



February 11, 2014

Nunavut Impact Review Board
PO Box 1360
Cambridge Bay NU X0B 0C0

Nunavut Planning Commission
PO Box 2101
Cambridge Bay NU X0B 0C0

Nunavut Water Board
PO Box 119
Gjoa Haven NU X0B 1J0

Attention: Amanda Hanson, Director Technical Services
Christopher Tickner, Senior Planner
David Hohnstein, Technical Services

Re: Application for Renewal and Amendment of Type B Water Licence 2BB-MRY 1114

Dear Ms. Hanson, Mr. Tickner, and Mr. Hohnstein;

Further to the correspondence circulated by the Nunavut Impact Review Board ("**NIRB**") on February 7, 2014, regarding Baffinland Iron Mines Corporation ("**Baffinland**")'s above noted Application for Renewal and Amendment (the "**Application**") of Type B Water Licence 2BB-MRY 1114 (the "**Type B Water Licence**"), Baffinland is writing to provide further clarification with respect to the intended scope of activities to be permitted under the renewed Type B Water Licence. Specific responses to each of NIRB's information requests are provided in the table attached.

We note the current Type B Water Licence expires on April 5, 2014. In light of this timeline, Baffinland proposes to streamline the Application as follows. It is our hope that this will facilitate a timely review by all regulatory and Inuit authorities.

- Baffinland is no longer seeking any amendment relating to bulk sampling activities under the renewed Type B Water Licence at this time and as such, requests that all regulatory authorities and QIA disregard those sections of Appendix 4 (Project Description) of the Application that reference bulk sampling (specifically, Section 2.0, 5.1, 5.5, 7.0), as well as all references to bulk sampling included in the cover letter and Appendix 1, 2 and 3 of the Application.
- Baffinland is no longer seeking any amendment relating to construction of winter roads, winter stream/river crossings, airstrips, or ice strips under the renewed Type B Water Licence at this time and as such, requests that all regulatory and QIA authorities disregard all references to such activities in Appendix 4 of the Application (specifically,

Section 2.0, 5.6, 5.7, 6.0, 9.0, 10.0). Access would be by helicopter.

- Baffinland is no longer seeking any amendment relating to the use of sealift and laydown areas for supply to exploration satellite camps under the renewed Type B Water Licence at this time and as such, requests that all regulatory and QIA authorities disregard all references to such activities in Appendix 4 of the Application (specifically, Section 2.0 and Section 5.9).

In the future, should Baffinland consider further advanced exploration requiring a bulk sample and or requiring construction of winter roads, ice strips or airstrips, Baffinland would obtain all required regulatory approvals, including any necessary amendments to the Type B Water Licence, prior to those activities being undertaken.

If you have any questions or require any further information in order to complete your review, please do not hesitate to contact me directly.

Sincerely,



Oliver Curran
Director Sustainable Development

cc: Mr. Ryan Barry, Executive Director, NIRB
Ms. Sharon Ehloak, Executive Director, NPC
Ms. Karen Costello, Regional Director, AANDC
Mr. Erik Allain, AANDC
Mr. Stephen Bathory, QIA
Mr. Sean Joseph, NWB

NIRB Information Request of February 7, 2014	Baffinland Response
Volume of material to be removed via advanced exploration	<p>Baffinland is no longer seeking approval of bulk sampling under the renewed Type B Water Licence.</p> <p>The majority of exploration activities will be surface sampling (i.e. trenching) and or drilling and will remove minimal volumes of material in the form of surface samples or drill core.</p>
Volume of material to be removed via bulk sampling on an annual basis and total	Baffinland is no longer seeking approval of bulk sampling under the renewed Type B Water Licence.
Number of years bulk sample program will be conducted	Baffinland is no longer seeking approval of bulk sampling under the renewed Type B Water Licence.
Confirmation of method of transportation to be used to move bulk sample material (i.e. truck along Milne Inlet Tote Road) including details regarding size of trucks, volume per load, number and frequency of trips	Baffinland is no longer seeking approval of bulk sampling under the renewed Type B Water Licence.
Planned storage of bulk sample material, including proposed location and volume of stockpile(s), and length of time to be stored	Baffinland is no longer seeking approval of bulk sampling under the renewed Type B Water Licence.
Details regarding proposed routing for winter roads, pioneer roads and trails, ice strips, and air strips, including maps	For exploration, Baffinland is no longer seeking approval of winter roads, pioneer roads and trails, ice strips, and air strips under the renewed Type B Water Licence.
Specific locations proposed for execution of sealift including areas slated for laydown and or storage	Baffinland is no longer proposing the use of sealifts related to exploration activities.
Number of employees dedicated to the bulk sample and ongoing exploration program	<p>Baffinland is no longer seeking approval of bulk sampling under the renewed Type B Water Licence.</p> <p>Baffinland anticipates the number of employees that may be dedicated to ongoing exploration and resident in temporary satellite camps would be in the range of 15 to 40 people. It is not expected that Baffinland would utilize more than 2 satellite camps at any given time.</p>