



2020 NIRB ANNUAL REPORT

Popular Summary

EQE BAY PROJECT

Contents

- 1** The Eqe Bay Project
 - 2** 2020 Compliance Performance
 - 3** Highlights and Challenges
 - 4** Planning Ahead
-





THE EQE BAY PROJECT

The Ege Bay Project (the Project) is a greenfield exploration initiative owned by Baffinland Iron Mines Corporation (Baffinland), and located on the western shores of Baffin Island, south of the proposed Steensby Port for the Baffinland Mary River Project. The area is currently accessed by helicopter from the Mary River Project mine site, however Baffinland is currently in the approvals process to build a small exploration camp in the Project area to better explore the exciting mineral potential. There are known iron formations that were identified in the 1960s, as well as more recently discovered mineral prospects that are worth evaluating. This exploration work represents a potential opportunity for additional resource-driven economic development in the North Baffin region.

The Project currently consists of an Exploration Agreement between Baffinland and Nunavut Tunngavik Inc. on Inuit Owned Land parcel IG-03 and mineral claims staked on IG-02 and Crown Land. The project is authorized under the Qikiqtani Inuit Association (QIA) Land Use License Type II QL2-1910, Nunavut Water Board Type 'B' Water License 2BE-EQE1926 and NTI Exploration Agreement PI17-001C. A Land Use Lease is currently under review with the QIA for the development of camp infrastructure and drilling areas. A Screening Decision (18EN026) was issued by the Nunavut Impact Review Board (NIRB) for the Ege Bay Project in 2018, and subsequently a Type 'B' Water Licence was issued by the Nunavut Water Board (NWB) in 2019.

As no infrastructure development or drilling, currently authorized under the Screening Decision, has yet taken place, this report focuses on the limited scope of activities for which conditions were satisfied.

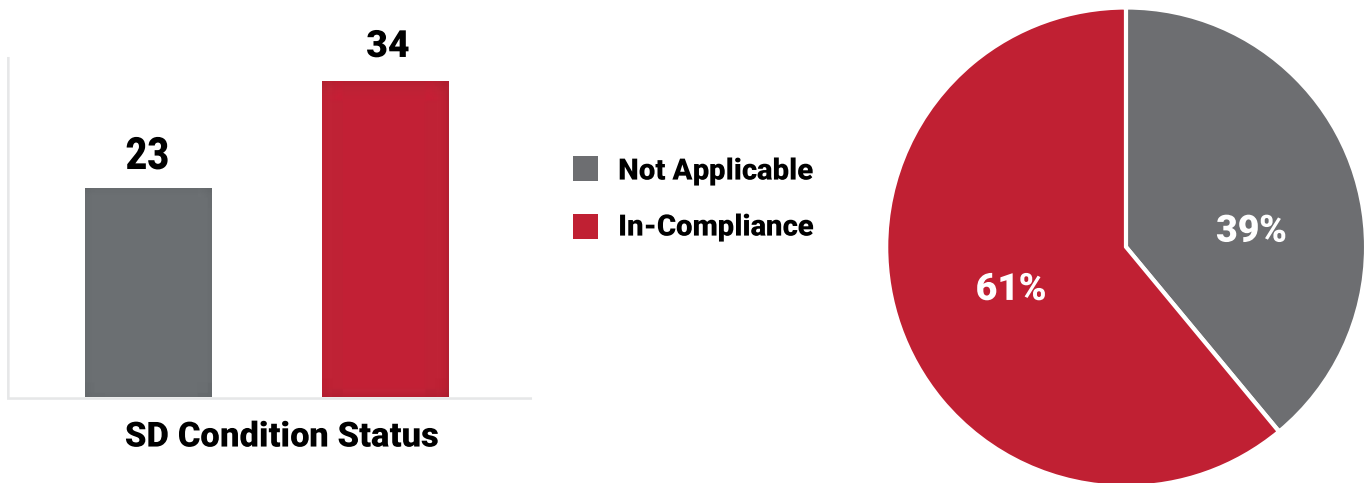
The primary activities carried out in 2020 were the legal boundary surveying of thirteen (13) mineral claims prior to their conversion to mineral leases, a Twin Otter survey flight to assess the suitability of potential landing locations, and a test beach landing by a sealift provider to assess the suitability of proposed anchorages and barge landing locations for future sealifts. Activities were limited in 2020 due to the COVID-19 global pandemic, as well as on-going negotiations with the QIA regarding the issuance of a Land Use Lease for the development of the proposed camp and associated activities.

2020 COMPLIANCE PERFORMANCE

The Annual Report (the Report) is a requirement of the Screening Decision which outlines the terms and conditions for operation of the Project. The Report provides information on how Baffinland is meeting the terms and conditions of the Project Certificate and its performance against them. The Report also presents an opportunity to discuss the yearly Project activities over the preceding calendar year and highlights what is coming ahead for the following year. The complete Report can be found on the NIRB Public Registry at www.nirb.ca as well as on the Baffinland Document Portal at www.baffinland.com.

In 2020, Baffinland is in-compliance all of the applicable required terms and conditions for the Project. Baffinland improved its performance against the Screening Decision, and as a result there were no instances of non-compliance with terms and conditions that were applicable in 2020. Baffinland will continue to make operational changes and work with regulators and the communities to ensure the Project remains in compliance with Screening Decision 18EN026, and as more conditions become applicable to phases of the Project.

Summary of Baffinland’s 2020 Overall Performance Against Screening Decision 18EN026 Terms and Conditions



| Condition Status Definitions | |
|------------------------------|---|
| In-Compliance | Condition requirements have been met |
| Partially-Compliant | Condition requirements have been partially met. <i>*Demonstrable efforts towards meeting compliance requirements is evidenced.</i> |
| Non-Compliant | Conditions requirements have not been met. <i>*Rationale for being unable to meet compliance requirements is provided.</i> |
| Not Applicable | Condition is tied to a project phase or component that was not active during the reporting year, or the responsible party is not the Proponent. |

HIGHLIGHTS AND CHALLENGES



Survey Lead Setting up Base Station Prior to a Day of Legal Boundary Surveying at Ege Bay

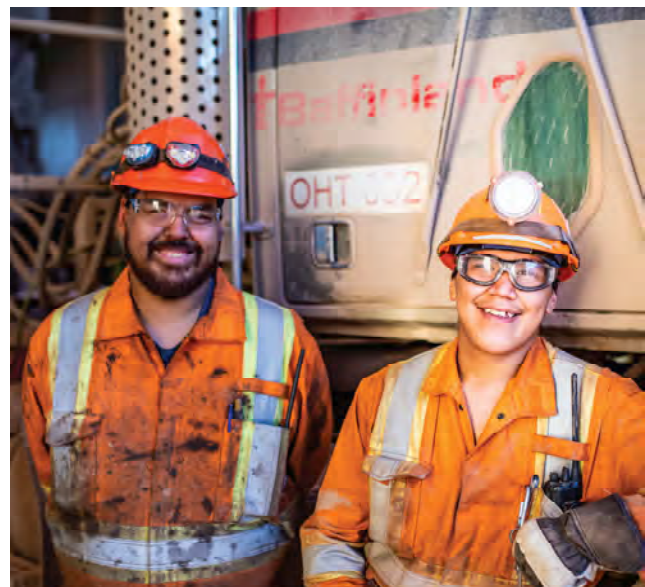
Limited Program Scope due to COVID-19

Due to the global COVID-19 pandemic in 2020, plans for surveys and other work at the Project had to be adjusted to ensure the health and safety of all Baffinland staff and Nunavummiut. Baffinland consulted with the Government of Nunavut Chief Public Health Officer to develop plans that would ensure any activities outside of the Mary River camp would not result in interactions with local communities, and received prior approval to conduct this work. In addition, Baffinland also consulted with the Qikiqtani Inuit Association and Crown Indigenous Relations and Northern Affairs Canada, as well as the communities of Igloodik and Sanirajak, to ensure awareness of the planned works for 2020 and to outline the appropriate COVID-19 precautions put in place.

Baffinland and third-party contractors were able to successfully and safely accomplish two access tests; a Twin Otter flight from Mary River to Ege Bay, and a sealift vessel visit and barge landing near the proposed camp location. The knowledge gained through these exercises will be invaluable in planning for future activities in the area.

Inuit Employment and Training

Despite COVID-19 restricting access to the Project area by Nunavummiut, Baffinland made Inuit employment and training a key focus for 2020 and is committed to increasing Inuit participation in the Project workforce. Specific to the Ege Bay Project, during the 2020 field program, Baffinland was able to employ two Inuit living in southern Canada to work on the Project to assist with the legal boundary surveys. Training was provided by Company and contractor personnel to individuals employed on the project and provided opportunities for hands-on application of these skills in the field.





Testing the Potential Sealift Barge Landing Area

PLANNING AHEAD

In 2021, Baffinland will continue to conduct its grassroots exploration activities in the Ege Bay area, identifying additional areas of promising mineralization and working to advance our knowledge of the geology. Baffinland also plans to engage with community members to discuss planned developments and employment opportunities that may exist as the project moves forward. Baffinland plans to continue to engage as many local employees as possible and provide on-the-job training to positions relevant to grassroots exploration.

Baffinland's intends to develop the planned exploration camp in 2021 and initiate a drilling program, pending the issuance of a Land Use Lease from QIA. Further consultation is planned to occur with Igloodik and Sanirajak prior to these developments, to keep key all local communities informed and engaged.



Twin Otter being prepared for flight from Mary River to Ege Bay



QUESTIONS? HERE IS HOW YOU CAN REACH US

Baffinland Head Office

Heather Smiles
Manager, Stakeholder Relations
communications@baffinland.com
+1 416 364 8820 ext: 5143

**2275 Upper Middle Road East
Suite 300
Oakville, Ontario
L6H 0C3**

Employment & Training
recruitment@baffinland.com

Operation & Proposed Expansion
communityquestions@baffinland.com

Procurement Opportunities
procurement@baffinland.com

Northern Head Office and Baffinland Community Liaison Officers:

Iqaluit
Joe Tigullaraq
Head of Northern Affairs
joseph.tigullaraq@baffinland.com
+1 867 975 2502
+1 867 222 6622

Arctic Bay
Meena Oyukuluk
meena.oyukuluk@baffinland.com
+1 867 439 8847

Clyde River
George Iqalukjuak
george.iqalukjuak@baffinland.com
+1 867 924 6444

Sanirajak
Deborah Qanatsiaq
deborah.qanatsiaq@baffinland.com
+1 867 928 8497

Iglolik
Lena Angutiqjuaq
lena.angutiqjuaq@baffinland.com
+1 867 934 8464

Pond Inlet
Terry Killiktee
terry.killiktee@baffinland.com
+1 867 222 1444



2020 ᐅᓂᓃᓂ ᐅᓂᓃᓂ ᓄᓄᓂᓂ ᐅᓂᓃᓂ ᐅᓂᓃᓂ

ᐱᐅᓂᓂᓂ ᓄᓄᓂᓂᓂ

ᐅᓂᓂ ᐅᓂᓂᓂᓂ ᐅᓂᓂ ᐱᐅᓂᓂᓂ

ᐅᓂᓂᓂ

- 1 ᐅᓂᓂ ᐅᓂᓂᓂᓂ ᐱᐅᓂᓂᓂ
- 2 2020ᓂ ᐱᐅᓂᓂᓂᓂ
ᓂᓄᓂᓂᓂᓂ
- 3 ᓂᓄᓂᓂᓂᓂᓂᓂᓂᓂ
ᐅᓂᓂᓂᓂᓂᓂᓂ
- 4 ᓂᓄᓂᓂᓂ ᐅᓂᓂᓂᓂ



Baffinland Iron Mines Corporation

Eqe Bay Project

2020 ANNUAL REPORT TO THE NUNAVUT IMPACT REVIEW BOARD

REV 0





| | | | |
|-------------|-------------|---|---|
| 2021-03-31 | 0 |  |  |
| | | J. Hey | C. Murray |
| Date | Rev. | Prepared By | Reviewed and Approved By |

