



NIRB File No.: 07EN012

Associated NIRB File No.: 08MN053

AANDC File No.: N2007F0004

July 24, 2013

The Honourable Bernard Valcourt
Minister of Aboriginal Affairs and Northern Development
Government of Canada
c/o Jeff Mercer, Manager Land Administration
Aboriginal Affairs and Northern Development Canada
P.O. Box 100
Iqaluit, NU X0A 0H0

Sent via email: jeff.mercer@aandc.gc.ca; landsmining@aandc.gc.ca

Re: Application Exempt from the Requirement for Screening pursuant to Section 12.4.3 of the NLCA: Baffinland Iron Mines Corporation's request for an Extension to the AANDC Land Use Permit for the "Mary River Bulk Sampling" Project, Qikiqtani Region

Dear Jeff Mercer:

On June 4, 2013 the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for a renewal to the Land Use Permit No. N2007F0004 for Baffinland Iron Mines Corporation's (Baffinland) "Mary River Bulk Sampling" project proposal.

It is the NIRB's understanding that a conformity determination from the Nunavut Planning Commission was not required for this file as the previous conformity determination issued for this file on June 7, 2012 continues to apply to the current application.

The NIRB received the original "Mary River Bulk Sampling" project proposal (NIRB File No.: 07EN012) from Indian and Northern Affairs (INAC; now AANDC) and the Qikiqtani Inuit Association (QIA) on January 25, 2007. The proposal was screened by the Board in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on May 5, 2007 the NIRB issued the enclosed NLCA 12.4.4(a) screening decision to the Minister of INAC indicating the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

Additional requests pertaining to the AANDC Land Use Permit (No. N2007F0004) and AANDC Quarry Permits (No. 2007QN0098, 2008QP0062, 2009QP0071, 2010QP0088, and 2011QP0079) have also been reviewed by the NIRB following screening of the original project proposal. In each instance the NIRB confirmed that the applications were exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA and that the activities therein remained subject to the terms and conditions recommended in the original May 5, 2007 Screening Decision Report.

Authorization	Application			Correspondence Issued by NIRB
	Date Received by NIRB	Type	Reason for Application	
Quarry Permit	March 17, 2009	Re-Issue	Annual reissuance	March 26, 2009
Land Use Permit	March 17, 2009	Extension	Continue operations	March 26, 2009
Quarry Permit	May 7, 2010	Re-Issue	Annual reissuance	May 7, 2010
Land Use Permit	May 7, 2010	Extension	Continue operations	May 7, 2010
Quarry Permit	May 31, 2011	Re-Issue	Annual reissuance	June 2, 2011
Land Use Permit	May 31, 2011	Extension	Continue operations	June 2, 2011
Land Use Permit	June 6, 2012	Extension	Annual reissuance	June 18, 2012
Quarry Permit	June 6, 2012	Re-Issue	Continue operations	June 18, 2012

The current and previous applications from AANDC and the QIA, the original NIRB Screening Decision Report (File No. 07EN012), as well as related file information are available from the NIRB's online public registry at the following link:

<http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2007/07EN012-Baffinland%20-%20Bulk%20Sampling%20Program/>.

Please also note that Baffinland's Mary River Project (NIRB File No. 08MN053) was previously reviewed by the NIRB pursuant to NLCA Article 12, Part 5 and approved to proceed subject to the project-specific terms and conditions of Project Certificate No. 005 as issued on December 28, 2012. Continued use and further upgrading of the Milne Inlet Tote Road and facilities at Milne Inlet are subject to the provisions of Project Certificate No. 005 and the NIRB's ongoing monitoring program for the Mary River Project.

The NIRB's Project Certificate No.005 for the Mary River Project is available from the NIRB's online public registry at the following link: <http://ftp.nirb.ca/03-MONITORING/08MN053-MARY%20RIVER%20IRON%20MINE/01-PROJECT%20CERTIFICATE/>.

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No. 07EN012), the "Mary River Bulk Sample" project was located within the Qikiqtani region, approximately 160 kilometres (km) southeast of the Hamlet of Pond Inlet. The Proponent indicated that it intended to conduct a bulk sampling program in 2008 using the Milne Inlet Tote Road to connect the Mary River and Milne Inlet sites.

