

[illegible]

$\exists n^a \ d \triangleleft n^c$, $b \neq j^a$, $a \neq b^c$, $b \triangleright \lambda L^d L n^b$, $< \text{ }^\circ \text{ }^\circ \text{ }^\circ$



July 31st, 2023

His Worship Joshua Arreak
Mayor, Hamlet of Pond Inlet

Mr. David Qamaniq
Chairperson, Mittimatalik Hunters and
Trappers Organization

RE: 2023 Mary River Project Shipping Season

Dear Your Worship and Mr. Chairperson,

I am writing to you today to provide the latest update on Baffinland Iron Mines Corporation's (Baffinland's) plans for the 2023 Mary River Project shipping season.

As you are aware, Baffinland made the decision to alter its operations and delay the start of the shipping season to avoid icebreaking in the spring based on feedback received through engagement with Pond Inlet community representatives, as was done in 2021 and 2022. With this decision, the trigger for formally commencing the start of the 2023 shipping season requires a continuous path of 3/10ths or less ice concentrations between the entrance of Eclipse Sound and Milne Port. This is in addition to prior years' commitments that shipping would be delayed until there is no landfast ice along the shipping route and that the floe edge is no longer present.

Baffinland's ice analysts have been closely monitoring Canadian Ice Service ice charts, weather data, and available satellite imagery to best inform our anticipated start to the shipping season. Our most recent analysis suggests that ice conditions extending from the entrance to Eclipse Sound and Milne Port may reach a continuous path of 3/10ths or less ice concentrations as early as August 3, 2023.

Accordingly, I wish to inform you that Baffinland's 2023 Shipping Season could potentially officially start as early as Thursday, August 3rd, based on the latest ice and weather forecasts, with the condition that ice along the shipping route is no greater than 3/10ths ice concentrations. As new data becomes available, an additional notification will be sent to you at least 24 hours prior to the anticipated start of shipping.

It is currently anticipated that the first passage of Project vessels into Eclipse Sound towards Milne Port will include 2 tugs, and 3 ore carriers. The final shipping schedule, and the actual start of the shipping season, will depend on prevailing ice conditions. Once initiated, the season will continue until the end of October. Within this timeframe, we expect to need between 75 to 84 ore carriers, three (3) re-supply voyages and up to four (4) fuel tanker voyages, pending approval of the Sustaining Operations Proposal (SOP).

Baffinland is proposing to continue the use of convoys, where vessels travel in a group, to further reduce total underwater sound exposure. This will reduce both the frequency of observed vessels and any potential interactions with hunters. As the season progresses, we will keep you updated on any new changes.

Baffinland will keep you informed on all shipping season updates as they are available. Shipping

Monitors have been hired and they will act as the primary liaison between the community of Pond Inlet, the MHTO, and Baffinland to discuss and/or resolve potential issues related to Baffinland shipping operations. They will continue to use a variety of methods to keep Pond Inlet residents informed about shipping activities including Facebook, local radio and marine VHF radio. They are available by phone (+1 867-899-1807), through marine VHF radio (local channel 26), or through email shipping@baffinland.com.

Baffinland will continue to use the same stringent operational practices implemented in previous years. Notable measures include the implementation of voluntary reduced vessel speeds of 9 knots, avoidance of no-go zones (e.g., Koluktoo Bay), established shipping route (with the exception of early shipping conditions where vessels may need to deviate from the route to avoid ice along the shipping route), and will continue the practice of having no more than three (3) vessels anchored at Ragged Island and/or drifting, as well as having vessels waiting at least 40 km to the east of the Nunavut Settlement Area in Baffin Bay before being called to Milne Port.

Similar to previous years, in addition to interacting directly with Shipping Monitors, vessel traffic may be monitored through a variety of methods including:

- 6) Accessing the Baffinland website (www.baffinland.com) and following the path to "Operation>Shipping & Monitoring";
- 7) Visiting the Pond Inlet Baffinland office to observe live tracking of vessels (including non-Baffinland vessels) through the Automatic Identification System (AIS) monitoring station, and learning more about the type of vessels that Baffinland requires for its operations;
- 8) Announcements about upcoming vessel activity will be made on the local Pond Inlet radio on a regular basis;
- 9) Periodic announcements of daily and upcoming vessel activity including use of convoys on marine VHF radio channel 26;
- 10) Accessing Facebook pages for Baffinland Shipping, Baffinland Iron Mines Corporation, Pond Inlet News and Pond Inlet Hunters Information pages for periodic postings about shipping activities.

Baffinland has developed a 2023 Shipping Fact sheet attached for your convenience (English and Inuktitut). Additionally, this fact sheet was distributed to members of the Hamlet and MHTO who attended the 2023 pre-shipping season meeting that was held in Pond Inlet on June 28, 2023. Should you require additional copies, please visit the Baffinland Office in Pond Inlet.

Should you or other community members have additional questions about Baffinland shipping activities in 2023, they can contact me, or Cortney Oliver, Senior Manager, Environmental Social Governance by email, cortney.oliver@baffinland.com, or phone, 1-289-834-1121. Questions and concerns may also be sent via email to the dedicated shipping email address (shipping@baffinland.com).

Thank you once again for your continued collaboration. We look forward to a safe and productive shipping season.

Sincerely,

Megan Lord-Hoyle

Megan Lord-Hoyle

Vice President, Sustainable Development

cc.

Jennifer Innuraaq, MHTO, Office Manager

Joshua Idlout, Deputy-Mayor, Hamlet of Pond Inlet

David Stockley, Chief Administrative Office, Hamlet of Pond Inlet

Jared Ottenhof, Qikiqtani Inuit Association

Udlu Hanson, Vice President, Community and Strategic Development, Baffinland

Lou Kamermans, Senior Director Sustainable Development, Baffinland

Joe Tigullaraq, Head of Northern Affairs, Baffinland

Cortney Oliver, Senior Manager, Environmental Social Governance, Baffinland

Lauren Corlett, Sustainability Specialist, Baffinland