

**2020 Qikiqtani Inuit Association and Nunavut Water Board
Annual Report for the Ege Bay Exploration Program**
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Water License 2BE-EQE1926 and Land Use Licence II L2-1910
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Baffinland Iron Mines Corporation

Eqe Bay Project

2020 QIKIQTANI INUIT ASSOCIATION (QIA) AND NUNAVUT WATER BOARD (NWB) ANNUAL REPORT FOR EXPLORATION ACTIVITIES

REV 0



2021-03-31	0		
		L. Howitt	C. Murray
Date	Rev.	Prepared By	Reviewed and Approved By

TABLE 0: REPORT SUBMISSION SUMMARY

Year of Annual Report	2020
Annual Report Submission Date:	March 31, 2021
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2020 QIKIQTANI INUIT ASSOCIATION (QIA) AND NUNAVUT WATER BOARD (NWB) ANNUAL REPORT FOR EXPLORATION ACTIVITIES

EXECUTIVE SUMMARY

This report to the Qikiqtani Inuit Association (QIA) and the Nunavut Water Board (NWB) has been prepared to summarize the 2020 exploration activities conducted under Baffinland Iron Mines Corporation's (Baffinland) Type 'B' Water Licence 2BE-EQE1926 (Type 'B' Water Licence) and the Land Use Licence 2 No. QL2-1910 (Land Use Licence) between the QIA and Baffinland for the Ege Bay Project (the Project).

The scope of the Type 'B' Water Licence focuses on exploration and drilling activities and includes provisions and conditions regarding water use, waste management, construction and operation of satellite camps, exploration and drilling programs, spill contingency and environmental monitoring.

During 2020, there were no activities carried out under the scope of the Type 'B' Water Licence. Activities completed in 2020 were limited to a legal survey to convert mineral claims to mineral leases, a twin otter landing survey from the air, and a sealift anchoring and barge landing survey. No satellite camps were constructed or operated in 2020, with all personnel involved with the exploration activities being based out of the Mary River Mine Site accommodation camp.

As there were no drilling activities, camp operation or water use in 2020, environmental monitoring was limited to recording wildlife sightings in the Project area and documenting instances of Inuit land use in the Project area.

As no development or earthworks has happened in the Project area to date, no reclamation works have been carried out under the Type 'B' Water Licence.

As outlined in the 2021 Work Plan, exploration activities for 2021 have not yet been finalized however it is anticipated that activities at a minimum will include mapping, sampling, geophysical and geochemical surveys of prospects on Baffinland's crown land mineral claims and the IG-03 NTI Exploration Agreement. With respect to the global COVID-19 pandemic, any activities in 2021 will be carried out in a manner that ensures the health and safety of all Baffinland staff and Nunavummiut, and follows all applicable guidance from the Government of Nunavut Chief Public Health Officer. Baffinland intends to develop the planned exploration camp in 2021 and initiate a drilling program, pending the issuance of a Land Use Lease from QIA. Further consultation is planned to occur in Igloolik, Sanirajak and Clyde River prior to these developments, to keep key all local communities informed and engaged. As additional details for the 2021 exploration program become available, this information will be provided to the NWB, Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), communities and the QIA prior to the commencement of activities.

RAPPORT ANNUEL 2020 DE L'ASSOCIATION DES INUITS QIKIQTANI (QIA) ET DE L'OFFICE DES EAUX DU NUNAVUT (NWB) SUR LES ACTIVITÉS D'EXPLORATION

RÉSUMÉ EXÉCUTIF

Ce rapport à la Qikiqtani Inuit Association (QIA) et à l'Office des eaux du Nunavut (NWB) a été préparé pour résumer les activités d'exploration de 2020 menées dans le cadre du permis d'eau de type B de la Baffinland Iron Mines Corporation (Baffinland) 2BE-EQE1926 (type 'B'). Permis d'utilisation des eaux) et le permis d'utilisation des terres 2 No. QL2-1910 (permis d'utilisation des terres) entre la QIA et Baffinland pour le projet Ege Bay (le projet).

Le champ d'application du permis d'eau de type «B» se concentre sur les activités d'exploration et de forage et comprend des dispositions et des conditions concernant l'utilisation de l'eau, la gestion des déchets, la construction et l'exploitation de camps satellites, les programmes d'exploration et de forage, les risques de déversement et la surveillance de l'environnement.

En 2020, aucune activité n'a été menée dans le cadre du permis d'eau de type B. Les activités achevées en 2020 se limitaient à un levé légal pour convertir les concessions minières en concessions minières, un levé de débarquement de deux loutres depuis les airs, et un levé d'ancrage par bateau et de débarquement de barges. Aucun camp satellite n'a été construit ou exploité en 2020, tout le personnel impliqué dans les activités d'exploration étant basé hors du camp d'hébergement du site de la mine Mary River.

Comme il n'y avait pas d'activités de forage, d'exploitation de camp ou d'utilisation de l'eau en 2020, la surveillance environnementale s'est limitée à enregistrer les observations d'animaux sauvages dans la zone du projet et à documenter les cas d'utilisation des terres par les Inuits dans la zone du projet.

Étant donné qu'aucun développement ou terrassement n'a eu lieu dans la zone du projet à ce jour, aucun travail de remise en état n'a été effectué dans le cadre du permis d'eau de type B.

Comme indiqué dans le plan de travail 2021, les activités d'exploration pour 2021 n'ont pas encore été finalisées, mais il est prévu que les activités comprendront au minimum la cartographie, l'échantillonnage, les levés géophysiques et géochimiques des prospectes sur les concessions minières de la Couronne de Baffinland et l'IG-03 NTI. Accord d'exploration. En ce qui concerne la pandémie mondiale de COVID-19, toute activité en 2021 sera menée de manière à assurer la santé et la sécurité de tout le personnel de Baffinland et des Nunavummiut, et suit toutes les directives applicables du directeur de la santé publique du gouvernement du Nunavut. Baffinland a l'intention de développer le camp d'exploration prévu en 2021 et de lancer un programme de forage, en attendant la délivrance d'un bail d'utilisation des terres de QIA. D'autres consultations sont prévues à Igloolik, Sanirajak et Clyde River avant ces développements, afin de garder toutes les communautés locales clés informées et engagées. À mesure que des détails supplémentaires sur le programme d'exploration 2021 deviendront disponibles, ces renseignements seront fournis à l'OEN, à Relations Couronne-Autochtones et Affaires du Nord Canada (CIRNAC), aux collectivités et à l'AQI avant le début des activités.

