



October 25, 2007

Phyllis Beaulieu  
Manager of Licensing  
Nunavut Water Board  
P.O. Box 119  
Gjoa Haven, NU X0B 1J0

**Re: Submission of Management and Monitoring Plans  
Type B Water License # 2BB-MRY0710  
Mary River Project**

Dear Ms. Beaulieu:

Baffinland Iron Mines Corporation (Baffinland) is pleased to submit the following documents to the Nunavut Water Board (the Board) in accordance with the requirements of its water license.

**Part B, Item 2 - Revised Abandonment and Reclamation Costs Using RECLAIM**

Abandonment and reclamation costs have been reviewed and prepared using the latest version of the RECLAIM model (Version 5-1) in accordance with Part B, Item 2 of the water license, and are provided in the attached Knight Piésold Memo Ref. No. NB07-00898, dated October 24, 2007.

**Part B, Item 6 - Site Water Management Plan**  
**Part B, Item 7 - Revised Site Water Management Plan**  
**Part I, Item 1 - Environmental Monitoring Plan**

A Site Water Management Plan was previously submitted to the Board by Baffinland in accordance with the requirements of its previous water license #2BE-MRY0708 ("Mary River 2007/2008 Exploration Program – Surface Water Management Plan", Knight Piésold Ref. No. NB102-00181/7-3, Rev.0 dated May 17, 2007). We acknowledge that this requirement was carried over as Part B, Item 6 of the current water license.

A revised Site Water Management Plan is attached in accordance with Part B, Item 7 of the water license ("Mary River Project – Site Water Management Plan", Knight Piésold Ref. No. NB102-00181/10-5, Rev.0 dated October 25, 2007). The revised plan builds on the previous plan for exploration activities and incorporates the site activities and environmental protection and monitoring measures associated with the bulk sampling program.

The revised Site Water Management Plan incorporates environmental monitoring so as to meet the requirements of Part I, Item 1 of the water license for an Environmental Monitoring Plan in a single document.

**Baffinland Iron Mines Corporation**

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**Part I, Item 9 - Quality Assurance / Quality Control (QA/QC) Plan**

In accordance with Part I, Item 9 of the water license a Quality Assurance / Quality Control (QA/QC) Plan has been prepared (Knight Piésold Report, "Surface Water Sampling Program – Quality Assurance and Quality Control Plan", Ref. No. NB102-00181/10-7, Rev.0 dated October 25, 2007). The QA/QC Plan forms an appendix of the revised Site Water Management Plan referenced above.

**Part D, Item 20 - Bulk Sampling Management Plan**

A Bulk Sampling Management Plan is attached in accordance with Part D, Item 20 of the water license (Knight Piésold Memo Ref. No. NB07-00915, dated October 24, 2007).

**Closure**

Should you have any comments or concerns, please do not hesitate to contact the undersigned at 416-814-3171 or [Derek.chubb@baffinland.com](mailto:Derek.chubb@baffinland.com).

Best Regards,

**Baffinland Iron Mines Corporation**

A handwritten signature in blue ink, consisting of a series of loops and a final dot, representing the signature of Derek Chubb.

Derek Chubb  
VP, Sustainable Development

Cc: Rodney (Rod) Cooper, Baffinland  
Steve Aiken, Knight Piésold