



INAC, Nunavut District  
P.O Box 100  
Building 918  
Iqaluit, NU X0A 0H0

Our File: 2BB-MRY0710  
CIDM: 440501

January 17, 2011

Jim Mallard  
Baffinland Iron Mines Corporation  
Suite 1016, 120 Adeliade Street West  
Toronto, ON M5H 1T1

**RE: 2BB-MRY0710 Water Licence Renewal**

Mr. Mallard:

This letter is to advise you now that your water licence 2BB-MRY-0710 has expired on December 31<sup>st</sup>, 2010. As a requirement of the above licence the Licensee is responsible to submit a complete renewal application to the Nunavut Water Board (NWB) at least three months prior to the licence expiry date; it takes at least three months to process an application of this nature. I refer you to the Nunavut Water Board site, <http://nunavutwaterboard.org/> for further information on the licencing process including renewal timelines.

Due to a lack of communications between Baffinland and the Nunavut Planning Commission (NPC) regarding the above noted water licence renewal application, and as of January 5, 2011, this application had not been processed. On January 6, 2011 the renewal application was resent to the NPC for their review. On January 11, 2011 the Nunavut Water Board sent a notice to all parties requesting comments for the review of the renewal application for the Mary River Project. This letter will be put on our file for future reference.

INAC would like to remind you that it is your responsibility to ensure that renewal applications are submitted in a timely manner, to provide all agencies with the proper documentation and to follow-up on the progress of your application.

As a result of these occurrences you are currently without a valid water licence. As such no substantive activity should be occurring on site. Please also provide to this office and to the Nunavut Water Board your revised business practice/procedure to ensure this does not re-occur in the future.

If you have any questions or concerns, please do not hesitate to contact either myself or our offices here in Iqaluit at your earliest convenience.

Sincerely,

Sent Via Email

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Ian Rumbolt



Indian and Northern  
Affairs Canada

Affaires indiennes  
et du Nord Canada

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