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ABBREVIATIONS

Baffinland	Baffinland Iron Mines Corporation
CIRNAC.....	Crown Indigenous Relations and Northern Affairs Canada
magl	Meters Above Ground Level
NIRB	Nunavut Impact Review Board
NTI	Nunavut Tunngavik Inc.
NWB.....	Nunavut Water Board
QIA	Qikiqtani Inuit Association
TK/IQ.....	Traditional Knowledge/ Inuit Qaujimajatuqangit
WSCC	Workers' Safety and Compensation Commission

1 INTRODUCTION

1.1 PURPOSE AND SCOPE

This report to the Qikiqtani Inuit Association (QIA) and the Nunavut Water Board (NWB) has been prepared to summarize the 2020 exploration activities conducted under Baffinland Iron Mines Corporation's (Baffinland) Type 'B' Water Licence 2BE-EQE1926 (Type 'B' Water Licence) and the Land Use Licence 2 No. QL2-1910 (Land Use Licence) between the QIA and Baffinland for the Ege Bay Project (the Project). Concordance tables referencing where in this report annual reporting requirements outlined in the Land Use Licence and Type 'B' Water Licence have been met are presented in Appendix B.

The scope of the Type 'B' Water Licence focuses on exploration activities and includes provisions and conditions regarding water use, waste management, construction and operation of satellite camps, exploration drilling programs, spill contingency and environmental monitoring. Activities and data discussed in this report are summarized and referenced in the completed NWB Annual Report Forms, included as Appendix C of this report.

During 2020, there were no activities carried out at the Project under the scope of the Type 'B' Water Licence, limited to a legal survey to convert mineral claims to mineral leases, a twin otter aerial survey for potential landing locations, and a sealift and barge landing survey. There were no activities carried out that required the use of water, discharge of water or discharge of waste as regulated under the Type 'B' Water Licence. No exploration camps were constructed or operated for the Project in 2020, with all personnel involved with the exploration activities being based out of the Mary River Mine Site accommodation camp.

Figures 1 and 2 present the locations of the key areas associated with the Project where activities in 2020 were undertaken. Key areas involved with exploration activities in 2020 included the Mary River Mine Site (Mine Site), Steensby Port and the Ege Bay Project area.

1.2 REGULATORY FRAMEWORK

Although the key regulatory and legal documents that relate to this report are the Land Use Licence and the Type 'B' Water Licence, this report is presented in the context of other applicable regulatory authorizations and schedules for the Project. A list of the key regulatory permits, approvals and authorizations that allowed for the work to be completed at the Project in 2020 is presented in Table 1.1 below.

Table 1.1: Current Permits, Approvals and Authorizations - 2020

Permit or Licence No.	Licence Name	Status Update for 2020	Expiry
Nunavut Impact Review Board			
18EN026	Ege Bay Project Screening	All works and activities have been screened by the Nunavut Impact Review Board (NIRB) and have been considered in the Project Screening decision. A NIRB Annual Report is submitted by March 31 st of each year that summarizes the status of the Project relative to the conditions outlined in the Project Screening.	N/A
Nunavut Water Board			
2BE-EQE1926	Type 'B' Water Licence	In good standing	April 3, 2026
Qikiqtani Inuit Association			
TBD	Inuit Owned Land – Land Use Lease	Application still being considered	N/A
QL2-1910	Inuit Owned Land - Land Use Licence	Compliance with the licence is outlined in the 2020 QIA and NWB Annual Reports submitted by March 31 st of each year. An extension to this licence was requested by Baffinland and is under consideration by QIA.	March 30, 2021
	Inuit Impact and Benefit Agreement (IIBA)	Compliance with the agreement is outlined in the Annual IIBA Implementation Report submitted by March 31 st of each year.	N/A
Crown Land Use Permits			
N2019C0009	Steensby Land Use Permit	New Land Use Permit issued for Steensby in 2019. The previous permit N2014C0013 was closed and obligations transferred to the new Land Use Permit.	June 29, 2024

2 EXPLORATION ACTIVITIES

2.1 EXPLORATION ACTIVITIES AND DRILLING PROGRAMS

During 2020, exploration activities were based out of the Mary River Mine Site and consisted of day trips by helicopter to the Project, and were limited to a legal survey to convert mineral claims to mineral leases, a twin otter landing survey, and a sealift anchoring and barge landing survey.

The barge landing survey was completed on September 8, 2020 by sealift contractor NSSI to determine suitable beach locations for the landing of a barge to facilitate future sealift operations. The survey identified that the original proposed location for sealift access would be the most suitable, with other locations ruled out due to access constraints and distance from the proposed camp location. A tug was successfully able to access the area at high tide, however some minor work to prepare the beach may be required to allow landing of a barge. This would involve movement of some rocks in the foreshore area, which will be further discussed with the Department of Fisheries and Oceans Canada to determine any applicable authorizations and best practices to be implemented prior to any future sealift.

No new satellite camps were constructed and/or operated to support exploration activities in 2020. There were no drilling activities, construction of sumps, use of water or discharge of water or waste to the receiving environment. Although Steensby Port was used as a refuelling location for helicopters transporting exploration field crews in 2020, the site remained closed throughout the year and was not used to house personnel.

3 MODIFICATIONS, INFRASTRUCTURE CHANGES AND CONSTRUCTION

There was no development, construction or earthworks activities initiated at the Project in 2020. Development of the Ege Bay Exploration Camp was deferred to 2021 due to the open Land Use Lease application with QIA, yet to be finalized.

A survival shack was mobilized in 2019 to the exploration area on IG-03 Inuit Owned Land. It was slung, intact, from the Steensby Camp and placed on rocky ground to avoid any damage to the tundra. The shack was not used in 2020 and remains winterized and left in place for the 2021 field season (Figure 4). This was authorized via correspondence with the appropriate QIA representative. It is located at the following coordinates:

Easting: 430790

Northing: 7729380

UTM NAD83 18W

A temporary fuel cache was established at the Project Area to facilitate direct flights to and from Mary River and to provide emergency fuel in the event of bad weather. The direct flights serve the dual purpose of extending the number of working hours on the ground and also reducing the number of helicopter hours required to be flown, thus decreasing the potential for wildlife disturbance. The fuel cache was 12 drums, stored in secondary containment greater than 31 m from the nearest high water mark. All fuelling of the helicopter was done with a secondary drip tray beneath all of the fuelling equipment and a spill kit was kept with the fuel drums. All drums were removed from the Project Area and returned to secondary containment at the Steensby Camp at the conclusion of the field program. The fuel cache was located at the following coordinates (Figure 5):

Easting: 451180

Nothing: 7742995

UTM NAD83 18W

4 WATER USE

4.1 QUANTITIES OF FRESHWATER USED FOR DOMESTIC PURPOSES

During 2020, water was not withdrawn under the authorization of the Type 'B' Water Licence for domestic (camp) purposes. No satellite camps were operated to support exploration and drilling activities in 2020.

