



Nunavut Planning Commission
P.O. Box 2101
Cambridge Bay, Nunavut X0B 0C0

November 29, 2017

Attention: Sharon Ehaloak, Executive Director

Re: Response to Nunavut Planning Commission letter of November 27, 2017

In your letter dated November 27, 2017, the Nunavut Planning Commission (NPC) is seeking clarification of whether request for modifications to the Mary River Project submitted to the Nunavut Impact Review Board (NIRB) by Baffinland on November 08, 2017 (request for modification) relates to the impending North Baffin Regional Land Use Plan hearings and if so, whether Baffinland will be seeking an adjournment of those hearing.

It is important to note that Baffinland had been attempting to contact NPC to discuss the situation for more than a week without success prior to receipt of your letter.

Baffinland wishes to confirm that:

- The request for modification of November 8, 2017 does NOT relate to the NBRLUP amendment hearings, as the modifications relate to the approved Mary River Project and not to the Phase 2 Project Proposal;
- Baffinland is NOT seeking an adjournment or delay of the NBRLUP amendment hearings
- The Phase 2 Project Proposal submitted on February 3, 2017 remains unchanged with the exception of the removal of winter sea lift as indicated to the NPC on October 24, 2017.

As stated in the NIRB's letter of November 14, 2017 (NIRB letter) the request for modification submitted to the NIRB was only given a "cursory review" and the NIRB "quickly determined that Baffinland has not demonstrated that the activities proposed are separate and distinct from the Phase 2 Development Proposal." The NIRB letter effectively rejects the request for modification and directs Baffinland to modify and resubmit its proposal when it is able to demonstrate that the proposed activities are completely within the scope of the approved project and are independent of and not integrally linked to the Phase 2 Development Proposal.

Baffinland submits that, if a thorough review of the request for modification had been conducted, it would have determined that the activities which Baffinland was seeking to undertake were completely within the scope of the approved Mary River Project and are necessary to improve safety and efficiencies of the ongoing operations.

The request for modification is also transparent and clearly states that should the activities be approved and should the Phase 2 Project Proposal eventually proceed to the environmental assessment process, move on to permitting and commence construction, these activities would benefit the future development of the Mary River Project.

Baffinland believes that the request for modification provided sufficient justification that the activities proposed were operationally related to the approved project and did not constitute “Project Splitting”.

The NIRB letter also provides a “Process for seeking Approval for Modifications to Approved Projects”. However, the letter fails to clarify the responsibility of NIRB in the process of determining significance.

Baffinland appreciates any clarity and direction in the Nunavut Process and feels that conflicting direction provided by the regulatory institutions and other parties has greatly contributed to the confusion which we are now working through. Baffinland is hopeful that the other parties are all in agreement with the NIRB process as outlined in their letter.

To summarize, Baffinland is concerned that the “politics” of the process are prohibiting any substantive upgrades to the ongoing operation until the Phase 2 Project Proposal moves through the approval process regardless of the scope of the existing approvals and potential effect that it may have on the safe operation and future of the mine.

It has become apparent that Baffinland cannot proceed with the modification request as originally submitted. Baffinland will continue to seek approval of essential upgrades that are within the approved scope of the ongoing operation. The process as outlined by the NIRB will be followed unless other direction is received from other authorities.

We appreciate the opportunity to provide our response and look forward to a focussed hearing in Pond Inlet.

Thank you,

A handwritten signature in black ink, appearing to read "T. Burlingame", with a stylized, cursive script.

Todd Burlingame

VP Sustainable Development
Baffinland

Cc

Megan Lord-Hoyle, Baffinland Iron Mines
Ryan Barry, Nunavut Impact Review Board
Stephanie Autut, Nunavut Water Board
David Hohnstein, Nunavut Water Board
Sean Joseph, Nunavut Water Board
Stephen Williamson Bathory, Qikiqtani Inuit Association (QIA)