



Baffinland Iron Mines Corporation  
Project Certificate No. 005



# September 2022



## PRIMARY OBJECTIVES

### **The Nunavut Impact Review Board's Primary Objectives under the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada*, Article 12, Section 12.2.5:**

In carrying out its functions, the primary objectives of NIRB shall be at all times to protect and promote the existing and future well-being of the residents and communities of the Nunavut Settlement Area, and to protect the ecosystemic integrity of the Nunavut Settlement Area. NIRB shall take into account the well-being of residents of Canada outside the Nunavut Settlement Area.

### **The Nunavut Impact Review Board's Primary Objectives under the *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2, s. 23 states:**

23(1) The Board must exercise its powers and perform its duties and functions in accordance with the following primary objectives:

- (a) to protect and promote the existing and future well-being of the residents and communities of the designated area; and
- (b) to protect the ecosystemic integrity of the designated area.

23(2) In exercising its powers or performing its duties and functions in accordance with the objective set out in paragraph (1)(a), the Board must take into account the well-being of residents of Canada outside the designated area.

#### **Nunavut Impact Review Board**

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**Cover Photo Credits:** Board staff



## SIGNATURE PAGE



Photo 1: Board Members in attendance at the Community Roundtable on August 16, 2022 (from left) Henry Ohokannoak,<sup>1</sup> Madeleine Qumuatuq, Phillip Omingmakyok (Kadlun), Marjorie (Kaviq) Kaluraq, Catherine Emrick, Albert Ehloak and Guy Alikut.

THIS REPORT IS SUBMITTED TO THE HONOURABLE DANIEL VANDAL, MINISTER OF NORTHERN AFFAIRS BY THE  
NUNAVUT IMPACT REVIEW BOARD ON THIS 22 DAY OF SEPTEMBER, 2022.

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Marjorie (Kaviq) Kaluraq  
Chairperson

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Guy Alikut  
Board Member

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Albert Ehloak  
Board Member

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Catherine Emrick  
Board Member

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Phillip Omingmakyok (Kadlun)  
Board Member

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Madeleine Qumuatuq  
Board Member

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<sup>1</sup> Due to an unavoidable scheduling conflict, Board Member Henry Ohokannoak, was unable to participate in the Board's deliberations meeting for the file and abstained from voting in respect of the Board's decision.



**NIRB File No.: 08MN053**  
**NPC File No.: 148841**

September 22, 2022

The Honourable Dan Vandal, P.C., M.P.  
Minister of Northern Affairs  
Government of Canada  
House of Commons  
Ottawa, ON K1A 0A6

Sent via email and courier: [dan.vandal@parl.gc.ca](mailto:dan.vandal@parl.gc.ca)

**Re: Reconsideration Report and Recommendations of the Nunavut Impact Review Board Regarding a Significant Modification to the Mary River Project as Proposed by Baffinland Iron Mines Corporation under the “Production Increase Proposal Renewal”**

Dear Honourable Dan Vandal:

As outlined in the Notice and Procedural Direction provided to the Responsible Minister(s) and Baffinland Iron Mines Corporation (Baffinland or Proponent), on July 19, 2022, the NIRB has initiated a formal reconsideration of the terms and conditions of Project Certificate No. 005 to reflect the submission of Baffinland’s “Production Increase Proposal Renewal” project proposal (PIP Renewal or Proposal), a short-term amendment (to December 31, 2022) of the approved Mary River Project (NIRB File No.: 08MN053).

As set out in the project description filed with the NIRB,<sup>2</sup> the PIP Renewal reflects Baffinland’s request to reconsider Term and Condition 179(a) and (b) of Project Certificate No. 005 (as provided below), which expired on December 31, 2021:

*179(a)*

*Until December 31, 2021, the total volume of ore shipped via Milne Inlet may exceed 4.2 million tonnes per year, but must not exceed 6.0 million tonnes in any calendar year. After December 31, 2021, the maximum total volume of ore shipped via Milne Inlet in a calendar year returns to 4.2 million tonnes per year, unless this*

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<sup>2</sup> NIRB Doc ID: 330475.

*condition has been further modified under section 112 of Nunavut Planning and Project Assessment Act, S.C. 2013, c. 14, s. 2.*

*179(b)*

*Until December 31, 2021, the total volume of ore transported by truck on the Milne Inlet Tote Road may exceed 4.2 million tonnes per year, but must not exceed 6.0 million tonnes in any calendar year. After December 31, 2021, the maximum total volume of ore transported by truck on the Milne Inlet Tote Road in a calendar year returns to 4.2 million tonnes per year, unless this condition has been further modified under section 112 of Nunavut Planning and Project Assessment Act, S.C. 2013, c. 14, s. 2.*

On June 7, 2022, the Nunavut Planning Commission issued a positive conformity determination for the PIP Renewal and on June 13, 2022 Baffinland completed its online application to the NIRB for the PIP Renewal. The scope of activities proposed under the PIP Renewal include: the continuation of mining, trucking and shipping of up to 6 million tonnes per year of iron ore using the existing Tote Road and the Northern Shipping Route from Milne Inlet until December 31, 2022, while the decision-making process of the NIRB and Responsible Minister(s) is completed for the Phase 2 Development Proposal. The project description and associated documentation can be accessed directly via the NIRB's online public registry system at [www.nirb.ca/project/125710](http://www.nirb.ca/project/125710).

Due to the limited scope and short-term duration of the PIP Renewal, and recognizing the direction of the Minister received by the Board on July 11, 2022<sup>3</sup> noting that “*it is imperative that the assessment of the Production Increase Proposal Renewal proposal is prioritized and conducted in an efficient and expeditious manner*”, and requesting the Board's recommendation be received by August 26, 2022, the Board determined that a Public Hearing would not be required for this reconsideration. To support the Board's decision-making in respect of the PIP Renewal, the Board engaged in two written commenting periods and conducted a Community Roundtable on August 16, 2022, in Pond Inlet, Nunavut. More details regarding the Procedural History associated with the Board's assessment of the PIP Renewal is provided in [APPENDIX A](#) of the attached Reconsideration Report and Recommendations (Report).

The enclosed Report summarizes the NIRB's assessment of the potential ecosystemic and socio-economic effects of the PIP Renewal, a proposed modification to the previously approved Mary River Project (as amended by the Early Revenue Phase Proposal in 2014, the Production Increase Proposal in 2018 and the Extension Request to the Production Increase Proposal in 2020). After due consideration of the relevant written and oral submissions received by the Board, the Board has concluded that the potential significant adverse ecosystemic and socio-economic effects associated with the PIP Renewal can be adequately prevented, mitigated, or adaptively managed if the Proposal is conducted in accordance with:

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<sup>3</sup> NIRB Doc. ID No: 340699.

- recommended revisions to Terms and Conditions 179(a) and (b) of NIRB Project Certificate No. 005;
- proposed improvements to the mitigation, adaptive management, and monitoring programs for the Proposal; and
- the commitments provided by Baffinland to interested parties during the Board's PIP Renewal reconsideration process.

Consequently, the Board recommends to the Responsible Minister(s) that the Mary River Production Increase Proposal Renewal project proposal should be allowed to proceed at this time, and recommends revisions to the expiry date in Term and Condition 179(a) and (b) and additions to the monitoring and reporting programs applicable to the modified Mary River Project as outlined in [Section 6](#) and [Section 7](#) of the attached Report.

Translated versions of this Reconsideration Report and Recommendations are being prepared in Inuktitut and will be available as soon as possible.

Should you have questions or require clarification regarding this matter, please contact the NIRB's Executive Director, Karen Costello at (867) 983-4608 or [kcostello@nirb.ca](mailto:kcostello@nirb.ca).

Sincerely,



Kaviq Kaluraq  
Chairperson  
Nunavut Impact Review Board

cc: The Honourable Steven Guilbeault, P.C., Minister of Environment and Climate Change  
The Honourable Joyce Murray, P.C., Minister of Fisheries and Oceans and the Canadian Coast Guard  
The Honourable Omar Alghabra, P.C., Minister of Transport  
The Honourable Jonathan Wilkinson, Minister of Natural Resources Canada  
The Honourable Lori Idlout, MP for Nunavut  
The Honourable P.J. Akeeagok, Premier of Nunavut  
Aluki Kotierk, President, Nunavut Tunngavik Incorporated  
Olayuk Akesuk, President, Qikiqtani Inuit Association  
Andrew Nakashuk, Chairperson, Nunavut Planning Commission  
Lootie Toomasie, Chairperson, Nunavut Water Board  
Megan Lord-Hoyle, Baffinland Iron Mines Corporation  
Lou Kamermans, Baffinland Iron Mines Corporation  
Mary River Distribution List

## CHAIRPERSON'S FOREWORD

This Reconsideration Report and Recommendations (the Report) summarizes the outcome of the Nunavut Impact Review Board's (NIRB or Board) reconsideration of specific terms and conditions in NIRB Project Certificate No. 005 that applies to the Mary River Iron Mine located on Baffin Island in the Qikiqtani Region of Nunavut. The reconsideration is in relation to an application filed with the NIRB by Baffinland Iron Mines Corporation (Baffinland or the Proponent) on June 13, 2022, the Production Increase Proposal Renewal (PIP Renewal or the Proposal). Baffinland is requesting the Board to modify the limits for transportation along the Tote Road and shipping of iron ore via the port at Milne Inlet during the open water season from the current limits of 3.5 Million tonnes per year (Mtpa) (up to a maximum of 4.2 Mtpa, 20% operation flexibility if required) to the six (6) Mtpa limit until December 31, 2022. This previous Production Increase Proposal (PIP) was approved in 2018 and extended in 2020 until December 31, 2021. In describing the need for the PIP Renewal, Baffinland stated that approval to maintain operations at the 6 Mtpa level is urgently required during the 2022 shipping season to avoid layoffs of approximately 1200 personnel (including 200 Inuit employees) in late September, because Baffinland would have to considerably reduce their workforce once the 4.2 Mtpa limits are reached.

On July 19, 2022 the Board provided formal Notice to the Minister of Northern Affairs and the Proponent that the Board would conduct its assessment of the Proposal as a reconsideration of specific terms of Project Certificate No. 005 and provided procedural guidance regarding the process and timelines for the Board's reconsideration. The Board indicated that due to several factors, including the following, the Board would consider the PIP Renewal on an expedited basis and without a Public Hearing:

- The short-term nature of the activities;
- The closing shipping window for 2022 (ending on October 31, 2022);
- The July 11, 2022 direction from the Minister advising the Board that the Proposal should receive priority and requesting the Board provide its report and recommendations about the Proposal to the Minister by August 26, 2022;
- Uncertainty for all parties regarding whether significant layoffs will be necessary.

The Board's process also reflected the Board's obligations to conduct a thorough assessment that included opportunities for members of the potentially affected North Baffin communities of Arctic Bay, Clyde River, Grise Fiord, Igloolik, Resolute, Sanirajak and Pond Inlet to share their knowledge, comments and questions with the Board in written and oral form. An overview of the key steps in the procedural history associated with the Board's consideration of the Production Increase Proposal Renewal is provided in [APPENDIX A](#).

The Board supplemented two opportunities for interested parties to provide written comments on the Proposal with a Community Roundtable meeting (CRT) held during the day and evening of August 16, 2022 in the community most directly affected by the Proposal, Pond Inlet. Due to accommodation limits in Pond Inlet and to avoid requiring Community Representatives to travel for several days for a short appearance at the CRT, designated Community Representatives in the potentially affected North Baffin communities outside of Pond Inlet were invited to participate in the CRT remotely. Despite follow up and efforts of the Board and community contacts, delegated Community Representatives from Clyde River and Resolute were not identified and did not participate in the CRT, but all other communities participated remotely. A combined total of approximately 25 delegated Community Representatives and interested members of the public in Pond Inlet spoke to the Board during the CRT.

As outlined in greater detail within the Report, the NIRB's assessment of the potential ecosystemic and socio-economic effects of the PIP Renewal was informed by the Board's review of:

- The PIP Renewal application, supplemental information package, responses to comments and lists of commitments filed by Baffinland;
- Written comments provided by interested parties submitted during the written comment periods;
- The comments, questions and concerns provided in oral and written form during and immediately after the NIRB's Community Roundtable session in Pond Inlet on August 16, 2022; and
- The results from the NIRB's monitoring of the Mary River Project (2013-2021).

During the Board's reconsideration, Baffinland identified several changes to existing mitigation and monitoring measures in an effort to reduce impacts on marine mammals, (narwhal in particular) and to limit dust emissions at the mine, along the Tote Road and at Milne Port. Baffinland also made 45 commitments to address various issues and concerns identified by interested parties, including commitments to add to acoustic monitoring and revisions to the terms of reference, structure and membership of the Terrestrial and Marine Environment Working Groups established under the Project Certificate.

In the written comment submissions and during the Community Roundtable the Board heard there is support for the PIP Renewal amongst the Hamlets of Arctic Bay, Pond Inlet, and Sanirajak and the Sanirajak Hunters and Trappers Association; the Ikajutit Hunters and Trappers Organization, the Arctic Co-operatives Limited, the employees of Baffinland and the International Union of Operating Engineers Local 793 due to the level of economic benefits associated with the 6 Mtpa level of production, and the understanding that reverting to a 3.5- 4.2 Mtpa operation



will cause layoffs of nearly 1200 employees , and significantly reduce other economic benefits. These effects will be felt in all the North Baffin communities, throughout Nunavut and in Baffinland's southern workforce. The Hamlet of Igloolik and the Qikiqtani Inuit Association indicated support that was conditional on Baffinland meeting specific commitments, which are listed in [APPENDIX D](#) and [APPENDIX E](#).

However, support for the Proposal was not unanimous, as the Board heard that the Mittimatalik Hunters and Trappers Organization, Hamlet of Clyde River, Oceans North, World Wildlife Fund and a number of community members, particularly from Pond Inlet and Clyde River remained concerned that since 2018 the 6 Mtpa level of marine shipping is negatively impacting narwhal and seal populations in the area. Although considerable uncertainty remains regarding the extent to which project shipping alone, or in combination with other factors, is causing a decline in the abundance, distribution and/or health of narwhal and seals in the area, harvesters emphasized to the Board the importance of narwhal harvesting to Inuit, their health and well-being and cultural survival. Community members also expressed frustration that a number of the benefits that were promised for the approved Mary River Project have not been received as expected by the communities. Pond Inlet residents also indicated that because their community is the most directly affected by project impacts, Pond Inlet should also stand to receive more direct benefits from the Mary River Project compared to other communities.

After considering the information provided and knowledge shared with the Board, the NIRB has concluded that if the short-term PIP Renewal is conducted:

- in accordance with the recommended revisions to Terms and Conditions of Project Certificate No. 005;
- with the incorporation of specific improvements to mitigation and monitoring measures proposed by Baffinland; and
- in a manner that meets the commitments agreed upon by Baffinland and interested parties;

**the potential for significant adverse ecosystemic and socio-economic effects associated with the Production Increase Proposal Renewal can be effectively managed.** Consequently, the Board recommends to the Responsible Minister(s) that the Proposal should be allowed to proceed to the regulatory phase subject to the Board's recommendations as outlined in this Report.

In coming to this conclusion, the Board highlights the following (as detailed in [Section 5](#) of the report):

- Baffinland's commitment to not lay off Inuit employees, (other than for cause) if the PIP Renewal is approved will limit the immediate and significant adverse socio-

economic effects on Inuit employees and local contractors, their families and communities while the Minister's decision-making for the Phase 2 Development Proposal is completed;

- The PIP Renewal will maintain the status quo of economic benefits associated with the current operation of the Mary River Project, and with the additional commitments provided by Baffinland as part of the Board's reconsideration process may enhance the benefits associated with the PIP Renewal;
- The PIP Renewal will provide Baffinland and other interested parties with a window of opportunity to implement and monitor proposed improvements to mitigation measures intended to reduce effects on marine mammals, and narwhals specifically (such as ships travelling in convoys, no icebreaking and shipping until 3/10 ice conditions at the start of the shipping season, and reducing the number of ships from 86 to 80);
- The Board recognizes that considerable uncertainty and a divergence of opinion remains as to whether or not the 6 Mtpa level of project shipping is having negative effects on the abundance, distribution and/or health of narwhal stocks in the area. Even though the PIP Renewal is for a short duration, the Board expects the PIP Renewal to allow parties engaged in the research and monitoring of narwhal stocks to collect further information to better understand impacts to narwhal stocks, including seeking vital Inuit Qaujimajatuqangit now that noise associated with the small craft harbour construction in Pond Inlet has ceased;
- The PIP Renewal will provide Baffinland with the time needed to consider and plan improvements to dust mitigation measures resulting from the recommendations in an Independent Dust Audit and the community-led Dust Audit Committee;
- The PIP Renewal will provide Baffinland and the participants on the Terrestrial and Marine Environment Working Groups with an opportunity to evaluate whether proposed changes to the Working Groups, such as revisions to the Terms of Reference, the addition of members from North Baffin Hunters and Trappers Organizations and having a neutral third-party Chair will improve the functionality of the Working Groups;
- The commitments made by Baffinland for the PIPR continue beyond the short term of the PIPR and the Board expects these commitments to advance improvements in the monitoring, mitigation and adaptive management under the approved Early Revenue Phase; and
- As with previous assessments of the Mary River Project and subsequent modifications (including the Phase 2 Development Proposal), uncertainty continues with respect to the assessment of ecosystemic effects.

In closing, the Board would like to thank all parties for supporting the NIRB's consideration of the PIP Renewal on an expedited basis. The Board heard concerns about the Board's process and timelines, with some indicating the process was too abbreviated to allow Inuit to fully participate because they were pursuing traditional activities during the summer, and others indicating that the Board's process was taking too long, creating economic uncertainty for Baffinland and its employees and contractors. Although the Board recognizes that the NIRB was unable to complete decision-making in accordance with the timeline requested by Baffinland, the Minister and other parties, the Board assures all parties that it prioritized this assessment and balanced the urgent need for a decision with the Board's obligations to conduct a thorough assessment of the Proposal. The Board is grateful to all who participated in the Board's assessment and shared their knowledge, experience and views with the Board during the written comment periods and at the Community Roundtable in Pond Inlet. The Board notes that Baffinland and several interested parties worked through the Board's reconsideration process to identify and commit to several important changes to existing management, mitigation and monitoring measures aimed at reducing impacts, and improving working relationships and project monitoring. The Board appreciates these efforts and sees this work as a valuable outcome of the reconsideration process; the Board looks forward to Baffinland reporting back regarding the results of these changes. The Board also thanks the community of Pond Inlet for attending the Community Roundtable on August 16, 2022 and the participants from Arctic Bay, Grise Fiord, Igloolik, Sanirajak, and Intervenors for participating remotely during the Community Roundtable. As always, the Board has been guided by the wisdom and perspective of all who participated in the Board's reconsideration process.

Qujannamiik,

A handwritten signature in blue ink, reading "M. Kaviq Kaluraq". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Marjorie Kaviq Kaluraq  
Chairperson  
Nunavut Impact Review Board

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NIRB Reconsideration Report and Recommendations for Baffinland's Production Increase Proposal Renewal





## AVANT-PROPOS DE LA PRÉSIDENTE

Par ce présent rapport de réexamen et de recommandations (le Rapport), la Commission du Nunavut chargée de l'examen des répercussions (la CNER ou la Commission) présente les résultats du réexamen des modalités et conditions spécifiques du certificat de projet no.005, délivré pour le projet de mine de fer de la rivière Mary, situé sur l'Île de Baffin dans la région de Qikiqtani au Nunavut. Ce nouvel examen est assujéti à une requête de renouvellement de l'augmentation de la production (la proposition ou le Renouvellement de la PAP), soumise à la CNER par la Baffinland Iron Mines Corporation (la Baffinland ou le promoteur) le 13 juin 2022. La Baffinland a en effet demandé que le plafond de production du minerai de fer, du volume de transport le long de la route d'approvisionnement et du transport maritime à partir du port Milne pendant la saison des eaux libres, soit relevé jusqu'au 31 décembre 2022. L'augmentation sollicitée ferait passer la production actuelle de 3,5 Mtpa (avec 20% de plus aux fins de flexibilité soit un volume maximum de 4,2 Mtpa) à une production de six (6) Mtpa. Cette proposition d'augmentation de la production (PAP) avait été préalablement approuvée en 2018 et prolongée jusqu'au 31 décembre 2021. En décrivant son besoin de renouvellement de la PAP, la Baffinland avait insisté sur l'urgence de cette approbation qui lui permettrait de maintenir le volume d'exploitation à 6 Mtpa pendant la saison d'expédition 2022 et éviter ainsi fin septembre, une fois que le plafond de 4,2 Mtpa serait atteint, de réduire considérablement ses effectifs et de licencier environ 1 200 employés (incluant 200 employés inuits).

Le 19 juillet 2022, par avis officiel, la Commission a informé le ministre des Affaires du Nord et le promoteur de son intention d'évaluer cette proposition en réexaminant les modalités et conditions spécifiques du certificat de projet no.005; elle a en outre fourni les directives de procédure et les échéances de son réexamen. La Commission a indiqué qu'elle évaluerait rapidement le renouvellement de la PAP, sans tenir d'audience publique et ce, à cause de plusieurs facteurs, notamment les facteurs suivants:

- La nature à court terme des activités;
- La fermeture de la navigation en 2022 (soit le 31 octobre 2022);
- Les directives du 11 juillet 2022 du ministre l'enjoignant de prioriser la proposition et lui demandant de soumettre son rapport et ses recommandations avant le 16 août 2022; et
- L'incertitude ressentie par toutes les parties quant à la nécessité d'importants licenciements.

Le processus de la Commission était en outre instruit par son obligation d'effectuer une évaluation approfondie, offrant aux membres des collectivités possiblement touchées d'Artic Bay, Clyde River, Grise Fiord, Igloodik, Resolute, Sanirajak et Pond Inlet (du nord de l'Île de Baffin),

la possibilité de partager leurs connaissances ainsi que de soumettre leurs commentaires et leurs questions verbalement ou par écrit. Les principales étapes de l'historique de la procédure d'examen du renouvellement de la proposition d'augmentation de la production sont précisées à [l'annexe A](#).

La Commission a offert aux parties intéressées deux périodes de soumission de commentaires écrits sur la proposition ainsi qu'une table ronde communautaire (TRC) tenue pendant la journée et la soirée du 16 août 2022 dans la collectivité la plus directement touchée, à savoir Pond Inlet. En raison des limites d'hébergement à Pond Inlet et afin de ne pas imposer plusieurs jours de voyage pour une courte apparition à la TRC, des représentants communautaires désignés des collectivités du nord de l'Île de Baffin, potentiellement touchées en dehors de Pond Inlet, ont été invités à participer à la TRC à distance. Malgré les efforts et le suivi de la Commission et de ses contacts communautaires, aucun représentant communautaire de Clyde River et de Resolute n'a pu être désigné pour participer à la TRC. Toutes les autres collectivités ont en revanche pu participer à distance. Environ 25 personnes au total - représentants communautaires délégués et membres intéressés de la population de Pond Inlet, ont ainsi pu soumettre leurs observations à la Commission pendant cette TRC.

Tel que largement détaillé dans ce rapport de la CNER, l'évaluation des possibles effets socio-économiques et écosystémiques du renouvellement de la PAP a été instruite par l'examen que la Commission a fait de:

- La demande de renouvellement de la PAP, les renseignements additionnels, les réponses aux commentaires et les listes d'engagements de la Baffinland;
- Les commentaires écrits soumis par les parties intéressées pendant les périodes visées à cet effet;
- Les commentaires, questions et préoccupations oraux ou écrits, soumis pendant ou immédiatement après la table ronde communautaire de la CNER, organisée le 16 août 2022 à Pond Inlet; et
- Les résultats de la surveillance du projet de la rivière Mary, effectuée par la CNER entre 2013 et 2021.

Pendant le réexamen de la Commission, la Baffinland a fait valoir plusieurs modifications apportées aux actuelles mesures d'atténuation et de surveillance pour réduire les effets sur les mammifères marins (narvals surtout) et limiter les émissions de poussière à la mine, le long de la route d'approvisionnement et au port Milne. La Baffinland a également pris 45 engagements pour s'attaquer à divers problèmes et préoccupations soulevés par les parties intéressées, notamment pour une surveillance acoustique accrue ainsi que pour la révision du mandat, de la

structure et de la membréité des Groupes de travail sur la protection des milieux terrestres et marins, établis en vertu du certificat du projet.

Dans les commentaires écrits et pendant la Table ronde communautaire, la Commission a constaté que les Hameaux d'Arctic Bay, de Pond Inlet et de Sanirajak ainsi que la Sanirajak Hunters and Trappers Association, la Ikajutit Hunters and Trappers Organization, l'Arctic Co-op, les employés de la Baffinland et la section locale 793 de l' International Union of Operating Engineers, appuyaient le renouvellement de la PAP à cause des avantages économiques liés à une production de 6 Mtpa et à cause du possible licenciement de 1 200 employés et de l'énorme perte économique conséquente que provoquerait un retour de la production à 4,2 Mtpa. Ces effets déferleraient sur toutes les collectivités du nord de l'Île de Baffin, à travers le Nunavut et sur l'effectif du sud de la Baffinland. Le Hameau d'Igloolik et la Qikiqtani Inuits Association ont indiqué que leur soutien était subordonné à l'exécution, par la Baffinland, des engagements particuliers répertoriés à [l'annexe D](#) et à [l'annexe E](#).

Mais cet appui à la proposition n'était pas unanime. Ainsi, la Commission a entendu la Mittimatalik Hunters and Trappers Organization, le Hameau de Clyde River, Océans Nord, le Fund Mondial pour la nature et un certain nombre de membres communautaires, notamment de Pond Inlet et de Clyde River, se dire toujours préoccupés par les répercussions négatives que le transport maritime des 6 Mtpa de minerai de fer provoquait depuis 2018 sur les populations de narval et de phoques de la région. Malgré une profonde incertitude concernant un éventuel déclin de l'abondance, de la répartition et/ou la santé des narvals et des phoques de la région, déclin dû au transport maritime seul ou en conjonction avec d'autres facteurs, les exploitants fauniques ont souligné l'importance des prises de narvals pour les Inuits, leur santé, leur bien-être et leurs survie culturelle. Des membres des communautés ont également exprimé les frustrations des collectivités devant le non-versement de divers avantages promis par le projet de la rivière Mary. Les résidents de Pond Inlet ont indiqué que puisque leur communauté était la plus touchée par les répercussions du projet, elle devrait recevoir de plus grands bénéfices du projet de la rivière Mary.

Après avoir examiné les renseignements fournis et les connaissances transmises, la CNER a conclu que si le renouvellement à court terme de la PAP était effectué:

- conformément aux révisions recommandées des modalités et conditions du certificat de projet no.005;
- avec l'intégration, dans les mesures d'atténuation et de surveillance, des améliorations spécifiques proposées par la Baffinland; et
- en tenant compte des engagements mutuellement convenus par la Baffinland et les parties intéressées;

**la potentialité d'importants effets négatifs environnementaux et socio-économiques, inhérents au renouvellement de l'augmentation de la production, serait efficacement gérée.**

Par conséquent, la Commission recommande au ministre compétent que la proposition soit autorisée à passer à l'étape des autorisations réglementaires assujetties aux recommandations de la Commission, telles qu'énoncées dans ce rapport.

Pour arriver à cette conclusion, la Commission a mis en exergue les points suivants (détaillés au [chapitre 5](#) de ce rapport):

- L'engagement de la Baffinland de ne pas licencier d'employés inuits (sauf en cas de licenciement motivé) si le renouvellement de la PAP est approuvé, réduira pendant la prise de décision ministérielle visant la proposition de mise en valeur de la Phase 2, les effets négatifs immédiatement conséquents sur les employés inuits et les entrepreneurs locaux, leurs familles et leurs collectivités;
- Le renouvellement de la PAP maintiendra le statut quo des avantages économiques liés à l'exploitation actuelle économique du projet de la rivière Mary et ces avantages pourraient même être accrus grâce aux engagements supplémentaires pris par la Baffinland dans le cadre du processus de réexamen;
- Le renouvellement de la PAP donnera à la Baffinland et aux autres parties intéressées plusieurs occasions de mettre en vigueur et de surveiller les améliorations proposées aux mesures d'atténuation en vue de réduire les répercussions sur les mammifères marins et plus particulièrement les narvals (car les navires voyagent en flotte, sans brise-glace, avec 3/10 d'état des glaces au début de la saison de navigation et en réduisant le nombre de navires de 86 à 80);
- La Commission reconnaît qu'une grande incertitude et une divergence d'opinions demeurent encore quant aux effets négatifs que pourrait avoir un transport maritime de 6 Mtpa sur l'abondance, la répartition et /ou la santé des stocks de narvals dans la région. Elle estime que même si le renouvellement est de courte durée, il offrira aux parties impliquées dans la recherche et la surveillance des stocks de narvals, la possibilité d'intensifier la cueillette de données pour mieux comprendre les répercussions sur ces mammifères, et en particulier d'examiner les principes vitaux de l'Inuit Qaujimajatuqangit maintenant qu'a cessé le bruit de la construction du port pour petits bateaux à Pond Inlet;
- Avec le renouvellement de la PAP, la Baffinland aura le temps nécessaire d'envisager et de planifier des améliorations aux mesures d'atténuation de la poussière, suite aux recommandations d'un Audit de poussière indépendant et du Comité de vérification de la poussière, dirigé par la communauté;
- Le renouvellement de la PAP permettra à la Baffinland et aux participants des Groupes de travail sur la protection des milieux terrestres et marins d'évaluer si les



modifications proposées à ces dits groupes, notamment des révisions du mandat, l'ajout de membres des organisations de chasseurs et trappeurs du nord de l'île de Baffin et un tiers neutre à la présidence, en amélioreront la fonctionnalité;

- La Baffinland maintiendra ses engagements au-delà du court terme du RPAP, engendrant une amélioration continue l'atténuation, la surveillance et la gestion adaptative visées dans la Phase approuvée de revenu initial; et
- Comme pour les précédentes évaluations du projet de la rivière Mary et des modifications subséquentes (incluant la proposition de la Phase 2), l'incertitude demeure quant à l'évaluation des effets écosystémiques.

En terminant, la Commission aimerait remercier toutes les parties d'avoir appuyé la tenue aussi rapide de ce réexamen du renouvellement de la PAP. Des inquiétudes ont été exprimées quant au processus et aux échéances de la Commission. Certains ont regretté un processus abrégé, empêchant une pleine participation des Inuits occupés par leurs traditionnelles activités estivales. D'autres ont au contraire trouvé que le processus était trop long et amplifiait ainsi l'incertitude économique pour la Baffinland, ses employés et ses entrepreneurs. Bien que la CNER n'ait pas été en mesure de terminer le processus décisionnel, dans les échéances requises par la Baffinland, le ministre et d'autres parties, la Commission tient à assurer à toutes et à tous qu'elle a priorisé ce réexamen et concilié l'urgence de la décision avec son devoir de procéder à une évaluation rigoureuse de la proposition. La Commission remercie tous les participants qui ont partagé leurs connaissances, leurs expériences et leurs points de vue pendant les périodes de commentaires écrits et lors de la table ronde communautaire à Pond Inlet. La Commission a constaté que pendant le processus de réexamen, de nombreux participants avaient travaillé avec la Baffinland pour apporter des changements aux mesures en vigueur de gestion, d'atténuation et de surveillance et ce, afin de réduire les répercussions, d'améliorer les relations de travail ainsi que la surveillance du projet. La Commission a été sensible à ces initiatives qu'elle estime être un précieux résultat du processus de réexamen. La Commission remercie la collectivité de Pond Inlet de sa participation à la table ronde communautaire du 16 août 2022 ainsi que les participants de Arctic Bay, Grise Fiord, Igloolik, Sanirajak, et les intervenants de leur participation à distance. Comme toujours, la Commission a été guidée par la sagesse et les points de vue de tous les participants à son processus de réexamen.

Merci,

A handwritten signature in blue ink, reading "M. Kaviq Kaluraq". The signature is fluid and cursive, with the first name "M." and the last name "Kaluraq" clearly legible.

Marjorie (Kaviq) Kaluraq

Présidente

Commission du Nunavut chargée de l'examen des répercussions

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# 1 INTRODUCTION

## 1.1 Purpose of this Report

This Reconsideration Report and Recommendations (Report) have been prepared by the Nunavut Impact Review Board (NIRB or Board) to summarize the Board's reconsideration of the terms and conditions of Project Certificate No. 005 in light of the June 13, 2022 application of Baffinland Iron Mines Corporation's (Baffinland or the Proponent) entitled the "Production Increase Proposal Renewal" (PIP Renewal or Proposal), proposed modifications to the original Mary River Project (as amended by the Early Revenue Phase Proposal in 2014, the Production Increase Proposal in 2018 and the Extension Request to the Production Increase Proposal in 2020) (NIRB File No. 08MN053).

As set out under s. 112(5) of the *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2 (*NuPPAA*), when the Board has conducted a reconsideration of the terms and conditions in a previously approved Project Certificate, the Board is required to report to the Responsible Minister(s) as follows:

*Within 45 days after the end of the Board's reconsideration under subsection (1) or (2), the Board must submit a written report to the responsible Minister that contains*

- (a) an assessment of the terms and conditions in force; and*
- (b) any terms and conditions that it recommends should apply in respect of the project.*

This Report summarizes the NIRB's assessment of the potential ecosystemic and socio-economic effects of the PIP Renewal. The Board has concluded that if the PIP Renewal is conducted in accordance with revisions to Project Certificate No. 005 and commitments provided by Baffinland during the reconsideration can proceed in a manner that will protect and promote the existing and future well-being of the residents and communities of the Nunavut Settlement Area, and Canada more generally. The Report further describes in detail the factors taken into consideration, providing details about the Proposal, a summary of written and oral comments provided to the Board and relevant to the Board's assessment of the PIP Renewal, and outlining the ecosystemic and socio-economic factors given consideration by the NIRB during the Board's assessment of the PIP Renewal.

To support the public's review and understanding of the Report, the Board has provided a list of commonly-used acronyms in [APPENDIX F](#).

## **1.2 The Board's Assessment the PIP Renewal in the Context of the Board's Previous Assessments of the Mary River Project and Subsequent Modifications (2012-2022)**

### **1.2.1 The NIRB's Approach to Assessing Modifications to Previously Approved Projects**

As described in more detail in the text below, the Mary River Project, as currently operated and assessed by the NIRB from 2008-2022 is governed by the terms and conditions set out in the amended NIRB Project Certificate No. 005. The text that follows provides background regarding the original Mary River Project and subsequent modifications submitted by the Proponent for the Board's consideration. In determining the process and procedure guiding the NIRB's assessment of the PIP Renewal, the Board considered whether the Proposal constituted a "significant modification" that should be assessed via a NIRB screening or a reconsideration of the terms and conditions of Project Certificate No. 005 under Article 12, Section 12.8.2 of the *Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada (Nunavut Agreement)* and s. 112 of the *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2 (*NuPPAA*).

As is the Board's practice where an approved project is already governed by the terms and conditions of a NIRB Project Certificate, to determine the process and procedure guiding the Board's assessment of the Proposal in the current circumstances, the Board considered the following questions:

- Was the proposed modification included within the scope of the original project (and subsequent modifications) as previously assessed by the NIRB?
- Was the proposed modification consistent with the terms and conditions of the existing NIRB Project Certificate No. 005, or are changes to the Project Certificate necessary to reflect the modification?
- Did the proposed modification constitute a significant modification to the original project that is integrally linked to the original project (including as subsequently modified under any modification proposals that have been assessed and approved by the NIRB)?
- Did the proposed modification constitute a significant modification to the original Mary River Project (as amended) that is not integrally linked to the original project, and that has sufficient scope to be assessed as an independent project proposal?