4.2 QUANTITIES OF FRESHWATER USED FOR DRILLING ACTIVITIES

During 2020, water was not withdrawn under the authorization of the Type 'B' Water Licence for drilling purposes.

5 ENVIRONMENTAL MONITORING

5.1 ENVIRONMENTAL MONITORING FOR DRILLING/TESTING ACTIVITIES

No environmental monitoring for drilling/testing activities occurred as there were no drilling activities executed in 2020.

5.2 AIRCRAFT FLIGHTS

The Land Use Licence and NIRB Screening decision for the Project requires Baffinland to advise pilots of flight height restrictions when travelling to and from the Project site. Specifically, Baffinland is to notify pilots of the minimum flight altitude of 650 metres above ground level (magl) (except during landing, take-off or if there is a specific need for low-level flying) and that the aircraft maintain a vertical distance of 1,000 metres and a horizontal distance of 1,500 metres from any observed groups of migratory birds. Data from helicopter flight logs was analyzed to monitor compliance for the 2020 season.

Flight height data points were designated “compliant” when elevation requirements of a minimum flight altitude of 650 metres and a minimum flight altitude of 1,100 metres over the Snow Goose Management Area for the months of July and August were achieved, or where pilot’s discretionary rationale for deviating from flight heights was provided. Data points were designated “non-compliant” if they did not meet elevation requirements, and no explanation was given. All flights completed in 2020 for the Ege Bay project were compliant (Table 5.1).

Table 5.1: Summary of Flight Compliance in 2020

Total Flight Hours	Compliant Flight Hours	Percent Compliance	Non-Compliant Flight Hours	Percent Non-Compliance
91.7	91.7	100.0 %	0.0	0.0 %

Most of these flights are attributed to the deployment of the legal survey team. As per authorization in the Water Licence, a 12 drum fuel cache was maintained in the Project area for refuelling purposes. Re-supply flights to and from Steensby Camp were required to position fuel in the Project area. Flight altitudes ranged from 0 to 2,200 metres. Map 1 in Appendix D shows the flight paths for the 2020 season.

5.3 WILDLIFE LOGS

During the 2020 field program, a total of three (3) animals were observed on one (1) occasion in the Project area or in transit from Mary River to Ege Bay. While the total number of observations decreased from 2019 (76 wildlife observations), it should be noted that the scale and timing of the activities in 2020 was significantly reduced due to the global COVID-19 pandemic, resulting in fewer person-hours in the field. A summary of the sightings is presented in the following Table 5.2.

Table 5.2: Wildlife Observations in 2020

Species	Number of Observations
Caribou	3
Total	3

5.4 LAND USER LOGS

During 2020, no land users were observed or reported. Due to the global COVID-19 pandemic, Baffinland undertook extra precautions to ensure no encounters with local communities, including in some instances confirming any land use in the area with the local HTAs prior to activities.

6 WASTE MANAGEMENT

During 2020, no camps were installed or operated at the Project. Therefore, waste management is not required at this time. All waste generated by field crews (food scraps, lunch bags/wrappers, etc.) was returned to the Mary River camp for disposal on a daily basis.

7 REPORTED INCIDENTS

7.1 SPILLS

There were no spills observed or reported by Baffinland in 2020 at the Project.

7.2 HEALTH & SAFETY INCIDENTS

No health & safety incidents were reported to the QIA and/or the Workers' Safety and Compensation Commission (WSCC) that pertained to the Project activities in 2020.

8 RECLAMATION, CLOSURE AND FINANCIAL SECURITY

8.1 PROGRESSIVE AND FINAL RECLAMATION

No infrastructure, construction or earthworks activities were completed in 2020. Field work conducted in 2020 was limited to low impact surveys including a legal land survey, a twin otter landing potential air survey, and a survey to determine sealift anchorage and barge landing locations. As such, there is no progressive or final reclamation to report on. Details on the progressive and final reclamation for the Project are outlined in the Ege Bay Exploration Program Closure and Reclamation Plan (BAF-PH1-400-P16-0003).

8.2 CURRENT RESTORATION LIABILITY

There is currently no financial security held for the project by the QIA or NWB under the Type 'B' Licence. Baffinland is in discussion with QIA to determine the value of reclamation security that would be required for the issuance of a Land Use Lease and the development of the camp and associated infrastructure.

9 PLANS, REPORTS AND STUDIES

9.1 SUMMARY OF STUDIES REQUESTED BY THE BOARD

Due to the limited scope of work executed in 2020, studies under the Type 'B' Water Licence were not required.

9.2 REVISIONS TO PLANS, REPORTS AND MANUALS

Final versions of the management plans developed for the Type 'B' Water Licence were submitted to the NWB in February, 2019. Table 9.1 provides a complete list of management plans for the Project.

Table 9.1: Management and Monitoring Plans for the Ege Bay Exploration Project

Management Plan	Current Version	Version Date
Environmental Protection Plan	Revision 0	February 2019
Spill Contingency Plan	Revision 0	February 2019
Closure and Reclamation Plan	Revision 0	February 2019
Inspection and Monitoring Plan	Revision 0	February 2019
Waste Management Plan	Revision 0	February 2019

9.3 SUMMARY OF FUEL STORAGE

There is currently no fuel storage at the Project.

9.4 INSPECTION AND COMPLIANCE REPORTS

9.4.1 CIRNAC Inspections

During 2020, Baffinland did not receive any inspection and/or compliance reports from Crown Indigenous Relations and Northern Affairs Canada (CIRNAC) Water Resources Officers (the Inspector) outlining concerns pertaining to the scope of the Type 'B' Water Licence.

9.4.2 QIA Inspections

During 2020, Baffinland did not receive any inspections and/or compliance reports from QIA outlining concerns pertaining to scope of the Land Use Licence.

9.5 SUMMARY OF ARTESIAN FLOWS

No drilling activity occurred in 2020, therefore no artesian flows were possible.