TABLE OF CONTENTS

| | |
|--|-----------|
| 1 INTRODUCTION..... | 1 |
| 1.1 PROJECT OVERVIEW | 1 |
| 1.2 REGULATORY CONTEXT | 1 |
| 2 ENGAGEMENT ACTIVITIES | 6 |
| 2.1 ENGAGEMENT APPROACH..... | 6 |
| 2.2 ENGAGEMENT OBJECTIVES..... | 7 |
| 2.3 ENGAGEMENT ACTIVITIES | 7 |
| 2.3.1 Communicating Field Activities During COVID-19 | 7 |
| 2.3.2 Community Group Meetings | 9 |
| 2.3.3 Engagement with QIA..... | 9 |
| 3 OPERATIONS OVERVIEW | 11 |
| 3.1 SITE ACTIVITIES COMPLETED IN 2020..... | 11 |
| 3.2 LOOKING AHEAD..... | 11 |
| 4 PERFORMANCE ON TERMS AND CONDITIONS | 13 |
| 4.1 APPROACH TO REPORTING ON PERFORMANCE..... | 13 |
| 4.2 SUMMARY OF 2020 COMPLIANCE WITH CONDITIONS | 14 |
| 5 MANAGEMENT PLAN UPDATES | 81 |
| 6 REFERENCES..... | 82 |

LIST OF TABLES

| | | |
|------------|--|----|
| Table 1.1 | Permit Registry | 5 |
| Table 2.1: | Record of Engagement | 8 |
| Table 4.1: | Status of Compliance Terminology and Criteria..... | 13 |
| Table 4.2: | Layout of SD Condition Summary Sheets..... | 14 |
| Table 4.3: | Wildlife Observations in 2020 | 37 |
| Table 4.4: | Summary of Flight Compliance in 2020 | 44 |
| Table 5.1 | Current List Environmental Monitoring and Management Plans | 81 |

LIST OF FIGURES

| | | |
|-------------|---|----|
| Figure 1.1: | Eqe Bay Exploration Program..... | 2 |
| Figure 1.2: | Eqe Bay Activities Overview | 3 |
| Figure 1.3: | Eqe Bay Proposed Camp Location and Beach Landing Area | 4 |
| Figure 2.1: | Baffinland’s Approach to Engagement..... | 6 |
| Figure 4.1: | Baffinland's Overall Performance against Screening Decision Conditions in 2020..... | 15 |
| Figure 4.2: | Location of 12 Drum Fuel Cache | 27 |
| Figure 4.3: | Overview Map of Helicopter Flight Paths Associated with the Eqe Bay Project from May to September, 2020 | 45 |
| Figure 4.4: | Survival Tent Location | 71 |
| Figure 4.5: | Survival Tent Placed on Cobbled Paleo-Beach Surface | 72 |

APPENDICES

| | |
|------------|-------------------|
| APPENDIX A | EQE BAY PHOTO LOG |
|------------|-------------------|

ABBREVIATIONS

| | |
|-------------------|--|
| Baffinland | Baffinland Iron Mines Corporation |
| CIRNAC | Crown Indigenous Relations and Northern Affairs Canada |
| CPHO | Chief Public Health Officer |
| DEM | Digital Elevation Model |
| GPS..... | Global Positioning System |
| HTA | Hunters and Trappers Association |
| HTO | Hunter and Trapper Organization |
| ICA..... | Inuit Certainty Agreement |
| IOL..... | Inuit Owned Land |
| IQ | Inuit Qaujimaningit |
| ISP | Inuit Stewardship Plan |
| magl | Meters Above Ground Level |
| masl | Meters Above Sea Level |
| NIRB | Nunavut Impact Review Board |
| NPC | Nunavut Planning Commission |
| NuPPAA..... | Nunavut Planning and Project Assessment Act |
| QIA | Qikiqtani Inuit Association |
| SD..... | Screening Decision |
| SAO | Senior Administrative Officer |
| the Project | Eqe Bay Exploration Program |

1 INTRODUCTION

This 2020 Annual Report (the Report) to the Nunavut Impact Review Board (NIRB) is a requirement of Baffinland Iron Mine Corporation's (Baffinland's) Screening Decision (SD) 18EN026 for the Ege Bay Exploration Program (the Project). This Report summarizes:

- Project activities undertaken during the reporting year (January 1, 2020 - December 31, 2020);
- Baffinland's performance against the requirements of the Screening Decision 18EN026; and
- Planned Project-work for the next reporting year (January 1, 2021 - December 31, 2021).

1.1 PROJECT OVERVIEW

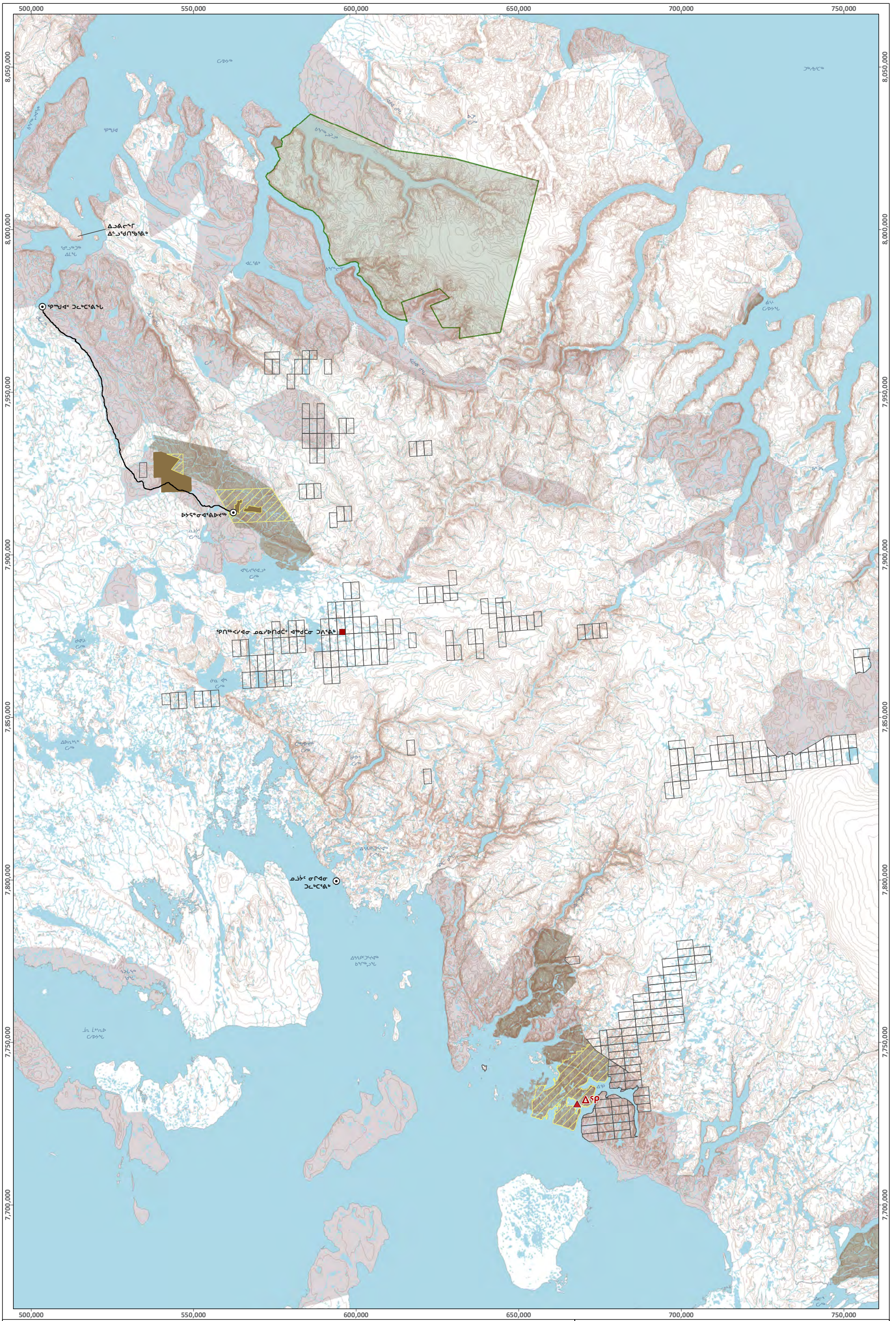
The Ege Bay Exploration Program (the Project, Figure 1.1 and Figure 1.2) is a greenfield exploration program located within the Qikiqtani (North Baffin) region, approximately 90 kilometres (km) southeast of Steensby Port, and 190 km northeast from the communities of Sanirajak and Igloodik. There are known iron formations that were identified in the 1960s, as well as more recently discovered mineral prospects that are worth evaluating. This exploration work represents a potential opportunity for resource-driven economic development in the North Baffin region.

The scope of activities in 2020 was limited and is further discussed in Section 3. The full scale of the Project, expected to be active until 2024, include the following undertakings, works and activities:

- Use of sealift barges to deliver supplies to the beach near the proposed exploration area;
- Set-up and operation of up to a 50-100 person camp to support personnel and accommodate for subsequent expansion of the camp, complete with kitchen/dinning, laundry, recreational space, first aid and associated facilities;
- Land-based and on-ice drilling; geological mapping and sampling, backpack drilling, till sampling and geophysical surveys;
- Use of drill equipment to drill several holes to a depth of up to 500 metres;
- Use of helicopters to move drills and to transport workers between the drill and camp site;
- Use of a Twin Otter aircraft to transport workers and deliver supplies to the camp site from either Mary River, Sanirajak or Igloodik;
- Diesel and Jet fuel will be stored in drums within lined secondary containment areas;
- Installation of a portable water treatment plant, grey water sump, an incinerator and power generators; and
- Use of snowmobiles, a skid steer, a backhoe tractor, and equipment and machinery for site personnel use and transportation including construction and site maintenance.

1.2 REGULATORY CONTEXT

On August 17, 2018, the NIRB issued SD 18EN026 for the Project to Baffinland (NIRB, 2018) pursuant to Article 12 of the Nunavut Agreement, and Section 87 of the Nunavut Planning and Project Assessment Act (NuPPAA). The basis for the SD is Baffinland's proposed scope, which gives an overview of the early phases of the Project and a potential 5-year outlook.



SAVED: C:\Users\kellam\OneDrive\Documents\4 - Maps\Reporting\S_Esp_Bay\NFB_2019\BIML_Fig 1.2 Project Activities_INK.mxd; 30-Mar-20

መግለጫ ስርዓት

- | | | |
|---------------------------|---------------------------|---------------------------|
| ▲ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | ■ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | □ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል |
| ○ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | ■ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | □ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል |
| ■ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | ■ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | □ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል |
| — ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | ■ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | □ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል |
| — ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | ■ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል | □ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል |

EQE BAY EXPLORATION
ገጽ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል
 ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል
 ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል
 ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል
 ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል
 ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል
Baffinland



0 5 10 20 30 km
 ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል

ገጽ ስፔሪያል ስፔሪያል ስፔሪያል ስፔሪያል
FIGURE 1.2

Development of the approved Project includes:

- The construction, operation, closure and post-closure activities associated with the camp and its related infrastructure;
- The operation of up to nine (9) diamond drills for exploration purposes;
- The development of two (2) quarries for aggregate; and
- The execution of low-impact exploration and environmental ground-work.

Baffinland currently operates the exploration program in accordance with the permits, licences, approvals, authorizations and agreements identified in Table 1.1. Additional authorizations will be required to implement the full scope of the Project, including authorizations from the Department of Fisheries and Oceans Canada, however these have not been sought at this early stage of the exploration program. A Land Use Lease agreement with QIA is currently under review, which would allow for the development of camp infrastructure on Inuit Owned Land (IOL). Additionally, Baffinland has sought an extension for the Land Use License QL2-1910 with QIA.

