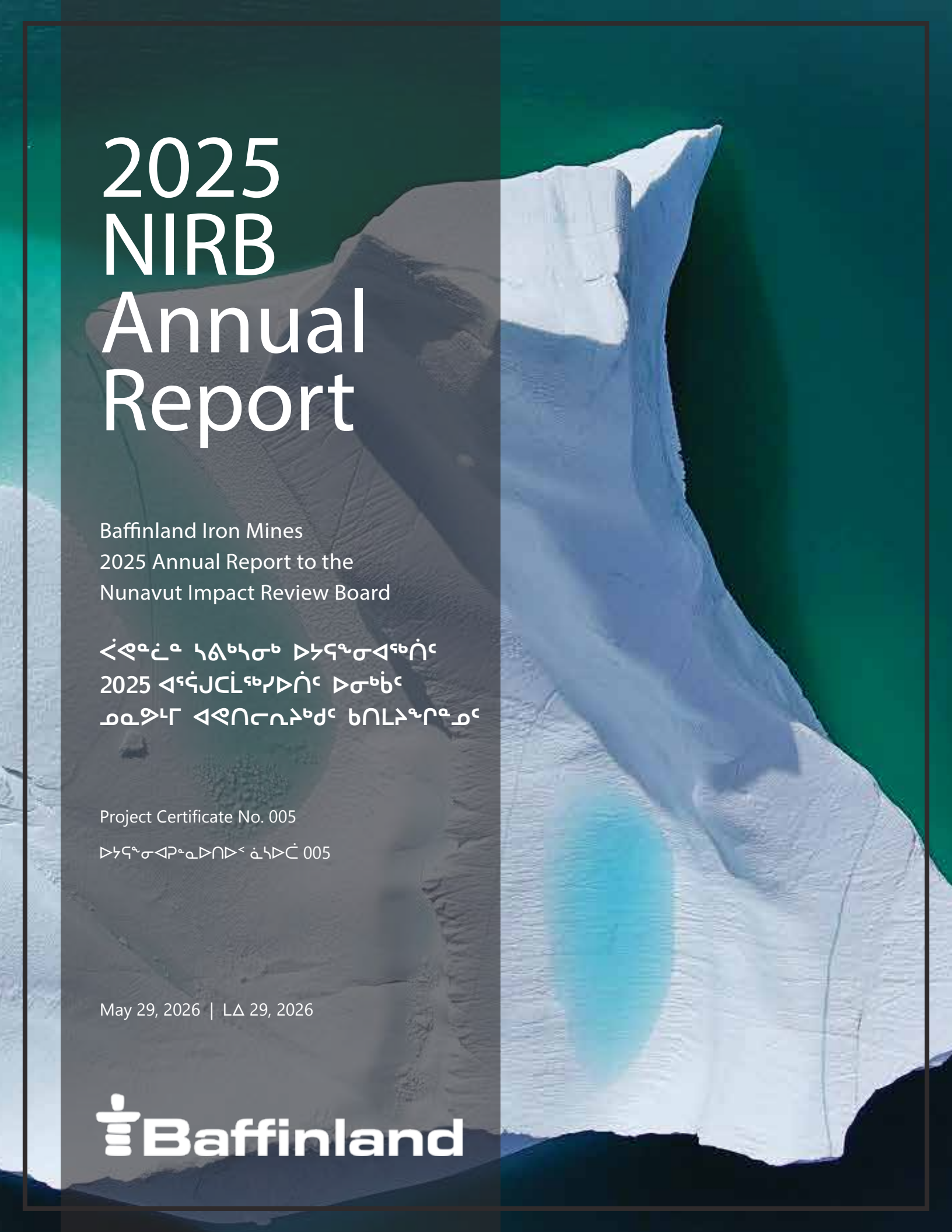


2025 NIRB Annual Report

Baffinland Iron Mines
2025 Annual Report to the
Nunavut Impact Review Board

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Project Certificate No. 005

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May 29, 2026 | ᒪᐃ 29, 2026

Baffinland

Baffinland Iron Mines Corporation

Mary River Project

2025 ANNUAL REPORT TO THE NUNAVUT IMPACT REVIEW BOARD

2026-11-05	1		
		L. Kamermans	M. Lord-Hoyle
Date	**Rev.**	**Reviewed By**	**Approved By**

TABLE 0: REPORT SUBMISSION SUMMARY

Year of Annual Report	2025
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ABBREVIATIONS

AANDC	Aboriginal Affairs and Northern Development Canada
ABE	Adult Basic Education
ADCP	Acoustic Doppler Current Profilers
AED	Automatic External Defibrillator
AEMP	Aquatic Effects Monitoring Plan
AHTO	Aiviq (Kinngait) Hunters and Trappers Organization
AIS	Aquatic Invasive Species
AiS	Automatic Identification System
AL	Action Limit
AMAR	Autonomous Multichannel Acoustic Recorder
AMBNS	Active Migratory Bird Nest Surveys
AMP	Adaptive Management Plan
ANOVA	analysis of Variance
AQNAMP	Air Quality and Noise Abatement Management Plan
ARD	Acid Rock Drainage
ARU	Autonomous Recording Units
As	Arsenic
ASA	Applied Science Associates
ASR	Annual Security Review
ATV	All Terrain-Vehicle
Baffinland	Baffinland Iron Mines Corporation
BC MOE	British Columbia Ministry of Environment
BCLO	Baffinland Community Liaison Officer
BDO	BDO Canada LLP
BSA	Behavioural Study Area
BWM	Ballast Water Management
BWMP	Ballast Water Management Plan
CAAQS	Canadian Ambient Air Quality Standards
CANNOR	Canadian Northern Economic Development Agency
CC	Contracting Committee
CES	Critical Effect Size
CCG	Canadian Coast Guard
CCME	Canadian Council of Ministers of the Environment
Cd	Cadmium
CDP	Career Development Plans
CEDO	Community Economic Development Officer
CES	Critical Effect Size
CF	Crusher Facility
CHS	Canadian Hydrographic Service
CIRNAC	Crown Indigenous Relations and Northern Affairs Canada
CIS	Canadian Ice Service

CMMS ..... Computerized Maintenance Management System
CO ..... Carbon Monoxide
CO_2 ..... Carbon Dioxide
CO_2eq ..... Carbon Dioxide Equivalent
CoPC ..... Constituent of Potential Concern
CORI ..... Coastal and Ocean Resources Inc.
CPA ..... Closest Point of Approach
CPHO ..... Chief Public Health Officer
CPR ..... Cardiopulmonary Resuscitation
CPUE ..... Catch-Per-Unit-Effort
CRD ..... Collaborative Research and Development
CREMP ..... Core Receiving Environment Monitoring Program
CRG ..... Community Resources Guides
CSP ..... Corrugated Steel Pipe
CSR ..... Construction Summary Report
CTD ..... Conductivity, Temperature, and Depth
Cu ..... Copper
CWA ..... CWA Engineers Inc.
CwS ..... Canada-Wide Standards
CWS ..... Canadian Wildlife Service
dB ..... Decibels
dBA ..... A-weighted Decibels
DFO ..... Fisheries and Oceans Canada
DPA ..... Development Partnership Agreement
DPF ..... Direct Project Footprint
DSP ..... Direct Shipping Pellets
dw ..... Dry Weight
EC ..... Environment Canada
ECCC ..... Environment and Climate Change Canada
ECSAS ..... Eastern Canada Seabirds at Sea
EDI ..... Environmental Dynamics Inc.
EEM ..... Environmental Effects Monitoring
EFAP ..... Employee Family Assistance Program
EIS ..... Environmental Impact Statement
EL ..... Exposure Limit
EPP ..... Environmental Protection Plan
ERP ..... Emergency Response Plan
ERT ..... Emergency Response Team
ESC ..... Erosion and Sediment Control
ETIS ..... Employment and Training Information Sessions
EWI ..... Early Warning Indicators
FAA ..... *Fisheries Act* Authorization

FEIS	Final Environmental Impact Statement
FTE	Full-Time Equivalents
FWSSWMP	Fresh Water Supply, Sewage and Wastewater Management Plan
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GN	Government of Nunavut
GPS	Global Positioning System
GT	Gross Tonnage
ha	hectors
HADD	Harmful Alteration, Disruption or Destruction (of Fish Habitat)
HBHTO	Hall Beach Hunters and Trappers Organization (Sanirajak)
HEO	Heavy Equipment Operator
HOL	Height of Land
HR	Human Resource
HTA	Hunter and Trapper Association
HTO	Hunter and Trapper Organization
HWB	Hazardous Waste Berm
ICA	Inuit Certainty Agreement
ICE	Inuit Cultural Engagement
ICRP	Interim Closure and Reclamation Plan
IFC	Issued-for-Construction
IFO	Intermediate Fuel Oil
IHRS	Inuit Human Resources Strategy
IHTA	Ikajutit Hunters and Trappers Association (Arctic Bay)
IHTO	Igloolik Hunters and Trappers Organization
IIBA	Inuit Impact and Benefit Agreement
IFO	Intermediate Fuel Oil
ILBA	Inuit Labour Force Barriers Analysis
ILDP	Inuit Leadership Development Program
IMO	International Maritime Organization
INPK	Ilagiiktunut Nunalinnullu Pivalliajutisait Kiinaujat
IOL	Inuit Owned Land
IPCC	Intergovernmental Panel on Climate Change
IPF	Indirect Project Footprint
IQ	Inuit Qaujimajatuqangit
ISQG	Interim Sediment Quality Guidelines
JEC	Joint Executive Committee (Baffinland and the QIA)
JPCSL	Jason Prno Consulting Services Ltd.
kn	Knot
kPa	Kilopascal
KPI	Key Performance Indicators
Km	Kilometre

L	Litres
Landfill Facility	Mine Site Non-Hazardous Waste Landfill Facility
LGL	LGL Limited
LMA	Labour Market Analysis
LOA	Letters of Advice
LRR	Listening Range Reduction
LSA	Local Study Area
LTWMP	Long Term Water Management Plan
MAC	Mining Association of Canada
magl	Meters Above Ground Level
MDMER	Metal & Diamond Mining Effluent Regulations
MEEMP	Marine Environmental Effects Monitoring Program
MEWG	Marine Environment Working Group
MHTO	Mittimatalik Hunters and Trappers Organization
MHTA	Mayukalik (Kimmirut) Hunters and Trappers Association
MIEG	Minimum Inuit Employment Goal
MiHR	Mining Industry Human Resources Council
Milne Port	Milne Port Facility
Mine Site	Mary River Mine Site
Minnow	Minnow Environmental Inc.
MISL	Mining Impact Specialists Limited
Mg/L	Milligrams per Liter
mL	Millilitre
MMASP	Marine Mammal Aerial Survey Program
MMO	Marine Mammal Observers
MMON	Marine Mammal Observation Network
MMP	Marine Monitoring Plan
MoU	Memorandum of Understanding
MRDS	Mark-Capture Distance Sampling
m/s^2	Meter per Second Squared
MSC	Mine Site Complex
MSV	Multipurpose Supply Vessel
Mt	Million Tonnes
Mtpa	Million Tonnes Per Annum
MWO	Marine Wildlife Observer
NAAQS	National Ambient Air Quality Standards
NAMRP	Narwhal Adaptive Management Response Plan
NAC	Nunavut Arctic College
NCP	Northern Contaminants Program
NHC	Nunavut Housing Corporation
NHTO	Nangmautuq Hunters and Trappers Organization
NIRB	Nunavut Impact Review Board

NIS ..... Non-Indigenous Species
NO_2 ..... Nitrogen Dioxide
NO_x ..... Nitrogen Oxide
NPC ..... Nunavut Planning Commission
NPMO ..... Northern Projects Management Office
NPRI ..... National Pollutant Release Inventory
NRCan ..... Natural Resources Canada
NSA ..... Nunavut Settlement Area
NSC ..... North South Consultants
NSERC ..... Natural Sciences and Engineering Research Council of Canada
NTI ..... Nunavut Tunngavik Incorporated
NT-NU ..... Northwest Territories-Nunavut
NuPPAA ..... *Nunavut Planning and Project Assessment Act*
NWB ..... Nunavut Water Board
NWMB ..... Nunavut Wildlife Management Board
NWPA ..... *Navigable Waters Protection Act*
OBPS ..... Output-Based Pricing System
OETIO ..... Operating Engineers Training Institute of Ontario
OHS ..... Occupational Health & Safety
ON ..... Oceans North
OPEP ..... Oil Pollution Emergency Plan
OPPP ..... Oil Pollution Prevention Plan
OSRL ..... Oil Spill Response Ltd.
OWTS ..... Oily Water Treatment System
PAI ..... Potential Acidic Input
PAH ..... Polycyclic Aromatic Hydrocarbon
PAM ..... Passive Acoustic Monitoring
PASS ..... Pathway to Adult Secondary School
Pb ..... Lead
PC ..... Project Certificate
PCa ..... Parks Canada
PDA ..... Project Development Area
PEFA ..... Peregrine Falcon
PHE ..... Public Health Emergency
PIF ..... Preferred Inuit Firms
PIP ..... Production Increase Proposal
PIPE ..... Production Increase Proposal Extension
PIPR ..... Production Increase Proposal Renewal
PLC ..... Programmable Logic Controller
PM ..... Preventative Maintenance
PPE ..... Personal Protective Equipment
PRISM ..... Program for Regional and International Shorebird Monitoring

PSC ..... Port Site Complex
psi ..... Pounds per Square Inch
PWSP ..... Polishing and Waste Stabilization Pond
Q-STEP ..... Qikiqtani Skills and Training for Employment Partnership
QA/QC ..... Quality Assurance / Quality Control
QIA ..... Qikiqtani Inuit Association
QLMA ..... Qikiqtani Labour Market Analysis
QSEMC ..... Qikiqtaaluk Socio-Economic Monitoring Committee
QWB ..... Qikiqtaaluk Wildlife Board
RCMP ..... Royal Canadian Mounted Police
RFID ..... Radio Frequency Identification
RLHA ..... Rough-Legged Hawk
RMA ..... Raptor Monitoring Area
RMP ..... Roads Management Plan
ROM ..... Run of Mine
ROV ..... Remotely Operated Vehicle
ROW ..... Right-of-way
RPD ..... Relative Percent Difference
RSA ..... Regional Study Area
RSASP ..... Ringed Seal Aerial Survey Program
SAO ..... Senior Administration Officer
SBO ..... Ship-Based Observer
SCA ..... Skills and Capacities Assessment
SDLT ..... Sheardown Lake Tributary
Se ..... Selenium
SEAT ..... Skills Equivalency Assessment Template
SEMP ..... Socio-Economic Monitoring Plan
SEMR ..... Socio-Economic Monitoring Report
SEMWG ..... Socio-Economic Monitoring Working Group
SITM ..... Standing Instructions to Masters
SMWMP ..... Shipping and Marine Wildlife Management Plan
SNP ..... Surveillance Network Program
SO_2 ..... Sulphur Dioxide
SOLAS ..... Safety of Life at Sea
SOP ..... Sustaining Operations Proposal
SOPEP ..... Shipboard Oil Pollution Emergency Plan
SPL ..... Sound Pressure Level
SSA ..... Stratified Study Area
SSRP ..... Spill at Sea Response Plan
STP ..... Sewage Treatment Plants
SUSF ..... Super Sinter Fines
SWAEMP ..... Surface Water and Aquatic Ecosystem Management Plan

TARP ..... Trigger Action Response Plan
TC ..... Transport Canada
TCLP ..... Toxicity Characteristic Leaching Procedure
TCMSS ..... Transport Canada Marine Safety and Security
TDG ..... Transportation of Dangerous Goods
TEAMR ..... Terrestrial Environment Annual Monitoring Report
TEMMP ..... Terrestrial Environment Mitigation and Monitoring Plan
TEWG ..... Terrestrial Environment Working Group
the Communities ..... North Baffin Communities
the Fund ..... Ilagiiktunut Nunalinnullu Pivalliajutisait Kiinaujat Fund
the Project ..... Mary River Project
TKN ..... Total Kjeldahl Nitrogen
TOG ..... Total Oil and Grease
ToR ..... Terms of Reference
Tote Road ..... Milne Inlet Tote Road
TREEP ..... Tote Road Earthworks Execution Plan
TRMP ..... Tote Road Management Plan
TSD ..... Technical Supporting Document
TSP ..... Total Suspended Particulate
TSS ..... Total Suspended Solids
UAV ..... Unmanned Aerial Vehicle
VCC ..... Visitor Communication Centers
VHF ..... Very High Frequency
VIC ..... Viking Ice Consultancy
VSEC ..... Valued Socio-Economic Components
WHMIS ..... Workplace Hazardous Materials Information System
WHO ..... World Health Organization
WQG ..... Water Quality Guidelines
WRF ..... Waste Rock Facility
WRP ..... Work Ready Program
WSCC ..... Workers' Safety and Compensation Commission
WSP ..... WSP Environment and Infrastructure Canada Limited
WTP ..... Water Treatment Plant
WWF ..... World Wildlife Fund
WWTP ..... Waste Water Treatment Plant
Zn ..... Zinc

1 INTRODUCTION

This 2025 Annual Report (the Report) to the Nunavut Impact Review Board (NIRB) is a requirement of Baffinland Iron Mines Corporation's (Baffinland's) Project Certificate (PC) No. 005 (Amendment No. 05) for the Mary River Project (the Project). The Annual Report summarizes:

- Project activities, including Inuit and stakeholder engagement, undertaken during the reporting year (January 1, 2025 to December 31, 2025);
- Baffinland's performance against the requirements of the Terms and Conditions in PC No. 005 (Amendment No. 05);
- An evaluation of the Project's effects in relation to those predicted in the Final Environmental Impact Statement (FEIS; Baffinland, 2012); the Addendum to the FEIS (FEIS Addendum; Baffinland, 2013a; NIRB Registry No. 290839) for the Early Revenue Phase which included a temporary approval for production up to 6 million tonnes per annum (Mtpa), the Production Increase Proposal (PIP)/Production Increase Proposal Extension (PIPE) exclusive to years 2018 to 2021 (NIRB, 2018a, 2020a; NIRB Registry No. 320857, 330475), the Production Increase Proposal Renewal for 2022 (PIPR; NIRB, 2022a; NIRB Registry No. 342056), and most recently the Sustaining Operations Proposal (SOP) for the years 2023 to 2024 (SOP; NIRB 2023a; NIRB Registry No. 347553); and
- Planned Project work for the next reporting year (January 1, 2026 to December 31, 2026).

1.1 COMPANY DESCRIPTION

Baffinland produces direct shipping pellets (lump) and fines iron ore products that are shipped to international markets. The Mary River iron ore deposits on North Baffin Island are considered to be one of the largest and highest quality iron ore open pit deposits in the world. With such high-grade iron ore, there are no concentrators, tailings, or tailings ponds associated with production activities. Baffinland currently operates within a Northern Corridor under the Early Revenue Phase (ERP) which includes the trucking of iron ore North of the Mine Site along the Tote Road to a Port site at Milne Inlet and shipped during a short shipping season that currently occurs between July and October. Baffinland also has approval to construct and operate a Southern Corridor including the construction and operation of a railway to the south of the Mine site and a Port site at Steensby Inlet. The Project is operated by Baffinland and is jointly owned by the Energy and Minerals Group (EMG) and ArcelorMittal (minority partner).

The mine is located on Baffin Island, approximately 160 Km south-southwest of the nearest community of Pond Inlet (Mittimatalik), in the Qikiqtani region of Nunavut, and 1,000 Km north-northwest of the territorial capital of Iqaluit. Baffinland's head office is located in Oakville, Ontario and its northern headquarters is located in Iqaluit, Nunavut. Baffinland also has offices in five (5) North Baffin communities including Arctic Bay, Clyde River, Igloolik, Pond Inlet, and Sanirajak (Figure 1.1). Baffinland also employs additional community staff in Kinngait and Kimmirut in anticipation of the commencement of commercial shipping along the Southern Transportation Corridor.

Baffinland's Mission, Vision and Values include:

Mission: To become the lowest-cost producer of high-grade iron ore in the world

Vision: To safely and efficiently identify and develop resources within Baffin Island, unlocking their wealth-generating potential

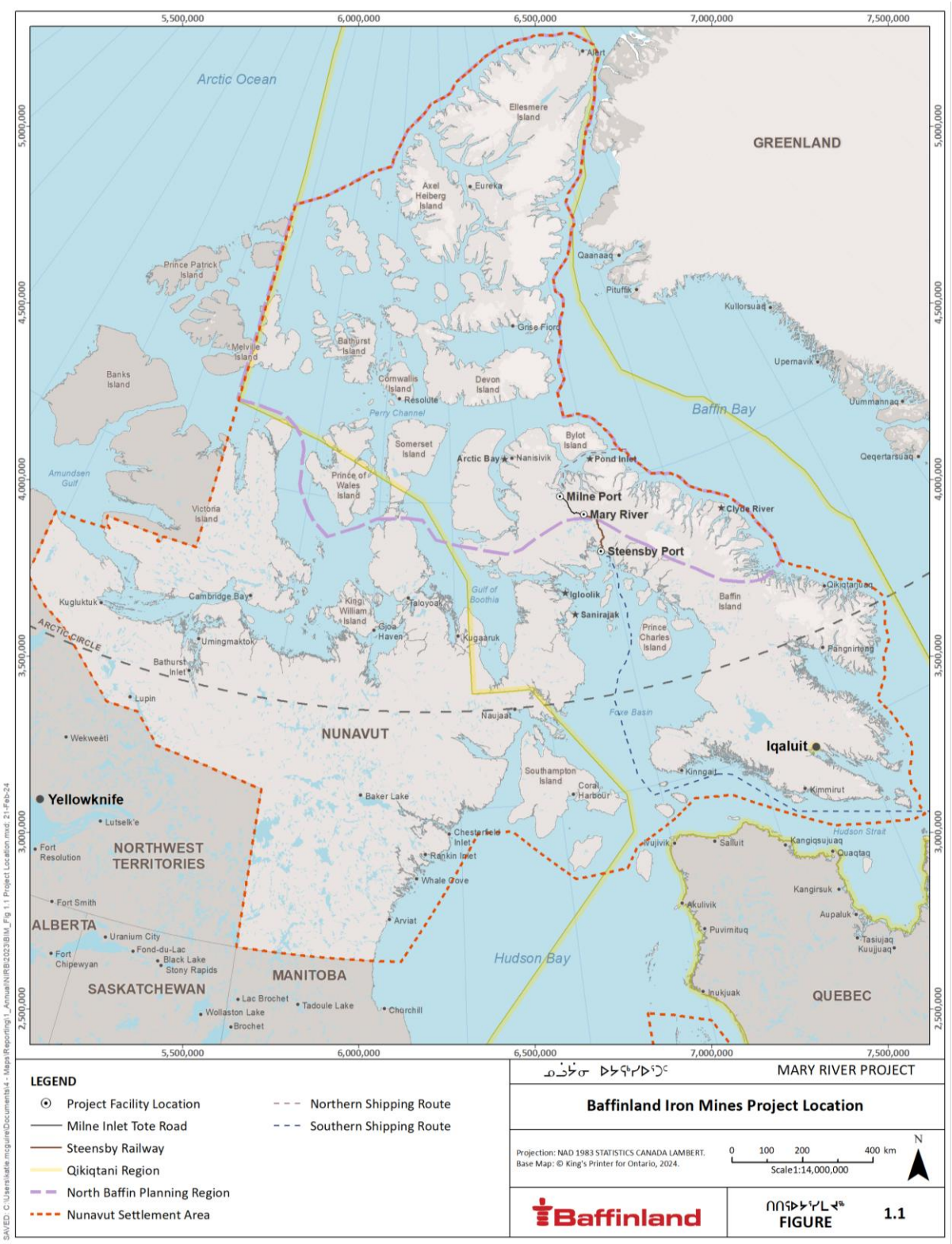


Figure 1:1: Baffinland Iron Mines Project Location

Values: Health and Safety – Safety as a Value: When safety is a personal value, people naturally choose to make the safe choice. They even use hearing protection and safety glasses at home. Employers who have safety as a value make their workplace safe because they want to, not because of government regulation. Employees work safely because they want to, not because it is a company rule. In this environment, companies go above and beyond regulations to protect their people.

Integrity: Do What is Right, Not What is Easy: Integrity is often defined as doing the right thing even when no one else is around. It is the ability to act with honesty, be consistent, and ethical in whatever it is we are doing. It's about being accountable, transparent and building trust through communications.

Engage and Develop our People: An organization where good work is recognized and rewarded. All employees are seen and treated as valued partners. Baffinland will invest in employee's success and growth through providing tools, training and support needed to unleash their potential. Baffinland will endeavour to become the employer of choice for Inuit in Nunavut.

Respect for All: We will respect and abide by the Government of Nunavut's eight (8) Inuit Societal Values in the workplace and as a manner of doing business. We will strive to provide a healthy and safe workplace, free from physical or psychological bullying, harassment and violence. Violations of respect will be investigated and if substantiated will be dealt with expeditiously. Multiculturalism will be viewed as a strength and promoted. Consideration for people will be first and foremost in all interactions.

Environmental Stewardship: Respect the air, land, water and wildlife as we thoughtfully put to good use the earth's resources. Always remember that we are guests on this land and treat it respectfully. We will develop it responsibly and be good stewards of the land in concert with Inuit.

Pursue Performance Excellence: We are relentless in challenging ourselves and others to achieve high performance and create lasting socio-economic impacts in all that we do. We focus on improving every day and delivering on commitments. Innovation is seen as a key mechanism to achieve this outcome. Rigor in planning and thoughtful execution is a key strength. Teamwork is necessary for desired outcomes.

1.2 MARY RIVER PROJECT REGULATORY HISTORY

Baffinland is currently mining high-grade iron ore from Deposit No. 1 only, which was first discovered in 1962. The currently approved mine operation is expected to last for decades, however through ongoing exploration activities and the development of additional deposits the Mary River Project has the potential to operate for significantly longer. The Project represents a potential multi-generational opportunity for resource-driven socio-economic development in the North Baffin region.

The Approved Project consists of mining iron ore from the reserve at Deposit No. 1 and using a port south of the Mine Site in Steensby Inlet (Steensby Port), serviced by an approximately 149 Km railway (Steensby Railway) to transport the ore to market via the Southern Shipping Route (collectively known as the Southern Transportation Corridor; Figure 1.1) as well as use of a port north of the Mine Site in Milne Inlet (Milne Port), serviced by a 100km road (the Tote Road). The NIRB initially issued Project Certificate No. 005 for on December 28, 2012 (additional information specific to the Project Certificate is provided in Section 1.4.1).

The Project Certificate was subsequently amended in 2018, (NIRB, 2018a; NIRB Registry No. 320857), 2020 (NIRB, 2020a; NIRB Registry No. 330475), 2022 (NIRB, 2022a; NIRB Registry No. 342056), and 2023 (NIRB, 2023a; NIRB

Registry No. 347553). For additional details on the regulatory history of the Project, please reference past Baffinland NIRB Annual Reports.

In 2025, Baffinland focused on the development of the Steensby Component of the Project while continuing to operating under the Early Revenue Phase (ERP).

Baffinland is continuing to evaluate its plans for the long-term success of the Project, which remains focused on the development of the Steensby Component of the Approved Project.

1.3 EXISTING PROJECT OVERVIEW

The current operation consists of four main operating areas: The Mary River Mine Site (the Mine Site), the 100-Km long Tote Road, the Milne Port facility (Milne Port) and the Northern Shipping Route. Collectively the areas north of the Mine Site are known as the Northern Transportation Corridor. There is approval to construct and operate a railway and Steensby Port facility (Steensby Port) and ship through the Southern Shipping Route (collectively known as the Southern Transportation Corridor). Operational activities include:

- Ore extraction;
- Ore processing via crushing;
- Transportation of the ore from the Mine Site to Milne Port via the 100 Km long Tote Road or from the Mine Site to Steensby Port via the 149km railway;
- Loading and shipping of ore from Milne Port via the Northern Shipping Route (Milne Inlet – Eclipse Sound) between July and October or from Steensby Port via the Southern Shipping Route with approval for year-round shipping;
- Stakeholder and Inuit community engagement; and
- Environmental monitoring and reporting.

During 2025 (the eleventh (11) shipping season), ore from mining operations at Deposit No.1 was crushed and transported by ore haul trucks along the Tote Road and stockpiled at Milne Port. Ore was shipped from Milne Port to international markets between July 29 and October 9, 2025. That ore was removed from Milne Port on a total of 49 ore carriers. As in previous years, ore carriers and other vessels continued to partake in an opportunistic convoy program to reduce underwater noise disturbance. Similarly, 2025 was the third year Capesize vessels called on and were loaded at Milne Port, further reducing the total number of voyages required to evacuate the ore stockpiles at Milne Port.

In 2025, Baffinland also continued to advance activities associated with the following Approved Project components, known collectively as the Steensby Component of the Approved Project, that have yet to be developed:

- The 149 Km Steensby Railway from the Mine Site to a new port facility at Steensby Inlet (Figure 1.2);
- Steensby Port, which will operate year-round; and
- Year-round shipping along the Southern Shipping Route (Foxe Basin - Hudson Strait).

A summary of the overall Approved Project is provided in Table 1.1.

1.4 REGULATORY CONTEXT

1.4.1 Project Certificate

On December 28, 2012, the NIRB issued PC No. 005 for the Project to Baffinland (NIRB, 2012a; NIRB Registry No. 286442) pursuant to Section 12.5.12 of Article 12 of the Nunavut Agreement (CIRNAC and Nunavut Tunngavik Inc., 2018). The basis for the PC is Baffinland's FEIS (Baffinland, 2012), which presented an assessment of potential environmental and socio-economic effects associated with mining the reserves of Deposit No. 1.

The FEIS for the approved Project was prepared in adherence to Guidelines for the Preparation of an Environmental Impact Statement for Baffinland Iron Mines Corporation's Mary River Project (the Guidelines; NIRB, 2009); and NIRB's Preliminary Hearing Conference Decision (NIRB, 2011).

To date, the Project Certificate (PC) has undergone five amendments (issued in 2013, 2018, 2020, 2022, and 2023). Collectively, these amendments have resulted in a total of 189 Terms and Conditions and 89 commitments as of 2025. For a detailed history of these modifications, please refer to Section 1.4.1 of the 2024 NIRB Annual Report (Baffinland, 2025g).

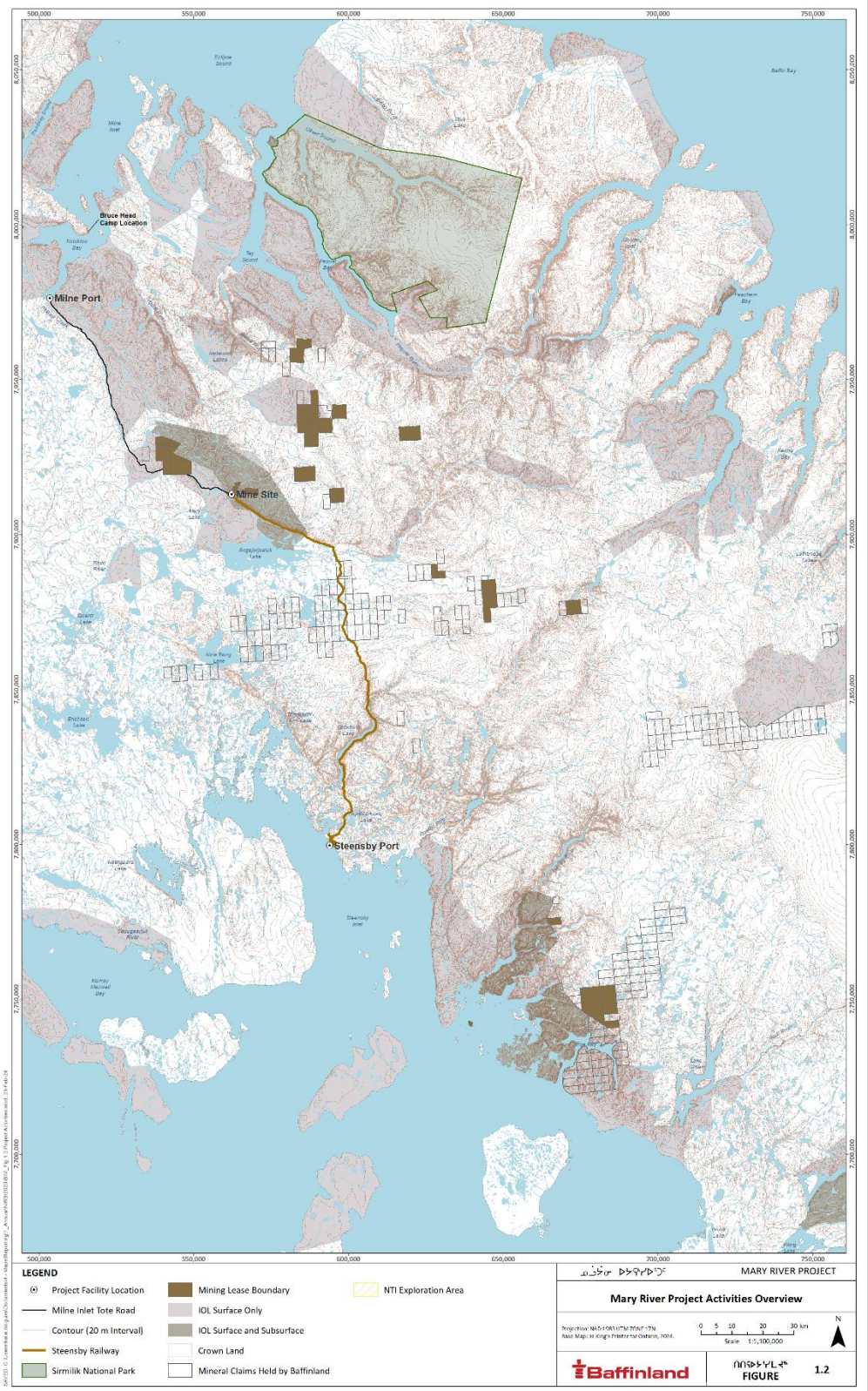


Figure 1:2: Project Activities Overview

Table 1:1: Mary River Project Description Summary

Information Type	Description
Location	North Baffin Island, Nunavut; 160 Km south/southwest from the closest Inuit community, Pond Inlet (Mittimatalik) (Figure 1.1).
Facility Name	Mary River Mine Site (Mine Site) and Milne Port Facility (Milne Port) connected via the Milne Inlet Tote Road (Tote Road). Steensby Port and Steensby Railway (Southern Transportation Corridor) are approved but not active.
Type of Mine	Open pit (Deposit No. 1; Photo 1 in Appendix D)
Summary of Current Mine Operations (from blasting to shipping)	1 Iron ore is blasted and extracted from Deposit No. 1, loaded onto mine trucks and transported to the crushers (Photos 1 and 2 in Appendix D). 2 Run-of-mine (ROM) iron ore is crushed at Mine Site. 3 Crushed ore is transported from Mine Site to Milne Port (Photo 3 Appendix D). 4 Ore is stockpiled at Milne Port until the shipping season begins (Photo 4 in Appendix D). 5 Ore is loaded onto ships at Milne Port (Photo 5 in Appendix D). 6 Ore is shipped to customers worldwide.
Key Operation Dates – Mary River and Milne Port	• Bulk sample shipped from Milne Port in 2008; • Construction at Mine Site and Milne Port initiated in 2013; • Mining from Deposit No. 1 began in 2014; and • First ore carrier loaded and shipped out of Milne Port in 2015.
Environmental Impact Statement Submissions to the Nunavut Impact Review Board and Amendments	FEIS: Submitted in February 2012; approval in December 2012 (Southern Transportation Corridor). Amendment No. 01: Submitted in June 2013; approval in 2014 (4.2 Mtpa via Northern Transportation Corridor). Amendment No. 02: Submitted in April 2018; approval in 2018 (increase to 6 Mtpa). Amendment No. 03: Extension request submitted in January 2020, approval in June 2020 (6 Mtpa until end of 2021). Amendment No. 04: Renewal request submitted in June 2022, approval (October 2022) and revised Terms and Conditions issued in November 2022 (6 Mtpa until end of 2022). Amendment No. 05: Sustaining Operations Proposal submitted in March 2023, approved in October 2023 and revised Terms and Conditions issued in November 2023 (6 Mtpa + 0.9 Mtpa of stranded ore until the end of 2024).
Products	Direct Shipping Pellets (DSP), Super Sinter Fines (SUSF)
Access	Remote fly-in/fly-out access via charter flights to and from Mine Site from various hubs including Mirabel, Iqaluit, and five (5) North Baffin communities. There are also two (2) land-based connections between the Mine Site and tidewater, the first being the Tote Road to Milne Port, which existed prior to Baffinland developing the Project. The other is the 149 Km Steensby Railway to Steensby Port, which is approved to move forward but has not yet been developed.

1.4.2 Permits

Baffinland operates the Approved Project in accordance with the permits, licences, approvals, authorizations and agreements identified in Table 1.2. In addition, Baffinland's contractors and consultants undertake various activities on the Project under additional permits in the areas of scientific research, archaeology, and explosives manufacture, storage and use.

Table 1:2: Permit Registry

Approval or Inuit Agreement	Project Activity and Update	Expiry
Nunavut Impact Review Board (NIRB) *Nunavut Agreement*		
Project Certificate No. 005	Initial submission for Mary River Project which included: • Development of Deposit 1 and related mine site infrastructure, including camp, water and waste management facilities • Use of Northern Tote Road and Milne Port to transport supplies and equipment required for construction • Transportation of iron ore by Railway south to Steensby Port once railway is constructed • Shipping of iron ore via Southern shipping route • Additional fuel and expanded accommodation complex at Milne Port were also approved	N/A
ERP (Amendment 1)	Submission for additional iron ore extraction and transportation through the Northern Transportation Corridor: • Additional mining of Deposit 1 • Transportation of up to 4.2 Mtpa of ore north by trucking on the Tote Road to Milne Port • Shipping of up to 4.2 Mtpa of ore from Milne Port through the Northern Shipping Route	N/A
PIP (Amendment 2)	Submission for additional iron ore extraction and transportation through the Northern Transportation Corridor which included: • Transportation of an additional 1.8 Mtpa of iron ore for a total of up to 6 Mtpa of ore north by trucking on the Northern Tote Road to Milne Port until the end of 2019 • Shipping of an additional 1.8 Mtpa of iron ore for a total for a total of up to 6 Mtpa of ore from Milne Port through the Northern Shipping Route until the end of 2019	December 31, 2019
PIPE (Amendment 3)	Submission to maintain existing Northern Transportation Corridor limits as described in the PIP.	December 31, 2021
PIP Renewal (Amendment 4)	Submission to maintain existing Northern Transportation Corridor limits as described in the PIP.	December 31, 2022

Approval or Inuit Agreement	Project Activity and Update	Expiry
SOP (Amendment 5)	Submission to maintain existing Northern Transportation Corridor limits as described in the PIP, with additional allowance of shipping up to 0.9 Mtpa to account for stranded ore until the end of 2024.	December 31, 2024
Nunavut Planning Commission (NPC) *Nunavut Agreement*, and the *Nunavut Planning and Project Assessment Act*		
Amendment No. 1 to NBRLUP	Required to establish a railway transportation corridor within the NBRLUP for the portion of the Steensby Railway located in its boundary (Attachment 1.7).	No Expiry
Amendment No. 2 to NBRLUP	Required to intensify use of Tote Road for Early Revenue Phase.	No Expiry
Amendment No. 3 to NBRLUP	Required to establish a railway transportation corridor within the NBRLUP for the proposed North Railway (included in Phase 2 Proposal, which was ultimately rejected by Minister in 2022).	No Expiry
Qikiqtani Inuit Association (QIA) Agreements issued under Articles 6, 20 and 26 of the *Nunavut Agreement*		
Inuit Owned Land (IOL) Commercial Lease Q13C301	Mine development activities on IOL; Compliance with the lease is outlined in the *2021 QIA and Nunavut Water Board (NWB) Annual Report for Operations* and the *2021 QIA and NWB Annual Report for Exploration and Geotechnical Drilling,* submitted March 31, 2022.	December 31, 2043
Mary River Inuit Impact and Benefit Agreement (IIBA)	Required under Article 26 of the *Nunavut Agreement* to proceed with the Project - concluded first in September, 2013, subsequently amended in October, 2018 to account for the temporary 6 Mtpa production increase proposal; Compliance with the agreement is outlined in the Annual Inuit Impact and Benefit Agreement Implementation Report submitted by March 31st of each year.	Life of Project
Wildlife Compensation Agreement	Wildlife Compensation required under Article 6 of the *Nunavut Agreement,* with the regime set out in the IIBA.	No Expiry
Quarry Concession Agreement	Required to extract specified substances (quarried rock and borrow sand and gravel) on Inuit Owned Land under the Commercial Lease.	Not Applicable
Water Compensation Agreement	Required under Article 20 of the *Nunavut Agreement* to provide compensation to Inuit for water use by the project or impact to water use.	Ultimate expiry of Type A Water License (after renewals and amendments)

Approval or Inuit Agreement	Project Activity and Update	Expiry
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 'A' Water Licence 2AM-MRY2540	Type A Water Licence authorizing the use of water and the deposit of waste in support of construction, operation, closure, and reclamation of the Mary River Project (including the Steensby Railway and Port), issued under the Nunavut Waters and Nunavut Surface Rights Tribunal Act; the licence was issued on April 28, 2025, and is valid until April 27, 2040, subject to comprehensive conditions governing water use, waste management, monitoring, and reclamation. Compliance with the Licence is outlined in *the 2025 Qikiqtani Inuit Association (QIA) and Nunavut Water Board (NWB) Annual Report for Operations*, submitted March 31, 2026.	April 27, 2040
Type 'B' Water Licence 2BE-MRY2131	Regional exploration activities, including exploration drilling; In good standing. Compliance with the Licence is outlined in the *2025 Qikiqtani Inuit Association and Nunavut Water Board Annual Report for Geotechnical Activities,* submitted March 31, 2026.	April 16, 2031
Crown Indigenous Relations and Northern Affairs Canada (CIRNAC) Mineral Leases and Land Leases, Land Use Permits, and Quarry Permits on Crown Land, issued under the *Territorial Lands Act* and associated Canadian Mining Regulations and Territorial Land Use Regulations		
Foreshore Lease 47H/16-1-2 Lease Amendment 47H/16-1-5	Supersedes historical Class A Land Use Permit N2014X0012; Use of foreshore area for current Milne Port Ore Dock; In good standing.	June 30, 2035
Tote Road and Borrow Area Land Use Permit N2019Q0011	Land use permit for the section of Milne Inlet Tote Road on Crown Land, associated quarries and infrastructure. Land Use Permit expiry extended by CIRNAC for two years to June 29, 2026. Note: An application has been submitted to renew this land use permit prior to expiry.	June 29, 2026
Land Use Permit Bruce Head: N2019J0010	Land use permit for the summer marine monitoring camp at Bruce Head, in Milne Inlet. Land Use Permit expiry extended by CIRNAC for two years to June 29, 2026. Note: An application has been submitted to renew this land use permit prior to expiry.	June 29, 2026
Land Use Permit Steensby: N2019C0009	Land use permit for the infrastructure and activities on Crown Land at Steensby Port. Land Use Permit expiry extended by CIRNAC for two years to June 29, 2026.	June 29, 2026

Approval or Inuit Agreement	Project Activity and Update	Expiry
Mineral Leases #2483, #2484 and #2485	Rights to extract minerals; Lease #2484 covers Deposit No.1.	August 27, 2034
Land Lease 37F/6-1-2	Land Lease for the Infrastructure and activities on Crown Land at Steensby Port, and in the Foreshore Area in Steensby Inlet. Valid for a 30-year period commencing September 1, 2026.	August 31, 2056
Land Lease 37F11-1-2	Land Lease for the infrastructure and activities on Crown Land along the Steensby Railway. Valid for a 30-year period commencing September 1, 2026.	August 31, 2056
Land Lease 37F11-2-2	Land Lease for quarries on Crown Land to be developed as part of the Steensby Component of the Mary River Project. Valid for a 10-year period commencing September 1, 2026	August 31, 2036
DFO Authorizations and Letters of Advice (LOA) issued under the *Fisheries Act*		
Letters of Advice (various)	Prior to 2021, DFO issued Baffinland various letters of advice regarding Project crossings along the Tote Road, at quarries, culvert extensions and replacements, and for stockpile expansion work at Milne Port. In January 2024, DFO issued an additional letter of advice related to the replacement of 10 culverts along the Tote Road.	No Expiry
Fisheries Authorization 06-HCAA-CA7-0084	Authorization to construct water crossings in fish habitat along the Tote Road; The authorization remains valid and has been amended over the years. A monitoring report for the water crossings was submitted to DFO on March 31, 2026.	Not applicable; monitoring ongoing
Fisheries Authorization 14-HCAA-00525	Authorization to construct the Milne Port Ore Dock in fish habitat. DFO reviewed final monitoring report and closed file on May 31, 2021.	Closed
Fisheries Authorization 18-HCAA-00160	Authorization to construct the Mile Port Freight Dock in fish habitat. A revised Authorization was issued in 2025 to allow for the construction of a rocky reef fish habitat compensation structure at Milne Port. The Year 5 monitoring report for the Milne Port Freight Dock was submitted to DFO in 2025 in accordance with regulated timelines.	June 1, 2026
Fisheries Authorization 25-HCAA-01876	Authorization to construct a bypass on the Tote Road at crossing CV-216.	May 31, 2026

Approval or Inuit Agreement	Project Activity and Update	Expiry
Transport Canada (TC) Approvals of in-water works under the *Navigable Waters Protection Act* (NWPA; now the *Canadian Navigable Waters Act*); and Marine Facility Approval under the *Marine Transportation Security Act* and Regulations		
Approvals: 8200-07-10273, 8200-07-10267, 8200-07-10269, 8200-07-10268, 8200-07-10274, 8200-07-10272, 8200-07-10266, 8200-07-10271	Approvals to interfere with navigation within navigable waters along the Tote Road at crossings: CV-040, BG-50, CV-128, CV-223, CV-072, BG-17, CV-217, and CV-099. In good standing, no changes from previous year.	No Expiry; Until complete
Approval 2024-613913	Approval under the *Canadian Navigable Waters Act* for construction of a rocky reef fish habitat compensation structure at Milne Port.	No Expiry
Interim Statement of Compliance of a Marine Facility # 1000001437	Approval for the Milne Inlet Marine Facility to conduct iron ore operations.	November 11, 2025
National Resources of Canada Licensing of Explosives Manufacture and Storage Facilities under the *Explosives Act*		
Division 1 Factory Licence #F76068/E	Issued to Baffinland's explosives contractor to manufacture explosives for the mine.	No Expiry
Canadian Transportation Agency Approval to Construct a Railway Line under section 98 of the Canada Transportation Act; and issuance of a Certificate of Fitness under section 92 of the Canada Transportation Act, confirming that the railway has adequate liability insurance to cover potential risks associated with construction and operation.		
Determination R-2025-215	Authorization to construct the Steensby Railway between the Mary River Mine and Steensby Inlet under section 98 of the Canada Transportation Act; the CTA conditionally approved the railway construction on December 22, 2025, subject to the fulfillment of pre-construction and ongoing conditions set out in Appendices A and B of the determination.	N/A
Certificate of Fitness issued to Baffinland Iron Mines Corporation, Certificate number: 25001	Certificate of Fitness authorizing the construction of the Steensby Railway between the Mary River Mine and Steensby Inlet under subsection 92(1) of the Canada Transportation Act; the certificate was issued on December 4, 2025, is valid until December 4, 2030, and confirms that Baffinland holds adequate liability insurance while restricting railway operation, testing, and commissioning during the construction phase.	December 4, 2030
Governor in Council		

Approval or Inuit Agreement	Project Activity and Update	Expiry
Territorial Lands Act		
Order-in-Council 2013-0953	Required for authority for Crown Indigenous Relations and Northern Affairs Canada to issue lease for Steensby Railway lands located on federal lands, per *Territorial Lands Act.*	No Expiry

1.5 REPORT STRUCTURE

1.5.1 Report Content

This report is structured as follows:

Section 1: Provides an overview of the Project and the regulatory context in which this Report is being submitted.