10 PUBLIC CONSULTATIONS

Throughout 2020, Baffinland continued to consult with the North Baffin communities and organizations regarding exploration activities at the Project. Due to the limited scope of work executed in 2020, and travel restrictions due to COVID-19, community visits were not able to be scheduled. Due to the global COVID-19 pandemic in 2020, plans for community visits had to be adjusted to ensure the health and safety of all Baffinland staff and Nunavummiut. Baffinland consulted with the Government of Nunavut Chief Public Health Officer to develop plans that would ensure exploration activities outside of the Mary River camp would not result in interactions with local communities, and received prior approval to conduct this work. In addition, Baffinland also consulted with the Qikiqtani Inuit Association and Crown Indigenous Relations and Northern Affairs Canada, as well as the communities of Igloolik and Sanirajak, to ensure awareness of the planned works for 2020 and to outline the appropriate COVID-19 precautions put in place. Consultation activities are planned to continue in 2021, and will be expanded should the proposed construction of the camp and supporting infrastructure commence in 2021.

Table 10.1: Record of Engagement

Date	Letter/Event	Topics Discussed
2020-07-17	Sanirajak & Igloolik-Planned 2020 Field Activities Initial Notification	Initial notification of planned work (Legal surveys, Twin Otter flight and beach landing) and projected timing of these works. Identified COVID-19 mitigation measures in place and plans for ongoing communication regarding status of all activities. Requested feedback on plans, if any. Notified Hamlet Councils, Hunters & Trappers Associations, administrative officers and where possible, local health authorities. Maps of planned work areas and detailed letters delivered in English and Inuktitut.
2020-08-05	Sanirajak & Igloolik – Update on 2020 Eeq Bay Field Programs	Provided an update on timing of field activities. None had commenced at this point and this notification served as a one-week notice to commencement of the legal surveys. Restated COVID-19 protocols and asked for feedback on the plans, if any. Maps of planned work areas and detailed letters delivered in English and Inuktitut
2020-08-11	Sanirajak & Igloolik – Notification of commencement of Legal Surveys	Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the Legal Survey program was commencing on 12-08-2020.
2020-08-17	Sanirajak & Igloolik – Notification of pending Twin Otter flight	Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the Twin Otter flight would attempt to take place on the afternoon of 18-08-2020, weather permitting.
2020-08-19	Sanirajak & Igloolik – Notification of delay of Twin Otter flight	Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the Twin Otter flight was not able to proceed as scheduled. Provided a date range for when the next attempt may occur and a promise of 24 hours' notice of notification before next attempt.

Date	Letter/Event	Topics Discussed
2020-08-24	Sanirajak & Igloolik – Ege Bay Program Update	Provided an update on the status of field activities. The Legal Survey was underway and the Twin Otter flight was delayed. Restated COVID-19 protocols and asked for feedback on the plans, if any. Maps of planned work areas and detailed letters delivered in English. Delays in Inuktitut resulted in letters and map being delivered in Inuktitut 26-08-2020.
2020-08-26	Sanirajak – Question regarding beach landing survey timing	Mayor Jaypeetee Audlakiak of Sanirajak got in contact with Joe Tigullaraq to confirm timing of beach landing survey. Replied that tentative date in September 5, pending sailing schedule.
2020-08-26	Sanirajak & Igloolik HTA Chairpersons – Twin Otter Flight Update	Request from Baffinland to the HTAs by phone for any knowledge of hunters or campers in the area of Ege Bay. Unexpected availability of the Twin Otter provided a window for a short notice flight. Igloolik and Sanirajak HTA Chairpersons or designates provided information saying there were no land users from their communities in the Ege Bay area to Joe Tigullaraq. Mayor Recinos from Igloolik provided the all-clear to Andrew Moore by phone and thanked him for calling to keep Igloolik and himself apprised of Baffinland activities.
2020-08-26	Sanirajak & Igloolik – Notification of Completion of Twin Otter flight	Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the Twin Otter flight was completed the afternoon of 26-08-2020.
2020-09-04	Sanirajak & Igloolik – Update on beach landing survey	Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that due to weather and operational delays, the beach landing survey at Ege Bay was delayed from September 5 to September 6.
2020-09-08	Sanirajak & Igloolik – Update on beach landing survey	Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the beach landing survey was completed by noon on 08-09-2020.
2020-09-30	Sanirajak & Igloolik – Update on beach landing survey	Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the Legal Survey program and all other land use in the Ege Bay area by Baffinland (removal of emergency fuel cache) had been completed on 27-09-2020.

11 2021 EXPLORATION ACTIVITIES

The 2021 Work Plan for the Mary River Project was prepared and provided by Baffinland to relevant parties on November 6, 2020 including planned exploration activities.

The scope of Baffinland's Type 'B' Water Licence and Land Use Licence allows for Baffinland to continue to undertake exploration activities within the Project area including mineral claims staked on crown land and IG-02 and the NTI Exploration Agreement Subarea C on IG-03.

Exploration activities for 2021 have not yet been finalized however it is anticipated that activities at a minimum will include mapping, sampling and geophysical and geochemical surveys of prospects in the Project area. Notification will be provided to the NWB, CIRNAC and the QIA prior to the commencement of exploration and/or drilling activities. Baffinland also plans to engage with community members to discuss planned developments and employment opportunities that may exist as the project moves forward. Baffinland plans to continue to engage as many local employees as possible and provide on-the-job training to positions relevant to grassroots exploration.

During 2021, Baffinland plans to establish a new exploration camp within the Ege Bay Area (refer to Figure 2) to support a drilling program planned for either late summer 2021 or late spring and summer 2022, as well as other low impact exploration activities within the Ege bay Area. The current Type 'B' Water Licence issued in April 2019 is inclusive of the scope of these activities. A Land Use Lease application is still undergoing review and discussion with QIA, that would allow for the development of the camp and exploration drilling on Inuit owned land.