Table 1.1 Permit Registry

| Approval | Project Activity | Expiry |
|--|--|----------------|
| Nunavut Impact Review Board Nunavut Agreement, and the Nunavut Planning and Project Assessment Act as of July 9, 2015 | | |
| Screening Decision 18EN026 | Required to obtain the requisite permits and approvals to proceed with Project | No Expiry |
| Qikiqtani Inuit Association Agreements issued under Articles 6, 20 and 26 of the Nunavut Agreement | | |
| Land Use Lease – <i>Under Review</i> | Camp development and Exploration activities on Inuit Owned Land | N/A |
| Land Use License – <i>QL2-1910</i> | Required for access to IG-02 and IG-03 for low-impact exploration and scientific research activities | March 30, 2021 |
| Nunavut Water Board Water Licences issued under the Nunavut Agreement (Article 13), the Nunavut Waters and Nunavut Surface Rights Tribunal Act, and the Northwest Territories Water Regulations | | |
| Type B Water licence 2BE-EQE1926 | Regional exploration activities, including exploration drilling | April 3, 2026 |
| Indigenous and Northern Affairs Canada Mineral Claims on Crown Land, issued under the Territorial Lands Act and associated Canadian Mining Regulations and Territorial Land Use Regulations | | |
| Mining Recorders Office | Prospecting, geologic mapping, geophysical surveying, etc. on crown land and IG-02 | Various |
| Nunavut Tunngavik Incorporated Exploration Agreements | | |
| NTI Exploration Agreement PI17-001C | Joint-venture agreement between NTI and Baffinland for IG-03 | May 1, 2028 |

2 ENGAGEMENT ACTIVITIES

2.1 ENGAGEMENT APPROACH

Meaningful stakeholder, community, and Inuit engagement is valued by Baffinland as a means of building and maintaining community relationships and maximizing benefits from the Project. Baffinland’s approach to engagement emphasizes the importance of informing Inuit, affected communities, and other stakeholders, as well as establishing effective dialogue, and collecting feedback and resolving issues and concerns (Figure 2.1).



Figure 2.1: Baffinland’s Approach to Engagement

Baffinland had to make changes to its engagement approach in 2020 due to the global COVID-19 pandemic. Travel restrictions and increased focus on community and employee health and safety moved many engagements from in-person to online (teleconference/videoconference) formats. While these types of engagements are not ideal from an Inuit cultural or relationship building perspective, they have proven successful in ensuring that stakeholders and community representatives have been able to continue dialogue with Baffinland throughout the Pandemic. Public engagement has been most affected by the COVID-19 restrictions. In response, Baffinland increased use of social media and local radio as a means to ensure that information about the Company and its activities have been shared with wider audiences. As travel restrictions and public health orders are continually evolving, Baffinland continually evaluates what methods of engagement will inform an effective approach while ensuring that individual and community health and safety remains the foremost priority. This continual evaluation and adaptive approach to engagement is predicted to continue until the COVID-19 pandemic and related public health orders and advice allow for in person engagements to once again be the most used engagement technique.

2.2 ENGAGEMENT OBJECTIVES

Baffinland is committed to meaningful engagement with stakeholders potentially affected by the Project, including the five (5) North Baffin Communities (Arctic Bay, Clyde River, Sanirajak, Igloolik and Pond Inlet), the QIA, applicable regulatory agencies and the general public.

The objectives of Baffinland's engagement efforts are to:

- Provide Inuit, communities and other stakeholders with relevant Project information in a timely, accessible and culturally appropriate manner in order to identify issues and concerns and provide input into the development of appropriate mitigation measures and issues resolution;
- Ensure that Inuit, communities and other stakeholders have the opportunity to understand and meaningfully engage in the processes initiated by the Project;
- Consider Inuit traditional knowledge as well as scientific expertise and community feedback in decision-making processes;
- Build constructive and positive relationships with communities most likely to be affected by the Project; and
- Focus priorities so that potential adverse effects are mitigated, and Project benefits are enhanced.

2.3 ENGAGEMENT ACTIVITIES

In support of the Company's focus on continuous improvement and the engagement objectives defined for the Project (Section 2.2), Baffinland implements a variety of engagement mechanisms that are intended to ensure that a broad and comprehensive approach to the identification of stakeholders and that the creation of enhanced opportunities for dialogue and input are executed.

2.3.1 Communicating Field Activities During COVID-19

In prior years, Baffinland's Exploration and Sustainable Development departments have sent representatives to the communities of Igloolik and Sanirajak to discuss planned field work for the upcoming field program. Following the onset of the global COVID-19 pandemic in 2020, Baffinland did not hold any in-person communication or engagement sessions in the communities, in accordance with guidance from the Government of Nunavut Department of Health to ensure the health and safety of all Nunavummiut. Despite the inability to meet in-person, Baffinland endeavoured to ensure communication with communities remained open and transparent. Specifically, Baffinland took the following measures to communicate details of the planned field activities:

1. Received approval from the Chief Public Health Officer (CPHO) for travel to the area of work.
2. Received approval from CIRNAC and the QIA to continue exploration activities and land access.
3. Baffinland sent letters to the nearby communities in advance of the field activities outlining the details of work, mitigations and safety measures being taken to avoid any contact with the communities. Ongoing communication with the communities was maintained until the field activities were completed. A complete list of engagement with communities for 2020 is outlined below in Table 2.1.
4. Baffinland notified the Government of Nunavut's Department of Health, as well as local airports and health centers of the nearby communities regarding our activities.

Table 2.1: Record of Engagement

| Date | Letter/Event | Topics Discussed |
|------------|--|--|
| 2020-07-17 | Sanirajak & Igloolik- Planned 2020 Field Activities Initial Notification | Initial notification of planned work (Legal surveys, Twin Otter flight and beach landing) and projected timing of these works. Identified COVID-19 mitigation measures in place and plans for ongoing communication regarding status of all activities. Requested feedback on plans, if any. Notified Hamlet Councils, Hunters & Trappers Associations, administrative officers and where possible, local health authorities. Maps of planned work areas and detailed letters delivered in English and Inuktitut. |
| 2020-08-05 | Sanirajak & Igloolik – Update on 2020 Ege Bay Field Programs | Provided an update on timing of field activities. None had commenced at this point and this notification served as a one-week notice to commencement of the legal surveys. Restated COVID-19 protocols and asked for feedback on the plans, if any. Maps of planned work areas and detailed letters delivered in English and Inuktitut |
| 2020-08-11 | Sanirajak & Igloolik – Notification of commencement of Legal Surveys | Notification delivered to Mayors, Hunters and Trapper Association (HTA) Chairpersons, Senior Administrative Officers (SAOs) and where possible, local health authorities, that the Legal Survey program was commencing on 12-08-2020. |
| 2020-08-17 | Sanirajak & Igloolik – Notification of pending Twin Otter flight | Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the Twin Otter flight would attempt to take place on the afternoon of 18-08-2020, weather permitting. |
| 2020-08-19 | Sanirajak & Igloolik – Notification of delay of Twin Otter flight | Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the Twin Otter flight was not able to proceed as scheduled. Provided a date range for when the next attempt may occur and a promise of 24 hours' notice of notification before next attempt. |
| 2020-08-24 | Sanirajak & Igloolik – Ege Bay Program Update | Provided an update on the status of field activities. The Legal Survey was underway and the Twin Otter flight was delayed. Restated COVID-19 protocols and asked for feedback on the plans, if any. Maps of planned work areas and detailed letters delivered in English. Delays in Inuktitut resulted in letters and map being delivered in Inuktitut 26-08-2020. |
| 2020-08-26 | Sanirajak – Question regarding beach landing survey timing | Mayor Jaypeete Audlakiak of Sanirajak got in contact with Joe Tigullaraq to confirm timing of beach landing survey. Replied that tentative date in September 5, pending sailing schedule. |
| 2020-08-26 | Sanirajak & Igloolik HTA Chairpersons – Twin Otter Flight Update | Request from Baffinland to the HTAs by phone for any knowledge of hunters or campers in the area of Ege Bay. Unexpected availability of the Twin Otter provided a window for a short notice flight. Igloolik and Sanirajak HTA Chairpersons or designates provided information saying there were no land users from their communities in the Ege Bay area to Joe Tigullaraq. Mayor Recinos from Igloolik provided the all-clear to Andrew Moore by phone and thanked him for calling to keep Igloolik and himself apprised of Baffinland activities. |
| 2020-08-26 | Sanirajak & Igloolik – Notification of Completion of Twin Otter flight | Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the Twin Otter flight was completed the afternoon of 26-08-2020. |

| Date | Letter/Event | Topics Discussed |
|------------|---|---|
| 2020-09-04 | Sanirajak & Igloolik – Update on beach landing survey | Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that due to weather and operational delays, the beach landing survey at Ege Bay was delayed from September 5 to September 6. |
| 2020-09-08 | Sanirajak & Igloolik – Update on beach landing survey | Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the beach landing survey was completed by noon on 08-09-2020. |
| 2020-09-30 | Sanirajak & Igloolik – Update on beach landing survey | Notification delivered to Mayors, HTA Chairpersons, SAOs and where possible, local health authorities, that the Legal Survey program and all other land use in the Ege Bay area by Baffinland (removal of emergency fuel cache) had been completed on 27-09-2020. |

2.3.2 Community Group Meetings

Baffinland meets with various community groups on a regular basis to discuss aspects of the Project and ongoing issues, concerns or recommendations community representatives may have. Baffinland engaged with several community groups during 2017, 2018 and 2019, including Hamlet Councils and local community Hunter and Trapper Organizations (HTOs). These meetings were held predominantly to garner feedback on plans presented during the permitting phase. As no significant progress was made on the infrastructure development plans in 2020 and therefore no new information on the Project to share, no community group meetings were held. The Company plans to visit Sanirajak, Igloolik and Clyde River before any infrastructure development as authorized by the Screening Decision is commenced to keep all interested parties informed of activities and developments.

During previous community group meetings in Sanirajak and Igloolik, several comments were raised by Hamlet Councils and HTO members. The feedback provided was a mix of comments that were both supportive of the Project and comments related to concerns or issues the participants perceived or were experiencing. Most of the comments raised at the meeting were related to:

- Potential for Inuit Employment;
- Marine Environment;
- Terrestrial Environment;
- Potential effects on Land Use and Harvesting Practices;
- Training Opportunities; and
- Effects of the Project on Heritage Sites.

Baffinland, through in-person meetings and newsletters regarding project updates, as well as following all best-practice guidelines, will endeavour to address these issues and provide feedback throughout the Project.

2.3.3 Engagement with QIA

Baffinland will continue to implement a proactive approach to engagement with various stakeholders, through meetings, workshops, surveys and dissemination of information and reports. This will ensure that the communities, Qikiqtani Inuit Association (QIA), regulators and the public are informed in a timely and culturally sensitive manner of the Project's progress and the potential environmental and social impacts of ongoing exploration.

In the spring of 2020 exploration activities throughout much of Nunavut were effectively halted due to the global COVID-19 pandemic and the resulting associated protocols to ensure the safety of Nunavummiut. As a result, Baffinland was given amnesty from exploration spending requirements by the Mining Records Office for claims on Crown land, and Nunavut Tunngavik Inc. for land held in the Exploration Agreements. As the Land Use Licence for parcels IG-02 and IG-03 (QL2-1910) would effectively be unused for the 2020 field programs, Baffinland approached the QIA about granting a one-year extension to Land Use Licence QL2-1910. Negotiations around the extension of the Licence are still ongoing, in addition to on-going discussions with QIA regarding the issuing of a Land Use Lease agreement to allow the development of the camp described in SD 18EN026.

Baffinland provided advance notice and sought permission from QIA prior to mobilizing a sealift contractor to assess potential barge landing areas, including the operation of mobile equipment on the foreshore area. Based on the information provided, and the associated correspondence with the Hamlet of Igloodik and Igloodik HTA, QIA provided authorization by email that there were no objections to the work planned.

3 OPERATIONS OVERVIEW

3.1 SITE ACTIVITIES COMPLETED IN 2020

Activities in 2020 consisted of a legal survey, Twin Otter assessment survey and a sealift beach landing survey.

The legal survey consisted of two teams of two (total of four) travelling by helicopter from Mary River to the Ege Bay area to perform boundary surveys of Baffinland's mineral claims on Crown land. Thirteen (13) claims were surveyed in total. A typical work day consisted of setting up the base station control points and then walking the perimeter of the claim and marking witness and corner posts with permanent steel bars hammered in to the ground. The plans of survey were submitted to the Surveyor General's office for approval before forwarding on to the Nunavut Mining Recorder's Office, along with appropriate documentation for the conversion of the mineral claims to mineral leases. This activity, although only requiring approximately 20 days to complete, took place from August 15th to September 27th, often being delayed due to inclement weather.

A Twin Otter flight was conducted from Mary River to Ege Bay on August 26th, 2020 to assess possible unprepared landing locations for use in 2021 and beyond. Three possible locations were identified in the Ege Bay area of interest although no landings were attempted.

