

Megan Lord-Hoyle  
Vice President, Sustainable Development  
Baffinland Iron Mines Corporation  
2275 Upper Middle Road East – Suite 300  
Oakville, Ontario L6H 0C3

September 30, 2019

Dear Ms. Lord-Hoyle,

**Re: Baffinland's Northwest Passage Shipping Proposal**

I am writing to you in response to concerning reports regarding Baffinland's proposed plans for shipping through the Northwest Passage and the Inuvialuit Settlement Region.

The July 12, 2019 report prepared by Stantec and submitted to the Nunavut Impact Review Board states as follows:

The shipping routes considered in this report involve Project vessels leaving Milne Inlet, travelling north-northwest through Navy Board Inlet and then west through the NWP to the Beaufort Sea and beyond. Multiple routing options through the NWP have been identified and are shown in Figure 1. Route selection for each transit will depend on many factors, including navigational safety, ice conditions, ecological and biological sensitivities, and the destination of the vessel. This report reviews these potential routes in the context of biophysical attributes, seasonal animal movements, socio-economic values, and potential sensitivities assuming interactions with Project-related vessels.

Further, Nunatsiaq News quoted you on September 26, 2019 stating: "Should Baffinland identify the need to advance discussions regarding the issue of access to Eastern markets for iron ore, Baffinland may develop a pilot study in future which would send limited numbers of test vessels to help evaluate feasibility of this option."

The routes depicted in the 100-page document propose that ships carrying iron ore could cross into the Inuvialuit Settlement Region (ISR) at the 110°W parallel and circumnavigate two migratory bird sanctuaries on Banks Island. Alternately, a ship could cross into the ISR at the 118°W and skirt the Tuktu Nogait National Park and the Anguniaqvia Niqiqyuam Marine Protected Area at the mouth of the Amundsen Gulf. The route through the remainder of the Beaufort Sea portion of the ISR en route to overseas markets has not been identified.

The map in the report depicting the routes does not portray the Inuvialuit Settlement Region at all. Further, the report and Baffinland's subsequent commentary fail to make any mention of the ISR, the Inuvialuit Final Agreement, Inuvialuit rights and governance, the Inuvialuit Regional Corporation, the Environmental Impact Screening Committee and Review Board or any of the other co-management bodies that have jurisdiction over development activity in the region.

Notably, the subsection addressing regulation cites International, National and QIA-based sources of rules without mention of the requirements that apply in the ISR. Sections 11 and 13 of the IFA require proponents to submit to screening by the Environmental Impact Screening Committee and, subject to the provisions of the IFA, referred to the Environmental Impact Review Board for their consideration. In addition to these co-management bodies, other representative and co-management bodies established pursuant to the IFA, including the Inuvialuit Game Council, the Fisheries Joint Management Committee, the Wildlife Management Advisory Council (NWT) and the Wildlife Management Advisory Council (North Slope) each have mandates that would intersect with any plan to ship minerals through the ISR.

For our part, the IRC has the responsibility and mandate for overseeing the implementation of the IFA. This includes ensuring that, among other things, the rights of our beneficiaries are upheld, opportunities from developments are retained and consultation is adequately conducted. As a first step, this requires proponents, like Baffinland, to engage directly with IRC at the earliest opportunity when a project is contemplated.

I emphasize that Inuvialuit are not seeking to impose or fetter the work of the Nunavut Impact Review Board in any way. However, for a project of this size at this advanced stage of review, such an omission and lack of engagement with the relevant rights holders on the other side of our aqueous border with Nunavut represents incomplete diligence in our respectful view. As this proposal is now formally part of the NIRB process, I strongly encourage your company to engage directly with IRC in a meaningful way at your earliest opportunity and in any event, well prior to sending "test vessels" through our region.

Sincerely,



Duane Smith  
Chair and CEO

cc. Ryan Barry, Executive Director, Nunavut Impact Review Board  
Vernon Amos, Chair, Inuvialuit Game Council  
John Donihee, Chair, Inuvialuit Environmental Impact Review Board  
David Livingstone, Chair, Inuvialuit Environmental Impact Screening Committee  
Alan Kennedy, Chair, Fisheries Joint Management Committee  
Larry Carpenter, Chair, Wildlife Management Advisory Council (Northwest Territories)  
Lindsay Staples, Chair, Wildlife Management Advisory Council (Yukon North Slope)