APPENDIX A

Figures





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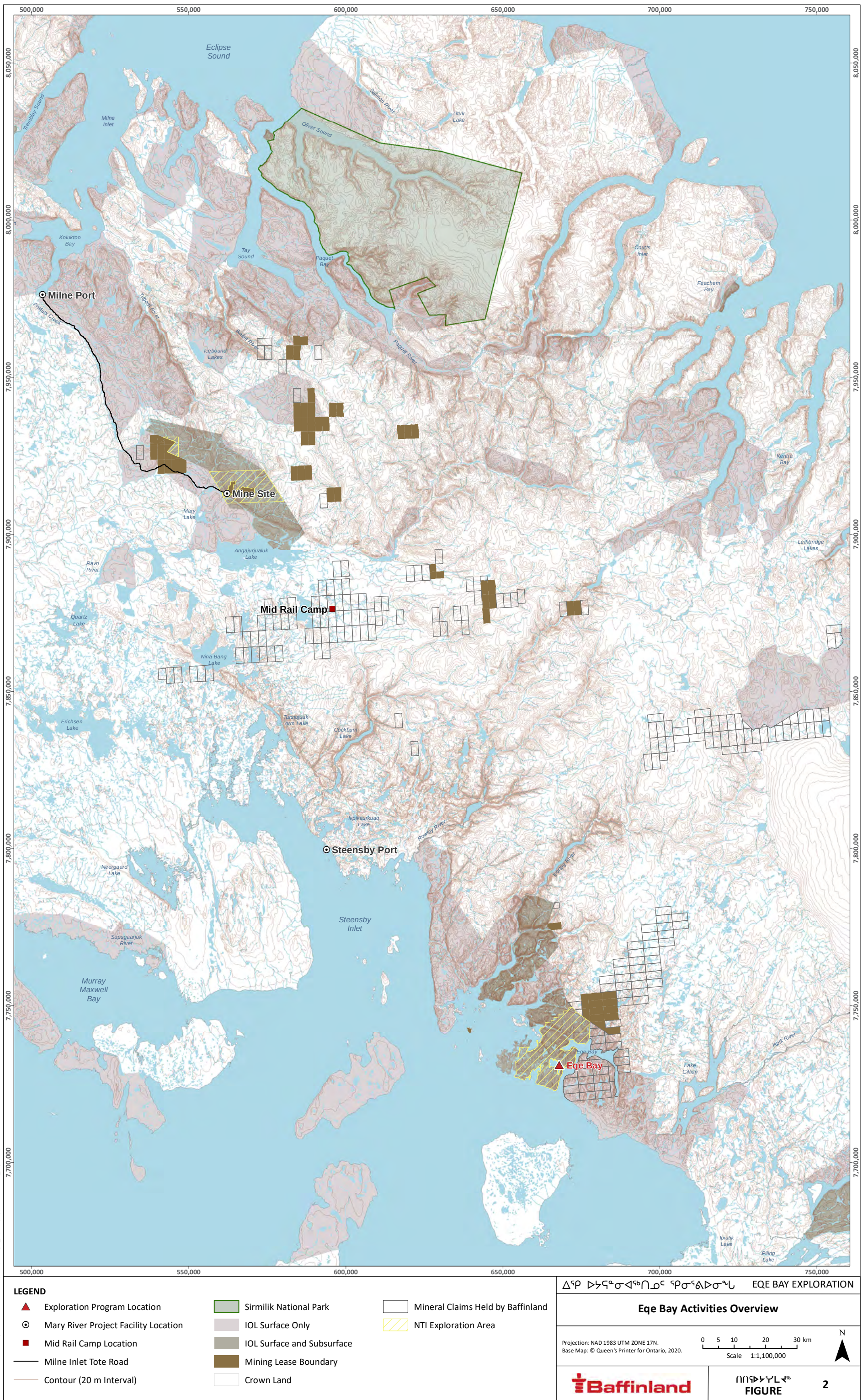
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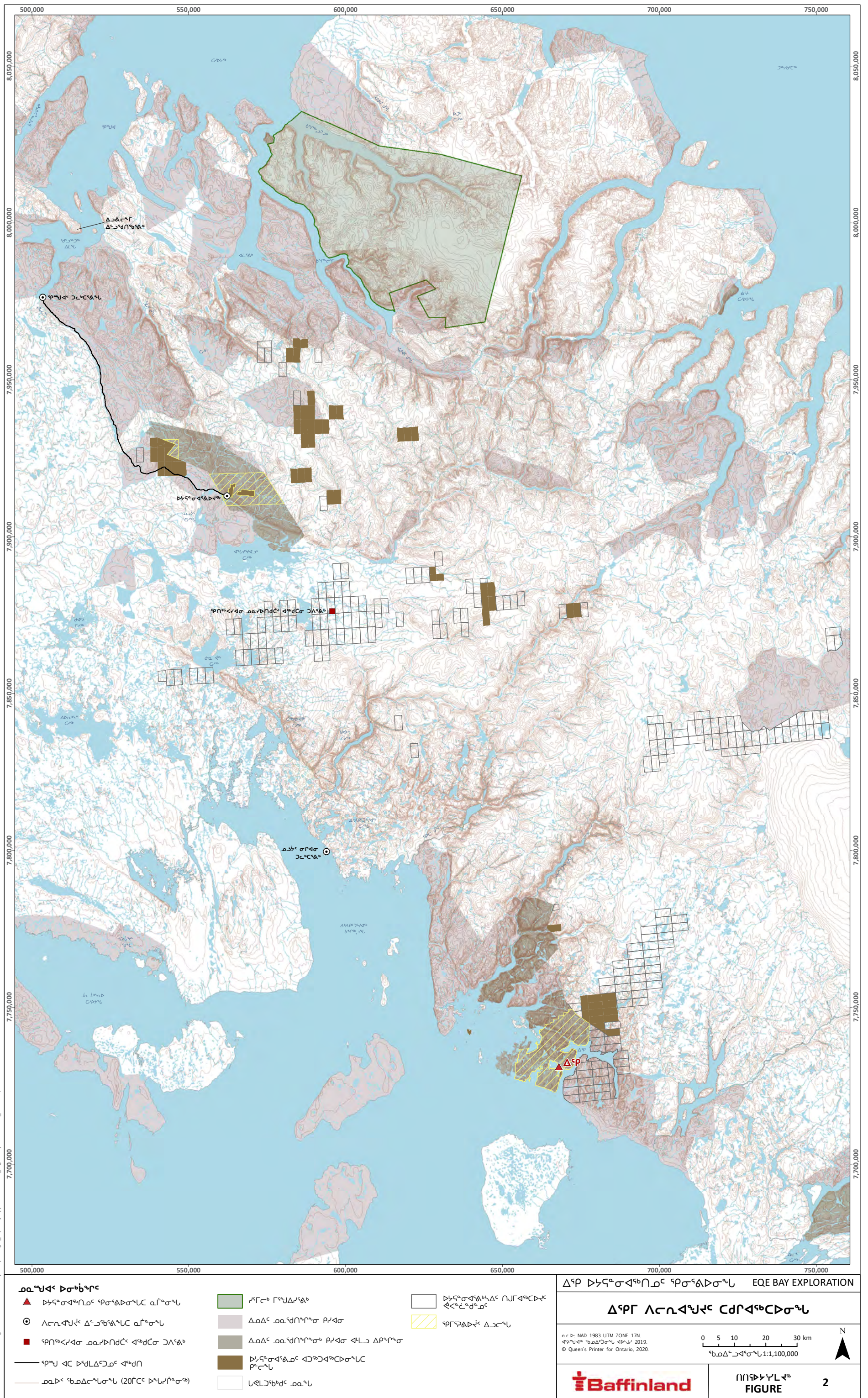
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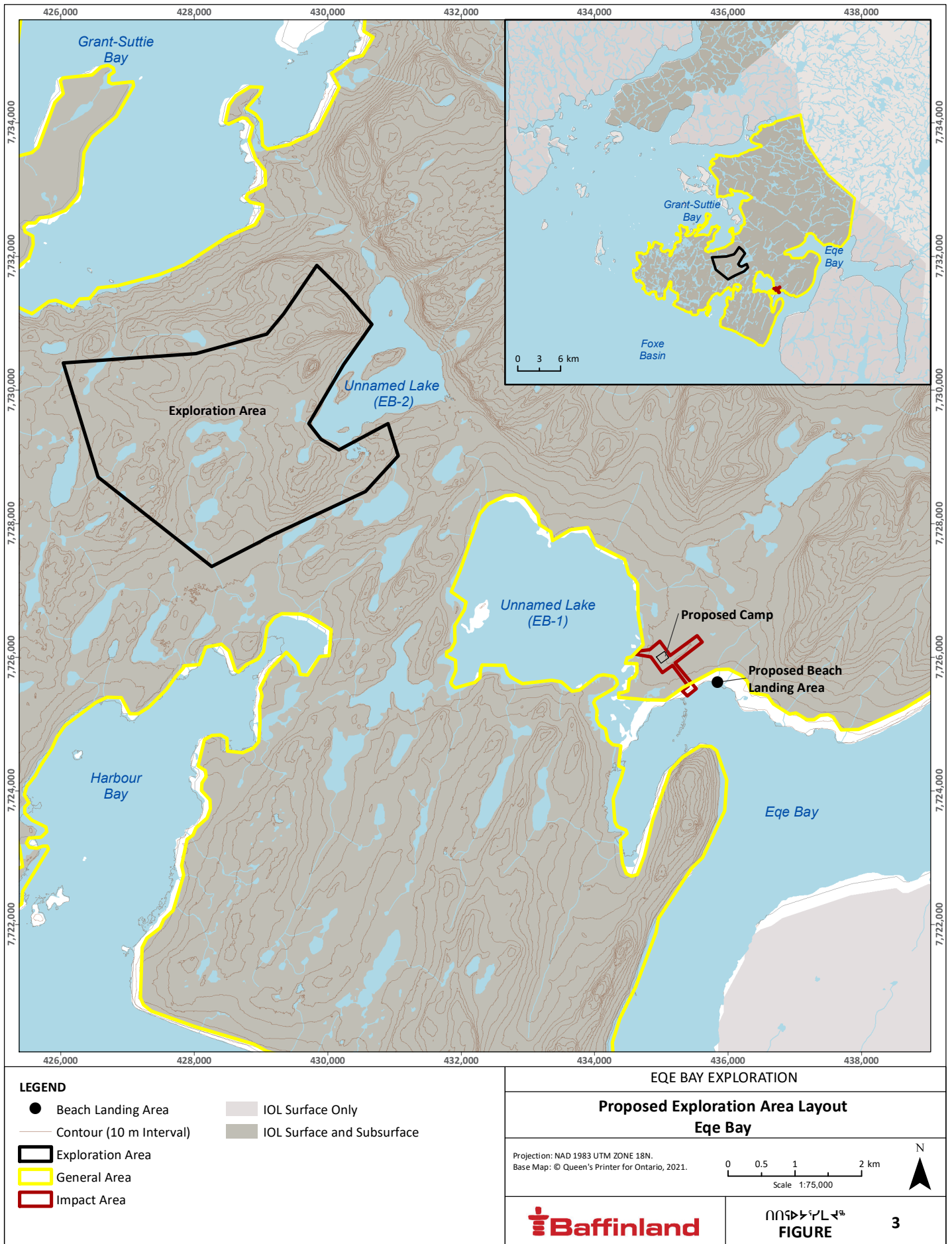


