



Duane Ningaqsiq Smith
Chair and CEO
Inuvialuit Regional Corporation
Bay Service #21
Inuvik, NT X0E 0T0

October 7, 2019

Re: Clarification regarding "Mary River Project: Environmental Review of Shipping Through the Northwest Passage" (Stantec, July 12, 2019)

Dear Mr. Smith

Thank you for your letter of September 30, 2019, and for outlining the concerns of the Inuvialuit Regional Corporation (IRC) regarding engagement with the IRC on any shipping through the Northwest Passage by Baffinland. We also appreciate the information that you have provided with respect to the Inuvialuit Settlement Region and the Inuvialuit Final Agreement.

For clarity, Baffinland is not seeking permission from the Nunavut Impact Review Board (NIRB) to proceed with shipping via Navy Board Inlet or the Northwest Passage as part of the Phase 2 Project Proposal, even as a test project. We hope the attached letter provides you with further clarity on that point.

As context for the Stantec Report, as part of the Phase 2 Project Proposal, Baffinland was required to consider alternative means of carrying out the Project, including alternative shipping routes. The use of Navy Board Inlet or the Northwest Passage were identified as potential alternative shipping routes to the proposed route of Milne Inlet - Eclipse Sound - Baffin Bay. During the Technical Review period of the Phase 2 Proposal, Baffinland was asked by Fisheries and Oceans Canada (DFO) and the Government of Nunavut (GN) to provide additional information about alternative marine shipping routes through Navy Board Inlet and the Northwest Passage. In response to this request, Baffinland commissioned a report prepared by Stantec, dated July 12, 2019 and entitled "Mary River Project: Environmental Review of Shipping Through the Northwest Passage." This document was filed with the NIRB as part of Baffinland's response on issues raised by DFO and GN during this Technical Review process. We apologize that Baffinland's purpose in filing this report was not made clearer.

As noted above, Baffinland is not intending to use Navy Board Inlet or the Northwest Passage as part of the Phase 2 Project Proposal and at this time Baffinland is not contemplating use of the eastern shipping routes depicted in the Stantec Report in relation to the Phase 2 Project or as a pilot project. However, Baffinland continues to consider the issue of access to eastern markets for iron ore. In future, should Baffinland determine to advance consideration of access to eastern markets, Baffinland may consider the development of a pilot project with a limited number of vessels to evaluate the feasibility of this route. In doing so, Baffinland would seek advice from the NIRB following the established policies relating to project modifications, as the Mary River Project is subject to the NIRB's jurisdiction. We expect that in providing such advice to us, the NIRB would take into account the concerns you raise in your letter.

Baffinland would also take into account the information and advice provided in your letter as part of our project planning.

We thank you for raising your concerns and providing further information to us, and hope that we have assisted in clarifying that Baffinland's present contemplated activities do not include any shipping through Navy Board Inlet and the Northwest Passage. Should you have additional questions about this letter please do not hesitate to contact me directly.

Sincerely,

Megan Lord-Hoyle

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)