On the basis of the Board's review of the Proposal, and parties' comment submissions, the Board concluded the following:

- Term and Condition 179 (a) and (b) of Project Certificate No. 005 must be revised if the PIP Renewal activities were to be allowed to proceed;
- Other than a short-term renewal of the 6 Mtpa limit, there are no changes to the scope of the activities under the PIP Renewal from those previously authorized under the Production Increase Proposal in 2018 (PIP) and the Extension Request to the Production Increase Proposal in 2020 (Extension);
- There has been a change in circumstances since the PIP and the Extension were approved, because the 6 Mtpa transportation and shipping limit expired before the decision-making associated with the Phase 2 Development Proposal has been completed (which is currently before the Responsible Ministers for decision-making); and
- From 2018-2021, Baffinland has been authorized to transport and ship 6 Mtpa, and as such, the NIRB's assessment of the PIP Renewal should be informed by additional relevant information regarding changes to the potential for ecosystemic and socio-economic effects provided to the Board during the annual Monitoring Program applicable to the Mary River Project (as modified) and the relevant information, knowledge and experience shared by participants about potential effects of the existing Mary River Project during the Board's assessment of the Phase 2 Development Proposal.

On this basis, the Board provided notice on July 19, 2022 that based on the potential for ecosystemic and socio-economic effects that may differ from the effects previously assessed under the PIP and the Extension, the PIP Renewal Proposal constituted a significant modification to the Mary River Project as previously assessed (including as modified by the subsequent amendments). Although the Board acknowledged that some commenters identified that amendments beyond term and condition 179(a) and (b) are required to address concerns about existing Project effects, including issues such as project monitoring of cumulative effects, issues in respect of the functioning of existing Working Groups and to potentially incorporate recent commitments made by Baffinland in respect of marine shipping to mitigate the potential for effects, given the short-term nature of the PIP Renewal and recognizing that a decision in respect of the Phase 2 Development Proposal is underway, the Board did not consider it appropriate to conduct a broad reconsideration of the Mary River Project's existing effects mitigation and monitoring program. Consequently, the Board focused the reconsideration on term and condition 179(a) and (b) and the specific terms and conditions added to Project Certificate No. 005 under Amendment 2 and 3 associated with the Board's prior assessment of the Production Increase Proposal (2018) and the Extension Request to the Production Increase Proposal (2020).

### 1.2.2 The Original Mary River Project

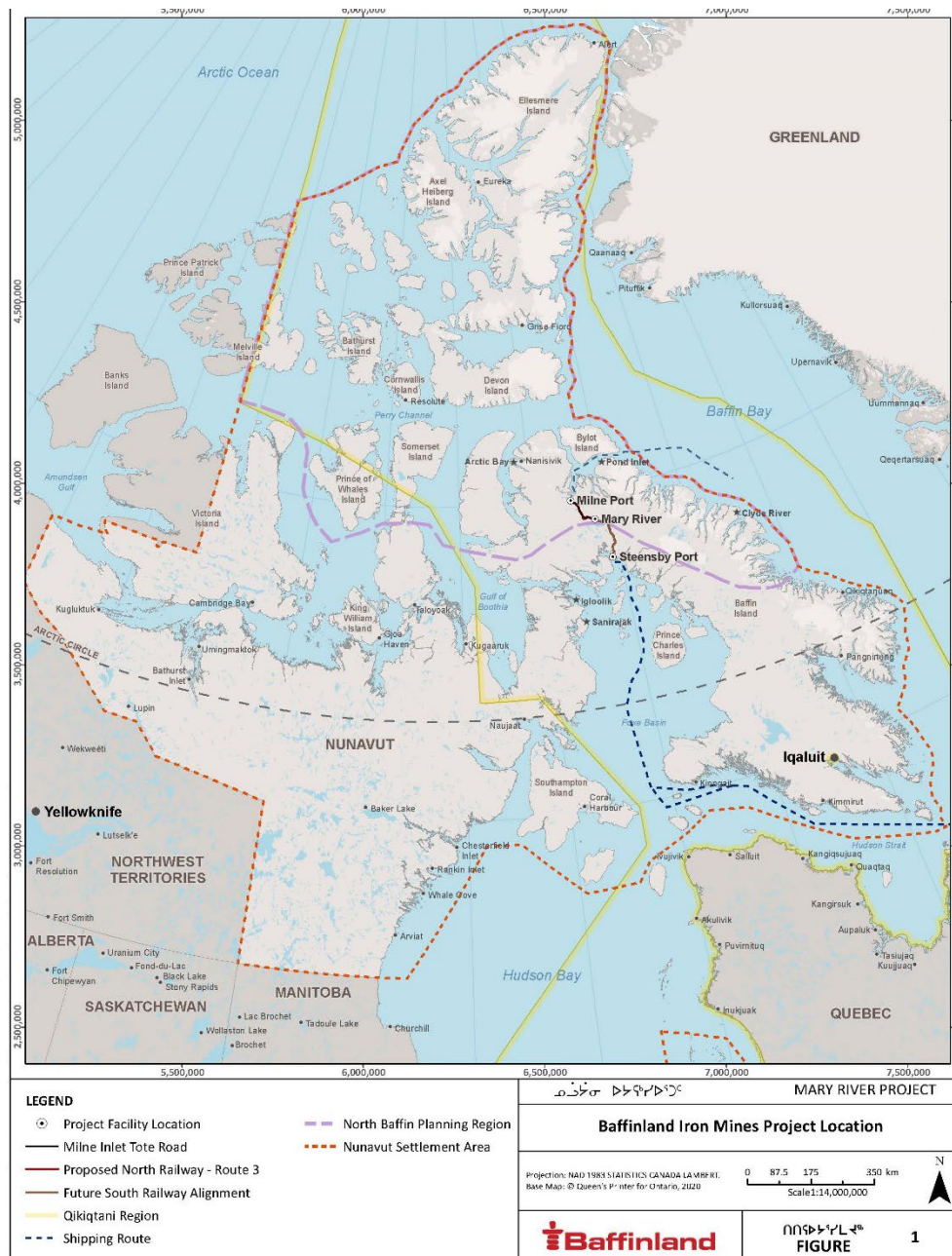
The Mary River Project (the Project) as originally approved in 2012 consisted of mining iron ore from the reserve at Deposit No. 1 at a nominal production rate of 18 Million tonnes per year (Mtpa). The Project included the extended exploration, construction, operation, closure, and reclamation of an open-pit mine and associated infrastructure for extraction, transportation and shipment of iron ore. The Project had three (3) main project locations – the Mine Site, the Port at Milne Inlet north of the mine site (Milne Port), and a Port at Steensby Inlet south of the mine site (Steensby Port). Milne Port was proposed to be connected to the Mine Site by the Milne Inlet existing Tote Road (as improved for the Project), approximately 100 kilometers (km) in length. Steensby Port was proposed to be connected to the Mine Site by a 150 km Railway (South Railway). During the construction period, supplies and equipment required for construction at the Mine Site and the northern portion of the proposed South Railway would be received through Milne Port. Likewise, construction equipment and supplies for Steensby Port and the southern portion of the South Railway would be received at Steensby Port. It was expected that Steensby Port facilities and the South Railway would take up to four (4) years to construct.

During construction, supplies would be brought to both Milne Port and Steensby Port during the open water season. Once the South Railway was operational, 18 Mtpa of iron ore would be transported by the South Railway to be shipped from Steensby Port. Shipping of iron ore was proposed to occur year-round and required vessels with icebreaking capabilities. When Steensby Port was operational, Milne Port would only be used occasionally for the delivery of oversized equipment for the Mine Site.

The Board concluded its assessment of the original Mary River Project in September 2012 and recommended that the Project be allowed to proceed subject to over 180 terms and conditions.<sup>4</sup> Since the issuance of the Mary River Project Certificate No. 005 on December 28, 2012, significant elements of the original Mary River Project have not been constructed, although these remain authorized under Project Certificate No. 005, including: the port at Steensby Inlet, the South Railway from the mine site to Steensby Inlet, and the fleet of purpose-built ice-breaking ore carriers.

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<sup>4</sup> (Doc ID No. 286425) NIRB File No. 00MN053, Final Hearing Report for the Mary River Project, Baffinland Iron Mines Corporation, September 14, 2012.



**Figure 1: The Mary River Project Location**

### 1.2.3 The Early Revenue Phase Proposal

The Mary River Early Revenue Phase (ERP) Proposal was a modification of the Mary River Project approved in 2014 that involved the extraction of up to an additional 4.2 Mtpa of iron ore from the Mary River mine site, to be transported by truck along the existing Milne Inlet Tote Road and shipped from Milne Port to European markets during the open water season only. Baffinland proposed the ERP to provide a revenue stream to support the construction of the original Mary



River Project, with the ERP proposed to continue operating as an addition to the approved Mary River Project described above.

The ERP construction phase was expected to last two (2) years, with ERP operations to continue for the duration of the mine life (i.e. 21 years), running in conjunction with the Mary River Project as originally proposed. The ERP Proposal involved the:

- Extraction of up to an additional 4.2 Mtpa iron ore from the Mary River mine site;
- Transportation of this amount of ore by truck via the Milne Inlet Tote Road to Milne Port; and
- Development of additional infrastructure at Milne Port, including:
  - Construction of a fixed ore dock;
  - Construction of a 4.2 Mt ore stockpile and reclaim area;
  - Installation of 3,500 tonnes per hour ship loader facilities;
  - Expansion of the Milne Port camp to accommodate 60 workers; and
  - Extension and relocation of the airstrip to the west of the proposed ore stockpile.

The shipment of ore from Milne Port to markets in Europe would occur during the open water season only, using contract vessels of approximately 50,000 to 110,000 deadweight tonnage.

The ERP Project also changed the shipping route from the southern route through Foxe Basin to a northern route through Eclipse Sound. The NIRB's assessment of the ERP Proposal was concluded in 2014, and the Board recommended that the Mary River Project as modified by the ERP Project be allowed to proceed subject to several amendments, including additions to Project Certificate No. 005.<sup>5</sup> Project Certificate No. 005 was subsequently amended and re-issued to Baffinland on May 28, 2014 for the Mary River Project, including the Early Revenue Phase Proposal (Amendment 1). The NIRB also notes that when Baffinland proposed the ERP it was projected that up to 3.5 Mtpa would be transported and shipped from the mine site; however, during the ERP Public Hearing the NIRB gave specific consideration to Baffinland's request for operational flexibility, and subsequently imposed a tonnage limit of 4.2 Mtpa which could be transported via the Tote Road, and this limit was incorporated into the amended Project Certificate.

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<sup>5</sup> (Doc. ID No. 319779) NIRB File No. 00MN053, Public Hearing Report for the Mary River Project: Early Revenue Phase Proposal, Baffinland Iron Mines Corporation, March 17, 2014.

### 1.2.4 The Production Increase Proposal

The Production Increase Proposal was a subsequent modification of the Mary River Project submitted by Baffinland in 2018, that involved an increase to the maximum volume of ore that would be permitted to be trucked from the Mary River site to the Milne Port via the Tote Road from 4.2 to 6 Mtpa (requiring up to 83 round trips by ore carriers to market during the open water season), as well as the addition of a 15 Million litre (ML) diesel fuel tank within the existing Fuel Storage Facility at Milne Port, and installation of a new 380-person accommodation at Milne Port. To accommodate these changes, Baffinland submitted a modification proposal to the NIRB on April 30, 2018 and specifically requested that the NIRB amend Conditions 179(a)<sup>6</sup> and 179(b)<sup>7</sup> of the Mary River Project Certificate No. 005 to allow Baffinland to increase production and comply with the limits in the Project Certificate.

During the reconsideration process, on July 12, 2018, the Board's staff facilitated a Community Information Session in the community most directly affected by the proposal, Pond Inlet, and the comments, questions and concerns expressed during that session were conveyed to the Board for their consideration. Reflecting the scale and scope of the Production Increase Proposal and the feedback received from interested parties, the Board determined that it was not necessary to conduct a Public Hearing to support its decision-making for this assessment.

On August 31, 2018 the NIRB issued its Reconsideration Report and Recommendations for the Production Increase Proposal to the Minister of Intergovernmental Affairs, Northern Affairs and Internal Trade<sup>8</sup> (as the Minister was referred to at that time) which advised the Minister that the Board recommended that the camp upgrades and fuel storage expansion components of the Production Increase Proposal be allowed to proceed to the permitting stage. However, with respect to the request to increase the amount of ore to be transported by the Tote Road and shipped from Milne Port to 6 Mtpa, the Board did not approve the increase, stating:

*...concerns about the adequacy of impact predictions and uncertainty about the effectiveness of the mitigation measures proposed by Baffinland to address the potential for adverse effects associated with the proposed increase in road traffic and marine vessel traffic.<sup>9</sup>*

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<sup>6</sup> In any given calendar year, the total volume of ore shipped via Milne Inlet shall not exceed 4.2 million tonnes.

<sup>7</sup> In any given calendar year, the total volume of ore transported by truck on the Milne Inlet Tote Road shall not exceed 4.2 million tonnes.

<sup>8</sup> (Doc. ID No. 319640) NIRB File No. 08MN053, Reconsideration Report and Recommendations, Production Increase Proposal, Baffinland Iron Mines Corporation, August 31, 2018.

<sup>9</sup> (Doc. ID No. 319640) NIRB File No. 08MN053, Reconsideration Report and Recommendations, Production Increase Proposal, Baffinland Iron Mines Corporation, August 31, 2018, at p. iv.

Consequently, the Board recommended that the increased trucking and shipping aspects of the Production Increase Proposal should not be approved to proceed as these activities could result in adverse ecosystemic effects beyond what was previously considered by the NIRB during the Board's assessments of the original Mary River Project (2012) and the Early Revenue Phase Proposal (2014).

On October 1, 2018, the Minister of Intergovernmental, and Northern Affairs and Internal Trade accepted the Board's recommendation with respect to the camp upgrades and fuel storage expansion but varied the Board's recommendations related to the increased trucking and shipping of additional ore. The Minister approved the full scope of the activities proposed under the Production Increase Proposal resulting in Baffinland being approved ship up to 6 Mtpa out of Milne Inlet, until December 31, 2019 in accordance with specific updated and new terms and conditions, which were included in Amendment 2 to Project Certificate No. 005 issued on October 30, 2018.

### **1.2.5 The Extension Request to the Production Increase Proposal**

On December 6, 2019, Baffinland submitted the Extension Request to the Production Increase Proposal (the Extension) with a request to modify terms and conditions 179(a) and 179(b) of Project Certificate No. 005 to authorize the transportation and shipment of up to 6 Mtpa of iron ore via Milne Port, until December 31, 2020, while the Board concluded the assessment of the Phase 2 Development Proposal. On March 4, 2020, noting that it was unclear whether the Board would be able to conclude the assessment of the Phase 2 Development Proposal by the end of 2020, the Board provided its recommendation to the Minister<sup>10</sup> to grant a two (2)-year extension to the amendments to Project Certificate No. 005 to allow Baffinland to transport and ship up to 6 Mtpa of iron ore until December 31, 2021. On May 19, 2020, the Minister of Northern Affairs wrote to the Board on behalf of the Responsible Ministers to accept the Board's recommendation regarding Term & Conditions 179(a) and (b) of the Extension Request. The Minister also varied Term & Conditions 179(c) and 183 in Project Certificate No. 005 (Amendment No. 3) to ensure those conditions were meeting their original intent. On June 18, 2020, the NIRB issued an amended Project Certificate for the Mary River Project to reflect the activities associated with the Extension Request to the Production Increase Proposal.

### **1.2.6 The Phase 2 Development Proposal**

The original Phase 2 Development Proposal included the following activities, in addition to the activities associated with the original Mary River Project and the Early Revenue Phase Proposal:

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<sup>10</sup> (Doc. ID No. 328809) NIRB File No. 08MN053, Reconsideration Report and Recommendations, Extension Request to the Production Increase Proposal, Baffinland Iron Mines Corporation, March 4, 2020.

- Changing marine transport of ore from year-round shipping to shipping 6 months of the year (July 01 to December 31), with a focus on shipping ore primarily during the open water season;
- Associated changes at the Milne Port site to maximize shipping during the open water season, which would include increases to the size of the proposed second ore dock and ship loader to accommodate cape-sized vessels;
- Increase the production, transportation and shipping of ore from the Mine Site via Milne Port from the approved 4.2 - 6.0 Million tonnes per annum (Mtpa) to 12 Mtpa;
- Reducing the amount of proposed fuel storage at the Milne Port site; and
- The installation of an enclosed ore crushing facility at the Milne Port site.

While the NIRB's consideration of the Phase 2 Development Proposal was underway, the scope of the application was further modified by Baffinland to add a proposed northern rail component between the existing Mary River Mine site and the existing facilities at the Milne Port site (the North Railway). This significant modification while the assessment was ongoing resulted in the proposal being referred back to the Nunavut Planning Commission (Commission) for further consideration of the additional rail component on December 19, 2016. On May 29, 2018 the Phase 2 Development Proposal, as resubmitted by Baffinland to reflect the increased scope to include the North Railway, was formally referred to the NIRB for assessment by the Commission. The following activities and works were included in the scope of this updated Phase 2 Development Proposal:

1. Increased iron ore production from 4.2 Mtpa under the Early Revenue Phase and 6 Mtpa under the Production Increase Proposal and Extension Request to the Production Increase Proposal to up to 12 Mtpa, and transportation to port for shipping via the northern transportation corridor;
2. Construction and operation of a 110 km railway within the northern transportation corridor between the Mine Site and Milne Port, generally following the existing Tote Road. Once the North Railway was in place, the Tote Road would remain operational, but the road would no longer be used to transport ore and would be limited to moving personnel and key goods;
3. Expansion and improvement of the Milne Port facilities: with the addition of a second ore dock to accommodate cape-sized vessels, a second ship loader, railway unloading and maintenance facilities, and additional support infrastructure would be developed, in addition to an enclosed crushing facility;
4. Modification of the shipping season: the ore shipping season would be from July 1 to November 15 but would also be adapted annually in consultation with the Mittimatalik Hunters and Trapper Organization based on ice conditions and ice coverage along the

shipping route. Baffinland also noted that the winter sealift was no longer included in the Phase 2 Development Proposal, due to concerns expressed by the communities regarding ice breaking; and

5. Expansion of the existing accommodation camp at the Mine site.

Between May 2018 through May 2022, the NIRB completed the Board's assessment of the Phase 2 Development Proposal, culminating with the Board issuing its Reconsideration Report and Recommendations to the Minister of Northern Affairs, on behalf of the Responsible Minister(s) on May 13, 2022.<sup>11</sup> The Board determined that the Phase 2 Development Proposal should not be allowed to proceed, due to the potential for the Phase 2 Development Proposal to result in significant adverse ecosystemic effects (including transboundary effects) on marine mammals, fish, caribou and other terrestrial wildlife, vegetation and freshwater that could lead to significant adverse socio-economic effects on Inuit harvesting culture, land use and food security in Nunavut that could not be prevented, mitigated or adaptively managed. The Responsible Ministers are currently considering the Board's Report and Recommendations and on July 11, 2022 advised the Board and parties that the Responsible Ministers have extended their timeline for decision-making by 90 days under s. 112(8) of the *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2 (*NuPPAA*).<sup>12</sup>

### **1.2.7 Volumes of Ore Transported via The Tote Road and Shipped Via Milne Port (2016-2021)**

#### [Table 1: Baffinland's Annual Reported Totals of Ore Transported and Shipped \(2016-2021\)](#)

provides a summary of the volumes of ore transported via the Tote Road and shipped via Milne Port since transportation and shipping commenced in 2016 under the approved Early Revenue Phase, and as modified in 2018 under the Production Increase Proposal and 2020 under the Extension Request to the Production Increase Proposal.

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<sup>11</sup> (Doc ID No. 339558) NIRB File No. 08MN053, Reconsideration Report and Recommendations, Phase 2 Development Proposal, Baffinland Iron Mines Corporation, May 13, 2022.

<sup>12</sup> (Doc. ID No. 340699) Minister of Northern Affairs, Minister Responsible for Prairies Economic Development Canada and Minister Responsible for the Canadian Northern Economic Development Agency Correspondence to K. Kaluraq, NIRB Chairperson, July 11, 2022.

**Table 1: Baffinland's Annual Reported Totals of Ore Transported and Shipped (2016-2021)<sup>13</sup>**

| Year | Amount Trucked (Mtpa) | Amount Shipped (Mtpa) | NIRB Notified of Exceedance?   | Limit that Year                               | Project Certificate Amendment                         |
|------|-----------------------|-----------------------|--|---|---|
| 2016 | 3.4                   | 2.7                   | N/A  | 3.5 Mtpa (+0.7Mtpa for Operation Flexibility) | Early Revenue Phase                                   |
| 2017 | 4.54                  | 4.05                  | Notified the Board in December 2017 which led to the PIP application         |   |   |
| 2018 | 5.4                   | 5.09                  | N/A  | 6.0 Mtpa                                      | Production Increase Proposal                          |
| 2019 | 5.7                   | 5.86                  | N/A  | 6.0 Mtpa                                      |   |
| 2020 | 6.04                  | 5.4                   | Notified the Board in May 2021 with the submission of the 2020 Annual Report |   | Extension Request to the Production Increase Proposal |
| 2021 | 5.4                   | 5.6                   | N/A  |   |   |

### 1.3 Inuit Qaujimajatuqangit

As indicated in the Board's previous assessments for this file, the incorporation of "Inuit Qaujimajatuqangit" local, community-based knowledge and ecological knowledge (both traditional and contemporary), which is rooted in the daily life of Inuit and represents experience acquired over thousands of years of direct human contact with the environment is central to the Board's assessments. In addition to the Board's receipt of written submissions that included references to Inuit Qaujimajatuqangit shared with the commenters, the Board was privileged to hear from several Elders during the Community Roundtable Session held in Pond Inlet on August 16, 2022. In particular, the Board highlights that Inuit Qaujimajatuqangit was shared about:

- the presence, abundance and possible reasons for displacement of marine mammals in the surrounding area;
- the potential for effects on terrestrial wildlife and also natural population cycles of caribou; and

<sup>13</sup> Note: Numbers in red denote exceedances of the limit specified in Project Certificate No. 005 at that time, these exceedances were also documented through the NIRB's annual Monitoring Reports.

- the potential for effects on vegetation, wildlife and freshwater arising from dust emissions at the Mine and Milne Port.

Several commenters and members of the community also indicated that Baffinland must be more transparent in their consideration of Inuit Qaujimajatuqangit in their development and implementation of adaptive management plans, mitigations and monitoring programs for the PIP Renewal.

## **1.4 Procedural History of the Assessment**

### **1.4.1 Jurisdiction of the Board to Conduct the Reconsideration**

In conducting a reconsideration, the NIRB remains mindful that the NIRB's primary objectives apply to reconsiderations and generally dictate that the NIRB conducts an assessment of the Proposal that reflects the scale and scope of the requested modifications to the previously approved Mary River Project (including as modified by the Early Revenue Phase Proposal, by the Production Increase Proposal (PIP) and the Extension Request to the Production Increase (the Extension)). As discussed in more detail in [Section 1.2.1](#) the Board determined that other than a short-term renewal of the 6 Mtpa limit, there were no changes to the scope of the activities under the PIP Renewal from those previously authorized under the PIP in 2018 and the Extension in 2020. However, noting that there had been a change in circumstances since the PIP and the Extension were approved and that the potential for ecosystemic and socio-economic effects may differ from the effects previously assessed under the PIP and the Extension, the Board decided that the PIP Renewal constituted a significant modification to the Mary River Project as previously assessed (including as modified by the subsequent amendments) and a reconsideration of specified terms and conditions of Project Certificate No. 005 was required as provided for under Article 12, Section 12.8.2 (a) of the *Nunavut Agreement* and s. 112(a) of the *NuPPAA* (changed circumstances). Accordingly, as required by s. 112(3) of the *NuPPAA*, the NIRB provided notice of a formal reconsideration of the terms and conditions of Project Certificate No. 005 to the Proponent and the Minister on July 19, 2022.

### **1.4.2 Overview of the NIRB's Reconsideration Process for the PIP Renewal**

[APPENDIX A](#) provides more detail regarding the key steps in the Board's assessment of the PIP Renewal conducted by the Board under Article 12, Section 12.8.2 of the *Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada (Nunavut Agreement)* and s. 112 of the *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2 (*NuPPAA*). The Board relied primarily on a written comment process to solicit comments from Baffinland and interested parties, including Inuit Organizations, community-based organizations, government agencies with regulatory responsibilities for the Project and non-governmental



organizations, many of whom had recently participated as Registered Intervenor during the Board's assessment of Baffinland's Phase 2 Development Proposal. The Board supplemented the written comment process with an opportunity for delegated Community Representatives in the seven (7) potentially affected North Baffin communities and residents of Pond Inlet to share their comments with the Board in oral form during the Community Roundtable held in Pond Inlet on August 16, 2022. All comment submissions considered by the Board were received by August 24, and the Board remitted the file to the Board for decision-making on August 24, 2022.

As the summary of key steps provided in [APPENDIX A](#) is not exhaustive, parties wishing to develop a more complete understanding of the activities associated with the NIRB's assessment of the Proposal are encouraged to consult the complete listing of all documentation available from the NIRB's online public registry at: [www.nirb.ca/project/125710](http://www.nirb.ca/project/125710).

## **1.5 Evidentiary Issues**

### **1.5.1 The Burden and Standard of Proof**

During the NIRB's reconsideration process, the burden of establishing that the Production Increase Proposal Renewal project proposal (PIP Renewal) can proceed rests with the Proponent. Essentially the onus was on Baffinland to demonstrate that the any anticipated adverse ecosystemic or socio-economic impacts and environmental effects of the PIP Renewal as conducted under the existing Terms and Conditions of Project Certificate No. 005, and/or proposed revisions to Project Certificate No. 005 can be prevented, mitigated or managed. This onus also means that the Proponent was required to demonstrate that allowing the Production Increase Proposal Renewal to proceed in accordance with specific terms and conditions is consistent with the Board's mandate and requirements of the *Nunavut Agreement* and the *NuPPAA*.

### **1.5.2 The Precautionary Principle and Adaptive Management**

As was the case in the Board's previous assessments of the original Mary River Project Proposal, the Early Revenue Phase Proposal, the Production Increase Proposal, the Extension Request to the Production Increase Proposal and the Phase 2 Development Proposal the Board recognizes that there are areas of the PIP Renewal for which there may be substantial gaps in data or uncertainty regarding predicted effects. In particular, the Board notes that even with the benefit of some monitoring data, uncertainty remains regarding the effects the current project activities are having on marine mammals and caribou. Where there are gaps or uncertainty, the Board expects that the "precautionary principle" will be actively applied, which essentially means that a lack of scientific certainty regarding effects will not be an excuse for inaction.

In practice, when the precautionary principle applies, it is the Proponent who bears the burden of proof to show that despite the uncertainty, the potential adverse environmental impacts can be mitigated or prevented. The Board also expects that where uncertainty exists as to the extent to which effects that are identified through monitoring may be related to the activities of the Project, that the Proponent will develop adaptive management plans to integrate effects predictions with monitoring, mitigation, and management functions. Under this adaptive management approach, the Board expects the Proponent to use monitoring data to evaluate, on an on-going basis, the effects predicted, and the efficacy of mitigation and management developed and implemented to address all effects.

Throughout the Board's reconsideration associated with the PIP Renewal, the Proponent, Intervenor, community members from the potentially affected North Baffin communities and the Board, via the Board's Monitoring Officers for the Mary River Project have considered and referenced the monitoring data and mitigation and management measures already in use at the Mary River Project to inform this assessment.

## 2 SUMMARY OF THE PROPONENT'S ASSESSMENT OF THE PRODUCTION INCREASE PROPOSAL RENEWAL

### 2.1 Project Description<sup>14</sup>

Baffinland Iron Mines Corporation's Production Increase Proposal Renewal (PIP Renewal or Proposal) would involve no changes to the activities, works and undertakings that were previously approved under the Production Increase Proposal (PIP) (Amendment 2 to Project Certificate No. 005 issued in 2018) and the Extension Request to the Production Increase Proposal (Extension) (Amendment 3 to Project Certificate No. 005 issued in 2020). The scope of the PIP Renewal would involve the following activities until December 31, 2022:

- Continuation of the increased production and mining of iron ore up to 6 Mtpa;
- Continuation of the increased trucking of up to six (6) Mtpa of iron ore from the Mary River Mine Site to Milne Port via the Tote Road;
- Continuation of the increased shipping of up to 6 Mtpa of iron ore through Milne Port during the open water season;
- No changes to the current use of the Northern Transportation corridor (Tote Road) and Northern shipping Route through Milne Port;
- No change to the use of facilities at the Mine Site and Milne Port; and
- No change to the timing and length of the current shipping season.

Although there is no change to the scope of Baffinland's operations as approved since 2018, as discussed in [Section 2.5 Proposed Mitigation and Monitoring Measures](#) in response comment submissions from parties, Baffinland has incorporated additional mitigation measures into the PIP Renewal in addition to the mitigation measures that were previously in place for the PIP and the Extension Request. The Proponent indicated that these additional measures for the 2022 shipping season are designed to either reduce the overall scope of activities or reduce potential project effects. Baffinland also indicated that because mitigations by design are aimed at reducing or preventing project effects from occurring and are the strongest forms of mitigation, the inclusion of these measures in respect of the PIP Renewal increases the conservatism in the

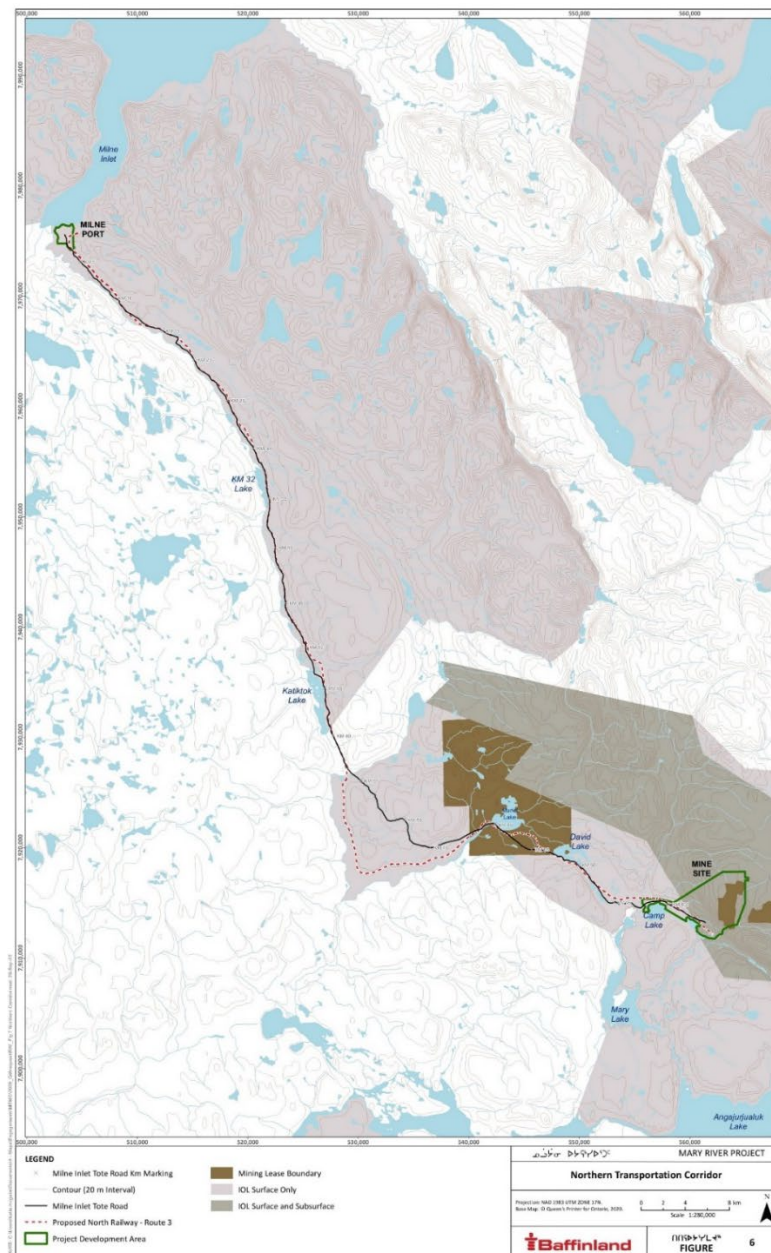
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<sup>14</sup> Unless otherwise noted, this summary is based on the information provided by Baffinland in (Doc ID Nos. 340063-340066) Baffinland, Revised NIRB Application, June 13, 2022 and (Doc ID No. 340177) Baffinland, Production Increase Proposal Renewal Application Supplement Package, June 15, 2022.

previous effects predictions provided by Baffinland in the PIP Application in 2018 and the Extension Request in 2020.

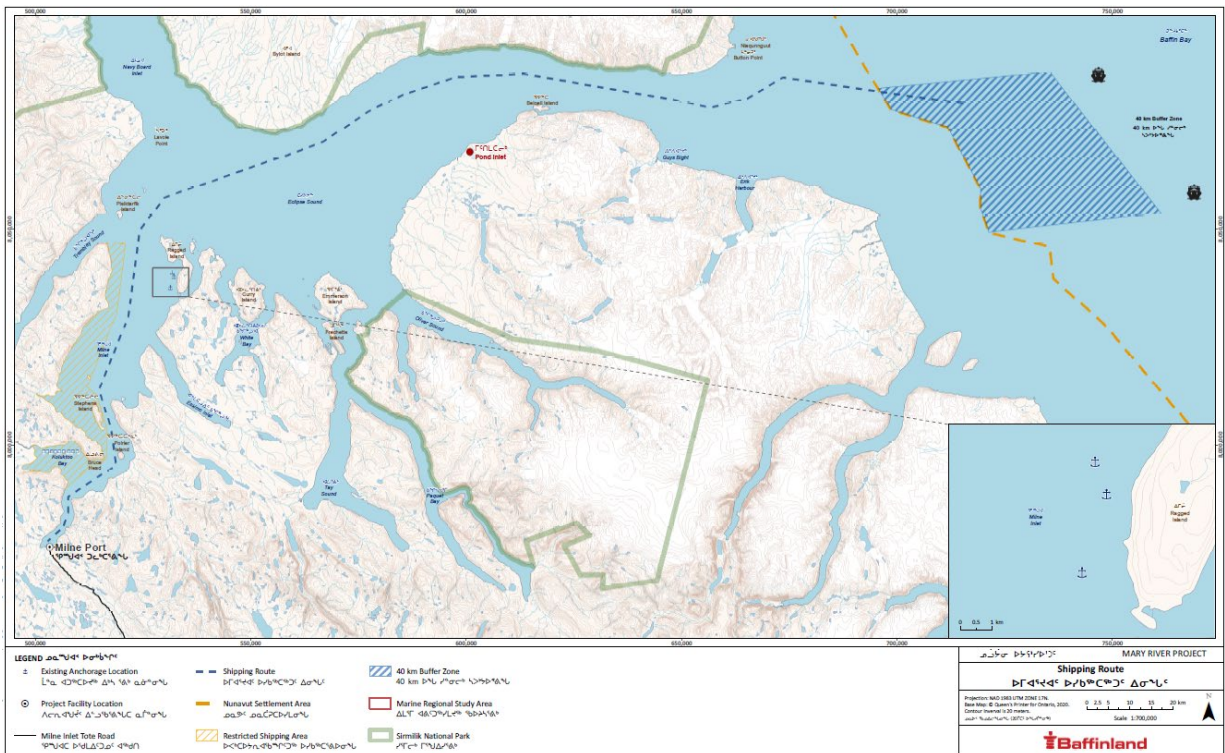
In the PIP Renewal application, Baffinland stated that as a result of its demonstrated operational improvements and efficiencies since the Project became operational in 2015, sustaining activity levels at 6 Mtpa will be necessary to avoid the need to scale back operations, reduce employment (layoffs of current staff), reduce contracting opportunities provided by the Project, and reduce the benefits that flow generally to Qikiqtani Inuit.

## 2.2 Map of PIP Renewal Activities



**Figure 2: Map of PIP Renewal Mine Site and Tote Road Activities<sup>15</sup>**

<sup>15</sup> This figure was provided to the Board by Baffinland during the Board's assessment of Baffinland's Phase 2 Development Proposal and shows the routing of the Tote Road (depicted in the solid line), but also depicts the routing of the proposed North Railway (dashed line) associated with the Phase 2 Development Proposal. The North Railway is NOT part of the PIP Renewal application.