Section 2: Highlights key activities and consultation efforts conducted with Inuit and stakeholders for the Project, including:

- The five (5) North Baffin communities (the Communities);
- The Qikiqtani Inuit Association (QIA) ;
- Relevant regulatory agencies; and
- PC mandated Project working groups (Marine Environment Working Group (MEWG), Terrestrial Environment Working Group (TEWG) and the Mary River Socio-Economic Monitoring Working Group (SEMWG).

Section 3: Describes the Project's operational context in 2025 and operational successes and challenges Baffinland associated with implementation of the PC Terms and Conditions.

Section 4: Includes tailored 'summary sheets' for each Term and Condition, which provide an overview of the work completed towards meeting the requirements of the PC Terms and Conditions as well as Baffinland's self-assessment of compliance. This section also describes stakeholder feedback on relevant components and effects of the Project, observed trends, a comparison of the Project's effects in comparison with predictions made in the FEIS and FEIS Addendum and plans for future works relative to the implementation of the PC Terms and Conditions, where relevant.

Section 5: Outlines the correspondence Baffinland has had with NIRB during 2025 and comments provided by interested Parties on Baffinland's 2024 Annual Report to NIRB.

Section 6: Lists all updates made to environmental management plans as a result of monitoring programs and engagement activities throughout 2025.

1.5.2 Supporting Documents and Appendices

Where PC Terms and Conditions specify that Baffinland provide supporting documentation to NIRB as part of the submission of this Report, these documents have been appended and are identified in the Table of Contents. Other

appendices, such as reports or documentation that are likely to be of specific interest to NIRB as part of their review of this Report, and those that provide a pertinent context to the discussions are also included in this Report. 2025 Marine, Terrestrial, and Socio-Economic monitoring reports were not completed at the time of publishing of this report and will be available later this year.

The Working Groups, to which the NIRB is an observing member, will have the opportunity to review and provide comments on these reports through the annual reporting process and will be given opportunity to ask questions related to the 2025 Annual Report to the NIRB at future meetings.

In the interest of sustainability, other Project documentation that may be of interest to NIRB and other interested parties has been posted to the Project Document Portal available on the Baffinland website (www.baffinland.com). As described in Section 2.5 several reports are shared with the Working Groups and regulatory agencies throughout the year during various engagement activities.

For information on Baffinland's updates to IR responses related to the 2024 NIRB annual report, please see Appendix E.

2 ENGAGEMENT ACTIVITIES

2.1 ENGAGEMENT APPROACH

Meaningful and substantive Inuit, community, and stakeholder 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 keeping open lines of communication with Inuit, affected communities, and other stakeholders. The intent is to establish effective dialogue, collect feedback to inform Company planning while resolving issues and concerns (Figure 2.1). Baffinland understands that Inuit engagement and consultation must occur in a manner that is appropriate to the regional Qikiqtani context. Engagement and consultation methods and approaches appropriate for southern groups, other northern jurisdictions, regulators or academic settings, are not always transferable and Baffinland respects this. Baffinland has made every effort to create practical opportunities to engage in meaningful dialogue in the format of each specific groups, and in a way that would meet their objectives and values.



Figure 2:1: Baffinland's Approach to Inuit and other Stakeholders Engagement

Baffinland's engagement approach has evolved over time to better meet the needs of communities. The Community and Strategic Development (CSD) Team lead community engagement efforts. Inuit Knowledge Holders and Cultural Resource Guides play a key role in sharing and collecting information in communities. Community meetings and radio shows are led in Inuktitut rather than English. Baffinland incorporates the feedback received from Inuit, communities and stakeholders and applies it to all components of its operations. This includes developing new

mitigations to address priority areas of the Project as identified by Inuit underpinned by the Adaptive Management Framework (AMF). Some examples of this include: proactively implementing commitments for additional ballast water mitigations (i.e., requiring vessels to conduct both exchange and treatment); running narwhal entrapment clearance aerial surveys when shipping through ice and supported by the Mittimatalik Hunters and Trappers Organization (MHTO); and ensuring that communities have up-to-date information on the movement and transits of Project vessels. Baffinland continues to have meaningful dialogue with communities and Inuit Knowledge Holders to refine operations based on feedback and IQ.

2.2 ENGAGEMENT OBJECTIVES

Baffinland remains committed to meaningful engagement with Inuit, affected communities and other stakeholders, For clarity, in this report Inuit generally refers to individual Inuit or Designated Inuit Organizations, which includes Qikiqtani Inuit Association (QIA), Nunavut Tunngavik Incorporated (NTI) and Hunters and Trappers Organization (HTO's); affected communities include the five (5) North Baffin Communities (Arctic Bay, Clyde River, Igloolik, Pond Inlet, and Sanirajak), and the two (2) South Baffin Communities (Kinngait and Kimmirut). Other stakeholders include territorial and federal governments 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 on priorities so that potential adverse effects are mitigated, and Project benefits are enhanced.

2.3 ENGAGEMENT ACTIVITIES

In support of Baffinland's focus on continuous improvement and the engagement objectives defined for the Project (Section 2.2), Baffinland regularly implements a variety of engagement mechanisms that are intended to ensure a broad and comprehensive approach to the identification of Inuit, affected communities, and other stakeholders, and that enhanced opportunities for dialogue and input are provided. Baffinland successfully completed a number of public engagement activities in 2025, which included:

- Providing regular and ongoing opportunities for the dissemination of Project-related information and receipt of stakeholder input through Baffinland Community Liaison Officers (BCLOs), Inuit Knowledge Holders (IKH), and Community Resources Guides (CRGs), stationed in each of the five (5) North Baffin Communities and two (2) South Baffin Communities;
- Providing regular and ongoing opportunities for the dissemination of Project-related shipping activities and receipt of Inuit input through the Baffinland Shipping Monitor roles stationed in Pond Inlet (in-person visits,

radio shows, ongoing marine VHF radio communications about vessel traffic, dedicated 'Baffinland Shipping' Facebook posts);

- Hosting public meetings, with enhanced use of public radio shows in response to in-person gathering limitations;
- Participation in virtual and in-person multi-stakeholder forums (e.g., Terrestrial Environment Working Group, Marine Environment Working Group, Socioeconomic Monitoring Working Group);
- Participation in virtual and in-person meetings and site tours through the independently led Dust Audit Committee
- Holding meetings with community groups and Hamlet Councils on specific topics as they arise;
- Distributing Project-related information through the corporate website, social media sites including Facebook, LinkedIn and X (formerly Twitter), newsletters, advertisements, radio shows, and other means;
- Holding one-on-one virtual, teleconference and in-person discussions with Mayors and other officials from the affected communities to provide updates on the Mary River Project's existing and future operations and to hear community updates and issues of importance;
- Engagement with transboundary groups, including the Makivvik Corporation; and
- Continued expanding the Northern Affairs and Community Relations team to lead community engagements.

A summary of engagement events including details on public meetings and community group meetings held in 2025 are presented in Appendix B.1.

Baffinland's approach to receiving and addressing concerns and feedback is dynamic and evolves based on the circumstances and channels through which feedback has been received. Baffinland has deployed a variety of methods for receiving and responding to comments from Inuit, affected communities and other stakeholders. In addition to Baffinland's Northern Headquarters in Iqaluit, BCLOs located in the affected communities serve as critical points of contact for employees, members of the public, elected officials, and other interested bodies. These team members receive feedback, often informally, and ensure follow-up is conducted and that responses to feedback are provided when required. Updates about Baffinland activities are also regularly provided by BCLOs on local radio, as well as in-person during daily office hours (unless there are office closures). Inuit feedback and comments in some instances are gathered through informal phone or in-person interactions. Information gathered in this way is passed along to the relevant subject matter expert(s) at Baffinland and subsequently may be used to influence future engagement efforts, monitoring program design, or adaptive management considerations.

Baffinland is currently finalizing a Grievance Procedure as a part of the Stakeholder and Community Engagement Plan, which would further enhance Baffinland's ability to receive, respond to and incorporate feedback as necessary.

Other community-based positions including Inuit Knowledge Holders and Community Relations Guides are critical to guiding Baffinland's senior management in decision making, facilitating knowledge transfer within and between community members and Baffinland staff, and guiding the overall collection and use of traditional and contemporary IQ, in all of its forms.

In response to direct community feedback in 2019, Shipping Monitors have been hired annually during the shipping season to provide an in-community point of contact between Pond Inlet residents, elected representatives, the Mittimatalik Hunters and Trappers Organization (MHTO) and Baffinland in order to expand local communications about shipping-related matters. Comments, questions and concerns can be submitted by community residents

through a variety of methods (e.g., Baffinland Shipping Facebook Messenger account, in-person interactions, email, and phone). This feedback is actively tracked by Shipping Monitors and responded to on an as-needed basis. Additionally, time was given to discuss concerns related to shipping at the post-shipping season meetings. In previous years, concerns raised included VFH announcements being too quiet, concerns with the introduction of invasive species from ballast water and questions clarifying procedures and mitigation measures.

In 2021, Baffinland created a Community Environmental Coordinator position in Pond Inlet to provide a local point-of-contact throughout the year for residents and organizations (e.g., MHTO) to obtain information about Baffinland's environmental monitoring programs and provides an opportunity for residents to voice concerns/comments they may have on Baffinland's activities and the potential effects on the environment. This dedicated position is also responsible for addressing community questions related to Baffinland's environmental monitoring programs. Further, this role provides capacity building opportunities such as participating in the Bruce Head shore-based Monitoring Program field team as an Inuit researcher to experience first-hand one of the monitoring programs implemented by Baffinland to study potential impacts of shipping on narwhal.

Baffinland uses a combination of manual entry of data into MS Excel and StakeTracker software system to input meeting records (includes concerns and feedback) from more formal engagements like public meetings and working groups. Additionally, community and activity focused emails have been created, which are monitored by staff across relevant departments, as well as the creation of topic specific Facebook pages. Questions related to shipping are primarily received through the Baffinland Shipping Facebook page.

Baffinland will continue to implement a proactive approach to engagement with Inuit and other various stakeholders through informal and formal methods that include meetings, workshops, surveys and dissemination of information and reports. This broad range of engagement methods are designed to ensure that the communities, QIA, regulators and the public are informed in a timely and culturally relevant manner of the Project's progress and the potential environmental and social impacts of the Project.

2.3.1 Public Meetings & Events

In 2025, Baffinland held various public meetings and/or radio shows within the affected communities. These meetings provided an important opportunity for Baffinland to share information with the communities related to current operations and avenues for Inuit to become more involved in the Project and/or a way to access the benefits of the Project. In 2025, Baffinland also attended several consultation tours arranged by the federal government in relation to the activity specific authorizations required to advance the Steensby Component of the Project. A list of more formal public meetings and events held in the communities is provided in Table 2.1.

A summary of engagement events including details on public meetings and community group meetings held in 2025 are presented in Appendix B.1.

Table 2:1: Public Meetings & Events in 2025

Date	Meeting Types	Sample of Topics Discussed
Arctic Bay		
February 24 March 7 March 3 – 7 March 11 - 18	Radio Show Open House Virtual Meeting	• Employment and Training Session (ETIS) • Employment and Training Session (ETIS) • Federal Community Consultation Tour • Workplace Ready Program

Date	Meeting Types	Sample of Topics Discussed
March 31 May 28 October 20 October 23 October 30 November 10 -14 November 17		• Employment and Training Session (ETIS) • IIBA and Research Vessel Commitment • Annual Project Review Forum • Steensby Updates • Workplace Ready Program (WRP) • Employment and Training Session (ETIS)
Clyde River		
February 3 – 10 February 27 March 1 March 3 – 7 March 27 April 21 – 28 May 27 September 23 October 30 December 2 December 8 – 12	Open House Radio Show	• Workplace Ready Program (WRP) • Employment and Training Session (ETIS) • Employment and Training Session (ETIS) • Federal Community Consultation • Employment and Training Session (ETIS) • Workplace Ready Program (WRP) • Employment and Training Session (ETIS) • Employment and Training Session (ETIS) • Steensby Updates • Employment and Training Information Session (ETIS) • Workplace Ready Program (WRP)
Igloolik		
February 24 February 28 March 3 - 7 March 24 May 22 May 26 – 27 June 2 September 23 October 30 November 18 December 2	Open House Public Radio Show	• Employment and Training Information Session (ETIS) • Workplace Ready Program (WRP) • Federal Community Consultation Tour • Employment and Training Session (ETIS) • Steensby Permitting • Steensby Component Update • Employment and Training Information Session (ETIS) • Steensby Update • Mary River Operations Update, Steensby Component Shipping Activities, Southern Route Planned Environment Monitoring and Mitigation, Ballast Water Research Vessel • Independent chair Nomination and Selection Process
Pond Inlet		
February 11 February 25 March 3 – 7 March 11 March 25 April 1	Open House Public Radio Show	• Steensby Update • Employment and Training Session (ETIS) • Steensby Federal Consultation Tour • Type A Water Licence Renewal • Employment and Training Session (ETIS) • Hamlet of Pond Inlet's 50th Anniversary

Date	Meeting Types	Sample of Topics Discussed
April 16 – 23 May 28 May 29 July 30 August 12 August 13 September 26 October 22 – 29 October 27 October 30 December 5		• Workplace Ready Program (WRP) • Steensby Component Update • Employment and Training Session (ETIS) • Start of 2025 Shipping Season Meeting • Steensby Component Update • 2025 Shipping Season Commencement Meeting • Employment and Training Information Session (ETIS) • Workplace Ready Program (WRP) • 2025 End of Shipping Season Meeting • Steensby ComponentUpdate • Employment and Training Information Session (ETIS)
Sanirajak		
January 23 – 30 February 26 March 3 - 7 March 19 March 26 May 26 September 22 November 20	Open House	• Workplace Ready Program • Employment and Training Information Session (ETIS) • Steensby Federal Consultation Tour • Employment and Training Information Session (ETIS) • Employment and Training Information Session (ETIS) • Employment and Training Information Session (ETIS) • Mary River Operations Update, Steensby Component Shipping Activities, Southern Route Planned • Employment and Training Information Session (ETIS)
Iqaluit		
January 13 – 17 February 17 – 20 April 10 May 28 June 25 September 18 October 13 – 17 December 1 – 5 December 10	Open House	• Workplace Ready Program (WRP) • Northern Lights Tradeshow • Mining Symposium (Employment and Training Information Session) • Employment and Training Information Session (ETIS) • Nunavut Trade Show – Employment and Training Information Session • Nunavut Mining Week • Workplace Ready Program (WRP) • Employment and Training Information Session (ETIS)
Kinngait		
March 3 - 7 December 10	Open House	• Steensby Federal Consultation Tour • Independent Chair Selection Briefing
Kimmirut		
February 12 March 3 – 7	Radio Show Open House	• Steensby Component Update • Steensby Component Community Feedback

2.3.2 Community Group Meetings

As part of engagement efforts, Baffinland regularly meets directly with various community groups to discuss aspects of the Project and ongoing issues, concerns or recommendations community representatives may have. Baffinland engaged with several community groups in 2025 including local Hunter and Trapper Organisations/ Hunter and Trapper Associations (HTOs/HTAs), Hamlet Mayors and Councils, using in-person or virtual/teleconference methods. Key events are listed in Table 2.2. Specific details are provided in in Appendix B.1.

Table 2:2: Community Group Meetings in 2025

Date	Community Group	Sample of Topics Discussed
Clyde River		
March 3 - 7	Municipality of Clyde River and HTO	• Steensby Federal Community Consultation Tour
Igloolik		
March 3 - 7	Hamlet of Igloolik and Igloolik Hunters and Trappers Organization (IHTO)	• Steensby Federal Community Consultation Tour
Pond Inlet		
March 3 - 7	Hamlet Council/or Mayor/or SAO of Pond Inlet	• Steensby Federal Community Consultation Tour
October 30	HTO – Mittimatalik	• End of Shipping Season Meeting
Sanirajak		
January 13	HTO - Sanirajak Qikiqtani Inuit Association	• Inuit Stewardship Committee Meeting
March 3 - 7	Sanirajak Hamlet Council, and Hall Beach Hunters and Trappers Association (HBHTA)	• Steensby Federal Community Consultation Tour
July 3	HTO - Sanirajak	• Steenby Shipping Route and Season Discussion
October 30	HTO - Sanirajak	• AQNAMP, Steensby Component and Blasting Plans Update
Iqaluit		
June 25	Various	• Arctic Sovereignty and Security Summit
Kimmirut		
March 3 – 7	Hamlet Council and HTA	• Steensby Federal Community Consultation Tour
December 10	HTO – Mayukalik	• Independent Chair Selection Briefing
Kinngait		
March 3 – 7	Hamlet Council and Aiviq HTO	• Steensby Federal Community Consultation Tour
December 10	HTO – Aiviq	• Independent Chair Selection Briefing

2.3.3 Community Donations and Sponsorships

In keeping with its values, Baffinland understands the importance of supporting various social, recreational and cultural activities in communities. In addition to IIBA-dedicated staff to oversee the implementation of social support programs outlined in the IIBA, Baffinland has a Donations and Sponsorship Committee that evaluates proposals requesting support. Baffinland provides scholarships for Inuit who are advancing their education (i.e., high school graduation laptop program, annual scholarships, etc.). The following lists some of the community donations, sponsorships, and IIBA commitments provided in 2025.

- 58 laptops to high school graduates in the North Baffin Communities, valued above $50,000.
- A total of $25,000 was awarded to five (5) recipients as part of the 2025 annual scholarship fund.
- $300,000, adjusted annually for inflation based on 2018 dollars, is made available for North Baffin communities School Lunch Programs annually, as per the IIBA. In 2025, $246,148.01 was distributed as part of this program to schools in Arctic Bay, Clyde River, Igloolik, and Pond Inlet.
- In 2025, $516,648 was contributed to the Harvesters Enabling Program in Pond Inlet, which was established through the IIBA, to support a gas program plus its administration to enhance Inuit travel in the area.
- $97,394.66 paid to the Mittimatalik Hunters and Trappers Organization (MHTO) to complete the purchase of a new vessel, in addition to the $150,000 provided in December of 2023. In total, Baffinland contributed $247,394.66 towards this purchase.
- Referenced in Section 3.2.4 of this report, Baffinland also supports the development of local businesses through it's annual commitment of $275,000 under the IIBA.
- $ 65,850.59 in community benefits distributed to Arctic Bay, Clyde River, Igloolik, Iqaluit, Pond Inlet, and Sanirajak as a result of contracting with Arctic Co-Op.
- In 2025, as part of our ongoing commitment to supporting and enhancing local initiatives, Baffinland donated 84totes of DUST/BLOKR® to Pond Inlet, valued at around $151,000. This donation also included six containers used for transport, each valued at $3,200.
- $5,000 was donated to the Hamlet of Pond Inlet in July of 2025 to support the response to the local youth crisis.
- $25,000 to support community Christmas community activities for Arctic Bay, Clyde River, Igloolik, Pond Inlet, and Sanirajak.
- $1,000 in prizes to each of the surrounding communities to be distributed at Christmas Games
- 115lbs of caribou meat was donated to Arctic Bay for a community feast.
- Honoraria was paid to youth facilitators at the Christmas games for youth.
- Sponsorships were also provided at the Nunavut Mining Symposium, Nunavut Night at the Association for Mineral Exploration (AME) Roundup, and the Nunavut Sivuniksavut NS@40 Conference

In summary, in 2025 Baffinland provided over $225,000 in community donations and sponsorships, and over $1,700,000 in IIBA benefits, which included supporting local food security initiatives, various social, recreational,

educational, and cultural initiatives throughout North Baffin communities and Iqaluit. Baffinland has provided more than $2.87 million through the Donations and Sponsorship Program since 2016, further enhancing Baffinland's commitment to creating positive benefits to Nunavummiut.

2.3.4 Engagement with the QIA

Baffinland is committed to maintaining a productive relationship with the QIA through ongoing engagement and collaboration. Engagement topics with the QIA includes the implementation of the IIBA and the Commercial Lease (Q13C301), associated Agreements, and other regulatory authorizations. The Joint Executive Committee (JEC), Employment Committee (EC) and Contracting Committee (CC) are all established under the Mary River IIBA and meeting regularly each year to advance the annual work plan. Baffinland and QIA Senior Management continue to prioritize regular meetings to discuss non-IIBA related project updates and advancement on project development.

2.3.4.1 Engagement on IIBA Implementation

Implementation of the IIBA is managed by a Joint Executive Committee (JEC), Employment Committee and Contracting Committee (CC). These committees consist of an equal number of representatives from Baffinland and the QIA, and meet on a regular basis virtually or in-person.

During 2025, the Employment and Contracting Committees focused their efforts on supporting Inuit through employment, training, education and contracting. The committees met regularly to discuss and plan initiatives that could be executed in 2025.

Baffinland and QIA held teleconferences and in-person committee meetings with the JEC, CC, and Employment Committee on several occasions throughout 2025, as presented in Table 2.3.

Baffinland and QIA held jointly the Annual Project Review Forum in October 2026, the forum was originally planned for Arctic Bay but due to weather was held virtually from Iqaluit. The Annual Project Review forum, is an opportunity to present updates on the Project and activities related to IIBA implementation. The Forum is also an opportunity for communities to discuss concerns about the Project and to provide recommendations for the consideration of the Joint Executive Committee.

Table 2:3: 2025 IIBA Meetings with QIA

Date	Location	Description
Employment Committee (EC)		
January 17th	Teleconference	Employment Committee Meeting
February 21st	Teleconference	Employment Committee Meeting
April 4th	Teleconference	Employment Committee Meeting
April 14th	Teleconference	Employment Committee Meeting
April 23rd	Teleconference	Employment Committee Meeting
May 15th	Teleconference	Employment Committee Meeting
June 3rd	Teleconference	Employment Committee Meeting
June 18th	Teleconference	Employment Committee Meeting
July 31st	Teleconference	Employment Committee Meeting
September	Teleconference	Employment Committee Meeting

Date	Location	Description
8th		
October 1st	Teleconference	Employment Committee Meeting
November 26th	Teleconference	Employment Committee Meeting
Contracting Committee (CC)		
January 21st	Teleconference	Contracting Committee Meeting
February 4th	Teleconference	Contracting Committee Meeting
June 6th	Teleconference	Contracting Committee Meeting
June 27th	Teleconference	Contracting Committee Meeting
July 25th	Teleconference	Contracting Committee Meeting
September 3rd	Teleconference	Contracting Committee Meeting
October 10th	Teleconference	Contracting Committee Meeting
November 21st	Teleconference	Contracting Committee Meeting
Joint Executive Committee (JEC)		
July 16th	Teleconference	Joint Executive Committee Meeting
November 5th	Teleconference	Joint Executive Committee Meeting
December 10th	Teleconference	Joint Executive Committee Meeting

2.3.4.2 Engagement on the Commercial Lease and Associated Agreements

Baffinland and the QIA engage on a regular basis with respect to the Commercial Lease, associated Agreements and a range of management plans. As shown in Table 2.4, meetings in 2025 were primarily focused on discussing the Annual Security Work Plan, Annual Security Review, updates to the Interim Closure and Reclamation Plan, Type A water licence renewal process, and the development of the Steensby Component of the Approved Project. Following the submission of the 2025 Annual Security Work Plan on January 17, 2025, Baffinland has continued to work with QIA on updates to the reclamation security estimate for the Mary River Project.

Table 2:4: 2025 Meetings with QIA (Commercial Lease and Associated Agreements)

Date	Location	Description
14-Jan-25 to 15-Jan-25	In-Person	BIM-QIA quarterly meeting
22-Jan-25	Teleconference	Steensby Component Update
23-Jan-25	Teleconference	QIA-BIM Type A Water Licence Renewal Follow-up Call
28-Jan-25	Teleconference	QIA-BIM Discussion on Water Licence Renewal Outstanding Items
30-Jan-25	Teleconference	QIA-BIM Discussion on Water Licence Renewal Outstanding Items
19-Feb-25	Teleconference	Steensby Component Update
24-Feb-25	Teleconference	QIA-BIM discussion on Water Licence renewal
11-Mar-25 to 12-Mar-25	Teleconference	Type A Water Licence Renewal Public Hearing
21-Mar-25	Teleconference	Steensby Component Update
14-Apr-25 to 15-Apr-25	In-Person	BIM-QIA quarterly meeting
12-Jun-25	Teleconference	Steensby Component Update
26-Jun-25	Teleconference	QIA Comments on Steensby Railway
31-Jun-25	Teleconference	QIA-BIM discussion of Steensby
20-Aug-25	Teleconference	QIA-BIM discussion regarding Water Licence renewal commitments
2-Sep-25	Teleconference	QIA-BIM discussion regarding Tote Road crossing CV-216
11-Sep-25	Teleconference	Steensby Component Update
10-Oct-25	Teleconference	BIM-QIA-CTA meeting to provide comments on CTA's draft Determination
7-Nov-25	Teleconference	QIA-BIM 2026 Work Plan Review
13-Nov-25	Teleconference	Steensby Component Update
2-Dec-25	Teleconference	QIA-BIM Reclamation Security Estimate Discussion
16-Dec-25	Teleconference	QIA-BIM Reclamation Security Estimate Discussion

2.4 ENGAGEMENT WITH WORKING GROUPS

Project Certificate No. 005 Terms and Conditions require that Baffinland establish three (3) working groups for the Project, identified as the:

- Terrestrial Environment Working Group (TEWG);
- Marine Environment Working Group (MEWG); and
- Mary River Socio-Economic Monitoring Working Group (SEMWG).

The Working Groups provide a valuable forum for ongoing Project communication and reporting between Baffinland and interested parties. The Working Groups also function as an advisory group that provide recommendations on monitoring and management approaches related to the Project.

The meetings are structured to enable participants to have the opportunity to provide input on monitoring program design and implementation. The TEWG and MEWG receive presentations on the implementation of field programs and subsequent results in order to prioritize monitoring plans. Working group members are also able to provide input on measures for mitigation where required. The Working Groups provide a platform for the discussion of collaborative research opportunities between parties and to identify monitoring programs suited for community-based monitoring and Inuit participation. The TEWG and MEWG include member-status and observer-status participant organizations.

Generally, the MEWG and TEWG meetings are structured in such a way to include:

- Baffinland to provide a Project update to the members (e.g., includes mining and shipping-related activities such as ore production, and vehicular and vessel traffic);
- Discussion of monitoring program planning including sampling approach (e.g., sampling variables, sites, and data collection methods) in advance of field programs to obtain feedback from MEWG and TEWG members;
- Discussion of results of monitoring programs to obtain feedback by MEWG and TEWG members; and
- Various research presentations (given by Baffinland, Baffinland technical consultants, and other working group members).

Previously, the Working Groups typically would schedule two (2) yearly in-person meetings, in addition to hosting two (2) interim teleconferences per year. Based on the revised Terms of Reference (ToR), finalized early in 2025, three (3) regular meetings and up to three (3) touchpoint meetings may be held, in addition to ad hoc meetings at the request of members.

The Terms of Reference (ToR) for the MEWG and TEWG was finalised and submitted to the NIRB on February 3rd, 2025. Details of the ToR could be found on Appendix C.3 of the 2024 Annual Report (Baffinland, 2025g).

A SEMWG meeting is typically held following the Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) annual meeting. The SEMWG is delivered a short presentation and overview of monitoring activities scheduled for the year. Project and monitoring program updates are also provided. A general discussion and comment period is then held with all working group members. The QSEMC meeting was held October 7 & 8, 2025, in Iqaluit. The SEMWG meeting was held on October 9, 2025 also in Iqaluit.

Updates on 2025 activities specific to each working group are provided below. A record of meeting minutes for all Working Group meetings held in 2025 are provided in Appendix C1 and C2.

2.4.1 Marine Environment Working Group

Project Certificate Term and Condition No. 77 mandated the establishment of the Marine Environment Working Group (MEWG). Members of the group include the MHTO, GN, QIA, Environment and Climate Change Canada (ECCC), Fisheries and Oceans Canada (DFO), Parks Canada (PC), Makivvik Corporation, and Baffinland. The Igloolik Hunters and Trappers Organization (IHTO), Arctic Bay (Ikajutit) Hunters and Trappers Organization (IHTA), Hall Beach (Sanirajak) Hunters and Trappers Organization (HBHTA), and Clyde River (Nangmautuq) Hunters and Trappers Organization (NHTO) have also been members since February 2023. Additionally, World Wildlife Foundation Canada (WWF), the NIRB, the Canadian Northern Economic Development Agency (CANNOR), and Oceans North (ON) participate as observers of the group. Transport Canada (TC) has also been actively participating as an observer on the MEWG since June 14th, 2022. In 2025, Kinngait (Aiviq) Hunters and Trappers Organization (AHTO) and Kimmirut (Mayukalik) Hunters and Trappers Organization (MHTA) were formally invited to join the MEWG. Additionally, with the revised Terms of Reference, the group commenced the process of finding an Independent Chair. Selection of an Independent Chair got underway in March 2025, with a discussion on the process and a request for members to nominate potential candidates. In November 2025, members agreed to meet and interview the three nominated candidates in January 2026.

A summary of meeting dates and times is found in Table 2.5 below.

Table 2:5: Topics Discussed at 2025 MEWG Meetings

Date	Location	Topics Discussed
March 20th, 2025	Virtual	• Revisiting Baffinland's 5-Year Monitoring Plan. This was initially discussed at the May, and June 2024, MEWG meetings in Ottawa.
March 20th, 2025	Virtual	• A joint MEWG and TEWG meeting to go through the Terms of Reference (ToR)
July 8th and 11th, 2025	Virtual	• 2024 Marine Program Results – Bruce Head Shore Based Monitoring Program and Marine Environmental Effects Monitoring Program (MEEMP) • DFO Beluga/Walrus/Narwhal Studies • 2024 DFO Ballast Water Monitoring Program • Baffinland 2025 Shipping Season • 2025 Marine Monitoring Program Plan
November 17th and 18th, 2025	Virtual	• Summary of Marine Monitoring Program completed in 2025 • 2025 End of Shipping Season Overview • ECCC Seabird Study Preliminary Results • Independent Chair Update • Baffinland Steensby Spill Modeling Update • Baffinland Management Plan Update • Baffinland 2026 Monitoring Plan, amendment to the 5-Year Monitoring Plan

Date	Location	Topics Discussed
December 2nd, 2025	Virtual	• Preparatory meeting for the HTOs on the Independent Chair process

2.4.2 Terrestrial Environment Working Group

Project Certificate Term and Conditions No. 49 mandated the establishment of the Terrestrial Environment Working Group (TEWG). Members of the TEWG are consistent with the MEWG outlined in Section 2.5.1, with the exception of DFO and Makivvik, which are only members of the MEWG. Natural Resources Canada (NRCan) participates as an observer to the TEWG, but does not participate on the MEWG. Transport Canada (TC) and Oceans North (ON) are only observers for the MEWG and do not participate on the TEWG.

In 2025, Kinngait (Aiviq) Hunters and Trappers Organization (AHTO) and Kimmirut (Mayukalik) Hunters and Trappers Association (MHTA) HTAs were formally invited to the TEWG. Additionally, with the revised Terms of Reference, the group commenced the process of finding an Independent Chair. Selection of an Independent Chair got underway in March, 2025 with a discussion on the process and a request for members to nominate potential candidates. In November, 2025 members agreed to meet and interview the three nominated candidates in January, 2026.

A summary of meeting dates is listed in Table 2.6.

Table 2:6: Topics Discussed at 2025 TEWG Meetings

Date	Location	Topics Discussed
March, 20th, 2025	Virtual	• A joint MEWG and TEWG meeting to go through the Terms of Reference (ToR)
July 10th, 2025, 2025	Virtual	• 2024 Terrestrial Environment Annual Monitoring Program Results • 2025 Terrestrial Environment Monitoring Plan • Update on Definition of 'Defection' • GN North Baffin Caribou Survey: Update and continued discussion on caribou collaring • 2024 Dust Audit Committee Report Presentation
November, 19th, 2025	Virtual	• Overview of Terrestrial Environment Monitoring Activities completed in 2025 • Baffinland Dust Mitigation • 2025 Preliminary Satellite Dust Imagery Analysis • Baffinland Management Plan Update • Baffinland 2026 Monitoring Plan • Independent Chair Update
December 2nd, 2025	Virtual	• Preparatory meeting for the HTOs on the Independent Chair process

2.4.3 Mary River Socio-Economic Monitoring Working Group

Baffinland coordinates the Mary River Socio-Economic Monitoring Working Group (SEMWG) in fulfillment of Project Certificate Term and Condition No. 129. SEMWG membership includes members from the GN, the QIA, CIRNAC, and Baffinland.

A SEMWG meeting was held on October 9, 2025, in a hybrid meeting based out of Baffinland's office in Iqaluit. The meeting was very straightforward. Members were provided the opportunity to give updates then Baffinland went over the 2024 monitoring report and plans for the 2025 Inuit Employee Survey. All members had a chance to review the survey questionnaire and provide feedback that was later incorporated.

Table 2:7: Mary River Socio-Economic Monitoring Working Group Meeting Agenda

Date	Location	Topics Discussed
October 9, 2025	Hybrid Meeting	1. Welcome and Introductions 2. Member Updates 3. 2024 Socio-Economic Monitoring Report 4. 2025 Inuit Employee Survey 5. Looking Ahead 6. Walk on Items 7. Wrap-up

2.4.3.1 Looking Forward

Baffinland will endeavour to hold a virtual meeting of the SEMWG in the spring/summer of 2026 to go over the 2025 Socio-economic monitoring report. Baffinland looks forward to continued updates from the members.

2.4.4 Qikiqtaaluk Socio-Economic Monitoring Committee

The SEMWG is a sub-group of the Regional Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC), which typically meets annually. Baffinland acts as a participant in the QSEMC, which is organized and led by the Government of Nunavut. The purpose of the QSEMC is to monitor the socio-economic impacts of major development projects in the Qikiqtani Region and to support and facilitate discussion on collaborative socio-economic monitoring of major development projects. This year, the QSEMC was held in Iqaluit on October 7-8, 2025.

2.5 LOOKING AHEAD

The 2026 Annual Security Work Plan was submitted to the NWB, QIA and CIRNAC on October 31, 2025 (Baffinland, 2025i). This submission is a requirement under Part J, Item 2 of Type 'A' Water Licence 2AM-MRY2540 (NWB, 2025) and under Section 6.1 of Commercial Lease No. Q13C301 (QIA, 2013) agreed between Baffinland and the QIA.

A summary of the planned 2026 activities are as follows:

- Development and operation of the mine, ore crushing and land transportation, stockpiling and marine shipment of ore;

- The continued development and construction of infrastructure required at Milne Port and the Mine Site and along the Tote Road for the Project;
- Continued operation of Mine Site and Milne Port Camps to support ongoing operations and construction activities which will include the use of water and deposition of waste as authorized under existing permits;
- Ongoing operation and expansion of permitted quarry and borrow sources;
- At Milne Port, vessels carrying fuel, equipment and supplies for use at the Mine Site and Milne Port will arrive during open water. Material, fuel and supplies required for operational and construction activities will be transported to the Mine Site year-round via the Tote Road;
- Ongoing environmental effects studies and baseline data collection will continue to support the construction and operation of the Project as well as for future engineering requirements;
- Continued environmental monitoring in accordance with the Approved Project Certificate, licenses, authorizations, management plans and environmental effects monitoring plans;
- On-going exploration activities including drilling, mapping, prospecting, sampling, and geophysics. Planning of the details of the summer drilling and/or trenching program is not yet finalized;
- Tote Road improvements to address safety concerns, freshet runoff issues and progressive reclamation of the historic borrow sources;
- Site grading and laydown construction for supplies and equipment to support future construction activities and remove ponding and permafrost degradation issues around current infrastructure; and
- Erection of additional maintenance facilities to safely service equipment.

In 2026, Baffinland will continue operating under the Early Revenue Phase while also focusing efforts and resources on the development of the Steensby Component of the Project.

No plans have been finalized in relation to the execution of early works in Steensby Component PDA's or ongoing environmental field work to support monitoring program advancement.

Early Revenue Phase environmental monitoring programs prescribed by the Project Certificate, Water Licences, other authorizations, management plans and environmental effects monitoring plans will continue through 2026.

3 OPERATIONS OVERVIEW

3.1 SITE ACTIVITIES COMPLETED IN 2025

Baffinland continued to focus on mine production from Deposit No. 1 in 2025. Key activities undertaken in 2025 occurred at the active Project component areas including Milne Port, the Tote Road, and the Mine Site. While construction preparation and monitoring has been underway through 2025, no development activities were undertaken within the Project Development Areas (PDA's) for the Steensby Railway and Steensby Port. Physical surveys and studies to update baseline information on fish and fish habitat and the terrestrial environment along the Steensby Railway and at Steensby Port to support additional permitting activities were continued through 2025.

Mining and hauling activities from the Mine Site to Milne Port continued throughout 2025 (see Term and Condition No. 179 (a) for more details). This year marked the tenth shipping season, with iron ore shipped from Milne Port between July 29, 2025 and October 9, 2025. As in previous years, Baffinland did not begin shipping activities until 3/10 ice concentrations were present along the shipping route. Forty-nine (49) individual ore carrier round trip voyages were executed during the 2025 shipping season, which included six (6) Babycape and four (4) Capesize vessels. Twelve (12) convoys were used to decrease underwater noise.

Operational activities in 2025 included:

- The continued development and construction of Project infrastructure required at Milne Port and the Mine Site, and along the Tote Road;
- Development and operation of the mine at Deposit No. 1, including the crushing, trucking, stockpiling and shipping of ore to international markets;
- Continued year-round operation of camp facilities at the Mine Site and Milne Port, and seasonal operation of the Bruce Head camp for marine monitoring programs, which included the use of water and deposition of waste as authorized under existing permits;
- At Milne Port, vessels carrying fuel, equipment and supplies for activities at the Mine Site and Milne Port arrived during the shipping season;
- Material, fuel and supplies required for construction and operational activities were transported from Milne Port to the Mine Site year-round via the Tote Road;
- Operation of the aerodrome at the Mine Site, which supported year-round passenger and freight service by aircraft to/from local communities, Iqaluit and southern Canada;
- Operation of helicopter and fixed wing aircraft to support environmental monitoring and other general Project activities;
- Care and maintenance of the inactive Steensby Port camp;
- Continued deposition of waste rock generated by Project operations at the Waste Rock Facility;
- Continued deposition of inert non-hazardous wastes at the Mine Site Non-Hazardous Waste Landfill Facility (Landfill Facility);
- Continued progressive reclamation of areas of current and past use;

- On-going progressive reclamation of historic borrow sources along the Tote Road;
- Continued development of the Km 97 Borrow Source for material for Project use;
- Use of blasted material from the Q1 Quarry;
- Continued upgrades and adaptive management at the KM 105 Facility, including constructing a filter berm, to ensure discharged water meets water licence limits at the new approved discharge location;
- Reconstruction of culvert crossing location CV-187 due to damage caused by the extreme rainfall event in September of 2024
- Repairing all four (4) bridges along the Tote Road
- Geotechnical and hydrological investigations on select water crossings; and re-construction work for various fish-bearing culvert crossings along the Tote Road progressed
- Discharge and monitoring from licenced water management infrastructure to ensure effluent water quality compliance;
- Continued maintenance of the Mine Site Road and Tote Road to improve surface water drainage and address safety and operational concerns, that did not involve in-stream work;
- Implementation of preventative and corrective measures which included but was not limited to installing check dams, silt fences, excavating culverts of snow and ice, stabilizing select cut slopes with riprap, regrading and resurfacing pads, etc., to address sedimentation concerns during high flow periods;
- The continued application of dust suppression treatment on the Tote Road (calcium chloride and water applications), and Milne Port ore stockpiles;
- Completion of environmental studies and monitoring programs identified in the Final Environmental Impact Statement (FEIS), FEIS Addendums, Type 'A' Water Licence or other permits and authorizations as required; and
- Continued engineering and environmental studies to support future phases and components of the Project.

Representative photographs showing major 2025 site activities are included in the Photo Essay (Appendix D).

3.2 2025 HIGHLIGHTS AND CHALLENGES

The Project has been in operation since September 2014 and operational experience has proved that high volume, bulk commodity mining in the Canadian Arctic is feasible. Despite harsh environmental and economic conditions, Baffinland's investors continue to support the Project with the goal of increasing production to reach an economically sustainable operation.

In 2025, Baffinland decreased ore transportation compared to previous years' operations under the Production Increase Proposal and Sustaining Operations Proposal Approvals. In 2025 Baffinland returned to the Early Revenue Phase.

For the fifth year in a row, Baffinland proactively made the decision to delay the start of the shipping season until ice-breaking could be avoided along the shipping route. For the third year in a row, larger Babycape and Capesize vessels were utilized to transport ore from Milne Port, reducing the overall number of individual transits required.

Baffinland submitted its Type 'A' Water Licence renewal application to the NWB on June 26, 2024. A Public Hearing for the Type 'A' Water Licence renewal was held on March 11-12, 2025. The renewed Type 'A' Water Licence 2AM-MRY2540 was issued by the NWB on April 28, 2025 and remains in effect until 2040.

Throughout 2025, considerable efforts were dedicated to advance permit applications for the construction of the Steensby Component that were submitted to regulatory agencies in 2023 and 2024. On December 4, 2025, the Canadian Transportation Agency (CTA) issued Certificate of Fitness 25001 to Baffinland. On December 23, 2025, the CTA issued Determination R-2025-215 which approved Baffinland's application to construct the Steensby Railway. Additional authorizations continue to be issued in support of the Steensby Component and will be reported on in the annual report for 2026.

Baffinland is working towards a construction start on the Steensby Component once all the permits have been received and financing is in place.

3.2.1 PROJECT ECONOMICS

Throughout 2025, Baffinland has been consistent in its messaging with Inuit and other Project stakeholders, and through regulatory processes, that a rail line is required for the long-term viability of the Project. In addition, expansion of the mine's resources through access to other deposits and finding efficiencies in the throughput capacity of the Project is essential to ensure the delivery of the Mary River Project's multi-generational potential.

Baffinland is focusing on the development of the Steensby Component of the Approved Project, which includes the Steensby Railway and Steensby Port. The construction and commissioning of the Steensby Component is contingent on receiving final permits, project financing and a positive construction decision. The improvements in production and transportation from this development will serve to insulate the Project against fluctuating global iron ore prices by reducing unit costs to produce and transport Nunavut's high-grade iron ore. Development of the Steensby Component of the Approved Project will safeguard it from vulnerability to market fluctuations, which will subsequently help prevent temporary or early closure of the Project. Baffinland will continue to communicate the development of its long-term project plans with its stakeholders.

