule 1, Item 2 of the *Nunavut Waters Regulations*.⁸⁴ The scope of the Licence includes the following activities and/or facilities that involve water use and/or impact the water and/or the deposit of waste:

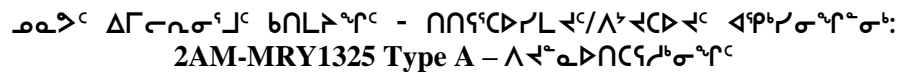
- Water for the purposes of supporting domestic camp use, including the railway camps, and for industrial uses at the main Project sites and related minor sites from several short-term and long-term sources including Phillips Creek, 32 Km Lake, Camp Lake, ST 347 Lake, 3 Km, Ravn Camp Lake, Nivek Lake, Cockburn Lake and 10 Km Lake. Short-term or temporary sources to be identified prior to use by the Proponent.
- Water course crossings, water course training, flood control, diversions, and flow alterations or storage by means of dykes or dams.

The issuance, amendment, renewal and cancellation of a type A licence, and if a public hearing is held, a Type B licence are subject to the approval of the Minister.

⁸⁴ Formerly classified as a “Mining and Milling Undertaking” under Schedule 1 of the *Northwest Territories Waters Regulations*, S.O.R./93-303 and Application of Regulations made under paragraph 33(1) (m) or (n) of the *Northwest Territories Waters Act* in Nunavut Order, S.O.R./2002-253.



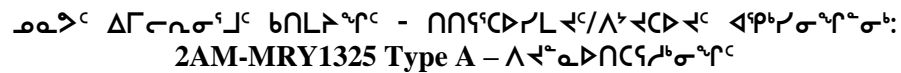
- Discharge of site water from Drainage Collection Systems for the major project sites (Milne Port, the Mine Site, Steensby Inlet) and minor project sites to the receiving freshwater environment to meet discharge criteria in the Licence;
- Discharge of effluent from the Sewage Treatment Facilities at the relevant project sites to the receiving freshwater environment to meet discharge criteria in the Licence;
- Discharge of effluent from the Oily Water Treatment Facilities at the relevant project sites to the receiving freshwater environment to meet discharge criteria in the Licence;
- Discharge of effluent from the surface water or runoff collected from the Landfarm Facility at the relevant project sites to the receiving freshwater environment to meet discharge criteria in the Licence;
- Discharge of surface water or runoff collected from the Non-Hazardous Waste Landfill Facilities at the relevant project sites to the receiving freshwater environment to meet discharge criteria in the Licence;
- Discharge of effluent from the secondary containment areas associated with the Bulk Fuel Storage Facility including fuel dispensing areas, unloading areas and temporary fuel caches at the relevant project sites to the receiving freshwater environment to meet discharge criteria in the Licence;
- Discharge of effluent from the containment areas associated with non-hazardous waste storage and/or waste transfer facilities at the relevant project sites to the receiving freshwater environment to meet discharge criteria in the Licence;
- Discharge of effluent from the Polishing Waste Stabilization Ponds (PWSP) at the relevant project sites to the receiving environment to meet discharge criteria in the Licence;
- Discharge of effluent from the Bladder Tank Farms at the relevant project sites to the receiving freshwater environment to meet discharge criteria in the Licence;



- Complete details on the scope of activities associated with the Project are provided under Part A, Item 1(a) in the Licence.

In addition to the scope of activities mentioned above, this Licence incorporates all of the activities under Type “B” Licence No. 8BC-MRY1314 and all non-exploration activities under the Type “B” Licence No. 2BB-MRY1114. Licence 8BC-MRY1314 was issued on May 24 and is set to expire on May 23, 2014. The Licence allows for the expansion of the Bulk Fuel Storage Facility and containment area at Milne Port, the installation of a 5-million litre steel tank at Milne Port, establishment of laydown areas and camp infrastructure at Milne Port and the Mine Site, and the expansion the Sewage Treatment Facilities at Milne Port, to include an additional Polishing Waste Stabilization Pond (PWSP).

Licence 2BB-MRY1114 was issued on April 5, 2011 and expires on April 5, 2014. The scope of activities and facilities at the existing project sites under Licence No. 2BB-MRY1114 that have been incorporated into the Type “A” Water Licence include: the Tote Road water crossings; oily water treatment systems; temporary hazardous and non-hazardous waste and material storage; water supply facilities; sewage treatment facilities including the polishing waste stabilization ponds; landfill at the Mine Site; incinerators; explosives magazines; activities in support of engineering and scientific studies; ongoing maintenance of existing project infrastructure; bulk fuel storage (fuel bladder farms) and associated containment areas; relevant camp facilities; and domestic and industrial waste treatment and/or disposal.





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2AM-MRY1325 Type A – ᐱᓪᑦᑦᑦᑦᑦᑦᑦᑦᑦᑦᑦᑦ

Crowns Lands while others are on Inuit-Owned Land. Further, some of the water sources for the Project have not been determined at this time. As such, the NWB has included requirements in the Licence for the Licensee to distinguish and identify in their Annual Report for the Project information related to the water use associated with specific sources located on Crown Lands versus Inuit-Owned Lands. The Licensee is responsible to then conduct the appropriate water use fee calculations for all waters in, on or under Crown lands that will be used by the Licensee in the upcoming year and then remit the required water use fees.

Reports and Plans Filed with the Board

In order to determine the effectiveness of the measures implemented to protect the receiving environment it is acknowledged that there is the need for adequate reporting of results associated with the operation of the Project. At the Public Hearing held for the Application, the Applicant indicated their willingness to undertake the relevant reporting required for the Project, including reporting quantities of water withdrawn for use by the Project on a monthly basis, as well as submitting that information as part of their Annual Report.⁸⁸

At the Public Hearing, intervening parties, community members and BIMC highlighted the importance of developing and implementing comprehensive management plans designed to minimize the potential impacts of the Project on areas within and outside of the Project's footprint.

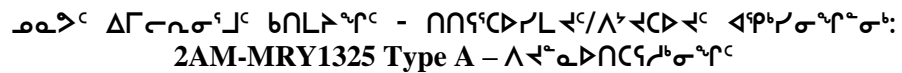
Intervenors' concerns

AANDC requested where technically feasible that detailed management plans for the Project be submitted for review prior to the issuance of the Water Licence. Also, AANDC requested that in cases where plans were inconsistent with other plans, lacked sufficient detail for adequate assessment, or failed to address particular concerns, the plans be updated and submitted for consideration after the issuance of any potential licence.⁸⁹

The NWB has approved the plans that have been filed under the Application in cases where the plans address matters that are within the NWB's mandate. The NWB has further included requirements for the submission of revised, updated, or additional specific management plans for

⁸⁸ J. Millard, BIMC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 23, 2013, pp. 66-67, lines 24-26 and line 1.

⁸⁹ NWB Public Hearing File No.: 2AM-MRY1325, Exhibits No. 6 and 7 Aboriginal Affairs and Northern Development Canada Presentation to Final Hearing Baffinland Iron Mines Corporation Mary River Project Type A Water Licence Application, English and Inuktitut respectively filed by AANDC on April 25, 2013 at p. 22.



Unless management plans are accepted or approved by the Board in writing, the plan cannot be considered as meeting the relevant requirements in the Licence. In addition, the Board may alter or modify a Plan, if necessary, to achieve the legislative objectives and will notify the Licensee in writing of acceptance, rejection, or alteration of any Plan. The Plan must then be carried out in a manner and timeframe consistent with the Board's direction. Every Plan to be carried out pursuant to the terms and conditions of the Licence shall become a part of the Licence, and any additional terms and conditions imposed upon approval of a Plan by the Board also become part of the Licence.

- Emergency Response & Spill Contingency Plan;
- Oil Pollution Emergency Plan – Milne Inlet Fuel Storage Facility;
- Oil Pollution Emergency Plan – Steensby Port Fuel Storage Facility;
- Surface Water and Aquatic Ecosystems Management Plan;
- Freshwater Supply, Sewage and Wastewater Management Plan;
- Waste Management Plan for Construction, Operation & Closure;
- Waste Rock Management Plan;
- Hazardous Material and Hazardous Waste Management Plan;
- Aquatics Effects Management Plan Framework;
- Explosives Manage Plan;
- Preliminary Mine Closure and Reclamation Plan;
- Borrow Pit and Quarry Management Plan;
- Operations and Management Plan Milne Inlet Quarry (Q1);
- Operations and Management Plan Mary River Mine Site (QMR2);
- Operations and Management Plan Steensby Inlet Quarry (QS2);
- Quarry Operation and Management Plan: Quarry Q7 + 500;

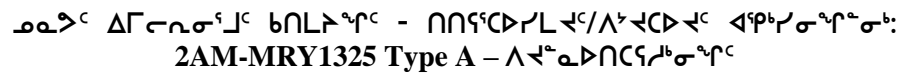


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2AM-MRY1325 Type A – ᐱᓪᐱᓪᐱᓪᐱᓪᐱᓪᐱᓪ

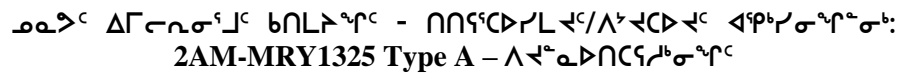
- Environmental Monitoring Plan;
- Health and Safety Management Plan;
- Environmental Protection Plan;
- MMER Environmental Effects Monitoring Study Design Framework;
- Quarry Operation and Management Plan: Quarry Q133+ 500;
- Quarry Operation and Management Plan: Quarry Q77 + 200