On September 8th, 2020, the vessel M/V Sedna Desgagnés anchored in the Ege Bay inlet and sent a small shore party to survey a potential sealift landing beach. As the beach and approach were deemed suitable at high tide, a tug maneuvered a lightering barge with a loader to the beach. The loader was able to disembark on to the beach, perform a brief ground stability test, then re-embark on the tug for transfer back to the M/V Sedna Desgagnés.

No drilling, camp development or operation occurred in 2020, as Baffinland continued to pursue a Land Use Lease from the QIA. A survival shack was established in 2019 near the work area (UTM NAD83 18W 430790 E, 7729380 N), and left in place over the winter for use again in future seasons.

3.2 LOOKING AHEAD

Due to limited work being done in 2020, nearly the entirety of the 2020 workplan has been rescheduled for 2021.

A summary of the planned 2021 activities (subject to change) are as follows:

1. Use of sealift barges to deliver supplies to the beach near the proposed exploration area.
2. Set-up and operation of a 25-30 person soft-wall camp to support personnel and accommodate for subsequent expansion of the camp complete with kitchen/dinning, laundry, recreational space, first aid and associated facilities.
3. Bathymetric surveys of Lakes EB-1 and EB-2, and if time and manpower permits, other nearby water bodies.
4. Use of drill equipment to drill several holes to a depth of up to 500 metres.
5. Use of helicopters to move drills and to transport workers between the drill and camp site.
6. Use of a Twin Otter aircraft to transport workers and deliver supplies to the camp site from either Mary River, Sanirajak or Igloodik.
7. Diesel and Jet fuel will be stored in drums within lined secondary containment.

8. Installation of a portable water treatment plant, sewage treatment plant, an incinerator and power generators.
9. Use of snowmobiles, a skid steer, a backhoe tractor, and equipment and machinery for site personnel use and transportation including construction and site maintenance.
10. Environmental monitoring in accordance with the approved Screening Decision, licenses, authorizations, management plans and environmental effects monitoring plans.
11. On-going exploration activities including land-based drilling; geological mapping and sampling, backpack drilling, till/soil sampling and geophysical surveys. Planning of the details of the summer drilling and/or trenching program is not yet finalized.

4 PERFORMANCE ON TERMS AND CONDITIONS

The following sections provide a discussion of Baffinland’s self-assessed status of compliance and performance related to each of Terms and Conditions in SD 18EN026 for the Project in 2020.

Each SD condition is assigned a status of compliance (Table 4.1). Where a SD condition is designated as being only ‘partially compliant’ or ‘non-compliant’, a rationale explaining why ‘in-compliance’ was not achieved in 2020 and, where applicable, a strategy for moving towards full compliance for the 2021 reporting year has been provided.

Table 4.1: Status of Compliance Terminology and Criteria

| Status of Compliance | Criteria |
|----------------------|--|
| In-Compliance | Condition requirements have been met. |
| Partially-Compliant | Condition requirements have been partially met. <i>*Demonstrable efforts towards meeting compliance requirements is evidenced.</i> |
| Non-Compliant | Conditions requirements have not been met. <i>*Rationale for being unable to meet compliance requirements is provided.</i> |
| Not Applicable | Condition is tied to a project phase or component that was not active during the 2019 reporting year, or the responsible party is not the Proponent. |

Baffinland has taken a conservative approach to self-assessing the status of compliance with SD Conditions for 2020. When determining a status of compliance for each of the SD conditions, the following process was implemented by Baffinland and its technical experts:

1. A review of the specific requirements outlined in each SD condition is conducted.
2. A review of all relevant work completed by Baffinland in the reporting year and/or previous reporting years (if applicable) relevant to the SD condition is conducted.
3. A gap analysis is completed to assess whether or not there is a delta between the requirements of the SD condition and the work completed by Baffinland to meet these requirements.
4. Stakeholder comments relevant to the SD condition are considered.
5. A status of compliance based on the results of the analysis is assigned.

4.1 APPROACH TO REPORTING ON PERFORMANCE

An individual summary sheet for each of the terms and conditions has been provided in Section 4.2. The category and content of information provided in these summary sheets is outlined in Table 4.2.

Table 4.2: Layout of SD Condition Summary Sheets

| Item | Summary of Content |
|----------------------------------|--|
| Category | Category as defined in SD 18EN026 |
| Term or Condition | The term or condition as written in SD 18EN026 |
| Status of Compliance | A self-assessed status of compliance for the SD Condition In-Compliance Partially-Compliant Non-Compliant Not Applicable |
| Reference | Description / title of relevant documents where supporting information related to SD condition status of compliance is available for review. Hyperlink to web-portal where referenced documentation can be accessed. |
| Methods | The methods employed to complete work required to meet compliance to the SD condition. Summary of any adaptive management measures employed that year in support of achieving compliance to the SD condition. |
| Results | Summary of efforts or work that were completed in support of achieving SD condition compliance in 2019, and previous reporting years, where applicable. |
| Trends | Summary of notable trends from previous years. |
| Recommendations /Lessons Learned | Summary of any operational changes undertaken or recommended for the future to achieve compliance or to further enhance environmental performance. Assessment of effectiveness of monitoring program and whether any changes to the scope of monitoring are appropriate. Identification of any challenges related to implementing mitigation measures, undertaking monitoring, or obtaining data from other sources. |

4.2 SUMMARY OF 2020 COMPLIANCE WITH CONDITIONS

Baffinland's performance in fulfilling the SD conditions in 2020 is presented on Figure 4.1. A summary of each of the conditions and the Project status with respect to the conditions in 2020 is presented in detail following this summary.

Baffinland is in-compliance the required terms and conditions for the Project. Of the fifty-nine (59) conditions in the SD, Baffinland was in compliance with the thirty-six (36) conditions that were applicable to the current development status. The remainder were not applicable, and there were no non-compliant status designations in 2020. Baffinland will continue to make operational changes and work with regulators and the communities to ensure the Project remains in compliance with Screening Decision 18EN026.

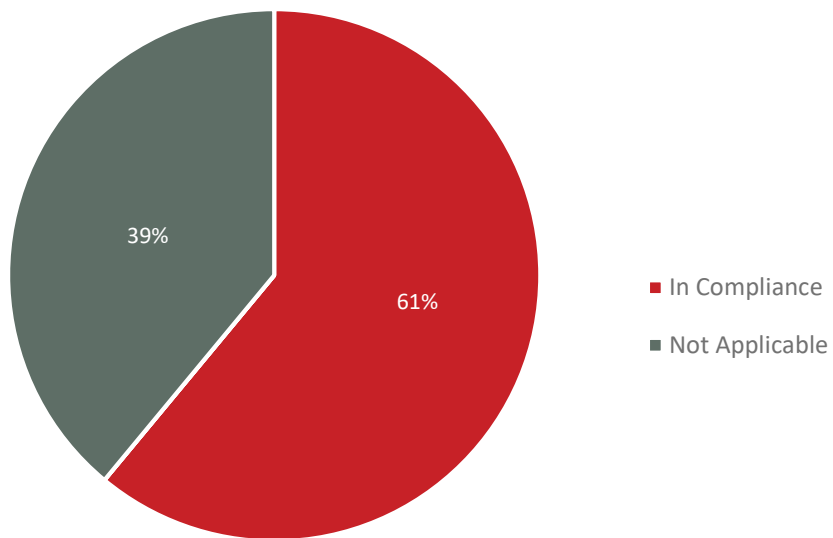


Figure 4.1: Baffinland's Overall Performance against Screening Decision Conditions in 2020

Screening Decision Condition No. 1

| | |
|--------------------|---|
| Category | General |
| Term or Condition | The Proponent shall maintain a copy of the Project Terms and Conditions at the site of operations at all times. |
| Status | In-compliance |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

Baffinland keeps a record of the Project Terms and Conditions located in the Exploration Office at Mary River, as there are currently no facilities in the Project Area at Ege Bay for posting the Project Terms & Conditions. This is effective as access to the Project Area is currently by helicopter only, which is organized and accessed through the Exploration department.

RESULTS

All team members are aware of the Terms and Conditions before embarking on the helicopter for access to the Ege Bay Project Area. This ensures that all persons accessing the Project Area are aware of the Terms & Conditions of the SD.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, Baffinland will develop a site specific orientation for Baffinland staff, contractors and visitors that provides an overview of all Terms and Conditions. A suitable location at the future infrastructure development at the Project Area will be chosen for posting of the Terms and Conditions of the SD.

Screening Decision Condition No. 2

| | |
|--------------------|--|
| Category | General |
| Term or Condition | The Proponent shall forward copies of all permits obtained and required for this project to the Nunavut Impact Review Board (NIRB) prior to the commencement of the project. |
| Status | In-compliance |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

Baffinland has informed the NIRB of all relevant permits obtained in relation to the Ege Bay Project. Any new permits shall continue to be forwarded to the NIRB prior to commencement of the project or as they are obtained.

RESULTS

The NIRB and all stakeholders are aware of all the permits held by Baffinland that relate to the Project and what terms and conditions govern the operation of the Project.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to comply with this condition as the project moves forward.

Screening Decision Condition No. 3

| | |
|--------------------|--|
| Category | General |
| Term or Condition | The Proponent shall operate in accordance with all commitments stated in correspondence provided to the Nunavut Planning Commission (NPC File No.: 148801), and the NIRB (Online Application Form, April 27, 2018; Ege Bay Exploration Program Project Proposal, April 27, 2018; Draft Ege Bay Environmental Protection Plan, Draft Inspection and Monitoring Plan, Draft Spill Contingency Plan, July 4, 2018; and Access Road Culvert Design, July 7, 2018). |
| Status | In-compliance |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

Baffinland continues to operate in accordance with all commitments made in correspondence made to the NPC, the NIRB, the QIA, CIRNAC and the Nunavut Water Board.

RESULTS

Baffinland conducts work on the Ege Bay project following industry best practices to reduce environmental impact to lowest extent practicable while achieving positive and constructive relationships with community stakeholders.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed and advanced exploration begins at the Ege Bay Project, Baffinland will continue to operate in accordance with all commitments made and agreed upon by various stakeholder groups. Every effort will continue to be made to abide by best practices and to operate in a socially and environmentally responsible manner. Management and monitoring plans will continue to be updated throughout the life of the project to reflect changes in scope, stakeholder feedback and adaptive management.

Screening Decision Condition No. 4

| | |
|--------------------|---|
| Category | General |
| Term or Condition | The Proponent shall operate the site in accordance with all applicable Acts, Regulations, and Guidelines. |
| Status | In-compliance |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

Baffinland, through policies and procedures designed to insure adherence, operates in accordance with all applicable Acts, Regulations and Guidelines as they relate to the Ege Bay Project.

RESULTS

Every member of the Project team adheres to all applicable Acts, Regulations and Guidelines. During work planning, if activities are found to be in contravention of any of the Acts, Regulations or Guidelines, amendments are made to plans, policies and procedures to ensure compliance before any activities are started.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to operate in accordance with all applicable Acts, Regulations and Guidelines. Baffinland will stay current to any changes to the aforementioned and enact changes to policies, procedures and plans as necessary to ensure compliance.

Screening Decision Condition No. 5

| | |
|--------------------|---|
| Category | Water Use |
| Term or Condition | The Proponent shall not extract water from any fish-bearing waterbody unless the water intake hose is equipped with a screen of appropriate mesh size to ensure that there is no entrapment of fish. Small lakes or streams should not be used for water withdrawal unless otherwise authorized by the Nunavut Water Board. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No water was withdrawn from any water body in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 6

| | |
|--------------------|--|
| Category | Water Use |
| Term or Condition | The Proponent shall not use water, including constructing or disturbing any stream, lakebed or the banks of any definable water course unless otherwise authorized by the Nunavut Water Board. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No water was withdrawn from any water body in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 7

| | |
|--------------------|---|
| Category | Waste Disposal/Incineration |
| Term or Condition | The Proponent shall keep all garbage and debris in bags placed in a covered metal container or equivalent until disposed of at an approved facility. All such wastes shall be kept inaccessible to wildlife at all times. |
| Status | In-compliance |
| Reference | Ege Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) Ege Bay Waste Management Plan (BAF-PH1-400-P16-0005) |
| Ref. Document Link | N/A |

METHODS

No camp infrastructure was operated at the Project in 2020. Baffinland field crews retain all food scraps, wrappers, bags, etc. in their personal day packs for disposal in approved facilities at the Mary River Camp in accordance with all regulations applicable to the disposal of waste at that site.

