

WATER USE INSPECTION REPORT

Date: July 14,2009	Licensee Rep. (Name/Title): Jim Mallard
Licensee: Baffinland Iron Mines	Licence No.: 2BB-MRY0810 (Mary River Camp)

WATER SUPPLY

Source(s): Camp Lake		Quantity used: Records provided on site	
Owner:/Operator: Baffinland Iron Mines			
Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected			
Intake Facilities: NA	Storage Structure: A	Treatment Systems: A	Chemical Storage: A
Flow Meas. Device: NI	Conveyance Lines: A	Pumping Stations: A	Screen : A

Comments: Water treatment systems were noted and appeared in good order. Records were available for review.

WASTE DISPOSAL

Sewage: Sewage Treatment System (Prim./Sec/Ter.): Primary

Natural Water Body: No	Continuous Discharge (land or water): None	
Seasonal Discharge: None	Wetlands Treatment: None	Trench: None

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Discharge Quality: U	Decant Structure: A	Erosion: None
Discharge Meas. Device: NA	Dyke Inspection: NI	Seepages: None
Dams, Dykes: A	Freeboard: A	Spills: A
Construction: NI	O&M Plan: A	A&R Plan: A
Discharge: None	Effluent Discharge Rate: Unknown	

Comments: Lagoon cells, at the time of inspection were undergoing treatment to allow for discharge. The on site RBC unit is working. Planned modifications are expected to produce effluent that meets criteria within the month. Currently discharge continues to be directed to Lagoons on site. Once sample results meet criteria discharge will be approved pending notification to the Inspector.

Solid Waste: Non-hazardous waste to be marshalled to staging area for deposit to a land fill once approved

Owner/Operator: Baffinland Iron Mines

Landfill: None	Burn & Landfill: NA	Other: (Barrels)
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Comments: Hazardous wastes are currently being consolidated for shipment off site to approved hazardous waste storage area. There are two approved incinerators on site. One is in operation.

FUEL STORAGE: Fuel bladders in engineered containment are stored on site

Waste Oil Storage: Packaged for shipment off site Owner/Operator: Baffinland Iron mines

Indicate: A - Acceptable U - Unacceptable NA - Not Applicable NI - Not Inspected

Berms & Liners: A	Water within Berms: NA	Evidence of Leaks: obvious weeping within containment
Drainage Pipes: None	Pump Station & Catchments Berm: NA	
Pipeline Condition: NI	Condition of Tanks: NI	

Comments: Past barrel storage area was recently found to have failures in containment. Site delineation is on-going. Contaminated soils have been contained and are to be used in the new containment area. Sites where hazardous materials have been stored and where hydrocarbon contamination exists are being remediated. These works will be inspected during the next inspection.

SURVEILLANCE NETWORK PROGRAM (SNP)

Samples Collected : 0	Owner /Operator: Monthly reports (SNP)are provided as required.	
1	INAC: Potable .	
Signs Posted	SNP: A	Warning: A
Records & Reporting: records to be provided in annual report		
Geotechnical Inspection: N/A		

Non-Compliance of Act or Licence: The Mary River camp requires on-going planned and scheduled remedial efforts to ensure compliance with the License. Continued efforts to ship hazardous materials off site and consolidate contaminated soils are encouraged. A list of items outstanding items will be generated and submitted for review to the Inspector.