

Mary River Project

Inuit Certainty Agreement

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THE AGREEMENT



- ✚ Inuit Certainty Agreement between Baffinland and Qikiqtani Inuit Association
- ✚ Signed June 16, 2020
- ✚ Outlines updates to the Mary River project Inuit Impact Benefit Agreement, Commercial Lease and Water Compensation Agreement



KEY FEATURES



Improved partnership
between QIA and
Baffinland



More say for Inuit in
monitoring and
reviewing the Project



Offers added benefits
directly to Inuit and
Communities



Provides greater certainty
to Inuit that Baffinland
will continue to operate
the Project in an
environmentally and
socially responsible
manner



Baffinland funds increased
Inuit Participation



INUIT STEWARDS – NAUTTIQSUQTIIT



- ✚ Inuit take a lead in independent monitoring of the project through the Inuit Stewardship Plan
- ✚ Culture, Resource & Land Use - CRLU Stream
- ✚ Social – Community Life Stream
- ✚ Inuit lead in development of updated Culture, Resource and Land Use Assessment
- ✚ More Inuit Qaujimajatuqangit - IQ will be included in the Project Adaptive Management Plans



Inuit Led Monitoring and Decision Making

- ✚ Enhanced to monitor and report issues related to Inuit use of the land and harvesting
- ✚ Improves current monitoring already in place
- ✚ Environmental information to come from:
 - ✓ Nauttiguqtiit – from communities, skilled harvesters and land users
 - ✓ QIA on site monitors
 - ✓ Existing Baffinland funded programs
- ✚ A new Project CRLU assessment will be done jointly with QIA
- ✚ Baffinland will fund a Baseline Country Food Study in Pond Inlet



SOCIAL MONITORING

- ✚ Increased community focused social monitoring by communities
- ✚ Community members will be involved through the Inuit Social Oversight Committee and Community Action Research Teams and will consider:

- ✓ Language preservation
- ✓ Access to country food
- ✓ Supporting youth & elders
- ✓ Quality of life
- ✓ Housing
- ✓ Income & cost of living
- ✓ Education & training
- ✓ Mental health





ENVIRONMENTAL

Nauttiqsuqtiit

Inuit Steward Program



Will watch land, waters and wildlife for any sign of impacts from the mine



They will be the key monitors to find any triggers for action



The Inuit Stewardship Plan will be run by QIA and funded by Baffinland.

Inuit will drive Baffinland's responses to unanticipated impacts through agreement on Adaptive Management Plans.



EMPLOYMENT



INUIT CAREER MOBILITY STRATEGY

- ✚ Increasing movement into new or higher skill jobs

EARLY CHILDHOOD CHILDCARE SUBSIDY

- ✚ Fixed allowance per day, per child under 14 years for Baffinland Employees
- ✚ Nunavut Inuit residents, working at Mary River Project

MINIMUM INUIT EMPLOYMENT GOALS

- ✚ Will be measured on a 3-year time frame.
- ✚ Focusing more effort on Inuit employment goals than on annual reporting.



COMMUNITY BENEFITS

- ✚ Baffinland pledging \$3 million per impacted community for construction or enhancement of Childcare facilities
- ✚ Continued commitment of \$10 Million for the Baffinland Inuit Training Facility in Pond Inlet
- ✚ Community Direct Benefits





WILDLIFE COMPENSATION



- ✚ Mittimatalik Hunters and Trappers Organization will receive \$1.3 million to compensate extra harvesting efforts
- ✚ New Regional Harvesters Enabling Program \$750,000 yearly to be shared by HTOs in affected communities
- ✚ Existing Harvesters Enabling fuel program for Pond Inlet of \$400,000 will be expanded to include Igloolik when Rail and Steensby Inlet are built
- ✚ Expanded Water Compensation Agreement using Inuit-based, IQ-informed water quality monitoring programs



PROJECT CHANGES

Commitment to “Route 3” and process to manage railway construction

- ✚ Commits Baffinland to build “Route 3” avoiding a known traditional travel route between Pond Inlet and Igloolik
- ✚ Provides QIA construction monitors to oversee railway construction
- ✚ Creates a process to follow to add and modify crossings for land users and wildlife

Clarified procedures between QIA and Baffinland for future Project changes

- ✚ Requires additional studies and IIBA renegotiations be done with Inuit before future changes to the Project can be considered
- ✚ Potential Project changes requiring additional work are clear and considerate of Inuit values



INUIT CAPACITY AND CONTENT REQUIREMENTS



- ✚ Contracting and subcontracting opportunities will be tailored specifically for Preferred Inuit Firms, and they will have priority when bidding on contracts
- ✚ Improved reporting on Inuit vs. Non-Inuit Firm spending
- ✚ QIA and Baffinland will create a Contractor Inuit Content Plan template to track commitments to Inuit



OTHER IIBA CHANGES

- ✚ Existing Programs extended for the life of the Mary River Project, including but not limited to:
 - ✓ Illagiiktunut Fund
 - ✓ Business Capacity Fund
 - ✓ Q-STEP Style Training Program
 - ✓ Hunters Enabling Program (Pond Inlet current, expanded to Igloolik, Hall Beach , Kinngait, and Kimmirut with development of Steensby)
- ✚ Baffinland will cover QIA's IIBA implementation costs, freeing funds to go to programs and community benefits
- ✚ Milestone payments to QIA up to \$45 million over next 5 years
- ✚ Royalties increase:
 - ✓ From 1.19% to 1.50% June 2020
 - ✓ After 36 months from 1.50% to 1.75%
 - ✓ After 54 months from 1.75% to 2.25%
 - ✓ After 72 months from 2.25% to 3.00%



MOVING FORWARD
