

June 29, 2007

Grant Scott, Acting Senior Administrative Officer Hamlet of Pond Inlet P.O. Box 180 Pond Inlet, Nunavut X0A 0S0

Re: Use of Hamlet Landfill

Mr. Scott,

Thank you for your letter dated June 22nd, 2007 in reference to a request from Baffinland to periodically dispose of municipal solid waste to the Pond Inlet Landfill. Baffinland confirms that there will be no sewage waste or waste classified as hazardous transported to Pond Inlet for disposal. Our operations personnel estimate that on average, Baffinland may dispose of waste at a frequency of once every other week throughout the course of the year. We will track the waste deposited to landfill and report frequency and quantities to the Hamlet on a monthly basis.

Yours sincerely,

Baffinland Iron Mines Corporation

Derek Chubb VP, Sustainable Development