The following plans have been approved by the Board with the approval of the licence; however, the Licensee is required to update or to make corresponding changes to and/or update Plans to reflect the appropriate terms and conditions in the Licence:

- Emergency Response & Spill Contingency Plan;
- Environmental Protection Plan;
- MMER Environmental Effects Monitoring Study Design Framework;
- Aquatic Effects Management Plan Framework;
- Explosives Manage Plan;
- Preliminary Mine Closure and Reclamation Plan;
- Borrow Pit and Quarry Management Plan;
- Operations and Management Plan Milne Inlet Quarry (Q1);
- Quarry Operation and Management Plan: Quarry Q7 + 500;
- Quarry Operation and Management Plan: Quarry Q133+ 500;
- Quarry Operation and Management Plan: Quarry Q77 + 200
- Surface Water and Aquatic Ecosystems Management Plan;
- Freshwater Supply, Sewage and Wastewater Management Plan;
- Waste Management Plan for Construction, Operation & Closure;
- Waste Rock Management Plan;
- Hazardous Material and Hazardous Waste Management Plan; and



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2AM-MRY1325 Type A – ᐱᓂᑦᑕᐃᓴᑦᑕᓴᓂᓪᑦᑕᑦ

As a result of its statutory authority and obligations, the Board has established a holistic and practical approach to the assessment of the security required to be held by the Applicant under their Water Licence. This holistic and practical approach was first described in the Board's 2001 decision in the BHP Boston Licence renewal:

The NWB takes a holistic but also practical approach to reclamation: on the one hand, the NWB believes that the elements of the environment, including land and water, are interconnected: what affects one part of the environment can ultimately have an impact on other environmental elements (water and vegetation, for example). By altering the natural elements of the environment, traditional Inuit culture and use of the water can be directly affected; on the other hand, the NWB believes, where possible, that a proponent should be required to submit one single reclamation plan, without segregating land-related reclamation and water-related reclamation because reclamation activities upon abandonment will likely be more efficient and undoubtedly less onerous if conducted at the same time by the same person.⁹³

In the current Water Licence Application the Applicant, AANDC, and QIA have all acknowledged the mandate of the Board to assess security sufficient to reclaim all sites affected and impacts created by the licensed undertaking. This approach is also consistent with principles set out in the *Mine Site Reclamation Policy for Nunavut*, 2002, which state:

- The total financial security for final reclamation required at any time during the life of the mine should be equal to the total outstanding reclamation liability for land and water combined (calculated at the beginning of the work year, to be sufficient to cover the highest liability over that time period).
- Financial security requirements related to reclamation should be clearly set out in water licences, land leases and other regulatory instruments, though there may be circumstances where security requirements may be more appropriately dealt with through an agreement.⁹⁴

⁹³ From the Board's 2001 renewal of the Boston Licence, as cited in the Hope Bay decision, see Nunavut Water Board, Reasons for Decision for 2AM-DOH0713, September 19, 2007 at p. 23.

⁹⁴ *Mine Site Reclamation Policy for Nunavut*, 2002, at http://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-HQ/STAGING/texte-text/recpolnuna_1100100036043_eng.pdf.



The Issue of Overbonding

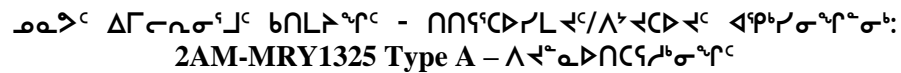
In order to fulfill its mandate and in accordance with its holistic approach, in the past the Board has required applicants to post security under their water licences for the total outstanding reclamation liability for both land and water. Unless sufficient evidence can be provided that an Applicant's responsibilities for reclamation of certain aspects of an undertaking have otherwise been secured, the NWB must take security for all aspects of the licensed undertaking. A complication which then has the potential to arise in such cases (where land based security is determined and held under a water licence) is that should a land owner also require security under a land instrument, then an applicant may be overbonded. Overbonding arises where the aggregate security posted across all instruments exceeds the aggregate liability.

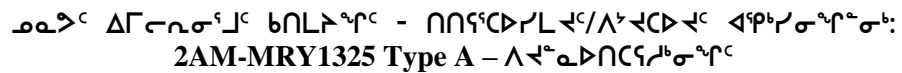
In keeping with the Board's holistic but also practical approach to establishing reclamation security, the Board's primary focus in assessing security is that an applicant post sufficient security, through all means, when taken together, to ensure that the overall reclamation of the site (land and water) has been adequately addressed. For this reason the starting point of the Board is to "consider the security requirements holistically and then deduct from the aggregate land and water reclamation totals any security held under other instruments, with the remained being secured under the water licence".⁹⁵ In the current case the QIA is in the process of negotiating a Commercial Production Lease (Lease) with the Applicant, including financial security requirements as a term of the Lease. The amount of security to be held under the Lease is unknown at this time.

Avoiding Overbonding in the Current Licence Application

As the amount of land based security to be held by the QIA under the Lease has not yet been established, the problem of overbonding cannot be pre-emptively resolved by the Board in this case through reducing the amount of security to be held under the Water Licence. The Board is not able to discount an unknown amount of security held under the Lease from the holistic amount it is obligated to secure in accordance with its statutory obligations. In acknowledgment of these considerations and the fact that the Applicant should not be burdened with unfair financial liabilities where this can be avoided, the relevant parties to the current Water Licence Application (AANDC, QIA and the Applicant) have offered various possible solutions to the Board:

⁹⁵ Nunavut Water Board, Reasons for Decision: 2AM-JER1119, December 21, 2011 at p. 47.





Pursuant to s. 76(1) of the NWNSRTA and s. 10(3) of the *Nunavut Waters Regulations*
S.O.R./2013-69:

- (a) a promissory note guaranteed by a bank listed in Schedule I or II to the *Bank Act* and made payable to the Receiver General;
- (b) a certified cheque drawn on a bank listed in Schedule I or II to the *Bank Act* and made payable to the Receiver General;
- (c) a performance bond approved by the Treasury Board for the purposes of paragraph (c) of the definition “security deposit” in section 2 of the *Government Contracts Regulations*;
- (d) an irrevocable letter of credit from a bank listed in Schedule I or II to the *Bank Act*; or
- (e) a cash payment.

The reclamation cost estimate for the Type “A” Water Licence provided in the Preliminary Abandonment and Reclamation Plan of the Water Licence Application was prepared using the RECLAIM method which is in accordance with the *Mine Site Reclamation Policy for Nunavut*.¹⁰⁰ In their submissions the Applicant proposes to update this Plan annually with estimated mine restoration liabilities, enabling the Board and the QIA to assess whether additional security may be required.

The QIA did not comment on the amount of land based security that ought to be secured and, as stated above, is currently under negotiations with the Applicant concerning this amount. Also as noted above, the QIA was clear in its submissions that its method for determining the security amount may not be consistent with the methods typically used by the Board and therefore the amounts may vary. Finally, the QIA expressly stated that it was not concerned with the amount of water-based security held by the Board.

The recognized methodology for calculating reclamation costs, for the purposes of financial security, should be the RECLAIM or some other appropriate model. Consideration should be given to alternate or innovative forms of security, such as mine reclamation trusts, provided they meet certain criteria that protect the government's interests and objectives.



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2AM-MRY1325 Type A – ᐱᑦᑕᑲᑦᑕᑦᑕᑦᑦᑦ

AANDC recommended that the NWB accept the overall “holistic” amount of security for the Type “A” Water Licence of \$518,711,208, as an initial estimate of the total security requirement for the undertaking, subject to periodic review through the life of the mine. The acceptance of AANDC assumes that the reclamation costs will be further developed, refined and re-calculated in the creation of the Interim Mine Closure and Reclamation Plan and updates to the same, and that the new cost estimates will be reflected in the quantity of security required under the Licence as they are accepted by the NWB.

A final revised closure cost estimate was prepared by the Applicant solely for activities proposed in the 2013 Work Plan that outlines the proposed security cost estimates for both the existing Type B and the proposed Type “A” Water Licence for both land and water related activities. The total security is estimated by the Applicant at \$37,250,000 (including the Type “B” and Type “A” Licence). Of this \$37.25 million – approximately 94% is considered land related and 6% is considered water related for the activities ending in 2013.

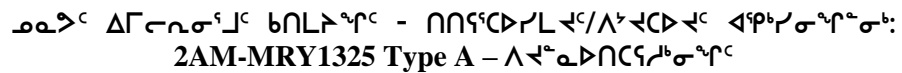
AANDC commented on the Applicant’s estimate of the security required to be furnished for the first year, as follows:

The Department has reviewed the updated closure cost estimate provided by Baffinland in their April 5th submission to the Board. The Department is aware that there has been a significant change between the two cost estimates, and we understand the rationale and concur with the changes. The Department is satisfied that the approximately \$37 million estimate is technically sound and appropriate to be able to reclaim project sites based on current conditions and the planned work for 2013.¹⁰¹

However, the QIA were unable to confirm the amount of security that will be held by the QIA for the upcoming work plan for 2013:

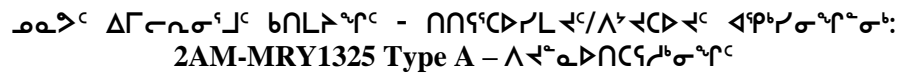
One point of clarity is that QIA, as of today, holds a total value of \$26.2 million in the letter of credit for current site conditions. QIA believes it has, therefore, offered the Nunavut Water Board what it feels is an appropriate tool to limit the extent to which double-bonding may occur in relation to the requirements for security that may be established under a Type “A” water licence.