**Figure 3: Map of PIP Renewal Milne Port and Shipping Corridor Activities<sup>16</sup>**

## 2.3 Need for the Project

The PIP Renewal is described by Baffinland as an “interim measure” to maintain the status quo at Baffinland’s operations while Baffinland explores alternative long-term solutions to operating the Mary River Project in the high-cost environment of the Arctic and subject to variable iron ore prices. Baffinland noted that project economics continue to be a key driver in the development of the Mary River Project. Baffinland stated that returning to the current production and transportation limit of 4.2 Mtpa would result in seasonal closures at the mine and would threaten the long-term viability of the mine.

Baffinland emphasized that the increase to the limits proposed under the PIP Renewal is urgently needed, as Baffinland expects to reach the transportation limits set out in term and condition 179(a) and (b) of the Project Certificate in September (trucking) and October (shipping). When these limits are reached, Baffinland advised the company will have to terminate 1,156 employees (including over 200 Inuit employees) that were sent termination notices on July 31<sup>st</sup>, 2022 because there will be no work for them to do. In addition to requiring the PIP Renewal to be approved to preserve Baffinland’s current workforce, and all the economic benefits associated

<sup>16</sup> This figure was provided to the Board by Baffinland during the Board’s assessment of Baffinland’s Phase 2 Development Proposal.

with full employment, Baffinland also noted that the PIP Renewal is also required to prevent a reduction in benefits for Inuit under the Inuit Impact and Benefit Agreement negotiated by the Qikiqtani Inuit Association on behalf of Inuit in the region.

## **2.4 Baffinland’s Assessment of the Potential for Changes to Ecosystemic and Socio-Economic Effects Associated with the PIP Renewal**

### **2.4.1 Potential Changes to Ecosystemic Effects**

The Proponent indicated that the predicted ecosystem effects associated with the PIP Renewal are consistent with those described in the original FEIS (2012)<sup>17</sup>, Early Revenue Phase EIS Addendum (2013)<sup>18</sup>, Production Increase Proposal Application (2018)<sup>19</sup> and Extension Request to the Production Increase Proposal Application (2020)<sup>20</sup>.

Noting that PIP Renewal would not increase the existing footprint of the Mary River Project Development Area, and recognizing the applicability of existing effects monitoring, mitigation and management requirements of Project Certificate No. 005 (as amended) to the continuation of activities under the PIP Renewal, Baffinland concluded that there would be no changes to the potential for ecosystemic effects associated with the PIP Renewal.

In the PIP Renewal Application,<sup>21</sup> Baffinland identified the following physical and biological effects as “negative and mitigatable”:

- Ground stability;
- Climate conditions;
- Eskers and other Unique or fragile landscapes;
- Tidal processes and bathymetry;
- Air Quality;
- Noise;
- Vegetation;

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<sup>17</sup> (Doc ID Nos. 262344-262345) Baffinland, Mary River Project submission, March 14, 2008.

<sup>18</sup> (Doc ID Nos. 290471-290473) Baffinland, Early Revenue Phase Proposal submission, January 14, 2013.

<sup>19</sup> (Doc ID Nos. 318140-318141, *Revised*; 318295) Baffinland, Production Increase Proposal submission, April 30, 2018.

<sup>20</sup> (Doc ID Nos. 327657, 327951 & 327952) Baffinland, Production Increase Proposal Extension submission, January 6, 2020.

<sup>21</sup> (Doc ID Nos. 340063-340066) Baffinland, Revised NIRB Application for the Production Increase Proposal Renewal, June 13, 2022.



- Wildlife, including habitat and migration;
- Birds, including habitat and migration; and
- Aquatic species, including habitat and migration.

With respect to results from aerial marine surveys in 2020 and 2021 that observed lower numbers of narwhal in Eclipse sound compared to previous aerial surveys, Baffinland stated the following:

*As reflected in the 2021 Annual Report to NIRB and supporting technical reports currently in draft for comment with the MEWG, 2020 and 2021 observations of potential lower narwhal abundance in Eclipse Sound as compared to previous aerial surveys do not reflect an overall reduction of the regional narwhal population and do not appear to be a result of the Project. These observations are more likely the product of natural exchange of the species between Eclipse Sound and Admiralty Inlet, other more global factors that are affecting the Arctic marine area due to climate change i.e. predation, forage availability, ice conditions, etc., and other activities in the area such as construction of the Pond Inlet small craft harbour.*

*Per Baffinland's letter of May 10, 2020 to NIRB, comprehensive March 2022 submissions by the Qikiqtaaluk Wildlife Board (QWB) (which is comprised of the chair from each hunters and trappers organization within the Qikiqtaaluk region) to the Nunavut Wildlife Board support the QWB's view that narwhal move freely throughout the waters of Northern and Eastern Baffin Island (NEBI), and that there is no "Eclipse Sound Stock" of narwhal separate and distinct from the general narwhal population in NEBI.<sup>22</sup>*

Baffinland indicated that enhanced caribou monitoring in 2021, which added 12 remote wildlife cameras to supplement the height-of-land surveys detected no caribou. Consequently, Baffinland indicated confidence in the efficacy of existing programs, noting that the lack of caribou observations are indicative of the low regional abundance of caribou, not a methodological issue with the monitoring programs.

[Table 2](#) below is a summary of impact predictions, significance determinations, and reliance on existing monitoring or mitigation plans for the Mary River Project that was presented by Baffinland as its application for the Production Increase Proposal in 2018.

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<sup>22</sup> (Doc ID No. 340177) Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022, at p. 10.

[Table 2](#) below was provided by Baffinland during the assessment of the Production Increase Proposal (2018). In Baffinland’s 2022 application for the PIP Renewal, the Proponent relied on the assessment of effects provided in the original 2018 application. Consequently, the Board has carried forward this summary of effects as predicted by Baffinland in 2018, because the activities associated with the PIP Renewal remain largely unchanged and Baffinland’s prediction of effects associated with the increased 6 Mtpa mining, transportations and shipping activities remains applicable.

In addition to the information provided in 2018, in the 2022 application for the PIP Renewal, Baffinland proposed several additional mitigation measures to be applied to both the terrestrial and marine environments. The additional measures proposed for the PIP Renewal have been summarized for the convenience of parties; the detailed description of the measures are provided in Baffinland’s PIP Renewal Supplemental Information Package.<sup>23</sup>

**Table 2: Summary of Ecosystemic Changes in Project Interactions and Factors Relating to Significance<sup>24</sup>**

| Valued Ecosystemic Component  | Potential Change in Effects from Mary River FEIS | Description of Change   | Applicable Mitigation and Monitoring   |
|---|--|---|--|
| Atmospheric Environment: <ul style="list-style-type: none"> <li>– Climate Change</li> <li>– Air Quality</li> <li>– Noise and Vibration</li> </ul> | Change; not significant                          | Additional ore processing, handling, stockpiling, and transporting activities, and the associated increases in truck and ship traffic and use of other mobile engine equipment, will result in emissions of greenhouse gases (GHGs), dust and other air constituents, noise, and vibration. However, additional releases of GHGs from the Project anticipated to remain small in comparison to Nunavut and Canadian totals and are not expected to have a measurable effect on global climate change. Current monitoring indicate dust is being successfully managed along the Tote Road; 2017 dustfall reduced with increased dust suppression efforts. Metal concentrations in vegetation and soil remain below Project thresholds. NO <sub>2</sub> and | Anticipated effects managed through monitoring, mitigation, and management practices: <ul style="list-style-type: none"> <li>– Air Quality and Noise</li> <li>– Abatement Management Plan</li> <li>– Dust Management Protocol</li> </ul> |

<sup>23</sup> (Doc ID No. 340177) Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022.

<sup>24</sup> (Doc ID No. 318295) Baffinland Iron Mines Corporation, June 20, 2018. *Mary River Modification Application – Production Increase, Fuel Storage, and Milne Port Accommodations (Revised)*, NIRB Application for Project Modification.

| Valued Ecosystemic Component   | Potential Change in Effects from Mary River FEIS | Description of Change  | Applicable Mitigation and Monitoring   |
|--|--|--|--|
|  |  | SO <sub>2</sub> levels are well below thresholds and increase in fuel combustion unlikely to result in exceedances. <i>Potential changes to factors related to significance include increases in the magnitude and frequency. However, with existing mitigation, the environmental effects evaluated to remain not significant.</i>  | <ul style="list-style-type: none"> <li>– Terrestrial Environment</li> <li>– Mitigation and Monitoring Plan</li> </ul>  |
| Terrestrial Environment <ul style="list-style-type: none"> <li>– Vegetation</li> <li>– Terrestrial wildlife and habitat</li> <li>– Migratory birds and Habitat</li> </ul>            | Change; not significant                          | Additional Tote Road traffic may result in increased sensory disturbance and will contribute to an increased risk of collisions with birds and wildlife. Increased dust deposition may affect terrestrial birds, wildlife, and vegetation through changes to habitats. Most year-round sampling locations for the project showed dustfall reduced in 2017 from that observed in 2016 which may be due to dust suppression activities, particularly along the Tote Road. Metal concentrations across all 2012 to 2017 vegetation and soil base metals monitoring sites below Project thresholds. <i>Potential changes to the factors related to significance include increases in the magnitude, probability, and frequency of effects. However, with existing mitigation, the environmental effects evaluated to remain not significant.</i> | Anticipated effects managed through monitoring, mitigation, and management practices: <ul style="list-style-type: none"> <li>– Roads Management Plan and Environmental Protection Plan</li> <li>– Terrestrial Environment</li> <li>– Mitigation and Monitoring Plan</li> </ul> |
| Freshwater Environment <ul style="list-style-type: none"> <li>– Freshwater quantity</li> <li>– Water and sediment quality</li> <li>– Freshwater Aquatic Biota and Habitat</li> </ul> | Change; not significant                          | Effects on surface water quality and/or sediment quality, freshwater aquatic biota, and freshwater aquatic habitat may occur from additional runoff with increased dust suppression activities on the roadway; and additional dust deposition from road traffic. Monitoring results indicate that dust can be managed successfully along the Tote Road, as dustfall monitoring has shown a decrease in 2017. <i>Potential changes to the factors related to significance include increases in</i>  | Anticipated effects managed through monitoring, mitigation, and management practices: <ul style="list-style-type: none"> <li>– Surface Water</li> </ul>  |

| Valued Ecosystemic Component  | Potential Change in Effects from Mary River FEIS | Description of Change   | Applicable Mitigation and Monitoring   |
|---|--|---|--|
|   |  | <i>magnitude and frequency of effects. However, with existing mitigation, the environmental effects evaluated to remain not significant.</i>  | <ul style="list-style-type: none"> <li>– Aquatic Effects Management Plan</li> </ul>  |
| Marine Environment <ul style="list-style-type: none"> <li>– Sea Ice</li> <li>– Marine Water and Sediment Quality</li> <li>– Marine Habitat and Biota</li> <li>– Marine Mammals</li> </ul> | Change; not significant                          | No changes to interactions with sea ice as no change proposed to shipping season. Effects on marine environment may occur from additional surface water runoff and ore dust dispersion from stockpile, and routine discharges from additional ship traffic. Most additional ore dustfall expected to occur December-July during the ice season, eventually deposited in the marine environment during ice-melting/spring run-off period. A large portion of the land-based dust will accumulate in the Phillips Creek water-shed, be transported into Milne Inlet with the spring freshet, and then be dispersed by tidal flux, thus decreasing the likelihood of particulate concentrations resulting in substantial biological changes within the marine ecosystem. Residual effects on water and sediment quality at Milne Inlet considered minimal; conclusion supported by the existing water and sediment monitoring showing no biologically impactful changes have been observed. Additional ship traffic could interact with marine mammals through acoustic disturbances and vessel strikes; however, research suggests that temporary and localized behavioural changes are to be expected in response to ship encounters. Given the relatively low likelihood and short duration of encounters between marine mammals and vessel traffic, acoustic disturbances are not expected to affect marine mammals at the population level. | Anticipated effects managed through monitoring, mitigation, and management practices: <ul style="list-style-type: none"> <li>– Surface Water and Aquatic</li> <li>– Ecosystems Management Plan</li> <li>– Marine Environmental Effects</li> <li>– Monitoring Plan</li> <li>– Shipping and Marine Wildlife Management Plan</li> <li>– Aquatic Invasive Species</li> <li>– Monitoring of Milne Inlet Marine Ecosystem</li> </ul> |

| Valued Ecosystemic Component | Potential Change in Effects from Mary River FEIS | Description of Change   | Applicable Mitigation and Monitoring |
|------------------------------|--|---|--------------------------------------|
|                              |  | The potential for vessel strikes could increase, due to existing mitigation and the low likelihood of encounters, increased vessel traffic may result in inconsequential increase in vessel strike potential. This conclusion is supported by the existing marine mammal monitoring under current operations. Specifically, narwhal abundance and distribution near Milne Port has not significantly changed and no known vessel strikes have been reported. No species considered invasive to the Arctic have been observed. <i>Potential changes to the factors related to significance include changes in the magnitude, probability, and frequency of effects. However, with application of existing mitigation, environmental effects anticipated to remain not significant.</i> |                                      |

#### Mitigations for Dust Production

- Application of *DustBlok*®, Calcium Chloride and water along the Tote Road throughout the summer months to reduce the amount of dust produces from the Tote Road;
- Working with an independent Dust Audit Committee to review dust sources on site and implement solutions to reduce overall dust;
- Application of additional hoods and shrouds at crusher facility;
- Reduction of drop distances when piling ore at the crusher;
- Installation of chutes at the shiploader;
- Application of *DusTreat*® on the stockpiles to reduce wind blown dust from the pile; and
- Exploring the feasibility of wind fencing at the stockpile to reduce windblown dust.

### Marine Shipping Mitigations

- No ice-breaking to commence the 2022 shipping season. Shipping did not begin until there was a continuous path of 3/10ths ice through the entire shipping route;
- No more than 80 Ore carriers will be used;
- Use of Convoys to further reduce total sound exposure in the shipping lane; and
- No shipping will occur later than October 31, 2022.

### **2.4.2 Potential Changes to Socio-Economic Effects**

In the PIP Renewal Application,<sup>25</sup> Baffinland identified no negative socio-economic effects associated with the PIP Renewal, and identified the following positive socio-economic effects:

- Employment;
- Community wellness;
- Community infrastructure; and
- Human health.

In Baffinland's reply submission, Baffinland provided [Table 3](#) below to summarize the economic benefits associated with Baffinland operating at the 6 Mtpa limit (2018-2021) compared to the 4.2 Mtpa limit approved in the Early Revenue Phase (approved in 2014 but due to the project construction timeline, this 4.2 Mtpa level of production, transportation and shipping did not occur until 2017).

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<sup>25</sup> (Doc ID Nos. 340063-340066) Baffinland, Revised NIRB Application, June 13, 2022.

**Table 3: Baffinland's Summary of Economic Benefits of 6 Mtpa Limits Contrasted With 4.2 Mtpa Limits<sup>26</sup>**

| Benefit Highlights                   | 6 MTPA Operation  |                   | ERP               | % Increase |
|--------------------------------------|-------------------|-------------------|-------------------|------------|
|                                      | 2018-2021         | Average           | 2017              |            |
| Payments to QIA                      | \$ 67,816,349.85  | \$ 16,954,087.46  | \$ 8,114,453.60   | 109%       |
| Payments to GN                       | \$ 58,760,000.00  | \$ 14,690,000.00  | \$ 1,500,000.00   | 879%       |
| Payments to Tasiuqtiit Working Group | \$ 730,000.00     | \$ 182,500.00     | N/A               | N/A        |
| Inuit Employee Payroll               | \$ 74,680,962.00  | \$ 18,670,240.50  | \$ 8,313,898.00   | 125%       |
| Inuit Contract Expenditures          | \$ 610,900,000.00 | \$ 152,725,000.00 | \$ 116,000,000.00 | 32%        |
| Inuit Training (Hours)               | 126000            | 31500             | 4000              | 688%       |

In summary, Baffinland indicated that these socio-economic monitoring results demonstrate the overwhelming positive socio-economic benefits of operations at the 6 Mtpa limit since 2018 and of sustaining this level of operation under the PIP Renewal.

In response to comment submissions expressing concern that the 6 Mtpa level of shipping is having adverse effects on narwhal populations and resulting in associated negative effects on Inuit harvesting and culture, Baffinland indicated:

*In the years that Baffinland has carried out commercial shipping of iron ore (2015-2021), an annual average of 144 narwhal were harvested in that time period, and the average narwhal harvested per resident of Pond Inlet was 0.082. In the 14 years prior to commercial shipping the annual average number of narwhal harvested was 82, and on a per resident of Pond Inlet basis it was 0.056. These differences are significant (176% and 144% growth since commercial shipping, respectively) and challenge the concept that there are less narwhal available for consumption since the Project started.<sup>27</sup>*

[Table 4](#) below is a summary of impact predictions, significance determinations, and reliance on existing monitoring or mitigation plans for the Mary River Project that was presented by Baffinland in 2018 in the Proponent's original application to authorize operations at 6 Mtpa in the Production Increase Proposal. [Table 4](#) was created by Baffinland and used by the Board during the assessment of the Production Increase Proposal (2018). In Baffinland's 2022 application for the PIP Renewal, the Proponent relied on the assessment of effects provided in the original 2018 application. Consequently, the Board has carried forward this summary of effects as predicted by Baffinland in 2018, because the activities associated with the PIP Renewal remain largely

<sup>26</sup> (Doc ID No. 341455) Baffinland, Response to Technical Comments, Part 1 at p. 4.

<sup>27</sup> (Doc ID No. 340177) Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022, at p. 16.



unchanged and Baffinland's prediction of effects associated with the increased 6 Mtpa mining, transportations and shipping activities remains applicable.

**Table 4: Summary of Socio-economic Changes in Project Interactions and Factors Relating to Significance<sup>28</sup>**

| Valued Ecosystemic Component  | Potential Change in Effects from Mary River FEIS | Description of Change   | Applicable Mitigation and Monitoring  |
|---|--|---|---|
| Human Environment<br>– Employment and Economy<br>– Community Services and Infrastructure<br>– Community Health and Well-being<br>– Culture, Resources, and Land Use | Change;<br>positive Change;<br>not significant   | Proposed activities around the Mine Site, the Tote Road, and Milne Port could result in potential for interactions or conflicts with land and resource users in these areas. Potential for increased Inuit harvesting through improved ease of access to the RSA and/or enhanced knowledge of the region by hunters (i.e., due to increased human presence). However, most harvestable species are abundant throughout the region, so increased hunting knowledge and access is not expected to result in increased hunting pressure. Total allowable harvest limits will reduce potential for population-level effects on harvested species; therefore, changes to how Baffinland manages visitors and hunters not necessary. Increased ship traffic not expected to result in adverse effects to marine mammals and therefore is unlikely to affect harvesting opportunities. In isolated instances, Project shipping may interrupt an individual hunt, or other marine boating activities to some degree. These instances are potentially eligible for compensation through the Wildlife Compensation Fund (WCF) established under the IIBA and administered by the QIA. Changes | The anticipated socio-economic effects will be managed through existing monitoring, mitigation, and management practices. |

<sup>28</sup> (Doc ID No. 318295) Baffinland Iron Mines Corporation, June 20, 2018. *Mary River Modification Application – Production Increase, Fuel Storage, and Milne Port Accommodations (Revised)*, NIRB Application for Project Modification.

| Valued Ecosystemic Component | Potential Change in Effects from Mary River FEIS | Description of Change  | Applicable Mitigation and Monitoring |
|------------------------------|--|--|--------------------------------------|
|                              |  | to archaeology are not evaluated, as all modifications are located in areas previously surveyed and mitigated. <i>Potential changes to factors related to significance include increases in the magnitude, probability, and frequency of positive effects.</i> |                                      |

## 2.5 Proposed Mitigation and Monitoring Measures

Baffinland indicated that existing mitigation measures previously implemented by the Proponent for the increased 6 Mtpa ore production, transportation and shipping limit in place since 2018 will continue under the PIP Renewal.<sup>29</sup>

In response to mitigation measures proposed by the Mittimatalik Hunters and Trappers Organization in May 2022, Baffinland conducted an evaluation of additional mitigation measures applicable to Baffinland's marine shipping during the 2022 shipping season. Consequently, Baffinland proposed to incorporate three additional mitigation measures in 2022, (to be included in the updated 2022 Narwhal Adaptive Management Response Plan (NAMRP) prior to the commencement of the 2022 shipping season):

- Baffinland will not conduct icebreaking at the start of the 2022 shipping season. Vessels will not begin their transit to Milne Port until 3/10ths or less ice is present along the entire shipping route through the Nunavut Settlement Area (NSA).
- Baffinland will reduce the maximum number of ore carriers chartered from 86 (as approved in the PIP and Extension Request) to 80 during the 2022 season to transport 6 Mtpa.
- Baffinland will use convoys (ore carriers will transit in convoys with less than 10 km separating the vessels) in the 2022 season. The Proponent indicated that acoustic monitoring data indicates that if ore carriers transit in convoys with inter-vessel separation less than 10 km, there is an overall reduction of the total sound exposure in the Regional Study Area compared to the separate vessel movements in previous years. The Proponent noted that the slight increases in instantaneous sound levels in

<sup>29</sup> (Doc ID No. 340171) Appendix A: Mitigation List in Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022 at p. 5.

the regions between the vessels in a convoy are compensated for by shorter exposure duration, resulting in a net decrease of noise exposure. The Proponent predicted that the use of convoying will be similar, in terms of acoustic effects, to reducing the overall number of ships.

Baffinland predicted that with the implementation of these new mitigations for the 2022 shipping season that the PIP Renewal would represent a significant reduction in activity levels compared to the Early Revenue Phase (2016-2017), PIP and Extension Request (2018-2021). Baffinland summarized the reduction in activities in [Table 5](#) below:

**Table 5: Baffinland's Comparison of Activity Levels for the ERP, PIP and PIP Renewal<sup>30</sup>**

|                                     | ERP  | PIP (2018-2021)  | PIP (2022)   |
|-------------------------------------|--|--|--|
| Seasonal Voyages (one way transits) | Break up of land fast ice required along entire shipping route to commence shipping* | Break up of land fast ice required along entire shipping route to commence shipping* | Ice coverage of 3/10ths or less required along entire shipping route to commence shipping* |
|                                     | Up to 58 vessels   | Up to 86 vessels   | Up to 80 vessels   |

\*As in previous years, confirmation from Pond Inlet that the floe edge has been closed will continue to be a requirement to commence shipping

With respect to dust mitigation, Baffinland proposed to add the following mitigation measures to the existing dust management measures at Milne Port:

- Application of a specialized crusting agent (*DusTreat*®) to the ore stockpile to reduce wind erosion and mobilization of fine iron ore particles.

Baffinland also committed to consider the proactive implementation of recommendations contained in the Interim Dust Audit Report, expected for release following the completion of the Dust Audit Committee Site Visit (June 8-15). Preliminary recommendations have been shared with Baffinland as follows:

- Strategic evaluation and installation of wind fencing;
- Application of additional dust suppressants (*DustBlok*®, *DusTreat*®) to the airstrip and other stockpiles;
- Revisions to blasting management plans and practices;
- Continuous dust monitoring at PDA boundaries;
- Ongoing involvement of Inuit in dust management; and

<sup>30</sup> (Doc ID No. 340171) Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022 at p. 21.

- Other operational practice improvements.<sup>31</sup>

With respect to monitoring, in addition to the continuation of the monitoring program that has applied to the Project since 2018 and to reflect the activity levels associated with the 6 Mtpa production, transportation and shipping limit, Baffinland has also identified that updates to the existing monitoring and shipping mitigations are being incorporated into a Narwhal Adaptive Management Response Plan for 2022.

Baffinland also indicated a commitment to work with QIA and communities to continue to develop Inuit specific indicators and thresholds and integrate them into Baffinland's relevant adaptive management plans, or a dedicated Culture Resources and Land Use (CRLU) monitoring program to be administered by Baffinland with the support of an independent Inuit Committee, similar to the Dust Audit Committee, (an Inuit-led, independent committee to consider dust sources and mitigations across the Project). Baffinland indicated willingness to initiate this work with the QIA and potentially affected communities as soon as Summer 2022, and to have the Inuit indicators and thresholds ready to apply against 2022 monitoring program results where possible, and future monitoring. Baffinland has indicated that funding would be provided through the existing Wildlife Monitoring Program or other arrangement as agreed to support these community-based monitoring initiatives.<sup>32</sup>

With respect to the monitoring and mitigation plans for aquatic invasive species (AIS), Baffinland stated the following:

*Baffinland has a status update to share from the NIS/AIS Program. The worm initially thought to be Marenzelleria viridis, invasive to Northern European waters, has been confirmed to be two species of the same genus – Marenzelleria arctica and Marenzelleria wireni – which are indigenous to the Arctic Region and, therefore, not invasive to Milne Port.<sup>33</sup>*

Baffinland also committed to the following actions to improve the structures and functioning of Working Groups established under the Project Certificate (Marine Environment Working Group or MEWG and Terrestrial Environment Working Group or TEWG):

- Recommendations from MEWG/TEWG meetings will be tracked and either integrated into the 2022 monitoring program designs, or if the recommendations are not feasible, Baffinland will provide a written response to explain the rationale. All

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<sup>31</sup> Doc ID No. 340171) Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022 at p. 5.

<sup>32</sup> (Doc ID No. 340171) Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022 at p. 19.

<sup>33</sup> (Doc ID No. 340171) Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022 at p. 13.

recommendations will be considered, and a full tracking table will be provided back to the MEWG/TEWG; and

- Baffinland will agree to amendments to the Terms of Reference for the TEWG and MEWG that provides for consensus-based decision making and the transfer of responsibilities for chairing and administering the working groups to either a community representative or a third party facilitator as agreed to between Working Group Members.

Through the Inuit Certainty Agreement, Baffinland agreed to fund in its entirety, regardless of the outcome of Phase 2, a Pond Inlet Country Food Baseline Report, led by the QIA and community of Pond Inlet. The results of this study have yet to be released by the QIA, however, Baffinland is committed to integrating the findings of this report into its own monitoring programs, annual reports, and adaptive management plans.

## **2.6 Other Issues Considered by the Board**

### **2.6.1 Consultation and Engagement with Communities**

In the Proponent's response to comment submissions, Baffinland highlighted their commitment to engagement with communities, working to hear the views from Inuit, incorporating Inuit Qaujimajatuqangit that is shared, providing feedback to communities and provide opportunities for Inuit to participate directly in Baffinland's monitoring programs and Inuit-led monitoring. However, Baffinland emphasized that where recommendations from community consultations have not been incorporated into Project operations, this is not a reflection of a lack of consultation or engagement. Baffinland also noted that consultation requires participation of parties and indicated that if parties decline to meet, it is challenging to incorporate their feedback.

Baffinland noted that in Section 4.4 of the previous Extension Request to the Production Increase Proposal Application (2020) Baffinland provided a comprehensive description of how Inuit and Inuit Qaujimajatuqangit are integrated into Baffinland's environmental management system, and how this commitment applies to operations at the 6 Mtpa level specifically. Baffinland indicated that these same commitments and practices will apply to the 2022 period, particularly with respect to Inuit participation in environmental monitoring, and engagement with Inuit on monitoring plans.<sup>34</sup>

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<sup>34</sup> (Doc ID No. 340171) Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022 at p. 18.

## 2.6.2 Future Project Plans

While recognizing that there is considerable regulatory uncertainty as to whether the Phase 2 Development Proposal will proceed, Baffinland emphasized that the Proponent is seeking authorization for the PIP Renewal to the end of 2022 to ensure the Mary River Project has a future to build from. However, Baffinland stated that the Proponent will need to continue with the 6 Mtpa level of production, transportation and shipping in future years, and committed to provide future applications as early as is feasible to allow for full review of the applications.

In the longer term, Baffinland continues to plan to construct the approved Steensby infrastructure components of the Mary River Mine (as already approved in 2012), but faces an enormous challenge to obtain financing for these components and an uncertain timeline. Baffinland maintains that the Phase 2 Development Proposal represents significant opportunities for benefits to the Proponent and Inuit, and presents a robust and protective approach to environmental management, and respects that the decision regarding the Phase 2 Development Proposal remains with the Minister.

Baffinland acknowledged that parties continue to express concerns with existing approaches towards Baffinland's adaptive management framework and administration of the environmental working groups and proposed the following to respond to the concerns:

- Baffinland will implement an interim version of the Adaptive Management Plan originally developed through the Phase 2 Proposal review process to apply to the remainder of 2022; and
- Baffinland will agree to amendments to the Terms of Reference for the TEWG and MEWG that provides for consensus based decision making and the transfer of responsibilities for chairing and administering the working groups to either a community representative or a third party facilitator as agreed to between Working Group Members.

Baffinland commits to provide a draft interim Adaptive Management Plan and a revised draft Terms of Reference for the TEWG and MEWG to the NIRB.<sup>35</sup>

## 2.7 Baffinland's Response to The Comments Provided by Interested Parties

Following receipt of parties' final written submissions, on August 11, 2022 and the Community Roundtable session on August 16, 2022, on August 19, 2022 Baffinland provided a response to

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<sup>35</sup> (Doc ID No. 340171) Baffinland, Production Increase Proposal Renewal Application Supplement, June 15, 2022 at p. 14.

comments received by the Board with respect to the PIP Renewal.<sup>36</sup> Baffinland's Final Reply consisted of the following:

- A cover letter providing context for the reply submissions;
- Baffinland's summary of the Community Roundtable;
- Baffinland's response to comments submission, including;
  - 2022 Marine Mammal Monitoring Program Daily Observations—Preliminary Data;
  - Representative satellite Imagery and photos showing 3/10 or less ice conditions;
  - An article with respect to the distribution of the *Marenzelleria* species (aquatic worm species discussed as a possible invasive species during the NIRB's assessment of the Phase 2 Development Proposal and monitoring of the Mary River Project);
  - Baffinland Commitment Table;
  - Disposition of QIA Commitment List; and
  - Summary of Engagement.

Baffinland's updated commitment list consisting of 45 commitments in relation to the PIP Renewal as of August 2022 is provided in [APPENDIX D](#). Baffinland's table describing the disposition of 30 commitments that were specifically proposed by the Qikiqtani Inuit Association (QIA) during mediations and in the QIA's written comment submission provided on August 11, 2022 is provided in [APPENDIX E](#).

For the convenience of reviewers, the Board has prepared [Table 6: Summary of Baffinland's Responses to Comments about Ecosystemic Effects](#), [Table 7: Summary of Baffinland's Responses to Comments about Socio-Economic Effects](#), and [Table 8: Summary of Baffinland's Responses to Comments about Other Issues](#) to provide a high-level summary of Baffinland's response to written comments and comments received during the Community Roundtable (CRT). Reviewers should be aware, however, that the summaries are provided for reviewers' convenience only and are not exhaustive. Parties wishing to gain a full understanding of Baffinland's response submission should consult Baffinland's reply submission in its entirety.<sup>37</sup> The Board emphasizes that the Board's decision-making was based on their consideration of all relevant content in Baffinland's submission, and was not confined to the content as summarized in the tables that follow.

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<sup>36</sup> Doc ID Nos. 341454, 341455, 341456, 341457, 341458 and 341459.

<sup>37</sup> (Doc ID Nos. 341454-341459).