3.2.2 IIBA IMPLEMENTATION HIGHLIGHTS

Implementation of the IIBA contributed to many new and notable highlights for the year 2025. These include, but are not limited to, the following:

- The Mary River Inuit Training budget (Article 8.6) at Baffinland was $2.25 million dollars between 2018 until 2021, and then $1.5 million dollars, adjusted annually for inflation based on 2018 dollars, for the years of 2021 through 2031. Baffinland and QIA through the IIBA Annual Work Plan highlight what training will be conducted in each year.
- Successful implementation of the Harvesters Enabling Program (Article 17.7) in Pond Inlet which supplies each Inuk residing in Pond Inlet, who on January 1st of that year is not less than twelve years old, with three hundred liters of gas to support harvesting activities that occur during that year. The annual budget for the

program is $400,000, adjusted annually for inflation based on 2018 dollars. In 2025, $516,658 was provided to the Hamlet of Pond Inlet, plus an additional $60,000 in administrative fees.

- Baffinland continued its Scholarship Program for Nunavut Inuit, with priority given to applications from the North Baffin communities. In 2025, Baffinland announced 5 scholarship winners and awarded all 5 scholarships, for a total of $25,000. Since 2014, Baffinland has cumulatively awarded $300,000 in scholarships to 60 recipients. The deadline for scholarship applications has been moved to the second semester in January on an ongoing basis. Baffinland continued to provide opportunities for Inuit to participate in training while keeping health and safety as the number one priority. Training was provided in both online, and in-person formats throughout 2025.
- In 2025, five (5) Employment and Training Information Sessions were conducted in all five (5) surrounding communities and in Iqaluit. The sessions took place in February (Radio show), March (April for Iqaluit Session) (full), May (targeted), September (full), and December (Targeted). The February 2025 session replaced the December 2024 session that did not take place. They were conducted by Baffinland with some QIA participation. Discussions about employment opportunities as well as education and training opportunities were undertaken.
- Baffinland continued to support several school-based initiatives through the IIBA and its donations program in 2025. While not a direct requirement of the IIBA, since 2017 Baffinland has provided laptops to high school graduates in the North Baffin communities as an incentive to motivate local youth to complete their high school education and pursue post-secondary education. Baffinland provided 58 laptops to grade 12 Inuit graduates in 2025. Since 2017, Baffinland has provided 489 laptops to grade 12 graduates.

3.2.3 INUIT EMPLOYMENT AND CONTRACTING

In 2025, a total of 477,174.76 hours were worked by Inuit and 2,251,061.58 by non-Inuit. These hours include those worked by both Baffinland and Contractor employees. In total, Inuit employment hours were 17.5% of the total hours worked. Baffinland's Inuit employee payroll totaled $19,970,793.85. These amounts include all Inuit employees who lived in and outside of Nunavut. Contractor's Inuit employee payroll totaled $7,727,907.37. These amounts include all Inuit employees who lived in and outside of Nunavut.

In 2025, Baffinland hired shipping monitors in Pond Inlet to provide a direct liaison between the community of Pond Inlet, the Mittimatalik Hunters and Trappers Organization, and Baffinland. A total of 14 individuals supported the planning and/or implementation of shipping monitoring activities over the duration of the season in 2025 to provide local community oversight on Baffinland shipping operations over the entire length of the season, including daily tracking of vessel locations and speeds. Eight (8) of the individuals returned from the previous year and six (6) new individuals joined the team between July and October. Shipping monitors were scheduled to work in multiple daily shifts to maximize a daily shipping coverage of up to 24 hours/day. Shipping monitors provided daily updates on vessel activity using Facebook, and periodically local public radio. The marine VHF was out of service in 2025 and Baffinland will support its repair efforts in 2026, if required. Since 2014, Baffinland (not inclusive of contractors) has provided $150 million in payroll to Inuit. Wages paid to Inuit is an important measure of the Projects significant positive socio-economic impact on Nunavummiut. Through the provision of wages, Baffinland is providing Inuit with the opportunity to purchase goods and services in their communities creating positive benefits for local business, including Inuit Owned firms.

Article 6 of the IIBA refers to procurement and contracting to ensure that all economic activity associated with the Project will be available to Inuit firms. Baffinland utilizes the registry of Inuit Firms maintained by Nunavut Tunngavik Incorporated (NTI) to identify Inuit Firms which may be eligible/qualified for various contracting opportunities.

Procurement with Inuit-owned businesses and joint ventures in 2025 totaled approximately $153.4 million. This includes forty-two (42) contracts with Inuit-Owned businesses and joint ventures, most of which were based in either the North Baffin communities or Iqaluit. Since Project development, a total of more than $2.5 billion worth of contracts have been awarded to Inuit-owned businesses and joint ventures.

Throughout 2025, Baffinland continued to take steps to ensure that maximum benefits of the Project, represented by employment and contracting opportunities, were accessible to Inuit.

Qikiqtani Skills and Training for Employment Partnership (Q-STEP)

Baffinland and QIA are continuing to support the Mary River IIBA implementation with the Q-STEP Inuit Training and Development Program. Funded by the Government of Canada, and with financial and in-kind support from Baffinland, this initiative focuses on pre-trades instruction and related training and employment initiatives for apprenticeships at the Project. The funding is providing supports for expenses relate to training, such as wages, accommodations, and travel. This program began in February 2022, and it is scheduled to continue to March 31, 2028. The target is to hire and maintain 16 Inuit apprentices in various trades, with the end goal that apprentices complete training and advance in their careers in mining industry trades.

Career Development Plans

In 2025, Baffinland continues to follow the process for Career Development Plans (CDP). In order to improve Inuit employee retention, Baffinland looks to establish structures for more frequent interactions about one's career development and their opportunities within the business. These are achieved through Career Development Plans for every permanent Inuk employee. These plans are developed through periodic discussions that explore where the employee is now in their career, what they might be interested in doing in the future, and what Baffinland can do to support and assist Inuit employees in advancing at Baffinland. Once the actions and plans are mutually agreed including realistic expectations, the employee is supported so that they can undertake training and development as required to grow their career. Baffinland has continued the completion of Career Development Plans for all permanent Inuit employees in 2025 in a systematic approach with a total of 95 plans completed in 2025.

Training Hours

In 2025, Inuit training hours totaled 22,561 hours, equivalent to 34.9% of the total training provided by Baffinland, a slight increase from the 2024 value of 32.5%.

3.2.4 SUPPORT FOR LOCAL BUSINESSES

In addition to provisions respecting the participation of Inuit Firms in Project contracting opportunities as detailed in Article 6 of the IIBA (IIBA, 2018) and the Inuit Procurement and Contracting Strategy, Baffinland supports the development of local businesses through its annual contribution of $275,000 through the IIBA's Business Capacity and Start Up Fund. The fund, which is administered by the QIA, is designed to assist existing Inuit Firms to develop capacity to participate in the bidding process and to encourage business start-ups in the communities.

Baffinland has worked with, and will continue to work with local businesses on an ongoing basis to create contracting opportunities in the communities.

Baffinland, along with the QIA, has initiated a Preferred Inuit Firms (PIF) designation. The PIF receives added benefit over Inuit Firms and Non-Inuit Firms, including prioritizing PIFs through contract tailoring and giving priority access to contracts valued $3 million or less. There are currently 11 Inuit Firms registered as PIF designation with Baffinland.

An Inuit firm must satisfy the following criteria:

- Registered with Nunavut Tunngavik Incorporated (NTI);
- Located and operating within the Qikiqtani Region of Nunavut;
- 100% owned and operated by Inuit (not a joint venture with a larger organization); and
- Community presence (beyond a post office box) and ability to demonstrate such presence.

3.3 LOOKING AHEAD

The 2026 Annual Security Work Plan was submitted to the NWB, QIA and CIRNAC on October 31, 2025 (Baffinland, 2025i). This submission is a requirement under Part J, Item 2 of Type 'A' Water Licence 2AM-MRY2540 (NWB, 2025) and under Section 6.1 of Commercial Lease No. Q13C301 (QIA, 2013) agreed between Baffinland and the QIA.

A summary of the planned 2026 activities are as follows:

- Development and operation of the mine, ore crushing and land transportation, stockpiling and marine shipment of ore;
- The continued development and construction of infrastructure required at Milne Port and the Mine Site and along the Tote Road for the Project;
- Continued operation of Mine Site and Milne Port Camps to support ongoing operations and construction activities which will include the use of water and deposition of waste as authorized under existing permits;
- Ongoing operation and expansion of permitted quarry and borrow sources;
- At Milne Port, vessels carrying fuel, equipment and supplies for use at the Mine Site and Milne Port will arrive during open water. Material, fuel and supplies required for operational and construction activities will be transported to the Mine Site year-round via the Tote Road;
- Ongoing environmental effects studies and baseline data collection will continue to support the construction and operation of the Project as well as for future engineering requirements;
- Continued environmental monitoring in accordance with the Approved Project Certificate, licenses, authorizations, management plans and environmental effects monitoring plans;
- On-going exploration activities including drilling, mapping, prospecting, sampling, and geophysics. Planning of the details of the summer drilling and/or trenching program is not yet finalized;
- Tote Road improvements to address safety concerns, freshet runoff issues and progressive reclamation of the historic borrow sources;
- Site grading and laydown construction for supplies and equipment to support future construction activities and remove ponding and permafrost degradation issues around current infrastructure; and
- Erection of additional maintenance facilities to safely service equipment.

In 2026, Baffinland will continue operating under the Early Revenue Phase while also focusing efforts and resources on the development of the Steensby Component of the Project.

No plans have been finalized in relation to the execution of early works in Steensby Component PDA's or ongoing environmental field work to support monitoring program advancement.

Early Revenue Phase environmental monitoring programs prescribed by the Project Certificate, Water Licences, other authorizations, management plans and environmental effects monitoring plans will continue through 2026.

4 PERFORMANCE ON PC TERMS AND CONDITIONS

The following sections provide a discussion of Baffinland's self-assessed status of compliance and performance related to each of the Project Certificate (PC) Terms and Conditions for the Project in 2025.

The discussion of compliance with PC Terms and Conditions has been disaggregated into the following categories:

- Performance on General Conditions;
- Performance on Compliance with Regulatory Instruments;
- Performance on Ecosystemic Terms and Conditions;
- Performance on Socio-Economic Terms and Conditions; and
- Performance on Other Terms and Conditions.

4.1 METHODOLOGY AND CRITERIA

Table 4.1 outlines the status of compliance levels and describes the criteria related to each of these options. Each PC Term and Condition has been assigned a status of compliance. Where a PC Term and Condition is designated as being only 'In Progress' or 'Non-Compliant', a rationale explaining why a full 'In Compliance' designation was not achieved in 2025 and, where applicable, a strategy for moving towards full 'In Compliance' in a future reporting year has been provided. It is noted that some Terms and Conditions may or may not be active during a given phase of the Project and/or a specific component of the Approved Project may not yet be active in the reporting year (e.g., Steensby Port). Accordingly, for those Terms and Conditions that may be applicable to both the Northern (Tote Road and Milne Port) and Southern (Steensby Railway and Steensby Port) Transportation Corridors, compliance status will be split up and reported for the active component only.

Table 4:1: Status of Self-Assessment Compliance Terminology and Criteria

Status	Criteria
Status of Project Condition	
Active	The PC Term and Condition is active during the current phase of the Project for the relevant monitoring period and in consideration of the relevant active Project component.
Not Active	The PC Term and Condition is not active for the relevant monitoring period, is tied to a project component that was not yet applicable during the reporting year, and/or is tied to a phase of the project that is currently completed.
Status of Compliance	
In Compliance	Obligations have been met or exceeded, as intended in Project Certificate No. 005 for the relevant monitoring period. A previous 'Completed' and 'Accomplished' by the NIRB status will remain 'In Compliance' with a 'Not Active' status. *Rationale for meeting compliance requirements is provided.
In Progress	Obligations have been partially fulfilled, as intended in Project Certificate No. 005 for the relevant monitoring period, or a plan to achieve full compliance is being actioned. *Demonstrable efforts towards meeting compliance requirements are evidenced.
Non Compliant	Obligations have not been met as intended in the Project Certificate No. 005 for the relevant monitoring period. *Rationale for being unable to meet compliance requirements is provided.

Status	Criteria
Not Applicable	The Term and Condition is not applicable to the current phase of the Project for the relevant monitoring period.

Baffinland takes a conservative approach to self-assessing the status of compliance with PC Terms and Conditions. When determining a status of compliance for each of the PC Terms and Conditions, the following process is implemented by Baffinland and its technical experts:

1. A review of the specific requirements outlined in each PC Term and 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 PC Term and Condition is conducted.
3. A consideration of previous status assignments by NIRB and associated interpretation.
4. A gap analysis is completed to assess whether or not there is a delta between the requirements of the PC Term and Condition and the work completed by Baffinland to meet these requirements.
5. Inuit and stakeholder comments as relevant to the PC Term and Condition are considered. Baffinland maintains a list of meeting records (formal and informal) that were held with Inuit or other stakeholders and integrates any relative feedback heard according to topics covered through the various ecosystemic and socio-economic Terms and Conditions.
6. A status of compliance based on the results of Baffinland's self-assessment is assigned.
7. Baffinland has also outlined the compliance responsibilities that fall under the purview of other proponents. This clarification helps define our own obligations and reinforces our going commitment and responsibilities to fulfilling the Terms and Conditions.

In the absence of specific guidance from the NIRB, Baffinland will continue to complete its self-assessment using the approach described above.

4.2 APPROACH TO REPORTING ON PERFORMANCE

An individual summary sheet for each of the ecosystemic, socio-economic and 'other' Terms and Conditions have been provided in Sections 4.6 to 4.8. The category and content of information provided in these summary sheets is outlined in Table 4.2.

Table 4:2: Layout of PC Term and Condition Summary Sheets

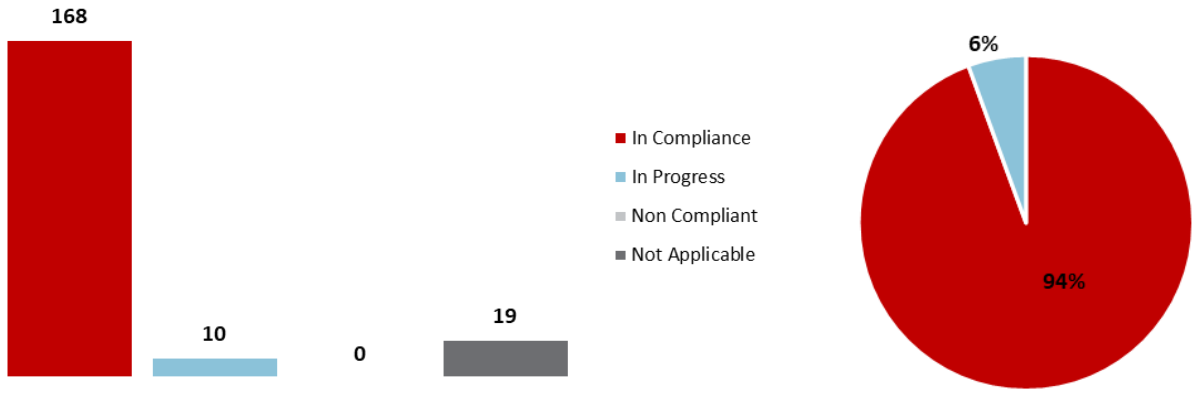
Item	Summary of Content
Category	• Category as defined in PC No. 005 Amendment No. 05 (NIRB, 2023a).
Responsible Parties	• Responsible party as defined in PC No. 005 Amendment No. 05 (NIRB, 2023a).
Project Phase(s)	• Phase(s) of the Project the PC Term and Condition is applicable to: ○ Construction ○ Operations ○ Temporary Closure / Care and Maintenance ○ Closure

Item	Summary of Content
	○ Post-Closure Monitoring (as outlined in PC No. 005 Amendment No. 05 (NIRB, 2023a)
Objective	• The objective as outlined in PC No. 005
Term or Condition	• The Term or Condition as written in PC No. 005
Relevant Project Commitment	• List of all corresponding Baffinland commitments outlined in the Final Hearing Report (NIRB, 2012b) and PC No. 005 Amendment No. 05 (NIRB, 2023a)
Reporting Requirement	• The reporting requirement as outlined in PC No. 005 Amendment No. 05 (NIRB, 2023a)
Status of Project Condition	• A self-assessed status of compliance for the PC Term and Condition: ○ Active ○ Not Active
Status of Compliance	• A self-assessed status of compliance for the PC Term and Condition: ○ In Compliance ○ In Progress ○ Non Compliant ○ Not Applicable
Inuit and Stakeholder Review	• Inuit, stakeholders and other interested parties that participate in discussions and reviews related to aspects and implementation of regulatory submission of actions or documents relevant to the PC Term and Condition.
Reference	• Description / title of relevant documents where supporting information related to PC Term and Condition status of compliance is available for review. • URL to web-portal where referenced documentation can be accessed, and/or Appendix where documentation can be found appended to the report.
Methods	• The methods employed to complete work required to meet compliance to the PC Term and Condition. • Summary of any adaptive management measures employed that year in support of achieving compliance to the PC Term and Condition.
Results	• Summary of analytical results, quantitative/qualitative data or work that were completed in support of achieving PC Term and Condition compliance in 2024.
Trends	• Summary of notable trends from previous years, if identified, and relevant discussion on whether these are stemming from Project-related effects or due to natural variability. When relevant, reference is made to effects predicted as part of NIRB environmental assessment processes (i.e., FEIS and FEIS addendum). • Trends are identified using the following general guidance: ○ A review of all work completed in the reporting year and/or previous reporting years (if applicable) relevant to the PC Term and Condition is conducted. ○ If the data is quantitative, an evaluation of trends and statistical analysis is completed (i.e., graphs and metrics presented), where sufficient data exists to do so. Quantitative, statistical trends are presented numerically and in graphs using previously collected data, if available to do so. ○ For qualitative indicators, an evaluation of applicable reports, engagement sessions and meeting records applicable to the topic are evaluated to develop content for the 'trends' information presented.
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.

Item	Summary of Content
	• Identification of any challenges related to implementing mitigation measures, undertaking monitoring, or obtaining data from other sources.

4.3 SUMMARY OF 2025 COMPLIANCE WITH TERMS AND CONDITIONS

Baffinland's performance in fulfilling the PC Terms and Conditions in 2025 is presented on Figure 4.1. A summary of each of the Terms and Conditions and the Project status with respect to 2025 is presented in Appendix A. Since Terms and Conditions related to the not yet constructed components of the Approved Project (i.e., the Southern Transportation Corridor comprising the Steensby Railway and Steensby Port) were not applicable in 2025, compliance performance is focused on those related to the Mine Site and the Northern Transportation Corridor (Tote Road and Milne Port). Once applicable Terms and Conditions are triggered through the development of the Steensby Component, compliance performance will consider all Approved Project components.



Number of PC Terms and Conditions by Compliance Status

Percent of Total for Terms and Conditions that were Applicable in 2025

Figure 4:1: Baffinland's Overall Performance against Project Certificate Terms and Conditions in 2025

The Annual Report is a requirement of Project Certificate No. 005. The Annual Report provides information on how Baffinland is meeting the Terms and Conditions of Project Certificate No. 005 and its performance on the same. Terms and Conditions related to the construction and/or operation of the Steensby Components of the Approved Project (i.e., the Southern Transportation Corridor comprising the Steensby Railway, Steensby Port and the Southern Shipping Corridor) generally not applicable in 2025 and compliance performance is focused on those related to the Northern Transportation Corridor (Tote Road, Milne Port and the Northern Shipping Corridor) as well as the Mine Site. Once applicable Terms and Conditions are triggered through the construction of the Steensby Components of the Approved Project, compliance performance will consider all Terms and Conditions as they apply to all Approved Project components.

The Annual Report also presents an opportunity to discuss project activities over the preceding calendar year and highlight what is expected in the following year. The complete Annual Report can be found on the NIRB Public Registry as well as Baffinland's document portal.

Overall, Baffinland is in compliance with the required and applicable Terms and Conditions of the Project along the Northern Transportation Corridor. Baffinland is in compliance with 168 of the 178 currently applicable Terms and Conditions of the Project Certificate for an overall compliance rating of 94%. The remaining 10 Terms and Condition or 6% are in progress. Baffinland continues to collaborate with the Nunavut Impact Review Board (NIRB) and other relevant organizations to advance shared responsibilities and improve overall compliance with the terms and conditions.

There are 19 commitments classified as Not Applicable, which specifically pertain to the Steensby Component of the Project. Reporting on these commitments will commence once work on that component begins.

In areas where improvement is still required, Baffinland will continue to make operational changes, implement adaptive management, and work with regulators and the communities to ensure the Project remains in compliance with Project Certificate No. 005.

4.4 PERFORMANCE ON GENERAL TERMS AND CONDITIONS

The following presents the performance on general conditions set out in Section 4.1 of the Project Certificate, and Baffinland's comment on the condition performance. Items one to four in this section of the Project Certificate speak to the NIRB's monitoring responsibilities, and Sections five (5) through 12 describe additional requirements for Baffinland. A 2025 status on these items is provided below.

5. The Proponent must obtain all required federal and territorial permits and other approvals, and shall comply with the requirements of such regulatory instruments.

Baffinland has received the necessary approvals from NIRB to construct and operate the Steensby Components and the Early Revenue Phase.

These approvals often include additional permits with their own annual reporting requirements. Other major annual reports include the combined annual report for operations submitted to the QIA and the NWB, pursuant to Baffinland's Type 'A' Water Licence and Commercial Lease. The Annual Report to the QIA and the NWB is substantial and, in comparison to the NIRB Annual Report, includes much greater detail on water, waste management activities, as well as spill management and other topics related to water as per guidance. These reports can be found on Baffinland's Document Portal at: https://www.baffinland.com/media-centre/document-portal/.

Three land use permits, which expired in 2024 were extended by CIRNAC until June 2026. In 2025, no other federal or territorial permits or other approvals were required or received in support of the current operation. For the Steensby Component of the Project, Baffinland received the Certificate of Fitness and Approval to Construct a Railway from the Canadian Transportation Agency and Land, Foreshore and Quarry Leases from Crown Indigenous Relations and Northern Affairs Canada. These authorizations allow for the commencement of construction activities, subject to securities placements under the mechanisms established under the Type A Water license and Commercial Lease (see update to Item 7 below). Additional activity specific authorizations are expected in the near future, which include Fisheries Act Authorizations for works in fish bearing waters, and Navigation Protection Program approvals for works unnavigable waters.

A separate annual report on the status of implementation of the IIBA in 2025 was issued to the QIA and Joint Executive Committee on March 31, 2025. The contents of the IIBA report address or partly address many components of socio-economic monitoring and management.

The Company's performance on compliance with its regulatory instruments is described in Section 4.5.

6. The Proponent shall take prompt and appropriate action to remedy any occasion of non-compliance with environmental laws and regulations and/or regulatory instruments, and shall report any non-compliance as required by law immediately. A description of all instances of non-compliance and associated follow up is to be reported annually to the NIRB.

The Company's performance on compliance with its regulatory instruments is described in Section 4.5.

7. The Proponent shall meet with respective licensing authorities prior to the commencement of construction to discuss the posting of adequate performance bonding. Licensing authorities are encouraged to take every measure to require that sufficient security is posted before construction begins.

Closure and reclamation costs and resulting corresponding bonding requirements for the Mary River Project are determined through the Annual Security Review (ASR) process conducted in accordance with Schedule C of the Type 'A' Water License 2AM-MRY2540, and QIA Commercial Lease Q13C301. Under the Annual Security Review (ASR) process, Baffinland, the respective landowners (the QIA & the Crown), the Nunavut Water Board, and other interested parties meet and confer to determine the estimated closure and reclamation costs for an upcoming year. Baffinland submitted the 2026 Annual Work Plan to the Nunavut Water Board on October 31, 2025 and continues to work under the mechanisms outlined in the Type A Water License and Commercial Lease to complete that process.

8. All monitoring information collected pursuant to the Project Certificate and various regulatory requirements for the Project shall contain the following information:

a. The name of the person(s) who performed the sampling or took the measurements including any relevant accreditations;
b. The date, time and place of sampling or measurement, and weather conditions;
c. The date of analysis;
d. The name of the person(s) who performed the analysis including any relevant accreditations;
e. A description of the analytical methods or techniques used; and
f. A discussion of the results of any analysis.

Baffinland ensures that the records for all monitoring programs includes the above information. Baffinland has included this requirement in all monitoring program outlines and notifies all external consultants of the requirements.

9. The Proponent shall make its monitoring results available, to the fullest extent possible, in English and Inuktitut.

From 2014 to 2025 Baffinland included a summary of all monitoring programs in the Popular Summary of the NIRB annual report which was translated into Inuktitut. Baffinland also began including a popular / executive summary translated into Inuktitut for all final report versions of the Socio-economic, Terrestrial and Marine Annual Monitoring reports. A translated executive summary is also included with the QIA and NWB Annual Report for Operations and the QIA and NWB Annual Report for Exploration and Geotechnical Drilling. Meeting minutes and presentation

materials of the Terrestrial and Marine Environment Working Group meetings are also typically translated into Inuktitut.

10. The Proponent shall keep and maintain the records, including results, of all Project-related monitoring data and analysis for the life of the Project, including closure and post-closure monitoring.

Baffinland keeps and maintains all Project-related monitoring data and will continue to do so.

11. The Proponent shall maintain the Final Environmental Impact Statement and the Environmental Effects Monitoring program developed for the Project, with predictions updated as new baseline data is collected.

The predictions contained in the Final Environmental Impact Statement and subsequent Addendums are reviewed against Environmental Effects Monitoring program outcomes on an annual basis. Baffinland continues to confirm the majority of predictions are accurate, and where there are deviations, conducts investigations under the guidance contained in the Adaptive Management Plan. Any adaptive management investigation carried out to date has either found an exceedance of a prediction to be not attributable to the Project, or it has prompted the development of corrective actions to maintain monitoring effects within FEIS and Addendum predictions. The Environmental Effects Monitoring program components are reviewed on a regular basis through discussions with the Terrestrial and Marine Environmental Working Groups. Monitoring programs that are not managed under one of the environmental working groups are reviewed with applicable regulatory agencies. A summary of the effects of the Project compared to those predicted in the FEIS is also provided in Sections 4.5 through 4.7.

12. The Proponent shall establish a Project-specific web portal or web page as a means of making all non-confidential monitoring and reporting information associated with the Project available to the general public. This does not limit what the Proponent may be required to submit to the NIRB or other regulatory authorities to meet reporting requirements.

In 2017, Baffinland launched a Project-specific Document Portal on its corporate website in order to provide monitoring and reporting information to the public (https://www.baffinland.com/document-portal/). The web portal has been live as of March 31, 2017 and remains operational as of the date of this report's submission. Where relevant, the web portal provides links to English and Inuktitut versions of the popular summary of most recent final reports as well as the main body of the report or document.

Baffinland will also continue to provide all documentation required by regulatory agencies directly to the appropriate body. The status of commitments can be found in Appendix F.1.

4.5 PERFORMANCE ON COMPLIANCE WITH REGULATORY INSTRUMENTS

General regulatory requirements under the PC requires Baffinland to take prompt and appropriate action to remedy any event of non-compliance, and to report all instances of non-compliance and associated follow-up annually to the NIRB. Baffinland's compliance with applicable regulatory instruments in 2025 is discussed below.

4.5.1 Agency Inspections and Site Visits

Throughout 2025, Baffinland hosted numerous inspections and audits from Crown Indigenous Relations and Northern Affairs Canada (CIRNAC), the Qikiqtani Inuit Association (QIA), the Nunavut Impact Review Board (NIRB), the Workers' Safety & Compensation Commission (WSCC), Environment and Climate Change Canada (ECCC), and Fisheries and Oceans Canada (DFO). Further information is provided within Section 10.1 of the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a). Where relevant, documentation and correspondence associated

with these inspections have also been made available in that report. Details regarding NIRB's site visits are provided in Section 5.1.

4.5.2 Unauthorized Discharges and Spills

During 2025, ten (10) spills were reported to the Northwest Territories-Nunavut (NT-NU) Spill Report Line, CIRNAC and the QIA by the Project. Overall, this is a 29% reduction from 2024 when fourteen (14) spills were reported. Baffinland continues to work to identify causes of spills so that effective long term corrective actions can be implemented.

In addition to the original spill report submitted within 24 hours of each spill event in 2025, a detailed follow-up report was submitted within thirty (30) days of each reported spill. An incident investigation was conducted for all spills that were reported to the 24-hour NT-NU Spill Report Line, or other applicable reporting processes, to assist in determining the root cause of the spill event and in identifying effective corrective actions. The follow-up reports included a description of the event, the immediate cause(s), corrective and preventative action(s), photos, and a map showing the location of the spill. A summary of the 2025 spills reported by the Project is outlined in Table 4.3 below. Details regarding all spills reported to the NT-NU Spill Line in 2025, including follow-up activities, original spill reports, corrective actions, and future plans for mitigation have been provided to relevant regulatory bodies and were also provided to the NWB, CIRNAC, ECCC and the QIA in March 2026 with the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a).

Table 4:3: List of Reported Spills and Unauthorized Discharges – 2025

Date of Occurrence	Quantity (L)	Material Spilled	Approximate Location (Latitude/Longitude; degrees, minutes, seconds)		Proximity to a Waterbody (m)	Spill Line ID No.
			Latitude	Longitude		
1-Feb-25	125	Sewage - Untreated	71°52'40.00"	80°54'03.00"	580	2025-091
29-Mar-25	195	Sewage - Untreated	71°18'51.78"	79°16'57.75"	550	2025-145
4-May-25	1,850	Arctic Diesel	71°53'04.00"	80°53'26.00"	388	2025-202
22-May-25	(Estimated) 92,991,802	Sediment-laden Water	71°18'56.15"	79°16'31.96"	0	2025-226
23-May-25	Unquantified	Sediment-laden Water	71°18'58.78" 71°19'47.18" 71°19'42.17"	79°18'44.54" 79°23'07.02" 79°22'55.45"	0	2025-227
6-June-25	Unquantified	Contact Water	71°18'42"	79°13'20"	300	2025-248
20-June-25	Unquantified	Sediment Laden Water	71°20'26"	79°13'20"	3,000	2025-264
16-Jul-25	6,300	Compliant Effluent	71°20'26"	79°14'20"	500	2025-294
16-Jul-25	15	Hydraulic Oil	71°23'37"	79°47'55"	0	2025-292
30-Jul-25	130	Sewage-Untreated	71°18'52"	79°16'58"	550	2025-309

4.5.3 Water Licence Compliance (Type 'A' 2AM-MRY1325 and Type 'B' 2BE-MRY2131)

In 2025, Baffinland operated the Mary River Project under two Type 'A' Water Licences: 2AM-MRY1325 – Amendment No. 1 (NIRB Registry No. 290685; NWB, 2015) and 2AM-MRY2540 (NWB, 2025) the former of which expired and the latter of which replaced the expired. Additionally, Baffinland also operated under the Type 'B' Water Licence (2BE-MRY2131; NWB, 2021b). The scope of the Type 'A' Water Licence (NWB, 2025) focuses on active mining operations while the scope of the Type 'B' Water Licence (NWB, 2021b) focuses on geotechnical and exploration activities, including drilling operations and the establishment of satellite exploration camps. Both water licences include conditions on water use, wastewater management, water quality monitoring, and the management of waste.

Compliance with the conditions and requirements outlined in the Type 'A' Water Licence (NWB, 2025) during 2025 is discussed in the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a). Similarly, compliance with the conditions and requirements outlined in the Type 'B' Water Licence (NWB, 2021b) is discussed in the 2025 QIA and NWB Annual Report for Geotechnical Activities (Baffinland, 2026b).

4.6 PERFORMANCE ON ECOSYSTEMIC TERMS AND CONDITIONS

4.6.1 Meteorology and Climate (PC Terms and Conditions 1 through 6)

The first six (6) PC Terms and Conditions relate to the potential impacts of the Project on meteorology and the climate, including climate change.

Inuit & Stakeholder Feedback

Baffinland's stakeholders and local communities have identified climate change as a key issue in Nunavut, with communities reporting observations of the changing climate. NIRB prescribed several conditions in Baffinland's Project Certificate related to climate change, requesting Baffinland to identify Greenhouse Gas (GHG) emissions reduction opportunities and to share any research or observations of climate change with communities, agencies and researchers. Participants from the Mary River Inuit Knowledge Study (2006 to 2010; Baffinland, 2014a) shared observations related to climate change in the Arctic. Baffinland engaged the communities of Pond Inlet and Arctic Bay through workshops to discuss the Phase 2 Proposal in 2015 and 2016, and a limited amount of feedback was received regarding observations of climate change (JPCSL, 2017). Baffinland recorded questions from one community member during consultation events in 2017; the individual asked if the permafrost and the ocean was being monitored for climate change, if Baffinland was combining Inuit and scientific knowledge, and if rapid changes were being observed. Since then, climate change remained a topic in 2019 during Phase 2 community meetings (Igloolik, Sanirajak, and the Mine Site), and was also identified during Phase 2 Community Risk Assessment Workshops (ERM, 2019) where there was the recognition that all aspects of the environment (land, sea, people, wildlife) are changing because of climate change and that this should be considered in addition to mine impacts. In 2021, input on climate change considerations was specifically sought by various institutions, Inuit and community groups in order to further inform revisions to the Draft Climate Change Strategy. Baffinland recognizes that the Company has a role to play in reducing its energy use and emissions and is aware that arctic environments are changing, which is a concern to Inuit. Accordingly, Baffinland's Climate Change Strategy (Stratos, 2023) recognizes the role that Inuit want to take to monitor climate changes and associated impacts and has integrated these considerations into its supporting actions.

Baffinland annually reports its Scope 1 greenhouse gas (GHG) emissions to Environment and Climate Change Canada (ECCC), in accordance with federal regulatory requirements, with the first report published in 2017, covering the 2016 reporting year. As a remote Arctic operation, Baffinland does not produce Scope 2 emissions. The Company will increase focus on monitoring Scope 3 emissions, both upstream and downstream. The data collected will drive our emission reduction strategies within our operations as well as our value chain and guide key decisions on implementing solutions that are both economically viable and technologically feasible. In 2026, Baffinland will work with Inuit Knowledge Holders to support the preparation of a Climate Adaptation Plan, to support the implementation its five-year climate change roadmap.

Monitoring Activities

Baffinland operates two meteorological stations, and this information is made publicly available for Mary River Mine Site (Mine Site) and Milne Inlet through The Weather Network and on the Baffinland website (www.baffinland.com). A third station is located along the Haul Road at KM 110 to support internal local tracking. Details on annual weather conditions at both Mine Site and Milne Inlet are included in the 2025 Terrestrial Environment Annual Monitoring Report (TEAMR; Appendix G.4.1) as well as the Air Quality, Dustfall and Meteorology Report (Appendix G.1.1), which will be published later in the year.

Ongoing Project monitoring provides the potential to track changes in temperature, precipitation, and wind speed over time.

2025 was warmer and rainier than historical averages at both Mine Site and Milne Port. The Mine Site had a mean annual temperature of -10.0°C and 207.4 mm of precipitation. Milne Port had a mean temperature of – 10.6 °C and annual precipitation of 155.8 mm.

In 2025, at Mary River the lowest recorded air temperature was -46.2°C in January and the highest recorded air temperature was 18.9 °C. These temperatures lie within the recorded historical range. The monthly mean temperatures were lowest in January (-27.8 °C) and peaked in July (10.1 °C). Winter months (January to March and October to December) were all warmer than the 2013 to 2024 average. Mean daily temperatures between June 13 and August 28 remained above 0°C (TEAMR; Appendix G.4.1).

At Mary River, south-easterly winds were prevalent during 2024, which is consistent with the 2013 to 2024 period.

The 2025 temperature trends at the Milne Port MET station closely reflect those at the Mine Site, but are generally warmer in winter and cooler in summer, due to proximity to the ocean. The lowest recorded air temperature in 2025 was -41.8°C, recorded in February, and the highest recorded 18.2°C in August. The temperatures fall within the historical range. At Milne Port, south-westerly winds were prevalent during 2025, which is also consistent with the 2013 to 2024 period.

The 2025 weather conditions at both sites, wetter summers and warmer winters, indicate a multiple-year trend towards increased temperatures and rainfall.

Baffinland continues to track and monitor GHG emissions and report as per ECCC's GHG Emissions Reporting Program and National Pollutant Release Inventory (NPRI), which is included as part of the Air Quality and Noise Abatement Management Plan (AQNAMP; Baffinland, 2021a). Baffinland submitted a Climate Change Strategy to NIRB on February 12, 2019 (Baffinland, 2019b). This first strategy initially included a description of the actions Baffinland will undertake to validate and update climate change impact predictions for the Project and the effects

of the Project on climate change. Baffinland subsequently worked with external experts from a third-party partner, to help refine and elaborate the existing Strategy and approach for effective implementation. A revised Climate Change Strategy was developed in 2023, focusing on emissions reductions and work with Nunavummiut to monitor and adapt to climate changes in the North (Stratos, 2023).

This includes Cone Corp Fuel Management System, which enables precise fuel tracking, ensuring all assets on site are logged and monitored, improving measurement accuracy and overall efficiency. Additional fuel reduction initiatives include a frost fighter reduction program and optimized heavy equipment backhauls and downtime management, minimizing unnecessary fuel consumption while maintaining operational effectiveness.

Table 4.4 provides a summary of our progress on our Climate Change Strategy (Stratos, 2023). The Strategy was developed to be inclusive and respectful of Inuit views and in alignment with Baffinland's values. As we continue to implement this strategy, Baffinland will engage with communities, establish performance related targets and monitor and report our impacts and adaption to climate change.

Within our strategy, the two goals along with associated supporting actions were developed guided by the following principles:

- **Transparency:** Climate change plans and actions will be disclosed to rights holders and stakeholders to foster greater transparency, effectiveness, and ambition.
- **Collaboration and co-creation:** Complex challenges like climate change require unique collaborations and partnerships to drive change. Baffinland will develop collaborative relationships with Inuit rights holders and stakeholders to implement this Strategy.
- **Respectful of Inuit rights and priorities:** Our climate action will apply a rights-based approach based on collaborations with Inuit and governments. Inuit are meaningful contributors in the development of our climate change strategy and implementation.
- **Valuing western science and Inuit knowledge:** Understanding impacts and adapting to climate change requires valuing and using both western science and Inuit Knowledge (Inuit Qaujimajatuqangit).
- **Evidence-based:** Our actions to address climate change will recognize the evidence base for urgent climate action, including the need to set short, medium, and long-term emissions reduction targets.
- **Continual improvement:** Baffinland will pursue continual improvement in energy efficiency and GHG performance. Innovation is seen as a key mechanism to achieve this outcome, aligning with Baffinland's core values.

Table 4:4: Climate Change Strategy Process

Goal 1: Improve Energy Efficiency and Forge Path to Decarbonization	
Conduct an energy audit to identify, evaluate and select reduction opportunities.	Baffinland is actively advancing its emissions reduction and climate strategy through a combination of implemented initiatives and ongoing planning. The fuel reduction measures successfully implemented since beginning of 2024 remains in place as part of a broader continuous improvement strategy. Scope 1 emissions are determined and reported annually, while efforts to define and collect Scope 3 emissions data, both upstream and downstream, are well underway. The company is engaging with its supply chain to support this upstream Scope 3 data collection process and with ship charter companies for downstream. Climate change adaptation and emissions considerations have been integrated into the design of the Steensby Component of the project. Additionally, a renewable energy analysis was completed in 2022 as part of Phase 2 proposal, and Baffinland plans to incorporate climate-related factors into procurement and investment decisions. Expansion and operational targets are currently being reviewed to align with these ongoing sustainability efforts.
Establish short, medium, and long-term greenhouse gas (GHG) emission targets	
Embed energy and GHG emissions considerations into our operating processes and procedures	
Integrate energy and GHG emissions and considerations into our design, procurement and investment decisions	
Characterize Scope 3 emissions	
Investigate the feasibility of low carbon technologies and renewable energy in cooperation with Inuit collaborators	
Engage with organizations and supply chain partners where possible to advance climate action, including shipping partners	
Goal 2: Monitor Changes in Climate and Associated Risks to inform Adaption and Closure Strategies	
Pursue collaborations to undertake Inuit-led monitoring of climate changes and associated impacts	In 2025, Baffinland will continue advancing the supporting actions outlined under Goal 1, which will, in turn, inform and drive the implementation of Goal 2. These actions will be updated and refined through the integration of Inuit Qaujimajatuqangit (IQ) knowledge, ongoing community engagement, emerging technologies, and assessments of economic feasibility. Through the renewal process for the Type 'A' Water Licence for the Mary River Project, Baffinland committed to considering multiple climate change scenarios in upcoming thermal modelling and pit water quality predictions.
Conduct climate scenario analysis for our operations	
Develop a climate change adaptation plan for Baffinland that covers the full mine life, including closure	
Engage with North Baffin communities on climate change, and share information and approaches to support increased community resilience and adaptation	

Table 4.5 provides a summary of monitoring completed in 2024, and an evaluation of impacts relative to the predictions presented in the FEIS and FEIS Addendum. The calculated gaseous emissions in 2023 (Table 4.4) are below the maximum annual GHG, Sulphur Dioxide (SO2) and Nitrogen Dioxide (NO2) emissions predicted in the FEIS.

Table 4:5: Climate Impact Evaluation

Component	Effect	Monitoring Program	Impact Evaluation
Greenhouse Gases (GHGs)	Increased GHG emissions	GHG emissions calculated from fuel combustion: Emissions below FEIS forecast	Effect within FEIS predictions
SO_2 and NO_2 emissions at Milne Port	Increased SO_2 and NO_2 emissions	SO_2 and NO_2 emissions calculated from fuel combustion: Emissions below FEIS forecast	Effect within FEIS predictions
SO_2 and NO_2 emissions at Mine Site	Increased SO_2 and NO_2 emissions	SO_2 and NO_2 emissions calculated from fuel combustion: Emissions below FEIS forecast	Effect within FEIS predictions

Path Forward

As Baffinland implements the supporting actions of its amended two-goal Climate Change Strategy (Stratos, 2023), updates regarding the status of action plans will be provided as part of annual reporting efforts. The Climate Change Strategy will serve as an important tool to guide and articulate Baffinland's efforts on PC Terms and Conditions No. 2, 3 and 4 (Stratos, 2023). Baffinland will continue to undertake monitoring activities and develop initiatives to ensure any impacts that the Project may have on the climate are measured to the extent possible. Reporting on each PC Term and Condition is included in the pages that follow.

Project Certificate Term and Condition No. 1

Category	Meteorology and Climate
Responsible Parties	The Proponent
Project Phase(s)	All phases
Objective	To provide feedback on the impacts that climate change might be having on the port facilities.
Term or Condition	The Proponent shall use Global Positioning System (GPS) monitoring or a similar means of monitoring at both Steensby Port and Milne Port, with tidal gauges to monitor the relative sea levels and storm surges at these sites.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	The Proponent shall summarize and supply these monitoring results to NIRB in the annual project report.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Progress
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	2024 NIRB Annual Report
Ref. Document Link	n/a

METHODS

Steensby Port

Term and Condition No. 1 is not applicable to Steensby Port at this time and oceanographic monitoring of relative sea levels and storm surges was not conducted at Steensby Port in 2025.

No new data was collected at the Steensby Port site in 2025. For more information on previous data collected supporting baseline collection please see the 2024 annual report or the reference noted above.

Milne Port

The tidal gauge was operated until 2022. Oceanographic monitoring of relative sea levels and storm surges was not conducted at Milne Port in 2025. Monitoring of Term and Condition No. 1 was paused, while Baffinland consulted the Marine Environment Working Group (MEWG) on methods. The main problem was that surveyed elevation was not consistent year to year despite the same installation procedure implemented each year resulting in large variations in some years. Baffinland explored whether a tidal gauge program is the most appropriate methodology to meet this objective and asked members to canvass their internal resources for technical advice. The Department of Fisheries and Oceans connected Baffinland with resources from the Canadian Hydrographic Services (CHS). Baffinland engaged CHS late in 2025 and is currently exploring methods of data collection.

RESULTS

Steensby Port

Not applicable.

Milne Port

Not applicable. Data has not been collected since 2022.

TRENDS

Steensby Port

Not applicable.

Milne Port

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Steensby Port

Not applicable

Milne Port

Baffinland is engaging with CHS to explore data collection at Milne Port in 2026.

Project Certificate Term and Condition No. 2

Category	Meteorology and Climate - Climate Change Validation and Studies
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To provide feedback on the impacts that climate change might be having on the Project.
Term or Condition	The Proponent shall provide the results of any new or revised assessments and studies done to validate and update climate change impact predictions for the Project and the effects of the Project on climate change in the Local Study Area and Regional Study Area as defined in the Proponent's Final Environmental Impact Statement.
Relevant Baffinland Commitment	58
Reporting Requirement	The Proponent shall provide new or revised assessments and studies to the NIRB, the affected communities, relevant regulatory authorities, and interested parties.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Climate Change Strategy (Baffinland, 2019b) Climate Change Strategy (Stratos, 2023)
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal/

METHODS

No new or revised assessments or studies were required in 2025 to validate and/or update the climate change impact predictions for the Project.