RESULTS

No waste was left in the field and no animal interactions with waste occurred.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, Baffinland will implement site specific waste storage and disposal procedures to ensure no waste is accessible to wildlife.

Screening Decision Condition No. 8

| | |
|--------------------|--|
| Category | Waste Disposal/Incineration |
| Term or Condition | The Proponent shall incinerate all combustible wastes daily and remove the ash from incineration activities and non-combustible wastes from the project site to an approved facility for disposal. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No camp infrastructure operation or incineration was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 9

| | |
|--------------------|--|
| Category | Waste Disposal/Incineration |
| Term or Condition | The Proponent shall ensure that the incineration of combustible camp wastes comply with the Canadian Wide Standards for Dioxins and Furans, and the Canadian Wide Standards for Mercury. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No camp infrastructure operation or incineration was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 10

| | |
|--------------------|---|
| Category | Waste Disposal/Incineration |
| Term or Condition | The Proponent shall ensure that no waste oil/grease is incinerated on site. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No camp infrastructure operation or incineration was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 11

| | |
|--------------------|---|
| Category | Fuel and Chemical Storage |
| Term or Condition | The Proponent shall store all fuel and chemicals in such a manner that they are inaccessible to wildlife. |
| Status | In-compliance |
| Reference | Ege Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | N/A |

METHODS

Baffinland maintained a temporary fuel cache at the Project from August 10th, 2020 to September 27th, 2020 (Figure 4.2). Fuel was stored in sealed, 205 L fuel drums. No more than 12 full drums were stored at the site at any one time, as per QIA Land Use Licence QL2-1910. All drums, full or empty, were sealed at all times and stored in adequate secondary containment (self-supporting insta-berm). The approximate location was: 451179 E 7742993 N 18W.

RESULTS

The fuel was inaccessible to wildlife.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, Baffinland will implement site specific fuel and chemical storage procedures and continue to ensure they are inaccessible to wildlife.

Screening Decision Condition No. 12

| | |
|--------------------|---|
| Category | Fuel and Chemical Storage |
| Term or Condition | The Proponent shall locate all fuel and other hazardous materials a minimum of thirty-one (31) metres away from the high water mark of any water body and in such a manner as to prevent their release into the environment unless otherwise authorized by the Nunavut Water Board. |
| Status | In-compliance |
| Reference | Eqe Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | N/A |

METHODS

Baffinland maintained a temporary fuel cache at the Project from August 10th, 2020 to September 27th, 2020 (Figure 4.2). The fuel cache was located in secondary containment (self-supported insta-berm) and greater than thirty-one (31) metres away from the high water mark of the nearest water body.

RESULTS

Fuel was stored in a manner than prevented any release into the environment.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Eqe Bay Project, Baffinland will ensure all fuel and chemical storage sites are a minimum of thirty-one (31) metres away from the high water mark of any water body and in such a manner as to prevent their release into the environment.

Screening Decision Condition No. 13

| | |
|--------------------|--|
| Category | Fuel and Chemical Storage |
| Term or Condition | The Proponent shall ensure that re-fueling of all equipment occurs a minimum of thirty-one (31) metres away from the high water mark of any water body unless otherwise authorized by the Nunavut Water Board. |
| Status | In-compliance |
| Reference | Eqe Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | N/A |

METHODS

Baffinland maintained a temporary fuel cache at the Project from August 10th, 2020 to September 27th, 2020 (Figure 4.2). The fuel cache was located greater than thirty-one (31) metres away from the high water mark of the nearest water body. Re-fueling of all equipment occurred at the fuel cache site. A drip tray was placed below the helicopter fuel port to ensure that any drips were caught should they occur.

RESULTS

All equipment was re-fueled at a minimum distance of thirty-one (31) metres way from the high water mark of any water body.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Eqe Bay Project, Baffinland will ensure re-fueling of all equipment will occur a minimum of thirty-one (31) metres away from the high water mark of any water body and in such a manner as to prevent their release into the environment.

Screening Decision Condition No. 14

| | |
|--------------------|---|
| Category | Fuel and Chemical Storage |
| Term or Condition | The Proponent shall use adequate secondary containment or a surface liner (e.g., self-supporting insta-berms and fold-a-tanks) when storing barreled fuel and chemicals at all locations. |
| Status | In-compliance |
| Reference | Eqe Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) Eqe Bay Spill Contingency Plan (BAF-PH1-400-P16-0002) |
| Ref. Document Link | N/A |

METHODS

Baffinland maintained a temporary fuel cache at the Project from August 10th, 2020 to September 27th, 2020 (Figure 4.2). Baffinland utilized one self-supported insta-berm as adequate secondary containment.

RESULTS

All fuel was safely stored within secondary containment for the duration of the temporary fuel cache.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Eqe Bay Project, Baffinland will ensure all barreled fuel and chemicals will be stored within adequate secondary containment.

Screening Decision Condition No. 15

| | |
|--------------------|---|
| Category | Fuel and Chemical Storage |
| Term or Condition | The Proponent shall ensure that appropriate spill response equipment and clean-up materials (e.g., shovels, pumps, barrels, drip pans, and absorbents) are readily available during any transfer of fuel or hazardous substances, at all fuel storage sites, at all refuelling stations, at vehicle maintenance areas and at drill sites. |
| Status | In-compliance |
| Reference | Ege Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) Ege Bay Spill Contingency Plan (BAF-PH1-400-P16-0002) |
| Ref. Document Link | N/A |

METHODS

Baffinland maintained a temporary fuel cache at the Project from August 10th, 2020 to September 27th, 2020 (Figure 4.2). An appropriate spill response kit was readily available which included absorbent pads, a shovel and a container for contaminated soil.

RESULTS

There were no spills recorded due to re-fueling. Had a spill occurred, the appropriate spill response equipment and trained personnel was readily available.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, Baffinland will ensure appropriate spill response equipment and clean-up materials are readily available during any transfer of fuel or hazardous substance, at all fuel storage sites, at all re-fuelling stations, at vehicle maintenance areas and at drill sites.

Screening Decision Condition No. 16

| | |
|--------------------|---|
| Category | Fuel and Chemical Storage |
| Term or Condition | The Proponent shall remove and treat hydrocarbon contaminated soils on site or transport them to an approved disposal site for treatment. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

There were no spills, and therefore no removal of hydrocarbon contaminated soil.

RESULTS

N/A

TRENDS

N/A

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, Baffinland will ensure appropriate spill response equipment and clean-up materials are readily available. Any hydrocarbon contaminated soils will be removed and treated either on site or transported to an approved disposal site for treatment.

Screening Decision Condition No. 17

| | |
|--------------------|--|
| Category | Fuel and Chemical Storage |
| Term or Condition | The Proponent shall ensure that all personnel are properly trained in fuel and hazardous waste handling procedures, as well as spill response procedures. All spills of fuel or other deleterious materials of any amount must be reported immediately to the 24 hour Spill Line at (867) 920- 8130. |
| Status | In-compliance |
| Reference | Eqe Bay Spill Contingency Plan (BAF-PH1-400-P16-0002) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland ensures that all personnel are properly trained in fuel and hazardous waste handling procedures, as well as spill response procedures, through the use of Baffinland's Eqe Bay Spill Contingency Plan.

RESULTS

All Baffinland Exploration personnel operating at the Eqe Bay Project are trained and capable in fuel and hazardous waste handling procedures, as well as spill response procedures.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to properly train all personnel in fuel and hazardous waste handling procedures, as well as spill response procedures. The best response to a spill is not to have one occur in the first place. As such, Baffinland will continue to adhere to safe fuel handling and refuelling procedures to ensure spills do not occur.

Screening Decision Condition No. 18

| | |
|--------------------|---|
| Category | Wildlife - General |
| Term or Condition | The Proponent shall ensure that there is no damage to wildlife habitat in conducting this operation. |
| Status | In-compliance |
| Reference | Eqe Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland's scope of work for 2020 consisted of minimal impact to the land. The legal survey took place from the August 15th to September 27th, 2020, consisting of two crews of two personnel walking the perimeter of a claim and marking witness posts and corner posts with permanent steel bars hammered in to the ground. The Twin Otter flight was conducted from Mary River to Eqe Bay on August 26th, 2020 abiding by all flight regulations with no attempt to land. On September 8th, 2020, the M/V Sedna Desgagnés anchored in the Eqe Bay inlet to survey a potential sealift landing beach. A tug maneuvered a lightering barge with a loader that was able to disembark on to the beach, perform a brief ground stability test, then re-embark on the tug for transfer back to the M/V Sedna Desgagnés.

RESULTS

There was no damage to wildlife habitat while conducting operations.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Eqe Bay Project, Baffinland will make every practicable effort to minimize the disruption to wildlife habitat, consistent with the Environmental Protection Plan (BAF-PH1-400-P16-0001).

Screening Decision Condition No. 19

| | |
|--------------------|---|
| Category | Wildlife - General |
| Term or Condition | The Proponent shall not harass wildlife. This includes persistently circling, chasing, hovering over pursuing or in any other way harass wildlife, or disturbing large groups of animals. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland personnel and contractors are trained to not harass wildlife. In situations where wildlife is observed, the necessary distances and precautions to pause or stop work are adhered to, consistent with the Ege Bay Environmental Protection Plan (BAF-PH1-400-P16-0001).

RESULTS

No wildlife was harassed.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, Baffinland will continue to adhere to the specific requirements related to wildlife disturbance and harassment.

Screening Decision Condition No. 20

| | |
|--------------------|--|
| Category | Wildlife - General |
| Term or Condition | The Proponent shall not hunt or fish, unless proper Nunavut authorizations have been acquired. |
| Status | In-compliance |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

Baffinland personnel are restricted from hunting or fishing.

RESULTS

Baffinland personnel did not hunt or fish.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to ensure that all personnel are aware of and adhere to the no hunting or fishing policy.

Screening Decision Condition No. 21

| | |
|--------------------|---|
| Category | Wildlife - General |
| Term or Condition | The Proponent shall ensure that all project personnel are made aware of the measures to protect wildlife and are provided with training and/or advice on how to implement these measures. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland personnel are trained during site orientation on methods the Company applies to protect wildlife across the project. Staff working on the Ege Bay Project are given an additional reminder before beginning work on the Project. All employees are expected to adhere to Baffinland's Ege Bay Environmental Protection Plan at all times. For monitoring purposes, all wildlife sightings are recorded in a log that is kept in the helicopter.

RESULTS

Through project personnel's daily field activities, all appropriate measures are taken to minimize the impact activities have on wildlife. At this stage of the Project, all activities are of minimal to very low impact and protection measures are deemed effective.

During the limited 2020 field program, a total of three (3) animals were observed during a single occasion in the Project area. A summary of the sightings is presented in the following table.

Table 4.3: Wildlife Observations in 2020

| Species | Number of Observations |
|--------------|------------------------|
| Caribou | 3 |
| Total | 3 |

TRENDS

While the total number of observations decreased from 2019 (76 wildlife observations), it should be noted that the scale and timing of the activities in 2020 was significantly reduced due to the global COVID-19 pandemic, resulting in fewer person-hours in the field.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, Baffinland will continue to abide by all Acts, Regulations and Guidelines, as well as internal policies to ensure the protection of wildlife. Management plans and training procedures will be continually re-evaluated to ensure best practices regarding wildlife protection are implemented.

Screening Decision Condition No. 22

| | |
|--------------------|--|
| Category | Migratory Birds and Raptor Disturbance |
| Term or Condition | The Proponent shall not disturb or destroy the nests or eggs of any birds. If nests are encountered and/or identified, the Proponent shall take precaution to avoid further interaction and or disturbance (e.g., a 100 metres buffer around the nests). If active nests of any birds are discovered (i.e., with eggs or young), the Proponent shall avoid these areas until nesting is complete and the young have left the nest. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

In keeping with Baffinland's environmental protection measures, Project personnel were able to avoid any interactions with wildlife, including migratory birds and raptors. By virtue of the nature of land surveying, Ege Bay Project personnel are well positioned to spot bird nests during observation of ground conditions. During the course of field work in 2020, no bird nests were spotted. No gatherings of migratory birds were observed in the work area. No raptors were observed in the work area.

RESULTS

No disturbance of avian species, nesting or otherwise, was reported.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Project personnel will continue to be vigilant during field work to ensure avoidance of any interactions with various avian species and their nests. As infrastructure is developed, nest surveys will be conducted prior to ground disturbance to ensure that no nests are disturbed until eggs have hatched and hatchlings have left the nests.