¹⁰¹ K. Costello, AANDC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, pp. 509-510, lines 26 and 1-9.



As set out in Table 3, Table 4 and Table 5 below, and reflecting the status of information available at the Public Hearing, the Board accepts that security in the global amount of \$36,000,000 for 2013, as proposed by BIMC and accepted by AANDC as required for reclamation of the activities and undertakings included in the 2013 work plan, constitutes the appropriate amount of security required to be provided under the Type “A” Water Licence for 2013. The Board also recognizes that at present, BIMC has posted \$26,200,000 with the QIA¹⁰³ and \$6,738,216 with AANDC¹⁰⁴ under the Type “B” Licence, for a total of \$32,938,216. According to BIMC’s estimates, approximately \$1,250,000 of this security should remain attached to the Type “B” Water Licence activities that will not be subsumed under the Type “A” Water Licence.¹⁰⁵ On this basis, subtracting the \$1.25 million held against the Type “B” Water Licence reclamation security from the total security already held by both the QIA and AANDC, results in the Licensee having already posted with the QIA and AANDC \$31,688,216 in security for the Type “A” Water Licence. When this amount is subtracted from \$36,000,000 (the total amount the Board has determined the Licensee is required to post to meet the reclamation liability associated with the activities to be undertaken under the Type “A” Water Licence for 2013) the Licensee is required to post a further \$4,311,784 with the Minister under the Type “A” Water Licence for 2013.

¹⁰⁵ NWB Public Hearing File No.: 2AM-MRY1325, Exhibits No. 1 and 2 Mary River Project Nunavut Water Board Public Hearing PowerPoint Presentation, English and Inuktitut respectively filed by BIMC on April 23, 2013 at p. 130.



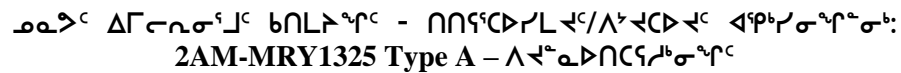
Held By	Amount
The Qikiqtani Inuit Association	\$26,200,000.00
Aboriginal Affairs and Northern Development Canada	\$ 6,738,216.00
TOTAL SECURITY HELD 2013	\$32,938,216.00

Licence Requirements	Amount
Type “B” Water Licence	\$ 1,250,000.00
Type “A” Water Licence	\$36,000,000.00
<i>TOTAL SECURITY REQUIRED 2013</i>	<i>\$37,250,000.00</i>

Licence Requirements	Amount
Total Security Required	\$37,250,000.00
Total Security Held	\$32,938,216.00
TOTAL ADDITIONAL SECURITY REQUIRED UNDER PART C	\$ 4,311,784.00

Review of the Amount of Security

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whether the amount of security under the Water Licence for the upcoming year requires adjustment in accordance with an Annual Security Review process as set out in Schedule C of the Licence.

As noted in Part B of the Licence, the Board does not consider the annual review or any required adjustments to constitute an amendment to the terms and conditions of a licence, but rather a component of the required annual planning and reporting that is required to keep the Licence up to date and reflective of the phases of project development and associated levels of activity.

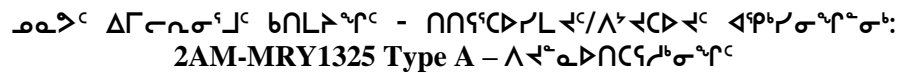
Any failure on the part of the Licensee to fulfill the annual planning and reporting requirements included in the terms and conditions of the Licence could result in suspension of terms and conditions or even cancellation of the Licence. For example, until the Licensee meets the requirements of the Annual Security Review set out in Schedule C, the Licensee may be unable to undertake any additional work that could result in an increase to the Licensee's reclamation obligations until such time as these conditions are met.

Part D: Conditions Applying to Construction

The scope of the Application includes the construction of an array of facilities and infrastructure to support the Project. Proposed facilities and infrastructure under the scope of the Application include potable water treatment facilities, wastewater treatment facilities, oily water treatment facilities, camp facilities, airstrips, railway, access roads, waste storage and handling facilities, drainage collection systems, water crossings, borrow pit and quarry sites and more. Some of the proposed facilities and infrastructure are intended for use during the construction phase of the Project only, while others are for use during construction and operations phases, or throughout the life of the Project.

The Proponent has indicated that prior to the construction of any facility or infrastructure under the scope of the licence, it will submit to the Board for review for-construction drawings in advance and as-built drawings after construction.

Based on the information provided in the Application, representation made by various intervening parties and community members, and the NWB's review, the Board has included conditions requiring the Proponent to submit to the Board for review at least two (2) months prior to the construction phase of the project, for-construction drawings, stamped and signed by a qualified professional, for all relevant facilities/infrastructure designed to contain, withhold, divert or retain waters.



Part E: Conditions Applying to Water Use and Water Management

Water Use

The scope of this Licence includes water use for domestic and industrial purposes. Industrial water use is categorized as water required for purposes, such as manufacturing concrete, dust suppression, drilling, etc. Domestic water uses include water that will generally undergo treatment at potable water treatment facilities and be used for drinking purposes and other camp-related uses at Project sites. Potable Water Treatment Plants will be installed at the Milne Port Site, Mine Site, Steensby Port Site, and at the Railway Camps to provide water that is suitable for drinking.

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BIMC has indicated that it would implement measures to maximize, to the greatest extent possible, the use of reclaimed water at the Project sites.¹⁰⁹

Having recognized the concerns expressed by community members and interveners, the Board has included conditions in the Licence that are protective of water quality and quantity. As recommended by the DFO, the Licence includes a requirement for the Licensee to equip each water-intake hose or structure with a screen of an appropriate mesh size to ensure that fish are not entrained and to withdraw water at a rate such that fish do not become impinged on the screen. The Board also requires BIMC to provide detailed design drawings and plans of the intake pipe and fish screen used for the intake of water for the Project.

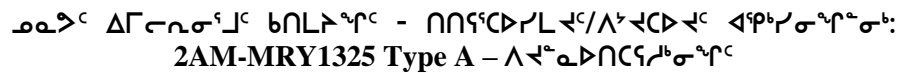
In addition, as mentioned above, BIMC is required to ensure that an adequate notice period is provided to the Board and the AANDC Inspector prior to the Licensee's intended use of any water body not originally identified in the Application.

Water Management

There are multiple major and minor sites associated with the Project, making the implementation of adequate and effective water management measures very important. The Applicant has included as part of their Application a Surface Water and Aquatic Ecosystems Management Plan, a Freshwater Supply, Sewage and Wastewater Management Plan and a Site Water Management Plan. These Plans outline the processes and procedures to document the quality and quantity of water that will interact with the Project components overtime. These documents include management practices to minimize the potential for adverse impacts to receiving waters, management of runoff collection systems for non-point and point surface water discharges and specific mitigation measures for work involving stream and river crossings, as well as for general operation and construction activities. The Plans also identify the roles and responsibilities, specific requirements, and mitigation and management actions for erosion and sedimentation control.

The management plans of the Applicant in their current form do not address water quality for the Pit Lake that will eventually be developed at the Mine Site. BIMC has carried out some modeling aimed at estimating the eventual quality of the water in the Pit Lake over time but this information cannot be developed fully until mining progresses and a pit begins to form at the site. In addition, as the possibility of accelerating the filling of the Pit Lake beyond the natural fill rate to address Pit Lake quality issues was not assessed under the NIRB's Environmental

¹⁰⁹ J. Millard, BIMC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 23, 2013, p. 6, lines 1-3.

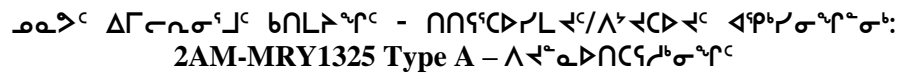


Part F: Conditions Applying to Waste Disposal and Waste Management

Waste Disposal

Waste Effluent Streams

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Wastewater treatment includes discharges from the Project camps located at the Mine Site, Milne Inlet and Steensby Inlet. This wastewater is treated using the Wastewater Treatment Facilities at the relevant sites, with effluent transferred to Polishing Waste Stabilization Ponds (PWSPs) for controlled discharge at a later date. The Board has prescribed effluent criteria for the discharges coming from the PWSPs under the Licence, Part F, Waste Disposal and Waste Management.

4 mg/L for total ammonia (as Nitrogen) and the proposed Maximum Grab Concentration of 8 mg/L are reasonable for the treatment technology proposed.¹¹⁰

Community members also expressed concern about ensuring that ammonia residues associated with blasting during construction are prevented from impacting smaller water courses along the railway:

Indeed, I voiced this concern yesterday that the Department just spoke about, and due to this concern, of any explosive residues, obviously rain and snow melt will -- would disperse some of the residue from the land to the lake, so that's my concern, and that's why I question the first -- about whether or not this explosive residue will kill off the small invertebrates and the plankton, as well as small fish, so I just wanted the Water Board to ensure that they review this very carefully.¹¹²

With respect to phosphorous criteria for Sheardown Lake, Environment Canada expressed concern about the levels of phosphorus that would be discharged with the sewage effluent to waters that are naturally low in phosphorus. In such an environment, as Sheardown Lake where both phosphorous and nitrogen are added, the result can be eutrophication of the lake as oxygen is consumed by the increased growth of algae that is typically expected with such increases.¹¹³ Consequently, EC proposed the following phosphorous criteria for Sheardown Lake:

¹¹⁰ Environment Canada, Final Written Submissions to the NWB, 2AM-MRY---, March 22, 2013, p. 9.

