



November 24, 2022

Nunavut Planning Commission
P.O. Box 2101
Iqaluit, NU X0B 0C0

Attention: Sharon Ehaloak, Executive Director, NPC

Re: Completion of Amendment No. 1 (the Steensby Amendment) to North Baffin Regional Land Use Plan (NBRLUP)

Dear Sharon,

Baffinland Iron Mines Corporation (**Baffinland**) is writing to request that the Nunavut Planning Commission (**NPC**) complete the pending Steensby Amendment as soon as possible, in order to fulfil the outstanding obligations pursuant to Nunavut Agreement Articles 11.5.6, 11.5.7 and 11.6.4 and *Nunavut Planning and Project Assessment Act* (**NuPPAA**) section 62(2). The NPC has already consulted with all parties respecting the wording of the Steensby Amendment and there are no outstanding issues in that regard. The only remaining concern was the issue of potential cumulative effects between the approved southern railway and the proposed northern railway (included in the Phase 2 proposal). On November 16, 2022 the Minister of Northern Affairs accepted the May 13, 2022 recommendation of the NIRB that the Phase 2 Proposal should not proceed (see attached). This means that the Mary River Project Certificate will not be amended to permit Baffinland to proceed with a north railway. At this time, Baffinland is no longer actively pursuing a northern rail operation and the Phase 2 reconsideration process has completed.

In light of the November 16, 2022 rejection by the Minister of Northern Affairs of the Phase 2 Proposal, that issue is now closed and the NPC should be able to issue the amendment expeditiously and without further process. Issuance of the amendment is important in enabling us to clarify our plans for both current and future operations of the mine.

What follows provides additional background and context for this request.

Key Milestones

- In April 2008, the Mary River Project Proposal was first provided to NPC. It includes an approximately 180 km railway to the south of the Mary River mine site to Steensby Inlet. Only the first 35 km of the southern railway is located within the NBRLUP. It is only that short section which requires an amendment to the NBRLUP. The amendment to the NBRLUP for this short section of southern rail infrastructure is referred to in this letter as the “Steensby Amendment or Amendment No. 1”.

- After a thorough joint NPC and Nunavut Impact Review Board (**NIRB**) public review of the Mary River Mine project (the **Project**), inclusive of the Steensby Amendment, the Mary River Project Proposal was approved by the Minister of Indian Affairs and Northern Development (as was then known) in December 2012 resulting in the issuance of Project Certificate No. 005.
- On December 9, 2013, the NPC recommended Steensby Amendment wording to the Government of Nunavut (**GN**) Minister of Environment and the Minister of Indian Affairs and Northern Development:

“The NPC and NIRB reviewed the proposal publically through a series of scoping sessions and agreed on May 30, 2012 that the Mary River project proposal meets those guidelines.

The NPC has determined that in accordance with the NLCA and the NBRLUP that an amendment to include the “transportation Corridor” in the NBRLUP is necessary and therefore recommends to the Ministers to amend the NBRLUP. I have enclosed two documents 1) The proposed amendment to the NBRLUP, 2) A map showing the location of the “Transportation Corridor”. I look forward to hearing from you at your earliest convenience.”
- On April 28, 2014, the GN and Government of Canada (**GC**) referred the draft Steensby Amendment back to the NPC and requested revised wording. This was primarily because the original proposed text restricted the transportation corridor access to a single user and it was thought that the corridor should be available for multiple users for transportation purposes. The rejections by the GC and the GN of the original version of Amendment No. 1 were based on the limited scope of the proposed amendment. They did not challenge the NPC's positive determination or recommendation that the amendment should be issued. NPC has not yet provided its revised recommended wording to the NBRLUP signatories for signature.
- On September 20, 2018, Nunavut Tunngavik Inc. (**NTI**) wrote to NPC and noted that Baffinland's original application for the Steensby Amendment did not consider the cumulative effects of a railway to Steensby as well as a railway to Milne Inlet and recommended that a public review was necessary in respect of the finalization of Amendment No. 1.
- On September 28, 2018, the NPC provided notice to Baffinland that it was commencing a public review of the Steensby Amendment and asked Baffinland to provide updated materials relating to the potential cumulative effects of a southern and north railway, as well as proposed amendment wording.
- At the time, the Nunavut Impact Review Board (**NIRB**) was actively considering the Phase 2 project (which included the northern rail) including consideration of the cumulative effects of the approved southern and proposed northern rail. As such, on January 18, 2019 Baffinland provided updated materials to the Commission including proposed updated wording to Amendment No. 1, but did not provide a Cumulative Effects Assessment (**CEA**). On March 22, 2019 NPC solicited public feedback on the Revised Steensby Amendment and NTI, QIA, GN and GC all provided written comments (as described further below). Notably NTI and QIA suggested a CEA considering both north and south rail should be required to finalize the Steensby Amendment. On July 26, 2019, the NPC advised Baffinland that it would adjourn the public review pending a CEA submission from Baffinland including both the north and south rail.

Revised Steensby Amendment Wording

Baffinland believes that the Revised Steensby Amendment attached to this letter (and previously circulated for comment by the NPC on March 22, 2019) is generally consistent with the wording of Amendment No. 3 to the NBRLUP as approved by the signatories in May 2018. The attached updated Revised Steensby Amendment also reflects the suggestions on wording by GC as set-out below. No other party suggested additional language was required for finalization of the Amendment, comments from GN, GC, NTI and QIA from May, 2019 are summarized below:

- In its letter to the NPC of May 9, 2019, the GN acknowledged that its recommendations have been taken into consideration in the Revised Steensby Amendment, without need for further revisions.
- The GC provided minor suggestions on the Revised Steensby Amendment on May 10, 2019, which are as follows: *"We recommend that the Commission address an inconsistency in wording. Section 2.2.1 states that the corridor is "more specifically described on Schedule A of the Amendment" while section 2.3 states that "The location of the transportation corridor as shown in the appended map is approximate". We consider that the map in Schedule A provides a general geographic and visual description of the corridor, rather than displaying its precise location. Therefore it is recommended that the text in section 2.2.1 state "as generally illustrated in Schedule A". This recommendation should carry through other references to Schedule A in the Amendment including those in the Background section."*
- NTI and QIA provided comments on the Revised Steensby Amendment as well on May 10, 2019, but their comments were focused on the request for NPC to consider the potential for cumulative effects of the Phase 2 proposal and the south railway. Now that the Phase 2 process is complete and it has been confirmed that project will not proceed, issues respecting cumulative effects have been addressed.

Conclusion

Baffinland is grateful for NPC's professionalism and care with respect to these matters as well as the many other concurrent duties within your jurisdiction. We are mindful that this request comes at an exceptionally busy time for the NPC as you work towards completion of the historic Nunavut Land Use Plan (NLUP) process and thank NPC for the recent opportunity to participate in the NLUP process.

As we consider the future of the Mary River Mine, we would very much appreciate the attention and support of the NPC to complete the Steensby Amendment as soon as possible.

Please let me know if the NPC staff or Commissioners would like any further information with respect to this request and we would be pleased to provide it.

Sincerely,



Megan Lord-Hoyle, VP Sustainable Development
Baffinland Iron Mines Corporation