



SHIPPING AND MARINE MONITORING SUMMARY

2022 Shipping Season

BAFFINLAND SHIPPING

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BAFFINLAND SHIPPING ACTIVITIES

In 2022, once certain minimum requirements have been met, Baffinland Iron Mines Corporation ('Baffinland' or 'the Company') will begin its shipping activities. Those requirements include no presence of landfast ice along the entire Northern Shipping Route, and confirmation that the Pond Inlet floe edge has been closed.

Baffinland will continue to implement mitigation measures, in direct response to Inuit input. In an effort to reduce potential cumulative impacts of the Project to narwhal during this sensitive time period, **Baffinland will again delay the start of the shipping season until icebreaking is no longer required for ore carriers transiting towards Milne Port, as done in 2021.** As a result of this decision, the 2022 shipping season will only commence once a continuous path of 3/10ths or less ice concentration is present between the entrance of Eclipse Sound and Milne Port. An icebreaker will not be used to break ice and escort ore carriers if ice is greater than 3/10ths ice concentration at the start of the shipping season.

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

The final shipping schedule, and the start of the shipping season, will depend on prevailing ice conditions. Once initiated, the season will continue until approximately mid-to-late October. Within this timeframe, and in consideration of approved transportation limits, we expect to need between 55 to 80 ore carriers, three (3) re-supply voyages and up to four (4) fuel tanker voyages.

What you've shared with us

Through valuable conversations with local community members, Baffinland has heard a number of concerns related to shipping through the Northern Shipping Route:

The potential for shipping to interfere with local hunting

The potential for dust to impact the marine environment, including water and sediment quality, and marine organisms

The potential for vessels to affect marine mammals

The potential for shipping activity to harm the health of the marine ecosystem

ADDRESSING CONCERNS



How has Baffinland addressed these concerns?

Baffinland is committed to monitoring any potential effects of shipping activities. Here are some of the measures we are implementing:

1. Baffinland vessels will not break through landfast ice and will wait for confirmation that the floe edge has been closed before entering Eclipse Sound. In 2022, the shipping season will only start once it is confirmed that there is a continuous path of 3/10ths or less ice concentrations between the entrance of Eclipse Sound and Milne Port.
2. No more than 80 ore carriers will be chartered should Baffinland be approved to transport up to 6 mtpa. In addition, convoys will be used to further reduce total underwater sound exposure.
3. Vessels will travel as closely as possible to the approved Northern Shipping Route, but may deviate at times to ensure safe sailing conditions. We have a notification system that alerts Baffinland staff if any Baffinland vessels are travelling above the speed limit (maximum of 9 knots) or outside of the approved Northern Shipping Route.
4. A maximum of three vessels can be anchored at Ragged Island or drifting in Eclipse Sound at any one time. Drifting will be avoided if possible, unless warranted for safety.
5. All Baffinland vessels follow the Standing Instructions to Masters, which provides information to vessel captains on speed limits, the shipping route, and anchorage locations.
6. Ore carriers will not discharge grey water, sewage or ballast water in Eclipse Sound. Ballast water is only discharged by ore carriers at Milne Port, after compliance testing.
7. Baffinland will continue to work with community members, Hunters and Trappers Organizations and Hamlets to ensure that all concerns related to shipping activities are considered. Full-time Shipping Monitors will be available in the Baffinland Pond Inlet office to support daily tracking and viewing of vessels passing through Eclipse Sound all the way to Milne Port.

To date, no significant changes have occurred to the marine environment at Milne Port, as determined by our marine environmental effects monitoring programs implemented since start of operations.

However, a reduction in Eclipse Sound narwhal numbers, relative to historical estimates (pre-2020) based on analysis of latest aerial survey data, has been reported, consistent with concerns raised by the community.