¹¹¹ See NWB Public Hearing File No.: 2AM-MRY1325, Exhibit No. 16 “Proposed Terms and Conditions for Baffinland’s Type “A” Water Licence – Working Document, April 25, 2013, filed by BIMC on April 25, 2013.

¹¹² J. Aloo, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, p. 549, lines 4-14.

¹¹³ A. Wilson, EC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, p. 596, lines 4-8: “And you might think you’re just going to have a bunch of happy fish and bugs in the lake, but as soon as winter comes, and these tiny algae and creatures die off and sink to the bottom, then we see them decompose.”



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EC concurs with the Baffinland-proposed draft water licence condition F.4, which would set criteria for Sheardown Lake at 1 mg/L Maximum Average and 2 mg/L Maximum Grab Concentration.¹¹⁴

BIMC acknowledged the specific concerns of EC with respect to discharges of phosphorous to Sheardown Lake, and confirmed at the Public Hearing:

For discharges to Sheardown Lake from the existing exploration camp, the phosphorus level is lower than for Mary River. This is based on concerns expressed by Environment Canada. Baffinland concurs and has proposed a mutually agreeable and attainable effluent discharge criteria for phosphorus.¹¹⁵

Mine Contact Water Discharge

At the Public Hearing the Board heard diverging views regarding the appropriate standards for mine contact water discharge criteria that should be applicable to the Project. Environment Canada, in suggesting discharge limits that reflect the possibly elevated new criteria being discussed for the next revision of the *Metal Mining Effluent Regulations* (MMER)¹¹⁶ stated the following:

The water quality objectives proposed by Baffinland can be met with discharges at the lower levels. If they instead discharge at the MMER levels, which are proposed, the objectives would not be met. In, for example, the Camp Lake tributary, depending on whether it's above or below the in-flow stream, the effluent will form between 46 and 53 percent of the stream. It will definitely affect the water quality.

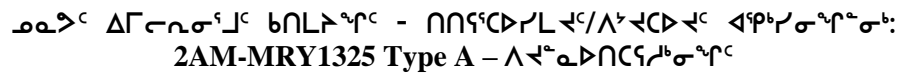
It is for this reason that Environment Canada recommends that lower limits would be appropriate. I put some numbers forward here that are inline with thinking on changes to the metal mining effluent regulation. I'm not sure I'm happy with these numbers. They could be lower. These concentrations will still potentially result in exceedances of water quality objectives, but they would be more protective than the MMER, which represent a minimum national standard, which has been seen to need revision, and based on the predicted quality, these would not be hard numbers for the company to meet.¹¹⁷

¹¹⁴ Environment Canada, Final Written Submissions to the NWB, 2AM-MRY----, March 22, 2013, p. 9.

¹¹⁵ J. Millard, BIMC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 23, 2013, pp. 80-81, lines 25-26 and lines 1-5.

¹¹⁶ See NWB Public Hearing File No.: 2AM-MRY1325, Exhibit No. 13 "10 Year Review of the Metal Mining Effluent Regulations—Discussion Paper" prepared by Environment Canada filed by BIMC on April 25, 2013.

¹¹⁷ A. Wilson, EC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, p. 600, lines 6-25.





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...And I understand that the timeline that's out there right now is that it's expected that the two-year process would end with some recommendations from the Minister in the fall of 2015, and the new regulations in place, if they are changed, in early 2016; is that the current timeline?

MS. WILSON: It's Anne Wilson. The timing will depend on the consultation process, but roughly that is I think what's anticipated.¹²⁰

As noted by EC, if there are revisions to the MMER limits in future that do become more stringent, the criteria established in this Licence would not relieve BIMC from the requirements to comply with the new MMER limits when they are brought into force:

The idea being that and most water licences state that that instrument does not relieve the licence holder from compliance with more stringent legislation, and nor does the metal mining effluent regulations prohibit more stringent regulation from being -- or permits from being put in place.¹²¹

EC expressly stated that harm to the receiving environment is unlikely because the water quality expected of the mine contact water will be orders of magnitude better than the MMER limits:

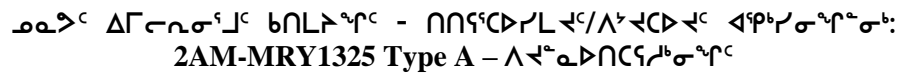
Environment Canada feels that because the modelling predictions are so much lower than these numbers and because these numbers, more importantly, are -- sorry, the modelled numbers are the basis for the predictions that were assessed and the basis that, if we have these low concentrations, then we aren't going to see harm in the receiving environment.¹²²

On this basis the Board has adopted terms and conditions in the Licence that capture discharge parameters consistent with the existing MMER. In the Board's view the use of this criteria and the other limits included in the Licence are protective of the receiving environment, but do not attempt to over-regulate the Project or bring into force criteria that have yet to be widely adopted. While the Board has the discretion to adopt more stringent criteria than the national standards, and has done so in the past, in this case the Board was not persuaded that there was a

¹²⁰ Exchange between B. Armstrong, BIMC and A. Wilson, EC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, p. 629, lines 1-11.

¹²¹ A. Wilson, EC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, pp. 629-630, lines 25-26 and lines 1-5.

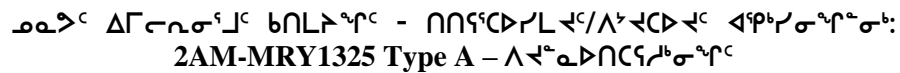
¹²² A. Wilson, EC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, pp. 599-600, lines 25-26 and lines 1-5.



In general, the Board has included conditions in the Licence to ensure that the main types of waste and/or effluent generated by the Project do not negatively impact the receiving freshwater environment. The following lists the wastes, facilities and/or activities that are of importance to the NWB's mandate:

- Surface water runoff from Aggregate Sources;
- Effluent from Wastewater Treatment, Oily Water and Wastewater Treatment Facilities;
- Hazardous Waste Storage;
- Explosives handling storage and use;
- Surface runoff or effluent from Landfill and Landfarm Facilities;
- Mine contact water, including water collected from Drainage Collection Systems from waste rock and ore stockpiles;
- Surface runoff Contact Water; and
- Dredged Material derived from the construction of the port facility.

The proposed scope of activities under the Application is expected to generate a variety of waste types and quantities that would necessitate the implementation of adequate and effective waste management measures and strategies to ensure that negative potential environmental impacts are prevented or minimized. In keeping with this objective, the proponent has submitted management plans detailing how it intends to manage the waste generated by the Project as well as timelines for the submission of outstanding management plans. Under the appropriate sections of the Licence, the NWB has approved relevant waste management plans provided by



Information provided by the Applicant indicated that they plan to follow the “cradle to grave” principle in addressing waste generated by the Project. BIMC also indicated that they will utilize waste reduction techniques and strategies that involve reduction, recovery, reuse, and recycling.

Pursuant to Article 12 and Clause 12.4.3¹²³ of the NLCA a proposed modification submitted under this Licence may require a screening determination by the NIRB. It is the responsibility of the Licensee to notify and consult with NIRB to ensure Article 12 requirements are met prior to submission of a modification request to the NWB under the Licence.

Part H: Conditions Applying to Emergency Response and Contingency Planning

The ERSCP, which is supplemented by the Oil Pollution Emergency Plans (OPEP) for the Milne Inlet and Steensby Port Fuel Storage Facilities, targets potential emergencies impacting land and/or the freshwater environment, whereas the OPEPs generally target emergencies related to the marine environment within the vicinity of Milne Inlet and Steensby Inlet. Although the ERSCP and OPEP essentially target different Valued Ecosystem Components (VECs), they do

[emphasis added]



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have some marginal overlap for the purpose of ensuring adequate measures are in place to address activities, such as sea-to-shore transfer of fuel. BIMC has stated in the information provided in their Application that it intends to update the Plans throughout the life of the Project, to reflect any Project changes that could influence the effectiveness of the Plan.

AANDC's comments focused on the need for the Applicant to update all management plans associated with the Application on a regular basis; however, specific reference was not made to the Spill Contingency Plan. The QIA, in its final submission as well as at the Public Hearing, highlighted that the volume of sewage proposed to be stored at the rail camps should be limited so as to reduce potential environmental risks, such as infrastructure failure and spills that may be related to the storage of large volume of sewage.¹²⁴ The Government of Nunavut (GN) stated at the Public Hearing that it recognizes the Spill Contingency Plans are going to continue to be adapted and evolve throughout the Project's life.¹²⁵ In addition, the GN indicated that it looks forward to reviewing the Proponent's Emergency Response and Spill Contingency Plan as well as other management plans prior to these Plans being finalized and implemented.¹²⁶

During the Public Hearing some community members also expressed concerns about the potential for Project-related spills. One community member stated that he had concerns about the potential for on-land spills involving salt used for drilling purposes and the impact that such spills could have on birds or wildlife.¹²⁷ Another community member stated that the size of the sewage lagoon proposed seemed to be inadequate for the quantity of sewage that will be generated by the Project and that such inadequacy may lead to spills that will affect rivers and lakes.¹²⁸

The NWB in its review of the Emergency Response Spill Contingency Plan (ERSCP) examined the functionality of the Plan in terms of measures outlined to respond to emergencies, including spills. Although the jurisdiction for review and implementation of the Oil Pollution Emergency Plans remains primarily with Transport Canada, the NWB did review the Oil Pollution Emergency Plans within the context of overall emergency planning, response, and interaction with the ERSCP. The NWB's review of these plans also considered the concerns of interveners

¹²⁴ S.W. Bathory, QIA, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 24, 2013, p. 273, lines 14-17.