**Table 6: Summary of Baffinland's Responses to Comments about Ecosystemic Effects**

| Party  | Baffinland Response Summary  |
|--|--|
| <b>Adaptive Management, Management Plans and Monitoring Programs</b> |  |
| <b>MHTO</b>  | <ul style="list-style-type: none"> <li>– Disagreed with the MHTO's statement that no substantive changes to the Proposal have been introduced or shown to be effective at mitigating impacts to marine mammals , caribou and hunters, noting that, in response to MHTO requests to implement additional adaptive management to the 2022 shipping season, Baffinland has: <ul style="list-style-type: none"> <li>○ developed and implemented an ore carrier convoy system;</li> <li>○ extended the 3/10 trigger to avoid icebreaking at the beginning of the shipping season;</li> <li>○ reduced the maximum number of ore carriers required to transport 6 Mtpa from 86 to 80; and</li> </ul> </li> <li>– Also emphasized the conduct of a third-party Dust Audit and Inuit-led Dust Audit Committee in 2022.</li> </ul> |
| <b>MHTO</b>  | <ul style="list-style-type: none"> <li>– Disagreed with the MHTO's statement that they are not confident that Baffinland's proposed additional mitigation measures will be effective and that there is no evidence that the Proposal can be operated in a manner that lessens or prevents impacts by citing the Memo considered by Baffinland to develop an ore carrier convoy system (Appendix B of Baffinland's PIP Renewal Supplemental Information Package (Doc ID No. 340171)).</li> </ul>  |
| <b>PC</b>  | <ul style="list-style-type: none"> <li>– Responded to PC's observation that there are "information gaps" and "uncertainty in conclusions on potential impacts" that PC does not have independent subject matter expertise on these topics and has not provided any specific examples of gaps and/or recommendations; and</li> <li>– Noted that Baffinland has provided additional information supporting Baffinland's precautionary approach to adaptive management in response to Ocean's North's comment submission ON-2.</li> </ul>   |
| <b>NTI<br/>QIA</b>   | <ul style="list-style-type: none"> <li>– Baffinland agreed to modify the Marine and Terrestrial Environment Working Group (MEWG and TEWG) as follows:</li> </ul>   |



| Party | Baffinland Response Summary  |
|-------|--|
|       | <ul style="list-style-type: none"> <li>○ Modify the Terms of Reference to include additional HTO representatives;</li> <li>○ Implement a consensus based decision making system, and resource an independent Chair to manage meetings and the disposition of recommendations; and</li> </ul> <p>– Baffinland has also requested support from the Federal Government to appoint an independent Project Monitor to oversee general commitment implementation.</p>          |
| QIA   | <p>– In response to QIA’s concerns about dust and sediment entering the aquatic environments along the Tote Road either directly or in run off, noted that Baffinland’s Commitment 34 in <a href="#">APPENDIX D</a> addresses enhancements to aquatic monitoring along the Tote Road.</p>  |
| QIA   | <p>– In response to QIA’s comments that current monitoring is insufficient to characterize the extent and magnitude of dustfall associated with the Project, the Proponent indicated that additional changes to Baffinland’s dust monitoring program can be considered through the process proposed by Baffinland in response to QIA-03.</p>   |
| QIA   | <p>– In response to QIA’s request for clarification regarding whether the Adaptive Management Plan developed for the Phase 2 Development Proposal will be implemented in whole or in part, indicated that Baffinland will provide the Interim Adaptive Management Plan being applied by Baffinland to the relevant 2022 monitoring programs (the Plan will be updated to reflect commitments included in the updated Commitments List in <a href="#">APPENDIX D</a>.</p> |
| ON    | <p>– In response to ON’s comments regarding Baffinland’s non-compliance with Term and Condition 110 (cumulative effects monitoring), the Proponent indicated that the monitoring programs required to comply with T&amp;C #110 have been developed in collaboration with the Marine Environment Working Group (MEWG).</p>  |
| ON    | <p>– In response to ON’s comments that the full application of the precautionary principle to Terms and Conditions 99-128 is not taking place, with Adaptive Management Plans and Early Warning Indicators (EWIs) being incomplete advised that this is not correct, as there are</p>  |

| Party  | Baffinland Response Summary  |
|--|--|
|  | several AMPs in place and that the AMPs are being continuously improved, an indicating that with respect to EWIs, Baffinland has used the draft Marine Monitoring Plan (MMP) indicators in 2022.   |
| WWF  | <ul style="list-style-type: none"> <li>– In response to WWF’s comments that Baffinland’s previous assessments used a 120 decibel (dB) threshold for narwhal disturbance, but that Baffinland’s monitoring program has shown the disturbance threshold is much lower, Baffinland advised that Baffinland’s monitoring does not show that marine mammals respond to sound levels lower than 120 dB.</li> </ul>   |
| Air Quality—Dust                                       |  |
| Hamlet of Igloolik, Igloolik HTA and Sanirijak HTO NTI | <ul style="list-style-type: none"> <li>– Baffinland will accept the recommendations from the Inuit-led Dust Audit Committee. Their Report is to be issued in September 2022.</li> </ul>  |
| NTI CRT  | <ul style="list-style-type: none"> <li>– Responded to NTI submissions that concrete dust mitigation actions be included in Term and Condition #10 by indicating that rather than confining Baffinland’s response to mitigations contained in specific edits to a Term and Condition, the Proponent recommended that the Terrestrial Environment Working Group (TEWG) work with Baffinland to review recent and forthcoming reports to identify feasible recommendations.</li> </ul>  |
| MHTO<br>NTI<br>QIA<br>WWF<br>CRT                       | <ul style="list-style-type: none"> <li>– In response to comments and concerns from several parties indicating that the impacts of dust from the Project have been higher than predicted and that immediate improvements to monitoring and mitigation measures are required, Baffinland confirmed existing commitments to dust mitigation measures and identified additional dust mitigation measures including the following: <ul style="list-style-type: none"> <li>○ Have implemented improvements in dust mitigations, including using a dust spray that forms a crust over stockpiles, applying “dust blocker” on the road, and implementing an Inuit-led Dust Audit Committee consisting of community representatives from</li> </ul> </li> </ul> |

| Party                               | Baffinland Response Summary   |
|-------------------------------------|---|
|                                     | <p>five North Baffin communities and will be reporting in September 2022;</p> <ul style="list-style-type: none"> <li>○ Baffinland is speaking to suppliers about wind fencing to encircle the Milne Port stockpiles to prevent dust escaping from the stockpiles from spreading further, but the Proponent is needing to understand how the fencing would interact with snow before committing to installation;</li> <li>○ Baffinland has added shrouds or hoods at the crusher site anywhere ore is moving or dropping; and</li> <li>○ Indicated that Baffinland is committed to implementation of an additional monitoring program for dust on snow, and that this enhanced program may be an ideal candidate for an Inuit-led monitoring program.</li> </ul> |
| <b>Air Quality—Vessel Emissions</b> |   |
| <b>ECCC</b>                         | <ul style="list-style-type: none"> <li>– Responded to ECCC’s recommendation that Baffinland assess the impacts of marine shipping convoys on air quality at Milne Port for acute (1-hour) time scales by indicating that the convoys will only affect the flow of shipping traffic, not the amount of vessels that will be anchored at Milne Port, so the implementation of convoys would not change the air quality at Milne Port.</li> </ul>  |
| <b>ECCC</b>                         | <ul style="list-style-type: none"> <li>– Responded to ECCC’s questions regarding the primary Anchorage locations used by Baffinland and any incremental air quality impacts from having ships at anchorages rather than ships being docked at port by indicating that the PIP Renewal does not involve any changes to the anchoring activities associated with project-shipping, so there are no incremental changes to air quality impacts to evaluate.</li> </ul>   |
| <b>Invasive Species</b>             |   |
| <b>DFO</b>                          | <ul style="list-style-type: none"> <li>– Responded to DFO’s request for continued engagement with Baffinland and other parties in respect of the development and implementation of the Aquatic Invasive Species commitments and programs, by confirming Baffinland will continue to apply its AIS commitments and clarifying that in June 2022 Baffinland confirmed that the species of Marenzelleria</li> </ul>  |

| Party   | Baffinland Response Summary  |
|---|--|
|   | <p>(aquatic worm) identified in the 2019 monitoring program is indigenous to the Arctic and is non-invasive, and will continue to work with DFO on the identification of <i>Marenzelleria wireni</i> and <i>arctia</i> to determine the source of origin</p> <ul style="list-style-type: none"> <li>– Baffinland also attached the paper referenced in Baffinland’s Supplemental Information Package as Appendix 2, Attachment 1 to Baffinland’s Response to Tech. Comments (Doc ID No. 341455).</li> </ul>  |
| <b>Marine Mammals</b>                                   |  |
| <b>Pond Inlet<br/>Elders<br/>Advisory<br/>Committee</b> | <ul style="list-style-type: none"> <li>– Thanked the Committee for sharing Inuit Qaujimajatuqangit in respect of hunting success and abundance of seals and narwhals over the period 2020-2021.</li> </ul>   |
| <b>MHTO<br/>QIA<br/>NTI<br/>ON<br/>WWF</b>              | <ul style="list-style-type: none"> <li>– Indicated evidence does not support the conclusion that there has been a decrease in the Eclipse Sound narwhal summer stock, or that shipping is causing or contributing directly or indirectly to any significant decrease when the combined Eclipse Sound and Admiralty Inlet narwhal stocks are surveyed;</li> <li>– Cited IQ and information from recent Nunavut Wildlife Management Board proceedings in March 2022 to provide strong support for the view that narwhal move freely between Eclipse Sound and Admiralty Inlet and that narwhal occurring in both areas in the summer belong to the same stock;</li> <li>– Indicated that preliminary results from the 2022 Bruce Head study indicate that 2022 has seen some of the highest narwhal counts in the 8 years of the study;</li> <li>– Highlighted Baffinland’s commitments to the QIA (QIA-09, -07 and -08) to complete a Pond Inlet Country Food Baseline and CRLU Assessment, develop Inuit-focused indicators and Inuit-led monitoring studies to inform discussions related to harvesting impacts and additional compensation if required;</li> <li>– Highlighted that notwithstanding Baffinland’s position that project shipping is not causing decreases in narwhal stocks or adversely impacting harvesting, Baffinland committed to no ice breaking at the start of the</li> </ul> |

| Party                     | Baffinland Response Summary  |
|---------------------------|--|
|                           | <p>shipping season in 2022, and reiterated that shipping would not commence until 3/10 ice conditions; and</p> <ul style="list-style-type: none"> <li>– In response to queries regarding the effectiveness of convoys as noise mitigation strategy referenced the JASCO June 2022 Memo.</li> </ul>   |
| <b>DFO<br/>NTI<br/>ON</b> | <ul style="list-style-type: none"> <li>– Responded to DFO’s recommendation that Baffinland will continue with existing monitoring, and development and implementation of Early Warning Indicators (EWI) and add additional EWIs and NTI’s recommendation that Baffinland should use specific indicators and mitigation thresholds to indicate that Baffinland confirms its commitment to continue with the existing Marine Mammal Monitoring Program (MMP), including applying the MMP indicators, thresholds and responses developed through the Phase 2 Development Proposal;</li> <li>– Also indicated that Baffinland proposes to hold a special Marine Environment Working Group meeting to identify, evaluate, and select additional adaptive management indicators, thresholds and responses to integrate into a final MMP that would apply to a 2023 shipping season and beyond; and</li> <li>– Did not commit to incorporation of the two additional recommended EWIs proposed by DFO noting that the requested additions may identify changes that are not related to project effects and may be more appropriate to include in regional monitoring efforts by DFO and community-based organizations.</li> </ul> |
| <b>DFO</b>                | <ul style="list-style-type: none"> <li>– Agreed with DFO’s recommendation that effective acoustic monitoring must be conducted to confirm that convoys will reduce underwater noise impacts to narwhal and indicated that Baffinland will deploy a stationary, autonomous acoustic monitoring station will deployed in Milne Inlet in 2022 to monitor sounds from vessels (including convoys) and to detect and characterize marine mammal vocalization and vocal behaviour in the study area, and to characterize the overall soundscape.</li> </ul>  |
| <b>ON</b>                 | <ul style="list-style-type: none"> <li>– In response to ON’s comments that due to process deficiencies and observed impacts of the Project on narwhal and corresponding impacts on Inuit harvesting the Proposal should not be approved to proceed, indicated that Baffinland does not agree that there are process deficiencies with the Board’s consideration of the Proposal and indicated</li> </ul>   |

| Party                                       | Baffinland Response Summary   |
|---|---|
|   | that the return to 4.2 Mtpa levels of production, transportation and shipping will result in the inevitable closure of the Mary River Mine.   |
| <b>Reclamation Planning</b>                 |   |
| <b>QIA</b>                                  | <ul style="list-style-type: none"> <li>– In response to QIA’s request that Baffinland progress the Interim Closure and Reclamation Plan (ICRP) to a more final state to reflect the potential for Baffinland to enter a “Temporary Care and Maintenance” stage should the Proposal not be approved, Baffinland advised that they will not be entering care and maintenance in 2022, but Baffinland advised that if the QIA wishes to meet to discuss the establishment of the Mine Closure Working Group identified in the ICRP the Proponent suggests a meeting with QIA take place in September 2022 on this topic.</li> </ul>  |
| <b>Terrestrial Wildlife (Caribou)</b>       |   |
| <b>Pond Inlet Elders Advisory Committee</b> | <ul style="list-style-type: none"> <li>– Thanked the Committee for sharing Inuit Qaujimajatuqangit in respect of caribou recovery life cycles.</li> </ul>   |
| <b>GN</b>                                   | <ul style="list-style-type: none"> <li>– Responded to GN’s comments on the 2021 Annual Report with respect to caribou monitoring by noting that Baffinland proposes to conduct aerial surveys of caribou in the Regional Study Area in Fall 2022 or Spring 2023, providing clarifications of issues identified with respect to the existing caribou monitoring programs and requesting GN provide additional information regarding regional monitoring programs and results.</li> </ul>   |
| <b>QIA</b>                                  | <ul style="list-style-type: none"> <li>– In response to QIA’s comments that impacts to caribou have been higher than predicted and recommendation that a fully Inuit Qaujimajatuqangit study must be done to determine priority areas for Caribou Protection Zones and develop mitigation measures, Baffinland advised that much of this work will be undertaken through the Terrestrial Environment Working Group and that a draft of a proposed approach to the re-estimation of the Project’s Zone of Influence was provided as part of Baffinland’s 2021 Annual Report and that Baffinland is awaiting input on the Report to improve the monitoring study design;</li> </ul> |

| Party | Baffinland Response Summary  |
|-------|--|
|       | <ul style="list-style-type: none"> <li>– Also responded noted agreement that Inuit Qaujimajatuqangit must inform any initiative to re-estimate the Project's Zone of Influence, but the Proponent cannot commitment to obligating other parties to perform such studies; and</li> <li>– Provided an itemized response to QIA's recommendations regarding the implementation of specific mitigation measures for caribou such as no blasting within 5 km of suitable caribou calving and calving habitat, helicopter flight distances and a traffic response protocol along the Tote Road.</li> </ul> |

**Table 7: Summary of Baffinland's Responses to Comments about Socio-Economic Effects**

| Party  | Baffinland Response Summary   |
|--|---|
| <b>Benefits</b>  |   |
| <b>Pond Inlet<br/>Elders<br/>Advisory<br/>Committee</b><br><br><b>Hamlet of<br/>Pond Inlet</b><br><br><b>Hamlet of<br/>Arctic Bay</b><br><br><b>Ikajutit<br/>HTA</b> | <ul style="list-style-type: none"> <li>– Baffinland acknowledged the support of these commenters who indicated support for the Proposal due to the significant economic benefits to workers, community infrastructure and local businesses</li> </ul>   |
| <b>QIA</b>   | <ul style="list-style-type: none"> <li>– In 2018, Baffinland and the QIA updated the Inuit Impact Benefit Agreement to include specific considerations for the 6 Mtpa operating limit in the original PIP. The added benefits related to the PIP that will continue to apply in 2022 include the following: <ul style="list-style-type: none"> <li>○ Harvesters Enabling Program which has provided \$1.68 million in benefits to date;</li> <li>○ Wildlife Monitoring Program that, to date, has funded one proposal in 2019 for \$205,000;</li> </ul> </li> </ul> |

| Party   | Baffinland Response Summary   |
|---|---|
|   | <ul style="list-style-type: none"> <li>○ Pond Inlet is set to receive a marine research vessel once deliveries can be made in 2023;</li> </ul> <hr/> <ul style="list-style-type: none"> <li>– Outside the IIBA, the Tasiuqtiit Working Group will receive \$10,000 for every ore carrier required to carry more than 4.2 Mtpa to market in 2022 (to date this fund has received \$730,000).</li> <li>– If Baffinland uses up to 80 ore carriers to transport 6 Mtpa, using 58 vessels as the approximate number of vessels required to transport 4.2 Mtpa, the Tasiuqtiit Working Group should receive an average of \$220,000 per shipping season.</li> </ul>  |
| <p style="text-align: center;"><b>Arctic<br/>Co-<br/>operatives<br/>Limited</b></p> | <ul style="list-style-type: none"> <li>– Baffinland confirmed the evidence provided by the Arctic Co-operatives Limited that the Proponent has provided the following additional community benefits to Inuit outside the IIBA: <ul style="list-style-type: none"> <li>○ Approximately 78 tons of Food delivered to Kaniqtugaapik Food Bank and Iliqsaqsivik Society in Clyde River;</li> <li>○ Food/contributions of \$67,600 (approximately 21 tons of food) provided to Qajuqturvik Food Centre in Iqaluit;</li> <li>○ Food/contributions of \$75,000 (almost 22.5 tons of food) provided to school foodbanks at Nakasuk and Joamie schools in Iqaluit;</li> <li>○ Over 15 tons of water valued at more than \$50,000 contributed by Baffinland to the Iqaluit DEA during the water crisis October 2021;</li> <li>○ \$10,650 contributed to the Nunavut Kamtsiaqtut Helpline;</li> <li>○ \$5,250 contributed to the REACH Program in Iqaluit;</li> <li>○ \$18,850 to sponsor Iqaluit New Year's Eve Fireworks 2020 &amp; 2021 through 123Go;</li> <li>○ Freight for Foodbanks Canada "After the Bell" program of almost \$6,100;</li> <li>○ Country Food donation to Elder's Centre in Iqaluit valued at over \$1,600;</li> <li>○ Christmas Food Hampers delivered to over 1,500 households in impacted communities;</li> </ul> </li> </ul> |



| Party                 | Baffinland Response Summary  |
|-----------------------|--|
|                       | <ul style="list-style-type: none"> <li>○ Two cleaning/sanitation kits delivered to each of over 1,500 households in impacted communities during the pandemic valued at approximately \$300,000; and</li> <li>○ An ATV and freight valued at over \$22,000 to the school in Grise Fiord.</li> </ul>   |
| <b>GN</b>             | <ul style="list-style-type: none"> <li>– Acknowledged the support of the GN for the original 2018 PIP and reiterated the significant increase to economic benefits (including payments to GN) set out in Table 3: Baffinland’s Summary of Economic Benefits of 6 Mtpa Limits Contrasted With 4.2 Mtpa Limits.</li> </ul>   |
| <b>Employment</b>     |  |
| <b>Igloolik HTA</b>   | <ul style="list-style-type: none"> <li>– Agreed to commitment requested from the Igloolik HTA that if the Proposal were approved, that Baffinland commits to not lay off any Inuit employees during the production year (unless for cause).</li> </ul>   |
| <b>IUOE Local 793</b> | <ul style="list-style-type: none"> <li>– Grateful for the IUOE’s support that enabled 59 of Baffinland’s employees to provide their individual submissions to the NIRB.</li> </ul>   |
| <b>Food Security</b>  |  |
| <b>MHTO QIA</b>       | <ul style="list-style-type: none"> <li>– Responded to requests to undertake an assessment of its current activities on harvesting rights, harvesting effort or food security by identifying the Proponent’ commitment to QIA (QI-05) to support the QIA in carrying out the Pond Inlet Country Food Baseline Study and the Culture, Resources and Land Use (CRLU) Assessment and that Baffinland will work with the QIA and affected communities to develop an Action Plan to guide the integration of relevant findings from the studies into the monitoring and mitigation plans for the Project.</li> <li>– Noted that the MHTO has not responded to narwhal and caribou harvesting data provided in the Appendix D of Baffinland’s PIP Renewal Supplemental Information Package (Doc ID No. 340171) that harvesters from Pond Inlet filled their 2021 summer narwhal quota and exceed their 2021/2022 caribou quota.</li> <li>– Pointed out that the Inuit Impact Benefit Agreement includes a mechanism for compensation via the Wildlife Compensation Fund administered by the QIA and paid into by Baffinland.</li> </ul> |

| Party                        | Baffinland Response Summary  |
|------------------------------|--|
| Arctic Co-operatives Limited | <ul style="list-style-type: none"> <li>Acknowledged that the information from the Arctic Co-operatives Limited highlighting the relationship between paid employment and food security aligns with the information shared with Baffinland by their employees.</li> </ul> |

**Table 8: Summary of Baffinland's Responses to Comments about Other Issues**

| Party                              | Baffinland Response Summary   |
|------------------------------------|---|
| <b>Consultation and Engagement</b> |   |
| Hamlet of Clyde River              | <ul style="list-style-type: none"> <li>Responded to the assertion that Clyde River was not meaningfully consulted or involved in the processing of the PIP Renewal by noting that the Hamlet of Clyde River previously supported the Extension Request proposal in 2019 and that a representative from Clyde River spoke during the CRT in general support of the Proposal.</li> </ul>  |
| MHTO                               | <ul style="list-style-type: none"> <li>Disagreed with the MHTO assertion that Baffinland held no public engagements with respect to the PIP Renewal, pointing to Appendix B in Baffinland's Response to Comments Submission (Doc ID No. 341455) that outlines Baffinland's community engagement efforts, including attempts to engage with the MHTO.</li> </ul>   |
| <b>Future Project Plans</b>        |   |
| Igloolik HTA                       | <ul style="list-style-type: none"> <li>Committed to ensuring applications for future project plans give due consideration to the need for adequate time for procedural matters (Commitment No. 006 in <a href="#">APPENDIX D</a>)</li> </ul>  |
| Igloolik HTA                       | <ul style="list-style-type: none"> <li>Confirmed Baffinland will work with Igloolik/Hall Beach HTAs to support collection of baseline environmental data for marine, terrestrial and avian wildlife in advance of major construction of the Steensby infrastructure components of the approved Mary River Mine (Commitment No. 006 in <a href="#">APPENDIX D</a>)</li> <li>Confirmed engagement with Igloolik HTA to support the development of potential community infrastructure commitments to apply in future (Commitment No. 008 in <a href="#">APPENDIX D</a>)</li> </ul> |

| Party                        | Baffinland Response Summary  |
|------------------------------|--|
| <b>Working Relationships</b> |  |
| <b>CIRNAC</b>                | <ul style="list-style-type: none"> <li>– Agreed with CIRNAC’s statement that any of CIRNAC’s concerns with the Proposal can be addressed through on-going discussions with Baffinland regarding the implementation of management plans to prevent, mitigate and monitor potential project-related impacts and confirmed Baffinland’s willingness to work with CIRNAC in this regard</li> </ul> |
| <b>NTI</b>                   | <ul style="list-style-type: none"> <li>– Responded to NTI recommendations regarding amendments to the Project Certificate to ensure the functionality of the Marine Environment Working Group is improved.</li> </ul>  |

### 3 SUMMARY OF PARTIES' COMMENT SUBMISSIONS

There were two rounds of comments associated with the Board's reconsideration of the PIP Renewal.

#### 3.1 Summary of Comment Submissions Received by July 5, 2022

The first comment period commenced on June 13, 2022 when the NIRB circulated the PIP Renewal application to interested parties and requested comments on:

- Whether or not, from an impact assessment perspective, the activities proposed within the PIP Renewal were included within the scope of the previously assessed Mary River Project (including as modified by the Early Revenue Phase Project Proposal, the Production Increase Proposal and the Extension Request to the Production Increase Proposal);
- Whether or not, from an impact assessment perspective, the proposed modifications constitute a significant modification to the original Mary River Project (as previously assessed and subsequently modified under the Early Revenue Phase, the Production Increase Proposal and the Extension Request to the Production Increase Proposal) by the NIRB;
- Whether the proposed modifications are consistent and in compliance with the current terms and conditions of the existing Project Certificate No. 005 or whether changes to the Project Certificate necessary to reflect the modifications;
- If a reconsideration is determined to be warranted, providing feedback to the NIRB regarding any preferences for the format (in writing, teleconference/videoconference, in-person proceedings) and timing of the reconsideration process; and
- Any other matter of importance to the commenting party related to the Board's processing of the PIP Renewal.

**Table 9: Listing of Parties Providing Comments (July 5, 2022)**

| Party  | NIRB Document ID |
|--|------------------|
| Nunavut Tunngavik Incorporated (NTI)                     | 340632 & 340633  |
| Qikiqtani Inuit Association (QIA)                        | 340635           |
| Government of Nunavut (GN)                               | 340629           |
| Government of Canada (GoC)                               | 340630           |
| Mittimatalik Hunters and Trappers Organization (MHTO)    | 340632           |
| Ikajutit Hunters and Trappers Association (Ikajutit HTA) | 340631           |
| Hamlet of Sanirajak (Sanirajak)                          | 340628           |
| Oceans North (ON)  | 340634           |

| Party  | NIRB Document ID |
|--|------------------|
| Baffinland Iron Mines Corporation (Baffinland) | 340636 & 340745  |

For the convenience of reviewers, the Board has prepared [Table 10: Summary of Comments Received \(July 5, 2022\)](#) below to provide a summary by topic of the comments received. However, parties are advised the summary table is not exhaustive and has been provided in this format for the convenience of reviewers. The full documents are available in their entirety as posted on the NIRB's Public Registry from the following link: [www.nirb.ca/project/125710](http://www.nirb.ca/project/125710) and searching the NIRB Document ID No. provided. The Board emphasizes that the Board's decision-making was based on their consideration of all relevant content in the comment submissions and was not confined to the content as summarized in the table that follows.

**Table 10: Summary of Comments Received (July 5, 2022)**

| TOPIC                    | PARTY                          | COMMENT SUMMARY  |
|--------------------------|--------------------------------|--|
| <b>IMPACT ASSESSMENT</b> | NTI                            | Noted concerns that ecosystemic and socio-economic impacts associated with the current activities (including under the original PIP and PIP Extension) are not adequately monitored, mitigated, and managed.   |
|                          | QIA<br>GN<br>GoC<br>Baffinland | Activities in the PIP Renewal are the same activities as those assessed in the 2018 PIP and 2020 PIP Extension applications.   |
|                          | MHTO                           | Stated that the current activities have already had significant effects on Inuit harvesting, marine wildlife, caribou, land use, and food security, and noted that these effects were not accurately predicted and were not adequately assessed during previous assessments for the original PIP and the PIP Extension. The PIP Renewal must be assessed to ensure that the effects likely to continue under the PIP Renewal are assessed. |
|                          | Ikajutit<br>HTO                | The activities proposed in the new application were not assessed in the previous assessment.   |
|                          | Sanirajak                      | No change to the operation as operated by Baffinland since 2018.   |
|                          | ON                             | Some activities were not assessed in the previous assessments, such as vessels convoys, shared marine mammal population with Greenland, and new information on underwater noise disturbance.   |

| TOPIC                | PARTY                                | COMMENT SUMMARY  |
|----------------------|--------------------------------------|--|
| SIGNIFICANCE         | NTI<br>MHTO<br>Ikajutit<br>HTO<br>ON | The PIP Renewal represents a significant modification.   |
|                      | GN<br>GoC<br>Sanirajak<br>Baffinland | The PIP Renewal does not represent a significant modification.   |
|                      | QIA                                  | The PIP Renewals represents a modification to the Mary River Project (ERP).  |
| TERMS AND CONDITIONS | NTI<br>QIA                           | The existing terms and conditions are not fully achieving their purpose for the necessary level of monitoring and mitigation and in a manner that reflects known effects of the existing Project. Project Certificate amendments beyond term and condition 179(a) and (b) are required to address concerns about existing Project effects and the PIP Renewal. |
|                      | NTI<br>GoC                           | List of improved mitigation measures should be reflected in new terms and conditions.  |
|                      | QIA<br>GN<br>GoC<br>Baffinland       | Amendments are required to Term and Conditions 179(a) and (b).   |
|                      | GN                                   | The proposed modifications are consistent with the current terms and conditions.   |
|                      | MHTO                                 | The terms and conditions are not achieving their purpose as the effects of the project are different from anticipated. Therefore, a broader reconsideration of the Project Certificate terms and conditions is required, not limited to terms and conditions 179(a) and (b) only.  |
|                      | Ikajutit<br>HTO                      | Recognizing the existing effects on Inuit harvesting rights, it cautioned that any further modification extending the timeline on terms and conditions 179(a) and (b) would require revisions to ensure these provisions comply with Inuit rights under the Nunavut Agreement and NuPPAA.  |
|                      | ON                                   | The NIRB should consider that the effects of the terms and conditions are significantly different from those anticipated.  |
|                      | ON                                   | Cumulative effects are not sufficiently addressed in current monitoring and reporting as term and condition 110.   |
|                      | ON                                   | The working groups are not functioning as the term and condition 77.   |

| TOPIC   | PARTY                                 | COMMENT SUMMARY  |
|---------|---------------------------------------|--|
|         | ON                                    | The proponent is not implementing the direction of DFO as per term and condition 183.  |
| PROCESS | NTI<br>MHTO<br>Ikajutit<br>HTO<br>ON  | PIP Renewal requires a reconsideration process.  |
|         | QIA                                   | Supports a review process.   |
|         | NTI                                   | The reconsideration process can proceed in writing with accommodation/support for community to assure their full participation.  |
|         | GoC<br>Sanirajak<br>Baffinland        | The reconsideration process could proceed solely in writing.   |
|         | QIA                                   | Collect written submissions from most Parties and collection of oral evidence from impacted communities as teleconference or video conference.   |
|         | QIA<br>GoC<br>Sanirajak<br>Baffinland | Asked for an accelerated review of the PIP Renewal given the urgency of the timeline.  |
|         | GN                                    | No suggestion, the GN respects the Nunavut Planning Commission and the Board to determine if a reconsideration is warranted.   |
|         | MHTO                                  | A public hearing is warranted, and should include, at a minimum the following steps: <ul style="list-style-type: none"> <li>– Baffinland filing an updated Impact Assessment;</li> <li>– Baffinland filing any updated commitments;</li> <li>– Parties filing evidence and presentation materials;</li> <li>– Opportunity for participants to ask questions orally to Baffinland;</li> <li>– Community roundtables; and</li> <li>– Baffinland and Parties filing written submissions.</li> </ul> |
|         | MHTO<br>Ikajutit<br>HTO               | An accelerated timeline for the reconsideration is not appropriate.  |
|         | Ikajutit<br>HTO                       | Use a combination of a written and teleconference/videoconference hearing process. A strictly  |

| TOPIC                        | PARTY                   | COMMENT SUMMARY  |
|------------------------------|-------------------------|--|
|                              |                         | written process would fail to incorporate a meaningful participation of community members.   |
|                              | Sanirajak               | No in-person meeting is necessary.   |
|                              | ON                      | In-person or video conference proceedings are warranted and the proceedings should be televised and recorded.  |
| <b>MATTERS OF IMPORTANCE</b> | QIA                     | Conclusions from the NIRB Phase 2 Reconsideration Report are relevant to the new PIP Renewal application.  |
|                              | QIA                     | The PIP Renewal process would provide an opportunity for a 'check in' on the implementation status of the 2018 and 2020 Project Stabilization Approach commitments.  |
|                              | QIA                     | Any proposal beyond 2022 should be subject to further review.  |
|                              | QIA                     | The Board should consider how the process can ensure there is sufficient time for impacted communities to develop and propose their recommendation on what the current Project Terms and Conditions amendments should be.  |
|                              | GoC                     | Recommend that the NIRB rely on existing public records from previously assessed reconsideration phases, including Phase 2 Development Proposal.   |
|                              | MHTO                    | The Board is required to give importance to the tradition of Inuit oral communication and decision-making.   |
|                              | MHTO<br>Ikajutit<br>HTO | Concern with the timing of this application by Baffinland as the Proponent knew about its expiration on December 31, 2021.   |
|                              | Ikajutit<br>HTO         | The timing of Baffinland's request leaves the impression that Baffinland has a dismissive attitude and approach towards community engagement, and the concerns and issues the HTOs have expressed to date. The request happens in prime time of harvesting season when many community members are out on the land. |
|                              | ON                      | Do not believe there is an emergency with this application for the health and safety of the public as mentioned by Baffinland.   |
|                              | Baffinland              | Confirmed its sustained implementation of the commitments regarding the Project Stabilization Approach as the third-party compliance audit.  |



### 3.2 Summary of Comment Submissions Received by August 11, 2022

On or before August 11, 2022 the Nunavut Impact Review Board (NIRB or Board) received written comment submissions regarding Baffinland Iron Mines Corporation's (Baffinland) "Production Increase Proposal Renewal" proposal for the Mary River Project (NIRB: 08MN053) from the following parties:

**Table 11: Listing of Comment Submissions Received (August 11, 2022)**

| Party   | NIRB Document ID |
|---|------------------|
| Nunavut Tunngavik Incorporated (NTI)                                  | 341283           |
| Qikiqtani Inuit Association (QIA)                                     | 341338 & 341339  |
| Government of Nunavut (GN)  | 341373           |
| Government of Canada (GoC)  | 341341           |
| Hamlet of Arctic Bay (Arctic Bay)                                     | 340842           |
| Hamlet of Clyde River (Clyde River)                                   | 341179           |
| Hamlet of Igloolik (Igloolik)   | 341281           |
| Hamlet of Pond Inlet (Pond Inlet)                                     | 340949 & 340950  |
| Hamlet of Sanirajak (Sanirajak)                                       | 341200 & 341201  |
| Pond Inlet Elders Advisory Committee                                  | 340843           |
| Igloolik Hunters and Trappers Association (Igloolik HTA)              | 341281 & 341337  |
| Ikajutit Hunters and Trappers Association (Ikajutit HTA)              | 341282           |
| Mittimatalik Hunters and Trappers Organization (MHTO)                 | 341333 & 341362  |
| Sanirajak (Hall Beach) Hunters and Trappers Association (HB HTA)      | 341199           |
| Oceans North (ON)   | 341340           |
| World Wildlife Fund (WWF)   | 341332           |
| International Union of Operating Engineers Local 793 (IUOE Local 793) | 341334 & 341411  |
| Arctic Co-operatives Limited  | 341336           |

For the convenience of reviewers, the Board has prepared [Table 12: Summary of Comments Received \(August 11, 2022\)](#) below to provide a summary by topic of the comments received. However, parties are advised the table is not exhaustive and has been provided in this format for the convenience of reviewers. The full documents are available in their entirety as posted on the NIRB's Public Registry from the following link: [www.nirb.ca/project/125710](http://www.nirb.ca/project/125710) and searching the NIRB Document ID No. provided. The Board emphasizes that the Board's decision-making was based on their consideration of all relevant content in the comment submissions and was not confined to the content as summarized in the table that follows.

**Table 12: Summary of Comments Received (August 11, 2022)**

| PARTY   | COMMENT   |
|---|---|
| <b>Position</b>   |   |
| Hamlet of Pond Inlet;<br>Hamlet of Arctic Bay;<br>Hamlet of Sanirajak;<br>Sanirajak HTA;<br>Ikajutit HTA;<br>Baffinland Employees;<br>IUOE Local 793;<br>Arctic Co-operatives Limited | In support of the Production Increase Proposal Renewal based on the significant economic benefits (including employment opportunities and other benefits to local communities).   |
| QIA; and<br>Igloolik HTA  | In support of the Production Increase Proposal provided that various commitments are met (see the commitments as listed in <a href="#">APPENDIX D</a> and <a href="#">APPENDIX E</a> ).   |
| MHTO  | Not in support of the Proposal due to concerns about the negative ecosystemic effects associated with this level of production since 2018.  |
| ON  | Not in support of the Proposal and requested the Board require the Project to return to the 3.5 Mtpa (4.2 Mtpa with operational flexibility) limits, based on the process deficiencies and the observed impacts of this project on narwhal and corresponding impacts on Inuit harvesting.                       |
| <b>Terrestrial Environment</b>  |   |
| NTI; and<br>MHTO  | Expressed concerns that the negative impacts from dust on the land and wildlife are not being effectively managed.  |
| NTI   | Noted that the current Term & Condition #10 is not achieving its purpose in preventing impacts from dust.   |
| <b>Marine Environment</b>   |   |
| NTI; and<br>MHTO.   | Identified concerns about impacts to marine wildlife and the inadequacy of mitigation measures implemented to date.   |
| NTI;<br>PC;<br>DFO; ON and WWF  | Noted concerns about the decline of narwhal populations in the project area in recent years as identified by current project monitoring and experienced by communities. Expressed concerns that project shipping is contributing, at least in part, to the decline in narwhal stocks observed in Eclipse Sound. |
| NTI   | Identified concerns with a lack of Inuit Qaujimajatuqangit being incorporated by Baffinland into marine wildlife monitoring.  |

| PARTY  | COMMENT   |
|--|---|
| <b>Position</b>  |   |
| ECCC   | <p>Requested additional information from Baffinland to assess the impacts of marine shipping convoys on air quality at Milne Port for a 1-hour time scale, related to the 1-hour NO2 air quality standard.</p> <p>Requested that Baffinland clarify whether the use of anchorage locations at Milne Port will change to reflect vessels travelling in convoys and address the air quality impacts from having one or two ships anchored compared to just one at dock.</p>   |
| DFO  | <p>Indicated that Baffinland should expand the existing monitoring program on narwhal by adding to the Early Warning Indicators (EWIs) for narwhal:</p> <ul style="list-style-type: none"> <li>– reproductive hormonal change in females; and</li> <li>– stress level hormones.</li> </ul> <p>Indicated Baffinland should continue to develop and implement Aquatic Invasive Species commitments.</p> <p>Recommended that Baffinland conduct acoustic monitoring to confirm predictions that underwater noise from convoys will reduce impacts to narwhals.</p> |
| MHTO   | Oppose to any icebreaking and recommended clarification regarding the definition of icebreaking and the 3/10 ice.   |
| <b>Harvesting and Land Use</b>   |   |
| MHTO   | <p>Identified concerns regarding the negative impacts of the Proposal on Inuit harvesting</p> <p>Noted that the existing monitoring program for the Mary River Project does not monitor changes to the level of effort for harvesters to successfully harvest wildlife since project shipping began.</p>  |
| <b>Cumulative Effects</b>  |   |
| ON   | Identified that a proper assessment of the cumulative effects from the Project have not been conducted and noted that there is a need to evaluate the potential for cumulative effects in the proper context (particularly with respect to cumulative impacts on narwhal).  |
| <b>SOCIO-ECONOMICS</b>   |   |
| Hamlet of Pond Inlet;<br>Hamlet of Arctic Bay;<br>Hamlet of Sanirajak; | Noted the importance of local employment  |

| PARTY                              | COMMENT  |
|------------------------------------|--|
| Position                           |  |
| Sanirajak HTA; and<br>Ikajutit HTA |  |
| IUOE                               | <p>Noted the importance of local, regional and Canadian employment provided by the Mary River Project and highlighted the need for these opportunities to continue</p> <p>Provided 59 written comments of support for the Proposal from employees working at the Mary River Project.</p>   |
| Arctic Co-operatives<br>Limited    | <p>Noted the benefits of the Project to Community Co-operatives through contracting opportunities</p> <p>Detailed benefits provided to communities by Baffinland including various food and financial contributions to food banks and community support programs.</p>  |
| GENERAL                            |  |
| NTI; and<br>QIA                    | <p>Recommended that a general reconsideration of the Terms and Conditions of Project Certificate No. 005 is needed to ensure that the impacts of the current operations are addressed.</p> <p>Noted the ineffectiveness of the Terrestrial and Marine Environment Working Groups and indicated that the Working Groups are not achieving their purposes.</p> |
| MHTO                               | <p>Expressed that they have no confidence in Baffinland's ability to mitigate the potential for negative impacts associated with sustained operations at the 6 Mtpa level of production, transportation and shipping.</p> <p>Indicated that additional Terms and Conditions should be developed to apply specifically to icebreaking and shipping.</p>       |
| Hamlet of Clyde River              | The Hamlet, HTO and residents of Clyde River have not been properly consulted in respect of the 6 Mtpa level and the PIP Renewal should not be approved without the support of the Hamlets and HTOs of the most affected communities.  |
| Igloolik HTA                       | <p>In support of the Proposal, but with conditions as follows:</p> <ul style="list-style-type: none"> <li>– Implement the Dust Audit Committee suggestions;</li> <li>– No community employees should be laid off if the Proposal is approved; and</li> </ul>   |

| PARTY                                   | COMMENT  |
|---|--|
| Position                                |  |
|   | <p>In respect of the future development of the project infrastructure for the southern shipping route out of Steensby Inlet, Baffinland should:</p> <ul style="list-style-type: none"> <li>– Do a baseline study on marine and terrestrial wildlife, and;</li> <li>– Develop community infrastructure commitments for Igloolik.</li> </ul>   |
| ON                                      | <p>Noted the need to employ the precautionary principle in operating the Mary River Project, particularly with respect to the concerns around the Narwhal population declines noted by the Proponent's monitoring.</p>   |
| WWF                                     | <p>Noted concerns with the lack of effective mitigation of the current Project and highlighted how continued operation of the Project at 6 Mtpa without appropriate and effective mitigations may lead to ecosystemic harm</p> <p>Noted concerns around the timing of the submission of Baffinland's proposal indicating that they should have submitted this Proposal in 2021 when it was clear NIRB would be unable to make a decision on the Phase 2 Development in 2021.</p> |
| Pond Inlet Elders<br>Advisory Committee | <p>Noted concerns that assumptions and previous conclusions drawn regarding the environmental impacts of the Project (particularly impacts to narwhal) do not fairly reflect their knowledge</p> <p>Also indicated that the information presented during the Phase 2 Development assessment regarding the inability of Pond Inlet hunters to harvest narwhal were not accurate.</p>  |

On August 19, 2022, the Board received an additional comment submission from the Mittimatalik Hunters and Trappers Organization (MHTO) to clarify that one of the speakers at the CRT who identified himself as a member of the MHTO was not speaking on behalf of the MHTO. The MHTO's submission also contained information to supplement their August 11 submission and comment on previously filed comments or on comments provided during the CRT. As the Board advised participants in updated procedural guidance, the Board did not consider the aspects of the MHTO's submission intended to supplement their earlier comments, because this information was received after the close of the written comment period set by the Board for the process and was also received after Baffinland had provided its final response to the comments of interested parties. The aspect of the MHTO's submission that clarified the role of the speaker at the CRT was considered by the Board as a direct follow up to the CRT.

