

March 31, 2008

Manager of Licensing: Nunavut Water Board P.O. Box 119 Gjoa Haven, NU X0B 1J0 Telephone: (867) 360-6338

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Re: Licence No. 2BB-MRY0710 Part B, Item 2 – Annual Report

In accordance with the above noted License, please find attached an Annual Report as required under Part B, Item 2 for the year 2007. Appendices and/or enclosures to our Annual Report submission include the following:

- o An Annual Report summary form as provided by the Nunavut Water Board (NWB),
- o As-built records as required by the License and as previously submitted to the Board
- o Revised management plans as required by the License:
 - o Abandonment and Reclamation Plan
 - o Spill Contingency Plan
 - o Bulk Sampling Management Plan
 - Site Water Management Plan and Surface Water Sampling Program Quality Assurance and Quality Control Plan
 - Landfill Design and Operations

Management Plans have been revised in consideration of reviewer comments and NWB direction, including the incorporation of a revised scope of work reflected in License Amendment No. 2 issued in February 2008.

We trust that this submission meets the intent and requirements of the Annual Report. Should the NWB require any further information, please do not hesitate to contact Cheryl Wray at Cheryl.Wray@baffinland.com.

Yours sincerely,

for

Baffinland Iron Mines Corporation

Cheryl Wray
Environmental Superintendent

David McCann
Assistant Operations Manager

Cc: Andrew Keim, INAC