¹²⁵ P. Suvega, GN, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 22, 2013, pp. 13-14, lines 19-26, 1-2.

¹²⁶ P. Suvega, GN, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, p. 15, lines 1-9.

¹²⁷ E. Panipakoocho, Pond Inlet community member, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 24, 2013, p. 15, lines 22-26 and lines 1-2.

¹²⁸ J. Aloofoo, Pond Inlet community member, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 24, 2013, pp. 348-349, lines 19-26 and lines 1-20.



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and the community provided for both the ERSCP and OPEPs. Based on the results of the review, the NWB has approved the ERSCP under the list of plans approved under the Licence. BIMC should also noted there are requirements under the Licence for the Proponent to document and report spills in accordance with the *Consolidation of Regulation R-068-93 Spill Contingency Planning and Reporting Regulations* (1993) and for the submission of any revision or update to the Plan for review by the Board and interested persons. The Board did not approve the OPEPs that were submitted with the Application because as previously noted, the overall scope of these plans is outside of the Board’s jurisdiction.

Part I: Conditions Applying to General and Aquatic Effects Monitoring

As previously noted, s. 73 of the NWNSRTA requires the Board to set conditions at least as stringent as conditions prescribed by regulation pursuant to s. 36(5) of the *Fisheries Act*.¹²⁹ Furthermore, for the purpose of ensuring compliance with the licence or regulations, an Inspector designated by the Minister may inspect or examine works, waters or waste and exercise other powers according to the NWNSRTA.¹³⁰ For the purpose of monitoring, the Board may include conditions in the licence regarding monitoring programs to be undertaken.¹³¹

The inclusion of monitoring requirements in the Licence is crucial from the prospective of ensuring that the facilities operating under the Licence are doing so in accordance with design specifications and that any discharge being generated meets acceptable criteria in the Licence. The Applicant submitted, as part of the Application filed with the Board, an Environmental Effects Monitoring Study Design Framework for the Aquatic Effects Monitoring Plan (AEMP). Following consultation with stakeholders, such as Environment Canada, DFO, the Qikiqtani Inuit Association, Aboriginal Affairs and Northern Development Canada, the NWB and other interested parties BIMC submitted a Draft Aquatic Effects Monitoring Program Framework (Framework) in December 2012. The Framework, which will eventually become the Aquatic Effects Monitoring Plan (AEMP) is designed to address issues identified during the environmental assessment process that could potentially impact the aquatic environment within the Project’s footprint. The AEMP is designed to take an integrated, ecosystem-based approach that links mitigation and monitoring or physicochemical effects on the receiving environment by addressing key issues such as water quantity, water and sediment quality, and freshwater biota

¹²⁹ Section 73 of the NWNSRTA states:

Where the Board issues a licence in respect of any waters to which regulations made under subsection 36(5) of the *Fisheries Act* apply, any conditions in the licence relating to the deposit of waste in those waters shall be at least as stringent as the conditions prescribed by those regulations.

¹³⁰ See ss. 85-94 of the NWNSRTA.

¹³¹ See s. 70(1)(c) of the NWNSTRA.



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and fish habitat for all project sites. The AEMP is designed to detect project related impacts at time-based and spatial scales in Water Management Areas #48 and #21 which could be affected by the Project. The potential impacts associated with water withdrawal could include the following:

- Water Quality;
- Water and Sediment Quality; and
- Freshwater Biota and Fish Habitat.

Although community representatives and members of the public did not have specific questions regarding monitoring parameters or scientific characteristics of monitoring, when identifying their issues for the Board, community representatives and members of the public generally indicated that access to monitoring data, reports and the Licensee's responses to water quality issues identified during monitoring were all community priorities.

Part J: Conditions Applying to Abandonment, Reclamation and Closure

The Board requires all Type "A" water licence applicants to prepare an Interim and eventually a Final Closure and Reclamation Plan in accordance with the *Mine Site Reclamation Guidelines for the Northwest Territories, 2007*¹³² (Guidelines) and consistent with the *Mine Site Reclamation Policy for Nunavut, 2002* (Policy).¹³³ As established in the Shear Diamonds Licence Renewal Decision:¹³⁴

The Board's approach to reclamation reflects the four main objectives outlined in the Policy.

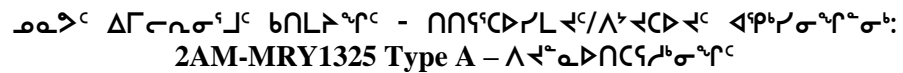
The Mine Site Reclamation Policy for Nunavut serves four main objectives:

- Ensure the impact of mining on the environment and human health and safety is minimized.
- Reduce the environmental liability that falls to government to the greatest extent possible.

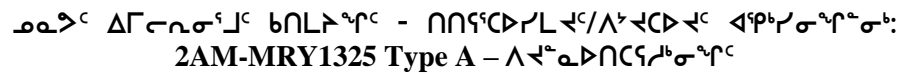
¹³² Indian and Northern Affairs Canada, (Yellowknife: Indian and Northern Affairs Canada, 2007) available on-line: http://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-NWT/STAGING/texte-text/msr_1320177195268_eng.pdf.

¹³³ Minister of Indian Affairs and Northern Development, (Ottawa: Minister of Public Works and Government Services Canada, 2002) available on-line: http://www.aadnc-aandc.gc.ca/DAM/DAM-INTER-HQ/STAGING/texte-text/recpolnuna_1100100036043_eng.pdf.

¹³⁴ Nunavut Water Board, Reasons for Decision: 2AM-JER1119 Type A – Licence Renewal at pp. 66-68.

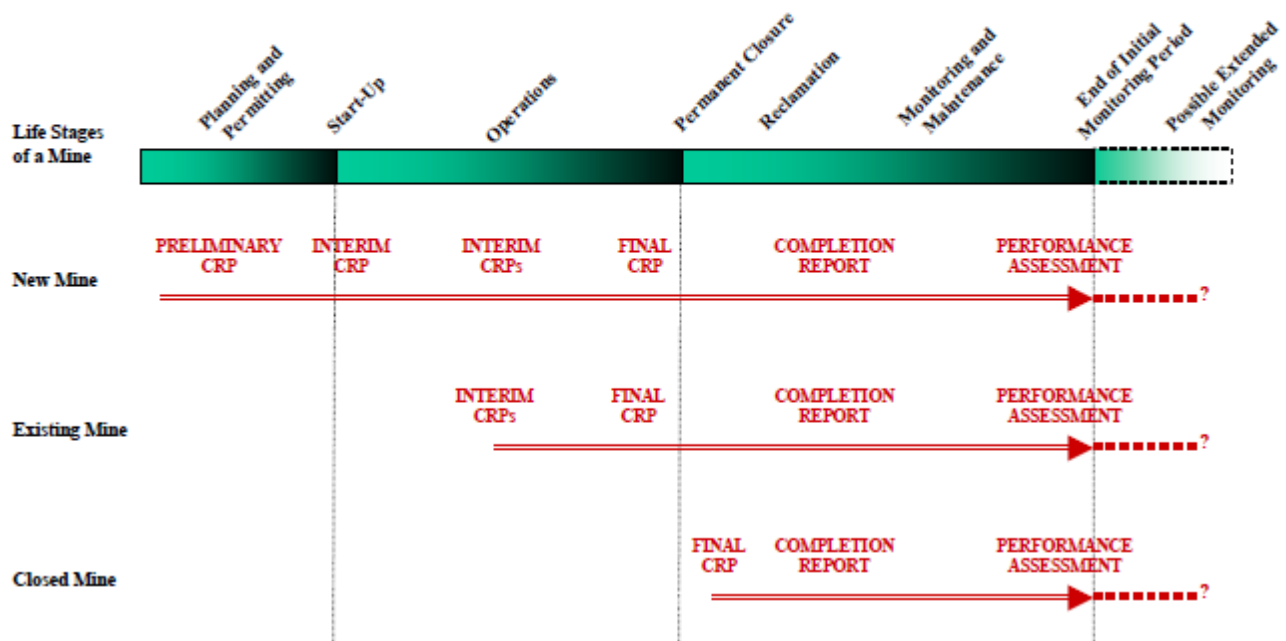


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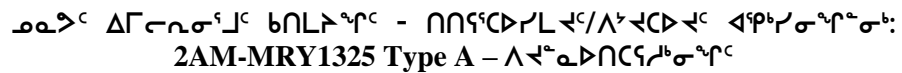


The third stage involves the preparation of a Final CRP that should be provided and approved before a scheduled permanent closure or as soon as is practical after an unplanned closure. According to the Guideline: “The general purpose of the Final CRP is to provide complete details, usually for regulatory approval, regarding the proposed reclamation activities such that they can be subsequently implemented.”¹³⁹

Figure 3.2. Stages of Closure and Reclamation Planning Through Life of the Mine



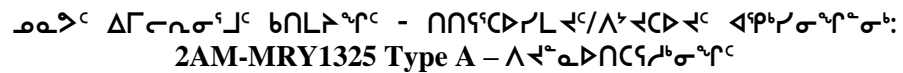
¹⁴⁰ Indian and Northern Affairs Canada, as cited in footnote 132 (Yellowknife: Indian and Northern Affairs Canada, 2007), p. 3.