## 4 CONSULTATION OPPORTUNITIES

### 4.1 Public Consultation

As set out in s. 112(4) of the *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s.2 (NuPPAA), the Board has the discretion to develop the appropriate process and procedure when conducting a reconsideration of Project Certificate terms and conditions. With respect to the PIP Renewal, the Board recognized that the scale and scope of the short-term renewal required the Board to assess the same intensity of operations and activities that had previously been assessed and approved to proceed under the Production Increase Proposal (PIP) in 2018 and the Extension Request to the Production Increase Proposal (the Extension) in 2020. On this basis, while still considering the modifications to be significant and warranting further assessment by the NIRB, the Board recognized that, given the urgency and importance of the Board's recommendations being provided before the 2022 shipping window closes, it was appropriate for the Board's reconsideration to be a focused and expedited process. On this basis, as outlined in the Board's July 19, 2022 correspondence, the Board determined that a Public Hearing was not necessary to support the Board's decision-making for the PIP Renewal.

The Board's process for conducting the reconsideration primarily consisted of a written process, with the Board receiving written comments from parties and interested members of the public, supplemented with an opportunity during the Community Roundtable Session held during the day and evening of August 16, 2022 in Pond Inlet for designated Community Representatives from the potentially affected North Baffin Communities and members of the public in Pond Inlet to provide the Board with their comments and questions about the Proposal in oral form. During the Community Roundtable Session, designated Community Representatives from Igloolik, Sanirajak (Hall Beach), Ikajutit (Arctic Bay) and Grise Fiord participated via audio and videoconference link to provide the Board with their comments. Although there were no Community Representatives designated by the community of Clyde River, during the time allocated for Clyde River, a resident from Clyde River provided his comments and questions regarding the Proposal, and written comments were provided by the Hamlet of Clyde. Unfortunately, no Community Representatives were designated by the community of Resolute Bay, and no community-based organizations in Resolute provided written comments. One designated Community Representative and 13 members of the community in Pond Inlet shared their comments and questions with the Board during the in-person component of the Community Roundtable. Subsequently, as follow up to the Community Roundtable Session (CRT), four (4) members of the public who were unable to speak during the CRT filed written comment

submissions with the Board.<sup>38</sup> [Appendix C](#) provides an approximate number of participants, including delegated Community Representatives outside Pond Inlet, representatives of Baffinland, government Intervenor, community-based Intervenor, non-governmental organizations and members of the media that participated in the CRT remotely.

For the convenience of reviewers, the Board has prepared [Table 13](#): Summary of Key Comments and Questions Raised During the Community Roundtable, which provides a very brief summary of the key issues and questions raised by participants during the Community Roundtable.

**Table 13: Summary of Key Comments and Questions Raised During the Community Roundtable**

| Subject                    | Issues/Concerns/Comments  |
|----------------------------|---|
| <b>ECOSYSTEMIC EFFECTS</b> |   |
| Caribou                    | When is Baffinland going to carry out aerial surveys for terrestrial wildlife (caribou)?  |
| Dust                       | Will the Dust Audit Committee recommendations be properly considered, and followed and implemented by Baffinland?   |
| Dust                       | This project has been on-going for a long time. I am part of the Dust Audit Committee, we fly over the land, and we can all agree that Baffinland needs to do a better job of managing dust.  |
| Dust                       | We used to see the wind pick up the red dust blow away from the mine site on the snow and ice and the dust is also blown off the trucks transporting ore along the Tote Road. We would like to see more answers given and research about the effects of this dust on marine mammals. We also have never seen monitoring information regarding impacts of dust on terrestrial animals (caribou, geese); perhaps the Qikiqtani Inuit Association should be doing this research. |
| Dust (Mitigation)          | Is dust suppression being implemented before blasting and crushing at the mine—it doesn't seem to be in place to prevent dust emissions at that point. When the ore is being transferred from the ore stockpile or being loaded into the ships, will there be a cover over the stockpiles and loading areas to prevent the dust from escaping?  |
| Dust (Mitigation)          | Are there more controls that Baffinland can put in place to do dust control at the crusher site?  |
| Dust (Mitigation)          | The dust issue has been spoken to numerous times. The dust suppression needs to be used more, and in the area of Milne Port and   |

<sup>38</sup> See comment submissions from M. Arreak, Doc ID No. 341393; A. Uuttuvak, Doc ID No. 341392, J. Pitseolak, Doc ID No. 341460 and J. Katsak, Doc ID no. 341461.

| Subject            | Issues/Concerns/Comments  |
|--------------------|---|
|                    | the mine it is very windy and the dust spreads up to the mountain tops. We want the Government of Nunavut and Nunavut Tunngavik Incorporated to do more research about the dust.  |
| Fish               | When the fish migrate from the ocean, the fish don't stay in the lakes very long anymore.   |
| Ice                | Don't want to see shipping at all when there is ice.  |
| Icebreaking        | Baffinland had indicated that they would not use icebreaking during this year's shipping season, but Baffinland still has an icebreaking ship chartered. So NIRB approved the 6 Mtpa shipping to continue to Dec. 31, 2022, when would we expect to see icebreakers assisting Baffinland's shipping?  |
| Marine Environment | With regards to the marine environment, because some communities, such as Sanirajak, are located where the marine environment is quite shallow, our marine environment is different than other communities. Has Baffinland taken the differences in the marine environments amongst the North Baffin communities into account?  |
| Marine Mammals     | The hunters in Grise Fiord have unresolved concerns about the effects on narwhals; the narwhals are moving from Pond Inlet and into Grise Fiord and we are having difficulty hunting that population of narwhals. As hunters we cannot support this Proposal because of these impacts in the marine environment.  |
| Marine Mammals     | Does Baffinland have new mitigation measures planned to limit the potential for the Proposal to have impacts on narwhals?   |
| Marine Mammals     | I am an elder from Pond Inlet and we used to go to the Bruce Head area to hunt for caribou, and in the summertime that was an area where whales used to give birth to their calves and they used to rub the barnacles off their skin. Once the ships started to go near the whales, the whales would go to another area. It is getting more impacted all the time. If we're not going to take care of our environment, the marine areas will be impacted. |
| Marine Mammals     | The population of narwhals have decreased, and the money that hunters make selling narwhal tusks has been greatly reduced. Last year we hardly had any narwhal; but in the fall, finally the narwhal came this way, but we had to change our tactics and go far out into the ocean.   |
| Marine Mammals     | In 2004 there were 20,000 narwhals and in 2021 there were 2,200; this is a significant reduction. In Pond Inlet we are seeing impacts on our  |



| Subject                  | Issues/Concerns/Comments  |
|--------------------------|---|
|                          | narwhal populations which are as important a food source in Pond Inlet as the walrus populations are in Igloolik.   |
| Marine Mammals           | <p>As an elder in Pond Inlet I have been working on monitoring since 2008. I remember the first ship that was loading ore at Milne Inlet. The narwhal at that time didn't seem to even notice the ships while it was being loaded. In 2011, when the Port and dock was built at Milne Inlet, when Baffinland started hammering the iron bars in place (pile-driving) to develop the loading dock, I observed the narwhals moved away during construction and then came back after the construction was done. When there was a dock being constructed in Pond Inlet as well for the past three years, and the shipping there was a combination of factors that made the narwhal go away. I think the narwhal don't like the pile driving. There were also no seals during this time, the same with Milne Inlet because of all this banging. Bruce Head used to still have seals when there were ships passing, but the narwhal would stay underwater until the ships passed. We need to consider how we can manage the project responsibly, if you shoot one seal or narwhal, then all the animals nearby will disappear, it is the same when there are other noises nearby. I don't know how long it will take for the animals to come back after the construction and operation of the mine and dock are finished. Now that the construction on the dock in Pond Inlet is done, we will know this fall about whether the narwhals and seals will come back in a few months or a few years.</p> |
| Marine Mammals           | <p>This summer we hunted for narwhals and I was happy to hear from Baffinland that there are planning for the ships to travel in convoys that would travel together, and I would think that fewer ships travelling together would maybe help us see more narwhals in our area. The pattern we are seeing is that when the ships come in the narwhals go away.</p>   |
| Marine Mammals           | <p>Pond Inlet has been the most impacted community. Every day we are looking for things to boost the seal and narwhal populations, I know that there are always opportunities to earn money, but the environment and wildlife will not always be there, if we don't protect them now.</p>   |
| Marine Mammal Monitoring | <p>What additional monitoring will Baffinland be planning to do for narwhals and seal this shipping season?</p>   |

| Subject   | Issues/Concerns/Comments  |
|---|---|
| Monitoring/.<br>Mitigation/Adaptive<br>Management Plans | Baffinland is proposing to mitigate acoustic impacts on narwhal by having several ships travel closer together in convoys. How many ships will be together in the convoys; what are Baffinland's plans? Has Baffinland done any studies with respect to the number of ships that will be travelling together and how much noise that will generate over and above a single ship travelling alone?   |
| Monitoring  | Concerned that Baffinland's references to "monitoring" are primarily focused on the results from Baffinland's own monitoring rather than Inuit hunters, Fisheries and Oceans Canada and local community members.  |
| Shipping  | In 2016, my elderly father came narwhal hunting with me and even though he was hard of hearing he could still hear the noise from the ships. I think it was because the ships used by Baffinland at that time were quite old and were not as quiet as new ships are. Why is Baffinland not using more modern ships that produce less noise?   |
| Shipping  | Where do the ships going into Milne Port come from and where do they go? is there a possibility that Baffinland could bring things into the territory before they pick up ore and leave Milne Inlet. That would be a benefit to the community.  |
| Wildlife  | Many individuals in the community are not wanting to express support or opposition for this Proposal because we want the employment opportunities to continue, but people are also saying that they don't have wildlife in the area anymore.  |
| Wildlife  | We have noticed that terrestrial wildlife have moved away from the area of the mine and the Tote Road (they are sensitive to the smells and sounds of the mining and transportation). Inuit want to see better monitoring for these effects, so that the livelihood of Inuit is not sacrificed.   |
| Wildlife  | We were hoping that wildlife would not be affected by the ships leaving our land with the ore and taking money out. We welcomed Baffinland because we hoped that there would be benefits and employment. The elders remained very concerned about the wildlife and potential contamination from the Project. If the impacts were small, then we could say it was okay, but if the impacts on wildlife and country food are significant, we cannot support it. Wildlife are very important to our culture and our traditions, and we do not want to see our wildlife like caribou and seals be impacted. |

| Subject                          | Issues/Concerns/Comments  |
|----------------------------------|---|
| <b>SOCIO-ECONOMIC EFFECTS</b>    |   |
| Benefits, Royalties and Taxation | There may be people who have made a lot of money due to mining, but for those of us who were not employed by the mine we would become poorer. Iron Ore is a non-renewable resource and once it is all depleted, what kind of future will we all have? Once it is mined out, how will we live?   |
| Benefits, Royalties and Taxation | <p>In 2021 (during the NIRB's Public Hearings for the Phase 2 Development Proposal) many representatives from Pond Inlet presented only the negative side of things. But for elders who worked on the Nunavut Agreement when we chose the lands around the Tote Road as Inuit Owned Lands, we chose it to give us economic and business opportunities. These were the kinds of opportunities that we envisioned and were aspiring for the future. We understood that if Pond Inlet is in support of the Proposal then all the other North Baffin communities would be in support.</p> <p>Many elders do not only see the negative side of things, they saw benefits for the youth and benefits of employment and economic opportunities. The stewardship of the land and the resource was given to Inuit, and we want to see these benefits from the mine build more northern-based businesses.</p> |
| Benefits, Royalties and Taxation | In 2018, the MHTO and Hamlet talked about local benefits and wanted the Mary River Project to go ahead. But now it appears that Pond Inlet is not supporting the Project. In my opinion, this change may not reflect that the community has changed our views, but rather reflects advice from technical advisors and legal advisors to Pond Inlet. These views do not reflect the benefits that the community sees from Baffinland.  |
| Benefits, Royalties and Taxation | In Pond Inlet, we had big hopes that we would see benefits from the Mary River Project, but we have not seen these big benefits and we are seeing impacts. So we began changing our views. The big contracts and opportunities were not going to Pond Inlet and hunters were starting to see potential impacts to wildlife. So we did not support the Phase 2 Development and as hunters we continue to be concerned about the 6 Mtpa because Pond Inlet is seeing more impacts than we thought we would see.   |
| Benefits, Royalties and Taxation | Baffinland indicated that there were benefits were available to residents of Pond Inlet, but Pond Inlet has not been able to access these   |

| Subject                                      | Issues/Concerns/Comments  |
|--|---|
|  | benefits. QIA kept saying that under the <i>Nunavut Agreement</i> , the Mary River Project could not benefit one community specifically, so Pond Inlet didn't get specific benefits even though we were noticing our wildlife going away.   |
| Benefits, Royalties and Taxation             | The money you are talking about providing to Pond Inlet is in millions and seems very small compared to other areas that benefit and the profits of Baffinland.   |
| Benefits, Royalties and Taxation             | The project proposal at hand to transport 6 Mtpa I am opposed to it. I have been on the Mittimatalik Hunters and Trappers Organization for many years. Baffinland had indicated that they would help us be able to go hunting but I have yet to see that support.   |
| Community Infrastructure and Public Services | Pond Inlet wants to see more permanent benefits like a road to the lake rather than one-time monetary benefits that come and go.  |
| Compensation                                 | If the 6 Mtpa PIP Renewal is approved, what benefits would Baffinland give to the hunters who are impacted?   |
| Culture, Resources and Land Use              | The feeling we get is that Inuit culture isn't valued; the hunters have to receive more benefits for the impacts on our wildlife we are seeing. QIA needs to think about providing us with better support for Inuit practices and culture and to limit the impacts on hunting, especially for narwhals. Inuit want the preservation of our culture to be thought of, as well as in terms of the benefits that come to us. |
| Culture Resources and Land Use               | We are unable to cache traditional food in the area of Milne Inlet. We want our culture to survive.   |
| Education and Training                       | We want to see the Work Ready training program continue and to expand it to provide additional training.  |
| Education and Training                       | When young people go to Baffinland and get trained in terms of heavy equipment operators they come back into the community, when they return to the community on days off they sometimes can fill in at the Hamlet because it is hard to find heavy equipment operators. We have seen this as a benefit to the communities.   |
| Education and Training                       | In Clyde River we don't have many jobs in our community and the employees of Baffinland are being trained and are getting opportunities and getting Work Ready programs and heavy equipment training. These   |

| Subject                  | Issues/Concerns/Comments   |
|--------------------------|--|
|                          | opportunities benefit our communities because they prepare us for jobs both with Baffinland and within our community.  |
| Education and Training   | If there was approval for the Proposal would there be better training and/or more Inuit employment?  |
| Employment Opportunities | Sanirajak has very few employment opportunities and so we are in support of the PIP Renewal, because there is more ability for people who are employed to have the money available to buy gas and go hunting when they are not working at the mine.  |
| Employment Opportunities | Arctic Bay has quite a large contingent of workers that work at the mine, and many people in our community are relying on the continuation of employment at the mine as their reason for supporting this Proposal going ahead.   |
| Employment Opportunities | Maintaining the employment levels at the mine is important to Arctic Bay, but Baffinland needs to do its part to protect the wildlife and limit the impacts of the mine. Arctic Bay has experience in terms of mining because we had the Nanisivik Mine, and it makes us proud that we have many people employed at the mine site. It makes us happy.  |
| Employment Opportunities | In Grise Fiord, we did not seem to have the opportunities for training and employment with Baffinland previously that other communities had. However, since February 2022 we have seen Baffinland come to our community to discuss future opportunities. Our Hamlet would be very interested in future opportunities.  |
| Employment Opportunities | I am an elder in Pond Inlet and I have been talking to the employees of Baffinland, some of them are my relatives, most of them are young. We would like to see them be able to continue to work. What we heard from other communities, they are largely supporting the Project. I don't know what our children and young families will do if they do not have these kinds of employment opportunities. They need to be proud of themselves, making their own life on their own terms. |
| Employment Opportunities | Baffinland what is the staffing like for the approved 4.2 Mtpa Project, and how did Baffinland get into a situation where they have too many staff and now have to lay off staff if they do not get the Proposal approved? Who is responsible for this mismanagement?  |
| Employment Opportunities | In Pond Inlet we don't want to see jobs be pulled and as residents we want to become more involved in the Project.   |

| Subject                     | Issues/Concerns/Comments  |
|-----------------------------|---|
| Employment Opportunities    | In Pond Inlet we want the 6 Mtpa Proposal to continue. We are all looking for employment for our grandchildren. We want our families to be able to stay in Pond Inlet; we are looking for job opportunities. We want to see an expansion of the job opportunities for Inuit. In summary, I want to say that mining is an opportunity for the whole of Nunavut and Nunavummiut and the whole of Canada. It is a good time for development of more job opportunities in Nunavut. We don't want to see closures and job losses at the mine site. Canada needs to make job gains. |
| Employment Opportunities    | Pond Inlet has many things happening around our community. We want to have employment opportunities. Our families early on in Pond Inlet were supported by coal mining. We have decided that we are supportive of this Project Proposal. We need to think of our children and their role in supporting their families. Baffinland must develop good plans for the future economic development of Pond Inlet. Will Baffinland benefit Pond Inlet?  |
| Employment Opportunities    | People need to work because in our community (Pond Inlet) not everyone is interested or able to go hunting.   |
| Employment Opportunities    | If the 6 Mtpa PIP Renewal is not approved, why would Baffinland need to lay off their workers to only have 80 employees onsite?   |
| Food Security               | In Arctic Bay we are in favour of the Proposal going ahead because Baffinland has really helped our small community, by helping us to buy groceries.  |
| Harvesting                  | All members of the community (even those who work at Baffinland) still go hunting, and for our community (Igloodik) it is very important to us to make sure that hunting remains safe and that the activity can continue for a long time alongside the Mary River Project as it continues.  |
| Human Health and Well-Being | When you work with the mine, you can help your friends and family; it isn't just about you earning wages. There is zero tolerance for drugs and alcohol, and so when I worked there it helped me to stop drinking and stay dry.   |
| Human Health and Well-Being | Baffinland is very important to the people; many people were able to sober up to work there; it is very important for us who are employed at Baffinland there is a counsellor available 24/7; if the Proposal is  |

| Subject                           | Issues/Concerns/Comments  |
|-----------------------------------|---|
|                                   | rejected, it is going to have a big impact on us. Baffinland has helped us a great deal.  |
| Inuit Harvesting                  | We haven't had any meetings recently with the QIA, but the MHTO has been instrumental in ensuring that hunters have had a voice to be heard and we think it is important that hunter's voices continue to be listened to.   |
| Inuit Harvesting                  | When the dock was being built we saw very few narwhals. There are many young people who are angry because they cannot hunt anymore and they are not being thought about and are not getting support and help as hunters.  |
| Project Feasibility/<br>Economics | If the 6 Mtpa Proposal were to be approved today, is Baffinland prepared to be able to carry out that level of production, transportation and shipping within this year?  |
| Project Feasibility/<br>Economics | Is Baffinland able to accommodate the significant increase in gas prices going forward into the future?   |
| <b>OTHER ISSUES</b>               |   |
| Future Phases of<br>the Project   | Want to ensure that Baffinland involves our community (Igloolik) in advance planning with respect to the approved Mary River Project (Steensby Port and Southern Railway) going ahead in future. Before the Steensby component of the Project gets built, also want the NIRB to make clear recommendations that the communities must be properly involved in planning for the development of that component of the Project. |
| Future Phases of<br>the Project   | Baffinland has led the Mittimatalik Hunters and Trappers Organization to believe that they have scrapped their plans for the Phase 2 Development Proposal and want the 6 Mtpa limit to continue for 5 years. Has Baffinland advised the Minister and the NIRB that they have abandoned the Phase 2 Development Proposal?  |
| Future Phases of<br>the Project   | We need to work in phases so that we can plan the development carefully before Project effects are experienced.   |
| Future Phases of<br>the Project   | If Baffinland is abandoning the Phase 2 Development Proposal, why is Baffinland not making this decision public and letting all of Canada know that they have made this decision.   |

| <b>Subject</b>               | <b>Issues/Concerns/Comments</b>  |
|------------------------------|--|
| Future Phases of the Project | It would be good to see Baffinland using the approvals they already have and monitoring the effects of shipping on narwhals and ringed seal before asking for more project approvals.  |
| NIRB Reconsideration Process | Not all community representatives could attend the NIRB's Community Roundtable because people are out hunting right now and It is hard to get together for a meeting at this time of year.   |
| NIRB Reconsideration Process | It is very hard on communities that approval of this Proposal is required so urgently, because it does not allow for the proper research and consultation with communities to be done. It is being expedited too quickly.  |
| NIRB Reconsideration Process | What were the concerns with respect to the Production Increase Proposal Renewal identified by Nunavut Tunngavik Inc., the Qikiqtani Inuit Association and Oceans North in their written comments?  |
| NIRB Reconsideration Process | It is difficult that the NIRB held this meeting during this time of year. Our mind is not really here at the moment because we want to be out on the land when it is beautiful outside.  |
| NIRB Reconsideration Process | There are other people who want to speak, but who will not get that chance, with this CRT only being a single day.   |
| NIRB Reconsideration Process | Is the NIRB making a decision globally or is the NIRB making a decision for Nunavut?   |
| Project Certificate          | When Baffinland has made commitments to managing effects, such as dust, and there is still dust and wildlife being affected, aren't there some existing terms and conditions that are in place to prevent this so that the environment is not affected so much? What are the rules that Baffinland has to live by under the current Project Certificate? |
| Project Certificate          | In our community (Arctic Bay) we would like to see a term and condition to protect the wildlife better; I have not been able to find a term and condition that ensures that wildlife are protected and it appears that more needs to be done to ensure that hunters still have wildlife available to hunt.   |
| Regulatory Capacity          | The responsibility for protecting the residents of Pond Inlet to make sure the environment is protected remains with the Federal Government and Government of Nunavut. However, Pond Inlet doesn't see Environment and Climate Change Canada, Fisheries and Oceans Canada and  |



| Subject                                    | Issues/Concerns/Comments  |
|--|---|
|  | Government of Nunavut Department of Environment in Pond Inlet and these parties do not appear to have sufficient resources to adequately monitor the environment; it should not be Baffinland's responsibility completely.  |
| The Mary River Project as Approved in 2012 | Why did Baffinland seek approval from the NIRB for the original Project (Southern Railway and Port at Steensby)? How can Baffinland say the original Mary River Project is not economical when they applied for and got the approval?   |
| The Mary River Project as Approved in 2012 | Was it opposition from the community of Igloolik and concerns about the impacts on the walrus, which are a food source in Igloolik, that caused Baffinland to propose the switch to shipping via Milne Inlet?   |
| Working Relationships                      | I support Baffinland's workers, but my support for the Proposal is conditional. When Baffinland does not meet their commitments, problems arise. It is important that Baffinland manage the Project better and implement their commitments better and communicate better to get a wider audience and listen more fully to the recommendations that are being made. These are the "hitches" that we are experiencing with this Project, and all communities need to be represented properly and Baffinland actually needs to do with what they have committed to do. They have not complied with what has been requested by the communities (e.g., covering the trucks when transporting ore to the dock). This is a mistake, and if Baffinland would commit to fixing these problems, it would be a better Project. |
| Working Relationships                      | We all need to work together (amongst the communities, Baffinland and the Intervenors) to cooperate with each other to go forward in a better way.  |
| Working Relationships                      | Although our community (Grise Fiord) is interested in employment and training opportunities associated with the Mary River Project, Baffinland needs to fix things, impose mitigations that are effective and listen to the communities who have identified things that need to be fixed.   |
| Working Relationships                      | It seems that Baffinland is not listening to the opposition in Pond Inlet. Pond Inlet is saying we are seeing real effects in our community and Baffinland does not seem to be hearing us.  |
| Working Relationships                      | Under the <i>Nunavut Agreement</i> the Hunters and Trappers Organizations (HTOs) need to be involved in decision-making. The HTOs had motions not to support the Phase 2 Development Proposal. And the HTOs also  |

| Subject               | Issues/Concerns/Comments  |
|-----------------------|---|
|                       | did not want to support the PIP Renewal, and there was a resolution provided by the Mittimatalik Hunters and Trappers Organization that we did not support the PIP Renewal. |
| Working Relationships | I still don't believe the promises that the company is making. I want to see something solid in place to restore the environment and the wildlife.                          |

Following the CRT session, the Board received four (4) comment submissions from community members who indicated that they wished to participate during the CRT in Pond Inlet but due to time constraints and the scheduling conflicts were unable to provide their comments in oral form during the CRT. It should be noted that the summary in [Table 14: Summary of Written Comment Submissions Provided by Members of the Public after the Community Roundtable](#) is not exhaustive, and parties wishing to gain a full understanding of these submissions are encouraged to review the documents in their entirety from the NIRB's Public Registry using the applicable Doc ID No. The Board also highlights that the Board's decision-making was based on their consideration of all relevant content in the parties' submissions, not just those aspects included in the summary that follows.

**Table 14: Summary of Written Comment Submissions Provided by Members of the Public after the Community Roundtable**

| Party                              | Summary of Comments Provided  |
|------------------------------------|---|
| M. Arreak<br>Doc ID No.<br>341393  | Identified concerns in relation to the PIP Renewal in respect of: <ul style="list-style-type: none"> <li>Protection of the Ecosystem and Ecosystemic Integrity;</li> <li>Requesting more scrutiny of all the elements of the Proposal that are listed in Article 12, Section 12.5.2 of the <i>Nunavut Agreement</i> because Baffinland has not undertaken proper mitigation practices unless forced by the courts or NIRB; and</li> <li>Shipping and Projects within the Outer Land Fast Ice Zone (OLFIZ).</li> </ul>   |
| A. Uttuvak<br>Doc ID No.<br>341392 | Questioned why Pond Inlet residents did not have more time to talk during the Community Roundtable (CRT) and expressed that the urgency of Baffinland to stay open was given a higher priority than the negative effects the mine can have on Inuit land, water and people. Expressed concern that NIRB's restrictions on remote access to the meetings amounted to a denial of Inuit rights to participate in the CRT.<br><br>Commented that Inuit rely heavily on the land/ocean for survival, happiness and peace and urged the NIRB to remember that the "land, animal and waters |

| Party  | Summary of Comments Provided  |
|--|---|
|  | <p>are everything to the survival of Inuit culture.”</p> <p>Observed that Baffinland’s summary of benefits of the project primarily focused on financial benefits, but did not acknowledge Inuit are the owners of the land and the iron ore and that Inuit will pay the price if anything goes wrong because of the mine.</p> <p>Questioned why Baffinland has not communicated that they advised the MHTO that they were abandoning Phase 2.</p> <p>Indicated that many Inuit hunters in Pond Inlet feel like they are in a “fight or flight” response, noting Inuit have experienced trauma to land and waters, huge loss of animals and changes in the lives of Inuit which Nunavut must protect.</p> <p>Indicated that with respect to narwhal, Baffinland is picking numbers that give Baffinland the best results in their favour, and use their survey findings as accurate over the statements repeatedly provided by hunters from Pond Inlet.</p> <p>Indicated that ALL the ownership seems to be on Inuit without accountability from Baffinland.</p> <p>Expressed the feeling that Inuit are being told to rely on Baffinland (and their money) to help survive and characterized the relationship between Baffinland, Pond Inlet and the other North Baffin communities as manipulative and abusive. Noted concerns due to colonization and lack of mental health supports, manipulation pressures on Inuit now will be particularly concerning, especially if effects from the mine devastate the Pond Inlet area</p> |
| <p>J. Pitseolak<br/>Doc. ID No.<br/>341460</p> | <p>Indicated no support for the Proposal</p> <p>Identified the following as concerns:</p> <ul style="list-style-type: none"> <li>▪ Water quality;</li> <li>▪ Terrain;</li> <li>▪ Air Quality;</li> <li>▪ Wildlife and their Habitat;</li> <li>▪ Marine Mammals and their Habitat;</li> <li>▪ Birds and their Habitat;</li> <li>▪ Fish and their Habitat;</li> <li>▪ Heritage Resources in the Area;</li> </ul>  |

| Party                             | Summary of Comments Provided   |
|-----------------------------------|--|
|                                   | <ul style="list-style-type: none"> <li>▪ Traditional Uses of Land;</li> <li>▪ Inuit Harvesting activities;</li> <li>▪ Community Involvement and Consultation;</li> <li>▪ Local development in the area;</li> <li>▪ Tourism in the area;</li> <li>▪ Human Health issues;</li> <li>▪ Monitoring Programs;</li> <li>▪ Baffinland argument of towns; and</li> <li>▪ Described concerns about effects from dust on fish life, seals, the growth of lichen, fumes from the use of diesel, effects on narwhal habitat, caribou, fox, ptarmigan and geese, effects of Milne Port on tent sites, saviit, water chemical statistics; QIA not meeting with the community and Baffinland coming to the community without QIA; noting that there is too much tourism and that near Pond Inlet development hurt Pond Inlet not Baffinland</li> </ul> <p>Recommended that Baffinland move to Steensby, and meet with Igloolik and Sanirajak.</p> <p>Commented that Baffinland should prioritize “land natives (1st people of the land) and then it should work 99%”</p>   |
| J. Katsak<br>Doc ID No.<br>341461 | <p>Issued clarification in respect of a letter written to the Minister of Northern Affairs by Elder Elijah Nashook and filed with the NIRB in respect of the PIP Renewal Doc ID No. 340843 to clarify that although his name “Joshua Katsak” is on the list of Meeting Participants in that correspondence, he was not aware of the meeting, did not participate in the meeting and does not condone, support or initiate any of the content in the letter.</p> <p>Noted that the comment about elders supporting or not supporting development in the area since 1928 and now is not entirely true and may be misleading. Identified that he doesn’t believe “we can make any solid conclusions that all the elders are feeling this certain way and that all elders are NOT concerned about the wildlife impact and narwhal population impact as the letter seems to indicate”. Suggests that the situation may be the opposite, indicating that when Pond Inlet’s elders and youth gathered a few months ago during the NIRB’s Phase 2 Development Proposal indicating they were very concerned about the impact to narwhal populations and disturbance to habitat.</p> |

## **5 SUMMARY OF CONCLUSIONS AND RECOMMENDATIONS OF THE BOARD**

### **5.1 Ecosystemic Effects**

#### **5.1.1 Views of the Board**

Based on information provided by Baffinland, and the comments, concerns and questions of interested parties and community members, the Board identified the following key issues with respect to the potential for ecosystemic effects associated with the PIP Renewal.

The Board notes that, as been the case with the Board's assessment of the original Mary River Project and all subsequent modifications, there continues to be a significant divergence between the views of various interested parties. Including the Mittimatalik Hunters and Trappers Organization (MHTO), Oceans North (ON), and the local knowledge and experience shared with the Board by some harvesters and residents in Pond Inlet and Baffinland's view as to whether or not the narwhal stock frequenting Eclipse Sound has been reduced in size, health and/or abundance due to project-shipping. This difference of opinion appears to be a central issue limiting the functionality of the Marine Environment Working Group, and appears to be limiting the development of acceptable adaptive management thresholds, early warning indicators, and mitigations. It appears to the Board that this division needs to be addressed in order for parties to collaborate on Project monitoring.

Through its assessment, the Board heard Baffinland identify several possible causes of the decline in numbers of narwhal identified in Eclipse Sound, including:

- increased predation from killer whales;
- effects associated with the construction of Pond Inlet's Small Craft Harbour over the past three years (pile –driving particularly);
- the effects of climate change altering regional sea-ice;
- natural exchange in narwhal populations between Admiralty Inlet and Eclipse Sound; and
- Baffinland's shipping operations.

Baffinland further noted that the Qikiqtaaluk Wildlife Board agreed that narwhal move freely throughout the waters of Northern and Eastern Baffin Island (NEBI), and that there's no "Eclipse Sound Stock" of narwhal separate and distinct from the general narwhal population in NEBI.

However, in their comment submissions in respect of the PIP Renewal, DFO disagreed with Baffinland's analyses of the alternative explanations for the declining narwhal populations, noting that DFO's studies and their understanding of Inuit Qaujimajatuqangit for the area indicate a natural exchange of no more than 30% of the Admiralty Inlet and Eclipse Sound stocks, which is considerably lower than the noted decline. Further, they note that other factors such as regional sea-ice, climate change and presence of killer whales are not unique to Milne Inlet and would be expected to impact narwhals in both Admiralty Inlet and Eclipse Sound similarly. DFO also noted that the pile-driving for Pond Inlet's Small Craft Harbour was completed prior to the ice-break up in 2021 and that due to the global pandemic, Baffinland's operations represented the majority of commercial shipping in the area in 2020-2021.

During the Community Roundtable, Inuit Qaujimajatuqangit shared by an Elder in Pond Inlet indicated that during the building of the docks for the original Mary River Project, he had observed narwhal moving away from the noise and he indicated that perhaps the sounds associated with pile-driving at Pond Inlet's Small Craft Harbour are a central cause of the displacement of narwhal and seals in the area of Pond Inlet. He suggested that if that is the case, now that the construction of the Small Craft Harbour is complete, there may be a return of marine mammals to the area if the pile-driving rather than project shipping is the main reason for marine mammals avoiding the area. However, whether it will take months or year for the marine mammals to return remains to be seen. The consideration of this Inuit Qaujimajatuqangit seems to be lacking from the monitoring information, comments and responses provided by Baffinland and other interested parties.

In response to uncertainty and noting Baffinland's intention to take a precautionary approach, Baffinland has proposed several new mitigations to limit the potential for marine shipping to have adverse effects on narwhal (convoys, a reduced number of ore carrying ships, no icebreaking at the start of the shipping season). Baffinland has also committed to enhanced monitoring to assess the effectiveness of these additional mitigations as these are new mitigations that have not previously been implemented in the Regional Study Area.

During the Board's reconsideration, the Board noted that interested parties indicated the existing marine mammal monitoring program has not generated sufficient empirical results to address concerns and gaps in the assessment of shipping impacts, and there is concern that a lack of information is making it difficult to compare effects predictions with an understanding of actual effects. The Board notes that in light of the uncertainty and gaps in monitoring to date, additional monitoring will be required to ensure that the effectiveness of these new mitigations is specifically assessed and communicated back to the potentially affected North Baffin communities.