Baffinland first submitted a Climate Change Strategy (the Strategy) to the NIRB on February 12, 2019 (Baffinland, 2019b). The Strategy described the actions Baffinland planned to undertake to validate and update climate change impact predictions for the Project, and the effects of the Project on climate change. These included:

- Implementing comprehensive environmental monitoring and management programs that are based on a combination of scientific data and Inuit Qaujimajatuqangit to safeguard the environment.
- Modifying or replacing equipment with more efficient alternatives to reduce Greenhouse Gas (GHG) emissions.
- Researching the potential for renewable energy sources, and where possible, implementing these sources to off-set fuel requirements and reduce GHG emissions.
- Conducting ongoing risk assessments to ensure that all aspects of the operations are able to withstand potential climate change related events.
- Identifying opportunities for energy efficiency through Project design optimizations.
- Ensuring that an effective closure strategy is in place at all stages of Project development that considers best available science for future climate scenarios.

- Maintaining compliance with monitoring and regulatory reporting requirements.

Baffinland subsequently sought the external expertise of a third-party partner in June 2019 to help refine and elaborate the Strategy and approach for effective implementation. Refinement of the Strategy in 2022 aimed to identify priorities and describe the approach to greenhouse gas emissions management including plans for emissions reductions, assessment of anticipated impacts of climate change on the Project, and how Baffinland may work with Nunavummiut to monitor and adapt to climate changes in the North.

RESULTS

The newest Climate Change Strategy was finalized in March 2023 (Appendix G.1 of Baffinland, 2023c, NIRB Registry No. 345091; Stratos, 2023) and included in 2022 annual report (Baffinland, 2023c). Since the finalization in the early part of 2023, Baffinland has been working to implement initiatives that support the two goals of the strategy. This includes the Fuel Reduction Program through Baffinland's Continuous Improvement Department and the implementation of Rapid Improvement Opportunities.

Baffinland's overarching climate change aspiration, building upon its existing mission statement, is to become '*the lowest-cost, low carbon producer of high-grade iron ore in the world*'. Within the new Climate Change Strategy, Baffinland has established two (2) goals with associated actions to support achievement of its Climate Change Strategy:

1. Improve energy efficiency and forge a path to decarbonization; and
2. Monitor changes in climate and associated risks to inform adaptation and closure strategies.

As detailed in 2022 report, some of the key supporting actions included in the five-year strategy (2023-2028) include undertaking a Site-wide energy audit to identify, evaluate and select reduction opportunities. This includes the aforementioned Fuel Reduction Program. Other actions include establishing short, medium and long-term GHG emission targets, characterizing Scope 3 emissions, and engaging with organizations and supply chain partners where possible to advance climate action, including with shipping partners.

Table 4.6 provides a summary of some of the revisions made in direct response to feedback received through external engagements. As part of ongoing engagement activities, various annual reporting review processes and operational activities, Baffinland will provide status updates on implementation, and will continue to refine its implementation roadmaps as new opportunities and/or priority areas are identified over time. Accordingly, Baffinland's path to decarbonization is expected evolve over time based on the latest operational realities.

Table 4:6: Summary of External Engagement Insights and Examples of how Feedback has been incorporated in the revised Climate Change Strategy

Theme	Feedback and Revisions
Inuit leadership and ownership	Inuit need to be assured of implementation and should be 'in the driver's seat', leading some of the actions (e.g., environmental monitoring). *Revision: Baffinland changed the Guiding Principle from Collaboration to 'Collaboration and Co-Creation'. The Strategy was updated to reflect its intention to pursue collaborations to undertake Inuit-led monitoring and to investigate low carbon technologies and renewable energy with Inuit collaborators.*
Targets and timeframes aligned	Interviewees expected short- and long-term GHG emissions reduction targets to be established and aligned with international commitments.

Theme	Feedback and Revisions
with international commitments	*Revision: Baffinland updated one of its Strategy goals to cut direct GHG emissions with plans to establish short, medium, and long-term GHG emissions targets.*
Transparency	To foster trust, Baffinland should apply the principle of transparency to all streams of action, including data sharing and reporting. Revision: In addition to establishing Transparency as a pillar within the Strategy, the updated Strategy also includes a commitment to publicly report on progress, and engage and involve Inuit to provide assurance on strategy implementation.
Collaboration	Communities and institutions were all generally interested in collaborating on climate change. Network building was identified as being important for the promotion of renewable technology, industry collaboration ad information sharing. *Revision: One of the six (6) guiding principles focuses specifically on 'collaboration and co-creation' with Inuit and other stakeholders.*
Shipping and other transportation	Shipping and shipping management, including implications of changing climate conditions, should be addressed more directly in the Strategy and prioritized in implementation. Revision: Baffinland included a specific action to engage with organizations and supply chain partners, including shipping partners, to advance climate action. This action seeks to support reduction of air and GHG emissions associated with marine transportation.
Environmental priorities	Action plans should consider environmental priorities of concern and development of monitoring plans (e.g., glacial melt, ice, sea levels). *Revision: One of the supportive actions of Goal 2 focuses on pursuing collaborations to undertake Inuit-led monitoring of climate changes and associated impacts.*
Community resilience and adaptation	Action plans should consider community and regional vulnerabilities created by climate change. Communities should be supported through sharing of knowledge, resources and strategic investments. *Revision: Goal 2 supporting action includes sharing information and approaches to support increased community resilience and adaptation.*
Climate scenario analysis	A noted strength of the Strategy is its commitment to climate scenario analysis. This analysis should be prioritized to inform specific actions. It should also specifically consider implications for closure planning and reclamation. *Revision: Baffinland will prioritize climate scenario analysis in its strategy implementation roadmaps and included the specific consideration for adaptation planning to cover the full mine life, including closure.*
Data monitoring and reporting	Enhanced focus on data monitoring and sharing. Data collection is a major source of value that Baffinland can provide; monitoring should also be Inuit-led where feasible. *Revision: Inclusion of data sharing within supporting action and support of Inuit-led monitoring.*

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland remains committed to improving energy efficiency and greenhouse gas emissions performance, and working with Nunavummiut to monitor and adapt to climate change. The path forward is based on guiding principles inclusive of transparency, collaboration and co-creation with Inuit Knowledge Holders, and continual improvement. In 2025, Baffinland initiated monitoring of upstream and downstream Scope 3 emissions. Recognizing its responsibility to reduce emissions across all scopes, of the collection of Scope 3 data will support the development and implementation of effective emission reduction strategies.

For more information, review 4.6.1 Monitoring Activities.

Project Certificate Term and Condition No. 3

Category	Meteorology and Climate - Green House Gas Emissions
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To confirm that the Proponent is exploring and implementing concrete steps to reduce greenhouse gases.
Term or Condition	The Proponent shall provide interested parties with evidence of continued initiatives undertaken to reduce greenhouse gas emissions.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	The Proponent shall include relevant information in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Climate Change Strategy (Baffinland, 2019b) Climate Change Strategy (Stratos, 2023)
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal/

METHODS

As operations progress and production increases, Baffinland has increased its efforts for exploring and implementing concrete steps towards the reduction of greenhouse gas emissions through the implementation of various initiatives. For further details on these initiatives see Baffinland's previous NIRB annual reports.

Due to reporting obligations related to the newly implemented Output-Based Pricing System (OBPS) established in mid-2019, a third-party verification of Baffinland's 2024 GHG emissions data was completed in 2025. An external verification of 2025 emissions data will occur in 2026. Results from this work will contribute towards the setting of more refined GHG short- and medium-term emissions targets.

As a member of the Mining Association of Canada (MAC), Baffinland also completes a self-assessment for the Energy Use and GHG Emissions protocol on an annual basis. Results from Baffinland's 2023 external verification are made publicly available on the MAC website (https://mining.ca/companies/baffinland-iron-mines-corporation/). This protocol was revised and renamed the 'Climate Change' protocol, with the goal of driving further the performance of MAC members. In 2025, Baffinland conducted a self-assessment of the 'Climate Change' protocol.

RESULTS

As Baffinland continues to move ahead with building out specific roadmaps for its two-goal Climate Change Strategy, the Company remains committed to implementing actions leading to improving its energy efficiency and greenhouse gas emissions performance.

One of the key steps to ensuring continued improvements in energy efficiency and GHG emissions performance is to focus on improving the management of energy/fuel use consumption. This includes developing and implementing processes that allow for tracking of energy use/fuel use by type of activity or infrastructure requirement. Tracking of energy consumption requires a good understanding of how much fuel is consumed by, for example, individual components of the heavy equipment fleet and how changes may lead to efficiencies (e.g., driving practices, regular maintenance), fuel required to run generators to heat individual buildings versus those connected on same power grid, or key infrastructure components such as ore loader, crusher, and how efficiencies may be achieved through better ore handling sequencing, etc. In 2023, Baffinland installed Radio Frequency Identification (RFID) tags on equipment that use fuel and implemented a fuel management system and software that allow each Baffinland department to monitor and manage their fuel consumption. Fuel usage for power generation in 2025 was lower than in 2024 due to the reduced production rate from 2024 to 2025.

Fuel reduction continued to be emphasized as an important objective across all Site departments. Fuel reduction initiatives implemented in 2023 were continued in 2025. Power distribution systems in parking areas known as ready lines were established which allow vehicles and equipment to be plugged in during extreme cold events, rather than having these vehicles idling. The use of frost fighters has continued to be significantly reduced across site, with the use of frost fighters eliminated in some instances, substituted with more efficient electric heaters, or optimized to reduce fuel consumption where they are still required. Permanent power distribution has also been installed in many locations to reduce the use of portable generators. A power savings initiative has also been implemented at the Mine Site and Milne Port to reduce power demand and lower fuel consumption. Equipment use such as light pickup trucks was reduced due to decreased need associated with the reduced production rate from 2024 to 2025.

Baffinland's third-party verification of its 2019 to 2024 GHG emissions, completed in years 2020 to 2025, respectively, has confirmed that the data has been accurately calculated. The external verification of 2025 emissions will be undertaken in 2026. Results from this work will feed into the finalization of the supporting action roadmaps of the two-goal Climate Change Strategy, and will contribute towards the setting of future GHG emissions targets.

As a member of the Mining Association of Canada, Baffinland also completes a self-assessment for the Energy Use and GHG Emissions protocol on an annual basis. Self-assessment scores from 2022 were externally verified in 2023 which provided an opportunity for Baffinland to evaluate its current status and identify opportunities for improvement in the coming years. Results from this external verification were considered as part of final edits to the Strategy initiative and subsequent implementation of future supporting actions. In 2025, Baffinland conducted a self-assessment in the new 'Climate Change' protocol, achieving "A" rating across all indications, in line with the external verification conducted in 2023 and 2024. Baffinland continues to implement the outcomes of the external verification.

TRENDS

Between 2015 and 2024, Baffinland increased the amount of iron ore hauled on the Tote Road by 360% from its first year of production, although GHG produced by the Project only increased by 41% (Figure 4.2). From 2024 to 2025, Baffinland decreased the amount of iron ore hauled on the Tote Road by 30%, while GHG emissions decreased by 50%.

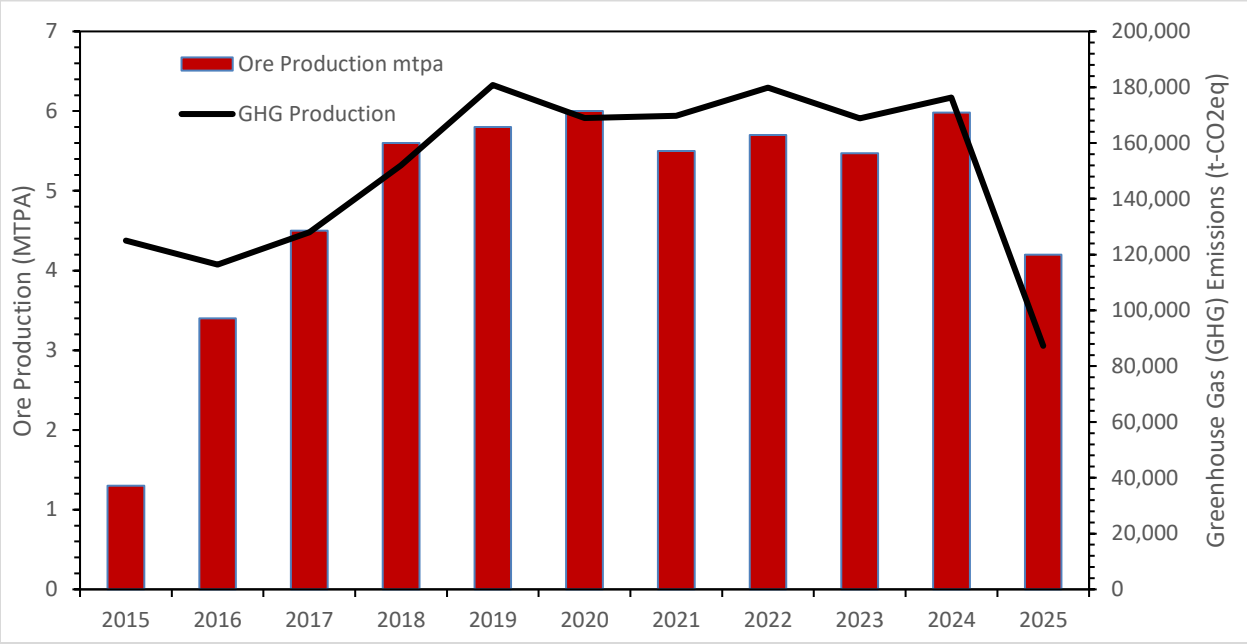


Figure 4:2: Greenhouse Gas (GHG) Emissions relative to Ore Production

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to build upon the fuel reduction efforts initiated in 2023 for continuous improvement opportunities to lower its fuel/energy use. Baffinland will continue to modify or replace equipment with more energy efficient alternatives, and where possible will evaluate the use of renewable energy sources (e.g., wind, solar) to reduce dependence on diesel fuel. Baffinland will continue to identify opportunities for energy efficiency through optimizations in the Project design and considering more energy-efficient generators for power generation all in an effort to further reduce GHG emissions. Additional initiatives will be identified, formalized and prioritized once implementation roadmaps are finalized and launched through implementation of the revised Climate Change Strategy (Stratos, 2023).

Future updates regarding Baffinland's GHG emission production and initiatives being undertaken to optimize efficiencies in energy requirements will continue to be reported in Baffinland's Annual Report to the NIRB, in addition to providing updates on the various supporting actions developed through the roadmaps as Baffinland implements the various elements including setting of targets through implementation of its revised Climate Change Strategy (Stratos, 2023).

Project Certificate Term and Condition No. 4

Category	Climate Change - Consultation on Climate
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To promote public awareness and engagement of affected groups.
Term or Condition	The Proponent shall endeavour to include the participation of Inuit from affected communities and other communities in Nunavut when undertaking climate-change related studies and research.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Climate Change Strategy (Baffinland, 2019b) Climate Change Strategy (Stratos, 2023)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

No specific or additional climate change related studies or research other than those already required as part of PC Term and Condition No. 5 were undertaken in 2025. However, integration of Inuit feedback and Inuit Qaujimajatuqangit (IQ) has been a central component of Baffinland's assessments and decision making since 2006.

Baffinland is committed to reducing its impact on climate change, and to further reduce its emissions through on-going initiatives described in the TCs 2 & 3. Baffinland submitted its first Climate Change Strategy (the Strategy) to the NIRB on February 12, 2019 (Baffinland, 2019b). The newest Climate Change Strategy was finalized in March 2023 (Appendix G.1 of Baffinland, 2023c, NIRB Registry No. 345091; Stratos, 2023) and included in 2022 annual report (Baffinland, 2023c). In 2025, Baffinland worked on implementing its climate change strategy and planned engagements to collect Inuit knowledge in 2026, through targeted interviews. More information will be available in future annual reports.

It is noted that as Baffinland continues to collect and report data on climate-related metrics such as temperature, precipitation, and ice concentration data at start and end of shipping season, that additional information may be identified of importance through future external engagement efforts and is considered for integration into 2026 action planning.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland is planning targeted engagements with Inuit Knowledge holders in 2026 and will endeavour to include the participation of the Dust Audit Committee, comprised of members from affected communities to discuss climate-change adaptation.

Project Certificate Term and Condition No. 5

Category	Meteorology and Climate - Weather Monitoring Data
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To provide families of employees with up-to-date information.
Term or Condition	The Proponent shall endeavour to explore and implement reasonable measures to ensure that weather-related information for the various Project sites is readily accessible to the public on a continual basis throughout the life of the Project.
Relevant Baffinland Commitment	5
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Baffinland Corporate Website
Ref. Document Link	https://www.baffinland.com

METHODS

Baffinland ensures that weather-related information is publicly accessible for the Mary River Project by posting current weather information on the Baffinland website (www.baffinland.com). It is listed on Baffinland's homepage.

RESULTS

Weather-related information for Project sites is publicly available.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to provide weather-related information on publicly available websites for all active Project sites.

Project Certificate Term and Condition No. 6

Category	Meteorology and Climate – Emissions
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To provide feedback on the Project's emissions.
Term or Condition	The Proponent shall provide the results of any emissions calculations conducted to determine the level of sulphur dioxide (SO_2) emissions, nitrogen oxide (NO_x) emissions and greenhouse gases generated by the Project using fuel consumption or other relevant criteria as a basis.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Technical Guidance on Reporting Greenhouse Gas Emissions (ECCC, 2016) National Inventory Report 1990–2015: Greenhouse Gas Sources and Sinks in Canada (ECCC, 2017) Environment and Climate Change Canada's GHG Emissions Reporting Program (ECCC, 2019, 2020, 2021, 2022, 2023, 2024) 2006 IPCC Guidelines for National Greenhouse Gas Inventories (IPCC, 2006) Baffinland's Climate Change Strategy (Stratos, 2023) 2022 Annual Report to the Nunavut Impact Review Board (Baffinland, 2023c)
Ref. Document Link	Not applicable

METHODS

Baffinland used guidance documents provided by Environment and Climate Change Canada (ECCC, 2016; 2017, 2019; 2020, 2021, 2022, 2023, 2024) and the Intergovernmental Panel on Climate Change (IPCC, 2006) along with published emission factors to estimate the Project's annual Greenhouse Gases (GHG), SO_2 and Nitrogen Oxide (NO_x) emissions. Annual emissions were calculated based on on-site fuel consumption and waste management at the Project.

Baffinland continues to report annual emissions to ECCC through the National Pollutant Release Inventory (NPRI) and GHG reporting programs.

RESULTS

Baffinland's 2025 annual emissions for GHGs, SO_2 and NO_x are presented in Table 4.7.

Table 4:7: Calculated 2025 Project Gaseous Emissions

Gaseous Emission	Units	Calculated Emissions
GHG	t-CO_2eq	87,292
SO_2	t (SO_2)	12
NO_x	t (NO_2)	2,775

TRENDS

Total gaseous emissions have decreased significantly from 180,258 tonnes in 2024 to 90,079 tonnes in 2025. This change is mainly attributed to the decrease in production between 2024 and 2025. When compared to FEIS predictions, Baffinland's 2025 total Scope 1 gaseous direct emissions from equipment owned or controlled by the company are below FEIS predicted emissions estimates. Annual GHG, SO_2 and NO_x emissions relative to ore production from 2015 to 2025 are shown on Figure 4.3.

RECOMMENDATIONS / LESSONS LEARNED

The implementation of the Climate Change Strategy (Appendix G.1 of Baffinland, 2023c, NIRB Registry No. 345091; Stratos, 2023) and transition to a rail-based ore haulage Project remain critical to Baffinland's emission reduction objectives.

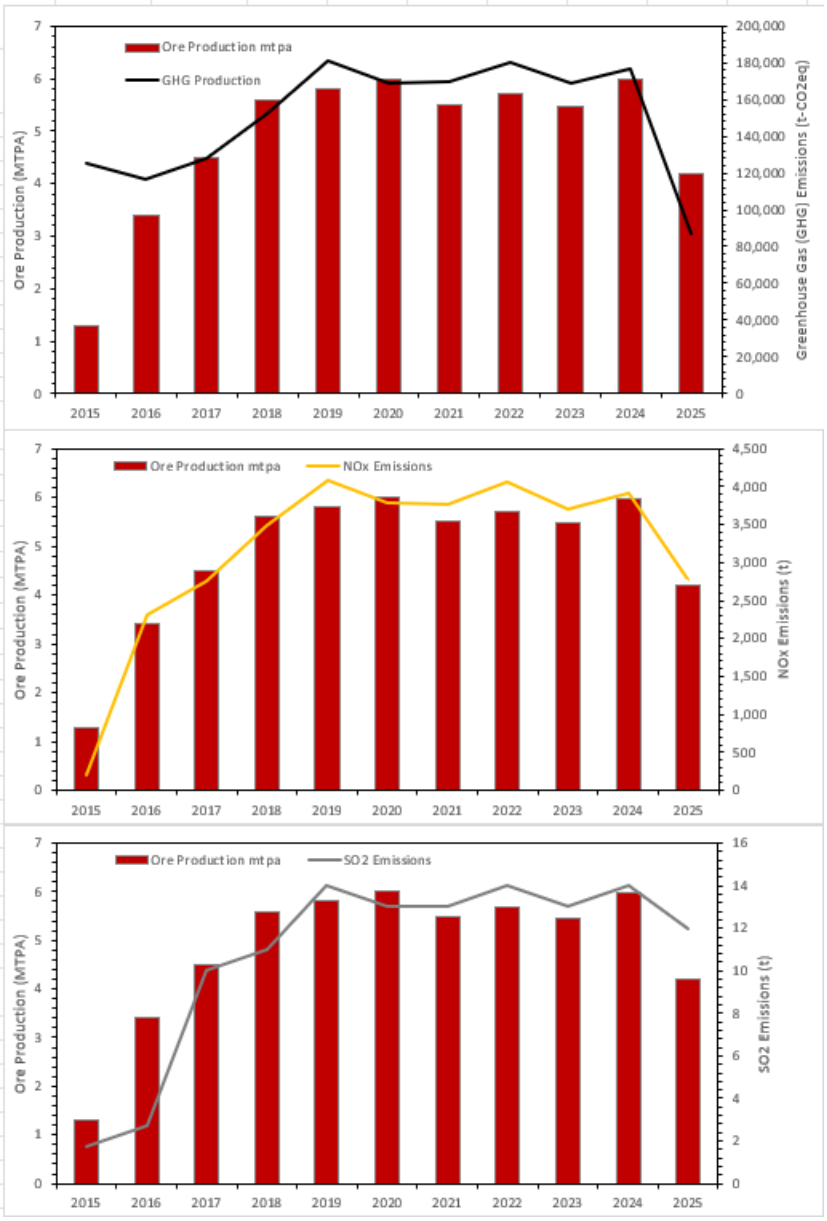


Figure 4:3: Greenhouse Gas (GHG), SO_2 and NO_x Emissions relative to Ore Production

4.6.2 Air Quality (PC Terms and Conditions 7 through 12)

Six (6) PC Terms and Conditions relate to the potential impacts of the Project on air quality, including calculations of total Project emissions from fuel consumption and gaseous monitoring.

Inuit & Stakeholder Feedback

During review of the FEIS and FEIS Addendum, communities and regulators expressed concerns focused on dust, including dustfall and potential impacts to soil, vegetation and forage to caribou. This prompted Baffinland to implement additional dust mitigation measures described in the updates to PC Term and Condition No. 10 and 58c. Concerns about dust were expressed several times during 2023 consultation activities, mostly in relation to the Sustaining Operations Proposal process, with regards to current operations. As a direct result of concerns regarding the extent of dust, particularly at Milne Port, Baffinland began an investigation to evaluate additional mitigation measures that could be implemented at material processing locations including the crushers, such as chemical dust suppressants, and a scheduled approach on road watering. In 2022, Baffinland moved forward with a third-party audit of current and future dust sources across the Project with the intent to evaluate and propose control improvements. The third-party auditor worked directly with a Dust Audit Committee (DAC), formed by Inuit representatives from the five (5) North Baffin communities, who are both guiding and contributing to the audit. The committee has produced annual reports from 2023-2025 that includes findings and recommendations for Baffinland's consideration During 2025, Baffinland expanded on work initiated in 2023, including ongoing additional dust monitoring that quantitatively assessed the effectiveness of dust mitigations, and provided updates on the status of these initiatives in response to recommendations from the DAC. Baffinland is currently implementing new monitoring infrastructure, both passive and continuous, at discreet locations adjacent to the project boundary to further characterise air quality and dust dispersion.

Monitoring Activities

Table 4.8 provides a summary of air quality effects, monitoring completed in 2025, and an evaluation of impacts relative to the predictions presented in the FEIS and FEIS Addendum (Baffinland, 2012; 2013a).

Table 4:8: Air Quality Impact Evaluation

Component	Effect	Monitoring Program	Impact Evaluation
Incineration of combustible non-hazardous wastes	Release of air contaminants, including particulate matter, carbon monoxide (CO), mercury, dioxins, furans	Stack testing was completed as required in 2025. Stack testing of operating incineration units continues to be scheduled annually.	2025 Incinerator Stack testing results are available in Appendix G.1.2.
Release of air contaminants from mobile and stationary equipment due to fuel combustion	Increased concentrations of total suspended particulate (TSP), sulphur dioxide (SO_2), nitrogen dioxide (NO_2),	Continuous NO_2 and SO_2 monitoring was conducted at Milne Port and the Mine Site throughout 2025.	2025 air quality monitoring for SO_2 and NO_2 were within FEIS predictions.

Component	Effect	Monitoring Program	Impact Evaluation
	carbon monoxide (CO) and Potential Acidic Input (PAI)		
Earthworks, mining, hauling, stockpiling and transfer of ore	Ore handling and transport, including wheel entrainment from haulage of ore	Across the PDA, dustfall remained stable or decreased in 2025 compared to 2024. These results demonstrate the ongoing effectiveness of reducing dust generation from crushing, ore stockpiling, and Tote Road traffic as well as reflect a decrease in production.	Dust does not appear to be having measurable impacts in other environmental media (freshwater quality, vegetation, etc.)
Haulage of ore and other traffic on the Tote Road	Particulate matter emissions and dustfall from wheel entrainment	Across the PDA, dustfall remained stable or decreased in 2025 compared to 2024. These results demonstrate the ongoing effectiveness of reducing dust generation from crushing, ore stockpiling, and Tote Road traffic as well as reflect a decrease in production.	Dust does not appear to be having measurable impacts in other environmental media with the exception of targeted high dust locations including Crushing (freshwater quality, vegetation, etc.)

Path Forward

Baffinland will continue to evaluate opportunities to further mitigate dustfall on the Project and implement adaptive management that considers feedback from communities, monitoring data, and available and novel mitigation measures. Baffinland continues to place focus on additional methods to address dustfall concerns following review of the results of the third-party, community-driven dust audit and looks to continue to implement preliminary and final recommendations throughout 2026, as applicable. As per the amended Project Certificate issued by the NIRB in 2023 (NIRB, 2023b), Baffinland is committed to resourcing this third-party dust audit annually and is responsible for sharing the results of the dust audit with the NIRB by January 31 of each calendar year, in accordance with Term and Condition No. 187. Additionally, Baffinland has worked jointly with QIA to establish a program to identify high risk conditions for dust dispersal and plan for additional mitigation measures to satisfy the requirements of PC Term and Condition No. 188. Commitments related to dust mitigation efforts are outlined in Appendix B of the amended Project Certificate No. 005 (NIRB, 2023b). Required reporting on each PC Term and Condition related to air quality is presented in the next several pages. Dustfall monitoring is described in more detail in Section 4.6.8 (PC Term and Condition No. 58, Item c).

Project Certificate Term and Condition No. 7

Category	Air Quality – Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To provide feedback on the Project's emissions.
Term or Condition	The Proponent shall update its Air Quality and Noise Abatement Management Plan to provide for continuous monitoring at land-based monitoring stations designed to capture operations phase ship-generated SO_2 and NO_2 emissions at Steensby Port and Milne Port. Continuous monitoring is to be carried out through several shipping seasons at each port as required to determine that emissions are at acceptable levels.
Relevant Baffinland Commitment	57, 61, 62
Reporting Requirement	The updated plan shall be provided to the NIRB for review and comment at least 60 days prior to commencement of construction activities.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Not applicable
Reference	Nunavut Air Quality Standards (GN, 2011a) Air Quality and Noise Abatement Management Plan (AQNAMP; Baffinland, 2021a) Draft Air Quality and Noise Abatement Management Plan (Baffinland, 2023d) 2025 Air Quality, Dustfall, and Meteorology Report (ERM, 2026a)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.1.1 – 2025 Air Quality, Dustfall, and Meteorology Report

METHODS

Continuous ambient air quality monitoring equipment was set up at Milne Port and the Mine Site to monitor sulphur dioxide (SO_2) and nitrogen oxides (NO_x) concentrations at the Project in 2014. For further details see Baffinland's previous NIRB annual reports.

In November 2025, new Aeroqual AQS1 units were installed at each of the Milne Port and Mine Site Project Development Area (PDA) boundaries for continuous ambient air quality monitoring of SO_2 and nitrous dioxide (NO_2) concentrations as well as the continuation of monitoring ambient air quality at Milne Port and the Mine Site at locations within the PDA. Existing ambient air quality monitoring stations were originally located within the PDA boundaries due to limited shelter, power, and communication infrastructure present at the PDA boundaries at the time of installation (i.e., 2014). New stations began collecting data in November 2025, and results will be included in future annual reports.

Full details including results of the ambient air quality monitoring conducted in 2025 are presented in the 2025 Annual Air Quality, Dustfall, and Meteorology Report provided in Appendix G.1.1 (ERM, 2026a).

Ambient air quality monitoring at Steensby Port will be implemented when Steensby Port is developed and shipping activities commence.

Project Certificate Term and Condition No. 8

Category	Air Quality – Greenhouse Gas Emissions
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To provide feedback on the Project's emissions.
Term or Condition	The Proponent shall demonstrate through monitoring of air quality at the mine site and at the Steensby Inlet and Milne Inlet port sites that SO_2 and NO_2 emissions remain within predicted levels and, where applicable, within limits established by all applicable guidelines and regulations. In cases where exceedances are manifested, the Proponent shall provide an explanation for the exceedance, a description of planned mitigation, and shall conduct additional monitoring to evaluate the effectiveness of mitigative measures.
Relevant Baffinland Commitment	61
Reporting Requirement	To be included in the Proponent's annual reporting to the NIRB.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	None
Reference	2025 Air Quality, Dustfall, and Meteorology Report (ERM, 2026a)
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal/ Appendix G.1.1 - 2025 Air Quality, Dustfall, and Meteorology Report

METHODS

Full details including results of the ambient air quality monitoring conducted in 2025 are presented in the 2025 Annual Air Quality, Dustfall, and Meteorology Report provided in Appendix G.1.1 (ERM, 2026a).

Ambient air quality monitoring at Steensby Port will be implemented when Steensby Port is developed and shipping activities commence.

Project Certificate Term and Condition No. 9

Category	Air Quality - Greenhouse Gas Emissions
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To provide feedback on the Project's emissions.
Term or Condition	The Proponent shall provide calculations of greenhouse gas emissions generated by activities at the Steensby Inlet and Milne Inlet port sites and other Project sources including aircraft associated with the Project. Calculations shall take into consideration, fuel consumption as measured by Baffinland's purchase and use as well as the fuel use of its contractors and sub-contractors.
Relevant Baffinland Commitment	57
Reporting Requirement	To be included in the Proponent's annual reporting to the NIRB.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Refer to PC Term and Condition No. 6. Reporting on PC Term and Condition No. 6 provides information on calculations of greenhouse gas emissions as required under PC Term and Condition No. 9.

RESULTS

Refer to PC Term and Condition No. 6. Reporting on PC Term and Condition No. 6 provides information on calculations of greenhouse gas emissions as required under PC Term and Condition No. 9.

Table 4:9: Calculated 2025 Project Greenhouse Gas Emissions

Gaseous Emission	Units	Calculated Emissions
GHG	t-CO2eq	87,292

TRENDS

Refer to PC Term and Condition No. 6. Reporting on PC Term and Condition No. 6 provides information on calculations of greenhouse gas emissions as required under PC Term and Condition No. 9.

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 6. Reporting on PC Term and Condition No. 6 provides information on calculations of greenhouse gas emissions as required under PC Term and Condition No. 9.

Project Certificate Term and Condition No. 10

Category	Air Quality – Dust Management and Monitoring Plan
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent impacts to air quality from dust dispersion.
Term or Condition	The Proponent shall update its Dust Management and Monitoring Plan to address and/or include the following additional items: a. Outline the specific plans for monitoring dust along the first few kilometres of the rail corridor leaving the Mary River mine site. b. Identify the specific adaptive management measures to be considered should monitoring indicate that dust deposition from trains transporting along the rail route is greater than initially predicted. c. Outline specific plans for monitoring dustfall at intervals along and in the vicinity of the Milne Inlet Tote Road to determine the amount and extent of dustfall. d. Identify the specific adaptive management measures to be considered if monitoring indicates that dust deposition from traffic on the Milne Inlet Tote Road is greater than initially predicted. e. The Proponent shall implement its Dust Management and Monitoring Plan, report all monitoring data to the NIRB annually, and take all adaptive management measures described in its Dust Management and Monitoring Plan if monitoring indicates that dust in the ambient air or dust deposition from the increased traffic associated with the increased volume of ore being shipped is greater than initially predicted.
Relevant Baffinland Commitment	2, 57
Reporting Requirement	To be provided to the NIRB for review and comment at least 60 days prior to commencement of construction activities.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Water Board (NWB), Nunavut Impact Review Board (NIRB), Qikiqtani Inuit Association (QIA), Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Environment and Climate Change Canada (ECCC)
Reference	Air Quality and Noise Abatement Management Plan (Baffinland, 2021a) Draft Air Quality and Noise Abatement Management Plan (Baffinland, 2023d) Roads Management Plan (Baffinland, 2020c) Dust Mitigation Action Plan (Golder, 2016a) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b) Baffinland Dust Audit – 2025 Annual Report (Nunami Stantec, 2026)
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal/ Appendix G.4.1 – 2025 Terrestrial Environment Annual Monitoring Report Appendix G.7 – 2025 Management Plan Updates

METHODS

Dust management and monitoring were incorporated into the Air Quality and Noise Abatement Management Plan (AQNAMP) and the Roads Management Plan (RMP) before starting construction. Dust monitoring and mitigation measures continued to be implemented in 2025 at the Mine Site, Milne Port, and along the Tote Road. Mitigations and monitoring will be put in place prior to Steensby port and Rail construction

The AQNAMP was last updated in April 2021 (Baffinland, 2021a), although an update was submitted to the NIRB in May 2023 for public review (Baffinland, 2023e). Following this public review period, Baffinland presented the revised version in June 2024. Baffinland is currently working with QIA collaboratively to update the AQNAMP as necessary for the Steensby Components. A high-level summary of modifications for each Management Plan is provided in Appendix G.7 – Management Plan Status.

Baffinland's effort with respect to the application of dust suppressants on the Tote Road are documented in the 2025 Terrestrial Environment Annual Monitoring Report provided in Appendix G.4.1 (EDI, 2026b) and Baffinland Dust Audit – 2025 Annual Report (Nunami Stantec, 2026) and the 2025 QIA/NWB Annual Report, Section 4.2-4.3.

Project Certificate Term and Condition No. 11

Category	Air Quality – Incineration Management Plan
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts to air quality from incineration activities.
Term or Condition	The Proponent shall develop and implement an Incineration Management Plan that takes into consideration the recommendations provided in Environment Canada's Technical Document for Batch Waste Incineration (EC, 2010).
Relevant Baffinland Commitment	57
Reporting Requirement	Updated Incineration Management Plan to be provided to the NIRB at least 60 days prior to the commencement of construction activities.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Waste Sorting Guidelines (Baffinland, 2021b) Waste Management Plan (Baffinland, 2024c) Incinerator Operation Procedure (Baffinland, 2025d)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

An Incineration Management Plan is presented in Section 4.5 of the Waste Management Plan (Baffinland, 2024c). The incineration Management Plan meets the recommendations outlined in EC (2010) which was considered during the development of the plan.

RESULTS

Baffinland adheres to the six-step process for batch waste incineration as outlined in EC (2010), including conducting periodic waste stream audits and waste sorting for the dual chamber incinerators, which are installed at both the Mine Site and Milne Port.

In addition to ongoing employee education, routine inspections of Project facilities operations are completed with a focus on waste volume, composition, and overall conformance to the Project's Waste Sorting Guidelines, which are regularly, reviewed (Baffinland, 2021b). Focus training sessions for Departments breaking down waste sorting procedures within functional areas were progressed in 2026 to support improved understanding of waste working protocols.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 12

Category	Air Quality – Incineration
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To mitigate impacts to air quality from incineration activities.
Term or Condition	Prior to commencing any incineration of on-site Project wastes, the Proponent shall conduct at least one stack test immediately following the commissioning of each temporary and permanent incinerator.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	Stack test results to be reported to the NIRB and Environment Canada annually as required.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Environment and Climate Change Canada (ECCC), Nunavut Impact Review Board (NIRB)
Reference	Canada-Wide Standards for Mercury Emissions (CCME, 2000) Canada-Wide Standards for Dioxins and Furans (CCME, 2001) Waste Management Plan (Baffinland, 2024c) Incinerator Operations Procedure (Baffinland, 2025d) Incinerator Stack Testing Report (WSP, 2025f)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.1.2 – 2025 Incinerator Stack Testing Report

METHODS

Incinerator stack testing was conducted on the Mine Site and Milne Port incinerators when commissioned in 2013, as required by Project Certificate Term and Condition No. 12. As part of ongoing operations, Baffinland conducts monitoring of the dual chamber incinerator operation data. This data is utilised to determine if the incinerators are operating to original specifications and includes operational temperature data, burn cycle times, and bottom residual ash composition results. Consistent with CCME (2000) and CCME (2001), incinerator stack tests are completed every year for mercury and dioxin and furans for operational incinerator units incinerating more than 26 tonnes of waste per year to confirm the operational incinerators emissions have been assessed in relation to the applicable emission standards.

RESULTS

Results of the incinerator stack tests conducted in 2025 are presented in the 2025 Incinerator Stack Testing Report provided in Appendix G.1.2 (WSP, 2025f).

TRENDS

Incinerator stack testing conducted in 2024 confirmed effective performance of the operating incinerators at the Mine Site and Milne Port, when test conditions represent typical incineration unit waste load design. The 2025 results for incinerator stack testing are detailed within the Incinerator Stack Testing Report (WSP, 2025f)

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to conduct annual incinerator stack testing for operational incinerators that incinerate more than 26 tonnes of waste per year and report the results to applicable emission industry standards. Future incinerator stack testing programs will continue to include testing for mercury and dioxins and furans. Focus will continue to be placed on ensuring incinerator waste loads for test burns are constructed as per design for each incinerator to ensure representative test conditions, as per Baffinland's Incinerator Operations Procedure (Baffinland, 2025d).

An additional incinerator installed at Milne Port to support 380-Person Camp infrastructure has not been commissioned due to the results of initial and follow-up incinerator stack testing. There remains no immediate need for the increased incineration capacity this incinerator would offer, however, incinerator stack testing will be completed to confirm applicable emissions standards are met prior to operation of 380-Person Camp incinerator unit, and any potential incinerators at Steensby, if the additional capacity is required in the future.

4.6.3 Noise & Vibration (PC Terms and Conditions 13 through 15)

Five (5) PC Terms and Conditions (including No. 13, 14, 14a, 14b and 15) relate to the potential impacts of the Project on noise and vibration.

Inuit & Stakeholder Feedback

Noise and vibration effects to fish and marine mammals as a result of site works was identified as a potential impact during the regulatory process. This was subsequently reflected in Fisheries Act Authorizations issued for the Project. Additionally, concern over noise and vibration levels at the accommodation facilities was identified as an issue for consideration for the health and safety of Project employees. Accordingly, Baffinland made several enhancements to improve noise levels near the accommodation facilities in 2018; a new 800-person camp (Sailivik Camp) was established at a different location, between the mine infrastructure area and Sheardown Lake. Additionally, through the TEWG, the potential for noise disturbance to impact wildlife interacting with the Project was raised as an issue that required monitoring to confirm FEIS predictions. A 2020 noise monitoring program was implemented in response to this, and subsequent monitoring was completed during the 2022 field season that can be found in the 2022 Terrestrial Environment Annual Monitoring Report (EDI, 2023).

Monitoring Activities

In May, November and December 2025, accommodations at the Mine Site Sailivik Camp (SC), Port Site Complex (PSC) Camp and 380-Person Camp were tested for ambient noise and vibration.

No in-water works that had the potential to create noise or vibratory impacts to fish or marine mammals were undertaken in 2025.

Table 4.10 provides a summary of noise effects monitored in 2025, and an evaluation of impacts relative to the predictions presented in the FEIS and FEIS Addendum.

Table 4:10: Noise and Vibration Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Ambient Noise and Vibration	Disturbance of sleeping workers, affecting worker health and safety	Indoor noise and vibration levels were measured in May, November and December 2025. Occupational noise and vibration at Baffinland were assessed according to the *Mine Health and Safety Act,* Consolidation of Mine Health and Safety Regulation, R-125-95, Part IX and Schedule 5. Indoor noise measurements taken in the accommodation facilities at the Mine Site in 2025 averaged 35.28 (A-weighted Decibels; dBA) and therefore respected the 75 dBA exposure level. This is consistent with overall average noise levels recorded at the Mine Site in 2024 (29.67 dBA), 2023 (average 37.2 dBA), 2022 (average 45-47 dBA), 2021 (average 50.24 dBA) and 2020 (<65 dBA). In general, average noise levels have experienced an increase over average recorded noise levels in years prior to 2018 (28 dBA in 2017, 30.6 dBA in 2016, and 34.8 in	Effect within FEIS predictions

Component	Effects	Monitoring Program	Impact Evaluation
		2015); however, values remained below the 75 dBA exposure criteria. Potential causes of the trend are discussed further in relation to PC Term and Condition No. 14	
Noise and Vibration Levels	Increased noise or vibration levels from construction activities affecting fish or marine mammals	No construction activities occurred that required compliance monitoring for noise in 2025.	Not applicable in 2025.
Terrestrial Wildlife	Noise disturbance from the Project acting as a deterrent to wildlife	Environmental noise monitoring program not conducted in 2025.	Not applicable in 2025.

Path Forward

Baffinland will continue to implement noise and vibration monitoring in relation to human health and safety twice per year, at each receptor location (Milne Port and Mine Site). Should the data identify a need for noise or vibration reduction efforts, a plan will be formulated to address these concerns in consultation with stakeholders.

Reporting on each PC Term and Condition is provided in the pages that follow.

Project Certificate Term and Condition No. 13

Category	Noise and Vibration - Use of Explosives
Responsible Parties	The Proponent, Fisheries and Oceans Canada
Project Phase(s)	Construction
Objective	To determine appropriate protection of fish and aquatic life in the Arctic.
Term or Condition	The Proponent is encouraged to work with Fisheries and Oceans Canada at the regulatory phase and to take a precautionary approach when selecting the overpressure threshold to be applied to explosives use for the protection of fish and aquatic life.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Fisheries and Oceans Canada, Nunavut Water Board, Crown-Indigenous Relations and Northern Affairs Canada, Nunavut Impact Review Board, Qikiqtani Inuit Association
Reference	Guidelines for the Use of Explosives In or Near Canadian Fisheries Waters (Wright and Hopky, 1998) Environmental Protection Plan (Baffinland, 2021c) Surface Water and Aquatic Ecosystem Management Plan (SWAEMP; Baffinland, 2026c) Borrow Pit and Quarry Management Plan (Baffinland, 2014c)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland's Surface Water and Aquatic Ecosystem Management Plan (SWAEMP; Baffinland, 2026c) states that work requiring the use of explosives (blasting) in or near water bodies shall be carried-out in accordance with Fisheries and Oceans Canada (DFO) guidance (Wright and Hopky, 1998) to mitigate possible effects on fish habitat and fish health. Blasting at the Project is conducted in accordance with Baffinland's Borrow Pit and Quarry Management Plan (BAF-PH1-830-P16-0004; Baffinland, 2014c), site specific quarry management plans, and the Environmental Protection Plan (EPP; Baffinland, 2021c).

The aforementioned plans described above mitigate the possibility of an explosive to be detonated in or near fish habitat that produces, or is likely to produce, an instantaneous pressure change (i.e. overpressure) greater than 100 Kilopascals (kPa; 14.5 pounds per Square Inch [psi]) in the swim bladder of a fish.

RESULTS

Not applicable. No blasting occurred during open water in 2025 within the required setback distances detailed in the DFO guidance document (Wright and Hopky, 1998).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 14

Category	Noise and Vibration - Noise and Vibration Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate noise and vibration at Project sites, especially living areas.
Term or Condition	The Proponent shall conduct noise and vibration monitoring at Project accommodations sites located at the Mary River mine site, Steensby Inlet Port site, and Milne Inlet Port site. Sampling shall be undertaken during the summer and winter months during all phases of Project development.
Relevant Baffinland Commitment	32
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Consolidation of Mine Health and Safety Regulation, R-125-95 (GN, 2011b) Industrial Hygiene Monitoring Reports – Accommodation Facilities (HDS, 2025a; 2025b) European Physical Agents Vibration Directive 2002/44/EC
Ref. Document Link	Appendix G.1.3 - Industrial Hygiene Monitoring Reports – Accommodation Facilities

METHODS

Noise and vibration monitoring at the Mine Site and Milne Port accommodations is scheduled annually by Baffinland Health and Safety staff. Monitoring uses a sound level meter (SLM) with microphone and a vibration pad with meter set-up in different rooms and wings of accommodation buildings at both sites. Monitoring is conducted in the summer and winter seasons. Noise or vibration concerns brought forth by employees are reviewed and addressed on an as-needed basis. Occupational noise and vibration at Baffinland are assessed according to the Mine Health and Safety Act, Consolidation of Mine Health and Safety Regulations, R-125-95 (Part IX and Schedule 5; GN, 2011b).