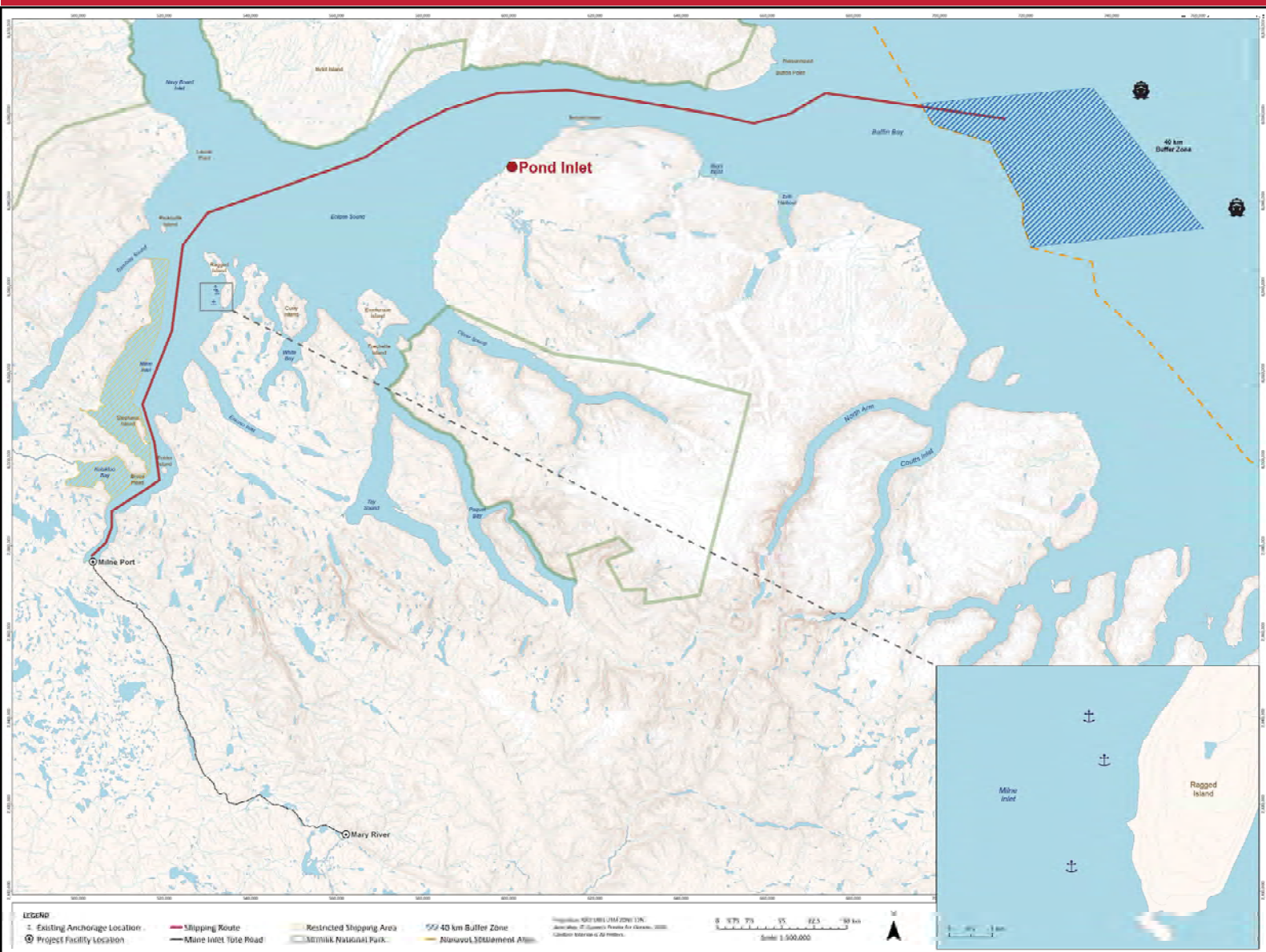
In response, a precautionary approach is being taken where new adaptive management mitigation measures will be enhanced during the 2022 shipping operations, including no icebreaking at the start of the shipping season, and the use of convoys to further reduce total underwater sound exposure.



It is important to remember that the health and safety of people is always Baffinland's top priority.

In some situations, vessel captains may need to deviate from standard operating procedures to ensure safe passage.

SHIPPING ROUTE



HAVE QUESTIONS OR CONCERNS?

If you are on the water and have an immediate concern, **contact our shipping monitor via VHF radio channel 26.**

Visit the Baffinland office and speak with our shipping monitors or **view vessel tracks** in the Mittimatalik Hunters and Trappers Organization (MHTO) building, 2nd floor.