Screening Decision Condition No. 23

| | |
|--------------------|---|
| Category | Migratory Birds and Raptor Disturbance |
| Term or Condition | The Proponent shall minimize activities during periods when birds are particularly sensitive to disturbance such as migration, nesting and moulting. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland's Project personnel were vigilant with regards to observing migratory birds and raptors. Had these species been present, Baffinland would minimize activities as to not disturb migration, nesting and moulting.

RESULTS

No gatherings of migratory birds or raptors were observed in the work area. Activities performed at the Project did not have a disturbance on migration, nesting, or moulting.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, monitoring of migratory birds and raptors will continue to be implemented and properly documented. Nest surveys will be conducted prior to ground disturbance to ensure that no nests are disturbed until eggs have hatched and hatchlings have left the nests.

Screening Decision Condition No. 24

| | |
|--------------------|---|
| Category | Migratory Birds and Raptor Disturbance |
| Term or Condition | The Proponent shall avoid the seaward site of seabird colonies and areas used by flocks of migrating waterfowl by three (3) kilometres. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland advised and enforced the Terms and Conditions to all helicopter pilots and exploration personnel working on the Project. Baffinland adhered to this condition, as helicopters used on the Project do not have the ability to fly on the seaward side of seabirds as they do not have the safety equipment required to do so.

RESULTS

There were no incidents on non-compliance for this condition.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As helicopter activity patterns develop at the Ege Bay Project area, planning measures will be put in place to ensure that no flight routes pass within 3 km of common migrating waterfowl points or on the seaward side of any seabird colonies. At present time, there are no known such congregation areas or seabird colonies, however vigilance will continue in observing for and avoiding them.

Screening Decision Condition No. 25

| | |
|--------------------|---|
| Category | Migratory Birds and Raptor Disturbance |
| Term or Condition | The Proponent shall ensure its aircraft avoid excessive hovering or circling over areas where bird presence is likely. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland advised and enforced the Terms and Conditions to all helicopter pilots and exploration personnel working on the Project. Whenever possible, all flights adhered to these conditions, specifically the flight restrictions over the bird migratory zones. Hovering and circling was only done when necessary, and no recorded instances of disturbing birds was reported.

RESULTS

All team members are aware of the Terms and Conditions before embarking on the helicopter for access to the Ege Bay Project Area. This ensures that all persons accessing the Project Area are aware of the Terms & Conditions of the SD.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to enforce compliance with this SD condition and train all employees and helicopter pilots on the procedures to be followed.

Screening Decision Condition No. 26

| | |
|--------------------|---|
| Category | Aircraft Flight Restrictions |
| Term or Condition | The Proponent shall not alter flight paths to approach wildlife and shall avoid flying directly over animals. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland advises all pilots and exploration personnel working on the Project of the aircraft flight restrictions and the commitment not to disturb wildlife unless an emergency landing is required. As such, no pilots deliberately alter course to observe, harass or otherwise knowingly disturb wildlife.

RESULTS

There were no recorded instances of breaches of this SD condition.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to enforce compliance with this SD condition and train all employees and helicopter pilots on the procedures to be followed.

Screening Decision Condition No. 27

| | |
|--------------------|--|
| Category | Aircraft Flight Restrictions |
| Term or Condition | The Proponent shall restrict aircraft/helicopter activity related to the project to a minimum flight altitude of 610 metres above ground level except during landing, take-off or if there is a specific requirement for low-level flying, which does not disturb wildlife or migratory birds. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Canadian Helicopters provided flight log data and Baffinland provided compliance documentation using daily pilot timesheets (with flight details) from May to September 2020 for analysis. Baffinland also provided pilots with GPS coordinates for flight height allowance areas. Point data representing vertices along helicopter flight paths were provided and a Digital Elevation Model (DEM) was used to estimate ground level elevation values above sea level. The provided point elevation data was used to calculate the helicopter altitude above ground level. To find the actual elevation above ground level in metres, the metres above sea level (masl) from the DEM was subtracted from the masl from the helicopter data, resulting in a helicopter's approximate metres above ground level (magl) at each logged point. The flight height data was also cross-referenced with compliance data from daily pilot timesheets, and any flight data with justifications for flying at lower elevations than required was compliant.

The Project Certificate conditions for the Mary River Project stipulate a minimum flight height of 650 magl, which is more conservative than the 610 magl condition for the Ege Bay Project. For consistency between Projects, and due to the fact that Ege Bay flights in 2020 originated from the Mary River aerodrome, the 650 magl minimum flight altitude was conservatively applied for the Ege Bay project.

Based on this analysis, flight data was organized into the following three categories:

1. Those data where the 650 magl elevation requirement was achieved (compliant);
2. Those data where the 650 magl elevation requirement was not achieved, but lower elevation flying was justified by pilots (compliant); and
3. Those data where the 650 magl elevation requirement was not achieved and no justification for low level flying was given (non-compliant).

RESULTS

There were no identified "observed concentrations of migratory birds", nor areas specifically prescribed to avoid for migratory birds excluding the snow goose area in 2020.

2020 was the third year that flight height data were cross-referenced with compliance data from daily pilot timesheets. For analytical purposes, flight height data points were designated "compliant" when elevation requirements were achieved, or where pilot's discretionary rationale for deviating from flight heights was provided. Data points were designated "non-compliant" if they did not meet elevation requirements and no explanation was given. This additional analysis resulted in an increase in helicopter flight height compliance when compared to

previous years, as it provided explanations for transits flown lower than the elevation requirements. Some examples given in 2020 to explain low-level flights included:

- Weather;
- Slinging; and
- Drop off/pick up.

This additional analysis showed that when considering rationale provided by pilots for low-level flying, most low-level flight hours were compliant. When looking at all flight hours, 36.3% were ≥ 650 magl, and the other 60.4% were < 650 magl with reasons given by pilots (Figure 4.3). The high percentage of low-level compliant flights in 2020 is similar to what was observed in 2019 and will likely continue in future years as the majority of helicopter work conducted at Ege Bay either requires low-level flying for safety/operational reasons (e.g. slinging, surveys, polar bear safety checks), or involves multiple short distance flights whereby helicopters are unable to reach the required elevations between take-off and landing sites (e.g. slinging equipment, sampling, drop offs/pickups). In 2020, the most common reasons stated by pilots for flying below the elevation requirements were: slinging, weather and drop offs/pickups. Most compliant transits that met the elevation requirements in 2020 tended to be long distance flights, where pilots were airborne long enough to reach and maintain the required elevations.

Table 4.4: Summary of Flight Compliance in 2020

| Total Flight Hours | Compliant Flight Hours | Percent Compliance | Non-Compliant Flight Hours | Percent Non-Compliance |
|--------------------|------------------------|--------------------|----------------------------|------------------------|
| 91.7 | 91.7 | 100.0 % | 0.0 | 0.0 % |

TRENDS

Helicopter flight height compliance was higher in 2020 (100.0%) than 2019 (90%), largely due to reduced flight hours on the Ege Bay Project in 2020 relative to previous years and improved flight height compliance documentation. Better enforcement and favourable weather conditions are also attributed improvements in flight height compliance.

On top of documentation of rationale for low-level flights, much more stringent efforts were made to have longer, higher altitude flights, which was made possible by changes in operational parameters. Positioning a small fuel cache for the summer season in Ege Bay for refuelling made trips to the Steensby Camp less necessary, allowing for longer, more direct transits. This allows for the helicopter to efficiently reach a higher cruising altitude and remain there, as opposed to shorter duration flights where this is not possible.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to work with their helicopter provider to improve flight height compliance by continuing to communicate elevation requirements and improving documentation of rationale for not meeting the requirements. The increase in compliance rates from 2019 to 2020 is largely attributed to less total flight hours and flying in generally better weather. There was less need for low-level slinging at Ege Bay itself as well. Baffinland will continue to use a fuel cache at Ege Bay to limit the need for shorter, lower-level flights through the Steensby area. In future years, once a camp is established at Ege Bay, helicopter hours are predicted to drop further, thus further limiting negative effects of helicopter use.

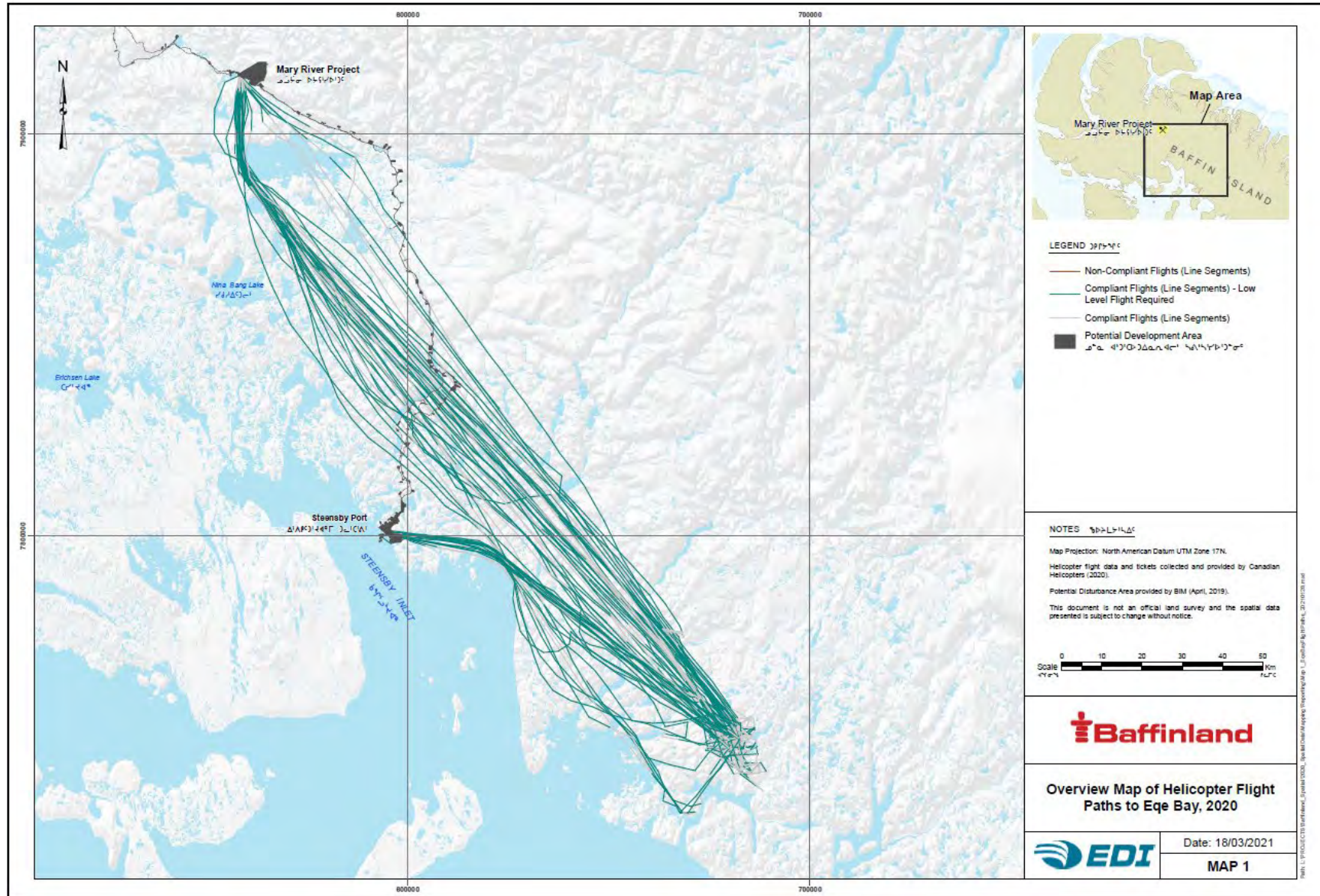


Figure 4.3: Overview Map of Helicopter Flight Paths Associated with the Ege Bay Project from May to September, 2020

Screening Decision Condition No. 28

| | |
|--------------------|--|
| Category | Aircraft Flight Restrictions |
| Term or Condition | The Proponent shall ensure that aircraft maintain a vertical distance of 1,000 metres and a horizontal distance of 1,500 metres from any observed groups (colonies) of migratory birds. Aircraft should avoid critical and sensitive wildlife areas at all times by choosing alternate flight corridors. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland advises all pilots and exploration personnel working on the Project of the aircraft flight restrictions and avian distance requirements. When ever colonies or groups of birds are observed from a distance that allows for diversion, the diversion is made. Flight corridors currently used do not appear to pass over any critical or sensitive wildlife areas.