The numerical thresholds from which protection is required for noise exposure include 8-hour equivalent sound exposures equal to or greater than 85 dBA, based on the expectation that a worker has a sound environment exposure limit (EL) of 75 dBA or less for the remainder of the day.

Since the Mine Health and Safety Act (GN, 2011b) does not provide specific numerical limits for vibration exposure, 8-hour equivalent vibration criteria are taken from the European Physical Agents Vibration Directive 2002/44/EC (EU, 2022). For whole body vibration, the directive provides an exposure action limit (AL) of 0.5 Meter per Second Squared (m/s2), and an exposure limit (EL) of 1.15 m/s2. The action value provides the threshold for increased vigilance to prevent reaching the exposure limit.

In 2025, established strategies continued to be employed to reduce noise and vibration near accommodation complexes, including:

- Quiet work hours continued to be implemented;
- Operation of equipment was limited in the vicinity of accommodation complexes, where practicable; and
- Helicopter dedicated landing zones were located in a separate location from accommodations complexes, and flight paths were adjusted to ensure helicopters stayed clear of the accommodations.

In May, November, and December 2025, accommodations at the Sailivik Camp, Port Site Complex and 380-Person Camp were tested for noise and vibration. Noise and vibration testing was not conducted at the Mine Site Complex in 2025 as the building was not used for accommodations purposes in 2025.

Sleeping accommodation sound level measurements demonstrate levels that are well below the 75 dBA threshold for the average noise exposure of workers during rest periods. Summary statistics of average noise measurements collected within sleeping accommodations are presented in Table 4.11.

Table 4:11: Summary Statistics of 2025 Noise Monitoring Results

Sampling Period	Average[1] Noise Level (dBA)
May Monitoring	
Sailivik Camp	35.8, 33.4
PSC	36.2
380-Person Camp	35.4
November-December Monitoring	
Sailivik Camp	36, 35.9
PSC	43, 40.3
380-Person Camp	42.2

Notes: [1] Leq: the equivalent noise lever averaged over sampling time.

Vibration measurements taken in the accommodations were below the exposure AL and EL criteria of 0.5 m/s2 and 1.15 m/s2, respectively, for exposure to whole-body vibration during rest, and are presented in Table 4.12.

Table 4:12: Summary Statistics of 2024 Vibration Monitoring Results

Sampling Period	Average[1] Vibration Exposure (m/s^2)	Peak[2] Vibration Exposure (m/s^2)
Exposure Action Limit (AL) Exposure Limit (EL)	**0.5 m/s^2 1.15 m/s^2**	**0.015m/s^2**
May Monitoring		
Sailivik Camp	0.003, 0.002	0.060, 0.059
PSC	0.002	0.059
380-Person Camp	0.006	0.372
November-December Monitoring		
Sailivik Camp	0.002, 0.002	0.035, 0.049
PSC	0.003, 0.002	0.043, 0.074
380-Person Camp	0.009	0.27

Notes: [1] Aeq: the frequency-weighted, time-weighted acceleration sum over the sampling period.

[2] Peak: the frequency-weighted, peak acceleration sum measured during the sampling period

Results of the 2025 noise and vibration monitoring at Project accommodation facilities are presented in the 2025 October and December Industrial Hygiene Monitoring reports in Appendix G.1.3 (HDS, 2025a; 2025b).

TRENDS

Indoor noise measurements taken in the accommodation facilities at the Mine Site in 2025 indicated average noise levels of 33.4-35.8 dBA in May and 35.9-36 dBA in late November and early December. Measurements therefore respected the 75 dBA exposure level for the average noise exposure of workers during rest periods (8 hrs/day). The overall average noise level at the Mine Site in 2025 of 35.28 dBA is lower than overall average noise levels recorded at the Mine Site in recent previous years with the exception of 2024, (29.67 dBA in 2024, 37.2 dBA in 2023, 46.78 dBA in 2022, 50.24 dBA in 2021, <65 dBA in 2020, 43 dBA in 2019, 45 dBA in 2018). In general, average noise levels have experienced an increase over average recorded noise levels in years prior to 2018 (28 dBA in 2017, 30.6 dBA in 2016, and 34.8 in 2015); however, values have remained below the 75 dBA exposure criteria. The gradual increase in noise levels may have been the result of additional construction activities that have occurred since 2017 in comparison to earlier years.

Indoor noise measurements taken in the accommodation facilities at Milne Port in 2025 indicated average noise levels ranged from 35.4 to 36.2 dBA in May and from 40.3 to 43 dBA in late November and into early December. Measurements therefore respected the 75 dBA exposure level for the average noise exposure of workers during rest periods. The overall average noise level at Milne Port in 2025 of 38.73 dBA is consistent with overall average noise levels recorded at Milne Port in previous years (38.3 dBA in 2024, 41.6 dBA in 2023, 43.55 dBA in 2022, 50.17 dBA in 2021, <65 dBA in 2020[1], 46 dBA in 2019, 48 dBA in 2018, 43 dBA in 2017 and 50 dBA in 2016).

Average vibration levels measured in 2025 (0.002 to 0.009 m/s2) were consistent with previous years (0.002 to 0.004 m/s2 in 2024, 0.003 to 0.007 m/s2 in 2023, 0.003 to 0.011 m/s2 in 2022, 0.003 to 0.007 m/s2 in 2021, 0.003 to 0.004 m/s2 in 2020, and 0.003 to 0.18 m/s2 in 2019). All the whole-body vibration measurements taken in the accommodations respect the 8-hour action and exposure limits of 0.5 m/s2 and 1.15 m/s2, respectively, considered by the NIRB for exposure to whole-body vibration during rest.

Additional information about the noise and vibration monitoring conducted at Project accommodation facilities in 2025 is provided in the 2025 October and December Industrial Hygiene Monitoring reports in Appendix G.1.3 (HDS, 2025a; 2025b).

RECOMMENDATIONS / LESSONS LEARNED

To ensure that noise and vibration at the accommodations within the Project Sites are not adversely affecting employees and contractors, Baffinland will continue to monitor noise and vibration levels in relation to human health and safety. Should the data identify a need for further noise and/or vibration reduction efforts, a plan will be formulated to address these concerns in consultation with stakeholders.

[1] Note, in 2020 the dosimeters were set on a dynamic sampling range of 70 dBA – 140 dBA for noise measurements. Therefore, specific measurements under 70 dBA were not recorded as they were outside of the instrument's sampling range.

Project Certificate Term and Condition No. 14 (a)

Erin Category	Noise and Vibration - Noise and Vibration Adaptive Management
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To mitigate potential impacts of noise to marine wildlife during project construction.
Term or Condition	The Proponent, through coordination with the MEWG as may be appropriate, shall demonstrate appropriate adaptive management for construction activities at Milne Inlet that have the potential to disrupt marine mammal species, including pile driving and ore dock construction, are undertaken.
Relevant Baffinland Commitment	32
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

There was no need to coordinate with the MEWG as no construction occurred in Milne Inlet in 2025.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 14 (b)

Category	Noise and Vibration- Noise and Vibration Adaptive Management
Responsible Parties	The Proponent
Project Phase(s)	Operations
Objective	To mitigate potential impacts of noise to wildlife and people during project operations.
Term or Condition	The Proponent, through coordination with the TEWG as may be appropriate, shall demonstrate appropriate adaptive management for project activities during operations which have the potential to produce noise and sensory disturbance to wildlife and other users of project areas.
Relevant Baffinland Commitment	32
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	2020 Terrestrial Environment Annual Monitoring Report (EDI, 2021a; NIRB Registry No. 336729)) Environmental Dynamics Inc. (EDI), 2026b. 2025 Terrestrial Environment Annual Monitoring Report - Prepared for Baffinland Iron Mines Corporation. May, 2026
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report

METHODS

Noise monitoring did not occur in 2025. For more information on previous monitoring please see the 2020 and 2022 Annual Reports (EDI, 2021a; EDI, 2023).

RESULTS

Results from previous noise monitoring can be found in the 2020 and 2022 Annal Reports.

TRENDS

Not applicable in 2025.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable in 2025.

Project Certificate Term and Condition No. 15

Category	Noise and Vibration - Noise and Vibration Monitoring
Responsible Parties	The Proponent, Qikiqtani Inuit Association, local Hamlet organizations
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To enhance public safety when travelling around the Project area.
Term or Condition	The Proponent shall collaborate to the extent possible with the Qikiqtani Inuit Association and local Hamlet organizations when undertaking consultation with all affected communities regarding railway, tote road and marine shipping operations. During these consultations, it is recommended that the Proponent provide information including video, audio, and photographic representation as well as any other aids (i.e., models) that may enhance the general public's understanding of railway, Tote Road and marine shipping operations, as well as all safety considerations for members of the public who may be travelling around the project area.
Relevant Baffinland Commitment	32
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Not applicable
Reference	N/A
Ref. Document Link	Appendix C.1 MEWG Meeting Records Appendix C.2 TEWG Meeting Records Appendix B.1 2025 Engagement Records

METHODS

Baffinland continues to work with local Hamlet organizations, Hunters and Trappers Organizations (e.g., MHTO) and the QIA regarding safety considerations for travel and interaction with the Project for those travelling in the area. In addition, the QIA and the HTOs from Arctic Bay, Clyde River, Igloolik, Pond Inlet and Sanirajak are members of the Marine and Terrestrial Environment Working Groups (MEWG, TEWG). In 2025, the HTOs in Kinngait and Kimmirut were invited as members to the MEWG and TEWG but have yet to participate in the working groups. The Working Groups are kept updated on relevant operations (marine and terrestrial transportation) and associated monitoring programs.

Baffinland continues to have full-time Community Liaison Officers (BCLO) in each of the five (5) North Baffin communities. BCLOs provide for regular and ongoing opportunities for the dissemination of Project-related information and receipt of community-based input. Baffinland has Community Relations Guide (CRG) and Inuit Knowledge Holder (IKH) roles in each of the five (5) North Baffin communities as well as Kimmirut and Kinngait. The CRG role includes communicating Project updates through meetings, on the radio, and sharing information at a

community level. The IKH role supports Baffinland with understanding what hunters in the communities are observing, and facilitates two-way communication between them and Baffinland.

Through feedback obtained through various engagement activities such as pre- and end of shipping season meetings (see Table 2.2 and Appendix B.1 for a summary of 2025 engagement activities), changes in communications have improved over time to better inform communities about Baffinland's operations. Specifically, shipping has evolved and now includes a multi-pronged approach to communication, including an active Facebook page that is updated throughout each day during the shipping season. 291 posts were made in 2025, where 287 of the posts included photos.

Baffinland strives to provide information in a format that brings monitoring and results to life. Our community engagement presentations prioritize the use of pictures over text. In 2025, Baffinland hosted engagements the communities of Igloolik and Sanirajak to provide updates on the Steensby Component of the Project to the HTOs, Hamlets, and Canadian Ranger Patrol Groups. In addition, community consultations on the Steensby Component of the Project were conducted by the Federal Government in Arctic Bay, Clyde River, Igloolik, Kinngait, Kimmirut, Pond Inlet and Sanirajak in December 2024 and in April and June 2025. Baffinland participated in these meetings as an observer and provided 3D models of planned infrastructure.

Bilingual multimedia workshop materials were utilized during these community meetings, including:

- Large 3D topographical models showing the planned 149 Km Steensby Railway and Steensby Port infrastructure;
- Small 3D models depicting a typical Steensby Railway bridge, tunnel, and land-user crossing;
- Printed poster-sized maps of the Steensby Railway alignment and Southern Shipping Route;
- Large maps of the Southern Shipping Route and walrus haul out sites in Foxe Basin for annotation of travel routes and important walrus hunting areas;
- Printed take-home booklets of presentations; and
- Presentations emphasizing visual aids such as photographs and graphics, minimizing reliance on text.

RESULTS

In 2023, to illustrate the railway, Tote Road and shipping activities planned for the Steensby Component, Baffinland generated 3D models that show the topography of the area and how the infrastructure is planned. These 3D models continued to be used in 2025 at the engagements described above. Baffinland's presentation materials incorporate photographs of the environmental monitoring programs where possible.

TRENDS

Baffinland continues to build upon its foundation for increasing community awareness and understanding of Project operations and related activities by including video, audio, and photographic representation as well as any other aids (i.e., models) that may enhance the general public's understanding of railway, Tote Road and marine shipping operations, as well as all safety considerations for members of the public who may be travelling around the project area.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to work with the QIA, HTO representatives and local Hamlet organizations through the working groups and/or other venues to further enhance the general public's understanding of the Project.

4.6.4 Hydrology and Hydrogeology (PC Terms and Conditions 16 through 19)

Four (4) PC Terms and Conditions relate to the potential effects of the Project on hydrology and hydrogeology. These conditions relate to aspects of the Project that are regulated under Baffinland's Type 'A' Water Licence (for mining; NWB, 2025) and Type 'B' Water Licence (for mineral exploration; NWB, 2021b).

Inuit & Stakeholder Feedback

The NWB is the primary stakeholder regulating water use and waste disposal through its issuance of water licences. The QIA is also a key stakeholder, and has a Water Compensation Agreement in place with Baffinland, pursuant to Article 20 of the Nunavut Agreement (CIRNAC and Nunavut Tunngavik, 2018). Water diversions have the potential to impact fish and fish habitat, and DFO administers the fish and fish habitat sections of the Fisheries Act (Ministry of Justice, 2019).

Monitoring Activities

Hydrology monitoring is undertaken by recording water use and reporting this information to the NWB under the Type 'A' Water Licence (NWB, 2025), and by operating a hydrometric monitoring network, consisting of nine (9) long-term seasonal hydrometric stations. Visual monitoring is conducted of water conveyance structures, including bridges and culverts.

The Type 'A' Water Licence specifies water withdrawal limits (NWB, 2025). Under the authorization of the Type 'A' Water Licence, freshwater was withdrawn during 2025 to sustain three (3) key activities at the Project: potable water supply (domestic), dust suppression, and other industrial purposes. During 2025, daily water volume withdrawal limits, stipulated in the Type 'A' Water Licence (NWB, 2025), for all purposes were not exceeded at Approved Project water sources.

Further discussion on the water withdrawals at the Project, including all supporting daily and monthly volumes, are provided in the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a).

Table 4.13 provides an evaluation of the Project's impacts on hydrology and hydrogeology based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and FEIS Addendum (Baffinland, 2012; 2013a).

Table 4:13: Hydrology and Hydrogeology Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Water Usage	Water usage exceeding thresholds and affecting the aquatic environment	Measure/monitor and report water usage in accordance with water licence limits	Water usage within water licence limits; effect within FEIS predictions
Water Diversions	Reductions or increases in water flow due to diversions	None; this is primarily a function of the growing Project footprint, particularly the open pit and waste rock stockpile	Minor; within FEIS predictions

Path Forward

Baffinland will continue to operate its long-term hydrometric network, and will monitor and report water use to the NWB under applicable water licences. Likewise, Baffinland continues to implement the corrective actions identified in the 2023 annual report to prevent water withdrawal exceedances in the future. Training for operators, supervisors and environmental staff will continue to be completed as needed annually prior to use of water for dust suppression and throughout the dust suppression season. Please refer to the 2025 NWB and QIA Annual Report for Operations (Baffinland 2026a) for further discussion and analyses on water withdrawals.

Project Certificate Term and Condition No. 16

Category	Hydrology and Hydrogeology - Water Infrastructure
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To provide assurance that the potential impacts to flow and quantity of water in the Project area are minimized.
Term or Condition	The Proponent shall ensure that the water related infrastructure or facilities that are designed and constructed, including the modification of culverts, diversion of watercourses, and diversion of runoff into watercourses along the railway, access roads, port sites, the Milne Inlet Tote Road, and other areas of the Project site, are consistent with those proposed in the FEIS and FEIS Addendum in terms of type, location, and scope and that the requirements of all relevant regulatory authorities are satisfied in advance of constructing those facilities.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Environment and Climate Change Canada (ECCC), Fisheries and Oceans Canada (DFO), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Final Environmental Impact Statement (Baffinland, 2012) FEIS Addendum - Early Revenue Phase (Baffinland, 2013a) Type A Water License (NWB, 2025) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a) Nunavut Water Board, Modification 13 (NWB, 2021a) Letter to Assol Kubeisinova, NWB, Re: Modification 13 (Baffinland, 2021e) Tote Road Culvert Remediation - Implementation of Measures to Avoid and Mitigate the Potential for Prohibited Effects to Fish and Fish Habitat (DFO, 2024a) 2025 Tote Road Fish Habitat Monitoring Annual Report (Baffinland 2026f)
Ref. Document Link	Appendix G.1.6 - Tote Road Fish Habitat Monitoring Report

METHODS

Baffinland ensures that the water related infrastructure and facilities constructed at the Project are consistent with those proposed in the FEIS (Baffinland, 2012) and FEIS Addendum (Baffinland, 2013a), and associated Type 'A' Water License Amendments. Minor modifications to the Type 'A' Water License (NWB, 2025) are submitted from time to time consistent with the processes provided under the Nunavut Waters and Nunavut Surface Rights Tribunal Act, as well as the Type 'A' Water License.

RESULTS

During 2025, the following work was completed on water related infrastructure and facilities at the Project. Note that all are consistent with the broad descriptions of works described in EIS documents, but may have been further

evaluated with respect to more detailed environmental permitting requirements by NWB (water license modification) or DFO (request for review):

- Maintenance of site surface water drainage infrastructure (i.e. culverts) to address sedimentation concerns and improve surface water drainage;
- Continued implementation of the Ore Crusher Pad Regrading Strategy to prevent the pooling of water on and around the Crusher Facility pad and continued use of a pumping system to transfer collected water to Crusher Facility Pond MS-06, due to identified integrity issues with the perimeter ditch network;

  Continued implementation of the Ore Stockpile Pad Regrading strategy to prevent the pooling of water on and around the Ore Stockpile Pad;
- Baffinland is continuing to work with Fisheries and Oceans Canada (DFO) to address fish passage issues along the Tote Road at 20 priority crossing locations however, also conducts work on culverts outside of priority list though consultations with both stakeholders (Baffinland 2026f).
- Erosion and sediment control (ESC) measures, were also conducted on multiple culverts on the Tote Road in 2024 to: stabilize road embankments, remediate erosion zones, remove sediment deposits at silt fencing and swales, add rip rap stone to swales with check dams, and install ESC, where required, was completed and monitored as described in Appendix C of the 2025 Tote Road Fish Habitat Monitoring Annual Report (Baffinland 2026f);
- Implementation of preventative and corrective measures along the Tote Road (i.e. check dams, silt fences, excavating culverts of snow and ice, etc.) to address sedimentation concerns during high flow periods;
- Continued works to the surface water management facility (MS-11) at KM 105, to address performance of the facility constructed in 2021-2022. Refer to the Annual Report for Operations (Baffinland, 2026a) for more information.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Water related infrastructure and facilities constructed to date are generally consistent with those proposed in the FEIS (Baffinland, 2012) and FEIS Addendum (Baffinland, 2013a) in terms of type, location, and scope with the exception of submitted Licence modifications to the NWB. Baffinland will continue to monitor water retention structures across the Project and complete ongoing routine maintenance as necessary. Should surveillance observations indicate seepage or deviations from an Issued for Construction (IFC) design, Operations will implement structure specific remedial measures to capture/recover seepage as applicable in conjunction with water quality monitoring, or maintenance repairs to re-establish design criteria as necessary to correct any issue that might undermine infrastructure integrity. Any adjustments to water related infrastructure that occur under the broad descriptions contained in Environmental Impact Statement (EIS) documentation have been and will continue to be subject to permitting administered by the NWB (water license modifications) and DFO (request for reviews).

Project Certificate Term and Condition No. 17

Category	Hydrology and Hydrogeology - Effluent Management
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to waterbodies from effluent.
Term or Condition	The Proponent shall develop and implement effective measures to ensure that effluent from project-related facilities and/or activities, including sewage treatment plants, ore stockpiles, and mine pit, satisfies all discharge criteria requirement established by the relevant regulatory agencies prior to being discharged into the receiving environment.
Relevant Baffinland Commitment	6
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Progress
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Environment and Climate Change Canada (ECCC), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Fresh Water Supply, Sewage and Wastewater Management Plan (Baffinland, 2026d) Metals and Diamond Mining Effluent Regulations (MDMER; Minister of Justice, 2023) Sampling Program - Quality Assurance and Quality Control Plan (Baffinland, 2025j) Surface Water and Aquatic Ecosystem Management Plan (Baffinland, 2026c) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a) Baffinland Metal and Diamond Mining Effluent Regulations Emergency Response Plan (MDMER ERP; Baffinland, 2024k) Modification No. 13 (NWB, 2021a) Type 'A' Water Licence (NWB, 2025)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Wastewater and effluent management practices are outlined in the Project's Fresh Water Supply, Sewage and Wastewater Management Plan (FWSSWMP; Baffinland, 2026d) and the Metal and Diamond Mining Effluent Regulations Emergency Response Plan (MDMER ERP; Baffinland, 2024k). Surface water monitoring management practices and procedures are outlined in the Project's Surface Water and Aquatic Ecosystem Management Plan (SWAEMP; Baffinland, 2026c). Water quality discharge criteria for effluent generated by the Project are stipulated in the Type 'A' Water Licence issued by the NWB (NWB, 2025), and Schedule 4 and Schedule 5 of the MDMER (Minister of Justice, 2023).

Consistent with the FWSSWMP (Baffinland, 2026d), prior to discharge, wastewater (e.g. treated sewage, treated contact water, oily water, etc.) is sampled to ensure water quality meets the applicable discharge criteria. Wastewater that meets the applicable discharge criteria is discharged to the receiving environment. Water samples are routinely taken prior to and during wastewater discharges to ensure the water quality remains in compliance

with the applicable discharge criteria. In the event that water quality sampling during a discharge indicates that the water quality has changed and is no longer in compliance with the applicable discharge criteria, the discharge of the non compliant wastewater is immediately stopped.

Wastewater that does not meet the applicable discharge criteria is treated on-site using approved treatment methods (e.g. sewage treatment plants, mobile oily water treatment systems, the Waste Rock Facility (WRF) treatment plant, etc.) and is not discharged to the receiving environment until it has been confirmed by water quality analysis that the treated wastewater meets the applicable discharge criteria.

All water sampling at the Project is conducted in accordance with the Project's Sampling Program - Quality Assurance and Quality Control Plan (QA/QC; Baffinland; 2025j).

As required by the Type 'A' Water Licence (NWB, 2025), volumes and water quality analysis of all wastewater discharged to the receiving environment are reported to regulators (CIRNAC, NWB) on a monthly and annual basis. As a requirement of the MDMER (Minister of Justice, 2023), volumes and water quality results for discharges from Final Discharge Points (FDPs) of the surface water management ponds associated with the Crusher Facility (CF), KM 106 ROM Ore Stockpile Facility, and WRF at the Mine Site are reported to ECCC on a quarterly and annual basis.

RESULTS

Effluents generated and managed by the Project in 2025 included: sewage, contact water retained in surface water management ponds associated with crushing, ore storage, waste rock facilities, and oily water containment areas, such as bulk fuel facilities, hazardous waste berms and landfarm/landfill facilities.

All effluent discharges were compliant with the applicable discharge criteria with the exception of one (1) event, a significant improvement from the previous reporting period that occurred at the KM 105 Surface Water Management Facility (MS-11). For more information on this event, as well as a discussion on monitoring data and results from all relevant discharges throughout 2025, please refer to the QIA-NWB Annual Report for Operations (Baffinland, 2026a).

TRENDS

Overall, the frequency of incidents involving the discharge of effluents to the receiving environment that exceed the applicable discharge criteria have remained low and incidental since the start of operations in 2014. 2025 exhibited the lowest number of reportable events, associated with Nunavut Spill Reporting Guidelines, on the Project since 2013.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to conduct robust incident investigations to identify root causes of water quality discharge incidents so that effective long-term corrective actions can be developed and implemented. Results of the continuous investigation of the incident at the KM 105 Surface Water Management Facility has resulted in a new treatment approach detailed in the comprehensive end of year KM 105 Facility Report Update, submitted with the 2025 QIA-NWB Annual Report for Operations (Baffinland, 2026a).

Baffinland will continue to train all personnel involved with sampling effluents at the Project in the proper sampling practices and procedures, as outlined in the Project's Sampling Program - Quality Assurance and Quality Control Plan (Baffinland, 2025j), to ensure the accuracy of water quality sampling results.

For further discussion, analyses, and actions taken by BIM staff associated with the QA/QC sampling program conducted in 2025, please refer to section 7.8 of the QIA-NWB Annual Report for Operations (Baffinland, 2026a).

As a result of any other incident investigations, or operational requirements, and in accordance with the Type 'A' Water Licence, Part D (NWB, 2025), Baffinland will submit Issued for Construction drawings for new structures designed to contain or divert water.

Project Certificate Term and Condition No. 18

Category	Hydrology and Hydrogeology - Pit Lake Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To enhance predictions for mine site closure conditions.
Term or Condition	The Proponent shall carry out continued analyses over time to confirm and update, accordingly, the approximate fill time for the mine pit lake identified in the FEIS.
Relevant Baffinland Commitment	42
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Interim Closure and Reclamation Plan (Baffinland, 2025h)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

The latest revision of the Interim Closure and Reclamation Plan (ICRP; Baffinland, 2025h) discusses the estimated fill time for the mine pit lake. In order to address uncertainty in the estimated fill times and pit lake conditions at closure, reclamation research programs to evaluate the Open Pit flooding timeline are outlined in Appendix D.2 of the ICRP.

RESULTS

Current mining activities have not yet created a pit at Deposit No. 1, the active mining area remains a hilltop outcrop. No additional information is available at this time to update the estimated fill time of the Mine Pit Lake. A reclamation research program to evaluate the Open Pit flooding timeline is outlined in Appendix D.2 of the ICRP. This research program will include an assessment of potential water sources for enhanced flooding of the pit, scheduled to begin in 2027. Monitoring of mine dewatering flow rates will begin once a pit has been formed, anticipated to occur in 2034.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will update the estimated mine pit lake fill time in the ICRP as additional information becomes available through monitoring and implementation of the reclamation research program for Open Pit Flooding.

Project Certificate Term and Condition No. 19

Category	Hydrology and Hydrogeology - Water Infrastructure Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts to natural water flow.
Term or Condition	The Proponent shall ensure that it develops and implements adequate monitoring and maintenance procedures to ensure that the culverts and other conduits that may be prone to blockage do not significantly hinder or alter the natural flow of water from areas associated with the proposed mine. In addition, the Proponent shall monitor, document and report the withdrawal rates for water removed and utilized for all domestic and industrial purposes.
Relevant Baffinland Commitment	57
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Fisheries and Oceans Canada (DFO), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Environmental Protection Plan (EPP ; Baffinland, 2021c) Roads Management Plan (Baffinland, 2020c) Surface Water and Aquatic Ecosystem Management Plan (Baffinland, 2026c) 2025 QIA and NWB Annual Report for Geotechnical Activities (Baffinland, 2026b) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a) Type 'A' Water Licence (NWB, 2025)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Routine inspections of water crossings (i.e. culverts, bridges) at the Project are conducted throughout the year by the Project's Road Maintenance Department and environmental monitoring personnel, to ensure water crossings are not obstructed and are working as designed. Monitoring and routine maintenance activities completed for Project water crossings are outlined in the Project's Surface Water and Aquatic Ecosystem Management Plan (SWAEMP; Baffinland, 2026c), Roads Management Plan (Baffinland, 2020c) and EPP (Baffinland, 2021c).

Baffinland inspects fish bearing water crossings at the Project, at a minimum, annually by a third-party Professional Fisheries Biologist. The assessment focuses on ensuring that surface water flows and fish passage is not being hindered or altered at Project fish bearing water crossings. Baffinland continues to work with DFO to address fish passage issues along the Tote Road at specific locations. To address the DFO ongoing DFO concerns, extensive geotechnical and hydrotechnical assessments of all twenty (20) identified priority culvert crossings were completed in 2025 to inform on redesigns following experiencing geotechnical challenges on culverts constructed in 2024. Design reviews and approvals are ongoing with DFO for the 20 priority crossings identified with DFO. Construction

on approved designs is ongoing and engineering of additional designs continue for the remainder of priority crossings utilising new geotechnical and hydrotechnical information. Please refer to Section 2.4 and Section 10.2 of the QIA-NWB Annual Report for Operations (Baffinland, 2026a) for further details about the remedial work on culvert crossings.

As stipulated by the Project's Type 'A' and 'B' water licences, the Project is required to monitor, document and report the Project's water withdrawal rates from approved water sources. This information is submitted to CIRNAC, the NWB and the QIA on a monthly basis for the Type 'A' Water Licence, and compiled and presented annually in the 2025 QIA-NWB Annual Report for Operations (Baffinland, 2026a). Water volumes used to support exploration and geotechnical drilling activities withdrawn under the authorization of the Type 'B' Water Licence are presented annually in a separate annual report titled QIA-NWB Annual Report for Geotechnical Activities (Baffinland 2026b); however, in 2025, no water was used for exploration and geotechnical drilling activities.

RESULTS

During 2025, Baffinland continued to monitor Project water crossings to ensure surface water flows were not being hindered or altered. Consistent with Baffinland's SWAEMP (BIM-5200-PLA-0009; Baffinland, 2026c), in 2025, pro-active measures were taken prior to freshet to ensure unimpeded flow through water conveyance structures such as, clearing snow from culvert inlets and outlets, and steaming culverts to remove internal ice and snow blockages.

Water withdrawal rates in 2025 for approved water sources under the Type 'A' and 'B' water licences are presented in the 2025 QIA-NWB Annual Report for Operations (Baffinland, 2026a) and the 2025 QIA-NWB Annual Report for Geotechnical Activities (Baffinland, 2026b), respectively.

Under Table 3 of the Type 'A' Water Licence (NWB, 2025), source specific water withdrawal limits are specified for both domestic and industrial purposes for each approved water source. During 2025, there were no exceedances of the daily water volume withdrawal limits, stipulated in the Type 'A' Water Licence, for domestic and industrial water uses. For more information regarding domestic and industrial water withdrawals, refer to Section 4 of the 2025 QIA-NWB Annual Report for Operations (Baffinland, 2026a).

Under Table 4 of the Type 'A' Water Licence (NWB, 2025), source specific water withdrawal limits are specified for dust suppression purposes. During 2025, there were no exceedances of the daily water volume withdrawal limits, stipulated in the Type 'A' Water Licence, for dust suppression purposes. Further discussion on the water withdrawals at the Project, including all supporting daily and monthly volumes, are provided in the 2025 QIA-NWB Annual Report for Operations (Baffinland, 2026a).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to monitor Project water crossings and conduits to ensure that surface water flows are not being significantly hindered or altered.

Likewise, Baffinland continues to implement the corrective actions identified in the 2023 annual report to prevent water withdrawal exceedances in the future. Training for operators, supervisors and environmental staff will continue to be completed as needed annually prior to use of water for dust suppression and throughout the dust

suppression season. Please refer to the NWB and QIA Annual Report for Operations for further discussion and analyses on water withdrawals.

As required by the Type 'A' and 'B' Water Licences (NWB, 2025; 2021b), Baffinland will continue to monitor, document and report water withdrawal rates from approved water sources to the appropriate agencies.

4.6.5 Groundwater & Surface Water (PC Terms and Conditions 20 through 30)

Eleven (11) PC Terms and Conditions relate to the potential impacts of the Project on groundwater and surface water. There is overlap in the scope of these PC Terms and Conditions with PC Terms and Conditions No. 16 to 19 for hydrology and hydrogeology. Several of the Terms and Conditions require the development of management plans. These Terms and Conditions also overlap with aspects of the Project that are regulated under Baffinland's Type 'A' Water Licence (for mining; NWB, 2025) and Type 'B' Water Licence (for mineral exploration). PC Term and Condition No. 29 and No. 30 require Baffinland to submit construction designs, as-built drawings and site-specific management plans to the relevant regulatory agency, as required under Part D of the Type 'A' Water Licence (NWB, 2025).

Inuit & Stakeholder Feedback

As described in Section 4.6.4 (Hydrology and Hydrogeology), the NWB is the primary stakeholder regulating water use and waste disposal through its issuance of water licences. The QIA is also a key stakeholder; the QIA and Baffinland have a Water Compensation Agreement should the Project substantially affect the quality, quantity or flow of water through Inuit Owned Land (IOL). ECCC is a key regulator administering the section of the Fisheries Act regarding the prohibition on the release of deleterious substances to fish-bearing waters. Groundwater is limited to minor seepage through the active layer during the brief snow-free period. Surface water quality, however, is a key resource to Inuit and to regulatory agencies, and it is among the most closely regulated aspects of the environment through effluent and aquatic effects monitoring required under the Project's project certificate, water licences and other federal regulations.

Monitoring Activities

Throughout 2025, Baffinland continued to implement the Surveillance Network Program (SNP) outlined in Schedule I of the Type 'A' Water Licence, analyzing effluents (i.e., treated sewage, treated oily stormwater) discharged to the receiving environment and monitoring surface water quality within specific Project areas (i.e., surface water runoff downstream of Project areas; NWB, 2015). Based on a review of 2025 SNP results reported to the NWB, CIRNAC and the QIA, one exceedance of applicable discharge criteria occurred in 2025 where surface water runoff had a slightly elevated Total Suspended Solids (TSS) concentration. In this case, appropriate control measures were implemented to restore TSS levels below applicable discharge criteria. Baffinland continues to assess and implement the appropriate corrective and mitigation measures to address ongoing sedimentation concerns at the Project.

Baffinland continued to implement the Tote Road Monitoring Program (TRMP) to assess Project-related impacts to surface water resulting from sedimentation and erosion events. The program, jointly developed with the QIA, evaluates upstream and downstream concentrations of total suspended solids in surface water proximal to the Tote Road at select crossings considered representative of the respective catchment areas, where fisheries crossings have been identified, and other sources of sedimentation such as snow stockpiles and historic borrow sources.

In addition to the above monitoring programs, Baffinland implements ongoing environmental monitoring and effects studies, including the Project's Aquatic Effects Monitoring Plan (AEMP, Baffinland, 2026e), in accordance with the Type 'A' Water Licence and PC Terms and Conditions.

Table 4.14 provides an evaluation of the Project's impacts on groundwater and surface water, based on monitoring activities completed in 2025, relative to predictions presented in the FEIS (Baffinland, 2012), and FEIS Addendum (Baffinland, 2013a).

Table 4:14: Groundwater and Surface Water Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Groundwater Quality	Adverse seepage from project areas (landfill, landfarm, waste rock stockpile) affecting groundwater quality	A groundwater monitoring program was continued at the landfill and Mine Site Hazardous Waste Berm areas in 2025.	At the Landfill, no exceedances were measured at the down gradient station. Based on proximal and background station data, naturally high concentrations of dissolved copper and total/dissolved uranium may be present at the Mine. Contaminants of concern measured at Hazardous Waste Berm source stations included chloride, fluoride, nitrate, nitrite, pyrene, dissolved copper, dissolved cobalt, naphthalene, and PHC F2 (C10-C16). Berms that potentially have integrity issues identified within annual geotechnical inspections are removed from use and cleared of hazardous waste storage.
Surface Water Quality	Releases of TSS or other changes in water quality due to point-source discharges (i.e., stormwater and sewage effluents)	Effluents are monitored prior to discharge under the SNP; the receiving aquatic environment is monitored in accordance with the AEMP.	Discharges of effluent at the Project met the applicable discharge criteria, with the exception of one (1) event involving a water quality exceedance of discharge criteria outlined in the Type 'A' Water Licence.
	Releases of TSS or other changes in water quality due to non-point source releases (i.e., erosion and sedimentation)	Runoff from ground disturbance areas (construction areas, quarries) are monitored for TSS; site is inspected visually for evidence of erosion and sedimentation, with follow-up sampling if required.	NoTSS exceedances were noted during construction or quarry monitoring. TSS criteria for general site runoff no longer a condition within the Type 'A' Water Licence.

Path Forward

Baffinland will implement alternative mitigations in 2026, until sufficiently updated engineering and geotechnical investigations can be completed to inform on Long Term Water Management Plans (Baffinland, 2021e) to address Mine Site and other sedimentation and erosion concerns. Effluents and receiving waters will be monitored in accordance with Type 'A' Water Licence and the AEMP (Baffinland, 2026e).

Baffinland continued with ongoing groundwater monitoring in 2025, and will continue the groundwater monitoring program in 2026. Baffinland will continue to execute the current program considering the 2025 Groundwater Monitoring Report (WSP, 2026d). Hydrogeological testing and water quality sampling were carried out to address

limitations identified in previous reports and provide a greater understanding of the groundwater/active layer conditions at the project site. Additionally, Baffinland installed two thermistors to be able to better understand the active layer and permafrost thermal regime.

Based on the 2025 findings, the Conceptual Site Model (CSM) was updated and includes the ground temperature information from the newly installed thermistors, the presence of ice-wedge polygons observed on aerial photographs, as well as a review of groundwater quality. With the additional information from monitoring well installations with bentonite seals, the shallow groundwater is thought to consist of a combination of meltwater with rainfall/surface water impacting the groundwater quality. A “source-pathway-receptor” approach was used for the CSM to describe the Site conditions as they relate to human health and the environment.

Project Certificate Term and Condition No. 20

Category	Groundwater/Surface Waters - Explosives
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure that the effects associated with the manufacturing, storage, transportation and use of explosives do not negatively impact the areas surrounding the Project.
Term or Condition	The Proponent shall monitor the effects of explosives residue and related by-products from Project-related blasting activities as well as develop and implement effective preventative and/or mitigation measures, including treatment, if necessary, to ensure that the effects associated with the manufacturing, storage, transportation and use of explosives do not negatively impact the Project and surrounding areas.
Relevant Baffinland Commitment	57, 65
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Final Environmental Impact Statement (FEIS; Baffinland, 2012) Sampling Program – Quality Assurance and Quality Control Plan (Baffinland, 2025j) Aquatic Effects Monitoring Plan (Rev 3) (Baffinland 2026e) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a) 2025 Core Receiving Environmental Monitoring Plan Report (CREMP; Minnow, 2026a) 2025 Lake Sedimentation Monitoring Report (Minnow, 2026b) Type 'A' Water Licence (NWB, 2025)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.3.1 – Mary River Project 2025 Core Receiving Environment Monitoring Program Report Appendix G.3.2 - 2024/2025 Lake Sedimentation Monitoring Report

METHODS

Surface water runoff downstream of Project mining areas and quarries is monitored as prescribed by the Type 'A' Water Licence, with water quality results reported to CIRNAC, the NWB and the QIA on a monthly and annual basis. Water samples are collected using the practices and procedures described in Baffinland's Sampling Program - Quality Assurance and Quality Control Plan (QA/QC Plan; Baffinland, 2025j).

In addition, the Aquatic Effects Monitoring Plan (AEMP; Baffinland, 2026e), a follow-up monitoring program identified in Baffinland`s FEIS (Baffinland, 2012) and prescribed by the Baffinland's Type 'A' Water Licence (NWB, 2025), monitors the receiving aquatic environment downstream of Project activities at the Mine Site.

RESULTS

Results are presented in the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a) and the 2025 CREMP (Minnow, 2026a)

TRENDS

As part of the TARP adaptive management process documented within the 2025 CREMP (Minnow 2026a), an investigation was conducted downgradient of the Dyno Nobel plant and mitigative actions were completed to mitigate the potential for manufacturing and storage of explosives to impact down gradient receiving environments.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to monitor surface water runoff and aquatic environments downstream of Project mining areas and quarries as well as locations where explosives are manufactured and sorted as outlined in the Type 'A' Water Licence (NWB, 2025) and the Project's AEMP (Baffinland, 2026e).

Project Certificate Term and Condition No. 21

Category	Groundwater/Surface Waters - Aquatic Effects Monitoring Plan and Dustfall Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations
Objective	To mitigate potential impacts to surface and ground waters.
Term or Condition	The Proponent shall ensure that the scope of the Aquatic Effects Monitoring Plan (AEMP) includes, at a minimum: • Monitoring of non-point sources of discharge, selection of appropriate reference sites, measures to ensure the collection of adequate baseline data and the mechanisms proposed to monitor and treat runoff, and sample sediments • Measures for dustfall monitoring designed as follows: ii. To establish a pre-trucking baseline and collect data during Project operation for comparison iii. To facilitate comparison with existing guidelines and potentially with thresholds to be established using studies of Arctic char egg survival and/or other studies recommended by the Terrestrial Environment Working Group (TEWG) iv. To assess the seasonal deposition (rates, quantities) and chemical composition of dust entering aquatic systems along representative distance transects at right angles to the Tote Road and radiating outward from Milne Port and the Mine Site.
Relevant Baffinland Commitment	2
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous and Northern Affairs Canada (CIRNAC), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Aquatic Effects Monitoring Plan (Rev 3) (Baffinland, 2026e) Final Environmental Impact Statement (FEIS; Baffinland, 2012) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b) 2025 Core Receiving Environment Monitoring Plan Report (CREMP; Minnow, 2026a) 2025 Lake Sedimentation Monitoring Report (Minnow, 2026b) Type 'A' Water Licence (NWB, 2025)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.3.1 – Mary River Project 2025 Core Receiving Environment Monitoring Program Report Appendix G.3.2 - 2025 Lake Sedimentation Monitoring Report Appendix G.4.1 – 2025 Terrestrial Environment Annual Monitoring Report

METHODS

The Aquatic Effects Monitoring Plan (AEMP) has been structured to serve as an overarching 'umbrella' that conceptually provides an opportunity to integrate results of individual, but related aquatic monitoring programs, including water and sediment quality, dustfall monitoring, and freshwater biota and fish health. For further details see previous Baffinland NIRB Annual Reports and the most recent AEMP.

A revised AEMP was submitted to the NWB with the 2023 QIA and NWB Annual Report for Operations for approval. The AEMP Rev 2 was approved for implementation in 2025 Type 'A' Water Licence (NWB, 2025).

The AEMP (Baffinland, 2026e) was further updated to Revision 3 following the Type A water license renewal process was completed to include clarifications to some water quality guidelines, consideration for events based monitoring, and further updates to the TARP table. This version was submitted for use in March of 2026 as required by the 2025 Type 'A' Water Licence (NWB, 2025).

The CREMP evaluates potential mine-related influences on water quality, sediment quality, and/or biota (including phytoplankton, benthic invertebrates and fish) within aquatic environments near the Mine Site. Under the CREMP, receiving aquatic environments near the Mine Site are monitored during several periods throughout the year and include the Camp Lake, Sheardown Lake, and Mary Lake Systems as well as Reference Lake 3 and several reference tributaries. The AEMP includes benchmarks and an action framework to evaluate monitoring data and determine next steps and/or corrective actions, if required.

The Lake Sedimentation Monitoring Program monitors dust and sediment deposition rates in Sheardown Lake NW in an effort to better understand and evaluate potential mine-related influences on biota (e.g. fish larvae hatching success). Currently, the Lake Sedimentation Monitoring Program is conducted annually and involves the deployment and retrieval of submerged sediment traps to determine sediment deposition rates, density, and thickness during ice-cover and open water periods.

The three (3) main objectives of the Dustfall Monitoring Program are as follows:

1. To quantify the extent, magnitude and composition of dustfall generated by Project activities;
2. To determine seasonal variations in dustfall; and
3. To assess annual changes in dustfall at sampling locations relative to thresholds associated with the models and assessments performed in the FEIS (Baffinland, 2012).

The current Revision 3 of the Project's AEMP (Baffinland, 2026e) meets the requirements and intended scope outlined in PC Term and Condition No. 21.

RESULTS

Results collected under the dustfall monitoring program are provided on an annual basis to NIRB and other relevant regulatory agencies and stakeholders in the 2025 Terrestrial Environment Annual Monitoring Report (TEAMR; EDI, 2026b).

Annual monitoring reports for both the CREMP and Lake Sedimentation Monitoring Program provide further discussion of the methods used and annual monitoring results, and are provided in Appendix G.3.1 and Appendix G.3.2, respectively, and as appendices to the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to work with appropriate stakeholders and regulatory agencies to identify required revisions to the AEMP and associated environmental monitoring programs.

Project Certificate Term and Condition No. 22

Category	Groundwater/Surface Waters - Sediment and Erosion Management Plan
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To develop appropriate sediment and erosion controls to prevent impacts to surface waters.
Term or Condition	The Proponent shall develop a detailed Sediment and Erosion Management Plan to prevent and/or mitigate sediment loading into surface water within the Project area.
Relevant Baffinland Commitment	57
Reporting Requirement	Plan to be provided to the NIRB for review and comment at least 60 days prior to commencement of construction activities.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Surface Water and Aquatic Ecosystem Management Plan (Baffinland, 2026c) 2025 Tote Road Fish Habitat Monitoring Annual Report Appendix C (Baffinland 2026f) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

A comprehensive sediment and erosion management plan is incorporated into Baffinland's Surface Water and Aquatic Ecosystem Management Plan (SWAEMP; Baffinland, 2026c). An earlier revision of the SWAEMP was submitted to and approved by the NWB prior to the commencement of Early Revenue Phase construction.

