

- As many will know, Baffinland is a component of ArcelorMittal Limited, a large company with many holdings and initiatives. We are fortunate to be able to draw upon their significant experience in mining developments globally and in particular their Canadian mining operations. ArcelorMittal Mines Canada operates open pit, iron ore mines on the northern Quebec/Labrador border as well as the accompanying railway and port facilities. This has offered some excellent opportunities for lessons learned and the possibilities that a modern, new development can permit.
- It is worth noting that ArcelorMittal's Canadian presence has consistently demonstrated a corporate culture that reflects a commitment to responsible development and to overall sustainable development.
- In terms of the Project itself, Mary River represents a significant expenditure for our company. The potential investment in Nunavut of hard earned capital that has been generated by other employees in other operations in other parts of the world, the investment of time, energy and the foregone opportunities that again exist elsewhere in the world are all major considerations.
- It is an unavoidable fact that in mining developments the largest expenditures occur early on as infrastructure is built and equipment is bought and it is often many years before the mining company sees a return on its investment. The decision to invest is one that must be made carefully and with a full understanding of what is at stake.
- At Baffinland we are very much aware that the Inuit too must make a well-considered decision regarding their own significant investment in the Mary River project. To Inuit the land and the values that their way of life has given them are of utmost importance. The development of a portion of that land and the exposure to non-traditional ways of life must also be carefully considered.

- Like the company the largest Inuit investment comes early when the initial work is done on the land and the most changes are seen. Again, like Baffinland the expectation is that over time the benefits will be there to make that initial investment worthwhile and of real value to people and communities.
- This is why the environmental assessment phase is so critical. We must collectively and thoroughly understand what is being proposed and its outcomes.
- Inuit must understand as much as is possible what the project means; standards and expectations must be set, and the company must understand these expectations to ensure that they are manageable, and that its final decision to invest is a wise one.
- The end of the combined Nunavut Impact Review Board and Nunavut Water Board process is estimated to be approximately six months away, at which time the project will have been in the assessment phase for almost five years. I'm confident that is long enough for us all to have gained the necessary understanding of the proposed project.
- In terms of what this project means to the people there has been much discussion over past years - payments through the Inuit Impacts and Benefits Agreement, education, training and employment opportunities, Inuit business capacity development, and more – these are often simplified into one concept - income. Payments to organizations, in the form of taxes or royalties, payments to people in the form of wages or invoices – it's often simply thought of as money.

- Having been through a successful development elsewhere in the north I would caution us all against seeing things so simply. My preference is that this project is seen as an opportunity, an opportunity to adjust to the wage labour economy that is growing in importance in the north, an opportunity to improve education levels, an opportunity to provide a diversity of employment opportunities that otherwise can only be found by the young leaving the north and moving south, an opportunity to build even stronger and healthier communities that can meet the coming challenges of the future and do so in a way that Inuit have carefully considered, sanctioned and support.
- To be clear, this is not just unselfish altruism on the part of the company. Strong, healthy, well educated, self-reliant communities are very much in Baffinland's best interest. We will be in the area for many years, perhaps many decades and it will most certainly be in our own interests to have local employees and organizations that can participate meaningfully in the project.
- Likewise, I believe the Inuit have a vested interest in seeing the Mary River project operate in a successful and stable manner in the long term. To do so Baffinland must be able to manage its operations within a reasonable and clearly understood set of expectations. If this is achieved we will be able to realize what I see as the key to our mutual success – strong and healthy communities are good for the project and a successful project will contribute to strong and healthy communities.
- This relationship – between the company and the Inuit - is key to this project, we have begun to build it but have by no means finished, as the project begins our common interests will increasingly overlap. I look forward to it.

- To date, we have worked diligently over the course of scores of meetings with community members and listened carefully to their advice and concerns, and we have taken many people to visit the Mary River site so they could better understand the project components.
- I am particularly pleased with the utilisation of Inuit Qaujimaqatuqangit. One of the first things Baffinland did was launch a 3 year study of traditional knowledge and we have used this work extensively as you will see in upcoming presentations.
- We are also very much aware that community engagement is not just important at the planning stages of a project and so it is built into our whole system of managing, reporting and decision-making.
- We are continuing to work with the QIA to finalize the Impacts and Benefits Agreement that will ensure the benefits I have already mentioned are realized by Inuit. The IIBA will also ensure and that the Project is managed in a way that is respectful of Inuit culture and expectations.
- Speaking more broadly – and briefly - we see this as a good project for all of Canada. It aligns to the overall objectives of Canada's Northern Strategy – sound social and economic development while protecting our environmental heritage – and is significant enough that its benefits will be felt in every province and territory in the country
- In closing, Madame Chair, we recognize that your Board has the significant responsibility of ensuring responsible development and providing the Government with sound advice and recommendations. We have and are continuing to work hard to earn your support for

the project and to provide you with the information you need to recommend this project with terms and conditions that balance the need for addressing environmental/socio-economic matters with the need for the Company to manage the Project responsibly and practically and to be in control of and accountable for the construction and operation and eventual closure of the Project.

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- And now, Erik Madsen will launch the technical presentations and the work of this Hearing begins....