

Appendix C

Joint Statement of QIA and Baffinland to the Nunavut Planning Commission and the Nunavut Impact Review Board regarding Appendix I of the North Baffin Regional Land Use Plan

Further to the correspondence of the Qikiqtani Inuit Association to the Nunavut Planning Commission dated January 10, 2014, "Re NPC Public Hearing, North Baffin Regional Land Use Plan, Baffinland Iron Mines Corporation's Proposed Early Revenue Phase Project", as well as the related submissions referenced in that letter addressing requirements of the North Baffin Regional Land Use Plan QIA and Baffinland wish to provide the Nunavut Planning Commission ("NPC") and the Nunavut Impact Review Board ("NIRB") with the following update regarding caribou protection measures applicable to the project.

As the NIRB and NPC will recall, in that correspondence the QIA indicated that QIA and Baffinland have been engaged in a process to develop project-specific Caribou Protection Measures. These measures were also developed in the context of the Commercial Production Lease of Inuit Owned Lands (#Q13C301) in the project area. Pursuant to #Q13C301, QIA and Baffinland are required to enter into an agreement on caribou protection measures within six months of the Commercial Lease date (Sept. 6, 2013).

QIA is pleased to report that project-specific Caribou Protection Measures have now been developed in collaboration with Baffinland. The Mary River Caribou Protection Measures (the "Mary River CPM") draw from the North Baffin Regional Land Use Plan (NBRLUP) (and in particular, Appendix I) and incorporate refinements to address project specific application. The Mary River CPM will generally apply to the Mary River Project Area (as that term is defined at section 3.6 of the IIBA).

Both QIA and Baffinland agree that the Mary River CPM, integrated into the Terrestrial Environment Management and Monitoring Plan (TEMMP), are appropriate measures to take in respect of the protection of caribou.

Further to its January 10th correspondence, QIA wishes to now confirm to the NPC that the ERP fully complies with the requirements of Appendix I of the North Baffin Regional Land Use Plan.

Commercial Production Lease of Inuit Owned Lands #Q13C301 Mary River Caribou Protection Measures

January 29, 2014

What follows provides an overview of supplemental caribou protection measures ("Mary River CPM") developed by QIA for application to the Mary River Project Area (as defined at section 3.6 of the IIBA). These measures have been developed and agreed upon through collaboration between QIA and Baffinland. These Mary River CPM incorporate significant roles for the Terrestrial Environment Working Group ("TEWG"), which currently includes representatives from QIA, Baffinland, Environment Canada, and the Government of Nunavut, and may subsequently add more representatives in the future.

In developing these Mary River CPM, QIA and Baffinland have fully considered all provisions of the NBRLUP and in particular those set out in Appendix I, entitled "*DIAND Caribou Protection Measures*". They were further informed by Baffinland's Final Environmental Impact Statement for the Mary River Project, as well as the Final Environmental Impact Statement ERP Addendum and participation in NPC and NIRB processes related to the ERP proposal.

The Mary River CPM will be included as part of the Terrestrial Environment Management and Monitoring Plan ("TEMMP") and further managed by the TEWG.

Mary River CPM Working Principles

The Mary River CPM are based on the same principles as the current TEMMP. Further details will continue to be developed in discussion with the QIA, Baffinland and the community hunter and trapper organizations, other management agencies, the Terrestrial Environment Working Group and other interested parties.

The Mary River CPM working principles also include a recognized need to implement based on caribou presence as well as a recognized need to adapt based upon herd size.

These project-specific caribou protection measures may be updated from time to take into account any relevant amendments to the North Baffin Regional Land Use Plan.

Item	Mary River CPMs
1	It is noted that the "Caribou Protection Map" (as referred to in the North Baffin Land Use Plan (NBRLUP) has not to date been
	incorporated in the NBRLUP. As a result, there is no defined North Baffin region "Caribou Protection Area" (as that term is
	described in the NBRLUP).

Consistent with the provisions of the NBRLUP the development of a Caribou Protection Map, including monitoring of its effectiveness of caribou protection measures ("CPMs") is the responsibility of the Nunavut Planning Commission, Nunavut Wildlife Management Board, the Nunavut Impact Review Board, Aboriginal and Northern Affairs Canada, Government of Nunavut and Qikiqtani Inuit Association, land users that may be impacted by the Caribou Protection Map (including Baffinland), and other relevant stakeholders.

Any Caribou Protection Map developed to guide the application of CPMs within the NBRLUP should be informed by the following pieces of information:

- i. Relevant Inuit Qaujimatuqangit related to North Baffin Caribou
- ii. Relevant scientific research and literature related to North Baffin Caribou
- iii. Other relevant up-to-date sources related to defining caribou habitat within the North Baffin

It is noted these CPM generally apply to the Mary River Project Area (as that term is defined at section 3.6 of the IIBA).