RESULTS

The implementation of erosion and sedimentation control measures under the Surface Water and Aquatic Ecosystem Management Plan (SWAEMP; Baffinland, 2026c) occurs on an annual basis. Erosion and sediment control measures completed in 2025 are discussed within the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a) and a summary of erosion and sediment control measures associated with fish habitat is documented in Appendix C of the 2025 Tote Road Fish Habitat Monitoring Annual Report (Baffinland, 2026f).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 23

Category	Groundwater / Surface Waters - Groundwater Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent impacts to groundwater quality.
Term or Condition	The Proponent shall develop and implement a Groundwater Monitoring and Management Plan to monitor, prevent and/or mitigate the potential effects of the Project on groundwater within the Project area.
Relevant Baffinland Commitment	57
Reporting Requirement	Plan to be provided to the NIRB for review and comment at least 60 days prior to commencement of construction activities.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Surface Water and Aquatic Ecosystem Management Plan (Baffinland, 2026c) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a) 2024 Groundwater Monitoring Report (WSP, 2025e) 2025 Groundwater Monitoring Report (WSP, 2026d)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.2 – 2025 Groundwater Monitoring Report

METHODS

A groundwater monitoring program, involving the installation of shallow groundwater monitoring wells downstream of Project infrastructure, is discussed in Baffinland's Surface Water and Aquatic Ecosystem Management Plan (SWAEMP; Baffinland, 2026c).

Baffinland continued to advance the groundwater monitoring program, as recommended in the 2024 Groundwater Monitoring Report (WSP, 2025e), at the Project in 2025. The 2025 Groundwater Monitoring Report (WSP, 2026d) prepared by WSP Canada Inc. (WSP) for Baffinland provides a comprehensive overview of the groundwater monitoring activities conducted in 2025 at the Project. The report focuses on two waste facilities: the Mine Site Non-Hazardous Waste Landfill Facility and the Mine Site Hazardous Waste Berm Facility. The primary objectives of the monitoring program were to assess groundwater quality, evaluate groundwater flow directions, and identify potential parameters of concern at both waste facilities.

The methods employed for the 2025 groundwater monitoring program are detailed in the 2025 Groundwater Monitoring Report, provided in Appendix G.2 (WSP, 2026d).

RESULTS

Results of the groundwater program conducted in 2025 are presented in the 2025 Groundwater Monitoring Report, in Appendix E.11 of the 2025 QIA-NWB Annual Report for Operations (WSP, 2026d).

TRENDS

Refer to the 2025 Groundwater Monitoring Report, (WSP, 2026d) for Project groundwater monitoring information and associated trends.

On-going water quality monitoring from installed standpipe wells is required to gain a better understanding of active layer chemistry and movement, which will inform our understanding of the potential for impacts at the Project site. As additional monitoring is conducted in future years, Baffinland will be able to better characterize natural active layer chemistry at the Project and identify and confirm any potential trends, including potential impacts from Project activities or infrastructure.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue the groundwater monitoring program in 2025, and will continue to execute the groundwater monitoring program at current wells in 2026 and prioritise achievable recommendations from the 2025 Groundwater Monitoring Report (WSP, 2026d).

Implementing a groundwater program in a permafrost-rich environment presents significant methodological challenges including quantifying groundwater direction, flow and interpretation of groundwater quality. Additionally, groundwater flow dynamics are driven primarily by the permafrost table elevations rather than soil stratigraphy, resulting in significant challenges to determine flow direction and gradient. Due to the challenges associated with sampling methodologies for groundwater data collection in a permafrost environment and the challenges in interpreting this data, further data and program assessment is ongoing to understand the primary factors affecting active layer chemistry and mobilization, and to evaluate the significance of changes in water quality between up-gradient and down-gradient monitoring locations as additional water quality data is collected in future years.

Project Certificate Term and Condition No. 24

Category	Groundwater/Surface Waters - Effluent Management
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts to groundwater and surface waters from effluent discharge.
Term or Condition	The Proponent shall monitor as required the relevant parameters of the effluent generated from Project activities and facilities and shall carry out treatment if necessary to ensure that discharge conditions are met at all times.
Relevant Baffinland Commitment	6
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Progress
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Environment and Climate Change Canada (ECCC), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a)
Ref. Document Link	Not applicable

METHODS

Methods for monitoring and reporting on Project Certification Condition No. 24 are discussed in the response to Project Certificate Term and Condition No. 17, and in the 2025 QIA-NWB Annual Report for Operations. (Baffinland, 2026a)

RESULTS

Results are discussed in Project Certificate Term and Condition No. 17, and in the 2025 QIA-NWB Annual Report for Operations. (Baffinland, 2026a)

TRENDS

Trends are discussed in Project Certificate Term and Condition No. 17.

RECOMMENDATIONS / LESSONS LEARNED

Recommendations/lessons learned are discussed in Project Certificate Term and Condition No. 17.

Project Certificate Term and Condition No. 25

Category	Landforms - Additional Geotechnical Investigations
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To mitigate impacts to sensitive landforms.
Term or Condition	The Proponent shall undertake additional geotechnical investigations to identify sensitive landforms, modify engineering design for Project infrastructure, develop and implement preventative and/or mitigation and monitoring measures to minimize the impacts of the Project's activities and infrastructure on sensitive landforms.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	Plan to be provided to the NIRB for review and comment at least 60 days prior to commencement of construction activities.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Nunavut Water Board, Indigenous and Northern Affairs Canada, Qikiqtani Inuit Association
Reference	Submission of Annual Geotechnical Inspection – 2024 (Baffinland, 2024m) Annual Geotechnical Inspection – 2025 (WSP, 2025g) 2025 QIA and NWB Annual Report for Geotechnical Activities (Baffinland, 2025a) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2025b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.1.4 - Annual Geotechnical Inspection – 2025, August 29, 2025

METHODS

In 2025, WSP Canada Inc. (WSP) completed one (1) annual geotechnical inspection of Project facilities and infrastructure associated with the Mary River Project. The geotechnical inspection was conducted from July 1 and July 8, 2025 (Appendix G.1.4). During the inspection, the following structures and facilities were inspected in snow free conditions:

Mary River Mine Site:

- Polishing Waste Stabilization Pond
- Hazardous Waste Storage Berms
- Ore Stockpile Sedimentation Ponds
- Waste Rock Facility Sedimentation Pond
- KM 105 surface water management pond
- Former fuel bladder cell (Genset cell)
- Aerodrome jet fuel storage facility
- Bulk fuel storage facilities

- Non-hazardous solid waste landfill facility and two adjacent lined landfarm cells
- Surface water and drainage conditions at the QMR2 rock quarry

Milne Inlet Port Site:

- Berms around hazardous waste storage berms
- Polishing Waste Stabilization Pond
- Bulk fuel storage facility
- Landfarm facility and contaminated snow disposal cell
- Ore stockpile surface water management ponds
- Surface water and drainage conditions at the Q1 quarry

Tote Road / Haul Road:

- Drainage conditions and permafrost performance along the mine haul road and Tote Road, including culvert performance at identified locations.

The inspection consisted of walking and visual assessments of each facility, including observations of berm stability, liner condition, drainage performance, and evidence of erosion, settlement, or seepage. The inspection findings and associated recommendations are documented in the 2025 Geotechnical Inspection Report, along with an implementation plan to address identified recommendations.

In addition to the annual inspection, geotechnical assessments and investigations continued across Project areas to support engineering evaluations, drainage improvements, and future infrastructure planning.

RESULTS

Results from the 2025 geotechnical inspection indicate that the surface water management ponds and waste disposal areas across the Mary River Mine Site and Milne Inlet Port Site are enclosed by relatively shallow and generally stable perimeter berms. The berms are, in many cases, robust and show no signs of instability, including no tension cracking, excessive settlement, or significant slope erosion.

The waste storage cells and surface water management ponds comprise HDPE/LLDPE liner systems that were observed to be in good condition. No seepage was identified from any of the currently operating ponds or waste containment cells (other than the KM 105 pond) during the inspection period.

Open drainage ditches and culverts at both the Mary River and Milne Inlet Port sites are generally functioning as intended, although localized erosion, sloughing, and missing riprap protection were observed at select locations. These areas will be addressed through routine maintenance, including regrading of eroded ditch slopes and replacement of missing rockfill riprap.

Recurring drainage challenges were also observed at the lower levels of the QMR2 Quarry at Mary River and Q1 Quarry at Milne Port, where ponding water persists due to limited surface water control.

At the MS-11 surface water management pond at KM-105, seepage beneath the main dam was observed, consistent with findings from previous inspections. The trial filter berm installed within the pond was observed to be having a positive impact on surface water management as seepage water past the berm was visually observed to be relatively clean.

TRENDS

The 2025 Geotechnical Inspection Report for the Mary River Project identifies recurring drainage and surface water management challenges, particularly within quarry areas and select surface water conveyance features, where ponding water and localized erosion continue to affect drainage performance. Overall structural stability of waste containment facilities and surface water management ponds remains intact; however, minor surface disturbance and erosion were observed on select berms, primarily associated with traffic and localized settlement.

At the MS-11 surface water management pond at KM 105, ongoing seepage beneath the main dam remains a key focus area, consistent with observations from previous inspections, and further investigation and remedial planning are underway. Drainage ditches and culverts across the Project are generally functional, though deficiencies related to missing riprap, undersized or damaged culverts, and thaw-unstable subgrade conditions persist at limited locations, requiring continued maintenance and, in limited cases, replacement.

While improvements have been implemented at several locations, including surface water management features adjacent to ore stockpile areas, continued monitoring and targeted mitigation measures will continue to be implemented to address persistent drainage-related issues and support long-term infrastructure stability across the Project.

RECOMMENDATIONS / LESSONS LEARNED

Results from geotechnical investigations conducted in 2025 will be used to support the design and refinement of future Project infrastructure. Additional geotechnical investigations will continue to be undertaken as required to support engineering studies and design development. Recommendations identified in the 2025 geotechnical inspection report related to existing infrastructure will be incorporated into Baffinland's ongoing sustaining capital and maintenance programs.

Project Certificate Term and Condition No. 26

Category	Landforms and Soils - Erosion Management Plan
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To develop appropriate measures for preventing destabilization and erosion.
Term or Condition	The Proponent shall develop and implement a comprehensive erosion management plan to prevent or minimize the effects of destabilization and erosion that may occur due to the Project's construction and operation.
Relevant Baffinland Commitment	57
Reporting Requirement	Plan to be provided to the NIRB for review and comment at least 60 days prior to commencement of construction activities.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Environmental Protection Plan (Baffinland, 2021c) Surface Water and Aquatic Ecosystem Management Plan (Baffinland, 2026c) Roads Management Plan (Baffinland, 2020c)
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal/

METHODS

A comprehensive erosion management plan is included in the Project's Surface Water and Aquatic Ecosystem Management Plan (SWAEMP; Baffinland, 2026c). An earlier revision of the SWAEMP was approved by the NWB prior to the commencement of Early Revenue Phase construction.

Activity specific sediment and erosion control measures and procedures used at the Project are also discussed within Section 3.4.5 of the Project's Roads Management Plan (Baffinland, 2020c) and in the following sections of the Environmental Protection Plan (Baffinland, 2021c):

- Section 4.3 Land Disturbance;
- Section 4.9 Sediment and Erosion Control;
- Section 4.17 Road Construction and Borrow Development;
- Section 4.18 Tote Road Watercourse Crossing Installation;
- Section 4.25 Quarry and Borrow Pit Management; and
- Section 4.27 Excavations and Foundations.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 27

Category	Landforms, Geology and Geomorphology - Natural Aesthetics
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts to natural aesthetics.
Term or Condition	The Proponent shall include within its public consultation report information related to the sentiments expressed by affected communities about the impacts that changes to the topography and landscape have had on the aesthetic value of the Project area.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	The Communities of: Arctic Bay, Clyde River, Sanirajak, Igloolik and Pond Inlet
Reference	2025 Engagement Records Nunami Stantec Ltd. (Nunami Stantec, 2026). Baffinland Dust Audit 2025 Annual Report. January 30, 2026.
Ref. Document Link	Appendix B.1 – Engagement Records Baffinland Dust Audit 2025 Annual Report found at: https://baffinland.com/_resources/document_portal/DAC_Annual_Report_2025_20260126_final.pdf

METHODS

Please see Section 2 for engagement methods

RESULTS

Public consultation and community feedback did not disclose any concerns about specific impacts that changes to the topography and landscape have had on the aesthetic value of the Project area.

There continues to be concerns expressed with effects of dust on the terrestrial, marine, and aquatic environment. Baffinland shares results and mitigation efforts through the Dust Audit Committee, the Terrestrial Environment Working Group, and through annual reporting. Baffinland recognizes the importance of community concerns and remains steadfast in providing clear, transparent information and monitoring results to communities.

Baffinland undertakes annual dust monitoring throughout Project areas, and has modified its operations and incorporated changes through the years to minimize dust generation (for additional details, refer to PC Term and Condition No. 10. In 2021, an independently-led Dust Audit Committee was initiated, and continued throughout 2025, to further investigate dust concerns related to Baffinland's operations. The third-party facilitators work with a Dust Audit committee composed of representatives from each of the five (5) North Baffin communities including

Arctic Bay, Clyde River, Igloolik, Pond Inlet, and Sanirajak. Committee members were nominated by Hamlet and Hunters and Trappers Organizations to participate in the audit. The third-party facilitators along with the committee completed three (3) field investigations to date, in 2021 (September 30 to October 5), 2023 (June 8 to 14) and 2024 (April 23-26). Since the Final Recommendations Report (released publicly in February 2023), Baffinland has worked to implement the committees recommendations. The Dust Audit 2025 Annual Report (see link above) provides a concise update of the Committee's recommendations. Inuit Qaujimajatuqangit (IQ) shared by the Committee was compiled and integrated into the report (Nunami Stantec, 2026). In 2025, Baffinland monitored dust through passive dustfall, ambient air quality, sediment sampling of lakes and rivers, lake sedimentation monitoring, snow sampling, satellite imagery analysis, vegetation monitoring was also conducted for metals and chemicals.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to track and report on comments made regarding the aesthetic value of the Project area and engage with communities. Baffinland will continue to jointly work with QIA, the GoC and the Dust Audit Committee to refine its mitigations and improve the aesthetic value of the Project area.

Project Certificate Term and Condition No. 28

Category	Landforms, Geology and Geomorphology - Permafrost
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure that permafrost integrity is maintained.
Term or Condition	The Proponent shall monitor the effects of the Project on the permafrost along the railway and all other Project affected areas, including the Tote Road and must implement effective preventative measures to ensure that the integrity of the permafrost is maintained.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	During construction and operations, the Proponent shall on an annual basis, provide information regarding the results of monitoring and identifying any mitigation measures undertaken in fulfillment of this Term and Condition in the Proponent's annual report to the Nunavut Impact Review Board. Subsequently, once monitoring has demonstrated that the area(s) assessed are stable, the Proponent shall provide information regarding monitoring results and any updates to mitigation measures every two (2) years in the Proponent's annual report.
Status of PC Term and Condition	Active
Status of Compliance	In Progress
Stakeholder Review	Environment Climate Change Canada, Qikiqtani Inuit Association, Nunavut Water Board, Indigenous and Northern Affairs Canada, Nunavut Impact Review Board.
Reference	Annual Geotechnical Inspection – 2025 (WSP, 2025g)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.1.4 - Annual Geotechnical Inspection – 2025, August 29, 2025

METHODS

In 2025, WSP Canada Inc. (WSP) completed one (1) geotechnical inspection of Project facilities and infrastructure. The geotechnical inspection completed by WSP (Appendix G.2.6.2) took place from July 1 to 8, 2025, and included inspections of the following:

Mary River Mine Site:

- Polishing Waste Stabilization Pond
- Hazardous Waste Storage Berms
- Ore Stockpile Sedimentation Ponds
- Waste Rock Facility Sedimentation Pond
- KM 105 surface water management pond
- Former fuel bladder cell (Genset cell)
- Aerodrome jet fuel storage facility
- Bulk fuel storage facilities

- Non-hazardous solid waste landfill facility and two adjacent lined landfarm cells
- Surface water and drainage conditions at the QMR2 rock quarry

Milne Inlet Port Site:

- Berms around hazardous waste storage berms
- Polishing Waste Stabilization Pond
- Bulk fuel storage facility
- Landfarm facility and contaminated snow disposal cell
- Ore stockpile surface water management ponds
- Surface water and drainage conditions at the Q1 quarry

Tote Road:

- Drainage conditions and permafrost performance along the mine haul road and Tote Road
- Culverts at KM 33+100 and KM 80+500

The inspection consisted of a walkthrough and visual assessment of each facility and infrastructure component, including review of berm stability, liner condition, surface water management features, drainage performance, and evidence of settlement, erosion, or seepage. Observations were documented through field notes and photographs and assessed against design intent and applicable regulatory requirements.

In addition to the geotechnical inspection, geotechnical investigations continued in 2025 to support the design and planning of future Project infrastructure. Recommendations from the 2025 inspection will be incorporated into ongoing maintenance, sustaining capital, and future design activities, as applicable.

RESULTS

The 2025 Geotechnical Inspection Report for the Mary River Project identified limited permafrost-related concerns, with the majority of inspected infrastructure remaining stable. Drainage conditions along the Mine Haul Road and Tote Road were generally observed to be functioning as intended, with effective surface water control limiting potential impacts to the underlying permafrost.

Drainage conditions along the haul road between the crusher pad and the open pit were noted to have remained significantly improved following upgrades implemented in previous years. These improvements include upgraded side ditches, the use of whoa-boys and cross ditches to divert runoff, and improved surface water conveyance away from the road. While localized uncontrolled runoff could still pose erosion risks during summer thaw periods, particularly within ice rich soils of the active layer, field observations indicate these risks remain limited and manageable.

Borehole investigations and field observations confirm that soils underlying much of the mine haul road and Tote Road consist predominantly of thaw stable, well drained granular materials, reducing the likelihood of widespread permafrost degradation. The active layer across the Project area remains thin, generally less than 1.2 metres, and ice rich permafrost formations are limited to localized areas at lower elevations or greater depths.

No major permafrost related instabilities were observed along the Mine Haul Road or Tote Road in 2025. The overall stability of these corridors is attributed to construction over thaw stable materials, adherence to original topography, and the continued effectiveness of surface water management measures. Localized permafrost related concerns

were identified at culvert locations at KM 33+100 and KM 80+500, where thaw unstable, ice rich subgrade soils have contributed to differential settlement. These locations are being addressed through ongoing design, monitoring, and planned remediation activities.

Permafrost thawing within the Project area may occur due to natural climatic cycles, indirect human influences such as long-term thermal effects from infrastructure, or direct disturbances including deep excavations and culvert installations in thaw unstable soils. Continued monitoring and targeted mitigation measures will be applied to manage these risks and maintain long-term infrastructure stability.

Geotechnical investigations were completed for planned culvert replacements along the Tote Road to identify ground ice or other permafrost concerns requiring design mitigations.

TRENDS

Baffinland continues to monitor, evaluate mitigation strategies, and remediate identified locations as required to manage potential permafrost related effects. Previous assessments of the Tote Road and associated borrow sources conducted by Tetra Tech in 2009, 2014, 2019, 2023, and 2024 established that localized thaw settlement along the road embankment is linked to specific borrow pit locations adjacent to the road alignment.

The 2025 geotechnical inspection confirmed that changes to the thermal regime of sensitive landforms remain localized to these previously identified areas within the Project Development Area (PDA). Outside of these locations, no distinguishable Project related effects on permafrost or sensitive landforms were observed during the 2025 inspection. Overall, the observed conditions remain consistent with previous assessments and support the conclusion that Project related effects on permafrost and sensitive landforms are limited and manageable.

These findings are consistent with the Final Environmental Impact Statement (FEIS) predictions of no significant adverse effects on permafrost or sensitive landforms, provided that ongoing monitoring and targeted mitigation measures continue to be implemented.

RECOMMENDATIONS / LESSONS LEARNED

Project design and infrastructure placement continue to consider sensitive landforms and permafrost conditions, and Baffinland maintains the use of independent third-party consultants to conduct annual geotechnical inspections. These inspections support the identification of potential permafrost related risks and inform adaptive management and maintenance planning.

To address historical permafrost degradation along the Tote Road, Baffinland continues to develop, prioritize, and implement preventative and mitigation measures aimed at minimizing Project related impacts on landforms and permafrost. In response to recommendations from WSP and previous Tetra Tech inspections, Baffinland has been advancing a multi year Execution Plan focused on high priority locations along the Tote Road.

Implementation of the Execution Plan was initiated in 2019, with significant mitigation works completed in 2020 and 2021, followed by additional remedial activities between 2022 and 2024. In 2024, culvert remediation works were completed at select locations along the Tote Road to improve fish passage, while also enhancing surface water drainage and erosion control. Additional culvert remediation works are planned for 2025 and 2026, informed by ongoing inspections, monitoring results, and detailed design development.

Project Certificate Term and Condition No. 29

Category	Landforms, Geology and Geomorphology - Design Plans
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations
Objective	To confirm constructed components, meet design as assessed.
Term or Condition	The Proponent shall provide to the respective regulatory authorities, for review and acceptance, for-construction engineering design and drawings, specifications and engineering analysis to support design in advance for constructing those facilities. Once project facilities are constructed, the Proponent shall provide copies of the as-built drawings and design to the appropriate regulatory authorities.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Fisheries and Oceans Canada (DFO), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a)
Ref. Document Link	Not applicable

METHODS

Not applicable.

RESULTS

As required by the Project's Type 'A' Water Licence and Commercial Lease with QIA, two (2) engineering submissions were provided to regulatory agencies and stakeholders in 2024, comprising Issued-for-Construction (IFC) Drawings, as summarized in Table 4.15. Eight (8) as-built documentation submissions for infrastructure completed in 2025 were provided as part of the 2025 QIA-NWB Annual Report for Operations, submitted on March 31, 2026.

Table 4:15: 2025 Submissions to Regulatory Agencies and Stakeholders

Date of Submission	Regulatory Agencies and Stakeholders	Content
September 11, 2025	NWB, CIRNAC, QIA, DFO	Notification of Construction of CV-216 Emergency Bypass
December 5, 2025	NWB, CIRNAC, QIA, DFO	Notification of Construction of an Access Road to a Future Mine Site Laydown Area
March 31, 2026	NWB, CIRNAC, QIA, DFO	As-Built Report Additional Crusher Pad Laydown (Crusher Aggregate Pad)
March 31, 2026	NWB, CIRNAC, QIA, DFO	Construction Summary Report CV-187 Culvert Replacement
March 31, 2026	NWB, CIRNAC, QIA, DFO	As-Built Report Magazine Explosives Berm
March 31, 2026	NWB, CIRNAC, QIA, DFO	As-Built Report Milne Port Culvert and Sump
March 31, 2026	NWB, CIRNAC, QIA, DFO	As-Built Report Mary River Geocell Installation
March 31, 2026	NWB, CIRNAC, QIA, DFO	2025 Borrow Pit Reclamation Report
March 31, 2026	NWB, CIRNAC, QIA, DFO	As-Built Report Tote Road Bridges Approach Remediation
March 31, 2026	NWB, CIRNAC, QIA, DFO	As-Built Report Tote Road Km 64 Geocell Installation

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to provide the appropriate regulatory agencies and stakeholders, for review and acceptance, design and engineering documentation, drawings and construction summary reports (inclusive of as-built drawings) for Project infrastructure.

Project Certificate Term and Condition No. 30

Category	Landforms, Geology and Geomorphology - Quarries
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To provide oversight on quarry design and management.
Term or Condition	The Proponent shall develop site-specific quarry operation and management plans in advance of the development of any potential quarry site or borrow pit.
Relevant Baffinland Commitment	65
Reporting Requirement	Plans to be provided to the NIRB for review and comment at least 30 days prior to commencement of construction activities.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Q1 Quarry Management Plan (Baffinland, 2022c) Quarry Blasting Operations Management Plan (Baffinland, 2013b) Borrow Source Management Plan – KM 97 (Baffinland, 2014b) Borrow Pit and Quarry Management Plan (Baffinland, 2014c)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

To date, site-specific management plans for quarries and borrow sources have been developed and provided to the relevant agencies prior to development, for active quarry sources. No new management plans were submitted to the NIRB for review and comment in 2025.

RESULTS

During 2025, Baffinland operated one (1) quarry, the Q1 Quarry at Milne Port, and one (1) borrow source, the KM 97 Borrow Source near the Mine Site to support Project Road maintenance and infrastructure construction.

TRENDS

None.

RECOMMENDATIONS / LESSONS LEARNED

Site-specific management plans for new quarries and borrow sources will be developed and provided to the relevant agencies prior to development.

4.6.6 Vegetation (PC Terms and Conditions 31 through 40)

Ten (10) PC Terms and Conditions relate to the potential impacts of the Project on vegetation and several of the conditions require the development of vegetation monitoring plans within the revised draft Terrestrial Environment Mitigation and Monitoring Plan (TEMMP; Baffinland, 2023e).

Inuit & Stakeholder Feedback

Key stakeholders who have expressed concern regarding vegetation include local land users, the QIA, ECCC and the Government of Nunavut (GN). Comments have focused on the need to minimize the Project's overall footprint, concerns related to the potential introduction of invasive plants, and the potential for ore dust deposited on vegetation and soil to be taken up by plants, which could lead to potential uptake effects on wildlife such as caribou through consumption of forage near the Project area. Stakeholders have also expressed an interest in revegetation being incorporated into reclamation plans. Responses to these issues are reflected in PC Terms and Conditions No. 31 through 40. A common concern expressed by community members directly is whether or not the dust that falls on vegetation is a health issue for Inuit that harvest the terrestrial wildlife that consume that vegetation. There is no indication in recent community engagements that vegetation itself is consumed in the Project area or a concern to Inuit.

Monitoring Activities

Baffinland's vegetation monitoring programs include the following components:

- Vegetation abundance monitoring;
- Vegetation and soil base metals sampling;
- Exotic invasive plant species monitoring program; and
- Dustfall monitoring and dustfall extent analysis.

Table 4:16 provides an evaluation of the Project's impacts on vegetation.

Table 4:16: Vegetation Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Vegetation Health	Ore dust emissions result in an increase in concentrations of contaminants of potential concern in soils and vegetation	Vegetation and soil base metals sampling was last completed in 2025. Consistent with the monitoring program schedule outlined in the TEMMP (Baffinland, 2023e), this program will be completed next between 2028 and 2030 (every 3-5 years).	Soil-metal concentrations showed no significant change or were lower than baseline. Increases in lichen-metal contaminants of potential concern were occasionally observed at the Near and Far locations. Results within FEIS predictions.
Vegetation Abundance	Dustfall results in changes in species composition and vegetation abundance	Vegetation abundance monitoring was completed in 2023. Consistent with the monitoring program schedule outlined in the TEMMP (Baffinland, 2023e), this program will be completed next between 2026 and 2028 (every 3-5 years).	No Project-related effects on vegetation ground cover, canopy cover or plant group composition. Results within FEIS predictions.
Invasive Species	Invasive species introduction to North Baffin Island	Exotic Invasive Vegetation Targeted Monitoring was completed in 2020 and 2024	No new exotic invasive vegetation was identified during the 2024 program. Results within FEIS predictions.

Path Forward

Baffinland will continue monitoring vegetation at the frequency described in the TEMMP. The Terrestrial Environment and Mitigation Monitoring Plan prescribes the survey frequency for vegetation monitoring (three to five years, pending findings from ongoing incidental monitoring). Vegetation abundance is expected to occur between 2026 and 2028, while monitoring for exotic invasive vegetation is expected to occur between 2027 and 2029 (Baffinland, 2023e).

Project Certificate Term and Condition No. 31

Category	Vegetation - Construction and Operations
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations
Objective	To minimize impacts to vegetation.
Term or Condition	The Proponent shall ensure that Project activities are planned and conducted in such a way as to minimize the Project footprint.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Indigenous and Northern Affairs Canada, Nunavut Impact Review Board
Reference	Environmental Protection Plan (Baffinland, 2021c) Terrestrial Environment Mitigation and Monitoring Plan (TEMMP; Baffinland, 2016a) 2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

Baffinland's Project design philosophy focuses on minimizing earthworks, re-using existing facilities, and using pre-assembled infrastructures to minimize construction activities in the Project area. Design activities undertaken to minimize the Project footprint include:

- Using pre-cast concrete where feasible, including the use of integrated module foundations;
- Using pre-assembled material packages, such as building wall and roof panels, ground conveyors, elevated conveyors, conveyor belts, fuel tanks etc.;
- Conducting Environmental Protection Plan training, which outlines the importance of minimizing disturbed land at the Project and the process that must be followed before construction on undisturbed ground;
- Ensuring appropriate approvals are met with applicable stakeholders and land lease agreement; and
- Documenting and tracking land disturbance approvals associated with the Project.

RESULTS

At the end of 2025, the total Project footprint was 735 hectares (ha). That area is less than what was assessed in the FEIS (7,618 ha). Any unauthorized land disturbance or deviation from the PDA is reported as an incident and investigated. Overburden suitable for re-use is stockpiled for the area's remediation, wherever possible.

TRENDS

As expected, the Project footprint has increased modestly during operations to facilitate maintenance activities and support production increases (e.g. expanding equipment laydowns and mine footprint). Initial direct habitat loss

occurred primarily due to surface disturbance during construction activities, including compaction, burial, and removal. During operations, vegetation loss occurs mainly as ore extraction expands within Deposit No. 1, laydowns are constructed for material storage and infrastructure development, and quarries expand to support ongoing maintenance. The Project footprint impacts on vegetation have not exceeded FEIS predictions. Terrestrial vegetation studies have not detected significant vegetation abundance trends and diversity within the RSA associated with Project's footprint.

RECOMMENDATIONS / LESSONS LEARNED

Not Applicable.

Project Certificate Term and Condition No. 32

Category	Vegetation - Construction and Operations
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent the introduction of invasive species.
Term or Condition	The Proponent shall ensure that equipment and supplies brought to the Project sites are clean and free of soils that could contain plant seeds not naturally occurring in the area. Vehicle tires and treads in particular must be inspected prior to initial use in Project areas.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Nunavut Water Board, Indigenous and Northern Affairs Canada, Nunavut Impact Review Board
Reference	2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

Service agreements and contracts sent to suppliers include a clause “All equipment delivered to site must be free and clear of soils that may contain seeds of invasive species.” Baffinland staff conduct visual inspections of equipment and supplies during offloading to verify compliance.

RESULTS

No exotic invasive plant species have been introduced via equipment or supplies brought to the Project sites. Refer to PC Term and Condition No. 37 for additional information about site surveys for exotic invasive species.

TRENDS

The potential for introducing exotic invasive vegetation on equipment and supplies is managed through current practices. Baffinland staff, contractors and suppliers will continue to clean, inspect, and monitor all equipment and supplies before loading at source and offloading at Milne Port, as applicable. If multiple non-compliance events were to occur, Baffinland will consider using a third-party auditor to monitor compliance for better enforcement of contractual policies.

RECOMMENDATIONS / LESSONS LEARNED

Not Applicable.

Project Certificate Term and Condition No. 33

Category	Vegetation – Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To facilitate monitoring.
Term or Condition	The Proponent shall include relevant Monitoring and Management Plans within its Environmental Management System, Terrestrial Environment Management and Monitoring Plan (TEMMP).
Relevant Baffinland Commitments	57
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Draft Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2023e)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

The Project has developed an Environmental Management System (EMS) comprising Monitoring and Management Plans — among them the Terrestrial Environment Mitigation and Monitoring Plan (TEMMP). The TEMMP is periodically reviewed and revised, accounting for refinement(s) to annual monitoring protocols (as/when required). Changes are commonly discussed within the Terrestrial Environment Working Group (TEWG) and recommendations are incorporated in the annual report (if/where required).

RESULTS

Term/Conditions has been met.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 34

Category	Vegetation – Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations
Objective	Monitor metals concentrations in both soils and vegetation, particularly caribou forage (i.e., lichen) at varying distances from the PDA to compare metal concentrations in soil and vegetation between near (impacted) and far (control) sites. Determine if metal concentrations in soil and vegetation exceed CCME and relevant available threshold levels provided in the literature.
Term or Condition	The Proponent shall conduct soil sampling to determine metal levels of soils in areas with berry-producing plants near any of the project development areas, prior to commencing operations.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Mary River Project Final Environmental Impact Statement: Volume 6 — Terrestrial Environment (Baffinland, 2012) Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) 2022 Final Terrestrial Environment Annual Monitoring Report (EDI, 2023) 2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

Monitoring of metals concentrations in both soils and vegetation has been ongoing since 2012. Procedures for the vegetation and soils base metals monitoring program are described in the TEMMP. Since dustfall deposition is the primary source of anthropogenic metals at the Project, the vegetation and soil base metals monitoring program were designed to align and facilitate comparisons with the dustfall monitoring program to assess metals uptake in vegetation and soils adjacent Project activities.

The study design examines the spatiotemporal trends in soil metals and lichen metals by comparing metal concentrations 'Before' the development period (i.e., baseline sampling) and 'After' the development period (i.e., post-baseline sampling). Soil and vegetation sampling is conducted per three-to-five-year intervals, typically during the summer (late July to early August). Data has been collected from 2012 to 2022. The study area is divided into three Project areas (Milne Port, Tote Road, Mine Site), and sampling is conducted at three distances from the PDA (Near: 0–100 m, Far: 101–1,000 m, and Reference: >1,000 m). Sampling distances are informed based on the dustfall monitoring program results; vegetation and soil sample sites were paired in proximity to permanent dustfall locations.

Soil and vegetation samples are analyzed for a total of 36 elements. Reporting and interpretation of data trends focus on six (6) Contaminants of Potential Concerns (CoPCs): arsenic (As), cadmium (Cd), copper (Cu), lead (Pb), selenium (Se), and zinc (Zn). Base metal concentration thresholds and indicator values were informed by soil quality standards in Canada and values drawn from peer-reviewed literature relevant to the Canadian Arctic. All soil-metals and lichen-metals sample data were vetted and compared with Canadian Council of Ministers of the Environment (CCME) soil quality guidelines and lichen indicator values. Any aberrant values or potential exceedances (i.e., above CCME threshold or lichen indicator values) were flagged and communicated to Baffinland personnel. Data trends and statistical relationships were then examined according to the project area and sampling distances (listed above) to identify tendencies that could warrant further investigation.

RESULTS

Findings from the most recent vegetation and soil base metals monitoring program are presented in the 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b). The soil-metal concentrations at the Project predominantly indicated no net change (i.e., significant increases) from the baseline values. Values were below or within an acceptable range for soil-metal concentrations. Lichen-metal concentrations had some discrete increases in CoPCs at the Project. Still, all sample locations were below or within an acceptable range for lichen-metal concentrations.

TRENDS

Year-over-year trends indicate that soil-metal concentrations at the Project consistently indicate no net change (i.e., no significant increases) from the baseline values. Lichen-metal concentrations demonstrate some discrete increases at the Project, but values are mostly below or within an acceptable range for lichen-metal concentrations. Soil-metal and lichen-metal concentrations present a low risk to environmental and human health and safety. Monitoring will continue as outlined in the TEMMP schedule

RECOMMENDATIONS / LESSONS LEARNED

Not applicable

Project Certificate Term and Condition No. 35

Category	Vegetation – Monitoring
Responsible Parties	The Proponent, local Hunters and Trappers Organizations, Terrestrial Environmental Working Group
Project Phase(s)	Construction, Operations
Objective	To determine baseline and monitor metal levels in foraging caribou or other terrestrial wildlife species (selected by the Proponent in consultation with the Terrestrial Environment Working Group).
Term or Condition	The Proponent shall undertake monitoring of baseline metal levels in organ tissue from caribou harvested within the local study area, prior to commencing operations. The Proponent is strongly encouraged to coordinate with local Hunters and Trappers Organizations regarding procurement of harvested caribou organs. By one (1) year of issuance of the Project Certificate, the Proponent shall develop and implement an updated monitoring plan to identify metal levels in caribou or other terrestrial wildlife species (selected by the Proponent in consultation with the Terrestrial Environment Working Group).
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	The Proponent shall provide a summary discussion of its implementation of this term and condition (including the results of monitoring, adaptive management strategies, and contribution efforts undertaken) to the NIRB through the Proponent's annual monitoring report. Updated plans are expected to be submitted to the NIRB throughout the monitoring year as they are finalized.
Status of PC Term and Condition	Active
Status of Compliance	In Progress
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.2 – TEWG Meeting Records Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

As part of the approved Northern Contaminants Program (NCP) project funding for the Caribou Contaminant Monitoring Program, of which Baffinland Iron Mines Corporation is a collaborator, tissue samples of caribou harvested by hunters will be analyzed for metals, in addition to other potential contaminants. NCP project co-leads are working with the GN and the Mittimatalik Hunters and Trapper Organization (MHTO) to secure samples for analysis.

Baffinland was directed to develop and implement an updated monitoring plan to identify metal levels in caribou through an amendment to this term and condition under the Sustaining Operations Proposal that was to be

implemented by November 2024. In Q4-2023 and Q1-2024, Baffinland re-visited the topic with the GN and NCP representatives to discuss the feasibility of launching a caribou tissue sampling program based out of the Mine Site and Milne Port, commencing as early as July 2024. The proposed program involved analyzing kidney, muscle and liver samples for a full metals suite, moisture content, and mercury. Central (I1) incisors would also be collected for caribou aging. Liver, kidney, and muscle samples would be processed by Mary Gamberg Consultants in Whitehorse, who is an active member of the NCP. Teeth aging would be completed at Matson's Lab in Montana, USA, as no Canadian facilities currently offer this analysis. Baffinland developed a plan however, through further discussion with GN representatives, the program was not implemented in 2024. The GN has indicated that they prefer that Baffinland not duplicate efforts they are undertaking and informed Baffinland that communities are not supportive of two programs running concurrently. Baffinland is collaborating with the GN to support their caribou health monitoring program and will continue to apprise TEWG members of the outcomes.

RESULTS

The GN collected samples throughout 2025. Results are pending and the GN will be invited to present to the TEWG when appropriate.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to collaborate with the GN on their NCP and provide support to that program.

Project Certificate Term and Condition No. 36

Category	Vegetation – Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations
Objective	Measure percent plant cover and plant group composition of available caribou forage within the RSA to track potential changes at varying distances from the edge of the PDA through long-term monitoring.
Term or Condition	The Proponent shall establish an ongoing monitoring program for vegetation species used as caribou forage (such as lichens) near Project development areas, prior to commencing operations.
Relevant Baffinland Commitments	67
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) Mary River Project Final Environmental Impact Statement: Volume 6 — Terrestrial Environment (Baffinland, 2012) 2023 Terrestrial Environmental Monitoring Report (EDI, 2024a)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Monitor of vegetation abundance and diversity has been ongoing since 2012. Procedures for the vegetation abundance and diversity monitoring program are described in the TEMMP, and considers potential Project-related effects on the abundance and composition of caribou forage (including lichen). Vegetation abundance and diversity monitoring is conducted per three-to-five-year intervals, typically during the summer (late July to early August) and coinciding with the 'green-up' period to facilitate species identification. Data has been collected from 2012 to 2023. The study area is divided into three Project areas (Milne Port, Tote Road, Mine Site), and sampling is conducted at three distances from the PDA (Near: 0–100 m, Far: 101–1,000 m, and Reference: >1,000 m). Sampling distances are informed based on the dustfall monitoring program results; vegetation and soil sample sites were paired in proximity to permanent dustfall locations.

RESULTS

Findings from the most recent vegetation abundance and diversity monitoring program are presented in the 2023 Terrestrial Environment Annual Monitoring Report (EDI, 2024a). Direct loss of vegetation due to the Project has been limited to the PDA. So far, no net change (i.e., significant decreases) in vegetation cover abundance and/or diversity have been recorded compared with baseline and/or reference values.

TRENDS

There is no evidence that changes in vegetation abundance are due to potential Project-related effects. Variations in abundance are from natural variation between years rather than a potential Project-related effect. Trends will continue to be examined as per the TEMMP methods and schedule.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 37

Category	Vegetation – Monitoring
Responsible Parties	The Proponent, Government of Nunavut Department of Environment
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent the establishment of invasive species.
Term or Condition	The Proponent shall incorporate protocols for monitoring for the potential introduction of invasive vegetation species (e.g., surveys of plant populations in previously disturbed areas) into its Terrestrial Environment and Monitoring Plan. Any introductions of non-indigenous plant species must be promptly reported to the Government of Nunavut Department of Environment.
Relevant Baffinland Commitments	43, 68
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) 2024 Final Terrestrial Environment Annual Monitoring Report (EDI, 2025a)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Monitor of exotic invasive vegetation has been ongoing since 2012. Procedures for the exotic invasive vegetation monitoring program are described in the TEMMP. Targeted surveys of exotic invasive plant species are completed every three to five years (or as triggered by incidental observations) typically during the summer (late July to early August). Data has been collected from 2012 to 2024. The study area is divided into three Project areas (Milne Port, Tote Road, Mine Site). Surveys focus on previously disturbed areas within and adjacent to the Project footprint and along Project boundaries where exotic invasive plants are most likely to occur (e.g., along Project infrastructure, road margins, and laydown areas). Site surveys considered the level of ground disturbance (i.e., exposed soil can be more prone to establishment of invasive vegetation) and proximity to Project activities and vehicle traffic (i.e., vehicle traffic is a vector for the proliferation of invasive vegetation). Surveys focused on listed invasive species as per *Non-Native and Invasive Species in Nunavut* (Government of Nunavut 2020).

RESULTS

Findings from the most recent exotic invasive vegetation monitoring program are presented in the 2024 Terrestrial Environment Annual Monitoring Report (EDI, 2025a). No exotic invasive vegetation species were recorded during the 2024 surveys.

TRENDS

Only one (1) exotic invasive species has been recorded (in 2019) at the Project, located within the Mine Site Complex and associated with sewage/effluent management infrastructure. The species was destroyed and the area monitoring over consecutive years. There have been no other recorded exotic invasive species at the Project. Trends will continue to be examined as per the TEMMP methods and schedule.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 38

Category	Vegetation - Adaptive Management
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts to vegetation abundance, diversity, and health.
Term or Condition	The Proponent shall review, on an annual basis, all monitoring information and the vegetation mitigation and management plans developed under its Environmental Management System, Terrestrial Environment and Monitoring Plan (TEMMP) and adjust such plans as may be required to effectively prevent or reduce the potential for significant adverse Project effects on vegetation abundance, diversity and health.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be included in the Annual Report submitted to the NIRB
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board, Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a 2023 Final Terrestrial Environment Annual Monitoring Report (EDI, 2024a)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Refer to responses to Terms and Conditions No. 34, 36 and 37.

Procedures for the vegetation monitoring program are described in the TEMMP; annual monitoring activities and outcomes from this program are described in the Terrestrial Environment Annual Monitoring Report (TEAMR) for each year of implementation. As part of an adaptive management approach, Baffinland carefully review these findings and present them to the TEWG to discuss study design and emerging trends. Recommendations to modify the vegetation monitoring programs are evaluated and implemented based on the appropriate rationale supported by data trends, interpretations, and statistical analyses. Where applicable, any changes to assessment objectives and protocols are documented in the TEMMP and TEAMR.

RESULTS

The TEMMP was most recently revised and updated in 2025, taking into account comments from the QIA and the planned construction of the Southern Rail. It is currently being reviewed by QIA and will be available to the TEWG for review. The current adaptive management approach, based on engagement with the working groups has led to modifications to the study design and methods supported by data trends, interpretations, and statistical analyses. Baffinland will continue with this approach. See also Summary for PC Term and Condition No. 50.

TRENDS

There is no evidence that changes in vegetation abundance, diversity, and health are due to potential Project-related effects. Variations in abundance are from natural variation between years rather than a potential Project-related effect. Trends will continue to be examined as per the TEMMP methods and schedule.

RECOMMENDATIONS / LESSONS LEARNED

Not Applicable.

Project Certificate Term and Condition No. 39

Category	Vegetation - Reclamation and Revegetation
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent erosion and promote progressive revegetation of disturbed areas.
Term or Condition	The Proponent shall develop a progressive revegetation program for disturbed areas that are no longer required for operations, such program to incorporate measures for the use of test plots, reseeding and replanting of native plants as necessary. It is further recommended that this program be directly associated with the management plans for erosion control established for the Project.
Relevant Baffinland Commitment	39
Reporting Requirement	To be provided to the NIRB for review and comment at least 60 days prior to commencement of construction activities.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board
Reference	Interim Closure and Reclamation Plan (Baffinland, 2025h) Research Review: Advances in Arctic Reclamation —Implications for Reclamation Practices & Trials at the Mary River Project (EDI, 2019) Reclamation Pilot Study: Revegetation Survey & Preliminary Reclamation Trial, 2023 Project Update (EDI, 2024b). Reclamation Pilot Study: Revegetation Survey & Preliminary Reclamation Trial, 2025 Project Update (EDI, 2025b).
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.2 – 2025 Reclamation Pilot Report

METHODS

Building from a desktop research review, a field-based Reclamation Pilot Study was initiated (Winter 2018-2019) that was intended to enhance reclamation success at the Project and guide future reclamation activities that support the environmental compliance and sustainability of the Project. The first field component of this reclamation pilot study (Summer 2019) focused on surveying natural/unassisted revegetation at the Project and establishing a preliminary trial design. The second field component (Summer 2021) expanded the number of survey locations and reclamation trial sites.

Findings from the 2025 Reclamation Pilot study are summarized in (EDI, 2025b; Appendix G.4.2 – 2025 Reclamation Pilot Report) and was presented to the TEWG in November, 2025. The findings confirms that cover vegetation continues to increase and the health and vigour of cover vegetation at all sites are improving.