Baffinland has also made additional commitments to increase public consultation incorporation and application of Inuit Qaujimaningit/Qaujimajatuqangit, and community knowledge in Baffinland's adaptive management planning, mitigation design and implementation and monitoring. Baffinland made several commitments including modifications to the Marine Environment Working Group to include Hunters and Trappers Organizations/Associations. The Board notes this is an important commitment, as the Board heard from several interested parties and some community members that increasing Inuit involvement and the application of Inuit Qaujimajatuqangit to project monitoring is essential for all parties to increase confidence that project monitoring is effective to identify project effects. The Board also notes Baffinland's commitments to establishing an Inuit Stewardship Committee and supporting a hunter harvest survey may also reduce uncertainty and provide information and knowledge vital to Baffinland's effects management, mitigation and monitoring efforts.

Having heard multiple and divergent views from the perspectives of both western science and Inuit Qaujimajatuqangit as to the potential causes of the narwhal decline identified in recent project monitoring, the Board views the PIP Renewal as an opportunity for all parties to work together to reduce the uncertainty associated with the nature and extent of effects on marine mammals that are associated with project shipping. During 2022 shipping season and going forward, the Board expects Baffinland and interested parties to work together to implement the commitments involving improvements to the existing effects mitigation and monitoring programs for the project to:

- Better understand the various potential causes of the identified narwhal declines;
- Conduct additional monitoring as necessary to evaluate the effectiveness of existing and newly implement mitigation measures; and
- Compare the effects predictions from Baffinland's assessments of the original PIP (as updated in the 2022 PIP Renewal application) with the effects identified in project monitoring to date (including the results of the 2022 monitoring program).

With respect to other ecosystemic issues, the Board heard that dust emissions from the Mine and Milne Port continue to be a significant concern for communities. Baffinland has proposed additional mitigation measures to reduce dust emissions from the Mine and Milne Port and has established a Dust Audit Committee (an independent community-led Committee providing a report to Baffinland, including potential additional dust mitigation measures in September, 2022). Given the timing of the Dust Audit Committee's reporting and Baffinland's review and possible implementation of the Committee's recommendations, it is unclear to the Board whether additional mitigation measures can/will be undertaken during the short term of the PIP Renewal, but the Board notes the importance of Baffinland's commitment to "proactive" implementation of the Committee's recommendations as soon as practical.

With respect to the potential for effects on terrestrial wildlife, and caribou particularly, the Board understands that Baffinland has committed to supplementing their current monitoring efforts with an aerial survey. It is unclear whether Baffinland will be able to conduct this survey during the short term of the PIP Renewal, but the Board heard that there was support from parties to undertake this additional monitoring as soon as it is feasible to better understand the presence/absence of caribou in the areas containing project infrastructure.

### **5.1.2 Conclusions and Recommendations of the Board**

In the Board's view the PIP Renewal provides Baffinland and other interested parties with a window of opportunity to:

- improve current mitigation, adaptive management and monitoring measures, especially associated with the effects of marine shipping and dust;
- gather additional Inuit Qaujimajatuqangit with respect to marine mammals and dust to better reflect the effects being observed and experienced by communities;
- develop meaningful Inuit thresholds and indicators; and
- improve the function and operation of the Terrestrial Environment Working Group (TEWG) and Marine Environment Working Group (MEWG).

While the Board acknowledges that the PIP Renewal is only for a short term, the Board expects that Baffinland will report on progress in these areas, and that improvements will be incorporated into Baffinland's mitigation, adaptive management and monitoring programs and plans for the Mary River Project going forward.

As many of Baffinland's commitments developed with interested parties over the course of the Board's reconsideration are intended to reduce the potential for significant negative ecosystemic effects, the Board also recommends that Baffinland be required to include within the 2023 Annual Report a summary of the status of Baffinland's fulfillment of the commitments provided during the PIP Renewal assessment.

## **5.2 Socio-Economic Effects**

### **5.2.1 Views of the Board**

The Board acknowledges Baffinland's conclusion that if the PIP Renewal is not approved to proceed, there will be an immediate interruption to employment (with the immediate lay off of up to 1,156 employees, including over 200 Inuit employees). The Board heard that because there are limited employment opportunities in the North Baffin, this loss of employment would have a significant negative impact that could not be mitigated in the short term. The Board also heard



that reverting to the 3.5-4.2 Mtpa limits would result in significant reductions in benefit payments by Baffinland (e.g., the payments to the community of Pond Inlet associated with compensating for additional ship traffic after the 4.2 Mtpa shipping limit has been reached and payments to the Qikiqtani Inuit Association under the Inuit Impact Benefit Agreement) and interruptions in associated business relationships. Clearly these impacts would have an immediate and significant detrimental socio-economic effect on the communities in the North Baffin Region. As summarized by Baffinland in [Table 3](#): Baffinland's Summary of Economic Benefits of 6 Mtpa Limits Contrasted With 4.2 Mtpa Limits, the increase from 4.2 Mtpa to 6 Mtpa has resulted in a significant increase in benefits on an annual and cumulative basis compared to the Project as operated in accordance with the 4.2 Mtpa limit.

Avoiding these negative socio-economic impacts is the central consideration in terms of need for the Proposal and also in the support for the Proposal expressed by:

- The Hamlets of Pond Inlet, Sanirajak, Arctic Bay and Igloolik;
- The Hunters and Trappers Associations of Igloolik, Ikajutit and Sanirajak;
- Baffinland's Inuit and non-Inuit employees (as expressed individually during the CRT and also in the 59 individual written comment submission provided by the International Union of Operating Engineers, Local 793);
- A Committee of Pond Inlet Elders expressed in written comments to the Minister and filed with the NIRB in respect of the PIP Renewal;
- Arctic Co-operatives Limited; and
- Community Roundtable participants in Arctic Bay, Igloolik, Sanirajak and Pond Inlet.

Conditional support was also expressed by the Qikiqtani Inuit Association, based on Baffinland's fulfillment of a number of additional commitments (as set out in [APPENDIX E](#)). Several of these commitments involved socio-economic benefits payments, which may not be directly related to the potential ecosystemic effects of the Proposal, and as such, the Board has limited jurisdiction to consider and recommend such payments, but understands that such benefits may be negotiated between Baffinland and the Qikiqtani Inuit Association.

This level of support, based on positive socio-economic benefits is not, however unanimous, with the Mittimatalik Hunters and Trappers Association, some Pond Inlet residents, including some Elders and the Hamlet of Clyde River remaining opposed to the Project due to their concerns about the potential for the Proposal's adverse ecosystemic effects on marine mammals and terrestrial wildlife, especially caribou, vegetation and freshwater to result in adverse socio-economic effects on Inuit harvesting, land use and culture. The Board acknowledges these parties clearly communicated that these potential negative ecosystemic effects that affect harvesting,

and the availability and quality of country food sources can also have significant negative socio-economic effects on food security, Inuit traditions and cultural practices in communities that cannot be mitigated.

Some community members from Pond Inlet also questioned the level, extent and accessibility of economic benefits in Pond Inlet, noting that Pond Inlet is the community that is experiencing the most significant ecosystemic effects as a result of the existing Mary River Project but has yet to see a higher level of benefits.

Further, the Board noted that during the reconsideration Baffinland indicated that if the PIP Renewal were approved to proceed, Baffinland would commit to not laying off any Inuit employees (unless for cause) during the term of the Proposal.

The Board also noted community members in the North Baffin communities expressed frustration that the financial benefits Baffinland is current providing under agreements with the Qikiqtani Inuit Association do not appear to be readily accessible to Hamlet Councils and community members. It appears that financial benefits are not flowing to the Hamlets as they expected.

With the significant focus on Inuit-led monitoring, setting Inuit-centric thresholds and indicators and on-going collection of Inuit Qaujimajatuqangit, the Board wishes to emphasize that opportunities for Inuit to participate in community-led monitoring need to be equitable and fair compensation for this vital work needs to be provided.

### **5.2.2 Conclusions and Recommendations of the Board**

The Board notes that during the Board's consideration of the Extension Request to the Production Increase Proposal in 2019-2020, the Board identified that avoidance of the immediate and negative socio-economic effects of mass layoffs was central to the Board's approval of the Extension, noting as follows:

*The Board's decision to approve the Extension Request is intended to limit further employee demobilization and the adverse socio-economic impacts associated with the return to the original transportation and shipping limitations set by terms and conditions 179(a) and 179(b) of the Mary River Project Certificate No. 005.*<sup>39</sup>

In this respect, the Board highlights that with Baffinland's commitment to not layoff Inuit employees (other than for cause) during the PIP Renewal, the Board is confident that the potential for significant and immediate negative effects on Baffinland's employees, their families

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<sup>39</sup> (Doc ID No.328809.) NIRB, Reconsideration Report and Recommendations, Extension Request to the Production Increase Proposal, Baffinland Iron Mines Corporation, NIRB File No. 08MN053, March 4, 2020 at p. v.

and communities is reduced while the Responsible Minister(s) complete their decision-making in respect of the Phase 2 Development Proposal. The Board is also aware that if the PIP Renewal is approved to proceed, Baffinland will maintain the status quo in terms of benefits paid to the Government of Nunavut and the Qikiqtani Inuit Association.

Although the Board has only a limited role in respect of economic benefits that are not linked to ecosystemic effects, recognizing the frustration consistently expressed in communities about the difficulty in knowing about, and accessing financial benefits, the Board recommends that all parties involved in the payment, administration and distribution of benefits associated with the Mary River Project give consideration to the following:

- providing better communication about the financial benefits associated with the Mary River Project that are available to Hamlets, community groups and individuals;
- streamlining the processes for providing access to benefits; and
- addressing barriers to access (such as requiring only on-line applications, etc.).

Reflecting the increasing focus and importance on Baffinland and interested parties consulting with communities and applying Inuit knowledge and experience to the development of mitigation, adaptive management and enhanced monitoring in the region, the Board recommends that Baffinland and other interested parties consider how an additional socio-economic benefit of the project may consist of providing community knowledge holders with reasonable compensation for their contributions to Inuit-led monitoring and effects management.

## **5.3 Other Issues Considered by the Board**

### **5.3.1 Working Relationships**

As observed by the Board in written comments and during the Community Roundtable (CRT) in Pond Inlet, since the conclusion of the Board's assessments of the original Mary River Project in 2012, the Early Revenue Phase in 2014, and the recent Phase 2 Development Proposal, there has been a marked decline in the trust and collaboration between all participants. This division, distrust and a lack of mutual respect appear to be eroding the working relationships that are vital to productive collaboration in respect of successful impact mitigation measures adaptive management and implementation of robust and credible project monitoring.

As noted in the discussion of the potential ecosystemic effects associated with the Proposal, a fundamental difference of opinion about whether marine shipping and activities at Milne Port are having effects on the presence, health and/or abundance of marine mammals appears to be limiting the functionality of the Marine Environment Working Group (MEWG). In response to the

concerns expressed by several parties during the Board's assessment of the Phase 2 Development Proposal and the PIP Renewal about the functionality of both the MEWG and the Terrestrial Environment Working Group (TEWG), Baffinland has made new commitments to improve the operation of the Working Groups, as follows:

- Recommendations from MEWG/TEWG meetings will be tracked and either integrated into the 2022 monitoring program designs, or if the recommendations are not feasible, Baffinland will provide a written response to explain the rationale. All recommendations will be considered and a full tracking table will be provided back to the MEWG/TEWG.
- Baffinland will agree to amendments to the Terms of Reference for the TEWG and MEWG to expand the membership of the Groups and that provides for consensus based decision making and the transfer of responsibilities for chairing and administering the working groups to either a community representative or a third party facilitator as agreed to between Working Group Members.

In addition, the Board notes that Baffinland has made significant commitments with respect to developing an Inuit Stewardship Plan and is currently working with an independent Inuit-led Dust Audit Committee. The Board sees these commitments and activities as an important “reset” of key working relationships at the community level that are central to the collaboration required for the success of the current and future operation of the Mary River Project.

### **5.3.2 Future Development Plans**

During the CRT the Board heard that the communities are confused as to Baffinland's future development plans for the Mary River Project. Communities questioned if Baffinland remains committed to the development of the original Mary River Project, including the development of the railway to the south and shipping out of Steensby Port, whether Baffinland remains committed to the Phase 2 Development (12 Mtpa level of production, transportation and shipping and land transportation via a north railway) and/or whether Baffinland will seek a longer-term extension to its 6 Mtpa level of production, transportation and shipping. The Board understands that while Baffinland awaits the decision of the Responsible Minister(s) in respect of the Phase 2 Development Proposal the Proponent is unable to confirm its future development plans. However, as noted by several interested parties during the Board's reconsideration, and as committed to by Baffinland, to ensure that all participants in the Board's assessment process and the subsequent regulatory processes have sufficient time and resources to complete the necessary decision-making, it is recommended that Baffinland provide communities with clear communication regarding future development plans, and any required modifications to regulatory authorizations as soon as their plans are confirmed. As several parties identified

through the Board's assessment, the urgent need for a decision does not eliminate the Board's requirements to conduct a thorough assessment of a proposal.

While the Board, recognizing the short-term nature of the PIP Renewal and the urgent circumstances considered it appropriate to conduct this reconsideration in an expedited fashion without a Public Hearing, this was considered to be an exceptional circumstance by the Board. Parties should not come to rely on or expect that the Board will consider an expedited process to be appropriate for future modifications of this Project or others. Parties are reminded that the Board is the master of its process and determines the process on the basis of the circumstances of each proposal at the time it is received. The Board greatly appreciates the focus and priority participants gave to meeting the Board's timelines and complying with the Board's procedural guidance in respect of this reconsideration but understands the concerns of several parties and members of the public that the expedited process was inadequate, especially as it was conducted during the summer when Inuit are pursuing tradition pursuits. While not ideal, in the Board's view the oral and written comments received by the Board during the PIP Renewal reconsideration were sufficient to enable the Board to fulfill its responsibilities for decision-making in respect of the PIP Renewal.

### **5.3.3 Conclusions and Recommendations of the Board**

With respect to improvements to working relationships, the Board notes that with the short term of the PIP Renewal it may not be possible for Baffinland to fully implement the proposed changes to the structure of the Marine Environment Working Group and the Terrestrial Environment Working Group. In future Annual Reports, the Board expects Baffinland to provide updates to the Board regarding the status and effect these changes are having in terms of functionality and operation of these important Working Groups and the achievement of results. Similarly, with respect to results and additional mitigations that may be implemented as a result of the Inuit-led Dust Audit Committee, the Board expects Baffinland to provide an update regarding the recommendations of the Dust Audit Committee and any additional mitigation or management measures implemented by Baffinland.

With respect to Baffinland's future development plans, the Board recommends that at the earliest opportunity when Baffinland has confirmed their future development plans, the necessary information should be provided to the Nunavut Planning Commission, the NIRB, regulators, landowners and the public to initiate the applicable processes.

## 6 RECOMMENDATION TO THE MINISTER

As detailed in this Reconsideration Report and Recommendations, on the basis of the Board's reconsideration of the terms and conditions of existing Project Certificate No. 005 for the Mary River Iron Mine Project under Article 12, Section 12.8.2 of the *Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada* and s. 112 *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2 (NuPPAA), associated with the Production Increase Proposal Renewal project proposal (the Proposal) the NIRB has concluded that if the Proposal is carried out in accordance with the limits, mitigation and monitoring requirements included in the additional and revised terms and conditions of Project Certificate No. 005 and recommendation outlined in the Board's Report, the potential for significant adverse ecosystemic and socio-economic effects associated with the Proposal can be effectively managed. Consequently, the Board recommends to the Responsible Minister(s) that the Proposal should be allowed to proceed to the regulatory phase subject to the Board's recommendations, including the additional and revised terms and conditions in amended Project Certificate No. 005 that follow.

## 7 RECOMMENDATIONS REGARDING CHANGES TO EXISTING PROJECT MONITORING OR PROJECT CERTIFICATE TERMS AND CONDITIONS

### 7.1 Changes to the NIRB's Monitoring Program

In order to allow for the specific activities approved under the Production Increase Proposal Renewal, (PIP Renewal or Proposal) the Board recommends that the existing monitoring program for the Mary River Project (as modified) be supplemented to reflect the additional monitoring Baffinland has proposed for narwhal to evaluate new mitigation measures implemented during the 2022 shipping season (including acoustics and any additional population surveys) and additional monitoring that may be associated with Baffinland's responses to the findings of the Dust Audit Committee. In addition, the Board expects Baffinland to incorporate Inuit-specific indicators and thresholds into Baffinland's existing monitoring program as they are developed (whether via Baffinland's adaptive management plans or within a dedicated Culture Resources and Land Use (CRLU) monitoring program). While the Board recognizes that the PIP Renewal is only for a short term, the Board expects Baffinland to incorporate additions to the monitoring program as committed to during the assessment, such as relevant Inuit-specific indicators and thresholds, into the Mary River Project even after the term of the PIP Renewal expires.

### 7.2 Changes to Project Certificate Terms and Conditions

The Board has recommended that Terms and Conditions 179(a) and (b) be revised to permit the PIP Renewal to proceed. The current wording of these Terms and Conditions is as follows:

#### 179(a) and (b)

179(a) Until **December 31, 2021**, the total volume of ore shipped via Milne Inlet may exceed 4.2 million tonnes per year, but must not exceed 6.0 million tonnes in any calendar year. After **December 31, 2021**, the maximum total volume of ore shipped via Milne Inlet in a calendar year returns to 4.2 million tonnes per year, unless this condition has been further modified under section 112 of *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2.

179(b) Until **December 31, 2021**, the total volume of ore transported by truck on the Milne Inlet Tote Road may exceed 4.2 million tonnes per year, but must not exceed 6.0 million tonnes in any calendar year. After **December 31, 2021**, the maximum total volume of ore transported by truck on the Milne Inlet Tote Road in a calendar year returns to 4.2

million tonnes per year, unless this condition has been further modified under section 112 of *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2.

The Board is recommending that the term of the 6 Mtpa limit be renewed to December 31, 2022, and the full text of the recommended revisions are as follows:

|                                       |   |
|---------------------------------------|---|
| <b>REVISED Term and Condition No.</b> | <b><i>179 (a) modified for Production Increase Proposal, Extension Request to the Production Increase Proposal and Production Increase Proposal Renewal</i></b>   |
| <b>Category:</b>                      | Operational Variability/Flexibility   |
| <b>Responsible Parties:</b>           | The Proponent   |
| <b>Project Phase:</b>                 | Operations  |
| <b>Objective:</b>                     | To ensure that there are appropriate limits on the Milne Inlet marine shipping component in order to limit and manage likely project effects, while balancing the need for operational flexibility.   |
| <b>Term or Condition:</b>             | Until December 31, 20 <del>21</del> <u>22</u> , the total volume of ore shipped via Milne Inlet may exceed 4.2 million tonnes per year, but must not exceed 6.0 million tonnes in any calendar year. After December 31, 20 <del>21</del> <u>22</u> , the maximum total volume of ore shipped via Milne Inlet in a calendar year returns to 4.2 million tonnes per year, unless this condition has been further modified under section 112 of <i>Nunavut Planning and Project Assessment Act</i> , S.C. 2013, c. 14, s. 2. |
| <b>Reporting Requirements:</b>        | For each year after the Proponent commences shipping ore via Milne Inlet under the Early Revenue Phase Proposal, the Proponent shall include in the Annual Report to the NIRB, a summary of the total amount of ore shipped via Milne Inlet for the previous calendar year.   |

|                                       |  |
|---------------------------------------|--|
| <b>REVISED Term and Condition No.</b> | <b><i>179 (b) modified for Production Increase Proposal and Extension Request to the Production Increase Proposal and Production Increase Proposal Renewal</i></b>   |
| <b>Category:</b>                      | Operational Variability/Flexibility  |
| <b>Responsible Parties:</b>           | The Proponent  |
| <b>Project Phase:</b>                 | Operations   |
| <b>Objective:</b>                     | To ensure that there are appropriate limits on the Milne Inlet Tote Road land transportation component in order to limit and manage likely project effects, while balancing the need for operational flexibility.  |
| <b>Term or Condition:</b>             | Until December 31, 20 <del>21</del> <u>22</u> , the total volume of ore transported by truck on the Milne Inlet Tote Road may exceed 4.2 million tonnes per year, but must not exceed 6.0 million tonnes in any calendar year. After December 31, 20 <del>21</del> <u>22</u> , the maximum total volume of ore |



|                                |  |
|--------------------------------|--|
|                                | transported by truck on the Milne Inlet Tote Road in a calendar year returns to 4.2 million tonnes per year, unless this condition has been further modified under section 112 of <i>Nunavut Planning and Project Assessment Act</i> , S.C. 2013, c. 14, s. 2.                           |
| <b>Reporting Requirements:</b> | For each year after the Proponent commences transportation of ore via the Tote Road under the Early Revenue Phase Proposal, the Proponent shall include in the Annual Report to the NIRB, a summary of the total amount of ore shipped via the Tote Road for the previous calendar year. |

### 7.3 Fulfillment of the Proponent's Commitments Provided During the PIP Renewal Assessment Process

As listed in [APPENDIX D](#) and [APPENDIX E](#), several interested parties worked with Baffinland to propose a variety of commitments to resolve their issues and concerns with respect to the Proposal and Baffinland's current operation of the Mary River Project more generally. The Board notes that although the Board has not expressly incorporated these commitments into additions to the Project Certificate, the Board views Baffinland's fulfillment of the commitments they have agreed to meet as central to improving working relationships and rebuilding the trust that is essential to productive working relationships with Nunavut Tunngavik Incorporated, the Qikiqtani Inuit Association, Hamlets, hunters and trappers organizations, other community-based interested parties, members of the North Baffin communities, regulators, and non-governmental organizations. Accordingly, the Board has recommended that Baffinland add to its 2023 Annual Report to the NIRB a summary of the status of the commitments agreed to by Baffinland during the PIP Renewal assessment process.

## APPENDIX A PROCEDURAL HISTORY

| Date          | Party   | Process Steps   | Notes  |
|---------------|---|---|--|
| June 7, 2022  | Nunavut Planning Commission (Commission)                | Notifies the Proponent, the NIRB and other relevant parties of a positive conformity determination for the Production Increase Proposal Renewal (PIP Renewal or Proposal) and forwards the Proposal to NIRB for consideration of the modifications to NIRB Project Certificate No. 005. | The Commission notes: <i>"the activities associated with the Proposal were previously reviewed by the Commission and a conformity determination was issued on April 30, 2008, August 12, 2011, February 8, 2016 and January 26, 2017, on May 18, 2018 and December 16, 2019, which still applies."</i>   |
| June 13, 2022 | Baffinland  | Completes NIRB's on-line application form in respect of the short-term PIP Renewal  | Baffinland clarifies that the application to the NIRB is for a short-term renewal of the 6 million tonnes per annum (Mtpa) limit on mining, trucking and shipping of iron ore through Milne Inlet until December 31, 2022.   |
| June 13, 2022 | NIRB  | Circulates the PIP Renewal inviting written comments from parties by June 28, 2022  | The Board requested input from parties about significance of the proposed activities, recommendations for the Board's process and timelines associated with the assessment of the Proposal, other possible updates that may be required to the Project Certificate related to the PIP Renewal, and updates on the monitoring framework previously used to inform parties of impact |
| June 15, 2022 | Baffinland  | Files an additional Supplemental Information Package in Relation to the PIP Renewal   | The Package consolidates previously filed information and provides an update in respect of mitigation measures in relation to project shipping activities in 2022.   |
| June 17, 2022 | NIRB  | Circulates Baffinland's Supplemental Information Package for consideration of parties   |  |
| June 24, 2022 | Ikajutit (Arctic Bay) Hunters and Trappers Organization | Requests an extension to the June 28, 2022 comment deadline to July 5, 2022   | The rationale for the extension request was that additional time was required to review the Supplemental Information Package and noting that due to various circumstances and previous time commitments that additional time was required for them to prepare their comments.  |

| Date                      | Party                   | Process Steps   | Notes  |
|---------------------------|-------------------------|---|--|
| June 24, 2022             | NIRB                    | Finds the extension request reasonable and extends the comment deadline to July 5, 2022   |  |
| On or before July 5, 2022 | Parties                 | Provide written comment submission  | Comment submissions about the PIP Renewal received from Nunavut Tunngavik Incorporated, Qikiqtani Inuit Association, Government of Nunavut, Government of Canada, Mittimatalik Hunters and Trappers Organization, Hamlet of Sanirajak, Oceans North and Baffinland.  |
| July 11, 2022             | Responsible Minister(s) | Provides correspondence in accordance with s. 114 of the <i>NuPPAA</i> to identify priorities and timelines associated with the Board's assessment of the PIP Renewal   | Advised the Board that the Proposal should receive priority over other ongoing review processes under the Board's jurisdiction and requested the Board provide its recommendations in respect of the Proposal by August 26, 2022.  |
| July 19, 2022             | NIRB                    | Provides Notice under s. 112(3) of the <i>NuPPAA</i> that the Board was initiating a formal reconsideration of the terms and conditions of Project Certificate No. 005 in light of the PIP Renewal and provided procedural guidance | NIRB advised <u>all parties</u> that the reconsideration process for the PIP Renewal would consist primarily of a written process, with interested parties being invited to file written comments by August 9, 2022, and Baffinland being given an opportunity to file reply submissions on August 19, 2022. To supplement the written comment process, the Board also indicated that designated Community Representatives from the 7 potentially affected North Baffin Communities and community members in Pond Inlet would have an opportunity to provide oral comments during a one day Community Roundtable meeting held in Pond Inlet. |

| Date          | Party                       | Process Steps  | Notes   |
|---------------|-----------------------------|--|---|
| July 22, 2022 | Qikiqtani Inuit Association | Requests that NIRB allow the Qikiqtani Inuit Association and Nunavut Tunngavik Incorporated to file their comment submissions on August 12, 2022 | The Qikiqtani Inuit Association indicates that the additional time is required for the QIA and NTI to ensure that input from an August 4, 2022 in-person meeting with regional Hunters and Trappers Organizations informs their submission. The QIA also indicates that the NIRB extending the timeline for the QIA and NTI to file their comments after the August 9, 2022 deadline for other interested parties, would allow QIA and NTI to review the submissions of other Inuit parties to ensure the written submissions are properly informed about potential impacts on Inuit from the Proposal. |
| July 25, 2022 | NIRB                        | Does not grant the QIA's request for an extension to the comment deadline of only QIA and NTI  | The NIRB indicates that the fairness of the written comment process does not allow for the Board to extend the comment timeline for only some commenters to provide an opportunity to comment on other commenters' submissions.   |
| July 26, 2022 | NIRB                        | Grants an extension to all commenters from August 9, to August 11, 2022  | Following the receipt of additional clarification from the QIA that the compilation and consideration of input received during the August 4, 2022 in-person meeting with HTOs is needed, the Board reconsiders the QIA's request and grants a short extension to the comment deadline for all parties.  |
| July 29, 2022 | NIRB                        | Issues invitation to appoint Community Representatives to participate in the Community Roundtable meeting on August 16, 2022                     | NIRB requests nominations for Community Representatives to participate in the Community Roundtable meeting be provided to the NIRB by August 10, 2022.  |

| Date               | Party                        | Process Steps  | Notes  |
|--------------------|------------------------------|--|--|
| August 11, 2022    | Parties                      | Provide written comment submissions  | On or before the deadline, comment submissions were received from Nunavut Tunngavik Incorporated, Qikiqtani Inuit Association, Government of Nunavut, Government of Canada, Hamlet of Arctic Bay, Hamlet of Clyde River, Hamlet of Igloolik, Hamlet of Pond Inlet, Hamlet of Sanirajak, Pond Inlet Elders Advisory Committee, Igloolik Hunters and Trappers Association, Ikajutit Hunters and Trappers Association, Mittimatalik Hunters and Trappers Organization, Nangmoutaq Hunters and Trappers Association, Sanirajak Hunters and Trappers Association, Oceans North, World Wildlife Fund, International Union of Operating Engineers Local 793 and Arctic Co-operatives Limited. |
| August 16, 2022    | NIRB                         | NIRB conducts Community Roundtable meeting in Pond Inlet (with audio/video links to Community Representatives in the potentially affected North Baffin Communities outside Pond Inlet) | The Board's decision-makers for the file attend the Community Roundtable meeting hosted in Pond Inlet and hears comments, questions and concerns from delegated Community Representatives from Igloolik, Sanirajak (Hall Beach), Ikajutit (Arctic Bay), Grise Fiord and Pond Inlet and members of the public in Pond Inlet.  |
| August 19, 2022    | Baffinland                   | Provide replies to parties' comments   | The final reply package in response to comments received by the Board in relation to the PIP Renewal is provided by Baffinland.  |
| By August 24, 2022 | Pond Inlet Community Members | Interested residents from Pond Inlet unable to comment during the CRT provide written comment submissions  | Commenters provide written comment submissions on the PIP Renewal because they were unable to provide the Board with their comments in oral form during the Community Roundtable.  |
| August 25, 2022    | NIRB                         | Updated Procedural Guidance issued   | The Board advised parties the comment period for the PIP Renewal closed on August 24, 2022, that the Proposal had been remitted to the Board for decision-making and provided a timeline for issuance of the Board's Reconsideration Report and Recommendations in respect of the Board's assessment of the Proposal.  |

| Date               | Party | Process Steps   | Notes |
|--------------------|-------|---|-------|
| September 22, 2022 | NIRB  | Issuance of the Board's Reconsideration Report and Recommendation to the Responsible Ministers. |       |

## APPENDIX B AUGUST 16, 2022 COMMUNITY ROUNDTABLE PARTICIPANTS

| Party                              | Participant  |
|------------------------------------|--|
| Board Members:                     | K. Kaluraq, Chairperson<br>G. Alikut, Board Member<br>A. Ehaloak, Board Member<br>C. Emrick, Board Member<br>P. Omingmakyok (Kadlun), Board Member<br>H. Ohokannoak, Board Member<br>M. Qumuatuq, Board Member   |
|                                    |  |
| NIRB Staff:                        | K. Costello, Executive Director<br>T. Arko, Director, Technical Services<br>S. Taptuna, Manager, Communications<br>C. Barker, Technical Advisor III<br>G. Daoust, Technical Advisor II<br>F. Emingak, Technical Advisor I<br>J. Tucktoo, NIRB Interpreter/Translator II  |
|                                    |  |
| NIRB Legal Counsel:                | T. Meadows, Meadows Law  |
|                                    |  |
| Interpreters:                      | V. Dewar<br>R. Katsak  |
|                                    |  |
| Audio/Visual Technician:           | R. Dempster, PIDO Productions<br>F. A. Gomes Morales, PIDO Productions   |
|                                    |  |
| <i>Parties:</i>                    |  |
| <i>Proponent:</i>                  |  |
| Baffinland Iron Mines Corporation: | B. Penney, President, Chief Executive Officer<br>M. Lord-Hoyle, Vice President, Sustainable Development<br>L. Kamermans, Senior Director, Sustainable Development<br>P. Quassa, Senior Advisor to the CEO<br>G. Morinville, Manager Environmental, Social Governance<br>C. Sangoya<br>C. Kowbel, Legal Counsel, Lawson Lundell LLP |
|                                    |  |
| Qikiqtani Inuit Association:       | O. Akesuk, President<br>L. Barnabas, Mary River Project Portfolio Lead<br>J. Ottenhof, Director Qikiqtani Nunalirijiklut<br>L. Land, Legal Counsel, Olthuis Kleer Townshend LLP  |

| Party   | Participant   |
|---|---|
| Nunavut Tunngavik Incorporated:                         | D. Ningeongan, Chief Operating Officer<br>P. Irngaut, Director, Wildlife and Environment<br>P. Lavallee, Biologist<br>D. Lee, Wildlife Biologist<br>B. Dean, Assistant Director<br>A. Yuan, Legal Counsel   |
| Mittimatalik Hunters and Trappers Organization:         | D. Qamaniq, Chairperson<br>A. Hanson-Main, Technical Advisor  |
| Igloolik Working Group:                                 | M. Recinos  |
| Ikajutit Hunters and Trappers Association:              | Q. Robinson, Legal Counsel<br>O. Eegeesiak, Technical Advisor   |
| Government of Nunavut:                                  | G. Karlik, Assistant Deputy Ministerster<br>A. Simonfalvy, Avatiliriniq Coordinator<br>D. Haney, Manager, Impact Assessment   |
| Crown-Indigenous Relations and Northern Affairs Canada: | T. Audla, Regional Director General<br>K. Pawley, Manager, Environmental Assessment, Land Use Planning & Conservation<br>A. Chaikine, Senior Environmental Assessment Specialist<br>J. Walsh, Senior Environmental Policy Analyst<br>V. Okonkwo, <i>Acting</i> Manager, Impact Assessment Division<br>R. Bingley, Environmental Assessment Coordinator<br>S. Qazi, Senior Environmental Assessment Officer<br>M. Staniewski, Environmental Policy Analyst<br>E. Hoppe, Junior Policy Analyst<br>L. Gracias-Zayas, Environmental Project Officer<br>J. Ankersmit, Director General, Natural Resources and Environment Branch |
| Canadian Northern Economic Development Agency:          | L. Dyer, Director General<br>N. O'Grady, Senior Project Manager<br>B. Tracz, Consultation Manager<br>A. Baillargeon, Senior Project Manager<br>N. D'Souza, Project Manager  |



| Party                                  | Participant   |
|--|---|
| Department of Justice Canada:          | N. Modi, Legal Counsel, Department of Justice   |
|  |   |
| Fisheries and Oceans Canada:           | T. Hoggarth, Regional Director<br>A. Beattie, Team Lead<br>E. Ratajczyk, Fisheries Biologist  |
|  |   |
| Environment and Climate Change Canada: | M. Pinto, Senior Environmental Assessment Officer<br>J. Sabourin, Environmental Assessment Officer  |
|  |   |
| Health Canada:                         | J. Anderson, Impact Assessment Specialist<br>D. Kitchen, Regional Manager MB/SK/NU Region<br>W. Wilson, Environmental Assessment Coordinator<br>C. Dutchak, Impact Assessment Specialist<br>D. DeFranceschi, Engagement Specialist  |
|  |   |
| Natural Resources Canada:              | P. Unger, <i>Acting</i> Director<br>P. Emond, Senior Environmental Assessment Advisor<br>R. Johnstone, Deputy Director  |
|  |   |
| Parks Canada:                          | J. Hoffman, Marine Ecologist Team Leader  |
|  |   |
| Transport Canada:                      | A. Downing, Regional Senior Environmental Supervisor<br>C. Aguirre, <i>Acting</i> Manager Aboriginal Consultations<br>Major Resource Development<br>M. O'Soup-Bushie, Major Resource Development Projects<br>& Aboriginal Consultations<br>J. Johar, Manager Marine Safety and Security |
|  |   |
| Oceans North:                          | C. Debicki, Vice President Policy Development and Counsel<br>A. Joynt, Senior Policy Advisor<br>G. Macdonald, Arctic Research Specialist<br>J. Jones, Scripps Institute<br>M. Austman   |
|  |   |
| World Wildlife Fund:                   | M. Brooks, Sustainable Resource Development Senior Specialist   |
|  |   |
| <i>Community Representatives:</i>      |   |
| Arctic Bay:                            | Qaumayuk Oyikuluk   |
|  |   |
| Grise Fiord:                           | Larry Aulaluk, Hunters and Trappers Association   |

| Party       | Participant   |
|-------------|---|
|             | Liza Ningiuk, Hunters and Trappers Association<br>Marty Kuluguqtuq, Hunters and Trappers Association<br>Jimmy Qaapik, Hamlet<br>Lucy Nungaq, Hamlet |
|             |   |
| Igloodik:   | Erasmus Ivalu, Hamlet   |
|             |   |
| Pond Inlet: | David Qamanik, HTO  |
|             |   |
| Sanirajak:  | David Irgittuq<br>Felicia Nuvviaq<br>Jopie Kaernerker<br>Tommy Issigaitok<br>Danny Arvaluk<br>Timothy Kuppaq<br>Jason Kupaq<br>Jason Kaernerker     |

## APPENDIX C PARTICIPATION DURING THE AUGUST 16, 2022 COMMUNITY ROUNDTABLE

**Table 15: Number of Remote Participants**

| MODE OF PARTICIPATION | NUMBER OF PARTICIPANTS |
|-----------------------|------------------------|
| Zoom/ Teleconference  | 155*                   |

\*Numbers provided are an estimate as some individuals participated in groups from a single location which only registers as 1 call-in ID. Further, separate call-in information was provided for Inuktitut and English speakers; however, it was not possible to receive a breakdown of the number of users on each of these lines. As a result, the total number of call ID's is provided in the table.

