



Nunavut
Sealink & Supply Inc.

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June 22, 2016

Mayor Jackie Netser
Hamlet of Coral Harbour
Coral Harbour (NU) XOC OCO

Subject: Sealift Vessels' Navigation between Coats Island and Southampton Island

Dear Mayor Netser:

The purpose of this letter is to follow-up on our discussions on the subject, along with other stakeholders, during the meeting held by Agnico Eagle Mines in Chesterfield Inlet, on May 12th last, and to also respond to the email dated May 27th, that we received from you on the matter.

We wish to thank you for expressing your concerns, and those of your community, during the meeting held in Chesterfield Inlet, to the fact that the vessels transiting between Coats Island and Southampton Island could disturb the fauna, specifically the walruses near Walrus Island. From our exchange on the subject, we also noted that traditional, successful and precious hunting grounds could be jeopardized; and we have also noted that Mayor Aggark of Chesterfield Inlet supported you on this position.

As you requested, NSSI has contemplated the possibility to avoid having its cargo ships transiting through the indicated zone. We have discussed with Desgagnés, NSSI's Ship Operator, regarding the requirements for transiting South of Coats Island, when sailing from the Hudson Strait to the Kivalliq area, and the opposite when vessels are headed east. Evidently, this route is longer and more transit time will be necessary, but we finally agreed that, in this specific case, the environmental and other considerations would prevail.

We are therefore pleased to advise you that, starting this 2016 sealift season, we will engage the necessary measures to honour your request, particularly out of respect for the community concerns for the traditional activities. Our efforts will also be inline with our Company's environmental stewardship and its high concerns for the Arctic environment protection. NSSI Management will instruct Shipmasters to transit, as much as possible, the area sailing South of Coats Island, and adopt that route as a standard transit.

Please note however that it is not possible to consider this as an internal policy, but will be maintained as a strong recommendation to our captains, since each time the transiting in that area is due, numerous factors have to be assessed before engaging the recommended route. Shipmasters have to take into consideration sea conditions, wind force and direction and certainly the ice conditions, just to name a few. In certain cases, the timing for ship arrival at destination, with consideration to the tide movements, is to be managed as one of the factors. Each time, our captains have to assess all the conditions and, if deviating the vessel to transit south of Coats Island does not represent a higher risk than passing north of it, then they will do so.

...2/

Mayor Jackie Netser

Page 2

June 22, 2016

In conclusion, we can certainly assure you that less Nunavut Sealink and Supply Inc./Desgagnés' vessels will transit through this sensitive area in the future.

We sincerely hope that our actions will meet your expectations.

Truly yours,

NUNAVUT SEALINK AND SUPPLY INC. (NSSI)



François Gaudreau
Management Assistant, Sales and Operations

FG/dg

cc: Mayor Barney Aggark, Chesterfield Inlet
Mr. Stéphane Robert, Agnico Eagle Mines
Mr. Mark McCulloch, Government of Nunavut
Mr. Daniel Côté, Environmental Advisor (GDI)
Mr. Christopher King, Co-Chair, Arctic Marine Advisory Board (AMAB)
Mr. Dominic Desgagnés, Operations Manager (DTI)