RESULTS

Aircrafts were able to maintain the required vertical and horizontal distance from groups of migratory birds as well as choose strategic flight corridors to avoid wildlife sensitive areas.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Aircraft flight restrictions and avian distance requirements will continue to be enforced.

Screening Decision Condition No. 29

| | |
|--------------------|---|
| Category | Aircraft Flight Restrictions |
| Term or Condition | The Proponent shall ensure that aircraft/helicopter do not, unless for emergency, touch-down in areas where wildlife are present. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland advises all pilots and exploration personnel working on the Project of the aircraft flight restrictions, including touching down in the presence of wildlife. A survey of the landing area is completed by the pilot and passengers prior to landing, both for the safety of the field crews and to ensure compliance with this condition.

RESULTS

In 2020, no instances occurred where the helicopter landed in areas with wildlife present.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

The method used has worked quite well for avoiding wildlife, especially when paired with a wildlife survey before dropping crews off. These wildlife surveys are done for a field crew safety perspective, looking for polar bears, however occasionally other wildlife is spotted and avoided when a landing area is selected.

Screening Decision Condition No. 30

| | |
|--------------------|---|
| Category | Aircraft Flight Restrictions |
| Term or Condition | The Proponent shall advise all pilots of relevant flight restrictions and enforce their application over the project area, including flight paths to/from the project area. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001). |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

All pilots were advised of relevant flight restrictions. Monitoring of all flight paths are conducted to ensure compliance.

RESULTS

Pilots followed relevant flight restrictions or were able to provide a justified reason why they were unable to (i.e. Weather restrictions). All flight paths were monitored through a GPS tracking system, refer to Screening Decision Condition No. 27 and Figure 4.3 for further discussion on helicopter flights.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to follow relevant flight restrictions by enforce their application over and around the project area. All conditions related to flight restrictions is communicated regularly with helicopter pilots and will continue to be.

Screening Decision Condition No. 31

| | |
|--------------------|---|
| Category | Caribou Disturbance |
| Term or Condition | The Proponent shall cease activities that may interfere with the migration or calving of caribou, until the caribou have passed or left the area. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland did not perform any activities that would interfere with the migration or calving of caribou.

RESULTS

There was no interference by Baffinland with the migration or calving of caribou.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, Baffinland will develop and implement policies and procedures to prevent any interference with migration or calving of caribou. Activities likely to interfere with caribou migration or calving will cease until such time as the caribou have passed or left the area.

Screening Decision Condition No. 32

| | |
|--------------------|---|
| Category | Caribou Disturbance |
| Term or Condition | The Proponent shall not block or cause any diversion to caribou migration and shall cease activities likely to interfere with migration such as airborne geophysics surveys, drilling or movement of equipment or personnel until such time as the caribou have passed. |
| Status | In-compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland did not perform any activities that would block or cause diversion to caribou migration. A total of three (3) caribou were observed by field staff in 2020, all in the Ege Bay area and the route between Mary River, Steensby and Ege Bay.

RESULTS

Caribou migration was not blocked or diverted by any Baffinland activities.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will not block or cause any diversion to caribou migration and will cease activities likely to interfere with migration. As infrastructure is developed at the Ege Bay Project, Baffinland will develop and implement policies and procedures that ensure blocking or diversion of migrating caribou does not occur.

Screening Decision Condition No. 33

| | |
|--------------------|--|
| Category | Caribou Disturbance |
| Term or Condition | During the period of May 15 to July 15, the Proponent shall suspend all project operations, including low-level over flights, drilling, blasting/trenching, and use of snow mobiles and all-terrain vehicles outside the immediate vicinity of the camp. Should the results of localized monitoring satisfy the Land Use Inspector that project operations may resume without disturbing pregnant caribou cows or cows with young calves, the suspension may be lifted for the period specified. |
| Status | In-Compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

In 2020, Baffinland did not carry out any activities during the period of May 15 to July 15 in the Project area.

RESULTS

No wildlife disturbance occurred during the period of May 15 to July 15, 2020.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Surveying the work area via helicopter has proven to be a vital part of the field crew's activities to ensure the safety of the crew and wildlife in the area. Baffinland continues to follow relevant flight restrictions by enforce their application over and around the project area. All conditions related to flight restrictions is communicated regularly with helicopter pilots and will continue to be.

Screening Decision Condition No. 34

| | |
|--------------------|---|
| Category | Caribou Disturbance |
| Term or Condition | Should pregnant caribou cows, cows with young calves, or groups of 50 or more caribou be observed within one (1) kilometre of project operations at any time, the Proponent shall suspend all operations in the vicinity, including low-level over flights, drilling, blasting/trenching, and use of snow mobiles and all-terrain vehicles outside the immediate vicinity of the camp, until caribou are no longer in the immediate area. |
| Status | In Compliance |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

As Baffinland did not operate a camp, drilling activities, blasting/trenching, snow mobiles or all-terrain vehicles at the Project site in 2020. A survey of the helicopter landing area is completed by the pilot and passengers prior to landing, both for the safety of the field crews and to ensure compliance with this condition.

RESULTS

As Baffinland did not operate a camp, drilling activities, blasting/trenching, snow mobiles or all-terrain vehicles at the Project site in 2020.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland field personnel will continue to be observant of all caribou and ensure that no field activities knowingly occur within 1 km of any caribou. As project infrastructure is developed, such as the camp, or drilling activity commences, strict adherence to this condition will apply to ensure the limiting of disturbance to caribou of any kind.

Screening Decision Condition No. 35

| | |
|--------------------|--|
| Category | Ground Disturbance |
| Term or Condition | The Proponent shall not move any equipment or vehicles unless the ground surface is in a state capable of fully supporting the equipment or vehicles without rutting or gouging. Overland travel of equipment or vehicles must be suspended if rutting occurs. |
| Status | Not Applicable |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

No equipment or vehicles were operated unless the ground surface was capable of fully supporting the equipment or vehicles without rutting or gouging in 2020 for the Project. The only equipment or vehicles operated in 2020 was the limited operation of a loader on the beach area. As a part of the M/V Sedna Desgagnés beach landing survey on September 8th 2020, a tug maneuvered a lightering barge with a loader to the beach. The loader was able to disembark on to the beach, perform a ground stability test, then re-embark on the tug for transfer back to the M/V Sedna Desgagnés.

RESULTS

No equipment or vehicles caused rutting or gouging.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to employ industry best-practices when manoeuvring equipment over various ground surfaces by employing, but not limited to, the following methods: use of low ground pressure vehicles, utilization of steel plates and/or rig mats to protect soft ground, and minimizing the use of vehicles where possible.

Screening Decision Condition No. 36

| | |
|--------------------|---|
| Category | Ground Disturbance |
| Term or Condition | The Proponent shall implement suitable dust, erosion and sediment suppression measures on all areas before, during and after conducting activities in order to prevent sediments or fugitive dust from entering any waterbody or surrounding environment. |
| Status | Not Applicable |
| Reference | Environmental Protection Plan (BAF-PH1-400-P16-0001). |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

No activities were performed in 2020 that would result in dust, erosion or sedimentation in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition and appropriate management plan mitigation measures when it becomes applicable.

Screening Decision Condition No. 37

| | |
|--------------------|---|
| Category | Ground Disturbance |
| Term or Condition | All construction and road vehicles must be fitted with standard and well-maintained noise suppression devices and engine idling is to be minimized. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No equipment or vehicles were mobilized in 2020 for the Project, however one (1) loader accessed the beach area while testing the sealift landing locations. The loader was not maintained at Site and was on shore for a short period of time on a single day.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 38

| | |
|--------------------|---|
| Category | Establishment of New Quarries |
| Term or Condition | The Proponent shall clearly stake and flag pit and quarry boundaries, so they remain visible to other land users. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No quarries were developed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 39

| | |
|--------------------|--|
| Category | Establishment of New Quarries |
| Term or Condition | The Proponent shall locate quarry/pit facilities so as to avoid all recreational sites and public use areas, and to protect unique geographical features and natural aesthetics. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No quarries were developed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 40

| | |
|--------------------|--|
| Category | Establishment of New Quarries |
| Term or Condition | The Proponent shall ensure there is no obstruction of natural drainage, flooding or channel diversion from quarry/pit access, stockpiles, or other structures or facilities. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No quarries were developed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 41

| | |
|--------------------|--|
| Category | Establishment of New Quarries |
| Term or Condition | The Proponent shall ensure that silt fences/curtains are installed down gradient of any quarry activities. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No quarries were developed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 42

| | |
|--------------------|---|
| Category | Establishment of New Quarries |
| Term or Condition | The Proponent shall maintain an undisturbed buffer zone of at least 100 metres between quarry site and any high-water mark of any water body. Alternately: The Proponent shall maintain an undisturbed buffer zone between the periphery of quarry sites and the high-water mark of any water body that is of an adequate distance to ensure erosion control. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No quarries were developed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 43

| | |
|--------------------|--|
| Category | Establishment of New Quarries |
| Term or Condition | The Proponent shall locate screening and crushing equipment on stable ground, at a location with ready access to stockpiles. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No quarries were developed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 44

| | |
|--------------------|---|
| Category | Establishment of New Quarries |
| Term or Condition | The Proponent shall use water or other non-toxic and biodegradable additives for dust suppression as necessary to maintain ambient air quality without causing water to pool or runoff. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No quarries were developed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 45

| | |
|--------------------|--|
| Category | Drilling on Land |
| Term or Condition | The Proponent shall not conduct any land based drilling or mechanized clearing within thirty-one (31) metres of the normal high-water mark of a water body unless otherwise authorized by the Nunavut Water Board. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No drilling was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 46

| | |
|--------------------|---|
| Category | Drilling on Land |
| Term or Condition | The Proponent shall not allow any drilling wastes to spread to the surrounding lands or water bodies. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No drilling was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 47

| | |
|--------------------|--|
| Category | Drilling on Land |
| Term or Condition | If an artesian flow is encountered, the Proponent shall ensure the drill hole is immediately plugged and permanently sealed. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No drilling was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 48

| | |
|--------------------|---|
| Category | Drilling on Land |
| Term or Condition | The Proponent shall ensure that all drill areas are constructed to facilitate minimizing the environmental footprint of the project area. Drill areas should be kept orderly with garbage removed daily to an approved disposal site. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No drilling was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 49

| | |
|--------------------|--|
| Category | Drilling on Land |
| Term or Condition | The Proponent shall ensure that all sump/depression capacities are sufficient to accommodate the volume of waste water and any fines that are produced. The sumps shall only be used for inert drilling fluids, and not any other materials or substances. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No drilling was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 50

| | |
|--------------------|---|
| Category | Drilling on Land |
| Term or Condition | The Proponent shall not locate any sump within thirty-one (31) metres of the normal highwater mark of any water body unless otherwise authorized by the Nunavut Water Board. Sumps and areas designated for waste disposal shall be sufficiently bermed or otherwise contained to ensure that substances do not enter a waterway. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No drilling was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 51

| | |
|--------------------|---|
| Category | Drilling on Land |
| Term or Condition | The Proponent shall ensure all drill holes are backfilled or capped prior to the end of each field season. All sumps must be backfilled and restored to original or stable profile prior to the end of each field season. |
| Status | Not Applicable |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

No drilling was completed in 2020 for the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will implement the SD Condition when it becomes applicable.

Screening Decision Condition No. 52

| | |
|--------------------|---|
| Category | Temporary Camps |
| Term or Condition | The Proponent shall ensure that all camps are located on gravel, sand or other durable land. |
| Status | In-compliance |
| Reference | Eqe Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) Eqe Bay Closure and Reclamation Plan (BAF-PH1-400-P16-0003) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Accommodation camps were not constructed in 2020. However, a temporary survival shack was set in up in 2019 on a flat paleo-beach surface in the Project area (Figure 4.4). This survival shack remained on the project area for 2020 field activities (legal survey). This was deemed the most durable land for set up as the beach cobbles are very durable and there is very little vegetation growing in the area. The cobbles have an approximate average size of 20 cm x 10 cm x 4 cm. The tent was placed on an area with no moss or grass growing (Figure 4.5):

RESULTS

The temporary survival shack was set up on durable land in the form of a flat, cobbled paleo beach surface. No scarring of the land is visible.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

All future camp infrastructure, as much as practicable, will be developed on durable land to minimize scarring to the landscape.



