

January 15, 2014

Nunavut Water Board PO Box 119 Gjoa Haven NU X0B 1J0

Attention: Phyllis Beaulieu, Manager of Licensing, David Hohnstein, Director, Technical Services

Application for Renewal and Amendment of Type B Water Licence 2BB-MRY 1114 – Additional Materials for Submission

Dear Ms. Beaulieu and Mr. Hohnstein,

Further to our correspondence of December 19, 2013, Baffinland Iron Mines Corporation ("Baffinland") has applied for renewal and amendment of its current Type B Water Licence 2BB-MRY1114 (the "Type B Water Licence") to permit ongoing exploration activities on its mineral leases in the Qikiqtani Region of Nunavut.

Baffinland wishes to provide the following updated materials in support of the Type B Water Licence renewal application:

- **Updated Appendix 4 (Project Description)** We have updated Appendix 4 of our application package to provide further detail regarding planned locations for satellite exploration camps as well as supporting infrastructure. Please remove the previously submitted version of Appendix 4 of our application (dated December 16, 2013) and replace it with the enclosed updated Appendix 4.
- New Appendix 9 (Map) Additionally, we are submitting Appendix 9 which provides approximate locations for the satellite camps. This is a new appendix and should be considered by the Board in addition to Appendices 1 through 8. This map shows both the existing permitted camps pursuant to the Type A Water Licence, as well as the proposed satellite exploration camps to be regulated under the Type B Water Licence. Access to most of these sites would generally be via helicopter. Any required icestrips or winter roads would be located in close proximity to the satellite exploration camp sites. It is noted that it is unlikely that all satellite camps identified on this map would be operating simultaneously, and in any event Baffinland would be limited by the Type B Water Licence to a total use of 49m³ per day for domestic purposes.

We are also providing the enclosed updated materials to both the Nunavut Planning Commission and Nunavut Impact Review Board in order to assist them in issuing any required conformity determinations relating to this renewal application.

If you have any questions regarding the enclosed or previously submitted materials, please do not hesitate to contact me directly.

Sincerely,

Oliver Curran Director Sustainable Development

cc: Mr. Ryan Barry, Executive Director, NIRB

Ms. Sharon Ehaloak, Executive Director, NPC Ms. Karen Costello, Regional Director, AANDC Mr. Stephen Bathory, Director, Major Projects, QIA

Mr. Sean Joseph, NWB