Email us at :
shipping@baffinland.com

Call us at:
899-1807

For shipping updates visit:
www.baffinland.com

> Operation
> Shipping & Monitoring



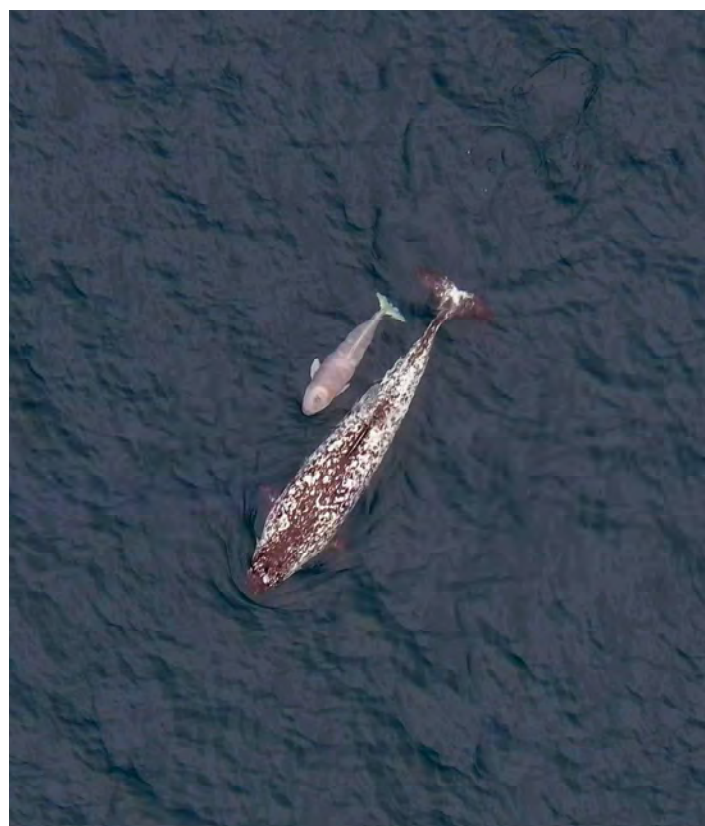
POTENTIAL EFFECTS ON THE ENVIRONMENT

Shipping may affect marine mammals:

- Distribution and abundance
- Behaviour
- Habitat

Shipping may affect the local marine environment by:

- Introducing aquatic invasive species
- Altering the quality or quantity of fish habitat
- Altering water quality near Milne Port



Mother-calf pair observed in Milne Inlet (August 2021)

MARINE MONITORING PROGRAMS

What are we doing to monitor the marine environment?

Baffinland uses a number of monitoring programs throughout the shipping season to monitor potential effects from shipping on the marine environment, Baffinland will be running a number of different monitoring programs throughout the shipping season.

The marine monitoring programs will:

- Measure the effects that shipping is having on the marine environment
- Assess the accuracy of predictions of effects
- Determine if adaptive mitigation measures need to be developed.



Marine Mammal Aerial Surveys

Monitors the abundance and distribution of narwhal and other marine mammal species in Project area throughout the summer.



Bruce Head Shore-based Monitoring

Investigates narwhal response to shipping along the Northern Shipping Route by observing them from the top of Bruce Head.



Marine Environmental Effects and Aquatic Invasive Species and Habitat Offset

Monitors water and sediment quality, including metals, benthic infauna, epifauna and epiflora, fish abundance and health (with a focus on Arctic char) including contaminant analysis, and ballast water compliance testing.



Passive Acoustic Monitoring

Retrieval of two (2) recorders at the floe edge, which recorded underwater noise during the 2021 fall shoulder season and 2022 floe edge conditions. Potential monitoring of underwater noise at one (1) location from August to September near Bruce Head.



COMMUNICATIONS

In order to provide better communications about Baffinland vessel activities, full-time Shipping Monitors will be available over the entire shipping season, working from the Baffinland Pond Inlet office located in the Mittimatalik Hunters and Trappers Organization (MHTO) office building (2nd Floor). If you have questions, comments or concerns about Baffinland vessels, please contact Baffinland by visiting one of our Shipping Monitors, or speaking to a representative from the MHTO who can then relay the message to Baffinland.

In addition to interacting directly with Shipping Monitors, you can track vessel traffic in 2022 by other methods:

1. Access the Baffinland website (www.baffinland.com) and follow the path to "Operation>Shipping & Monitoring", access also available in the Baffinland Pond Inlet office.
2. Visit the Pond Inlet Baffinland office to observe live tracking of vessels through the Automatic Identification System (AIS) monitoring station, and learn more about the type of vessels that Baffinland requires for its operations.
3. Listen to Pond Inlet radio for announcements about upcoming vessel activity including convoys will be made on the local Pond Inlet radio at regular intervals.
4. Listen to marine VHF radio channel 26 for periodic announcements of daily and upcoming vessel activity including convoys.
5. Access Facebook pages for Baffinland Iron Mines, Baffinland Shipping, Pond Inlet News and Pond Inlet Hunters Information Page for periodic postings about past, current and future shipping activities.



QUESTIONS? HERE IS HOW YOU CAN REACH US

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If you have questions, comments or concerns about Baffinland vessels, please visit one of our Shipping Monitors at the Baffinland Pond Inlet office (in Mittimatalik Hunters and Trappers Organization (MHTO) building, 2nd floor), contact us via marine VHF radio channel 26, or provide your concern directly to the MHTO. For specific vessel operation concerns, if possible, indicate the name of the vessel, location, the date and time of observation, as well as any relevant details about your concern. Please provide photos and video if available.

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