

Karen Costello
Executive Director
Nunavut Impact Review Board
PO Box 1360, Cambridge Bay, NU
X0B 0C0

October 14, 2020

Re: Statements Made by Oceans North during Community Roundtable and Pre Hearing Conference

Dear Ms. Costello,

As committed during the Community Roundtable and Pre Hearing Conference held in Pond Inlet, Iqaluit, Winnipeg and Ottawa Sept 28-Oct 1, 2020. Baffinland Iron Mines Corporation (Baffinland) is providing a submission in writing to respond to the false and inaccurate statements made by Oceans North. These are all matters that Baffinland has spoken to in the process before and it is time consuming to repeatedly respond to accusations that are without merit. Respectfully, when participants continually make such accusations that are designed to incite and be inflammatory, it distracts from the legitimate issues that are to be the focus of review by the Nunavut Impact Review Board (NIRB) and others in this proceeding.

Additionally, in this letter Baffinland is requesting that the NIRB give consideration to providing guidance to participants on expected conduct during the remainder of the Phase 2 regulatory process and the upcoming Public Hearing.

Advance Purchase of Phase 2 Equipment and Infrastructure

Oceans North stated that Baffinland's purchase and shipment of equipment and infrastructure for Phase 2 in advance of Project approval was having a detrimental impact on Baffinland's ability to provide benefits as required by Baffinland's Inuit Impact and Benefit Agreement (IIBA) with the Qikiqtani Inuit Association (QIA).

This statement is categorically untrue. In addition to the substantial benefits that flow to Inuit and communities through royalties and other payments received by representative Inuit organizations, Baffinland has provided direct financial benefits to the North Baffin communities and in particular the community of Pond Inlet. This is a matter of public record. Oceans North has no expertise to provide commentary to the Board on royalty calculations, and their suggestion that the advance investment in Phase 2 infrastructure negatively impacts Inuit is simply wrong.

Baffinland followed all regulatory requirements in relation to its transportation and handling and these materials are not being stored on the "beach" (as Oceans North stated) but are safely and securely stored in appropriate areas at site.

We reiterate - construction of Phase 2 will not occur unless and until Phase 2 receives all required regulatory approvals.

Inuit Employment at Mary River During COVID-19

Oceans North also incorrectly stated that due to the COVID-19 pandemic, North Baffin Inuit are not currently able to reap the benefits of employment opportunities at the Project. As stated in our responses during the technical meetings and reported publicly since the beginning of the pandemic, no Inuk has lost their job as a result of the pandemic and in fact Baffinland continues to pay Inuit employees and have encouraged our contractors to do the same. Further, Inuit who reside in Southern Canada are still able to travel to the project site under the same protections provided for all southern employees moving to site. Our Nunavummiut colleagues are very much missed and we look forward to their return to join the workers that are at the mine site, when it is safe for them to do so. In the meantime, we are holding regular calls and other engagements to ensure that they stay connected with the ongoing operation at site during this challenging time.

Third Party Experts

Oceans North's comments on this topic during the Community Roundtable and Prehearing Conference came as a particular surprise, given that during the September 2020 NIRB Technical Meetings Oceans North representatives complimented Baffinland directly on the excellence and extensiveness of our research/monitoring programs.

Oceans North made comments during the prehearing conference about our external experts that are completely unjustified and disrespectful of highly qualified, professional, objective and ethical expert consultants. The definition of a professional is one who adheres to the standards of their profession, is objective, and committed to providing rigorous scientific analysis. In addition to following their own high ethical standards, they are required to follow the stringent standards of their respective professional organizations. All of the third party Baffinland expert consultants meet these criteria.

As Oceans North knows, Baffinland's monitoring programs carried out by our third party expert consultants directly include Inuit researchers who collaborate with our experts both in executing the programs and writing reports. Our external and internal team is committed to Nunavut and the Arctic and to continuing to learn from Inuit and to share their own knowledge.

<u>Future Development Plans</u>

In its statements during the Community Roundtable, Oceans North also persisted in accusing Baffinland of presenting falsehoods respecting Baffinland's future plans for the Southern Rail and Steensby Port.

Unfortunately, Oceans North's approach on this point during the Community Roundtable and Pre-Hearing Conference is not new behaviour. It is entirely consistent with the manner in which they have participated in this review process.

This approach has resulted in the transmission and perpetuation of false information to Nunavummiut through the NIRB process and continues to create substantial confusion. Baffinland requests that Oceans North be given clear direction to focus their submissions on the Phase 2 Project Proposal that is under consideration by NIRB and not future development scenarios that would be subject to additional review processes.

Public Hearing Code of Conduct

Further to our oral statements made during the meetings, Baffinland wishes to again express its deep concern respecting the language and approach demonstrated by Oceans North during the meetings (we note they used similar violent language during the November 2019 public hearing as well, as set out in Volume 1 of the Public Hearing Transcripts).

Aside from the safety concerns and blatant disrespect such statements introduce to the NIRB process, Baffinland takes great exception to how particularly insensitive and potentially harmful the use of this language in a public forum is to the community members who are actively participating. This vexatious behaviour is inconsistent with the NIRB "Intervenor's Guide". Baffinland requests that the NIRB give consideration to issuing a detailed code of conduct as part of its upcoming guidance on Phase 2 hearing procedures which outlines the NIRB's expectation that all participants will engage in the process in a respectful, non-violent and non-threatening manner in compliance with all NIRB directions.

All parties will be required to swear or affirm oaths prior to giving evidence during the Public Hearings, and individuals giving evidence should be assumed to be truthful. Baffinland fully acknowledges that it is part of the process that there will be some disagreements between parties, and NIRB will need to make determinations on those topics. Parties will be given the opportunity to ask questions, but unsubstantiated accusations of lying are not appropriate.

Participants should be required to respect previous rulings of the NIRB and repeated reference to information or theories that have been deemed not relevant or inadmissible by the NIRB should not be tolerated.

As part of the NIRB's direction on this point, Baffinland requests that the NIRB also include guidance on potential consequences for individuals or organizations that persist in inappropriate behavior, such as formal warnings from the Chair, Board legal counsel and/or Executive Director, losing the ability to participate in oral hearings, or being formally removed from the process altogether. The importance of respecting core NIRB principles cannot be over-emphasized, particularly for those who are participating in these proceedings on the basis of granted intervenor status from NIRB, and are not participating as a matter of right under the Nunavut Agreement.

Conclusion

Baffinland wishes to again commend the NIRB on a well-run meeting under extraordinary circumstances, and to thank all of the participants that engaged in the process. In particular, we appreciate and commend the preparation, respectful approach, passion and commitment that Inuit and other community participants brought to the discussions. Inuit have different views and concerns regarding the Phase 2 Proposal and Baffinland has listened and continues to work towards mutually acceptable solutions that address those concerns.

Sincerely,

Megan Lord-Hoyle,
Megan Lord-Hoyle,

Vice President Sustainable Development

Cc:

Solomon Amuno, Nunavut Impact Review Board Cory Barker, Nunavut Impact Review Board Jeremiah Groves, Qikiqtani Inuit Association Jared Ottenhof, Qikiqtani Inuit Association Lou Kamermans, Baffinland