



October 19, 2017

Sean Joseph
Senior Technical Advisor, Nunavut Water Board
P.O. Box 119
Gjoa Haven, NU X0B 1J0

RE: Baffinland Response to Nunavut Water Board (NWB) Review of the 2016 QIA and NWB Annual Report for Exploration and Geotechnical Drilling Activities; Type B Water Licence (2BE-MRY1421); Commercial Lease Q13C301

Baffinland Iron Mines Corporation (Baffinland) has reviewed the comments included in the Nunavut Water Board (NWB) review of Baffinland's 2016 QIA and NWB Annual Report for Exploration and Geotechnical Drilling Activities (2016 Annual Report). Baffinland wishes to thank the NWB for their review. A copy of NWB's review of the 2016 Annual Report is provided as Attachment 1 of this letter.

Baffinland's responses to the NWB's comments and information requests included in the review are provided in Table 1 below.

Table 1 – NWB Review of 2016 Annual Report and Baffinland Responses

NWB Comment/Requests	Baffinland Response
The Licensee is reminded that future annual reports for the project must be submitted by March 31 of the year following the calendar year.	Noted. Baffinland had originally submitted the 2016 Annual Report electronic files on March 31, 2017 to the NWB using Baffinland's ftp site. However, due to subsequent technical difficulties associated with accessing the files, the 2016 Annual Report files were resubmitted by mail on a USB drive and received by the NWB on April 25, 2017. Baffinland will ensure future annual reports are submitted and accessible to the NWB by March 31 st .
Submission of a revised, stand-alone, Spill Contingency Plan, for the Board's approval, within sixty (60) days from the date of issuance of the Licence as required under Part G, Item I of the Licence terms and conditions;	Baffinland's Exploration Spill Contingency Plan (ESCP), developed in 2014 for Baffinland's current Type B Water Licence, is available on Baffinland's Document Portal using the following link: http://www.baffinland.com/downloadocs/exploration-spill-contingency-plan_2017-11-19-52.pdf
Submission of a revised, stand-alone, Closure and Reclamation Plan, for the Board's approval, within sixty (60) days from the date of the issuance of the Licence as required under Part I, Item 1 of the Licence terms and conditions.	Baffinland's Exploration Closure and Reclamation Plan (ECRP), developed in 2014 for Baffinland's current Type B Water Licence, is available on Baffinland's Document Portal using the following link: http://www.baffinland.com/downloadocs/baf-ph1-830-p16-0038-r1---exploration-closure-and-reclamation-plan_2017-01-29-17.pdf

We trust that this information sufficiently addresses the comments received. Please do not hesitate to contact the undersigned should you have any remaining comments or concerns.

Regards,

A handwritten signature in black ink, appearing to read 'Chris Murray', with a large, stylized loop at the end.

Christopher Murray,
Environmental & Regulatory Compliance Manager

Attachments:

Attachment 1: NWB Review and Comments on Baffinland's 2016 QIA & NWB Annual Report for
Exploration & Geotechnical Drilling Activities (dated September 7, 2017)

Cc: Stephen Williamson Bathory (QIA)
Adam Grzegorzczuk, Andrew Vermeer, William Bowden (Baffinland)

Attachment 1

**NWB Review and Comments on Baffinland's 2016 QIA & NWB Annual Report for Exploration
& Geotechnical Drilling Activities (dated September 7, 2017)**



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NUNAVUT WATER BOARD
NUNAVUT IMALIRIYIN KATIMAYINGI
OFFICE DES EAUX DU NUNAVUT

Licence No.: 2BE-MRY1421/TR/B6

September 7, 2017

Andrew Vermeer, Regulatory Reporting specialist
Baffinland Iron Mines Corporation
Suite 300 – 120, 2275 Upper Middle Road East
Oakville, Ontario, Canada L6H 0C3

E-mail: Andrew.vermeer@baffinland.com

Subject: Licence No. 2BE-MRY1421 – Submission of 2016 Annual Report for Mary River Exploration Project

Dear Mr. Vermeer:

The Nunavut Water Board (NWB) has completed its review of the 2016 Annual Report (Report) submitted by Baffinland Iron Mines Corporation (Licensee) on April 25, 2017 to fulfill relevant requirements in the Licence (Licence No. 2BE-MRY1421) issued to the Mary River Exploration Project, a project located approximately 160 kilometres south of Pond Inlet, in the Qikiqtani Region, Nunavut.

The review determined that the Report is generally complete and consistent with the reporting requirements under Part B, Item 6 in the Licence. The Licensee is reminded, however, that future annual reports for the project must be submitted by March 31 of the year following the calendar year for which report is filed and that the following items under the licence requirements remain outstanding.

- a. Submission of a revised, stand-alone, Spill Contingency Plan, for the Board's approval, within sixty (60) days from the date of issuance of the Licence as required under Part G, Item I of the Licence terms and conditions; and
- b. Submission of a revised, stand-alone, Closure and Reclamation Plan, for the Board's approval, within sixty (60) days from the date of the issuance of the Licence as required under Part I, Item 1 of the Licence terms and conditions.

Copies of the above-referenced Report, which the Board distributed publicly for information on May 3, 2017 as well as other documents related to the file, including INAC's comments

pertaining to the Report, can be accessed through the NWB's Public Registry and FTP site using the following link:

<http://www.nwb-oen.ca/public/registry/2%20MINING%20MILLING/2B/2BE%20-%20Exploration/2BE-MRY1421%20Baffinland/>

If you have any questions related to this correspondence, please contact the NWB's Licensing Department at (867) 360-6338 or by email to licensing@nwb-oen.ca.

Regards,

Sean Joseph,
Senior Technical Advisor

Enclosure: INAC Comments

Cc: Mary River Distribution List