TRENDS

The reclamation trial timeframe addresses early establishment of vegetation and provides insight into some of the conditions, challenges and opportunities at the Project (i.e. that unassisted revegetation does occur at the Project). Longer-term perspectives will be gained through ongoing monitoring and 'scaling-up' of progressive reclamation trials and initiatives.

RECOMMENDATIONS / LESSONS LEARNED

The preliminary reclamation trials from 2019 to 2025 are intended to be a starting point for research and development to examine revegetation strategies appropriate for and adaptable to the Project. The findings provide insight into some of the conditions, challenges and opportunities at the Project. However, the Pilot Study is currently based on a small sample size. During appropriate phases of the Life-of-Mine cycle, Baffinland will consider evaluating Project features that could be decommissioned and/or reclaimed to reduce the Project's disturbance footprint.

Project Certificate Term and Condition No. 40

Category	Vegetation - Reclamation and Revegetation
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent erosion and promote progressive revegetation of disturbed areas.
Term or Condition	The Proponent shall include revegetation strategies in its Site Reclamation Plan that support progressive reclamation and that promote natural revegetation and recovery of disturbed areas compatible with the surrounding natural environment.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	QIA
Reference	Interim Closure and Reclamation Plan (Baffinland,2025h) Reclamation Pilot Study: Revegetation Survey & Preliminary Reclamation Trial, 2025 Project Update (EDI, 2025b). Research Review: Advances in Arctic Reclamation — Implications for Reclamation Practices & Trials at the Mary River Project (EDI, 2019)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

As described in the Interim Closure Reclamation Plan (ICRP), a Reclamation Research program was proposed to identify best practices for promoting natural revegetation that will inform the progressive revegetation program for disturbed areas that are no longer required for operations. Due to limited research for mines in the Canadian Arctic, the research will focus on developing methods to successfully achieve sustainable vegetation cover that meets the desired land use for the Project sites post-closure, in the shortest duration possible. These sites include gravel roads, gravel pads, waste rock, stockpiles, and waste dumps. The objective of the Reclamation Research Program is to identify methods to successfully achieve a sustainable vegetation cover, and the ability of a vegetation cover to enhance physical stability and the desired aesthetic conditions for the Project site at closure.

In 2019, Baffinland retained Environmental Dynamics Inc. (EDI) to complete a desktop review of available practices and recent advances from Arctic mine reclamation in Canada's northern territories and Alaska, USA (EDI, 2019). Following this, a field program to assess current conditions and establish test plots was implemented in 2019. The first field component (summer 2019) focused on surveying natural/unassisted revegetation at the Project and establishing a preliminary trial design. The second field component (summer 2021) expanded the number of survey locations and reclamation trial sites. Periodic follow-up monitoring occurred in summer 2020-2025.

The reclamation pilot study involved the establishment of reclamation plots to assess methods for surface preparation. Two surface configurations were applied: (1) 'rough and loose' and (2) 'track packing'. Periodic follow-up monitoring (summer 2020-2025) documented site revegetation status and related observations (EDI, 2025b).

RESULTS

Test plot locations were re-evaluated annually from 2020 to 2025. A general observation was that surface preparations (i.e., rough-and-loose and track-packing) had been 'washed out' due to weathering and were no longer apparent at any trial sites. The surface preparations are intended to create surface heterogeneity and micro-site conditions favourable to seed establishment and germination while reducing erosion potential and enhancing surface stability. All sites were stable and deemed low erosion potential; but wind erosion and 'wind-swept' surface soil (i.e., due to saltation and sediment creep) were apparent. Evidently, given the Project setting being prone to prolonged periods of high wind, these surface preparations should represent a short-term mitigation and reclamation strategy.

Moreover, an increasing number of small forbs and graminoids had colonized all sites (KM 16, KM 18, KM 52). The highest levels of revegetation (i.e., based on a visual assessment) were observed at KM 18 and KM 16 (both characterized as subxeric), whereas KM 52 (characterized as xeric) had the lowest levels of revegetation. Notably, the status of volunteer colonization and revegetation at KM18 was more advanced than expected, given only 1-year post-disturbance. In this case, adjacent land vegetation cover remained intact and viable. Following 2021 surface preparations, this species is suspected to have quickly adapted to site conditions leading to its predominance within the disturbed landscape. A similar observation regarding the proximity and viability of adjacent vegetation cover was made with respect to the vegetation cover conditions at KM 16 during the 2019 assessment.

The 2025 update of the Reclamation Pilot study (EDI, 2025b) confirms that cover vegetation continues to increase and the health and vigour of cover vegetation at all sites continues to improve.

TRENDS

Rates of natural revegetation in the Arctic are characteristically slow due to the region's climate, narrow growing season, and challenging site conditions and terrain. A key observation of the revegetation survey is that natural/unassisted revegetation does occur at the Project. Revegetation following disturbance appeared to be shaped by initial starting conditions, such as the level of landscape disturbance (i.e., landscape form and function), soil characteristics (i.e., nutrient availability and organic matter content), and integrity of nearby 'undisturbed' vegetation (i.e., as a source of native seed).

RECOMMENDATIONS / LESSONS LEARNED

So far, study findings provide insight into some of the conditions, challenges and opportunities at the Project. Baffinland will continue to review locations for new test sites, intending to establish test plots across various landscapes intersected by the Project. Medium-scale sites may be reviewed where mine-disturbed areas are no longer required for operations and can be set aside for reclamation trials.

4.6.7 Freshwater Environment (PC Terms and Conditions 41 through 48a)

Nine (9) PC Terms and Conditions (includes No. 48 and 48a) relate to the potential impacts of the Project on the freshwater environment, focused on fish and other freshwater biota. Several of the conditions recommend environmental protection measures, such as setbacks from watercourses and meeting blasting thresholds, or relate to meeting discharge requirements for effluents and runoff (the latter is evaluated in Section 4.6.5).

Inuit & Stakeholder Feedback

Fisheries and Oceans Canada (DFO) administers the fish and fish habitat sections of the Fisheries Act and is therefore the primary stakeholder with respect to freshwater biota. The Nunavut Water Board (NWB) also regulates in-water structures such as bridges and culverts. In previous environmental reviews, the QIA has also provided valuable feedback for freshwater biota. Community members have previously raised concerns regarding Arctic char abundance and health in the Milne Inlet and Eclipse Sound area in general, however, these comments have not identified any specific freshwater bodies that the Project interacts with. It is worth noting that the Project does not interact with freshwater bodies containing anadromous (sea run) Arctic char.

Monitoring Activities

Monitoring activities undertaken in relation to the freshwater environment include:

- Due diligence monitoring of fish habitat offsetting measures completed under the 2007 Authorization (DFO, 2007) under the *Fisheries Act* for water crossings along the Tote Road as a result of a letter of authorization issued by DFO to complete remediation of culverts along the Tote Road (DFO, 2024a);
- Monitoring of the freshwater environment as part of the Aquatic Effects Monitoring Program (AEMP), including water and sediment quality, and aquatic biota (including phytoplankton, benthic invertebrates and fish), as well as sedimentation rates;
- Monitoring under the Type A Water Licence (NWB, 2025)
- Monitoring under the Metal Mining Effluent Regulations
- Monitoring of the water quality at representative water crossings under the Tote Road Monitoring Program (TRMP) to assess the potential for Project-related effects as a result of sedimentation and erosion; and
- Following engagements with the local communities, monitoring of fish health in Qurluktuk, Tugaat and Iqaluit River systems.

2025 assessments of Project fish bearing water crossings were completed by a third-party Professional Fisheries Biologist in July of 2025. The emphasis of the 2025 monitoring program was to assess the presence of fish, habitat quality, and upstream accessibility through installed culverts at fish-bearing sites and identify crossings requiring remediation to allow for fish passage. Culvert maintenance was conducted on multiple culverts on the Tote Road in 2025 to: stabilize road embankments, remediate erosional zones, remove sediment deposits at silt fencing and swales, add riprap stone to swales with check dams, and install erosion and sediment controls were required, in accordance with the SWAEMP (Baffinland, 2026c).Details are provided within NWB-QIA Annual Report for Operations (Baffinland, 5), Appendix C.1.1 as well as Appendix C of the 4 Tote Road Fish Habitat Monitoring Annual Report (Appendix G.2.8).

For more information on the fish habitat assessments conducted in 2025, as well as the status of culvert remediation along the Tote Road, please refer to the 2025 Tote Road Fish Habitat Monitoring Report in Appendix G.1.6.

The AEMP encompasses several component studies, including the Core Receiving Environment Monitoring Program (CREMP). The results of the 2025 CREMP indicate potential change occurring in select water and sediment quality and biota communities at some of the primary receiving systems, in comparisons to select applicable reference and/or baseline conditions. Response actions under the AEMP Management Response Framework were triggered in some instances to better understand and potentially mitigate identified Project-related effects.

Another key component of the AEMP is the Lake Sedimentation Monitoring Program, which monitors dust and sediment deposition rates in Sheardown Lake NW in an effort to better understand and evaluate potential mine-related influences on biota (e.g. fish larvae hatching success). Currently, the Lake Sedimentation Monitoring Program is conducted annually and involves the deployment and retrieval of submerged sediment traps to determine sediment deposition rates, density, and thickness during ice-cover and open water periods

After further engagement with the MHTO regarding monitoring Arctic char in freshwater bodies near Milne Inlet, Baffinland implemented a monitoring program in 2021 and 2022 to survey the Tugaat, Qurluktuk and Iqaluit freshwater systems. Iqaluit Lake was sampled for the first time in 2022, while Tugaat and Qurluktuk lakes were sampled a second year in a row. Following the completion of the field component, Baffinland met with the MHTO representatives to discuss the final 2021 and preliminary 2022 results of the monitoring program. Baffinland reengaged MHTO in Q1 of 2024 to confirm locations where the 2024 monitoring should occur. Details of this monitoring program and results of the 2021, 2022 and 2024 field monitoring can be found in the 2024 Milne Inlet Freshwater Fish Health Program Report (Minnow, 2025c). No monitoring occurred in 2025 and is currently scheduled on a 3-year cycle.

Table 4.18 provides an evaluation of the Project's impacts on the freshwater environment, relative to predictions presented in the FEIS and FEIS Addendum (Baffinland 2012; 2013a).

Path Forward

Ongoing maintenance of the Tote Road to maintain effective surface water drainage and support safety and operational requirements for ongoing operations will continue to follow the Tote Road Earthworks Execution Plan (TREEP; Golder, 2017) and the Hatch Ltd. (Hatch, 2013) design as well as designs recently submitted for 20 priority crossings to DFO for approval. Tote Road culvert upgrades associated with the permanent crossing remediation work under the Type 'A' Water Licence and DFO LOA are planned to continue in 2026 and beyond. (NWB, 2025, DFO, 2024). Following the identification of structural integrity concerns with some of the upgraded crossings during the open water season of 2024, Baffinland determined additional engineering and geotechnical investigations are required to inform engineering design of the remaining crossing upgrades. Baffinland conducted detailed engineering and hydrological studies to mitigate observations from previous construction and continues to work with DFO on the permanent crossing plans to ensure planned modifications to fish bearing crossings are in compliance with the Fisheries Act (Ministry of Justice, 2019). Baffinland will continue implementing the CREMP in 2026. Monitoring will continue in 2026 to assess fish passage at crossings on fish-bearing streams, to assess the condition and performance of the crossings, and to evaluate the effectiveness and performance of remediation works conducted.

Table 4:17: Freshwater Environment Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Freshwater Biota	Culvert replacements or extensions; sea container crossings were removed	Due diligence monitoring of compensation works completed under the 2007 authorization under the *Fisheries Act*	All compensation works are effective and within FEIS predictions
	Culvert perching	Due diligence monitoring of culvert perching consistent with the requirements of the 2007 authorization under the *Fisheries Act*	Where culvert perching has occurred, appropriate remedial measures are being planned and implemented under the Type 'A' Water Licence and DFO approvals to address fish passage issues. This remedial work is ongoing and will continue to be reported.
	Water withdrawals from lakes affecting nearshore fish habitat	Measure/monitor and report water usage in accordance with water licence limits	Water usage completely within water licence limits; effects are within FEIS predictions
	Fish impingements at camp and dust suppression water takes	No monitoring; appropriate screens are used on all intakes	Within FEIS predictions

Project Certificate Term and Condition No. 41

Category	Freshwater Aquatic Environment - Setbacks
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts of runoff into freshwater aquatic habitat.
Term or Condition	Unless otherwise approved by regulatory authorities, the Proponent shall maintain a minimum 100-metre naturally-vegetated buffer between the high-water mark of any fish-bearing water bodies and any permanent quarries with potential for acid rock drainage or metal leaching.
Relevant Baffinland Commitment	64, 65
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Nunavut Water Board, Crown-Indigenous Relations and Northern Affairs Canada, Nunavut Impact Review Board
Reference	Borrow Pit and Quarry Management Plan (Baffinland, 2014c) Q1 Quarry Management Plan (Baffinland, 2022c) QMR2 Quarry Management Plan (Baffinland, 2021i) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland maintains the 100 metre (m) naturally vegetated buffer from the high-water mark to any fish bearing waterbodies during the development and operation of the quarries at the Project. Baffinland continues to evaluate active quarries to assess the potential for generating Acid Rock Drainage (ARD) or Metal Leaching prior to and during development. Geochemical investigations have been carried out at the proposed sites, and ARD sources are avoided to the extent practicable. Additionally, Baffinland maintains specific quarry management plans that outline testing requirements to identify potential acid rock drainage material encountered during quarry operation and maintains appropriate buffers to fish bearing waters.

RESULTS

No new quarries were developed in 2025. Existing quarries maintained the 100 m buffer from the high-water mark to any fish bearing waterbodies. A discussion of geochemistry sampling of quarry rock and surface water runoff monitoring downstream of Project areas and quarries is provided in Section 9.5 and Section 7.4, respectively, of the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a), however now new blasting and therefore associated testing occurred for quarry materials in 2025.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

New quarry developments will continue to be tested for ARD and Metal Leaching using the Protocol for the Assessment for the Potential for ARD (Borrow Pit and Quarry Management Plan, Baffinland, 2014c; Appendix 2) and the 100 m buffer from the high-water mark to any fish bearing water bodies will be maintained.

Project Certificate Term and Condition No. 42

Category	Freshwater Aquatic Environment - Setbacks
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts of runoff into freshwater aquatic habitat.
Term or Condition	The Proponent shall maintain minimum a 30-metre naturally-vegetated buffer between the mining operation and adjacent water bodies.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Crown-Indigenous Relations and Northern Affairs Canada, Nunavut Impact Review Board
Reference	Environmental Protection Plan (EPP; Baffinland, 2021c) Type A Water License (NWB, 2025)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland continues to perform regular inspections during construction activities to ensure all Project-related operations are at a distance greater than 31 m from any waterbody, except where authorized under the Type 'A' Water License or inspectors directions. If infractions are discovered, responsible departments for development areas are actioned to remove materials or infrastructure, and to reclaim the developed area. New proposed development areas undergo a review process to ensure the area has a setback of 31 m from the high-water mark of natural waterbodies, or is otherwise approved by the NWB. Consultants preparing design drawings for new infrastructure are also made aware of the requirement. Baffinland conducts orientation training on the Environmental Protection Plan (EPP; Baffinland, 2021c) for new contractors. The presentation provides an overview of key Project activities and the required natural vegetation buffers to any waterbodies. Additionally, infrastructure is routinely inspected bi-weekly to ensure that the 31 m distance from the high-water mark is being maintained.

RESULTS

No permanent or temporary Project-related operations were sited within 31 metres of a waterbody during 2025, unless authorized under the Type 'A' Water License or inspectors directions.

TRENDS

Project operations have maintained a 31 m buffer around waterbodies, except where activities were authorized under the Type 'A' Water License or inspectors directions; this condition continues to be enforced (NWB, 2025).

RECOMMENDATIONS / LESSONS LEARNED

Baffinland personnel continue to monitor all new Project developments to ensure the 31 m buffer condition is adhered to, unless authorized under the Type 'A' Water License and inspectors directions (NWB, 2015). Baffinland communicates requirements and mitigation to Baffinland staff and contractors through the orientation process and training initiatives.

Project Certificate Term and Condition No. 43

Category	Freshwater Aquatic Environment - Drainage
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To mitigate impacts of runoff into freshwater aquatic habitat.
Term or Condition	Prior to the start of construction, the Proponent must submit a Site Drainage and Silt Control Plan to the appropriate regulatory authorities for approval.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Aquatic Effects Monitoring Plan (Baffinland, 2026e) Surface Water and Aquatic Ecosystem Management Plan (Baffinland, 2021d) Long Term Water Management Plan (Baffinland, 2021e)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Drainage plans for Project sites and silt/sediment control measures used at the Project are outlined in the Project's Surface Water and Aquatic Ecosystem Management Plan (SWAEMP; Baffinland, 2021d). A modification to the Type 'A' Water Licence for the implementation of the Milne Port Ore Stockpile Water Management Upgrades was approved in 2018 (Baffinland, 2018d). A modification to the Type 'A' Water License for the implementation of the Mary River Long Term Water Management Plan was approved in 2021 (Baffinland, 2021e). These plans were developed to manage surface water at Milne Port and the Mine Site and reduce the volume of surface water in contact with project infrastructure by diverting surface flow using berms, ditching and culverts around and through developed areas of the Project and constructing surface water management ponds as required

RESULTS

The Long-Term Water Management Plan continued to be implemented in 2025 and details are provided in Appendix E.8.3 of the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026e). Baffinland will continue to implement short-term Erosion and sediment control measures described in the SWAEMP (Baffinland, 2021d).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

The SWAEMP will continue to be followed and enforced at the Project.

Baffinland will continue to implement the approved Long Term Water Management Plan for the Mine Site, to address areas where sedimentation and erosion issues have been identified through Project monitoring.

Project Certificate Term and Condition No. 44

Category	Freshwater Aquatic Environment - Explosives
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts of explosives on freshwater aquatic habitat.
Term or Condition	The Proponent shall meet or exceed the guidelines set by Fisheries and Oceans Canada for blasting thresholds and implement practical and effective measures to ensure that residue and by-products of blasting do not negatively affect fish and fish habitat.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Guidelines for the Use of Explosives In or Near Canadian Fisheries Waters (Wright and Hopky, 1998) Environmental Protection Plan (EPP; Baffinland, 2021c)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland implements the management practices for blasting in or near water as outlined in Section 4.24 of the Environmental Protection Plan (EPP; Baffinland, 2021c).

RESULTS

No blasting occurred in 2025 within the required setback distances detailed in the DFO guidance document titled "*Guidelines for the Use of Explosives In or Near Canadian Fisheries Waters*" (Wright and Hopky, 1998).

TRENDS

Not applicable. To date, no blasting has occurred within the required setback distances at the Project.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 45

Category	Freshwater Aquatic Environment - General
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts to freshwater aquatic habitat.
Term or Condition	The Proponent shall adhere to the No-Net-Loss principle at all phases of the Project to prevent or mitigate direct or indirect fish and fish habitat losses.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Fisheries and Oceans Canada (DFO)
Reference	Fisheries Act Authorization No. 18-HCAA-00160 (For Freight Dock; DFO, 2019) No Net Loss and Monitoring Plan (Knight Piésold, 2007) Code of Practice, Culvert Maintenance (DFO, 2022)
Ref. Document Link	Not applicable

METHODS

In 2025, Baffinland was issued Fisheries Act Authorization 25-HCAA-01876 for the construction of a bypass road at the CV-216 (KM 81) crossing on the Milne Inlet Tote Road. Under the No-Net-Loss principle and in accordance with the requirements of the Authorization, Baffinland provided an offsetting plan to DFO in 2025 and intends to implement these measures in 2026.

Milne Port Freight Dock

Monitoring of habitat offsetting works associated with the Milne Port Freight Dock was completed in 2024 under the frequency of monitoring set out in the DFO approved monitoring plan. The next year of monitoring is scheduled for 2027 when biophysical surveys and a stability assessment will be conducted.

In 2025, DFO issued an amendment to the *Fisheries Act Authorization* for the Freight Dock to allow construction of rocky reef habitat in proximity to the Freight Dock to satisfy offset requirements related to the final surveys of the Freight Dock footprint in 2019. Baffinland intends to construct this rocky reef habitat in 2026.

Milne Inlet Tote Road Water Crossings

From July 9-20, 2025, assessments of freshwater fish-bearing water crossings were completed by a third-party Professional Fisheries Biologist. The emphasis of the 2025 spring monitoring program was to assess the presence of fish, habitat quality, and upstream accessibility through installed culverts at fish-bearing sites.

Baffinland implements a proactive approach to prevent the onset of reduced fish passage in watercourse crossing infrastructure by installing, inspecting, and maintaining crossings in adherence with the approved Hatch (2013) design. Measures that Baffinland follows include the following:

- Install at least one (1) culvert at each fish bearing crossing with an embedment depth in the streambed that is 10% of the culvert diameter (i.e., a 2,000 mm diameter culvert requires an embedment depth of 200 mm);
- Install rip rap erosion protections at culvert outlets to prevent scour that can result in perched or hanging culverts;
- Inspect culverts to verify inlets and outlets are free of debris and sediment and there are no signs of erosion;
- Inspect culverts in fish bearing crossings to verify they are embedded in the streambed (i.e., not perched or hanging);
- Inspect culverts to verify they are free draining;
- Inspect culverts to verify they are in good structural condition (i.e., ends are not damaged, no buckling, etc.); and
- Complete mitigations at the first sign of potential for reductions in fish passage, in consultation with DFO personnel and in compliance with the Code of Practice for culvert maintenance (DFO, 2022).

RESULTS

Milne Port Freight Dock (Fisheries Act Authorization No. 18-HCAA-00160)

The monitoring indicates that the constructed offset habitat at the Freight Dock is providing a suitable and stable substrate for continued colonization and growth of marine organisms including macroalgae, fish and motile/sessile invertebrates.

Milne Inlet Tote Road Water Crossings (Fisheries Act Authorization No. NU-06-0084)

Fish use assessments were completed at fifty (50) fish-bearing crossings during the spring of 2025. Overall, catch totals in 2024 were similar to surveys in previous years at many crossings. Spring electrofishing surveys captured or observed six hundred and eighty-eight (688) juvenile Arctic Char at forty-eight (48) crossings and sixty-four (64) Ninespine Stickleback at fourteen (14) of the crossings.

No fish passage or habitat issues were documented at 31 of the 50 fish bearing water crossings. Potential issues with fish passage and/or habitat were observed at nineteen (19) fish-bearing crossings.

TRENDS

Current monitoring and assessment of project watercourses is sufficiently robust to identify fish passage issues. Fourteen (14) crossings (CV-154a, CV-129, CV-114, CV-111, CV-061, CV-061b, BG-50, BG-33, CV-214, CV-215, BG-27, CV-224, CV-225 and CV-186) had perched fish passage culverts in spring 2025. Unusually low water levels observed during the survey contributed to the perching at five of these sites. Culverts at BG-27 and CV-186 were reported to be damaged, potentially impeding at least some upstream movements.

Baffinland is continuing to work with Fisheries and Oceans Canada (DFO) to address fish passage issues along the Tote Road at specific locations. Throughout 2025, Baffinland continued to develop a plan to address culverts and fish passage issues and to work with DFO as the plan developed.

In 2025 recognizing the challenges experienced with the original designs submitted to DFO for approval in 2024, Baffinland developed a Gap Closure plan that was submitted to DFO in June outlining a modified approach to progress the remaining priority culverts. The plan outlined that it was important for site-specific hydrotechnical and geotechnical assessments to be conducted to support Baffinland's understanding of the failures observed at some of the crossings that were re-constructed in 2024. The assessments were conducted in summer 2025 with external expertise to inform on site-specific design specifications for reconstructing crossings where settlement had occurred, as well as informing on site-specific retrofits and replacement new designs for the remaining priority culvert crossings. In collaboration with DFO, it was determined that some crossings could be retrofitted with minor works to re-establish fish passage while others still required a complete replacement to resolve fish passage issues. Designs and approvals are ongoing with DFO. Active work on approved designs in frozen conditions commenced in late 2025.

Construction of the bypass road at CV-216 was initiated in October 2025 and is continuing in early 2026. The offsetting plan for CV-216 is planned to be implemented in summer 2026.

Year 5 of habitat offset monitoring at the Freight Dock completed in 2024 indicated that the three-dimensional structure of the introduced habitat is providing a suitable and stable substrate for colonization and growth of marine organisms, as evidenced by the presence of macroalgae, motile invertebrate, and fish taxa. Post-construction monitoring is required in years 1, 2, 5, 8 and 10. The next year of monitoring is scheduled for 2027 when biophysical surveys and a stability assessment will be conducted.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to routinely inspect fish bearing water crossings at the Project and address identified concerns. Remedying fish passage concerns at water crossings remains a top priority for Baffinland to ensure compliance with the Project's Tote Road *Fisheries Act Authorization* (NU-06-0084; DFO, 2007) and the No Net Loss and Monitoring Plan (Knight Piésold, 2007). Assessments of fish bearing water crossings will be continued in 2026 as part of the Project's fish habitat monitoring program.

Future Tote Road remedial works/improvements/realignments required in support of on-going operations and future expansion projects will either follow the Code of Practice for culvert maintenance or a request for review will be submitted to DFO with the approved designs prepared by qualified consultants. Baffinland is currently working to revise crossing design and engineering based on lessons learned from the 2024 construction program. Updated designs are planned to be provided to DFO along with updated construction timelines in 2026. Baffinland will continue to work with DFO to ensure planned modifications to fish bearing crossings are in compliance of the *Fisheries Act*.

Monitoring will continue in 2025 to assess fish passage at crossings on fish-bearing streams, to continue to assess the condition and performance of crossings, and to evaluate the effectiveness and performance of remediation works conducted. Similarly, monitoring of the Freight Dock offsetting habitat will be subject to monitoring to confirm effectiveness.

Project Certificate Term and Condition No. 46

Category	Freshwater Aquatic Environment – Drainage
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate impacts to freshwater aquatic habitat.
Term or Condition	The Proponent shall ensure that runoff from fuel storage and maintenance facility areas, sewage and wastewater other facilities responsible for generating liquid effluent and runoff meet discharge requirements.
Relevant Baffinland Commitment	64
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Progress
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Environment and Climate Change Canada (ECCC), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Fresh Water Supply, Sewage and Wastewater Management Plan (FWSSWMP; Baffinland, 2026d) Sampling Program - Quality Assurance and Quality Control Plan (Baffinland, 2025j) Type 'A' Water Licence (NWB, 2025) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Consistent with the FWSSWMP (Baffinland, 2026d), prior to discharge, wastewater (e.g. treated sewage, treated contact water, oily water, etc.) is sampled to ensure water quality meets the applicable discharge criteria. Wastewater that meets the applicable discharge criteria is discharged to the receiving environment. Water samples are routinely taken prior to and during wastewater discharges to ensure the water quality remains in compliance with the applicable discharge criteria. In the event that water quality sampling during a discharge indicates that the water quality has changed and is no longer in compliance with the applicable discharge criteria, the discharge of the non compliant wastewater is halted.

Wastewater that does not meet the applicable discharge criteria is treated on-site using approved treatment methods (e.g. sewage treatment plants, mobile oily water treatment systems, WRF treatment plant, etc.) and is not discharged to the receiving environment until it has been confirmed by water quality analysis that the treated wastewater meets the applicable discharge criteria.

All water sampling at the Project is conducted in accordance with the Project's Sampling Program - Quality Assurance and Quality Control Plan (Baffinland, 2025j).

As required by the Type 'A' Water Licence (NWB, 2025), volumes and water quality analysis of all wastewater discharged to the receiving environment are reported to regulators (CIRNAC, NWB) on a monthly and annual basis. As a requirement of MDMER, volume and water quality results from the approved Final Discharge Point (FDP) for discharges from the surface water management ponds associated with the Crusher Facility (CF), KM 106 Run of Mine Ore Stockpile Facility, KM 105 Sedimentation Pond, and Waste Rock Facility (WRF) at the Mine Site are reported to ECCC on a quarterly and annual basis.

Methodology for effluent discharges in 2025 are discussed in the Project Certificate Term and Condition No. 17 as well as in the 2025 QIA-NWB Annual Report for Operations (Baffinland, 2026a)

RESULTS

Results from effluent discharges in 2025 from sewage treatment plants (STPs), surface water management ponds associated with ore and waste rock facilities, and oily water retained in containment areas, such as bulk fuel facilities and landfarms/landfills, are discussed in Project Certificate Term and Condition No. 17 as well as in the 2025 QIA-NWB Annual Report for Operations (Baffinland, 2026a). Effluent treatment systems operated at the Project in 2025 include:

- Sewage Treatment Plants (STPs) at Milne Port (MP-01, MP-01B) and the Mine Site (MS-01B) (Mine Site STP MS-01 was shut-down in late December 2024 as sufficient treatment capacity for sewage wastes generated at the Mine Site was achieved via STP MS-01B;
- Mobile Oily Water Treatment System (OWTS), at the Mine Site (MS-MRY-06);
- Waste Rock Facility Water Treatment Plant (WRF WTP) at the Waste Rock Facility (MS 08);
- Mine Site Km 105 Surface Water Management Infrastructure (MS-11);
- Mine Site Crusher Facility Pond (MS-06);
- Mine Site Km106 Run-of-Mine Ore Stockpile Facility Pond (MS-07); and
- Milne Port Ore Stockpile Facility Pond (MP-06).

TRENDS

Trends from effluent discharges in 2025 are discussed in the Project Certificate Term and Condition No. 17 as well as in the 2025 QIA-NWB Annual Report for Operations (Baffinland, 2026a). Overall, the frequency of incidents involving the discharge of effluents to the receiving environment that exceed the applicable discharge criteria have remained low and incidental since the start of operations in 2014. All effluent discharges were compliant with the applicable discharge criteria with the exception of one (1) event, a significant improvement from the previous reporting period that occurred at the KM 105 Surface Water Management Facility Pond (MS-11). For more information on this event, as well as a discussion on monitoring data and results from all relevant discharges throughout 2025, please refer to the QIA-NWB Annual Report for Operations (Baffinland, 2026a).

RECOMMENDATIONS / LESSONS LEARNED

Recommendations and lessons learned from effluent discharges in 2025 are discussed in the Project Certificate Term and Condition No. 17.

Project Certificate Term and Condition No. 47

Category	Freshwater Aquatic Environment – Watercourses
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent blockages or restrictions to fish passage.
Term or Condition	The Proponent shall ensure that all Project infrastructure in watercourses are designed and constructed in such a manner that they do not unduly prevent and limit the movement of water in fish bearing streams and rivers.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Fisheries and Oceans Canada (DFO), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	Fish Habitat No Net Loss and Monitoring Plan (Knight Piésold, 2007) *Fisheries Act* Authorization No. NU-06-0084 (For Tote Road Crossings; DFO, 2007)
Ref. Document Link	Not applicable

METHODS

A fish habitat monitoring plan was developed by Baffinland to ensure that all measures and works specified in the No Net Loss and Monitoring Plan (Knight Piésold, 2007), as well as the *Fisheries Act* Authorization (NU-06-0084; DFO, 2007) and amendments, are implemented and are functioning as intended. Under Baffinland's Tote Road *Fisheries Act* Authorization, annual assessments of watercourse crossing infrastructure are conducted by qualified professionals at all fish bearing crossings with the objective of maintaining connectivity for fish species and verifying the functionality of all existing culverts. In 2025, monitoring was conducted at fish bearing water crossings at the Project. The methodology of the 2025 program is discussed in Project Certificate Term and Condition No. 45.

Baffinland is continuing to work with DFO to address fish passage issues along the Tote Road at specific locations. Baffinland is currently working to revise crossing design and engineering based on lessons learned from the 2024 construction program. Updated designs are planned to be provided to DFO along with updated construction timelines in 2026. Baffinland will continue to work with DFO to ensure planned modifications to fish bearing crossings are in compliance of the *Fisheries Act*.

Construction work was initiated at the CV-216 (KM 81) crossing in September 2026 to construct a bypass road and new culvert crossing. This culvert crossing was replaced in 2024, however geotechnical and structural degradation of the crossing necessitated a redesign of the crossing to support traffic safety, fish passage and hydraulic performance. The bypass road and removal of the previously installed culverts will be completed in advance of freshet in 2026.

In June 2025, the culvert crossing at CV-187 (KM 103) was completely replaced to address blocked culverts and restore fish passage.

RESULTS

2025 assessments of Project fish bearing water crossings were completed by a third-party Professional Fisheries Biologist in July and August 2025. Results of this assessment are discussed in Project Certificate Term and Condition No. 45.

TRENDS

Trends are discussed in the Project Certificate Term and Condition No. 45.

RECOMMENDATIONS / LESSONS LEARNED

Recommendations and lessons learned are discussed in Project Certificate Term and Condition No. 45.

Project Certificate Term and Condition No. 48

Category	Freshwater Aquatic Environment – Explosives
Responsible Parties	The Proponent, Qikiqtani Inuit Association, Fisheries and Oceans Canada
Project Phase(s)	Construction, Operations
Objective	To mitigate impacts to freshwater aquatic habitat.
Term or Condition	The Proponent shall engage with Fisheries and Oceans Canada and the Qikiqtani Inuit Association in exploring possible Project specific thresholds for blasting that would exceed the requirements of Fisheries and Oceans Canada's Guidelines for the Use of Explosives In or Near Canadian Fisheries Waters (Wright and Hopky, 1998).
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Not Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Guidelines for the Use of Explosives in or Near Canadian Fisheries Waters (Wright and Hopky, 1998) Environmental Protection Plan (Baffinland, 2021c)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

To date there has been no requirement to undertake blasting in or near water, and as such, there has been no requirement to discuss blasting near water with DFO and the QIA. Baffinland implements the management practices for blasting in or near water as outlined in Section 4.24 the Environmental Protection Plan (Baffinland, 2021c).

RESULTS

No blasting occurred in 2025 within the required setback distances detailed in the DFO Guidelines for the Use of Explosives in or Near Canadian Fisheries Waters (Wright and Hopky, 1998).

TRENDS

Not applicable. To date, no blasting has occurred within the required setback distances at the Project.

RECOMMENDATIONS / LESSONS LEARNED

To date there has been no requirement to undertake blasting in or near water and as such there has been no requirement to discuss blasting near water with DFO and the QIA. Baffinland will discuss Project specific blasting thresholds with the appropriate parties if required in the future.

Project Certificate Term and Condition No. 48 (a)

Category	Freshwater Aquatic Environment - Arctic char
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations
Objective	To determine presence and health of Arctic char in freshwater aquatic habitat.
Term or Condition	The Proponent shall develop plans to conduct additional surveys for the presence of Arctic char in freshwater bodies and ongoing monitoring of Arctic char health where applicable, within watersheds proximal to the mine, tote road and Milne Inlet Port project development areas, including but not limited to, Phillips Creek, Tugaat and Qurluktuk. The Proponent shall consult with the MHTO regarding the design, timing, and location of proposed surveys and ongoing monitoring.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In progress
Stakeholder Review	Crown-Indigenous Relations and Northern Affairs Canada (CIRNAC), Fisheries and Oceans Canada (DFO), Nunavut Impact Review Board (NIRB), Nunavut Water Board (NWB), Qikiqtani Inuit Association (QIA)
Reference	2025 Milne Inlet Freshwater Fish Health Program Report (Minnow, 2026c) 2025 Core Receiving Environment Monitoring Plan Report (CREMP; Minnow, 2026a)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.3.1 – 2025 Core Receiving Environment Monitoring Plan Report

METHODS

Baffinland conducts annual fish population assessments for Arctic char in Camp Lake, Sheardown Lake, Mary Lake and Reference Lake 3 near the Mine Site as part of the Project's Core Receiving Environment Monitoring Program (CREMP). The CREMP is an aquatic monitoring program conducted annually that focuses on evaluating mine-related influences on water quality, sediment quality and/or biota, including Arctic char, within aquatic environments located near the Mine Site. Under the CREMP, condition of Arctic char populations within monitored lakes are assessed using a non-lethal sampling program that involves capturing and assessing Arctic char from nearshore lake habitat via electrofishing and Arctic char from littoral/profundal lake habitat via gill netting in each monitored lake.

In 2021, Baffinland implemented a Milne Inlet Freshwater Fish Health Assessment program. This program was initiated following discussions with the Mittimatalik Hunters and Trappers Organization (MHTO) about the potential effects of the Milne Port facility operations on anadromous Arctic char (*Salvelinus alpinus*) health and PC metal concentrations in tissues. The design for the study was developed following consultation with the MHTO from a teleconference meeting held during February 2021 in which the MHTO provided information regarding sampling locations, timing, and techniques for the study. Based on discussions from this meeting, Arctic char from three (3) river systems that flow into Milne Inlet, including the Tugaat, Qurluktuk, and Iqaluit River systems, were to be targeted for sampling in mid- to late August 2021 following an approach comparable to that used for Environmental

Effects Monitoring (EEM) under the Metal and Diamond Mining Effluent Regulations (MDMER) for evaluating effects on fish health. The schedule of the monitoring currently follows a 3-year cycle as is standard within Federal EEMs; engagement with the HTO of Pond Inlet will continue for guidance on the program.

RESULTS

Results are presented in the 2025 Milne Inlet Freshwater Fish Health Program Report (Minnow, 2026c) and the 2025 CREMP Report (Minnow, 2026a)

Overall, the Milne Inlet Freshwater Fish Health Assessment demonstrated no adverse port-related effects on arctic char health and tissue chemistry within the Tugaat and Qurluktuk freshwater systems in 2021, the Tugaat, Qurluktuk, and Iqaluit freshwater systems in 2022, or the Qurluktuk and Iqaluit freshwater systems in 2024. The 2024 Milne Inlet Freshwater Fish Health Program Report, which provides a complete analysis and discussion of 2024 monitoring results, is provided in Minnow, 2025c.

As documented in the 2024 CREMP Monitoring Report, monitoring data collected to date suggest no adverse mine-related effects on Arctic char populations within monitored lakes under the CREMP. The 2024 CREMP Monitoring Report (Minnow, 2025a), which provides a complete analysis and discussion of 2024 monitoring results, is provided in Appendix G.4.1 and in the 2024 QIA and NWB Annual Report for Operations (Baffinland, 2025a).

TRENDS

Trends are presented in the 2025 Milne Inlet Freshwater Fish Health Program Report (Minnow, 2026c) and the 2025 CREMP Report (Minnow, 2026a).

RECOMMENDATIONS / LESSONS LEARNED

Baffinland plans to continue the CREMP. Results from the Milne Inlet Freshwater Fish Health Program currently follows a 3-year cycle and engagement with the HTO of Pond Inlet will continue for guidance on the program.

4.6.8 Terrestrial Environment (PC Terms and Conditions 49 through 64)

Sixteen (16) PC Terms and Conditions relate to the potential impacts of the Project on the terrestrial environment, focusing primarily on caribou, carnivores, and terrestrial wildlife habitat. Within these conditions, the importance of collaboration on regional wildlife monitoring and management initiatives was stressed by the NIRB, the GN, and other parties.

Inuit & Stakeholder Feedback

During the environmental review process for the FEIS and FEIS addendum, the potential for sensory disturbance on caribou resulting from the Project was a key issue. Concerns were related to potential sensory disturbance and the potential for mortalities due to collisions with trains on the south railway and truck traffic along the Tote Road. Communities were initially very concerned that the railway would interrupt the typical northward movement of caribou into the North Baffin Region. Another concern identified was that caribou are particularly sensitive to disturbance at their current low abundance state within their natural population cycle. Effects to terrestrial wildlife, and in particular key issues such as movement and migration, collaring and supplemental baseline work for Steensby Component, as well as potential effects of caribou eating vegetation with dust, continue to be expressed in 2025 consultation activities.

Monitoring

Baffinland completes several monitoring programs on the terrestrial environment, some of which are conducted in collaboration with government agencies. The TEWG members, consisting of government agencies, the QIA, technical experts, and the MHTO, provide recommendations and guidance on Baffinland's terrestrial monitoring programs. The TEWG provides review and comment on the Terrestrial Environment Annual Monitoring Report (TEAMR) and provides comments and recommendations for future updates and revisions to the monitoring program.

Baffinland's routine terrestrial monitoring programs include the following components:

- Vegetation abundance monitoring
- Trace metals monitoring (soils and lichen)
- Exotic invasive vegetation monitoring and natural revegetation
- Snow track surveys
- Snowbank height monitoring
- Height of Land Surveys and Wildlife Monitoring via Remote Cameras (Paired with Certain Height of Land (HOL) Survey Locations)
- Active Migratory Bird Nest Surveys (AMBNS)
- Noise monitoring
- Tote Road Traffic Analysis
- Incidental Observations and Wildlife Interaction (Incidental Mortalities) Tracking
- Helicopter Overflight Compliance Tracking

The objectives of the terrestrial monitoring programs are to monitor for mitigations put in place to minimize effects of the Project and the residual effects of the Project after the application of mitigation. Additionally, effects on terrestrial wildlife are assessed by looking at effects of the Project on other components of the environment,

including dust on vegetation, which could impact caribou forage, or noise impacts to understand potential disturbances wildlife may be exposed to as a result of the Project.

Table 4.18 provides an evaluation of the Project's impacts on the terrestrial environment, based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and FEIS Addendum.

Table 4:18: Terrestrial Environment Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Habitat Loss	Direct habitat loss due to the Project footprint, and indirect habitat loss due to sensory disturbances	Height of Land monitoring; snow track and snow bank monitoring; incidental observations.	The regional caribou population is currently too low to assess potential effects with confidence; confidence will increase as the population grows.
Restriction of Movement	Project infrastructure and the Tote Road act as a barrier to the movement of caribou		
Mortality	Mortality resulting from vehicle collisions or project-induced hunting	Incidental observations; biologists and other staff on-site	Within FEIS predictions

Path Forward

Baffinland continues to implement the mitigation and monitoring activities that are in place to minimize and monitor potential effects of the Project on the terrestrial environment and wildlife resources. Baffinland will continue to seek input and review monitoring results and trends from technical members of the TEWG and other interested stakeholders.

Project Certificate Term and Condition No. 49

Category	Terrestrial Wildlife and Wildlife Habitat - Terrestrial Environment Working Group
Responsible Parties	The Proponent, Qikiqtani Inuit Association, Government of Nunavut, Government of Canada, Hunters and Trappers Organizations of the Impacted Communities (Pond Inlet, Arctic Bay, Clyde River, Sanirajak, Igloolik).
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	The Terrestrial Environmental Working Group (TEWG) will provide advice, guidance and enforceable recommendations regarding: adding to and improving baseline information, mitigation measures for the protection of the terrestrial environment, monitoring of effects on the terrestrial environment, assessing the accuracy of impact predictions, the development and implementation of adaptive management plans, sharing of relevant Inuit Qaujimajatuqangit, scientific and/or technical knowledge and industry best practice, and, consideration of project changes that may be required to make sure the management of negative impacts is effective and that lasting damage to the terrestrial environment is prevented. The role of the TEWG is not intended to either duplicate or to affect the exercise of regulatory authority by appropriate government agencies and departments. The Terms of Reference (ToR) for the TEWG shall be revised to include the following requirements: a. That an independent chair be appointed for TEWG and that this independent Chair be responsible for scheduling and administering meetings including circulating meeting invitations, agendas and documentation. b. That the Working Group's decision-making process be amended to provide that it must occur on a consensus basis between all working group member parties, with all votes and decisions in writing and recorded by the chair. c. That the Working Group's recommendations be recognized as recommendations (i.e., will be implemented by the Proponent), with provision that the Proponent may request not to enforce the recommendation at which point the matter shall go to an independent third party (agreed upon by the Proponent, QIA, and the Government of Canada) for dispute resolution. d. That the Working Group will include all Responsible Parties as member parties. The Proponent may be required to facilitate the participation of Hunters and Trappers Organizations through payment of honoraria and other participation costs in accordance with the Commitment List appended at Appendix B. e. That Working Group materials and records of decisions become public information with the independent chair responsible for keeping and circulating minutes which shall be posted to the Baffinland website and the NIRB public registry including all meeting minutes once finalized and provided to Baffinland by the independent chair.