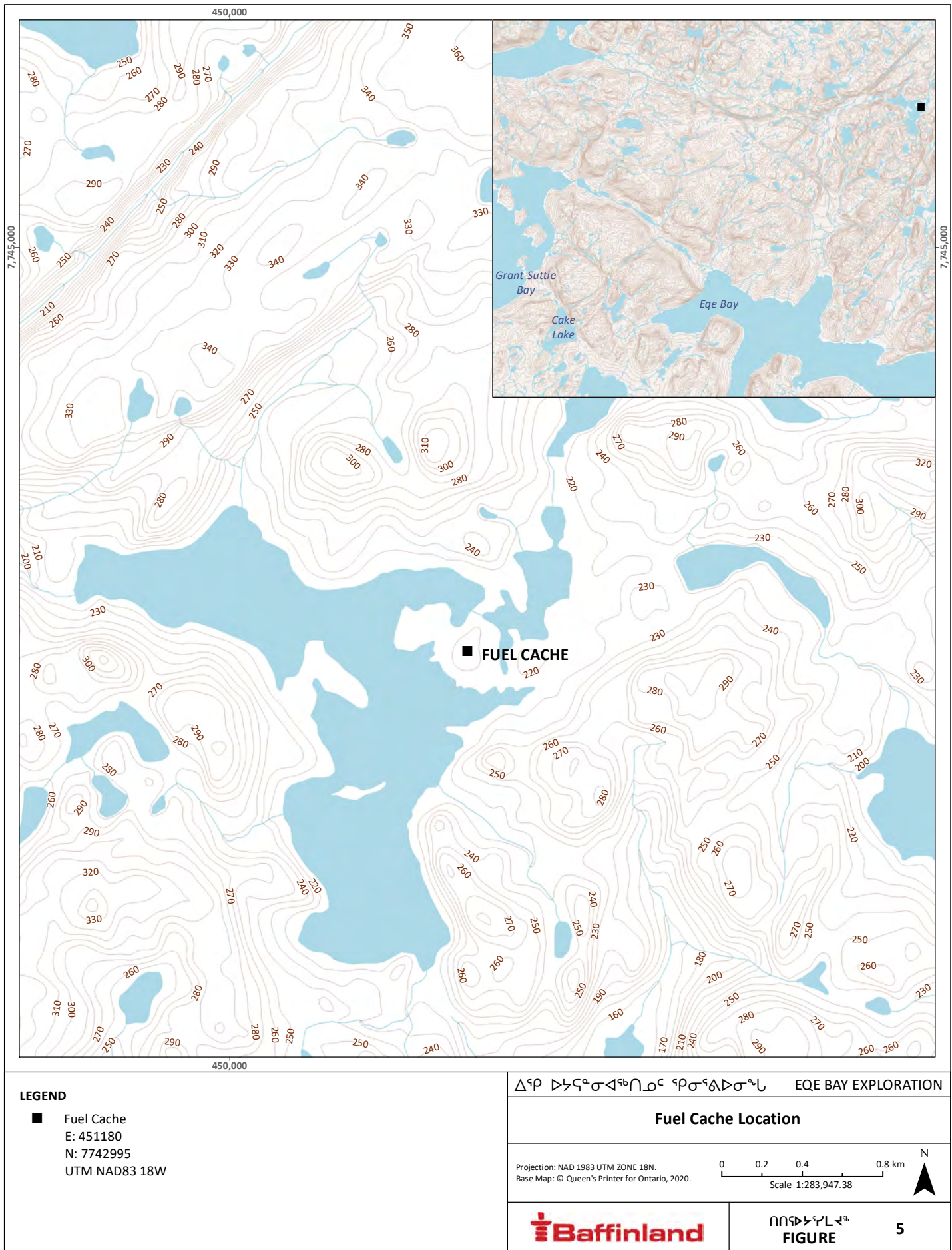
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FIGURE

