



May 15, 2007

Nunavut Water Board
P.O. Box 119
Gjoa Haven, Nunavut XD0B 1J0

**Re: Mary River Project
Water License, Type "B"
2BE-MRY0708**

Ms. Phyllis Beaulieu

Part D, Item 2 of the above noted license (License) requires that Baffinland supply a declaration from the Hamlet of Pond Inlet approving the deposit of sewage and solid waste in the Municipal Facilities. This letter is to confirm that approval has been requested from the Hamlet and that we are awaiting a regularly scheduled Council meeting to ratify the request. We will forward this declaration as soon as it is received, and in any case, prior to depositing any wastes to these facilities.

Although unexpected, should timely approval not be granted by the Hamlet of Pond Inlet for this activity, Baffinland will arrange for disposal of these wastes, as required, to licensed facilities elsewhere.

Best Regards,

Baffinland Iron Mines Corporation

A handwritten signature in blue ink, consisting of a stylized 'D' followed by a cursive 'C' and a small dot.

Derek Chubb
VP, Sustainable Development

Cc: Andrew Keim, Water Resources Officer
David Qaminiq, Mayor of Pond Inlet

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