Water Resources Division Nunavut Regional Office Indian and Northern Affairs Canada Iqaluit, NU X0A 0H0

Monday, June 23, 2008

Richard Dwyer Licence Administrator Nunavut Water Board Gjoa Haven, NU X0B 1J0

Re: 2BB-MRY0710, Baffinland Iron Mines Corporation, Mary River Project, Qikiqtani Region, Revised Site Water Management Plan, INAC Review

Dear Mr. R. Dwyer,

Indian and Northern Affairs Canada (INAC) has reviewed the October 25, 2007 Mary River Project Revised Site Water Management Plan submitted by Baffinland Iron Mines Corporation to the Nunavut Water Board for approval. This plan is a requirement of licence 2BB-MRY0710, Part B, Item 7.

The following advice is provided pursuant to INAC's mandated responsibilities for the enforcement of the *Nunavut Waters* and *Nunavut Surface Rights Tribunal Act* and the *Department of Indian Affairs and Northern Development Act*. Indian and Northern Affairs Canada recommends that the Board consider these comments when reviewing the Revised Site Water Management Plan.

- The proponent should review its plan content on an annual basis to make certain that site water management practices implemented in the Mary River Project Area are properly described. Revised plans should be provided to the Board with Annual Reports.
- The objective of a Site Water Management Plan is to communicate how and how much freshwater will be handled with the interest of protecting the receiving environment's ecosystem. The volume and quality of freshwater entering and exiting the project area should be the basis of this plan and requires the collection and interpretation of site specific data. Furthermore, this information should be reviewed by the proponent on an annual basis to reflect the effects of project on freshwater sources.



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- This plan should be revised to include descriptions of site specific water management practices implemented in the project area. Any use of erosion control, surface water collection, and surface water diversion measures should be noted. For example, the locations for the installation of culverts, channeling of wastewater effluent, and collection of precipitation runoff from excavation areas and stockpiles should be included in the plan and the Board should be informed of changes over time. Written summaries and photographs of specific water management practices would increase the quality of these descriptions, both in the plan and in the Annual Reports to the Board.
- The labeling and reference of figures and tables should be reviewed and revised appropriately in revised versions of this plan. The plan makes several references to figures and tables but does not provide their respective titles or references. Furthermore, tables are provided within the plan without titles or reference codes (e.g., refer to Section 4.1 Surface Water Runoff Evaluation.)
- The tables listed in the plan's table of contents cannot be found. These tables should be included in a revised plan. These tables are referenced throughout the plan and are intended to relay precipitation runoff rates for the project area and the Mary River, Milne Inlet, and Steensby Inlet locations.
- Detailed information should be provided in the plan whenever possible to clearly communication site water management objectives. Examples of where detailed information can be included in a revised plan include (a) how precipitation runoff from the Milne Inlet Temporary Ore Storage Stockpiles is directed toward Milne Inlet; refer to Section 5.12 and (b) the locations of surface water sampling sites referenced in Section 6.2.
- Monitoring Report Forms and the identification of which project personnel (i.e., job title) are responsible for monitoring activities should be included in this plan. This information would compliment the description of water management monitoring activities described in Section 6 of the plan.
- The project's Spill Contingency Plan should be referenced in this plan. Spill
 contingency measures are applicable to site water management operations
 due to the potential of freshwater sources becoming contaminated from
 released hydrocarbon products.

Indian and Northern Affairs Canada requests notification of any changes in the proposed project, as further review may be necessary. Please contact me should you have any questions or comments with regards to the foregoing. I can be reached by telephone at (867) 975-4555 or email at AbernethyD@inac-ainc.gc.ca.

Regards, *Original signed by*

David W. Abernethy Regional Coordinator

Carbon copy: Jim Rogers, Manager of Water Resources – INAC, NRO Derek Chubb, VP Sustainable Development - Baffinland