The Caribou Protection Map, once developed, may identify areas where mitigation measures shall apply consistent with these Mary River CPMs. If in the future, a "Caribou Protection Map" or a specific "Caribou Protection Area" is included in the NBRLUP, and if either of those areas include parts of the Mary River Project Area, Baffinland and QIA will revisit these Mary River CPM and incorporate any relevant measures.

If required based on monitoring results, the Permittee shall work with TEWG to identify Project Protection Zones within the Mary River Project Area. Project Protection Zones shall be based upon the predictability of project encounters with caribou through identification of low, moderate or high probability areas for caribou encounters based on available information. Thresholds for each category shall be developed, taking herd size into consideration.

If established, the Project Protection Zones shall be reviewed in consultation with the TEWG from time-to-time based upon results of project monitoring.

3 The Permittee shall work with the TEWG to identify any "Designated Crossings" (which are understood to be equivalent to "water crossings" as described under the NBRLUP). Designation of these areas should take seasonality into consideration, i.e. periods of frozen conditions.

Based upon the presence of caribou, intensifying CPMs may be considered reasonable for areas identified as "Designated Crossings". Monitoring thresholds shall be developed in consultation with the TEWG, taking herd size into consideration.

The Permittee and QIA in consultation with the TEWG will develop objective criteria to be applied by the QIA Land Use Inspector and/or QIA On-Site Environmental Monitor in order to release the Permittee from any additional CPMs applicable to the Designated Crossings (e.g. for the reason that caribou are not expected to use those areas identified as "Designated Crossings").

Measures to reduce dust fall onto surrounding vegetation (including caribou forage, especially lichens and mosses) which affects caribou habitat shall be linked to management and operational plans based upon monitoring results and application of thresholds. Thresholds should be subject to modification based upon herd size.

Options to be considered for mitigation measures shall include:

- i. Capping ore trucks using a roll on tarp
- ii. Avoidance of blasting during high winds
- iii. Speed restrictions to minimize road dust; and
- v. Dust suppression, through watering or other methods.

The development of thresholds and, modification of applicable mitigation measures should be identified in consultation with the

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	TEWG, taking relevant legislation into consideration.
5	Based upon monitoring results, including the application of thresholds, the Permittee may intensify mitigation within the Mary River Project Area during pre-calving, calving and post-calving seasons (15 May – 15 July). Application of mitigation measures shall take the presence of caribou and herd size into consideration. Mitigation measures shall include the possibility of temporary suspension.
	Baffinland and QIA will in consultation with the TEWG develop objective criteria to be applied by the QIA Land Use Inspector and/or QIA On-Site Environmental Monitor in order to allow the Permittee to commence or resume activities prior to July 15 in the event that caribou cows are not expected to use those parts for calving or post-calving.
6	Based upon monitoring results, including the application of thresholds, the Permittee may intensify mitigation within the Mary River Project Area during pre-calving, calving and post-calving seasons (15 May – 15 July), including consideration of measures such as modifying or restricting traffic on roads and railway if cow-calf pairs or groups with calves are observed within proximity of the road or railway. A distance of 100m from roads and railway is selected as the initial basis from which modifications or restrictions shall apply. Thresholds should be subject to modification based upon herd size.
	Mitigation measures specific to traffic modifications shall consider inclusion of the following options:
	i. reducing vehicle speed;ii. convoying trucks;iii. using pilot vehicles;
	Consideration of these and additional measures shall be discussed and identified in consultation with the TEWG from time-to-time, including assessment and potential modification of distance thresholds.
	Baffinland and QIA will in consultation with the TEWG develop objective criteria to be applied by the QIA Land Use Inspector and/or QIA On-Site Environmental Monitor in order to permit the Permittee to commence or resume activities in the Mary River Project Area prior to July 15 (e.g. for the reason that caribou cows are not expected to use those parts for calving or post-calving.)
7	In the event that any Project Protection Zones are established in accordance with the principles set out at Section 2 above, the following mitigation measures could be considered for application in "high probability" areas:
	i. Applying lower slope road and rail bed berms, and lower embankment heights where possible.
	ii. Design and modify the road and rail bed configuration to maximize sightlines for drivers and avoid blind spots (corners and angle of approach up the berm onto the road/rail surface);
	iii. Managing snow clearing and height of snow berms so that they do not restrict vision for drivers and caribou to see each other.
	iv. Design and modify the road (and rail bed) configuration to maximize sightlines for caribou approaching the road and rail bed and avoid blind spots;
	v. Ensure that escape routes are conspicuous off the road surface, especially in zones rated as high probability encounter areas;
	vi. During snow-clearing ensure that snow banks are maintained at less than 1 m (and preferably at less than 0.5 m based on research at the Ekati diamond mine (Rescan 2011) and are broken into sections with gaps so caribou are not 'trapped' on the road or railway;
	vii. Signage for known caribou crossings throughout Project infrastructure.
	Application of mitigation measures, including consideration for additional measures shall be identified in consultation with the TEWG.

Additional mitigation measures may include those measures specifically described in Appendix I of the North Baffin Regional Land Use Plan.