With this common background and understanding, the Board turns to the specific application of the Policy and Guidelines to this case.

In its submissions AANDC expressed the concern that the reclamation cost estimates made by BIMC do not take larger closure and reclamation planning into consideration, the plans presented by BIMC did not include care and maintenance planning as a contingency should operations cease during the year, and finally the amount of security calculated by BIMC did not include legacy issues. AANDC agreed that the plans as presented were sufficient to anticipate closure scenarios which may arise in the first year of the project, but advised that more information would be needed in the future to bring annual plans into alignment with overall life-of-mine closure and reclamation planning. AANDC requested in its submissions that BIMC be required, every three years, to submit an updated Closure and Reclamation Plan (stamped by a professional engineer) and a security estimate.

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On the basis of the evidence of the parties and with a recognition of the Policy and Guidelines, the Board has approved the “Preliminary Mine Closure and Reclamation Plan” filed as part of the Licence Application. The Board has also required that at least 60 days prior to the commencement of mining operations that BIMC provides for the Board’s review and approval an Interim Closure and Reclamation Plan consistent with the Guidelines, Policy and QIA Reclamation Policy. Under Part J (and as set out in Schedule J) the Board has established a mechanism to require the Licensee to provide annually: (i) an updated work plan and (ii) an updated estimate of anticipated mine closure and reclamation costs for the upcoming year. In addition, given the concern expressed by the public and community members regarding the potential effects of the mine going into a Care and Maintenance Phase, the Board has prescribed notification and planning requirements associated with the mine entering into Care and Maintenance.

As set out in Part B, Schedules to the Licence provide instructive detail and greater clarity to conditions which appear in more general terms in the main body of the Licence. It should be noted that if the Board determines that an item in the Schedules requires revision in order to better reflect the conditions and intent of the Licence, the Board may, in its discretion, and upon providing notice to the Licensee of the revision, revise the item in the Schedule. Unless the Board directs otherwise, such a revision will not be considered to be an “amendment” to the Licence.

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SECTION VIII: ISSUES OUTSIDE THE JURISDICTION OF THE BOARD

During the Public Hearing it was identified that the communities potentially affected by the mine wish to have on-going access to the monitoring being conducted by the mine's operator, as well as having on-going information regarding the activities of the regulatory agencies responsible for reviewing and responding to the monitoring data being provided by BIMC.

...who is going to be monitoring the recommendation and the implementation; who is monitoring the recommendations? Is QIA responsible for them, or is there a QIA member of the community responsible? Do they have to try to find out more information? Again, here I'm talking about the recommendations pertaining to Mary River Project where recommendations were submitted. So who keeps the communities and people informed about whether these recommendations are being implemented? I would like that clarified...¹⁴²

...will they be the only monitoring agency of the lands and water? Are there any other regulatory agencies conducting inspections? Will there be other inspectors, or will it just be Baffinland conducting these inspections?¹⁴³

Consequently, the Board wishes to highlight for all regulators responsible for on-going monitoring and compliance at the mine that the community clearly indicated their need for more information with respect to the monitoring data being received by such agencies, as well as the steps being taken by regulatory agencies to respond to the monitoring information, including addressing issues of non-compliance. The Board notes that at the Public Hearing the NIRB¹⁴⁴

¹⁴² J. Alooooloo, Pond Inlet community member, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 24, 2013, pp. 325-26, lines 18-26 and lines 1-2.

¹⁴³ E. Inaurak, QIA, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 24, 2013, p. 377, lines 11-16.

¹⁴⁴ See A. Hanson, NIRB, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 25, 2013, p. 672, lines 3-18, where she describes the role of the NIRB in making monitoring reports available and soliciting comments on monitoring reports:

We would take that annual reporting, and then we ask all of the public as well to look at this report and to comment on that overall effects monitoring.

At that point, communities, the Qikiqtani Inuit Association, all the Federal departments, everyone would have access to Baffinland's report and all of the other authorization reports that the Federal regulators provide. The Nunavut Impact Review Board then prepares its annual monitoring report and issues that publicly...There are a lot of parties involved, and there are opportunities for the public and communities as well to be reviewing the information that's provided and to also see what some of the input from the other regulators is with regard to monitoring.

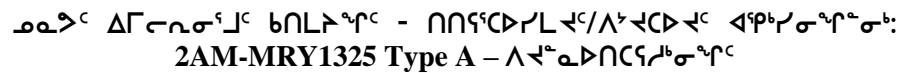


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and AANDC¹⁴⁵ expressly committed to providing this type of reporting to the communities potentially affected by the Project and the Board affirms the importance of ensuring all regulators with a monitoring role associated with the Project meet these commitments.

¹⁴⁵ See K. Costello, AANDC, NWB Public Hearing File No. 2AM-MRY1325, Transcript, April 45, 2013, pp. 421-422, lines 26 and 1-6, where she notes:

In closing, I would like to remind the community, as I mentioned a few moments ago, that Aboriginal Affairs will be involved in the Mary River Project on an ongoing basis as the project moves forward. This will involve inspections and monitoring and reviews of annual reports to the Nunavut Water Board and the Nunavut Impact Review Board.



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APPENDIX B – Sign In Sheets From Public Hearing



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APPENDIX C – List of Submissions and Correspondence

Application

1. Cover letter and initial submission of Application for Water Licence submitted March 15, 2008 by Baffinland Iron Mines Corporation.

Initial Submissions & Correspondence:

1. Development Proposal for the Mary River Project, submitted March 15, 2008 by Baffinland Iron Mines Corporation.
2. Supplementary Questionnaire for Mine Development, submitted March 15, 2008 by Baffinland Iron Mines Corporation.
3. Acknowledgement of Application Letter from Richard Dwyer, Licensing Administrator, NWB to Derek Chubb, Baffinland Iron Mines Corporation, VP Sustainable Development dated March 28, 2008, Subject: Type “A” Water Licence Application for Baffinland Iron Mines Corporation Mary River Project.
4. Meeting Minutes of meeting between NWB, NIRB and Baffinland Iron Mines Corporation, February 10, 2011.
5. Letter from Baffinland Iron Mines Corporation to Dionne Filiatrault, Executive Director, NWB dated February 14, 2011 Re: Coordinated Review Process NWB and NIRB.
6. Letter from Phyllis Beaulieu, Manager of Licensing, NWB to Oliver Curran, Baffinland Iron Mines Corporation, Director Sustainable Development Corporation Re: Acknowledgement and receipt of Response to Information Request 2AM-MRY----, dated April 27, 2011.
7. Letter from David Hohnstein Director of Technical Services, NWB to Robert J. St. Eloi, Director Lands and Resources QIA and the Baffinland Iron Mines Corporation, Subject: NWB File 2AM-MRY---- NWB’s Response to Questions raised in QIA’s Technical Review Comments with Respect to the Draft Water Licence Application Associated with the Coordinated Process dated September 13, 2011.
8. Letter from Phyllis Beaulieu, Manager of Licensing, NWB to Erik Madsen and Oliver Curran, Baffinland Iron Mines Corporation, RE: Receipt of FEIS and Application for Type “A” Water Licence dated February 22, 2012.
9. Letter from Navarana Beveridge, Executive Director, the Qikiqtani Inuit Association to Dionne Filiatrault, Executive Director, NWB, Re: 2AM-MRY---- Baffinland Iron Mines Corporation’s 2012 Work Plan Application, dated February 27, 2012.
10. Letter from David Hohnstein, Director of Technical Services NWB to Erik Madsen, Vice President Sustainable Development, Baffinland Iron Mines Corporation, Re: Application for a Type “A” Licence dated March 2, 2012.