The activities/components associated with this proposal included:

- Delivery of contractor mining and crushing equipment, camp materials and fuel in 2 ship voyages to Milne Inlet;
- Upgrade of existing Milne Inlet tote road for all-weather use including:
 - Quarrying and placement of fill on road bed;
 - Replacement and installation of culverts at watercourses;
- Construction of 100-person all-weather tent camp at Mary River, adjacent to existing seasonal exploration camp;
- Establishment of a temporary 30-person trailer camp at Milne Inlet;
- Establishment of a temporary 12-person trailer camp part-way along the Milne Inlet tote road (Midway camp);
- Establishment of temporary fuel storage facilities at Mary River consisting of one 1.4 million litres (ML) diesel fuel tank farm, one 550,000 L Jet-A tank farm, and one 1.25 ML diesel tank farm;
- Establishment of temporary fuel storage facilities at Milne Inlet for 8 ML of diesel fuel and 90,000 L of Jet-A fuel;
- Establishment of temporary fuel storage facilities Midway Camp for 20-30 200 L drums of diesel fuel;
- Construction of a test rail embankment;
- Drilling, blasting and storing of 169,300 dry tonnes (t) of weathered surface rock on top of Deposit No. 1 over one or two months;
- Abandonment of a 169,300 t weathered iron ore stockpile;
- Drilling, blasting and storing 250,000 t of iron ore bulk sample from Deposit No. 1 over three-to five months;
- Hauling of the 250,000 t iron ore bulk sample from Mary River to Milne Inlet;
- Temporary stockpiling of the 250,000 t iron ore bulk sample at Milne Inlet; and
- Loading of the 250,000 t iron ore bulk sample on 3 ships for a total of five voyages.

CURRENT APPLICATION:

Baffinland is proposing to extend the period of authorization for its AANDC Land Use Permit (No. N2007F0004) to support continued operation, maintenance and progressive reclamation of the Milne Inlet Tote Road and the development of borrow and quarry pits. It is the NIRB's understanding that the bulk sample program as initially proposed in 2008 was a one-year project and that these activities were completed. As such, the current application for an extension to the AANDC Land Use Permit (No. N2007F0004) extends those activities in support of the continued operation, maintenance and reclamation of the Milne Inlet Tote Road only and does not extend to the transport of iron ore on the Milne Inlet Tote Road or the shipment of iron ore through Milne Inlet.

Please note that Section 12.4.3 of the NLCA states that:

“Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:


- (a) such component or activity was not part of the original project proposal; or*
- (b) its inclusion would significantly modify the project.”*

After completing a review of the information provided in support of the current application, the NIRB is of the understanding that the proposed extension to the AANDC Land Use Permit (No. N2007F0004) for the above mentioned file do not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from the requirement for screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original May 4, 2007 Screening Decision Report (enclosed).

As noted above, continued use and further upgrading of the Milne Inlet Tote Road and facilities at Milne Inlet are also subject to the provisions of Project Certificate No. 005 and the NIRB's ongoing monitoring program for the Mary River Project. Please be advised that Baffinland has also recently submitted an application to the NIRB to amend the Mary River Project to incorporate an "Early Revenue Phase" which would allow for the transport of iron ore on the Milne Inlet Tote Road and the shipment of iron ore through Milne Inlet during the open water season; the terms and conditions of NIRB Project Certificate No. 005 must be reconsidered by the NIRB pursuant to NLCA Section 12.8.2 before this amendment could be allowed to proceed and therefore, the activities within the application cannot be permitted until the NIRB's reconsideration process is complete.

If you have any questions or require additional clarification, please contact Jaswir Dhillon, Technical Advisor, at (867) 983-4609 or jdhillon@nirb.ca.

Sincerely,



Ryan Barry
Executive Director
Nunavut Impact Review Board

cc: Jim Millard, Baffinland Iron Mines Corporation
Tracey McCaie, Aboriginal Affairs and Northern Development Canada
Phyllis Beaulieu, Nunavut Water Board
Bernie MacIsaac, Qikiqtani Inuit Association
Georgina Williston, Fisheries and Oceans Canada

Enclosure: NIRB Screening Decision Report, File No.: 07EN012 (May 4, 2007)