

P.O. Box 119 GJOA HAVEN, NU X0B 1J0 TEL: (867) 360-6338 FAX: (867) 360-6369

NWB File No.: 2BB-MRY1114

January 30, 2013

James Millard, M.Sc., P.Geo. Senior Environmental Superintendent Baffinland Iron Mines Corporation 120 Adelaide Street West, Suite 1016 Toronto, Ontario M5H 1T1

Email: jim.millard@baffinland.com

Re: <u>2BB-MRY1114: Update to Pre-Technical Meeting Issues and Commitments</u> <u>following the Technical Meeting and Pre-Hearing Conference for the Baffinland</u> <u>Iron Mines Corporation's Mary River Project</u>

Dear Mr. Millard:

The Nunavut Water Board (NWB or Board) received correspondence¹ from Baffinland Iron Mines Corporation (BIMC) requesting that changes be made to the symbolic names of some specific monitoring stations associated with BIMC's Type "B" Water Licence, 2BB-MRY1114 for the Mary River Project (Project).

Following receipt and acknowledgement of BIMC correspondence, the NWB indicated during a telephone conversation with BIMC and subsequently at the Pre-Technical Meeting held on October 18, 2012, that the changes being requested would be best addressed under any Type "A" water licence issued for the Project or following the Type A licensing process. The reason being that a Type "A" water Licence would comprehensively, capture most, if not all of the monitoring stations that are likely to be associated with activities and facilities now covered under the existing Type "B" Water Licence, as well as those linked to new activities and facilities under the type "A" application. It is expected that the aforementioned approach would likely minimize the possibility of any major or significant changes to the monitoring stations the future.

During the Pre-Technical meeting on October 18, 2012, the Qikiqtani Inuit Association (QIA) indicated that it would be helpful if the Board were to make the necessary changes now to the relevant monitoring stations as identified by BIMC. This issue was documented within Table 2 "List of Issues Requiring Follow-up Action(s) by Various Organizations" as an outstanding item included with the follow-up correspondence issued on October 25, 2012. While the Board

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¹ Letter from Jim Millard, Baffinland Iron Mines Corporation (BIMC) to Phyllis Beaulieu, Nunavut Water Board (NWB), dated December 30, 2011, Re: Mary River Project, Water Licence 2BB-MRY1114 Request for Errata.

agrees with the QIA's position to some extent, the NWB believes that given the current stage of the type A water licence Application in the licensing process, it would be procedurally and technically expedient to defer the requested changes up to or until any new type "A" Licence is issued for the project so as to holistically capture any new monitoring stations as well as changes to existing monitoring stations. In addition, the requested changes, should they be considered for the type B licence, would require significant changes to the current licence and likely result in added confusion with respect to monitoring and results reporting.

Should you have any inquiries on technical matters related to the above, please contact Sean Joseph, Technical Advisor, at (604) 321-8185 or by email to sjoseph@nunavutwaterboard.org or David Hohnstein, Director of Technical Services, at (780) 443-4406 or by email to dts@nunavutwaterboard.org. For inquiries on procedural matters and/or request for information, please contact Phyllis Beaulieu, Manager of Licensing, at 867-360-6338 or by email to licensing@nunavutwaterboard.org.

Sincerely,

Original signed by:

Sean Joseph Technical Advisor Nunavut Water Board

cc. Mary River distribution