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11. Letter from David Hohnstein, Director of Technical Services, NWB to Erik Madsen, Vice President Sustainable Development, Baffinland Iron Mines Corporation, Re: Acknowledgement and receipt of application fee and water use fee deposit for new Water Licence Application-Mary River Project-Type A- 2AM-MRY----, dated March 8, 2012.
12. Letter from Erik Madsen, Vice President Sustainable Development, Health Safety and Environment, Baffinland Iron Mines Corporation to David Hohnstein, Director of Technical Services and Sean Joseph, Technical Advisor, NWB Re: Errata and Clarification Document for the Application for Type A Water Licence for the Mary River Project, dated March 9, 2012.
13. Letter from Cheryl Baraniecki, Regional Director, Environmental Protection Operations Prairie and Northern Region Environment Canada to Ryan Barry, Executive Director, NIRB and Phyllis Beaulieu, Manager of Licensing, NWB Re: Information Request from Environment Canada Regarding the Mary River Iron Ore Project final Environmental Impact Statement and Water Licence Application, dated March 30, 2012.
14. Letter from Stephen Williamson Bathory, Director, Department of Major Projects the Qikiqtani Inuit Association to Dionne Filiatrault, Executive Director, NWB Re: Completeness Review of Mary River Project Type “A” Application, dated March 30, 2012.
15. Letter from Stephen Williamson Bathory, Director, Department of Major Projects the Qikiqtani Inuit Association to Dionne Filiatrault, Executive Director, NWB, Re: Proposed Next Steps in the NWB Licensing Process dated March 30, 2012.
16. Submission on FEIS and Application from John Clarke Director Environmental Assessment Division Science and Policy Integration, Natural Resources Canada to David Hohnstein, Director of Technical Services, NWB Re: Natural Resources Canada’s (NRCan) Information Request regarding the final Environmental Impact statement (FEIS) and Type A Water Licence for the Baffinland Iron Mine Corporation’s Proposed Mary River Project, dated April 02, 2012.
17. Email from David Hohnstein, Director of Technical Services, NWB to Stephen Bathory, Director, Department of Major Projects, the Qikiqtani Inuit Association, Subject: Proposed Meeting with NWB/QIA, dated April 11, 2012.
18. Letter from David Hohnstein, Director of Technical Services, NWB to Erik Madsen, Vice President Sustainable Development, Baffinland Iron Mines Corporation Re: Completeness Review and Notice of Type “A” Water Licence Application No. 2AM-MRY---- with Table 1.0 and 1.1, dated April 13, 2012.
19. NWB issues Public Notice of New Application by Baffinland Iron Mines Corporation dated April 16, 2012.
20. Notice to Local Organizations from Phyllis Beaulieu, Manager of Licensing, NWB requesting posting of Notice of Application, dated April 16, 2012.
21. Letter from Erik Madsen Vice President Sustainable Development, Health safety and Environment, Baffinland Iron Mines Corporation to David Hohnstein, Director of Technical



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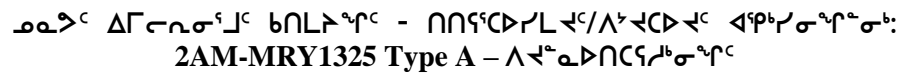
Services, NWB, Subject: Baffinland Response to Information Requests Pertaining to Type “A” Water Licence Application, dated April 25, 2012.

22. Letter from Erik Madsen Vice President Sustainable Development, Health safety and Environment, Baffinland Iron Mines Corporation to Phyllis Beaulieu, Manager of Licensing, NWB, Subject: Reference to 2012 Work Plan in Type “A” Water Licence Application, dated May 23, 2012.
23. Email from Phyllis Beaulieu, Manager of Licensing, NWB to Oliver Curran, Director of Sustainable Development, Baffinland Iron Mines Corporation, Re: Reference to 2012 Work Plan in Type “A” Water Licence Application 2AM-MRY----, dated May 25, 2012.
24. Letter from Robin Aitken, Regional Director General, Aboriginal Affairs and Northern Development Canada, to Phyllis Beaulieu, Manager of Licensing, NWB, Re: Water Licence No. 2AM-MRY---- Baffinland Iron Mines Corporation-Mary River Iron Ore Project-New Application-Technical Review- Qikiqtani Region, dated June 22, 2012.
25. Letter from Derrick Moggy, Habitat Team Leader, Fisheries and Oceans Canada-Eastern Arctic Area to Sean Joseph, Technical Advisor, NWB, Subject: Fisheries and Oceans Canada Technical Review of the Mary River Type “A” Water Licence Application and Supporting Documents, dated June 22, 2012.
26. Cover Letter with Submission from Susan Forbrich, Manager of Environmental Assessment and Marine Programs, Environment Canada, to Phyllis Beaulieu, Manager of Licensing, NWB, Re: Technical Review of Type A Water Licence Application for the Baffinland Iron Mines Corporation Mary River Project, dated June 22, 2012.
27. Letter from Stephen Williamson Bathory, Director, Major Projects the Qikiqtani Inuit Association to David Hohnstein, Director of Technical Services, NWB, Re: Technical Review of the Mary River Type “A” Water Licence Application, dated June 22, 2012.
28. Submission from Aboriginal Affairs and Northern Development Canada, Executive Summary of Technical Review in English and Inuktitut dated June 28, 2012.
29. Letter from David Hohnstein, Director of Technical Services, NWB to Erik Madsen, Vice President, Sustainable Development, Health Safety and Environment, Baffinland Iron Mines Corporation, Re: Licence No. 2AM-MRY---- Mary River Project: Preliminary Technical Review Teleconference Meeting for the Type “A” Water Licence Application dated September 25, 2012.
30. Email from Amanda Hanson, Director of Technical Services, NIRB to Phyllis Beaulieu, Manager of Licensing, NWB, Re: 2AM-MRY---- Mary River Project Preliminary Technical Review Teleconference Meeting for the Type “A” application, dated October 03, 2012.
31. Email from Joel Fortier, Environmental Assessment Lead, the Qikiqtani Inuit Association to Phyllis Beaulieu, Manager of Licensing, NWB, Re: 120927 2AM-MRY---- Mary River Project Preliminary Technical Review Teleconference Meeting for the Type “A” Application, dated October 5, 2012.

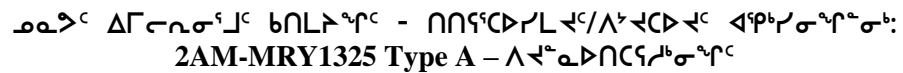


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32. Letter from Jean Allen, Water Management Specialist, Aboriginal Affairs and Northern Development Canada, Phyllis Beaulieu, Manager of Licensing, NWB, Re: 2AM-MRY---- Mary River Project-Baffinland Iron Mines Corporation- Preliminary Technical Review Teleconference Meeting, dated October 5, 2012.
33. Letter from John Clarke Director, Environmental Assessment, SPI, Natural Resources Canada to Phyllis Beaulieu, Manager of Licensing, NWB Re: Natural Resources Canada Comments regarding the proposed date of the preliminary technical review teleconference for the Baffinland Ltd.'s Mary River Project Type "A" Water Licence (Application), dated October 5, 2012.
34. Email from Mark Dahl, Environment Canada to Phyllis Beaulieu, Manager of Licensing, NWB Re: 2AM-MRY---- Mary River Project Preliminary Technical Review Teleconference meeting for the Type "A" Application, dated October 9, 2012.
35. Letter from David Hohnstein, Director of Technical Services, NWB to Erik Madsen, Vice President Sustainable Development, Health, Safety and Environment, Baffinland Iron Mines Corporation, Re: Date of Proposed Agenda for the Preliminary Technical Meeting for Type "A" Water Licence Application 2AM-MRY---- Mary River Project English and Inuktitut, dated October 10, 2012.
36. Final Preliminary Technical Meeting Agenda English and Inuktitut, submitted by the NWB, October 10, 2012.
37. Email from Phyllis Beaulieu, Manager of Licensing, NWB to Oliver Curran, Director, Sustainable Development, Baffinland Iron Mines Corporation, Re: Baffinland Responses to Tech Comments 2AM-MRY----, dated October 12, 2012.
38. Letter from Erik Madsen Vice President, Sustainable Development, Health, Safety and Environment Baffinland Iron Mines Corporation to Damien Côté, Executive Director, NWB, Re: Submission of Baffinland Response to Technical Review Comments on the Type "A" Water Licence Application, dated October 12, 2012.
39. Email from Phyllis Beaulieu, Manager of Licensing, NWB to Mary River Distribution List Re: Baffinland's Responses to Tech Comments 2AM-MRY----, dated October 15, 2012.
40. Email from Jean Allen, Water Management Specialist, Aboriginal Affairs and Northern Development Canada, to Phyllis Beaulieu, Manager of Licensing, NWB Re: Date and Proposed Agenda for Preliminary Technical Meeting, dated October 15, 2012.
41. Email from Mark Dahl, Sr. Ocean Disposal Officer, Environmental Assessment North (NT & NU) Environmental Protection Operations, Prairie and Northern Region, Environmental Canada to Phyllis Beaulieu, Manager of Licensing, NWB Subject: 2AM-MRY---- Preliminary Tech Meeting Follow-up questions regarding EC 3.9 Uncertainty in stream flow Estimates, dated October 18, 2012.



