

February 19, 2013

File No.:NB102-181/32-A.01
Cont. No.:NB13-00110



Mr. Mosha Cote
Research Liaison
Nunavut Research Institute
Iqaluit, Nunavut
Canada, X0A 0H0

Dear Mosha,

**Re: 2012 Annual Report for Scientific License # 02 034 12R-M
Oliver Curran, Baffinland Iron Mines Corporation, Freshwater and Sediment Quality for the
Mary River Project**

Baffinland Iron Mines Corporation (Baffinland) was issued the above scientific license in 2012. In 2012, water and sediment quality sampling was conducted at previous baseline sampling locations. A total of 74 water quality samples were collected during spring (late June), summer (late July) and fall (late August and early September). A total of 38 sediment quality samples were collected at previous baseline sampling locations located across the Project area. The results will be presented in an updated water and sediment quality baseline report to be distributed with a Final Environmental Impact Statement Addendum (FEIS Addendum) through the Nunavut Impact Review Board (NIRB) process in July 2013.

We intend to carry out a modified version of this same program in 2013 as part of the Aquatic Effects Monitoring Program (AEMP) Framework presented by Baffinland as part of its Type A Water Licence application and technical review (posted to the Nunavut Water Board's public registry).

As such, we are requesting a renewal to this multi-year licence.

Please do not hesitate to contact the undersigned with any questions or comments.


Yours truly,

KNIGHT PIESOLD LTD.

Signed:


Richard Cook, B.Sc.
Senior Scientist

Approved:


Robert A. Mercer, Ph.D., P.Eng.
Managing Principal

Copy To: Oliver Curran, Director of Sustainability, Baffinland Iron Mines Corporation

RAC/rdw