



March 23, 2018

Andrew Nakashuk, Chairperson
Nunavut Planning Commission
P.O. Box 2101
Cambridge Bay, NU X0B 0C0

The Honourable Joe Savikataaq
Minister of Environment
Government of Nunavut
P.O. Box 1000, Station 1500
Iqaluit, NU X0A 0H0

The Honourable Carolyn Bennett
Minister of Crown-Indigenous Relations and
Northern Affairs Canada
10 Wellington Street
Gatineau, QC K1A 0H4

Aluki Kotierk, President
Nunavut Tunngavik Inc.
P.O. Box 638
Iqaluit, NU X0A 0H0

Dear Mr. Nakashuk, Minister Bennett, Minister Savikataaq and President Kotierk:

Re: Recommendation to Amend the North Baffin Regional Land Use Plan to include a Railway within a Transportation Corridor from Mary River Mine Site to Milne Inlet (Amendment No. 3)

We are writing in response to the letter from the Nunavut Planning Commission ("NPC") dated March 18, 2018 which references the NPC Report on Baffinland's Application to Amend the North Baffin Regional Land Use Plan ("NBRLUP"), to include the operation of a railway within the terrestrial corridor currently authorizing the Milne Inlet Tote Road as a transportation corridor under Appendix "Q" of the NBRLUP.

We are pleased that the NPC has recommended that the terrestrial corridor currently outlined in Appendix "Q" be amended to include the potential use of the corridor for a railway and related infrastructure.

However, we wish to clarify the purpose of paragraph 184 of the NPC's Report. As noted below, Appendix "P" was intended to reflect Amendment No. 1 to the NBRLUP – and that amendment was intended to authorize the first 35 kilometres of the railway from the Mary River Mine Site to Steensby Inlet (the "Steensby Railway"). The Mary River Project, including the Steensby Railway was approved by the Ministers after receiving the recommendations of the Nunavut Impact Review Board for the Mary River Project in September 2012, and the Project is authorized under the Mary River Project Certificate issued on December 28, 2012. Based on the 2012 NIRB Report and Recommendations, and the approvals of the Ministers, the Commission made a recommendation to amend the NBRLUP (by Amendment No. 1, Appendix "P") on December 9, 2013 to establish the first 35 kilometres of the Steensby railway corridor. Finalization of that Amendment has not yet been completed – but it remains of fundamental importance to Baffinland. A brief history of the process is included as Appendix 1.

As far as we are aware, the NPC has not provided the Ministers with a reconsideration of the proposed Amendment No. 1. That reconsideration remains outstanding.

We understand that, by paragraph 184 of the NPC Report and the proposal to move Appendix "Q" back to Appendix "P", the NPC did not intend to set aside the process for completing Amendment No. 1 for the Steensby railway corridor. We understand that the process for completing Amendment No. 1 remains outstanding and will still be finalized. We would be pleased if you would confirm this understanding, and also confirm that the reconsideration process for Amendment No. 1 will still be proceeding and will not be affected by finalization of Amendment No. 3.

Thank you.

A handwritten signature in black ink, appearing to read 'Tom Paddon', with a horizontal line drawn above the first few letters.

Tom Paddon
Chairman, Baffinland Iron Mines Corporation

Cc/ Sharon Ehaloak, NPC
Brian Aglukark, NPC