**Table 16: In-Person Attendance During the August 16, 2022 Community Roundtable**

| Pond Inlet |           |         |
|------------|-----------|---------|
| Morning    | Afternoon | Evening |
| 32         | 31        | 38      |

## APPENDIX D LIST OF COMMITMENTS IN RESPECT OF THE PIP RENEWAL

The following table details all commitments made by Baffinland in regards to the 2022 Production Increase Proposal Renewal (2022 PIPR). Baffinland made several initial commitments in its May 20, 2022 filing of the 2022 PIPR application with the NIRB. Baffinland made additional commitments developed in partnership with the Qikiqtani Inuit Association (QIA) during mediations regarding the 2022 PIPR. Further, Baffinland adopted further commitments in response to community engagement and comments received by interveners on its 2022 PIPR application. Baffinland looks forward to working with all interveners to ensure the full implementation of these commitments support continued operations at 6 mtpa while addressing concerns about the current Project, and foster further collaboration and partnership with all parties involved.

| BIM ID# | Comment ID# | Intervener(s)  | Topic              | Commitment   |
|---------|-------------|--|--------------------|--|
| 001     | N/A         | Included as part of Production Increase Proposal Renewal | Marine Environment | <p>Baffinland will continue to implement the following mitigation measures to reduce or avoid impacts to marine mammals (Relevant species: Ringed Seal, Bearded Seal, Walrus, Beluga, Narwhal, Bowhead Whale, Polar Bear) as a result of shipping:</p> <ul style="list-style-type: none"> <li>• Maintain constant speed and course when possible.</li> <li>• Reduce vessel speed to 9 knots.</li> <li>• Reduce vessel idling.</li> <li>• Additional temporary measures have been introduced for 2021 that shipping will not commence a continuous path of 3/10ths or less ice concentrations between the entrance of Eclipse Sound and Milne Port is present.</li> <li>• No breaking of landfast ice will occur in the spring or fall shoulder season.</li> <li>• When marine mammals appear to be trapped or disturbed by Project vessel movements, the vessel will implement appropriate measures to mitigate disturbance, including stoppage of movement until wildlife move away from the immediate area (as safe navigation allows).</li> <li>• All Project vessels will be provided with standard instructions to operate their vessel in a manner that avoids separating an individual member(s) of a group of marine mammals from other members of the group;</li> <li>• All Project vessels will be provided with standard instructions to not approach within 300 m of a walrus or polar bear observed on sea ice;</li> <li>• Vessels awaiting instructions from the Port Captain to enter the RSA will be instructed to wait in Baffin Bay at least 40 km east of the Nunavut Settlement Area.</li> </ul> |

| BIM ID# | Comment ID# | Intervener(s)  | Topic                   | Commitment  |
|---------|-------------|--|-------------------------|---|
|         |             |  |                         | <p>Baffinland will implement the following additional mitigation measures in 2022 to reduce or avoid impacts to marine mammals (Relevant species: Ringed Seal, Bearded Seal, Walrus, Beluga, Narwhal, Bowhead Whale, Polar Bear) as a result of shipping:</p> <ul style="list-style-type: none"> <li>• No icebreaking to commence the 2022 shipping season. Vessels will not begin their transit to Milne Port until 3/10ths or less ice is present along the entire shipping route through the Nunavut Settlement Area (NSA).</li> <li>• No more than 80 ore carriers will be chartered during the 2022 season to transport 6mtpa. This is 6 ore carriers less than the maximum anticipated and approved in the previous Production Increase Proposal and Extension Request.</li> <li>• Use of convoys throughout the 2022 season to further reduce total sound exposure. Acoustic monitoring data indicates that if ore carriers transit in convoys with inter-vessel separation less than 10 km, there is an overall reduction of the total sound exposure in the Regional Study Area compared to multiple individual transits of an equivalent number of vessels. Slight increases of instantaneous sound levels in the regions between the vessels are compensated for by shorter exposure duration, resulting in a net decrease of noise exposure. Baffinland proposes to target a 15% reduction in overall independent one way transits by implementing convoys, which effectively combines individual transits into single 'effective transits'.</li> </ul> |
| 002     | N/A         | Included as part of Production Increase Proposal Renewal | Terrestrial Environment | <p>Baffinland will continue to implement the following mitigation measures to reduce or avoid impacts to terrestrial wildlife (Relevant species: Caribou, Wolf) as a result of operations (Mine site, Tote Road, and Milne Port):</p> <ul style="list-style-type: none"> <li>• Mitigation measures that will reduce the likelihood of reduced habitat effectiveness for caribou include: <ul style="list-style-type: none"> <li>○ Sensory disturbances will be limited where possible throughout the year. This can include a quarry blasting program that can restrict blasting when migrating caribou and other wildlife may be negatively affected.</li> <li>○ Active caribou calving sites (as identified by observations from area hunters, Project biologists or observed by aircraft pilots) will be avoided between May 15 and July 15.</li> </ul> </li> </ul>  |

| BIM ID# | Comment ID# | Intervener(s) | Topic | Commitment  |
|---------|-------------|---------------|-------|---|
|         |             |               |       | <p>Where possible, there will be no increase in construction or operational activity within 3 km of the calving sites during this period.</p> <ul style="list-style-type: none"> <li>○ In the Cockburn Lake Area (identified during baseline studies as having the highest occurrence of caribou calving sites), all non-essential activities will cease between May 15 and July 15 (e.g., construction activities will be planned to avoid this area during the calving season).</li> <li>○ If any females (one or more) are observed within 3 km of a planned Project activity such as drilling or road construction from May 15 through July 15, then the activity location will be moved or the activity deferred as appropriate and, if possible, until a later date when caribou are not present.</li> <li>○ Should a female caribou or a female with a calf or calves approach within 3 km of Project activities (between May 15 and July 15), the animals will be observed on the ground. If it is obvious that they are being disturbed, the activity will cease until they have moved away by at least 3 km.</li> <li>○ If caribou approach a Project activity site before work commences, the animals will be observed on the ground, and if it is obvious that they are being disturbed (e.g., hesitating to cross work site, running in the opposite direction, visibly agitated), work will not commence until they have moved on. If caribou approach a Project site while work is in progress, caribou will be observed for signs of disturbance. If the caribou are disturbed, the activity will be modified or cease until the caribou have moved away or they are guided away from the worksite.</li> <li>○ At such a time when caribou begin to be encountered regularly along the Tote Road, a wildlife monitor will be present on-site during the calving season to detect calving activities near the Tote Road, monitor cow/calf behaviour in relation to traffic, designate a temporary no-stopping zone, guide traffic, and document measures taken to reduce sensory disturbance to calving caribou.</li> </ul> <ul style="list-style-type: none"> <li>• Mitigation measures that will reduce the likelihood of the Project being a barrier to caribou movement include: <ul style="list-style-type: none"> <li>○ Snow management activities will, throughout the winter season, maintain a snowbank height less than 1 m with smooth tops along the Tote Road.</li> </ul> </li> </ul> |



| BIM ID# | Comment ID# | Intervener(s) | Topic | Commitment   |
|---------|-------------|---------------|-------|--|
|         |             |               |       | <ul style="list-style-type: none"> <li>○ Identified trail crossings along the Tote Road where the physical structure might be a barrier to caribou movement will be constructed of finer fill material to replicate natural trail conditions, preventing leg entrapment, and gentler gradients to reduce the visual barrier of the embankments. Any additional (i.e., beyond those already identified) trail crossings identified during construction or operation will also be modified with gentler slopes and finer fill if caribou deflections are detected. In the context of caribou movement monitoring, deflection is defined as "caribou that fail to cross the Tote Road after approaching it."</li> <li>○ Wildlife signage could be posted at trail crossings along the Tote Road. Operators will be made aware of the crossing areas along the Tote Road, and daily observations will be reported so operators are aware of a potential presence at crossing sites and other areas.</li> <li>○ Based on IQ knowledge provided by hunters and elders and/or site-staff observations, if migratory caribou start to move through the RSA, then the leading caribou will be allowed to cross over the Tote Road undisturbed so that others will follow.</li> <li>○ Truck drivers will be provided with wildlife awareness training, including known crossing locations. Drivers will operate in accordance with the Caribou Decision Framework – Tote Road (Figure 3.2).</li> <li>○ All site personnel entering and exiting the Tote Road will notify site dispatch and/or security. Notifications to road users will include mandatory wildlife reporting.</li> <li>• Mitigation measures implemented to reduce the likelihood of the Project increasing caribou mortality risk include: <ul style="list-style-type: none"> <li>○ Wildlife right-of-way policy on Project roads</li> <li>○ All site personnel entering and exiting the Tote Road will notify site dispatch and/or security. Notifications to road users will include mandatory wildlife reporting.</li> <li>○ Reporting and documentation of all mortalities and near misses is mandatory, and follow-up investigations will be conducted for all mortality events.</li> <li>○ When caribou are observed on roads a "caribou advisory" will be issued through the site radio network to alert operators and drivers that caribou are in the area and to</li> </ul> </li> </ul> |

| BIM ID# | Comment ID# | Intervener(s)  | Topic                   | Commitment   |
|---------|-------------|--|-------------------------|--|
|         |             |  |                         | <p>maintain extra vigilance while driving in accordance with Baffinland's Caribou Decision Frameworks.</p> <ul style="list-style-type: none"> <li>○ Speed limits along Project roads are set at a maximum of 55 km/hr, in combination with the Caribou Decision Framework – Tote Road (Figure 3.2). Slow speeds and vehicle operator response to animal presence will allow caribou time to get off the road and will increase the chance of a truck being able to stop before colliding with a caribou.</li> <li>○ Any carcasses will be removed from transportation corridors to discourage further collisions (e.g., scavengers).</li> <li>○ A no-hunting policy for Project personnel will be implemented (notwithstanding the accommodation provided for traditional Inuit activities [Human Resource Management Plan SD-SEMP-003]). All site personnel are prohibited from transporting firearms to site.</li> <li>○ Whenever practical and not causing a human safety issue, a stop work order will be used when wildlife in the area may become endangered (i.e., risk of physical injury or death) by the work being undertaken.</li> </ul> |
| 003     | N/A         | <p>Included as part of Production Increase Proposal Renewal</p> <p>Also relevant to comments from Hamlet of Igloolik and Igloolik Hunters and Trappers Association</p> | Terrestrial Environment | Baffinland will conduct aerial caribou surveys in Fall 2022 or 2023.   |



| BIM ID# | Comment ID# | Intervener(s)  | Topic | Commitment   |
|---------|-------------|--|-------|--|
| 004     | N/A         | Included as part of Production Increase Proposal Renewal | Dust  | <p>Baffinland will continue to implement the following mitigation measures to reduce or avoid impacts to marine mammals, terrestrial wildlife, fish and fish habitat, water quality, air quality, etc. as a result of operations (Mine Site, Tote Road, Milne Port):</p> <ul style="list-style-type: none"> <li>Specific actions that have been implemented, or could be further implemented by Baffinland for dust management at Milne Port have included: <ul style="list-style-type: none"> <li>redesigning the ore pads to position fines in the centre and lump ore around the margins</li> <li>proper positioning of the conveyors to minimize ore drop distances when stockpiling</li> <li>installation of rubber bellows at the end of each stacker to minimize dispersion of dust generated during the fall</li> <li>installation of chutes on the shiploader to prevent windblown dust during loading operations</li> <li>installation of shrouding at the discharge end of the ore stackers to reduce the effect of windblown dust during stacking activities</li> <li>installation of downwind fencing</li> <li>removal of dust impacted snow at strategic locations at the project.</li> <li>application of a specialized crusting agent (DusTreat®) to the ore stockpile to reduce wind erosion and mobilization of fine iron ore particles.</li> </ul> </li> <li>Specific actions that have been implemented, or could be further implemented by Baffinland for dust management for vehicle traffic include: <ul style="list-style-type: none"> <li>regulating speed limits</li> <li>utilizing water and dust suppressants during snow free months.</li> <li>Application of new dust suppression products with increased durability and longevity for site infrastructure and approved for use in Nunavut on unpaved roads (DustBlok®)</li> </ul> </li> <li>Specific actions that have been implemented, or could be further implemented by Baffinland for dust management at the crushing facility include: <ul style="list-style-type: none"> <li>Installation of shrouding and other engineered controls on conveyors and the ship loader</li> <li>Moving and enclosing secondary crushing facilities to Milne Port. This will additionally increase the size of ore being transported.</li> <li>Use of de-dusting equipment (e.g. baghouses) in the indoor crushing and screening facilities to reduce fugitive emissions of dust and particulate matter</li> </ul> </li> </ul> |

| BIM ID# | Comment ID#    | Intervener(s)   | Topic                      | Commitment  |
|---------|----------------|---|----------------------------|---|
|         |                |   |                            | <ul style="list-style-type: none"> <li>Minimizing drop distances (i.e., using adjustable stackers) for stockpiling activities.</li> </ul> <p>Baffinland will implement the following additional mitigation measures in 2022 to reduce or avoid impacts to marine mammals (Relevant species: Ringed Seal, Bearded Seal, Walrus, Beluga, Narwhal, Bowhead Whale, Polar Bear) as a result of shipping:</p> <ul style="list-style-type: none"> <li>Baffinland will consider the proactive implementation of recommendations contained in the Interim Dust Audit Report, expected for release following the completion of the Dust Audit Committee Site Visit (June 8-15). Preliminary recommendations have been shared with Baffinland as follows: <ul style="list-style-type: none"> <li>Strategic evaluation and installation of wind fencing</li> <li>Application of additional dust suppressants (DustBlok, DusTreat) to the airstrip and other stockpiles</li> <li>Revisions to blasting management plans and practices</li> <li>Continuous dust monitoring at PDA boundaries</li> <li>Ongoing involvement of Inuit in dust management</li> <li>Other operational practice improvements</li> </ul> </li> </ul> |
| 005     | Igloolik HTA-1 | Hamlet of Igloolik<br><br>Igloolik Hunters and Trappers Association | Future Development         | Baffinland will work with the Hamlets and HTOs of Igloolik and Sanijarak to carry out additional baseline studies for marine, terrestrial, and avian wildlife related to Steensby. This could begin as early as 2023.   |
| 006     | Igloolik HTA-1 | Hamlet of Igloolik<br><br>Igloolik HTA                              | Socio-economic Environment | If approval is granted for 6 mtpa for 2022, Baffinland commits to not lay off any Inuit employees during this production year (excepting employment matters that could give cause for termination on an individual basis, should they arise). We also confirm future applications will give due consideration to the need for adequate time for procedural matters.   |

| BIM ID# | Comment ID#    | Intervener(s)  | Topic                      | Commitment   |
|---------|----------------|--|----------------------------|--|
| 007     | Igloolik HTA-1 | Hamlet of Igloolik<br>Igloolik HTA   | Dust                       | Baffinland confirms that it is committed to full consideration of the dust audit suggestions, and will implement accepted recommendations from the Independent Dust Audit at its earliest opportunity.   |
| 008     | Igloolik HTA-1 | Hamlet of Igloolik<br>Igloolik HTA   | Socio-economic Environment | Baffinland will engage with Igloolik to develop community infrastructure commitments – including significant infrastructure projects such as road paving and women and youth centers – with an aim to realize benefits to Igloolik: <ul style="list-style-type: none"> <li>• businesses;</li> <li>• women;</li> <li>• youth; and</li> <li>• hunters.</li> </ul>  |
| 012     | QIA Term 1     | QIA  | Socio-economic Environment | Baffinland will process a \$1,000,000 outstanding payment to QIA consistent with its approach to payments to all vendors, which is contingent on available cash flow. Baffinland's cash flow will be greatly improved with the stability of an approval to continue transporting 6 mtpa in 2022.   |
| 013     | QIA Term 3     | QIA  | Socio-economic Environment | Baffinland will process a \$1,700,000 outstanding payment to QIA for engineering and planning costs associated with the Pond Inlet Regional Training Centre consistent with its approach to payments to all vendors, which is contingent on available cash flow. Baffinland's cash flow will be greatly improved with the stability of an approval to continue transporting 6 mtpa in 2022.  |
| 014     | QIA Term 4     | QIA  | Socio-economic Environment | Baffinland will commence payments towards the \$10,000,000 commitment for the Pond Inlet Training Centre consistent with its approach to payments to all vendors, which is contingent on available cash flow. Baffinland's cash flow will be greatly improved with the stability of an approval to continue transporting 6 mtpa in 2022.   |
| 015     | QIA Term 5     | Included as part of Production Increase Proposal Renewal<br><br>Revised to reflect | Marine and Terrestrial     | After consulting with existing members of the Marine Environment Working Group (MEWG) and Terrestrial Environment Working Group (TEWG) and receiving approval from the same, Baffinland commits to the following amendments to the terms of reference for the MEWG and TEWG: <ul style="list-style-type: none"> <li>• an independent chair or co-chairs for each of the MEWG and TEWG;</li> <li>• decision-making processes to provide that decision-making must occur on a consensus basis between all working group members parties;</li> <li>• a commitment that working group decisions will be recognized as enforceable recommendations, with provision that Baffinland may request not to enforce the recommendation at which point the matter shall go to the Project Monitor for resolution;</li> </ul> |

| BIM ID# | Comment ID# | Intervener(s)  | Topic                           | Commitment  |
|---------|-------------|--|---------------------------------|---|
|         |             | recommendation from QIA  |                                 | <ul style="list-style-type: none"> <li>• Involvement of 1 representative from the remaining four HTOs at Baffinland's cost, should they elect to participate; and</li> <li>• Mechanisms to ensure meeting materials and records of decisions are public.</li> </ul>   |
| 016     | QIA Term 6  | Included as part of Production Increase Proposal Renewal<br><br>Revised to reflect recommendation from QIA | Compliance                      | <p>That QIA and Baffinland request that Canada support the appointment of an independent compliance Project Monitor, based on recommended or agreed nominees from QIA and BIM, to:</p> <ul style="list-style-type: none"> <li>• oversee the implementation of Project commitments;</li> <li>• ensure that the interests of impacted Inuit communities are substantially addressed in adaptive management development and implementation and benefit delivery;</li> <li>• provide a bi-annual (twice yearly) report on the assessment about success of both parties in reaching benchmarks; and</li> <li>• assist in resolution of dispute between the Parties regarding adaptive management and benefit delivery including resolution of dispute over recommendations from the Working Groups.</li> </ul> |
| 017     | QIA Term 7  | QIA  | Environmental Management and IQ | <p>That QIA and Baffinland jointly develop and approve, by April 2024, the adaptive management elements for monitoring programs and Inuit OITRs for the AMP related to narwhal, seal, Arctic char, caribou, dust and culture, resource and land use.</p> <p>Baffinland agrees in principle to the proposed commitment but notes that it extends beyond the temporal scope of the current proposal. Baffinland will include considerations for this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.</p> <p>Baffinland also notes it would regard April 2024 as an outside deadline, and would work to have interim and final management elements and OITRs in place as soon as they are available.</p>  |
| 018     | QIA Term 8  | QIA  | Environmental Management and IQ | <p>That Baffinland support and fund the establishment and first year (from September 15, 2022 – March 31st, 2023) of the Inuit Stewardship Plan. QIA and Baffinland should be required to work together to evaluate the success of the Inuit Stewardship Plan in addressing Inuit concerns after that period. QIA agrees to consider payments received by Baffinland for ICA implementation received to date as partial payment towards this commitment early revenue according to a payment reconciliation completed by the Parties not later than September 15, 2022. Baffinland commits to provide additional funds as agreed between Parties following the development of a budget and workplan by not later than September 15, 2022.</p>   |



| BIM ID# | Comment ID# | Intervener(s) | Topic                           | Commitment  |
|---------|-------------|---------------|---------------------------------|---|
|         |             |               |                                 | Baffinland agrees in principle to the proposed commitment but notes that it extends beyond the temporal scope of the current proposal. Baffinland will include considerations for this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.   |
| 019     | QIA Term 9  | QIA           | Environmental Management and IQ | <p>QIA and Baffinland agree that the AMP commitments above require completion of a Culture, Resources and Land Use Assessment (which will be inclusive of a cumulative impact assessment and a freshwater study), the Pond Inlet Country Food Baseline, and the development of the Inuit Stewardship Plan and Baffinland agrees to resource this work according to work plans and budgets prepared on a bi-annual (twice yearly) basis. Recognizing work to collect IQ on these topics has already been completed by QIA and is currently subject to verification, QIA commits to provide Baffinland with its timeline for sharing the information it has gathered to date, and a memo to confirm the scope of remaining work on these topics, on or before September 15, 2022.</p> <p>Baffinland notes that this commitment extends beyond the temporal scope of the current proposal. Baffinland will include considerations of this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.</p> |
| 020     | QIA Term 10 | QIA           | Future Development              | Baffinland will comply with the requirements of the Nunavut Planning and Project Assessment Act with respect to any proposed expansions to or amendments of the Project. In doing so Baffinland will address any uncertainty regarding the accuracy of original effects assessments and the current status of any adaptive management plans.  |
| 021     | QIA Term 11 | QIA           | Environmental Management and IQ | Baffinland will provide, by December 31, 2022, a timeline and plan for development of the monitoring and AMP plans committed to in this Table.  |
| 022     | QIA Term 12 | QIA           | Environmental Management and IQ | <p>Baffinland will provide data on which indicators within the draft adaptive management plans have been triggered within the low, medium, and high response levels.</p> <p>Baffinland accepts this commitment but confirms the evaluation will be delivered through the joint Adaptive Management Plan Working Group to assist in the finalization of key management plans identified in Term 7.</p> <p>See full response to QIA-10.</p>   |

| BIM ID# | Comment ID# | Intervener(s) | Topic                           | Commitment  |
|---------|-------------|---------------|---------------------------------|---|
| 023     | QIA Term 13 | QIA           | Environmental Management and IQ | <p>Within 18 months of receipt of approvals for the 2022 PIP, Baffinland provide to the NIRB a copy of both: The ongoing Pond Inlet Country Food Baseline Study; and A CRLU Assessment that has been verified by QIA and the Project-affected communities; and That these documents must be provided along with an Action Plan for monitoring, mitigation and accommodation of impacts on CRLU, including Inuit food security, with evidence that this has been subject to consultation and verification with QIA and the Project-affected communities.</p> <p>Baffinland notes that this commitment extends beyond the temporal scope of the current proposal. Baffinland will include considerations of this commitment in any subsequent applications that would extend 6 mpta operations beyond 2022.</p> <p>See full response to QIA-05.</p>   |
| 024     | QIA Term 14 | QIA           | Shipping                        | <p>Baffinland commits that all shipping and icebreaking within the Northern Shipping Corridor cease by October 31, 2022 and Baffinland continue to commit to no breaking of landfast ice through the Northern Shipping Corridor.</p>  |
| 025     | QIA Term 15 | QIA           | Shipping                        | <p>Baffinland will provide scenario planning exercises to better quantify the costs/benefits of ship convoys. To conduct a study to see assess the simple seasonal average observer data from Bruce Head and the Leg 2 surveys correlates with the photo estimates for all the years to assess whether these metrics could provide an EWI for the year's results that would be applied in future to increase or decrease shipping at the end of summer. To resource Inuit-led monitoring, updated EWIs, Inuit OITRs, etc. To conduct a sampling program to assess cortisol levels in narwhal and morphometric measurements. This would be a systematic program working with harvesters to gather samples, and observations on what they are experiencing and comparing to previous years.</p> <p>Baffinland notes that this commitment extends beyond the temporal scope of the current proposal. Baffinland will include considerations of this commitment in any subsequent applications that would extend 6 mpta operations beyond 2022.</p> <p>See full response to QIA-02.</p> |
| 026     | QIA Term 16 | QIA           | Marine Environment              | <p>Baffinland and QIA will develop, by September 30, 2022, specific technical plans for 2022 for Early Warning Indicators for narwhal.</p>  |

| BIM ID# | Comment ID# | Intervener(s) | Topic                           | Commitment  |
|---------|-------------|---------------|---------------------------------|---|
| 027     | QIA Term 17 | QIA           | Environmental Management and IQ | <p>That Project Certificate Terms and Conditions be amended to require that Baffinland immediately establish an Inuit-led monitoring program on dustfall as a pilot program to establish the mechanisms needed to allow Inuit observations to influence mitigation measures and test appropriate AMP structures, which are demonstrably responsive to Inuit OITRs, with the budget and work plan agreed upon by Baffinland and QIA prior to commencement.</p> <p>Baffinland notes that this commitment extends beyond the temporal scope of the current proposal. Baffinland will include considerations of this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.</p>   |
| 028     | QIA Term 18 | QIA           | Dust                            | Baffinland commits to identifying high risk days for dust dispersion, based on weather. Baffinland will develop weather-specific measures after further review of the QIA's 2021 Dust Investigation Report, the forthcoming 2022 Dust Audit Report, and subsequent discussions with the TEWG.   |
| 029     | QIA Term 19 | QIA           | Dust                            | <p>Refinement of the application rates in accordance with manufacturer's instructions are a more reliable solution to improved dust suppression performance, and Baffinland is willing to make this commitment in relation to the 2022 6 mtpa application.</p> <p>See full response to QIA-07.</p>  |
| 030     | QIA Term 20 | QIA           | Dust                            | <p>Baffinland will minimize drop distances (i.e., using adjustable stackers) for stockpiling activities.</p> <p>Baffinland will further define the drop distances used and provide evidence in subsequent annual reports that they have been applied.</p> <p>Baffinland will provide an evaluation of where wind fencing would limit dust migrating from the ore stockpiles at Milne Port (and at the Mary River site), and construct them within 60 days of the first sealift/resupply ship arriving at Milne Port in 2023 in order to permit the materials to be shipped.</p> <p>Baffinland will define what other operational practice improvements will be made to minimize dust from Milne Port, and clarify how those measures will be implemented. Where Baffinland agrees to install additional equipment and infrastructure, Baffinland will provide a reasonable work plan, inclusive of a timeline to complete the work.</p> |

| BIM ID# | Comment ID# | Intervener(s) | Topic                   | Commitment  |
|---------|-------------|---------------|-------------------------|---|
|         |             |               |                         | <p>Baffinland notes that this commitment extends beyond the temporal scope of the current proposal. Baffinland will include considerations of this commitment in any subsequent applications that would extend 6 mpta operations beyond 2022.</p> <p>See full response to QIA-08.</p>   |
| 031     | QIA Term 21 | QIA           | Dust                    | <p>Before Baffinland commits to any additional dust management measures, a practical approach would be to hold a dedicated Terrestrial Environment Working Group (TEWG) meeting once all the reports are released and Members have had an opportunity to review all the recommendations and their supporting rationale. This would include Baffinlands commissioned Dust Audit Report and QIA's 2021 Dust Investigation Report. The objective of the meeting would be to reconcile any differences and consolidate a final list of feasible recommendations. We can also use the strength of a newly implemented Terms of Reference for the TEWG that provides for all 5 HTO members to participate, an independent Chair to manage the meeting, and a consensus based decision making process.</p> <p>See full response to QIA-09.</p> |
| 032     | QIA Term 22 | QIA           | Dust                    | <p>Before Baffinland commits to any additional dust management measures, a practical approach would be to hold a dedicated Terrestrial Environment Working Group (TEWG) meeting once all the reports are released and Members have had an opportunity to review all the recommendations and their supporting rationale. This would include Baffinlands commissioned Dust Audit Report and QIA's 2021 Dust Investigation Report. The objective of the meeting would be to reconcile any differences and consolidate a final list of feasible recommendations. We can also use the strength of a newly implemented Terms of Reference for the TEWG that provides for all 5 HTO members to participate, an independent Chair to manage the meeting, and a consensus based decision making process.</p> <p>See full response to QIA-03.</p> |
| 033     | QIA Term 23 | QIA           | Terrestrial Environment | <p>Baffinland agrees that Inuit Qaujimagatuqangit (IQ) must inform any initiative to re-estimate the Project's Zone of Influence, however, we are uncomfortable with a commitment obligating other parties to perform studies with indeterminate scopes and without any indication that this proposed study has the support of the involved communities. Baffinland is also concerned with the QIA's ability to complete the proposed work in the proposed timeline in addition to the other important initiatives QIA and Baffinland have agreed to carry forward, including the development of the Inuit Stewardship Plan and the completion of a CRLU Assessment and the Pond Inlet Country Food</p>   |



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| BIM ID# | Comment ID# | Intervener(s) | Topic                  | Commitment   |
|---------|-------------|---------------|------------------------|--|
|         |             |               |                        | <p>Baseline Report. These are significant undertakings that must be prioritized by the QIA with meaningful engagement from communities to ensure their completion.</p> <p>Baffinland will reconsider the proposal by the QIA as a Member of the Terrestrial Environment Working Group at a later date.</p> <p>See full response to QIA-04.</p>   |
| 034     | QIA Term 24 | QIA           | Freshwater Environment | <p>Baffinland is already complying with recommendation 2 from the 2018 NIRB Monitoring Report, and the Aquatic Effect Monitoring Plan (AEMP) and Core Receiving Environment Monitoring Plan (CREMP) and Tote Road Monitoring Program (TRMP) adequately monitors Project related aquatic effects, and that through the long-term monitoring sites that assess Project impacts on the water quality, sediment deposition, and biota in the most impacted lake is sufficient to determine if and when modifications are required at other Project locations, including along the Tote Road and Phillips Creek.</p> <p>Baffinland has committed that any exceedance of the 0.54 mm moderate risk level will trigger additional study to validate the thresholds relative to impacts on arctic char eggs. A low risk threshold of 0.15 mm will also be applied that will trigger corresponding low risk response actions.</p> <p>See full response to QIA-01.</p> |
| 035     | QIA Term 25 | QIA           | Inuit Travel           | <p>That the Project Certificate be amended to require Baffinland to develop and maintain a safe travel route around/across km 13 of the Tote Road, to be finalized upon the MHTO providing GPS coordinates of the desired route. This route will be maintained for life of project or until a time when the MHTO determines it must be modified to meet its intended purpose.</p>  |
| 036     | QIA Term 26 | QIA           | Inuit Agreements       | <p>Baffinland and QIA will undertake to, no later than January 31, 2023, Amend the IIBA (2018) to include Inuit Certainty Agreement Schedule "C".</p> <p>In order to address ongoing concerns regarding difficulties Inuit are experiencing in accessing wildlife compensation funding, Baffinland and QIA will work together to review and address the working and efficacy of the administration of the Wildlife Compensation Fund. The Parties will implement changes to the protocol, including claims procedure and substantive criteria, all intended to improve Inuit access to the Wildlife Compensation Fund.</p>   |

| BIM ID# | Comment ID# | Intervener(s)          | Topic                           | Commitment   |
|---------|-------------|------------------------|---------------------------------|--|
| 037     | QIA Term 27 | QIA                    | Inuit Agreements                | Baffinland commits to a process to amend the IIBA required to implement changes to Project management, AMP, benefits, and oversight.   |
| 038     | QIA Term 29 | QIA                    | Inuit Agreements                | Baffinland accepts QIA's proposal on measureable objectives pertaining the June 2020 ICA commitments which provides objectives for measuring IIBA implementation performance.  |
| 039     | NTI-02      | Nunavut Tunngavik Inc. | Environmental Management and IQ | Baffinland commits to incorporating IQ and scientific knowledge in monitoring.   |
| 040     | GN-1        | Government of Nunavut  | Terrestrial Environment         | <p>Baffinland commits to continue to work towards the completion of a caribou research agreement and data sharing agreement in support of regional caribou monitoring initiatives for the current project.</p> <p>Baffinland commits to including an agenda item on the next TEWG meeting agenda as a placeholder for the GN to provide their clarifications on items requested in GN-1 and for Baffinland to respond. Baffinland will provide the NIRB a record of meeting minutes and resolution on this agenda item in the 2022 NIRB annual monitoring report.</p>  |
| 041     | CIRNAC-1    | CIRNAC                 | Environmental Management and IQ | Baffinland confirms that management plan implementation will continue in accordance with previously committed timelines in order to appropriately continue to prevent, mitigate, and monitor potential Project-related impacts to surrounding ecosystem and socio-economic environments.   |
| 042     | DFO-01      | DFO                    | Marine Environment              | Baffinland confirms its commitment to continue with existing marine mammal monitoring programs and to continue to progress its approach towards adaptive management.   |
| 043     | DFO-01      | DFO                    | Marine Environment              | Baffinland proposes to hold a special meeting of the MEWG to identify, evaluate, and select additional adaptive management indicators, thresholds, and responses to integrate into a final MMP to apply should there be a 2023 shipping season and beyond. To prepare for this meeting, Baffinland requests that any Member proposals on adaptive management indicators and thresholds (EWIs) provide detailed written recommendations, including available baseline data, sampling methodology to ensure statistical power in comparing yearly collected data to baseline data, and proposed thresholds for identifying change. |

| BIM ID# | Comment ID# | Intervener(s) | Topic              | Commitment   |
|---------|-------------|---------------|--------------------|--|
| 044     | DFO-02      | DFO           | Marine Environment | <p>Baffinland will continue to work with DFO and other qualified external experts regarding Marenzelleria specimens recorded in the Project area, and specifically on the identification of Marenzelleria wireni and Marenzelleria arctica, to determine source of origin.</p> <p>Baffinland proposes that it continue to conduct genetic barcoding on aquatic samples and DFO conduct population genetic analysis as a complementary monitoring measure to Baffinland's ongoing genetic barcoding on aquatic samples.</p>   |
| 045     | DFO-03      | DFO           | Marine Environment | <p>Baffinland confirms that a stationary, autonomous acoustic monitoring station will be deployed in Milne Inlet in 2022 at a water depth of approximately 275 m to monitor sounds from vessels (including vessel convoys), to detect and characterize marine mammal vocalizations and vocal behaviour in the study area, and to characterize the overall soundscape. The recorder will be deployed along the nominal shipping route southeast of Bruce Head and will be equipped with four hydrophones in an array configuration, to allow for localization of narwhal calls.</p> |

