

March 6, 2017

Wayne McPhee
Baffinland Iron Mines Corporation
2275 Upper Middle Road East – Suite 300
Oakville Ontario L6H 0C3 Canada

Dear Mr McPhee:

RE: NPC File # 148420 Mary River Phase 2 Expansion Project

The following works and activities have been proposed in the above-noted project proposal:

- 1. The construction and operation of a new rail line approximately 110 km in length and generally following the routing of the existing Tote Road to connect the Mary River Mine Site with the Milne Inlet Port Site.
- 2. At the Milne Inlet Port Site, the development of a second ore dock to accommodate Cape sized vessels, a second ship loader, railway unloading and maintenance facilities, and additional support infrastructure, in addition to an enclosed crushing facility.
- 3. The ore shipping season is proposed to be from July 01 to November 15, annually. All efforts will also be made to ship fuel and freight during the open water season. However, the proponent is seeking the ability to conduct winter sea lift of freight if required to support on-going operations.

A complete description of the project proposal reviewed by the NPC can be accessed at the following address: http://npc.strata360.com/portal/project-dashboard.php?appid=148420&sessionid=

The Nunavut Planning Commission (NPC) has reviewed the above noted project proposal. The NBRLUP was previously amended to include a transportation corridor associated with the Mary River Project (Appendix Q of the NBRLUP), but the previous amendment does not contemplate the proposed works and activities identified above. The NPC has determined that the construction and operation of a rail line, additional infrastructure at the Milne Inlet Port Site, and a proposed winter sealift constitute the development of a transportation corridor. Sections 3.5.11 and 3.5.12 of the North Baffin Regional Land Use Plan state:

- 3.5.11 All parties wishing to develop a transportation and/or communications corridor shall submit to the NPC a detailed application for an amendment. This application must include an assessment of alternative routes, plus the cumulative effects of the preferred route. It shall provide reasonable options for other identifiable transportation and utility facilities. [A][CR]
- 3.5.12 The NPC, and either NIRB or a panel acting under section 12.4.7 of the NLCA, shall publicly review the proposed corridor to determine whether the proposal adequately meets the guidelines set out in Appendices

J and K. Once it is determined that a proposal does meet the guidelines, the NPC may request the ministers to amend the plan to include the new transportation corridor. [A][CR]

The NPC requests that you provide the additional information required under section 3.5.11 of the NBRLUP for the above-noted project proposal, which has been returned to you for further editing. The NPC reserves the right to request additional information as may be required.

My office would be pleased to discuss this request with you. If you have any questions, please do not hesitate to contact me at (867) 983-4632.

Sincerely,

Jonathan Savoy

Manager of Implementation Nunavut Planning Commission

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