From: David Hohnstein [Tech2@nwb.nunavut.ca]

Sent: Monday, July 18, 2005 3:49 PM

To: Zurowski, Michael T. **Cc:** Phyllis Beaulieu

Subject: NWB2MAR0206 Amendment

Michael,

I received your phone messages earlier today and your two emails wrt the Mary River Project. I wanted to wait until I had clarification on the Regs and on the amount of water use for the amendment to your licence.

In reviewing the Licence, it was noted to be classified as an Industrial Undertaking. According to the Regs, use of less than 300 m3 (299) of water per day is considered a Type "B" application. The use of 300m3 or more water per day would be considered a Type "A" and would therefore be subject to NIRB screening and require holding of a public hearing.

Your application indicates in several areas that the actual average water use would be considerably less than the 312m3 identified as the maximum theoretical amount. If your calculated actual water use (150m3) is more representative of the amounts to be used, I would like to request that Baffinland Iron Mines Corporation submit, in writing to the NWB Licensing Manager, a request to lower the licensed amount apllied for (below the 300m3/day threshold), thereby allowing the issuance of the amendment to proceed with undue delay.

My apologies if this oversight has caused any inconvenience whatsoever.

I look forward to your reply,

Regards,

David Hohnstein, C.E.T. Technical Advisor Mining Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0

Tel: 867.360.6338 Fax: 867.360.6369

email: tech2@nwb.nunavut.ca

Office Phone: 780.443.4406 Office Fax: 780.443.4080