Figure 4.5: Survival Tent Placed on Cobbled Paleo-Beach Surface

Screening Decision Condition No. 53

| | |
|--------------------|---|
| Category | Temporary Camps |
| Term or Condition | The Proponent shall ensure that the land use area is kept clean and tidy at all times. |
| Status | In-compliance |
| Reference | Eqe Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) Eqe Bay Closure and Reclamation Plan (BAF-PH1-400-P16-0003) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Accommodation camps were not constructed in 2020. However, a temporary survival shack remained in the project area for 2020 after it was mobilized in 2019 for emergency purposes only, and under approval from QIA was left at the Project location at the end of the field season. No waste was left behind.

RESULTS

The land use area was kept clean and tidy at all times. As mentioned in SD Condition No. 7, all waste was removed from the Project area daily and returned to Mary River for proper disposal.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Project, Baffinland will ensure the land use area is kept clean and tidy at all times by frequently monitoring all camp facilities including temporary structures. Construction of temporary camps are to be firmly secured with additional materials used as needed. This will decrease the likelihood of loose material and ensure the land use area is protected.

Screening Decision Condition No. 54

| | |
|--------------------|---|
| Category | Restoration of Disturbed Areas |
| Term or Condition | The Proponent shall remove all garbage, fuel and equipment upon abandonment. |
| Status | In-compliance |
| Reference | Eqe Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) Eqe Bay Closure and Reclamation Plan (BAF-PH1-400-P16-0003) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Prior to the end of each field season, all garbage, fuel and equipment are removed from the Project area. As per SD Condition No.7, throughout the field season all garbage is taken back to Mary River with the field crews. The fuel storage cache was removed by helicopter at the end of the field season. This includes fuel drums and any materials such as berms used to store the fuel in accordance with the Fuel and Chemical Storage conditions. Temporary equipment such as geological/geophysical tools are removed from the project area once the tool is no longer in use or at the end of the field season.

RESULTS

Progressive reclamation in 2020 included the removal of all garbage accumulated in the field back to Mary River for disposal, and removal of all fuel and equipment after the field season was complete via helicopter. A survival tent was left in place for use in the 2021 field season with permission from the QIA. The Project is not in the closure/abandonment stage and is still undergoing active exploration.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will honor the commitments made with respect to closure, reclamation and abandonment as outlined in the Eqe Bay Closure and Reclamation Plan.

Screening Decision Condition No. 55

| | |
|--------------------|---|
| Category | Restoration of Disturbed Areas |
| Term or Condition | The Proponent shall ensure that all disturbed areas are restored to a stable or pre-disturbed state as practical as possible upon completion of field work. |
| Status | In-compliance |
| Reference | Eqe Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) Eqe Bay Closure and Reclamation Plan (BAF-PH1-400-P16-0003) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland will execute the Closure and Reclamation plan, including opportunities for progressive reclamation throughout the life of the project. This will include reducing the footprint of disturbance wherever possible, and grading, re-contouring and scarifying disturbed areas on closure to promote stability, drainage and revegetation.

RESULTS

All field activities in 2020 were low impact. No construction activities, camp operation, drilling or quarry development was executed in 2020, resulting in no disturbance of the ground surface.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will ensure that minimal initial disturbance occurs during the development of the proposed exploration camp and drill areas. A photographic record will be captured for before, during and after of each site to be disturbed to ensure compliance with this Condition.

Screening Decision Condition No. 56

| | |
|--------------------|---|
| Category | Restoration of Disturbed Areas |
| Term or Condition | The Proponent shall complete all clean-up and restoration of the lands used prior to the end of each field season and/or upon abandonment of site. |
| Status | In-compliance |
| Reference | Eqe Bay Environmental Protection Plan (BAF-PH1-400-P16-0001) Eqe Bay Closure and Reclamation Plan (BAF-PH1-400-P16-0003) |
| Ref. Document Link | Management Plans available at: https://www.baffinland.com/media-centre/document-portal/ |

METHODS

Baffinland will execute the Closure and Reclamation plan, including opportunities for progressive reclamation throughout the life of the project. This will include reducing the footprint of disturbance wherever possible, and grading, re-contouring and scarifying disturbed areas on closure to promote stability, drainage and revegetation.

As per SD Condition No. 7, throughout the field season all garbage is taken back to Mary River with the field crews. The fuel storage cache was removed by helicopter at the end of the field season. This includes fuel drums and any materials such as berms used to store the fuel in accordance with the Fuel and Chemical Storage conditions. Temporary equipment such as geological/geophysical tools are removed from the project area once the tool is no longer in use or at the end of the field season.

RESULTS

All field activities in 2020 were low impact. No construction activities, camp operation, drilling or quarry development was executed in 2020, resulting in no disturbance of the ground surface.

Field crews cleaned up all garbage, fuel storage caches, equipment and other foreign material prior to the end of each field season.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to ensure that progressive clean-up of fieldwork areas is completed. Baffinland will ensure that minimal initial disturbance occurs during the development of the proposed exploration camp and drill areas. A photographic record will be captured for before, during and after of each site to be disturbed to ensure compliance with this Condition.

Screening Decision Condition No. 57

| | |
|--------------------|--|
| Category | Other |
| Term or Condition | The Proponent should consult with local residents regarding their activities in the area and solicit available Inuit Qaujimaningit and information that can inform project activities. |
| Status | In-compliance |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

Baffinland meets with various community groups on a regular basis to discuss aspects of the Project and ongoing issues, concerns or recommendations community representatives may have. Baffinland has engaged in a number of community tours in the past to provide information and garner feedback from the Hamlet Councils and Hunters and Trappers Associations in Sanirajak and Igloolik. First hand community engagement and communication is achieved through these community tours as well as written letters sent out regarding information updates. These interactions are provided as a platform to solicit available Inuit Qaujimaningit (IQ) and information that can inform project activities.

Due to COVID-19 and curtailing of field program activities, in-person engagement in Sanirajak and Igloolik was not possible. Baffinland provided written communications to both Hamlet Councils, HTAs and the QIA as well as the GN, Nunavut Public Health and the local airports and nursing stations to advise of the timing, location and status of various field activities occurring in the Ege Bay area to minimize any potential exposure risk of Nunavummiut to Mine staff and possible COVID-19 transmission.

RESULTS

As a result of previous community engagement initiatives, important IQ has been shared about historic travel paths and hunting grounds for the communities of Sanirajak, Igloolik and Clyde River. It has been noted that hunters and travellers from Igloolik and Clyde River pass through the area when travelling between the two communities. In the summer months, caribou hunters from Igloolik and/or Sanirajak may come to the areas of Ege Bay or Grant-Suttie Bay to hunt. In the winter, Nunavummiut travel by snowmobile between Igloolik and Clyde River. It was also noted that in the past, residents of Clyde River travelled to an area NE of the Project area to hunt wolves, possibly near the Barnes Icecap.

As a result of Baffinland's commitment to the health and safety of all people affected by Project activities, timely communications were shared with all potential land users to ensure all public health measures were followed. Through positive communication with the Hamlets and HTAs, it was determined that no land users were going to be present where Baffinland staff and contractors were working. No instances of COVID-19 transmission or any community contact were noted in the 2020 field program.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Community outreach in various forms have been planned for Sanirajak, Igloolik and Clyde River, to occur prior to any infrastructure development in the Ege Bay area, and specifically to notify the Hamlet Councils and Hunters and Trappers Associations of the planned activities and solicit community feedback. Ongoing communication between the Company and the communities will be essential to fostering goodwill and social license to operate the Ege Bay Project. It is anticipated that with potential future success of the Project, broader community engagement will be possible to further engage Inuit on IQ and incorporate learnings into future Project development. Should no infrastructure development occur in 2021, at minimum letters will be sent to the three affected communities explaining this and elaborate, to the extent practicable, on reasons why and proposed future development timelines.

Screening Decision Condition No. 58

| | |
|--------------------|--|
| Category | Other |
| Term or Condition | The Proponent shall ensure that project activities do not interfere with Inuit wildlife harvesting or traditional land use activities. |
| Status | In-compliance |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

Baffinland staff and contractors working on the Project monitor for signs of Inuit land use, whether that be hunting or other land uses. These are recorded on a land use log maintained in the helicopter to document any such activities, as no infrastructure currently exists on Site. Baffinland practices are to avoid Inuit land users so as not to interfere with hunting and land use activities.

RESULTS

During 2020, no hunting camp or groups of hunters were spotted on the land from the helicopter while transiting to the Project area. No interaction, interference or conflict from Project activities were observed or reported.

TRENDS

Not applicable

RECOMMENDATIONS / LESSONS LEARNED

Baffinland has not encountered any Inuit wildlife harvesting or traditional land use activities in the immediate Project area, however observations of Inuit land use in areas adjacent to the Project area in prior years does confirm land use in the area of the Project. Baffinland field personnel and contractors will continue to employ best efforts to avoid disturbing or interfering with any traditional land use.

Screening Decision Condition No. 59

| | |
|--------------------|---|
| Category | Other |
| Term or Condition | The Proponent should, to the extent possible, hire local people and access local services where possible. |
| Status | In-compliance |
| Reference | N/A |
| Ref. Document Link | N/A |

METHODS

With a limited scope of work completed in 2020, and COVID-19 mitigation measures restricting the interaction of Nunavut residents and southern workers, Baffinland endeavoured to employ Inuit who reside outside of Nunavut on the project.

RESULTS

Two employment positions were filled by non-Nunavut resident Inuit hires in 2020. These were Field Assistant positions and employees were offered geologic training both at the mine site and in the field by Baffinland staff geologists. The Field Assistants were given the opportunity to apply the skills learned in a hands-on field environment during the legal survey and assisted with core logging, sampling and associated work at the mine site when required (often weather days where field work was not possible).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

As infrastructure is developed at the Ege Bay Project, and the scope of work becomes more in line with the approved Screening Decision, Baffinland will continue to hire local people and access local services where possible.

5 MANAGEMENT PLAN UPDATES

Table 5.1 provides a list of all the Management Plans for the Project.

Some Environmental Management and Monitoring Plans for the Project have been updated and submitted to applicable regulatory authorities or review agencies throughout 2018, as requested, through various permitting applications (Type 'B' Water License and QIA Land Use applications).

Table 5.1 Current List Environmental Monitoring and Management Plans

| Document Number | Plan Name | Current Revision Date |
|---------------------|--|-----------------------|
| BAF-PH1-400-P16-001 | Eqe Bay Environmental Protection Plan | Feb-19 |
| BAF-PH1-400-P16-002 | Eqe Bay Spill Contingency Plan | Feb-19 |
| BAF-PH1-400-P16-003 | Eqe Bay Closure and Reclamation Plan | Feb-19 |
| BAF-PH1-400-P16-004 | Eqe Bay Inspection and Monitoring Plan | Feb-19 |
| BAF-PH1-400-P16-005 | Eqe Bay Waste Management Plan | Feb-19 |

A copy of Baffinland's Environmental Management Plans are available on the document web portal: <https://www.baffinland.com/media-centre/document-portal/>.

6 REFERENCES

Nunavut Impact Review Board (NIRB), 2018. Nunavut Impact Review Board – Screening Decision Report Baffinland Iron Mine Corporation - NIRB File No. 18-EN-026. August 17, 2018.

APPENDIX A
EQE BAY PHOTO SHEET 2020



PHOTO 1 – Survey Lead Setting Up Base Station Prior to a Day of Legal Boundary Surveying at Ege Bay



PHOTO 2 – View from the Twin Otter of a Potential Landing Area



PHOTO 3 – Twin Otter being prepared for flight from Mary River to Ege Bay



PHOTO 4 – Loader Coming Off a Lightering Barge at a The Sealift Landing Test Area



PHOTO 5 – Ege Bay Beach Tug & Barge Access



PHOTO 6 – Tug Boat at Ege Bay Beach during High Tide



PHOTO 7 – Ege Bay Beach at High Tide



PHOTO 8 – Ege Bay Beach