## APPENDIX E DISPOSITION OF QIA COMMITMENT LIST

| QIA Term ID | Recommendation   | Baffinland Response     | Notes   |
|-------------|--|-------------------------|---|
| 1           | That Baffinland pay \$1,000,000 (2020 Dollars) outstanding to MHTO within 5 days of the NIRB Report on the 2022 PIP Proposal and before a Minister's decision on the 2022 PIP Proposal (this amount was due within 5 days of the close of the Phase 2 Public Hearing but remains unpaid, and is relevant to an assessment of whether section 35 accommodation requirements are met). | Accepted with revisions | Baffinland will process the payment consistent with its approach to payments to all vendors at this point in time, which is contingent on available cash flow. Baffinland's cash flow will be greatly improved with the stability of an approval to continue transporting 6 mtpa in 2022.   |
| 2           | That Baffinland pay \$1,000,000 to MHTO for 2022, to offset 2022 impacts on harvesting, within 5 days of a positive NIRB determination recommending approval of the 2022 PIP Proposal.   | Not accepted            | <p>Baffinland cannot accept QIA's proposal an additional payment of \$1,000,000 to the MHTO for the following reasons:</p> <ol style="list-style-type: none"> <li>There is no indication that impacts to harvesting have occurred in 2022 and the year is not yet complete <ol style="list-style-type: none"> <li>QIA and MHTO have not provided any evidence that impacts requiring compensation have occurred in 2022.</li> <li>Our understanding from conversation with community members and social media posts is that Pond Inlet Inuit have continued to have hunting success in 2022. We are aware of evidence of successful narwhal harvesting, and we are aware that Pond Inlet hunters have already exceeded their quota for caribou allocated for 2022..</li> <li>The MHTO continues to claim that operations have already resulted in significant impacts to harvesting rights and to key wildlife species, however, no detailed information supporting these claims have been provided to Baffinland or to NIRB.</li> <li>MHTO has not addressed the evidence of successful harvesting of narwhal and caribou presented in Section D of the Production Increase Proposal Renewal Application Supplement, submitted by Baffinland on June 15, 2022. Without further information provided by the MHTO, it is not possible to reconcile how significant impacts to harvesting are occurring when the overall numbers indicate that harvesters from Pond Inlet filled their 2021 summer narwhal quota and exceeded their 2021/2022 caribou quota.</li> <li>HTOs did not indicate any concern about narwhal populations in the North Baffin region (or in Eclipse Sound specifically) in their submissions via the Qikiqtaaluk Wildlife Board in their submissions to the Nunavut Wildlife Board, provided to NIRB via our letter of May 10, 2022 advocating for only one narwhal management unit in the North East Baffin Region (NEBI), with the ability to share tags amongst communities and to carry forward unused tags.</li> <li>Based on IQ shared with the NWMB, narwhal move freely throughout NEBI. Distributions and abundances change across NEBI waters between years, showing that individual narwhal do not always return to the same specific areas within NEBI waters every year. There is also evidence of varying populations in Eclipse Sound occurring from year to year based on DFO surveys that were carried out prior to Baffinland commencing operations.</li> </ol> </li> <li>The Mary River Inuit Impact Benefit Agreement was amended in 2018 to include conditions that provide additional compensation in support of the original Production Increase Proposal. The added Articles will apply to a 6 mtpa operation in 2022, should it be approved, and include: <ol style="list-style-type: none"> <li>17.7 Harvesters Enabling Program, this has provided \$1.68 million in benefits to date</li> <li>17.8 Wildlife Monitoring Program, this has only funded one proposal to date in 2019 for \$205,000; Baffinland remains open to considering a proposal for 2022</li> <li>17.9 Marine research Equipment, Pond Inlet will receive a marine research vessel once deliveries can be made in 2023</li> <li>Although not included in the Mary River IIBA, the Tasluqtiit Working Group will receive \$10,000 for every ore carrier required to carry more than 4.2Mt to market in 2022; this fund has received \$730,000 to date</li> </ol> </li> <li>There are already mechanisms in the Mary River Inuit Impact Benefit Agreement to address unanticipated effects and wildlife compensation, which include: <ol style="list-style-type: none"> <li>Articles 15.6 of the Mary River Inuit Impact Benefit Agreement provides a mechanism to address different or greater significance of foreseen impacts through the Joint Executive Committee, and if required, mediation and arbitration (Article 21)</li> </ol> </li> </ol> |

| QIA Term ID | Recommendation   | Baffinland Response     | Notes   |
|-------------|--|-------------------------|---|
|             |  |                         | <p>b. The MHTO can apply to the existing Wildlife Compensation Fund and should their claim meet established criteria payments can be made accordingly, with Baffinland obliged to top up the fund when it is within \$50,000 of being exhausted. The QIA has not approached Baffinland to indicate that the Fund has been depleted to this extent.</p> <p>4. Baffinland has agreed to terms in QIA's proposed Commitment List that create additional avenues to identify and resolve issues relating to harvesting, which include:</p> <p>a. Agreement to QIA's proposed commitment to review and implement changes to the Wildlife Compensation Agreement (Term 26). It is noted that QIA is the administrator of this program: <a href="https://www.qia.ca/programs/mary-river-wildlife-compensation-fund/">https://www.qia.ca/programs/mary-river-wildlife-compensation-fund/</a>. See also current guidelines: <a href="https://www.qia.ca/wp-content/uploads/2017/05/Mary-River-Wildlife-Compensation-Fund-Guidelines-for-applications-English.pdf">https://www.qia.ca/wp-content/uploads/2017/05/Mary-River-Wildlife-Compensation-Fund-Guidelines-for-applications-English.pdf</a> and QIA's current application forms: <a href="https://www.qia.ca/wp-content/uploads/2017/05/Mary-River-Wildlife-Compensation-Fund-Claim-Form-English.pdf">https://www.qia.ca/wp-content/uploads/2017/05/Mary-River-Wildlife-Compensation-Fund-Claim-Form-English.pdf</a></p> <p>b. Agreement to QIA's proposed commitment for QIA to complete their work the Pond Inlet Country Food Baseline and Culture, Resource and Land Use Assessment (QIA-09), and for Baffinland and QIA to work together with communities to develop Inuit focused indicators (Term QIA-07) and Inuit led monitoring programs (QIA-08). All of these terms will inform discussions related to harvesting impacts, and if required, additional compensation.</p> |
| 3           | That Baffinland pay outstanding QIA costs in the amount of \$1,700,000 + GST (2021 Dollars) for engineering and planning costs associated with the Pond Inlet Regional Training Centre by November 15, 2022.   | Accepted with revisions | Baffinland will process the payment consistent with its approach to payments to all vendors at this point in time, which is contingent on available cash flow. Baffinland's cash flow will be greatly improved with the stability of an approval to continue transporting 6 mtpa in 2022.   |
| 4           | That Baffinland commence payments towards the \$10,000,000 (2018 Dollars) commitment for the Pond Inlet Training Centre, to be paid as follows: October 15, 2022 - \$1,500,000; November 15, 2022 - \$1,500,000; December 15, 2022 - \$2,000,000; January 15, 2023 - \$1,500,000; February 15, 2023 - \$1,500,000; and March 15, 2023 - \$2,000,000. | Accepted with revisions | Baffinland will process the payment consistent with its approach to payments to all vendors at this point in time, which is contingent on available cash flow. Baffinland's cash flow will be greatly improved with the stability of an approval to continue transporting 6 mtpa in 2022.   |



| QIA Term ID | Recommendation  | Baffinland Response | Notes                               |
|-------------|---|---------------------|-------------------------------------|
| 5           | <p>That the Project Certificate Terms and Conditions be amended to require the following amendments to the terms of reference for the Marine Environment Working Group and Terrestrial Environment Working Group, after consulting with existing members of each working group.</p> <p>That an independent chair be appointed for each of MEWG and TEWG and that this Independent Chair be responsible for scheduling and administering meetings including circulating meeting invitations, agendas and documentation.</p> <p>That the Working Groups' decision-making process be amended to provide that it must occur on a consensus basis between all working group member parties, with all votes and decisions in writing and recorded by the chair.</p> <p>That the WG decisions be recognized as enforceable recommendations, with provision that Baffinland may request not to enforce the recommendation at which point the matter shall go to the Project Monitor for resolution.</p> <p>That Baffinland fund the involvement of the impacted communities' HTOs in the Working Groups, with funding for 2 members from the MHTO in each Working Group and for participation from the remaining four HTOs (including through the possible participation of the Qikiqtani Wildlife Board) should they elect to participate in Working Groups.</p> <p>That Working Group materials and records of decisions become public with the independent chair responsible for keeping and circulating minutes which shall be posted to the Baffinland website all meeting minutes once finalized and provided to Baffinland by the independent chair.</p> | Accepted            | See Commitment # 015 for reference. |

| QIA Term ID | Recommendation  | Baffinland Response     | Notes  |
|-------------|---|-------------------------|--|
| 6           | <p>That the Project Certificate Terms and Conditions be amended to require that Canada appoint an independent compliance monitoring body be appointed by December 31, 2022.</p> <p>That QIA and Baffinland request that Canada support the appointment of an independent compliance monitoring body, based on recommended or agreed nominees from QIA and BIM, to: oversee the implementation of Project commitments; ensure that the interests of impacted Inuit communities are substantially addressed in adaptive management development and implementation and benefit delivery; provide a bi-annual (twice yearly) report on the assessment about success of both parties in reaching benchmarks, with the first assessment due by February 15, 2023 about success in achieving initial commitments related to the 2022 PIP Proposal; and assist in resolution of dispute between the Parties regarding adaptive management and benefit delivery.</p> | Accepted with revisions | <p>Baffinland and QIA have agreed on the concept of a Project Monitor supported by the federal government. We have not previously discussed the concept of an independent compliance monitoring body and is concerned with 1) the expanded scope and complexity of the proposal, and 2) duplication with the environment and socio-economic working groups, including the new expansion of the environmental working groups to include members from all HTOs, as well as any additional groups envisioned under the proposed Inuit Stewardship Plan (of which QIA has asked for a renewed funding commitment from Baffinland and Baffinland has accepted) 3) potential for significant duplication with NIIRB monitoring.</p> <p>As an outcome of its mediation with QIA, at QIA's suggestion Baffinland has committed (See Commitment QIA-06) to support the appointment of a Project Monitor to fulfill specific functions in relation to dispute resolution related to Working Group recommendations and Inuit interests.</p> <p>Baffinland suggests that the federal government, QIA and Baffinland proceed with the Project Monitor proposal, and evaluate the effectiveness of the Project Monitor in combination with the addition of additional participation from all of the impacted HTOs in the environment working group. This evaluation can proceed after the delivery of the Project Monitor second bi-annual report before any modifications are considered.</p> <p>Baffinland proposes the following modified wording of this commitment (See Commitment #XX):</p> <p>"That QIA and Baffinland request that Canada support the appointment of an independent compliance <del>monitoring body</del> <b>Project Monitor</b>, based on recommended or agreed nominees from QIA and BIM, to:</p> <ul style="list-style-type: none"> <li>-oversee the implementation of Project commitments;</li> <li>-ensure that the interests of impacted Inuit communities are substantially addressed in adaptive management development and implementation and benefit delivery;</li> <li>-provide a bi-annual (twice yearly) report on the assessment about success of both parties in reaching benchmarks; and</li> <li>-assist in resolution of dispute between the Parties regarding adaptive management and benefit delivery including <b>resolution of dispute over recommendations from the Working Groups.</b>"</li> </ul> |
| 7           | That QIA and Baffinland jointly develop and approve, by April 2024, the adaptive management elements for monitoring programs and Inuit OITRs for the AMP related to narwhal, seal, Arctic char, caribou, dust and culture, resource and land use.   | Agreed in Principle     | <p>Baffinland agrees in principle to the proposed commitment but notes that it extends beyond the temporal scope of the current proposal. Baffinland will include considerations for this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.</p> <p>Baffinland also notes it would regard April 2024 as an outside deadline, and would work to have interim and final management elements and OITRs in place as soon as they are available.</p>  |
| 8           | That Baffinland support and fund the establishment and first year (from September 15, 2022 – March 31st, 2023) of the Inuit Stewardship Plan. QIA and Baffinland should be required to work together to evaluate the success of the Inuit Stewardship Plan in addressing Inuit concerns after that period. QIA agrees to consider payments received by Baffinland for ICA implementation received to date as partial payment towards this commitment early revenue according to a payment reconciliation completed by the Parties not later than September 15, 2022. Baffinland commits to provide additional funds as agreed between Parties following the development of a budget and workplan by not later than September 15, 2022.  | Agreed in Principle     | <p>Baffinland agrees in principle to the proposed commitment but notes that it extends beyond the temporal scope of the current proposal. Baffinland will include considerations for this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.</p>   |
| 9           | QIA and Baffinland agree that the AMP commitments above require completion of a Culture, Resources and Land Use Assessment (which will be inclusive of a cumulative impact assessment and a freshwater study), the Pond Inlet Country Food Baseline, and the development of the Inuit Stewardship Plan and Baffinland agrees to resource this work according to work plans and budgets prepared on a  | Agreed in Principle     | <p>Baffinland agrees in principle to the proposed commitment but notes that it extends beyond the temporal scope of the current proposal. Baffinland will include considerations for this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.</p>   |

| QIA Term ID | Recommendation  | Baffinland Response     | Notes   |
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|             | bi-annual (twice yearly) basis. Recognizing work to collect IQ on these topics has already been completed by QIA and is currently subject to verification, QIA commits to provide Baffinland with its timeline for sharing the information it has gathered to date, and a memo to confirm the scope of remaining work on these topics, on or before September 15, 2022.   |                         |   |
| 10          | That Baffinland agrees that a further reconsideration is required for any further expansions to or amendments of the Project to address the ongoing uncertainty regarding the accuracy of original effects assessment and the incomplete adaptive management plans and process.   | Accepted with revisions | The need for and scope of any future reconsideration processes is the responsibility of the Nunavut Impact Review Board and Minister, consistent with the Nunavut Planning and Project Assessment Act.<br><br>Baffinland will comply with the requirements of the Nunavut Planning and Project Assessment Act with respect to any proposed expansions to or amendments of the Project. In doing so Baffinland will address any relevant uncertainty regarding the accuracy of original effects assessments and the current status of any adaptive management plans.   |
| 11          | That Baffinland provide, by December 31, 2022, a timeline and plan for development of the monitoring and AMP plans committed to in this Table.  | Accepted                |   |
| 12          | That Baffinland provide data on which indicators within the draft adaptive management plans have been triggered within the low, medium, and high response levels.   | Accepted                | Baffinland accepts the proposed commitment but confirms the evaluation will be delivered through the Joint Adaptive Management Plan Working Group to assist in the finalization of key management plans identified in Term 7.<br><br>See full response to QIA-10.   |
| 13          | That, within 18 months of receipt of approvals for the 2022 PIP, Baffinland provide to the NIRB a copy of both: The ongoing Pond Inlet Country Food Baseline Study; and a CRLU Assessment that has been verified by QIA and the Project-affected communities; and That these documents must be provided along with an Action Plan for monitoring, mitigation and accommodation of impacts on CRLU, including Inuit food security, with evidence that this has been subject to consultation and verification with QIA and the Project-affected communities.  | Agreed in Principle     | Baffinland agrees in principle to the proposed commitment but notes that it extends beyond the temporal scope of the current proposal. Baffinland will include considerations for this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.<br><br>See full response to QIA-03 – we note that preparation of these assessments and studies is the primary responsibility of QIA.  |
| 14          | That the Project Certificate Terms and Conditions be amended to specifically require that all shipping and icebreaking for the Project cease by October 31, 2022, and icebreaking must not occur when ice is greater than 3/10 coverage, unless otherwise supported in writing by MHTO and QIA.   | Accepted with revisions | Revised commitment language: That all shipping and icebreaking within the Northern Shipping Corridor cease by October 31, 2022 and Baffinland continue to commit to no breaking of landfast ice through the Northern Shipping Corridor.<br><br>Rationale - Baffinland cannot commit to not breaking ice above 3/10 coverage in the Fall. Based on historical ice data from 1997 to 2020, the average date 3/10 coverage occurs in Eclipse Sound and Milne Inlet is Oct 10, and it's occurred as early as September 27. Icebreaking in the Fall is not carried out in the same way as it is in the Spring. In the Spring, vessels are required to navigate thick first year ice that is steadily decaying in concentration and thickness over a predictable amount of time. In the Fall, freeze-up occurs rapidly in terms of concentration, but slowly in terms of thickness, and the timing is highly variable. In the Fall icebreakers are not required to assist vessels in the navigation of thin new ice, and typically only need to become operational towards the very end of the season when ice thickness warrants it. That being said, icebreakers are a necessary component of the Fall shoulder season as a requirement of vessel owners to ensure safe passage is available in worst-case ice conditions. Without ice breaker support, insurance coverage for ore carriers is not certain to be obtained which in turn may cause vessels to rule out performing Baffinland business altogether during that part of the season. |
| 15          | That Baffinland provide scenario planning exercises to better quantify the costs/benefits of ship convoys. To conduct a study to see assess the simple seasonal average observer data from Bruce Head and the Leg 2 surveys correlates with the photo estimates for all the years to assess whether these metrics could provide an EWI for the year's results that would be applied in future to increase or decrease shipping at the end of summer. To resource Inuit-led monitoring, updated EWIs, Inuit OITRs, etc. To conduct a sampling program to assess cortisol levels in narwhal and morphometric measurements. This would be a systematic | Agreed in Principle     | Baffinland agrees in principle to the proposed commitment but notes that it extends beyond the temporal scope of the current proposal. Baffinland will include considerations for this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.<br><br>See full response to QIA-02.   |



| QIA Term ID | Recommendation  | Baffinland Response     | Notes  |
|-------------|---|-------------------------|--|
|             | program working with harvesters to gather samples, and observations on what they are experiencing and comparing to previous years.  |                         |  |
| 16          | That Baffinland and QIA develop, by September 30, 2022, specific technical plans for 2022 for Early Warning Indicators for narwhal.   | Accepted                | See Commitment #16 for reference.  |
| 17          | That the Project Certificate Terms and Conditions be amended to require that Baffinland immediately establish an Inuit-led monitoring program on dustfall as a pilot program to establish the mechanisms needed to allow Inuit observations to influence mitigation measures and test appropriate AMP structures, which are demonstrably responsive to Inuit OITRs, with the budget and work plan agreed upon by Baffinland and QIA prior to commencement.  | Agreed in Principle     | Baffinland agrees in principle to the proposed commitment but notes that it extends beyond the temporal scope of the current proposal. Baffinland will include considerations for this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.  |
| 18          | That the Project Certificate Terms and Conditions be amended to require Baffinland to establish a program for identification of days with high risk for dust dispersal, and a plan for additional measures to be taken on those days to reduce the volume of trucks using the Tote Road, the amount of ore being handled and transported at the Mine and Port, and the use of additional dust suppressants on the Tote Road and at the Mine and Port on those days; and That the full list of mitigation measures and the approach for identifying high risk days for dust dispersion be developed by the TEWG and implemented by Baffinland. | Accepted with revisions | Baffinland is willing to commit to identify high risk days for dust dispersion, based on weather. Baffinland will develop weather-specific measures after further review of the QIA's 2021 Dust Investigation Report, the forthcoming 2022 Dust Audit Report, and subsequent discussions with the TEWG.<br><br>See full response to QIA-03.  |
| 19          | That Baffinland commit to increasing the frequency for application of DustBlok or similar product along the Tote Road as a condition of receiving approval from the NIBR for the PIP Renewal, and document the frequency of use of dust suppressants applied to the road in the 2022 annual report and make a direct comparison to 2021. That Baffinland leave a minimum of a 31 m buffer but ideally a 100 m buffer in the application of dust suppressants along the Tote Road on either side of water crossings.   | Accepted with revisions | DustBlok® application is as per the manufacturer of the product as identified through a site visit to test the specific site conditions and road materials in 2019. The procedure for application consists of an initial application followed by maintenance applications throughout the season. It should be noted that the amount of dust suppression applied is influenced by a number of factors (e.g., precipitation, wind speeds etc.). Therefore, increasing the frequency of the application of the product may not have a direct correlation to reduction of dust. Baffinland is also limited by the current supply of DustBlok it has at the Mine Site for the remainder of the 2022 season.<br><br>Baffinland proposes the following modified proposal:<br><br>Refinement of the application rates in accordance with manufacturer's instructions are a more reliable solution to improved dust suppression performance, and Baffinland is willing to make this commitment in relation to the 2022 6 mtpa application.<br><br>See full response to QIA-07 |

| QIA Term ID | Recommendation   | Baffinland Response | Notes  |
|-------------|--|---------------------|--|
| 20          | That Baffinland minimize drop distances (i.e., using adjustable stackers) for stockpiling activities. BIMC to further define the drop distances used and provide evidence in subsequent annual reports that they have been applied. That Baffinland provide an evaluation of where wind fencing would limit dust migrating from the ore stockpiles at Milne Port (and at the Mary River site), and construct them within 60 days of the first sealift/resupply ship arriving at Milne Port in 2023 in order to permit the materials to be shipped. That Baffinland define what other operational practice improvements will be made to minimize dust from Milne Port, and clarify how those measures will be implemented. Changes requiring additional infrastructure or materials should be implemented within 60 days of the first sealift/resupply ship arriving at Milne Port in 2023 while operational changes should be implemented immediately. | Agreed in Principle | <p>Baffinland agrees in principle to the proposed commitment but notes that it extends beyond the temporal scope of the current proposal. Baffinland will include considerations for this commitment in any subsequent applications that would extend 6 mtpa operations beyond 2022.</p> <p>Baffinland further notes that 60 days is not a sufficient time period to expect construction of additional infrastructure following sea lift delivery in 2023. Where Baffinland agrees to install additional equipment and infrastructure, Baffinland will provide a reasonable work plan, inclusive of a timeline to complete the work.</p> <p>See full response to QIA-08.</p> |

| QIA Term ID | Recommendation  | Baffinland Response    | Notes  |
|-------------|---|------------------------|--|
| 21          | <p>That Baffinland adopt the following recommendations outlined within QIA's investigation of the spatial extent dustfall from the Project is impacting the surrounding receiving environment to better characterize the magnitude and extent of those effects: Dustfall isopleth modelling should be updated with real project data (including vehicle traffic patterns, point sources, and dust monitoring data), and the spatial extent of the model should be expanded until Project impacts are indistinguishable from background deposition; Snowpack water quality should continue to be monitored annually at the 20 sites sampled in 2021 to determine if there are spatial-temporal trends in water quality guideline exceedances, indicating priority areas of concern for aquatic and terrestrial receptor effects from metals, TDS and TSS; Dustfall and soil/lichen metals monitoring sites should be expanded at a minimum to include locations identified as Areas of Community Concern, and the areas where the highest dustfall was identified in the 2021 assessment (We direct BIMC to Section 3.3 of HESL 2022 for site locations); Seasonally monitored dustfall sites should be compared with FEIS predictions to confirm that they meet their current low isopleth zone ranking, and to determine the spatial extent and magnitude of dust dispersion beyond the project area; Additional dustfall monitoring locations will help in comprehensively evaluating long-distance dust dispersion. The locations of additional sites should be determined based on results of the updated and expanded isopleth modelling recommended above; A snow quality metric (and associated action level triggers) should be developed, integrating traditional knowledge on acceptable snow quality on the land with western science numerical indicators. The metric should be applied to dustfall monitoring to track snow changes related to dust before adverse effects occur. Mitigation strategies to prevent snow quality degradation, based on this metric, should also be developed; Dustfall monitoring sites should be added along Milne Inlet to investigate increasing dust extent documented by satellite imagery from 2014 to 2020; Satellite imagery analysis should be expanded to include areas beyond 20 km of the Project Development, to cover the locations used in our 2021 field monitoring; The potential influence of local topography on wind patterns and dust dispersion should be investigated, and the results used to inform dust dispersion modelling and assumptions; and A desktop study on dust duration on the land should be designed to identify locations likely to experience longer-term dustfall effects. The study should describe the relative role of runoff and wind in dispersing dust from the land, and consider site-specific factors, such as wind, precipitation, topography, snowpack conditions, and vegetation. These modelling and monitoring recommendations should be implemented by BIMC as a condition of receiving approval from the NIRB for the PIP Renewal. Further, that Baffinland investigate a "threshold" wind speed associated with mobilizing dust from the Project (Mary River, Tote Road and Milne Port), and implement an operational staged decrease in dust generating site activities once that wind speed is met or exceeded. The staged decrease in activities should be clearly outlined in an appropriate plan (e.g., the Environmental Protection Plan).</p> | Accepts with revisions | <p>Before Baffinland commits to any additional dust management measures, a practical approach would be to hold a dedicated Terrestrial Environment Working Group (TEWG) meeting once all the reports are released and Members have had an opportunity to review all the recommendations and their supporting rationale. This would include Baffinland's commissioned Dust Audit Report and QIA's 2021 Dust Investigation Report. The objective of the meeting would be to reconcile any differences and consolidate a final list of feasible recommendations. We can also use the strength of a newly implemented Terms of Reference for the TEWG that provides for all 3 HTO members to participate, an independent Chair to manage the meeting, and a consensus based decision making process.</p> <p>See full response to QIA-09.</p> |

| QIA Term ID | Recommendation   | Baffinland Response     | Notes  |
|-------------|--|-------------------------|--|
| 22          | <p>That within 3 months of the receipt of the approvals for the 2022 PIP, Baffinland implement all recommendations for improving their dust monitoring programs, including improved locations of monitoring sites to ensure that stations are not in the "lee" of the wind; alignment of dustfall monitoring with existing vegetation monitoring programs so that the two programs can inform each other; use of passive vertical monitoring in addition to the current isopropyl monitors; continuous monitoring of dustfall at POA boundaries; finalize methods for bi-weekly regional dustfall extent monitoring using satellite imagery; and other recommendations for dust monitoring improvements contained within the final Dust Audit Report. These improved methods will be included in a revised version of the Air Quality and Noise Abatement Management Plan. Dust monitoring will be used to reassess the impacts of dust from the Project on key receptors, determine the efficacy of existing mitigation measures, and determine if additional mitigation measures are needed. That within 3 months of the receipt of approvals for the 2022 PIP, Baffinland will implement all recommendations of the draft Final Dust Audit Report. Furthermore, Baffinland will implement the following additional mitigation measures: Improved dust control at all locations where ore is moving or being handled at the mine and port sites; identify high risk days for dust dispersion; implement additional mitigation measures for ore movement on high risk days, including reduced truck speed on high risk days; avoiding truck use of the Tote road on the highest risk days, and use of additional dust suppressants as needed. That within 3 months of the receipt of approvals for 2022 PIP, Baffinland initiate a remote sensing monitoring program to investigate the impacts of dust on lichen health in the Project area. This remote sensing monitoring program will be designed with input by the TEWG. This information will be used to inform the zone of influence re-estimation for caribou. That within 6 months of the receipt of approvals for 2022 PIP, Baffinland implement all recommendations from the TEWG and/or QIA and the MTHO for improving their vegetation monitoring programs to ensure that metal uptake by vegetation is properly considered.</p> | Accepted with revisions | <p>Before Baffinland commits to any additional dust management measures, a practical approach would be to hold a dedicated Terrestrial Environment Working Group (TEWG) meeting once all the reports are released and Members have had an opportunity to review all the recommendations and their supporting rationale. This would include Baffinland's commissioned Dust Audit Report and QIA's 2021 Dust Investigation Report. The objective of the meeting would be to reconcile any differences and consolidate a final list of feasible recommendations. We can also use the strength of a newly implemented Terms of Reference for the TEWG that provides for all 5 HTO members to participate, an Independent Chair to manage the meeting, and a consensus based decision making process.</p> <p>See full response to QIA-03.</p> |

| QIA Term ID | Recommendation  | Baffinland Response                                 | Notes   |
|-------------|---|---|---|
| 23          | <p>That within 3 months of receipt of approvals for the 2022 PIP, Baffinland will provide funding to QIA to conduct a full study of caribou on North Baffin based on Inuit Qaujimajatuqangit, to identify areas within the vicinity of the Project that are highly sensitive for caribou (Caribou Protection Zones) and to gather data to support the re-estimation of the Zone of Influence around the Project. This Study will be led by QIA in conjunction with the HTOs. The results will be used by QIA to re-estimate the Zone of Influence around the Project and will inform the enactment of additional mitigation measures for caribou." That within 12 months of receipt of approvals for the 2022 PIP, Baffinland will work with QIA to re-estimate the Zone of Influence for caribou around the Project, using both Inuit Qaujimajatuqangit and western science to determine the extent of reduced habitat suitability around the mine and the likely impacts to caribou at a regional scale. This re-estimated Zone of Influence will be monitored over time as caribou numbers increase, to assess the effectiveness of mitigation measures. That within 18 months of receipt of approvals for the 2022 PIP, Baffinland will implement all mitigation measures for caribou identified by QIA and the HTOs, to ensure that impacts to North Baffin caribou—which are highly sensitive at low points in their population cycles and must be supported to recover—are reduced to the extent possible. QIA and the HTOs may choose to involve the TEWG as an advisory group for the development of appropriate mitigation measures. That immediately following the receipt of approvals for the 2022 PIP, Baffinland will implement the following additional mitigation measures for caribou: a) no blasting within 5 km of all suitable caribou calving and post-calving habitat during the caribou calving period and immediately post-calving, with these dates to be determined by the MHTO; b) helicopters to maintain a 2 km horizontal distance from all suitable calving and post-calving habitat during the caribou calving period and immediately post-calving, with these dates to be determined by the MHTO; c) when caribou are observed along the Tote road, immediate stoppage of hauling for a suitable period of time to be determined in collaboration with the MHTO and the TEWG.</p> | <p>Requires further discussion through the TEWG</p> | <p>Baffinland agrees that Inuit Qaujimajatuqangit (IQ) must inform any initiative to re-estimate the Project's Zone of Influence, however, we are uncomfortable with a commitment obligating other parties to perform studies with indeterminate scopes and without any indication that this proposed study has the support of the involved communities. Baffinland is also concerned with the QIA's ability to complete the proposed work in the proposed timeline in addition to the other important initiatives QIA and Baffinland have agreed to carry forward, including the development of the Inuit Stewardship Plan and the completion of a CRLU Assessment and the Pond Inlet Country Food Baseline Report. These are significant undertakings that must be prioritized by the QIA with meaningful engagement from communities to ensure their completion.</p> <p>Baffinland will reconsider the proposal by the QIA as a Member of the Terrestrial Environment Working Group at a later date.</p> <p>See full response to QIA-04.</p> |



| QIA Term ID | Recommendation   | Baffinland Response     | Notes   |
|-------------|--|-------------------------|---|
| 24          | That 2018 NIRB monitoring recommendation 2 related to dust management be stringently applied to fish-bearing streams and lakes along the tote road. QIA requests that the Proponent commit to establishing long-term monitoring sites to assess Project impacts on the water quality, sediment deposition, and biota in Phillips Creek. QIA recommends that future DFO permitting for this Project consider the potential impacts of elevated dustfall and eroded sediment from Project activities on juvenile Arctic Char in Tote Road streams, and require studies be conducted should the information prove to be inadequate for impact assessment. QIA recommends that the Proponent establish a meaningful sedimentation threshold based on mortality rates of Arctic Char eggs exposed to Project-generated dust sediment. | Accepted with revisions | Baffinland is already complying with recommendation 2 from the 2018 NIRB Monitoring Report, and the Aquatic Effect Monitoring Plan (AEMP) and Core Receiving Environment Monitoring Plan (CREMP) and Tote Road Monitoring Program (TRMP) adequately monitors Project related aquatic effects, and that through the long-term monitoring sites that assess Project impacts on the water quality, sediment deposition, and biota in the most impacted lake is sufficient to determine if and when modifications are required at other Project locations, including along the Tote Road and Phillips Creek.<br><br>Baffinland has committed that any exceedance of the 0.34 mm moderate risk level will trigger additional study to validate the thresholds relative to impacts on arctic char eggs. A low risk threshold of 0.15 mm will also be applied that will trigger corresponding low risk response actions.<br><br>See full response to QIA-01. |
| 25          | That the Project Certificate be amended to require Baffinland to develop and maintain a safe travel route around/across km 13 of the Tote Road, to be finalized upon the MHTO providing GPS coordinates of the desired route. This route will be maintained for life of project or until a time when the MHTO determines it must be modified to meet its intended purpose.   | Accepted                | See Commitment #35 for reference.   |
| 26          | That Baffinland and QIA undertake to, no later than January 31, 2023: Amend the IIBA (2018) to include Inuit Certainty Agreement Schedule "C". Amend the WCA consistent with ID-17 Section 17.1.3(a), (b), (c), (d) and (f) of the Inuit Certainty Agreement. In order to address ongoing concerns regarding difficulties Inuit are experiencing in accessing wildlife compensation funding, Baffinland and QIA will work together to review and address the working and efficacy of the administration of the Wildlife Compensation Fund. The Parties will implement changes to the protocol, including claims procedure and substantive criteria, all intended to improve Inuit access to the Wildlife Compensation Fund.  | Accepted with revisions | Baffinland accepts the proposal to amend the Mary River Inuit Impact Benefit Agreement by January 31, 2023 to include Inuit Certainty Agreement Schedule C, should this align with the Phase 2 effective date, and to review and implement changes to the Wildlife Compensation Agreement. However, Baffinland does not require an Amendment to the Water License and does not agree to amend the Water Compensation Agreement consistent with Schedule 17 of the Inuit Certainty Agreement for the current scope of activities.  |
| 27          | That Baffinland agrees to a process to amend the IIBA and Water Compensation Agreement that are required to implement changes to Project management, AMP, Benefits and oversight.  | Accepted with revisions | Baffinland accepts the proposal to amend the Mary River Inuit Impact Benefit Agreement by January 31, 2023 to include Inuit Certainty Agreement Schedule C, should this align with the Phase 2 effective date, and to review and implement changes to the Wildlife Compensation Agreement. However, Baffinland does not require an Amendment to the Water License and does not agree to amend the Water Compensation Agreement consistent with Schedule 17 of the Inuit Certainty Agreement for the current scope of activities.  |
| 28          | That Baffinland post a \$5,000,000 Project Bond within 30 days of a positive NIRB recommendation for approval of the 2022 PIP Proposal, and QIA to not draw down the Bond until after March 31, 2023, in order to discharge unfulfilled obligations regarding agreed upon Measurable Objectives under the Inuit Certainty Agreement, as this payment is an aspect of considering whether sufficient accommodation has occurred for the 2022 PIP Proposal.  | Not accepted            | While Baffinland is committed to the Measurable Objectives referred to in Term 29, there is no obligation for Baffinland to post a Project Bond of any value at this time as the Phase 2 Effective Date (which is the trigger for this obligation) has not yet passed. Even in the circumstance the Inuit Certainty Agreement is terminated, Baffinlands Schedule C obligation towards the Project Bond is clear, it does not remain and Baffinland and QIA shall agree upon a payment method and schedule in the event amounts are owed.   |
| 29          | That Baffinland accept QIA proposal on Measurable objectives pertaining to the June 2020 ICA commitments which provides objectives for measuring IIBA implementation performance.  | Accepted                | See Commitment #38 for reference.   |
| 30          | That Baffinland fund a one-time \$1,000,000 benefit to QIA by March 31, 2023 in the event of the Minister approving the 2022 PIP Renewal.  | Not accepted            | Baffinland has already provided significant payments to the QIA between 2018 and 2021, the years in which the Project operated at a 0 mtpa limit. This totals over \$7,816,349.85 for the 4 year period, or \$16,954,087.46 for each year, on average. The request for an additional \$1million dollar payment is arbitrary, without rationale and Baffinland does not accept the proposal.   |

## APPENDIX F LIST OF ACRONYMS

| Acronym                               | Full Name   |
|---------------------------------------|---|
| <b>Baffinland or Proponent</b>        | Baffinland Iron Mines Corporation                       |
| <b>CIRNAC</b>                         | Crown-Indigenous Relations and Northern Affairs Canada  |
| <b>Commission</b>                     | Nunavut Planning Commission                             |
| <b>DFO</b>                            | Fisheries and Oceans Canada                             |
| <b>ECCC</b>                           | Environment and Climate Change Canada                   |
| <b>EIS or IS</b>                      | Environmental Impact Statement or Impact Statement      |
| <b>ERP</b>                            | Early Revenue Phase                                     |
| <b>Extension or Extension Request</b> | Extension Request to the Production Increase Proposal   |
| <b>FEIS</b>                           | Final Environmental Impact Statement                    |
| <b>FEIS Addendum</b>                  | Supplement to the FEIS of a previously approved project |
| <b>GN</b>                             | Government of Nunavut                                   |
| <b>HC</b>                             | Health Canada   |
| <b>HTA</b>                            | Hunters and Trappers Association                        |
| <b>HTO</b>                            | Hunters and Trappers Organization                       |
| <b>IWG</b>                            | Igloolik Working Group                                  |
| <b>IUOE</b>                           | International Union of Operating Engineers              |
| <b>km</b>                             | Kilometers  |
| <b>m</b>                              | Meters  |
| <b>MEWG</b>                           | Marine Environment Working Group                        |
| <b>MHTO</b>                           | Mittimatalik Hunters and Trappers Organization          |

| Acronym                         | Full Name  |
|---------------------------------|--|
| <b>Mtpa</b>                     | Million tonnes per annum (per year)  |
| <b>NIRB or Board</b>            | Nunavut Impact Review Board  |
| <b><i>Nunavut Agreement</i></b> | <i>Agreement Between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in right of Canada</i> |
| <b>NuPPAA</b>                   | <i>Nunavut Planning and Project Assessment Act, S.C. 2013, c. 14, s. 2</i>                                     |
| <b>NTI</b>                      | Nunavut Tunngavik Incorporated   |
| <b>ON</b>                       | Oceans North   |
| <b>PC</b>                       | Parks Canada   |
| <b>Phase 2</b>                  | Phase 2 Development Proposal   |
| <b>PIP</b>                      | Production Increase Proposal   |
| <b>PIP Renewal</b>              | Production Increase Proposal Renewal   |
| <b>QIA</b>                      | Qikiqtani Inuit Association  |
| <b>TC</b>                       | Transport Canada   |
| <b>TEWG</b>                     | Terrestrial Environment Working Group  |
| <b>VEC</b>                      | Valued Ecosystemic Component   |
| <b>VSEC</b>                     | Valued Socio-Economic Component  |
| <b>WWF</b>                      | World Wildlife Fund  |