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APPENDIX B

Concordance Tables

Table 1: Concordance Table – Type ‘B’ Water Licence 2BE EQE1926

Type B Water Licence 2BE-EQE1926		2019 QIA and NWB Annual Report for Exploration and Geotechnical Activities	
Condition No.	Condition	Report Reference/Response	
Part B. General Conditions <i>The Annual Report referred to in Part B, Item 2 shall include:</i>			
2	The Licensee shall file an Annual Report on the Appurtenant Undertaking with the Board no later than March 31st of the year following the calendar year being reported, containing the following information:	See below	Annual Report was submitted on March 31, 2021.
a	A summary report of Water use and Waste disposal activities;	Section 4 Section 6	Water Use Waste Management
b	Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Inuit-owned lands for the reporting period;	Section 4	Water Use
c	Quantity of Water (in cubic metres/day) obtained for domestic and other purposes from sources on, in or flowing through Crown Lands reporting period;	Section 4	Water Use
d	Quantity of Waste disposed of on on-site Waste disposal facility;	Section 6	Waste Management
e	Quantity of Waste backhauled to approved facility for disposal;	Section 6	Waste Management
f	A list of unauthorized discharges and a summary of follow-up actions taken;	Section 4 Section 7.1	Water Use Spills
g	Any revisions to the management plans, as required by Part B, Item 7, submitted in the form of an Addendum;	N/A	No revisions to management plans
h	A description of all progressive and or final reclamation work undertaken, including photographic records of site conditions before, during and after completion of operations;	Section 8	Reclamation, Closure and Final Security
i	Report all artesian flow occurrences as required under Part F, Item 3;	Section 9.5	Summary of Artesian Flows
j	A summary of all information requested and results of the Monitoring Program;	Section 5.1	Environmental Monitoring for Drilling/Testing
k	Details pertaining to locations of sump(s) and drill holes;	Section 2.1	Exploration Activities and Drilling Programs
l	GPS co-ordinates (in degrees, minutes and seconds of latitude and longitude) for the locations of all temporary camps established in support of the project if the actual coordinates differ from that provided in the application;	Section 3	Modifications, Infrastructure Changes and Construction
m	A summary, including photographic records before, during and after any relevant construction activities or Modifications and/or major maintenance work carried out on facilities under this Licence and an outline of any work anticipated for the next year;	Section 3	Modifications, Infrastructure Changes and Construction
n	Detailed discussion on the performance, installation, and evaluation, including the use of photographic record, of the primary and secondary containment functions used in fuel storage to safeguard impacts to freshwaters;	Section 3.	No permanent fuel storage at the Project in 2020, however a fuel cache was established. Details are provided in Section 3, Modifications, Infrastructure Changes and Construction.
o	A summary of public consultation/participation, describing consultation with local organizations and residents of the nearby communities, if any were conducted;	Section 10	Public Consultations
p	Any other details on Water use or Waste disposal requested by the Board by the 1st November of the year being reported.	N/A	No other details on water use or waste disposal was requested by the Board by November 1, 2020.

Table 2: Concordance Table – Land Use Licence 2 - QL2 1910

Land Use Licence 2 – QL2-1910		2019 QIA and NWB Annual Report for Exploration and Geotechnical Activities	
Condition No.	Condition	Report Reference/Response	
Schedule 1 - Annual Reporting Requirements			
8	The Licensee shall submit interim reports in text and map form by March 31, 2020 and a Final Report March 31 2021 at the conclusion of the term of this licence, showing:	See below	Annual Reports were submitted on March 31, 2020.
a	All lands occupied and used during this land use operation, including details on all activities conducted on the lands	Section 2	Exploration Activities and Drilling Programs
b	Before and after digital photographs of land use sites	N/A	N/A
c	If applicable, aircraft flight paths, number of flights (include dates/time), and flight elevation.	Section 5.2 Appendix D	Aircraft Flights
d	Wildlife sightings including copies of all wildlife logs	Section 5.3	Wildlife Logs
e	Inuit land use encountered during operations	Section 5.4	Land User Logs
f	Land use conflicts encountered during operations	Section 5.4	Land User Logs

APPENDIX C

NWB Annual Report Forms

NWB Annual Report**Year being reported:** 2020

License No: 2BE-EQE1926 **Issued Date:** April 4, 2019
Expiry Date: April 3, 2026

Project Name: Ege Bay Exploration Program Project

Licensee: Baffinland Iron Mines Corporation

Mailing Address: 2275 Upper Middle Road East, Suite 300
 Oakville ON, Canada L6H 0C3

Name of Company filing Annual Report (if different from Name of Licensee please clarify relationship between the two entities, if applicable):

Baffinland Iron Mines Corporation

General Background Information on the Project (*optional):

Refer to Section 1 of Annual Report.

Licence Requirements: the licensee must provide the following information in accordance with

Part B ▼ Select ▼

A summary report of water use and waste disposal activities, including, but not limited to: methods of obtaining water; sewage and greywater management; drill waste management; solid and hazardous waste management.

Water Source(s):	Refer to Section 4.	
Water Quantity:	29 cu.m/day	Quantity Allowable Domestic (cu.m)
	-	Actual Quantity Used Domestic (cu.m)
	270 cu.m/day	Quantity Allowable Drilling (cu.m)
	-	Total Quantity Used Drilling (cu.m)

Waste Management and/or Disposal

- ☐ Solid Waste Disposal
☐ Sewage
☐ Drill Waste
☐ Greywater
☐ Hazardous
☐ Other:

Additional Details:

No waste generated in 2020. Refer to Section 6.

A list of unauthorized discharges and a summary of follow-up actions taken.