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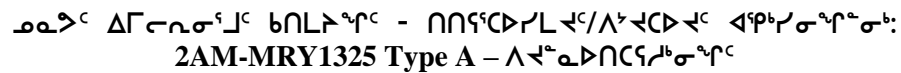
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65. Letter from Damien Côté, Executive Director, NWB to Mary River Distribution list Re: Pre-Hearing Conference Decision Regarding Type “A” Water Licence Application by Baffinland Iron Mines Corporation for the Mary River Project, dated January 25, 2013.
66. NWB Fax Cover to Post Notices of Public Hearing dated January 25, 2013.
67. NWB Notice to Local Organizations Request to post Notices, Igloolik and Hall Beach dated January 25, 2013.
68. NWB Public Hearing notice dated January 25, 2013 English, French and Inuktitut.
69. Request to post notice of Public Hearing to Nunatsiaq News from Phyllis Beaulieu, Manager of Licensing, NWB dated January 25, 2013.
70. Letter from Sean Joseph, Technical Advisor, NWB to James Millard, Senior Environmental Superintendent, Baffinland Iron Mines Corporation, Re: 2BB-MRY1114: Updated to Pre-Technical Meeting Issues and Commitments following the Technical Meeting and Pre-Hearing Conference for the Baffinland Iron Mines Corporation’s Mary River Project, dated January 30, 2013.
71. Letter from Oliver Curran, Director, Sustainable Development, Baffinland Iron Mines Corporation to Damien Côté, Executive Director, NWB Re: Baffinland Response to Environment Canada’s Addendum to Technical Comments submitted to the NWB (January 10, 2013), dated February 5, 2013.
72. Letter from Erik Madsen, Vice President, Sustainable Development, Health, Safety and Environment, Baffinland Iron Mines Corporation to Damien Côté, Executive Director, NWB Re: Proposed Terms and Conditions for Baffinland’s Type “A” Water Licence and Aquatic Effects Monitoring Program (AEMP) Framework, dated February 26, 2013.
73. *Draft* Type “A” Water Licence Terms and Conditions submitted by Baffinland Iron Mines Corporation, dated February 26, 2013.
74. Letter from Erik Madsen, Vice President, Sustainable Development, Health, Safety and Environment, Baffinland Iron Mines Corporation to Damien Côté, Executive Director, NWB Re: Pre-Hearing Conference Decision Items for Follow Up- Final Submission, dated March 7, 2013.
75. Email from Phyllis Beaulieu, Manager of Licensing, NWB to Mary River Distribution Re: 2AM-MRY---- Pre-Hearing Conference Decision Items for Follow-up –Final Submission, dated March 18, 2013.
76. Cover Letter from Murray Ball, Acting Director, Resource Management, Nunavut Regional Office Aboriginal Affairs and Northern Development Canada, with Final Submission to Phyllis Beaulieu, Manager of Licensing, NWB Re: Application for Type “A” Water Licence by Baffinland Iron Mines Corporation for the Mary River Project-Final Submission, dated March 21, 2013.



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77. Letter from Susanne Forbrich, Manager Environmental Assessment and Marine Programs, Environment Canada to Phyllis Beaulieu, Manager of Licensing, NWB Re: Environment Canada's Final Intervention with Respect to the Mary River Project Type "A" Water Licence Application, dated March 22, 2013.
78. ANNEX A: QIA Final submission to NWB; Qikiqtani Inuit Association's Comments on the Proponent's Proposed Type "A" Water Licence, dated March 22, 2013.
79. ANNEX B: QIA Final submission to NWB; Qikiqtani Inuit Association's Technical Support for Effluent Quality Criteria, dated March 22, 2013.
80. ANNEX C: QIA Final submission to NWB; QIA Letter to Minister of Aboriginal Affairs and Northern Development, Financial Security, dated March 22, 2013.
81. ANNEX D: QIA Final Submission to NWB; QIA Mary River Project Review Committee Comments- i. comments on the Draft Environmental Impact Assessment (381 Pages); and ii. Comments on the Final Environmental Impact Assessment (82 Pages) dated March 22, 2013.
82. Letter from Dale Nicholson Regional Director, Ecosystems Management Central and Arctic Region, Fisheries and Oceans Canada to Damien Côté, Executive Director, NWB Subject: Fisheries and Oceans Canada Final Written Submission for the Mary River Project; Type "A" Water Licence Application, dated March 22, 2013.
83. Environment Canada's Final Intervention with respect to Baffinland Iron Mines Corporation Water Licence Application for the Mary River Project dated March 22, 2013.
84. Natural Resources Canada Comments on the Geochemical Characterization Program for the Mary River Project dated March 22, 2013 English and Inuktitut.
85. Email from Solomon Awa, Mary River Project Coordinator and Stephen Williamson Bathory, Director, Major Projects, the Qikiqtani Inuit Association to Damien Côté, Executive Director, NWB Re: Quick call-Community Representation at MRY Public Hearing, dated April 3, 2013.
86. Environment Canada, Executive Summary, Inuktitut, dated April 04, 2013.
87. Letter from Erik Madsen, Vice President, Sustainable Development, Health, Safety and Environment, Baffinland Iron Mines Corporation to Damien Côté, Executive Director, NWB Regarding: Baffinland Response to Final Intervention Comments on the Type "A" Water Licence Application for the Mary River Project attachments Part 1, 2, 3 Baffinland Mines Iron Mines Corporation Mary River Project 2013 Work Plan Marginal Closure Cost Summary, dated April 5, 2013.
88. Email from Brian Flemming, Senior Administrative Officer, Igloolik to Phyllis Beaulieu, Manager of Licensing, NWB, Subject: Pond Inlet Hearings, dated April 6, 2013.
89. NWB Travel agreement for Community Representatives (Arctic Bay, Igloolik, Clyde River, Hall Beach), dated April 7, 2013.



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103. NWB Public Hearing Revised Agenda, dated April 19, 2013.
104. Environment Canada Community Presentation, English and Inuktitut, dated April 19, 2013.
105. Environment Canada Final Hearing Presentation, English and Inuktitut, dated April 19, 2013.
106. Email from Phyllis Beaulieu, Manager of Licencing, NWB to Mary River Distribution Subject: 2AM-MRY---- Confirmed updated list of attendees Mary River Public Hearing, dated April 22, 2013.
107. Public Hearing Sign in sheets April 23, 2013.
108. Letter from Erik Madsen, Vice President, Sustainable Development, Health, Safety and Environment, Baffinland Iron Mines Corporation to Damien Côté, Executive Director, NWB Re: Water Compensation Agreement, dated May 3, 2013.
109. Email from Phyllis Beaulieu, Manager of Licensing, NWB to Mary River Project Distribution Subject: 2AM-MRY---- Water Compensation Reached, dated May 3, 2013.
110. Letter from J.Okalik Eegeesiak, President, the Qikiqtani Inuit Association to Damien Côté, Executive Director, NWB Re: Mary River Project-Type “A” Application – Baffinland Iron Mines Corporation-DIO Confirmation of Water Compensation Agreement English and Inuktitut, dated May 3, 2013.
111. Letter from Thomas Kabloona, Chairperson, NWB to Mary River Distribution List Re: 2AM-MRY---- Close of the Public Hearing Record in Respect of the Type “A” Water Licence Application by Baffinland Iron Mines Corporation for the Mary River Project, dated May 6, 2013.



Exhibit	Exhibit Description	Date	Filed By
1	Mary River Project Nunavut Water Board Public Hearing Power Point Presentation of Baffinland Iron Mines Corporation [English]	April 23	Baffinland Iron Mines Corporation
2	Mary River Project Nunavut Water Board Public Hearing Power Point Presentation of Baffinland Iron Mines Corporation [Inuktitut]	April 23	Baffinland Iron Mines Corporation
3	Package of three figures: Figure 5: Milne Inlet Surveillance Network Program; Figure 6: Steensby Port Proposed Surveillance Network Program; and Figure 1: Proposed Surveillance Network Program	April 23	Baffinland Iron Mines Corporation
4	Qikiqtani Inuit Association Proposed Mary River Project Public Hearing Presentation dated April 2013 [English]	April 24	Qikiqtani Inuit Association
5	Qikiqtani Inuit Association Proposed Mary River Project Public Hearing Presentation dated April 2013 [Inuktitut]	April 24	Qikiqtani Inuit Association
6	Aboriginal Affairs and Northern Development Canada Presentation to Final Hearing Baffinland Iron Mines Corporation Mary River Project Type A Water Licence Application [English]	April 25	Aboriginal Affairs and Northern Development Canada
7	Aboriginal Affairs and Northern Development Canada Presentation to Final Hearing Baffinland Iron Mines Corporation Mary River Project Type A Water Licence Application [Inuktitut]	April 25	Aboriginal Affairs and Northern Development Canada
8	Environment Canada's Intervention on the Mary River Project Water Licence Application [English]	April 25	Environment Canada
9	Environment Canada's Intervention on the Mary River Project Water Licence Application [Inuktitut]	April 25	Environment Canada
10	Mary River Project Baffinland Iron Ore Mines Nunavut Water Board Presentation Fisheries and Oceans Canada [English and Inuktitut]	April 25	Fisheries and Oceans Canada
11	Natural Resources Canada Comments on the Geochemical Characterization Program for the Mary River Project [English]	April 25	Natural Resources Canada



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2AM-MRY1325 Type A – ᐱᓂᓂᑕᐅᑎᑕᓂᓯᓂᑦᑦ

Exhibit	Exhibit Description	Date	Filed By
12	Natural Resources Canada Comments on the Geochemical Characterization Program for the Mary River Project [Inuktitut]	April 25	Natural Resources Canada
13	10 – year Review of the Metal Mining Effluent Regulations – Discussion Papery prepared by Environment Canada	April 25	Baffinland Iron Mines Corporation
14	Amendment to Irrevocable Letter of Credit, Applicant: Baffinland Iron Mines Corporation Total Amount: \$26.2 million	April 25	Qikiqtani Inuit Association
15	Table of Concordance of the proposed water licence terms and conditions prepared by Baffinland Iron Mines Corporation and the NIRB Project Certificate terms and conditions	April 25	Baffinland Iron Mines Corporation
16	Proposed water licence terms and conditions prepared by Baffinland Iron Mines Corporation working document, dated April 25, 2013	April 25	Baffinland Iron Mines Corporation
17	Application for Irrevocable/Standby Letter of Credit/Letter of Guarantee Total Amount: \$6,738,216	April 25	Baffinland Iron Mines Corporation

APPENDIX E– Project Maps