

P.O. Box 119 GJOA HAVEN, NU XOB 1JO TEL: (867) 360-6338 FAX: (867) 360-6369 ຼ໑৯° ΔL~ሊትና ቴ∩Lትዣ NUNAVUT IMALIRIYIN KATIMAYINGI NUNAVUT WATER BOARD OFFICE DES EAUX DU NUNAVUT

File No: 2BE-MRY0712

October 12, 2007

Mr. Derek Chubb Baffinland Iron Mines Corporation Suite 1016 120 Adelaide Street West Toronto, ON M5H 1T1

Email: derek.chubb@baffinland.com

Subject: Baffinland Iron Mines Corporation – Mary River Project – Change to Water Source

Dear Mr. Chubb:

The Nunavut Water Board (NWB) acknowledges receipt of your letter of October 10, 2007 requesting approval from the Board to obtain water for domestic purposes from an unnamed lake located adjacent to the Milne Inlet tote road.

Part C, Item 1 of the current license indicates "The Licensee shall obtain all water for domestic purposes from Camp Lake at Monitoring Station MRY-1, Philips Creek at Monitoring Station MRY-2 and Km 99 Lake at Monitoring Station MRY-3 or as otherwise approved by the Board. Total water use for domestic purposes shall not exceed sixty (60) cubic metres per day. Water for the purposes of drilling and other associated uses, shall be obtained from sources adjacent to drill targets and is not to exceed four hundred and fifty five (455) cubic metres per day."

By copy of this letter to the distribution list and attached information from Baffinland Iron Mines Corporation, parties are asked if they have any objection to this request. Please provide any comments direct to the NWB by Wednesday, October 17, 2007.

Sincerely,

Original signed by:

Phyllis Beaulieu Manager of Licensing

Enclosure: Baffinland letter dated October 10, 2007

Area map

cc: Distribution List – Qikiqtani