Spill No.: (as reported to the Spill Hot-line)

Date of Spill:

Date of Notification to an Inspector:

Additional Details: (impacts to water, mitigation measures, short/long term monitoring, etc.)

No spills observed or reported in 2020.

Revisions to the Spill Contingency Plan

SCP submitted and approved - no revision required or proposed 

Additional Details:

Final versions of the management plans developed for the Type 'B' Water Licence were submitted to the NWB in February, 2019.

Revisions to the Abandonment and Restoration Plan

AR plan submitted and approved - no revision required or proposed 

Additional Details:

Progressive Reclamation Work Undertaken

Additional Details (i.e., work completed and future works proposed)

Refer to Section 8.

Results of the Monitoring Program including:

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where sources of water are utilized;

Details described below 

Additional Details:

Refer to Section 4.

The GPS Co-ordinates (in degrees, minutes and seconds of latitude and longitude) of each location where wastes associated with the licence are deposited;

Details described below 

Additional Details:

Refer to Section 6.

Results of any additional sampling and/or analysis that was requested by an Inspector

No additional sampling requested by an Inspector or the Board



Additional Details: (date of request, analysis of results, data attached, etc.)

Any other details on water use or waste disposal requested by the Board by November 1 of the year being reported.

No additional sampling requested by an Inspector or the Board



Additional Details: (Attached or provided below)

Any responses or follow-up actions on inspection/compliance reports

Select



Additional Details: (Dates of Report, Follow-up by the Licensee)

Refer to Section 9.4.

Any additional comments or information for the Board to consider

The 2020 QIA and NWB Annual Report for Ege Bay Project provides further details on water use and waste disposal, fuel storage, inspections, environmental monitoring programs, updates to plans, progressive reclamation work and consultations.

Date Submitted:

March 31, 2021

Submitted/Prepared by:

Christopher Murray

Contact Information:

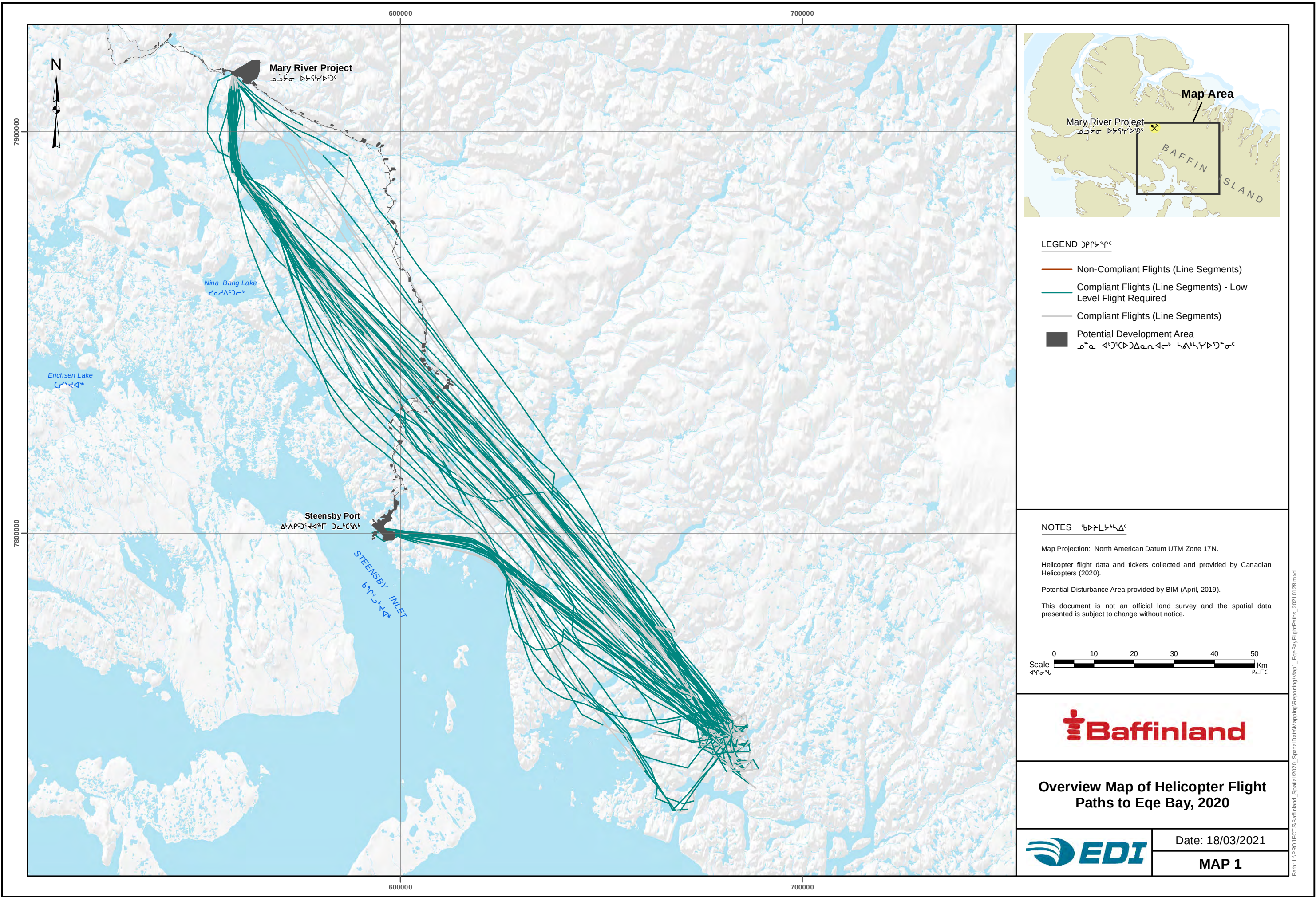
Tel: (416) 364-8820 ext. 5072

Fax:

email: christopher.murray@baffinland.com

APPENDIX D

Map 1 – Helicopter Flight Data



APPENDIX E

Eqe Bay Photo Log



PHOTO 1 – Survey Lead Setting Up Base Station Prior to a Day of Legal Boundary Surveying at Eqe Bay



PHOTO 2 – View from the Twin Otter of a Potential Landing Area



PHOTO 3 – Twin Otter being prepared for flight from Mary River to Ege Bay



PHOTO 4 – Loader Coming Off a Lightering Barge at a The Sealift Landing Test Area



PHOTO 5 – Eqe Bay Beach Tug & Barge Access



PHOTO 6 – Tug Boat at Eqe Bay Beach during High Tide



PHOTO 7 – Ege Bay Beach at High Tide



PHOTO 8 – Ege Bay Beach