Term or Condition	A Terrestrial Environment Working Group (TEWG) shall be established as an advisory oversight body, providing advice, guidance and recommendations to fulfill the intended objectives. The operation of the TEWG shall not duplicate or impede the exercise of regulatory authority of authorizing agencies or government. The TEWG shall have the following permanent members: The Proponent, the Qikiqtani Inuit Association, the Government of Nunavut, the Government of Canada, the Mittimatalik HTO, and the Hunters and Trappers Organizations of the other Impacted Communities (Arctic Bay, Clyde River, Sanirajak, Igloolik), should they wish to participate. A Terms of Reference shall be established that guides additional participation in the TEWG by observers. The TEWG shall be chaired by an independent third party as chosen by the permanent members. A revised Terms of Reference shall be presented to NIRB no later than December 15th, 2023, or at another date on consent of the Proponent, Canada, and the Qikiqtani Inuit Association. Project monitoring reports and relevant data to be considered by the TEWG will be provided to members not less than ten (10) working days prior to a scheduled meeting, or as otherwise described in the Terms of Reference. Draft meeting minutes of the TEWG shall be filed by the independent chair with working group members within fifteen (15) working days following a meeting for review by TEWG working group members, or as otherwise described in the Terms of Reference. All final meeting minutes shall be submitted to the NIRB registry by the Proponent for circulation to NIRB's distribution list not more than thirty (30) working days following receipt from the independent chair. All final meeting minutes shall be included in the Annual Report to the NIRB.
Relevant Baffinland Commitment	46, 47, 49, 50
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	2025 TEWG Meeting Records
Ref. Document Link	Appendix C.2 2025 TEWG Meeting records Appendix G.4.3 – 2014 - 2025 Incidental Caribou Sightings

METHODS

Baffinland established the Terrestrial Environment Working Group (TEWG) in 2013. Members of the TEWG include the Mittimatalik Hunters and Trappers Organization (MHTO), the Government of Nunavut (GN), the Qikiqtani Inuit Association (QIA), Environment and Climate Change Canada (ECCC), Parks Canada (PC), and Baffinland, with technical experts as required. The MHTO joined as a member in 2016. The Igloolik Hunters and Trappers Organization (IHTO), Arctic Bay (Ikajutit) Hunters and Trappers Organization (IHTA), Hall Beach (Sanirajak) Hunters and Trappers Organization (HB HTA), and Clyde River (Nangmautuq) Hunters and Trappers Organization (NHTO) have also been members since February 2023. The revised Terms of Reference (ToR) includes these HTA's as members should they

wish to participate. Natural Resources Canada (NRCan), the NIRB, and the Canadian Northern Economic Development Agency (CANNOR) also participate as observers on the TEWG. Baffinland provided all costs for administration of all Working Group meetings in 2025, including simultaneous translation, translation of materials, and funding for participation of all HTO representatives. Refer to Appendix C.2 for 2025 Terrestrial Working Group minutes for meetings held in March, July and November, 2025.

Generally, the Working Group meetings are structured in such a way to include:

- Baffinland to provide a Project update to the members (e.g., includes mining and shipping-related activities such as ore production, and vehicular and vessel traffic);
- Discussion of monitoring program planning including sampling approach (e.g., sampling variables, sites, and data collection methods) in advance of field programs to obtain feedback by TEWG members;
- Discussion of results of monitoring programs to obtain feedback by TEWG members; and
- Various research presentations (given by Baffinland, Baffinland technical consultants and other members).

This year, the TEWG met three (3) times virtually. Additionally, we held a special meeting in early December with only the HTOs to prepare them for the Independent Chair selection process, an action from the November 2025 meeting. Materials are provided to the TEWG in advance of meetings to the extent possible, as well as an on-going basis to allow for review, comment and advice to be provided by all members. Baffinland reviews all comments received and makes an effort to provide meaningful responses to each comment, and in so doing, takes into consideration the suggestions for improvement of the report and advice provided by TEWG. This mechanism allows TEWG members to provide constructive feedback on annual reporting efforts.

RESULT

In 2025, Baffinland held a combined TEWG and MEWG meeting on March 20th to walk through the finalized ToR that was submitted to the NIRB, this meeting commenced the process for Independent Chair selection process. Additional TEWG meetings were held July 10th and November 19th, 2025. Baffinland met separately with the HTOs on December 2nd, 2025, an action from the November meetings to ensure that they are well informed on the Independent Chair selection process. Details pertaining to each meeting, including meeting location and topics of discussion, can be found in Table 2.6 of Section 2.4.2.

As a result of inputs from the TEWG, numerous program modifications have been made since 2015. When suggestions have been made by Working Group members on specific programs, Baffinland has made the effort in considering these requests in the most expedited and feasible manner. When a change is not implemented, Baffinland has provided rationale as to why the modification cannot be implemented and/or that additional information is required before it can make an informed decision and/or has provided its reasoning for not pursuing specific requests and requesting that alternative methods be suggested. Key actions from the TEWG in 2025 included: (1) In response to QIA's recommendation for enhanced baseline monitoring before Steensby construction, Baffinland collaborated with the GN who secured HTO support to conduct a caribou collaring program in Baffin Island. The deployment of collars to meet Baffinland's Zone of Influence (ZOI) analysis has been arranged through this collaboration and meets QIA's recommendation from 2024. (2) The TEWG continued to discuss the definitions of caribou 'Deflection' in 2025, with the GN providing written recommended definitions in January 2026. This will be integrated in the revisions of the Terrestrial Environment Mitigation and Management Plan (TEMMP) that is currently ongoing. (3) Following a suggestion made by members, to provide additional information on caribou

incidental observation, Baffinland has provided a heat map of caribou incidental observations 2014 – 2025 in this report (Appendix G.4.3 – 2014 – 2025 Incidental Caribou Sightings).

Responses to key action items and initiatives for the TEWG are captured in the summary of action items table at the start of each meeting minutes, which can be found in Appendix C.2 of this report.

The revised ToR that was implemented in 2025 that outlines a formal recommendation process. Baffinland is confident that recommendations will be put forward as per the ToR and through the Independent Chair.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland is optimistic that the implementation of the Terms of Reference will result in meaningful changes to the Groups' current structure, operational schedule, and ability to influence the Project. We look forward to having an Independent Chair in 2026.

Project Certificate Term and Condition No. 50

Category	Terrestrial Wildlife and Habitat – General
Responsible Parties	The Proponent and other Parties as appropriate
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure appropriate and responsive adaptive management.
Term or Condition	The Proponent shall continue to develop and implement Project-specific monitoring for the terrestrial environment, and will demonstrate appropriate refinements to design, incorporation of analytical methods and elaboration of methodologies. The monitoring plan shall contain clear thresholds to allow for the assessment of long-term trends and cumulative effects where Project interactions are identified. Coordination and cooperation will be required where data collection, analysis and interpretation, or responsibility for mitigation and management requires the efforts of multiple parties (e.g., government, Qikiqtani Inuit Association, communities).
Relevant Baffinland Commitments	40, 70
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

The Terrestrial Environment Mitigation and Monitoring Plan (TEMMP) (Baffinland, 2016a) directly addresses PC Term and Condition No. 50. The TEMMP outlines a detailed rationale and methodology for Baffinland's monitoring and mitigation programs. It is reviewed and updated periodically. Where appropriate, clear thresholds to allow for the assessment of long-term trends and cumulative effects are identified, as informed by FEIS predications, national and territorial guidelines, and peer-literature sources. A Project-specific Trigger-Action Response Plan (TARP) was then developed and integrated into the TEMMP to establish pre-defined mitigation and monitoring actions in responses to degrading trends.

Annual monitoring activities and outcomes from theses programs are described in the Terrestrial Environment Annual Monitoring Report (TEAMR) for each year of implementation.

TEMMP-related monitoring activities have been supplemented by various regional monitoring initiatives for caribou, migratory birds and raptors by the Government of Nunavut (GN), Environment and Climate Change Canada (ECCC), and Arctic Raptors Inc. Outcomes from these regional monitoring initiatives have equally informed implementation and refinement of the TEMMP.

RESULTS

Baffinland has implemented monitoring of the terrestrial environment at the Project since 2012. As part of an adaptive management approach, Baffinland carefully review these findings and present them to the TEWG to discuss study design and emerging trends. Recommendations to modify and/or refine monitoring procedures, data capture and interpretations have been evaluated and implemented based on the appropriate rationale supported by data trends, interpretations, and statistical analyses. Where applicable, any changes to assessment objectives and protocols are documented in the TEMMP and TEAMR. These include modifications and refinements to monitoring and analysis of helicopter overflights and haul truck traffic, dustfall, vegetation and wildlife.

TRENDS

Not Applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland has actively engaged and collaborated with the working groups to advance and improve Project-specific monitoring for the terrestrial environment. Refinements and improvements are documented in the TEMMP and TEAMR. Constructive dialogue through the Terrestrial Environment Working Group has led to continuous refinements and improvements in the terrestrial monitoring programs design and outcomes. Baffinland will continue with this approach.

Project Certificate Term and Condition No. 51

Category	Terrestrial Wildlife and Habitat – General
Responsible Parties	The Proponent and/or TEWG
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To promote coordination of monitoring efforts.
Term or Condition	The Proponent, either directly or as part of the TEWG, shall consider and, where appropriate, cooperate with relevant regional and/or community-based monitoring initiatives that raise issues or produce information pertinent to mitigating Project-induced impacts. The Proponent shall give special consideration for supporting regional studies of population health and harvest programs for North Baffin caribou which help address areas of uncertainty for Project impact predictions.
Relevant Baffinland Commitments	58
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) 2021 TEWG Meeting Records (Baffinland, 2022a) 2024 Terrestrial Environment Annual Monitoring Report (EDI, 2025a) Caribou Monitoring – Triggers and Recommendations (EDI, 2022a) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.2 – TEWG Meeting Records Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

Baffinland has provided financial and logistical support for the Government of Nunavut's (GN's) North Baffin Island caribou survey research on several occasions since 2009. Baffinland will continue to support relevant GN caribou surveys to enhance Baffinland's understanding of potential Project-related effects and regional knowledge about wildlife distribution and abundance.

For example, Baffinland presented options for larger-scale caribou surveys to the TEWG during the June 2021 meeting (Baffinland, 2022a), including aerial surveys and a collaring program as monitoring options, ideally collaborating with GN. During the June and December 2021 TEWG meetings, discussions surrounded planning for aerial caribou survey of the regional study area (proposed between 2023 and 2024).

Baffinland undertook a fixed-wing aerial survey in March 2023, flying along 8 Km spaced transects across the Project's wildlife RSA. The Caribou Monitoring: Triggers and Recommendations report (EDI, 2022a) further identifies a northern sub region (11,706 km², corresponding with the active Project area) and a southern sub region (15,735 km², corresponding with the planned/future Project area) that are considered in further analyses and future

monitoring activities, as discussed in that report. For continuity and alignment with previous aerial surveys, the survey design used methods that the Government of Nunavut applied during the March 2014 regional survey of the North Baffin strata (including the Mary River stratum, Campbell et al. 2015). The survey timeframe was also applied so that observations were made before calving (i.e., to minimize disturbance) and while snow cover was more extensive on the landscape (thereby standardizing the observational setting and improving the detection of caribou on the landscape). More information can be found in the 2024 Terrestrial Environment Annual Monitoring Report (EDI, 2025a) that includes the aerial survey work from 2023.

In 2025, Baffinland provided in-kind support with the provision of fuel and accommodation for the GN aerial caribou survey. Baffinland and the GN are collaborating on the GN's upcoming 2026 collaring program to find synergies in gathering data to support the GN's program, the QIA's recommendation and Baffinland's monitoring objectives. Additionally, Baffinland provided support to QIA's Inuit Stewardship Program for work on a North Baffin Caribou Study.

RESULTS

In Q4-2023 and Q1-2024, Baffinland re-visited with the GN and NCP representatives the feasibility of launching a caribou tissue sampling program based out of the Mine Site and Milne Port, commencing as early as July 2024. The GN indicated that they prefer that Baffinland not duplicate efforts they are undertaking and informed Baffinland that communities are not supportive of two programs running concurrently. Baffinland is collaborating with the GN to support their caribou health monitoring program and will continue to apprise TEWG members of the outcomes.

In March 2025, Baffinland provided support to the GN by enabling GN staff to base themselves out of Mary River for the duration of the aerial survey, providing in-kind support for accommodation, food and fuel. The result of this survey has been published by the GN.

Throughout the 2024-2025 TEWG meetings, a caribou collaring program was discussed. Following the established collaboration between Baffinland and the GN, the TEWG was informed in the November 2025, TEWG meeting that the GN has secured support from the various communities and Hunter and Trapper Organizations to conduct a collaring program on Baffin Island in March, 2026 (Appendix C2 – TEWG Meeting Records). This collaring program will support the determination of the Mary River Project Zone of Influence (ZoI).

Baffinland has regularly engaged with several Federal, Territorial, and Non-Government Organizations, including the HTA/HTOs from the five affected communities, through TEWG meetings.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to consider and, where appropriate, cooperate with relevant regional and/or community-based monitoring initiatives that raise issues or produce information pertinent to mitigating Project-induced impacts. Baffinland will continue to give special consideration for supporting regional studies like those run by the GN or QIA and is keen to build collaborative partnerships across industry, government, and communities.

Project Certificate Term and Condition No. 52

Category	Terrestrial Wildlife and Habitat – Caribou
Responsible Parties	The Proponent, TEWG
Project Phase(s)	Construction
Objective	To ensure best practices are used for caribou protection.
Term or Condition	Within 3 months of issuance of the Project Certificate, the Proponent shall initiate design, and develop the timeline to test and implement means of deterring caribou from pits and other hazardous areas. A review of best practices and techniques will be undertaken at other Northern mines where interactions with caribou occur. Considerations should include temporary ribbon placement, Inuksuk's, or fencing and subsequent monitoring for effectiveness. These activities shall be reported back to the Terrestrial Environment Working Group.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister; results to be reported back to the Terrestrial Environment Working Group.
Status of PC Term and Condition	Completed
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) 2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

The issues of caribou protection measures and caribou deterrents were discussed with the TEWG in December 2013. Several techniques were considered, including inukshuks, electric fences, wildlife fencing, and berms. It was suggested within the TEWG that caribou deterrents be considered "step-wise" mitigation to be addressed if a conflict between caribou and pit or other hazardous areas ever occurs or is likely to occur based on regional caribou abundance. Given the low regional population numbers of the North Baffin caribou herd, there has not yet been a need to implement caribou deterrent measures from hazardous areas.

As a preventative caribou protection measure, Baffinland requires all employees to adhere to a stop-work policy when wildlife is at risk of injury or death within the Project Development Area (PDA), which reduces hazardous conditions. Baffinland has created guidelines (the Caribou Decision Tree; Figure 3-2 in the TEMMP - Baffinland, 2016a) for driver response to caribou near roads based on distance and behaviour to reduce hazardous conditions further.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to monitor caribou within the Project sites and Regional Study Area (RSA), support regional caribou monitoring conducted by the GN, and identify appropriate caribou deterrents from Deposit No. 1 and hazardous areas in conjunction with the TEWG, as necessary.

Project Certificate Term and Condition No. 53

Category	Terrestrial Wildlife and Habitat – Caribou
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To mitigate impacts to caribou from Project-related traffic.
Term or Condition	The Proponent shall demonstrate consideration for the following: a. Steps taken to prevent caribou mortality and injury as a result of train and vehicular traffic, including operational measures meant to maximize the potential for safe traffic relative to operations on the railway, Milne Inlet Tote Road and associated access roads. i. Specific measures intended to address the reduced effectiveness of visual protocols for the Milne Inlet Tote Road and access roads/trails during times of darkness and low visibility must be included. b. Monitoring and mitigation measures at points where the railway, roads, trails and flight paths pass through caribou calving areas, particularly during caribou calving times. The details of these monitoring and mitigation measures shall be developed in conjunction with the Terrestrial Environment Working Group (TEWG). c. Evaluation of the effectiveness of proposed caribou crossings over the railway, Milne Inlet Tote Road and access roads as well as the appropriate number. d. Development of a surveillance system along the railway corridor to identify the presence of caribou in proximity to the train tracks and operational protocols for the train to avoid collisions and enable caribou to cross the train tracks unimpeded. e. Protocols for documentation and reporting of all caribou collisions and mortalities, as well as mechanisms for adaptive management responses designed to prevent further such interactions.
Relevant Baffinland Commitments	15, 71, 73
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Steensby Rail Corridor – Not Active Milne Inlet Tote Road – Active
Status of Compliance	Steensby Rail Corridor – Not Applicable Milne Inlet Tote Road – In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (TEMMP; Baffinland, 2016a) 2025 TEWG Meeting Records 2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.2 – TEWG Meeting Records Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

a. Prevention of Caribou Mortality and Injury as a Result of Vehicular Traffic

- The Caribou Decision Tree presented in the TEMMP (Figure 3-2 in the TEMMP, Baffinland 2016) directs driver responses when caribou are near or crossing the Tote Road to minimize the chance of collision or disturbance;
- Snowbank heights and slopes were managed throughout the winter season to decrease potential barriers to caribou movement across the Tote Road, and compliance of snow management to a 1 m height limit was monitored at least once per month during winter months by Baffinland Site Environment staff; and
- Snow track surveys were used to monitor caribou interaction with the Tote Road to determine if they cross the road or deflect their paths of movement away from the road, and were conducted in March, April, October and November by Baffinland Site Environment employees using the methods described above. Detailed methods are identified in the TEMMP (Baffinland 2016, Sections 3.3.3 and 4.5.2, and Figure 3-2) and the 2025 Final Terrestrial Environment Annual Monitoring Report (Sections 9.1 and 10.2; EDI, 2026b).

b. Monitoring and Mitigation Measures

In 2025, all twenty-four (24) Height of Land (HOL) survey stations were visited (twice) during the caribou calving period annually to monitor caribou distribution, abundance, and behaviour. Observations were completed for a minimum of 40 min (average of 45 min) per visit during which the landscape was scanned using binoculars and a spotting scope to detect caribou presence and their proximity to Project infrastructure. More detailed documentation of caribou behaviour and interaction with Project infrastructure and vehicles were completed if/when caribou were observed. Monitoring data is intended to inform mitigation measures. Detailed methods are identified in the TEMMP (Section 4.5, Appendix 4-8, Baffinland 2016a) and the 2025 Final Terrestrial Environment Annual Monitoring Report (EDI 2026b).

In 2020, Baffinland explored numerous options for larger-scale caribou monitoring with input from the TEWG during 2020 meetings. This was done in response to TEWG concerns that HOL surveys may be too focused on local caribou detections. Aerial surveys, Global Positioning System (GPS) collaring, and remote camera monitoring were discussed as potential methods for monitoring caribou distribution, movement, and behaviour at the Regional Study Area (RSA) scale (including known calving areas) with a focus on the Tote Road and proposed railway acting as potential barriers to movement. Remote cameras were initially deployed in 2021 at six (6) of the HOL sites to expand caribou detection efforts. During the 2022 TEWG meetings (Baffinland 2023c), details surrounding a planned aerial survey program were discussed for monitoring Project effects on caribou; the aerial survey program would be completed in March 2023 and reported (and updated) in the 2024 TEAMR (EDI 2024a) and 2025 TEAMR (EDI 2025b). See also Summary for Term and Condition No. 51 for more detail on current discussions with TEWG on caribou monitoring and mitigations.

c. Evaluation of Effectiveness of Caribou Crossings

Snow track surveys were used to collect data on caribou response to Project activities based on movement patterns. The surveys were conducted by driving slowly (30 km/hr) from the Mine Site to Milne Port on the Tote Road in late winter. When wildlife tracks were observed, surveyors stopped and walked to the tracks to confirm species and then followed the tracks to observe behaviour, habitat use, and possible divergence of travel paths. When tracks were near or intersected the Tote Road, surveyors recorded the location, species that produced the tracks, number of sets of tracks counted (i.e., group size), travel path in relation to the road (e.g., deflected, travelled along, or crossing the Tote Road) and the height of the snowbank measured at either the crossing point or likely point of deflection.

Detailed methods are identified in the TEMMP (Sections 4.5.2, Appendix 4-9) and the 2025 Final Terrestrial Environment Annual Monitoring Report (Section 9.1; EDI, 2026b).

In 2025, snow track surveys were conducted in March, April, October and November by Baffinland Site Environment employees using the methods described above.

Due to low embankments and existing low profile road conditions, there are no designated caribou crossings required for the Tote Road. Monitoring to date has focused on managing snowbank heights to minimize barriers to movement.

The RSA-scale caribou monitoring methods discussed with the TEWG during meetings (Appendix C.2) (i.e. aerial surveys, GPS collaring, and remote camera monitoring), if implemented, can be used to evaluate caribou movement in response to the Tote Road and proposed railway at a larger scale than snow track surveys to assess potential population-level effects. Baffinland is collaborating with the Government of Nunavut on regional caribou monitoring and with an aim to find synergies with their collaring program in 2026.

d. Surveillance System

Presently not applicable as the railway has not yet been constructed. The TEMMP (Sections 3.3.1, 3.3.2, 3.3.3, and 4.5.2, Baffinland 2016a) will include an updated surveillance system once the railway becomes a viable option. Baffinland has been discussing updates to baseline monitoring with the TEWG throughout 2025 related to Steensby Component and the southern rail.

e. Documentation and Reporting

The TEMMP (Sections 3.3.3 and 3.3.4, Baffinland 2016a) details the protocol for documenting and reporting caribou collisions and mortalities. Although caribou numbers are very low and the risks of having a vehicle-caribou collision are low, ongoing mitigation such as using the Caribou Decision Tree is occurring to prevent caribou mortalities.

RESULTS

a. Prevention of Caribou Mortality and Injury as a Result of Vehicular Traffic

- Although recorded Caribou observations at the project are increasing, Caribou numbers remained low in 2025. 32 observations of caribou were recorded along the Tote Road, and one was recorded crossing the Tote Road. see TC 57 & 58 for more information.
- A stop-work policy is implemented when wildlife in the area could be endangered by work being conducted, including truck driver responses when caribou are near or crossing the Tote Road using the Caribou Decision Tree;
- Continued snowbank height management in 2025 achieved 91% compliance to the 1 m height limit, ensuring the barrier-free movement of caribou;
- Snow tracking surveys did not observe caribou tracks in 2025, consistent with the low regional caribou numbers; and
- No caribou mortality or injury has occurred as a result of interactions with the Project and Caribou to date.

b. Monitoring and Mitigation Measures

- Details of previous surveys dating back to 2013 are provided in the previous annual reports.

- A total of ~48 hours of HOL survey effort was conducted during the calving period in 2025; 27 Caribou individuals were detected during 2025 HOL surveys;
- Two incidental observations of three caribou occurred near the Mine Site, and 97 observations (possibly repeated observations) occurred along the Tote Road. Forty-three caribou were noted outside the PDA.
- Remote camera documented various birds, Arctic hare, and Arctic fox between January 2, 2025, and January 5, 2026. One confirmed caribou detection and one suspected caribou detection were recorded at two camera locations. No wolves or bears (*Ursus* spp.) were observed in any reviewed images.

c. Evaluation of Effectiveness of Caribou Crossings

Caribou have only been incidentally and sporadically detected in or near the PDA since 2013 (see the 2025 Terrestrial Environment Annual Monitoring Report, EDI 2026b. However, ongoing snowbank height management and wildlife response monitoring continues. In 2020, caribou were confirmed to have crossed the Tote Road in three of the four incidental observations in January, suggesting that the road did not act as a barrier to movement in those instances. At the request of the TEWG in 2024, Baffinland is expanding the definition of deflection and thanks the GN for providing refined definitions in 2025 for incorporation into the TEMMP.

d. Surveillance System

Not applicable.

e. Documentation and Reporting

All documentation and reporting protocols have been developed. Baffinland maintains records of all wildlife interactions and mortalities via mandatory reporting protocols. Neither caribou collisions nor caribou mortalities occurred in 2025, nor any other year of Project operation.

TRENDS

a. Prevention of Caribou Mortality and Injury as a Result of Vehicular Traffic

Training on using the Caribou Decision Tree, snowbank height management, and snow tracking surveys continue. No interaction with vehicles occurred.

Annual monitoring of snowbank heights along the Tote Road since 2014 indicates a rate of compliance between 66% and 97% (Figure 4.4), with the highest level of compliance achieved in 2019.

b. Monitoring and Mitigation Measures

Based on caribou observed per hours of survey effort, there was an increase in caribou observations during Height of Land surveys from 2013, when the surveys began (Figure 4.5). These data still reflect the low regional caribou numbers of the North Baffin Island herd.

c. Evaluation of Effectiveness of Caribou Crossings

No caribou or wolf tracks have been detected during snow tracking surveys along the Tote Road between 2014 and 2025. However, Arctic fox and Arctic hare tracks were observed during all survey years (Figure 4.6).

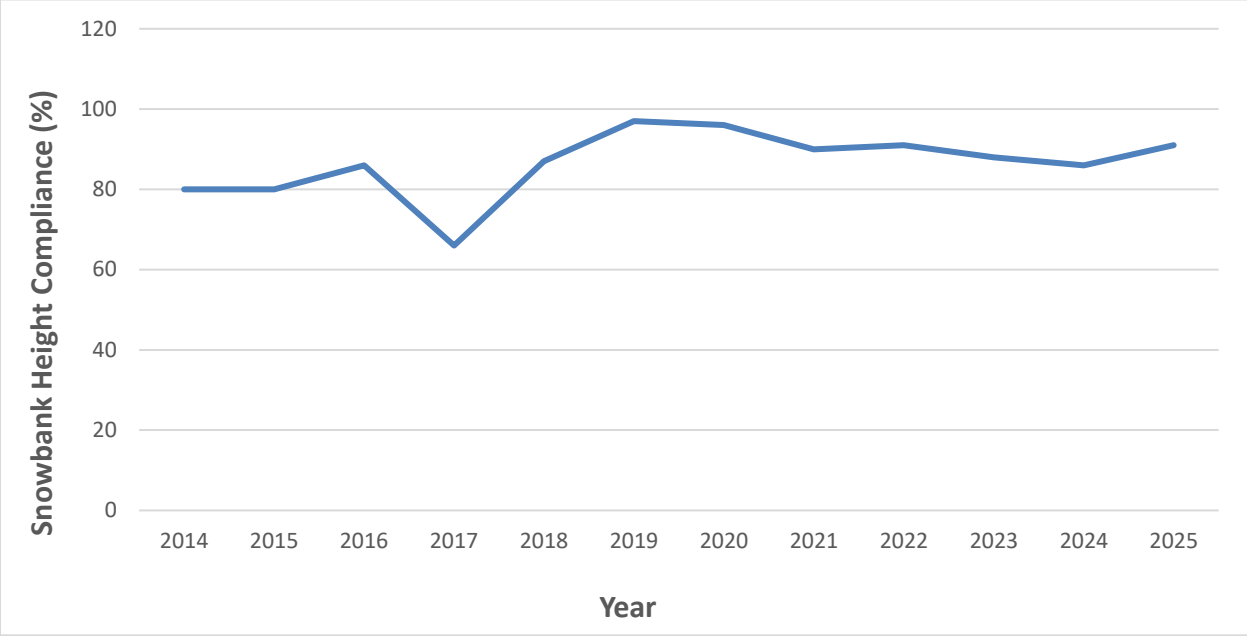


Figure 4:4: Snowbank Height Compliance Monitoring Results from 2014 to 2025 on the Tote Road

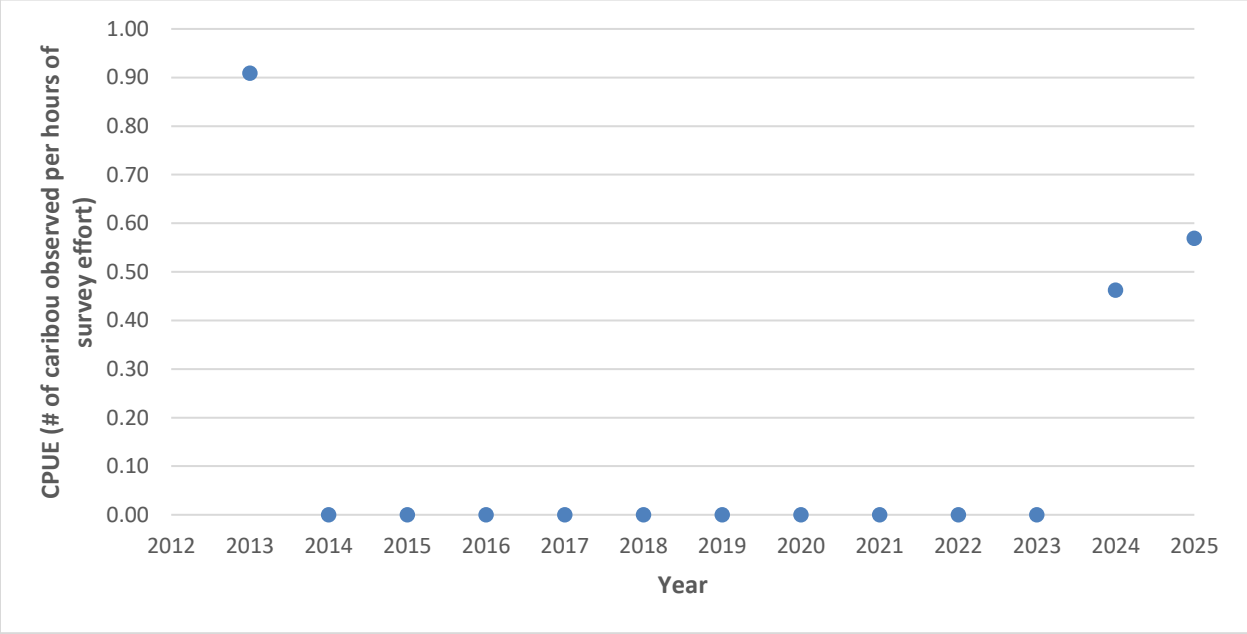


Figure 4:5: Caribou Observations from Height of Land Surveys from 2013 to 2025

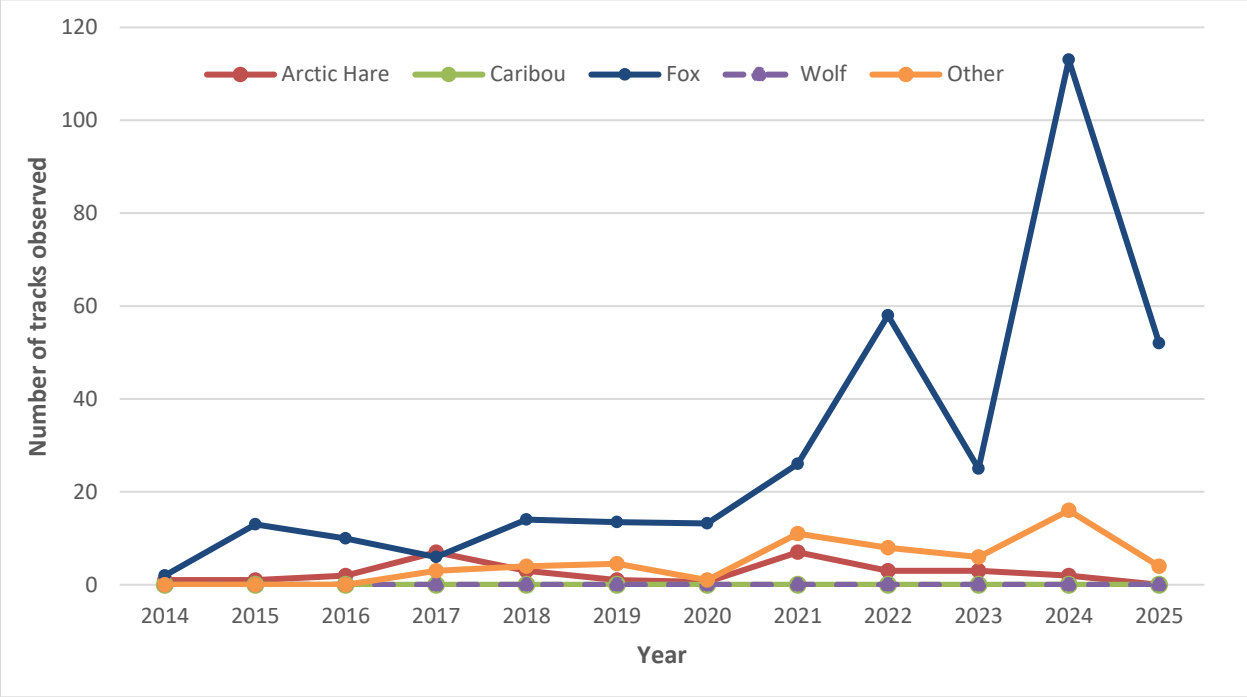


Figure 4:6: Snow Track Survey Trends from 2014 to 2025

RECOMMENDATIONS / LESSONS LEARNED

- Snowbank height, snow track, and HOL surveys will continue to evaluate potential Project effects on caribou and terrestrial wildlife. Efforts will continue to ensure snowbank height monitoring is conducted consistently each month until consistent snow management practices are characterized. The use of remote wildlife cameras will continue in 2026. As regional caribou numbers increase and interact more frequently on or near the Tote Road, the Caribou Decision Tree will be reviewed for effectiveness. Seasonal migrations of caribou and their interaction with the Tote Road will be considered, and snow track surveys can occur more often by on-site staff. A new definition of *deflection* will be incorporated into the TEEMP when complete and reviewed by the TEWG.
- The TEWG is engaged regularly to discuss annual monitoring programs for the terrestrial environment. Feedback from TEWG members is incorporated into annual monitoring reports and where relevant, into updates to the TEMMP.

Project Certificate Term and Condition No. 54

Category	Terrestrial Wildlife and Habitat – Caribou
Responsible Parties	The Proponent
Project Phase(s)	Construction - within six (6) months of issuance of Project Certificate
Objective	To Update the Terrestrial Environmental Management and Monitoring Plan.
Term or Condition	The Proponent shall provide an updated Terrestrial Environmental Management and Monitoring Plan which shall include, but not be limited to the following: a. Details of the methods and rationale for conducting monitoring prior to the commencement of construction; b. Monitoring for caribou presence and behaviour during railway and Tote Road construction; c. Description and justification of statistical design or other means of determining effect and proposed analyses to support the conclusions drawn from monitoring impacts of the mine and related infrastructure on wildlife; d. Details of monitoring and mitigation activities, which should be established in collaboration with the Terrestrial Environment Working Group and are expected to include: v. Dustfall (fugitive and Total Suspended Particulates), that addresses methods to reduce risk to caribou forage from dustfall; vi. Snow track surveys during construction and the use of video-surveillance to improve the predictability of caribou exposure to the railway and Tote Road. Using the result of this information, an early warning system for caribou on the railway and Tote Road shall be developed for operation. vii. Details of monitoring thresholds related to level of mitigation and management; and viii. Details of a comprehensive hunter harvest survey to determine the effect on caribou populations and potential effects on caribou behaviour resulting from increased human access caused by upgrades to the Milne Inlet tote road (and any other roads if they are shifted from private to public use) and increase local knowledge of the mine site, including establishing pre-construction baseline harvesting data.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	Plan to be submitted to the NIRB and the TEWG within 6 months of issuance of a Project Certificate.
Status of PC Term and Condition	Steensby Rail Corridor – Not Active Milne Inlet Tote Road – Active
Status of Compliance	Steensby Rail Corridor – Not Applicable Milne Inlet Tote Road – In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG), Nunavut Impact Review Board
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) 2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.2 – TEWG Meeting Records

METHODS

The Terrestrial Environment Mitigation and Monitoring Plan (TEMMP) (Baffinland, 2016a) directly addresses PC Term and Condition No. 54. The TEMMP outlines a detailed rationale and methodology for Baffinland's monitoring and mitigation programs. It is reviewed and updated as required based on changes to the terrestrial monitoring programs. Baffinland's draft Adaptive Management Plan (AMP) incorporates an annual review cycle for all Management Plans, which would require updates to be made to the TEMMP each calendar year. The TEMMP is currently under revision and will be circulated upon finalization, which is anticipated in Q2 2026 (Appendix C.2). Changes may be implemented in advance of formal updates as the need arises. Regarding PC Term and Condition No. 54c, the programs are revised based on statistical analyses of annual data, as reported in the annual reports.

RESULTS

Specific items outlined in this Project Condition can be found in the following sections in the TEMMP (Baffinland, 2016a):

PC Term and Condition No. 54a.

- Section 4 – Monitoring Framework

PC Term and Condition No. 54b.

- Section 4.5.1 – Caribou Habitat Monitoring
- Section 4.5.2 – Caribou Movement

PC Term and Condition No. 54c.

- Appendix B – Monitoring Methods and Details

PC Term and Condition No. 54d.i.

- Section 3.1 – Mitigation Measures: Vegetation
- Appendix B, Section 4-2 – Vegetation Monitoring: Vegetation Health
- Appendix B, Section 4-3 – Vegetation Monitoring: Dustfall

PC Term and Condition No. 54d.ii.

- Section 4.5.2 – Caribou Movement
    - This section outlines Baffinland's plan to use remote motion-sensing cameras to observe caribou behaviour at crossing points at or along the PDA. This program will be revisited when caribou population density increases to a level that allows robust experimental design and statistical analysis.
- Appendix B, Section 4-9 – Caribou Monitoring: Movement

PC Term and Condition No. 54e.

- Thresholds are described throughout Section 4 – Monitoring Framework and Appendix B – Monitoring Methods and Details

PC Term and Condition 54f.

- Section 4.5.3 – Caribou Mortality
- Section 4.5.4 – Caribou Health

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Regarding PC Term and Condition No. 54(b), Baffinland discussed caribou monitoring methods in 2024 at the #31 and #32 TEWG meetings (i.e., definitions of caribou behaviour in response to the Project, and options for caribou monitoring along the Steensby Rail corridor). The GN offered definitions to these responses and these will be incorporated in the TEMMP.

Baffinland continues to monitor the dustfall along the road in effort to determine if dust suppression efforts are effective. Further analysis on dustfall concentration estimation from satellite imagery is included in the 2025 Final TEAMR (EDI, 2026b). Since 2023, the TEAMR includes an explicit comparison of inter-annual trends determined by passive dustfall monitoring and satellite imagery analysis. These trends will continue to be reported on in subsequent TEAMRs.

Project Certificate Term and Condition No. 55

Category	Terrestrial Wildlife and Habitat – Wolves
Responsible Parties	The Proponent, Government of Nunavut Department of Environment
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate potential impacts to wolves.
Term or Condition	The Proponent shall develop an adaptive management plan applicable to wolves and wolf habitat in collaboration with the Government of Nunavut - Department of Environment (GN-DOE) to ensure compliance with the *Nunavut Wildlife Act*. Consideration must be given to the following: a. Monitoring for active wolf dens within a 10 Km radius from the mine site, under the direction and prior approval of the GN DOE, and reporting the results through NIRB's Annual Reports on terrestrial wildlife in the Project Development Area (PDA); b. Estimating the available (glacio-fluvial materials) esker habitat within the Regional Study Area/PDA and identifying such habitat as ecologically sensitive; c. Developing "wolf indices" for presence/abundance of wolves (by conducting studies) to set a baseline pre-construction baseline; and d. Ensuring that wolf monitoring is capable of determining the relative abundance and distribution of wolves in the PDA over time.
Relevant Baffinland Commitments	57, 74
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	Not applicable
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2024 Terrestrial Environment Annual Monitoring Report

METHODS

As a result of low caribou numbers, wolf numbers in the region have declined (i.e., no incidental sightings or camera observations were recorded within or surrounding the Project Development Area (PDA) throughout 2025. Additionally, no detections were made during snow track surveys (EDI, 2026b). Wolf monitoring programs were conducted during baseline data collection, but have been paused since. Monitoring programs may be re-initiated when wolves are consistently observed near the Project area (e.g., based on trends observed from the Height of Land (HOL) monitoring data or incidental monitoring data) or on observations of local harvesters and as reported to Baffinland or the TEWG. Monitoring of carnivore dens will continue to be discussed within the TEWG as applicable. When and if deemed necessary, Baffinland will re-initiate carnivore den monitoring.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 56

Category	Terrestrial Wildlife and Habitat - Wildlife Habitat
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure progressive reclamation of disturbed wildlife habitat.
Term or Condition	The Proponent shall develop a strategy for the recovery of terrestrial wildlife habitat in a progressive manner that is consistent with the *Nunavut Wildlife Act*. Overall, this will require the integration of a decision-making process and the identification of mitigation responses to cumulative impacts on caribou survival, breeding propensity, and population dynamics.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Nunavut Water Board, Indigenous and Northern Affairs Canada
Reference	Interim Closure and Reclamation Plan (Baffinland, 2025h)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

A Reclamation Research program has been described in the Interim Closure and Reclamation plan (ICRP), to identify best practices for promoting natural revegetation that will inform the progressive revegetation program for disturbed areas no longer required for operations. The objective is to achieve both sustainable vegetation cover, and enhance physical stability and achieve the desired aesthetic conditions for the Project site at closure.

Refer to Term and Condition No. 39 for further details. As described in the Interim Closure and Reclamation plan (ICRP; Baffinland, 2025h), a Reclamation Research program was proposed to identify best practices for promoting natural revegetation that will inform the progressive revegetation program for disturbed areas no longer required for operations. The objective is to achieve both sustainable vegetation cover, and enhance physical stability and achieve the desired aesthetic conditions for the Project site at closure. Refer to PC Term and Condition No. 39 for further details.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 57

Category	Terrestrial Wildlife and Habitat – Reporting
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate and monitor for impacts to wildlife.
Term or Condition	The Proponent shall report annually regarding its terrestrial environment monitoring efforts, with inclusion of the following information: a. Description of all updates to terrestrial ecosystem baseline data; b. A description of the involvement of Inuit in the monitoring program; c. An explanation of the annual results relative to the scale of the natural variability of Valued Ecosystem Components in the region, as described in the baseline report; d. A detailed presentation and analysis of the distribution relative to mine structures and activities for caribou and other terrestrial mammals observed during the surveys and incidental sightings; e. Results of the annual monitoring program, including field methodologies and statistical approaches used to support conclusions drawn; f. A summary of the chronology and level of mine activities (such as vehicle frequency and type); g. An assessment and presentation of annual environmental conditions including timing of snowmelt, green-up, as well as standard weather summaries; h. A discussion of any proposed changes to the monitoring survey methodologies, statistical approaches or proposed adaptive management stemming from the results of the monitoring program.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board, Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) 2024 Final Terrestrial Environment Annual Monitoring Report (EDI, 2024a) 2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b) 2024 TEWG Meeting Records Soil, Vegetation, and Wildlife Field Reconnaissance from the Mine Site to KM40/Ravn River (EDI, 2026a)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.2 – TEWG Meeting Records Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR) Appendix G.8.2 - Soil, Vegetation, and Wildlife Field Reconnaissance from the Mine Site to KM40/Ravn River Appendix G.4.3 – 2014 - 2025 Incidental Caribou Sightings

METHODS AND RESULTS

The Terrestrial Environment Mitigation and Monitoring Plan (TEMMP; Baffinland 2016a) is the primary guidance document for mitigation and monitoring at the Mary River Mine; the Terrestrial Environment Annual Monitoring Report (TEAMR) is the primary source for terrestrial environment reporting. For brevity, the following responses highlight summary findings and notable outcomes from the TEMMP and TEAMR concerning PC Terms and Conditions. Refer to the TEMMP and TEAMR for comprehensive descriptions of study design, data capture, analytical methods (including assessment limitations and assumptions), and annual monitoring results.

a. Updates to and descriptions of baseline data collected during annual monitoring are summarized annually in the TEAMR.

   In addition to annual terrestrial monitoring in 2025, Baffinland implemented a supplemental baseline program for the terrestrial environment along the first forty (40) km of the planned Steensby Railway alignment (Appendix G.8.2; EDI, 2026a). This program, conducted between August 5 - 20, verified site conditions along the Steensby Railway and updated the environmental baseline inventory for terrain, soil, vegetation, and wildlife.

   Terrain, soil and vegetation reconnaissance surveys characterized terrain/landscape, soil profiles, and predominant vegetation communities and cover type. Findings show that terrain and soil characteristics and vegetation associations are consistent with previous baseline studies. No new features, landscape attributes, and/or sensitivities were identified; only minor refinements to characterizations of associations (based on observations and data capture) were recorded.

   Sixty-eight (68) caribou trails or trail fragments were detected during the 2025 wildlife reconnaissance survey within the first 40 km of the Steensby Railway alignment. This represents a higher detection rate within the forty (40) km Study Area than the fifty-three (53) trails detected along the total Steensby Railway alignment between 2006 and 2010 (Baffinland, 2012). Few signs and sightings of carnivores were detected during the 2025 reconnaissance survey. No Arctic wolf (*Canis lupus arctos*) signs or sightings were detected. Arctic foxes (*Vulpes lagopus*) were sighted twice (2), and nine (9) instances of fox sign (i.e., scat, digs, and old dens) were recorded during the survey.

b. Baffinland regards engagement and consultation with Inuit and incorporation of Inuit in field monitoring as an important aspect of the programs. Inuit have been involved in various components of the terrestrial environment monitoring program, including: hiring and training Inuit to work on terrestrial monitoring programs; supporting the participation of the MHTO and other HTOs in the TEWG; and funding for four full-time on-site Environmental Monitors that are appointed and solely employed by QIA but fully integrated into the Site Environment team. Inuit are involved in all terrestrial environment annual monitoring programs conducted by Baffinland's consultant when possible.

   In 2025, a total of five (5) Inuit participants assisted in wildlife and vegetation monitoring activities as part implementation of the TEMMP for combined total of 648 work/Project hours. All of the 2025 Inuit assistants reside within Nunavut in Pond Inlet, Arctic Bay or Sanirajak (formerly known as Hall Beach).

c. Where relevant, the TEAMR discusses near-site wildlife observations concerning available knowledge about regional populations. It compares measured wildlife data (e.g., vegetation abundance data, cliff-nesting raptor data, caribou observations) to previous years' data and baseline data to indicate natural variability.

Bird monitoring survey data that derived density estimates were compared to regionally available density values. Where applicable, inter-annual trends are provided in the TEAMR for a given assessment/monitoring campaign.

d. In 2025, a combination of surveys was conducted to evaluate the interaction of caribou and other terrestrial mammals with the Project. A summary of the outcomes of these surveys is provided in responses to PC #53 (above). See (Appendix G.4.3 – 2014 – 2025 Incidental Caribou Sightings). Findings from the 2023 aerial survey is in the 2024 TEAMR (EDI, 2024a).

e. Findings for 2025 wildlife monitoring — including methods and approaches to statistics — are presented in the 2025 TEAMR (EDI, 2026b). Methods and results to mitigate and monitoring potential impacts on wildlife at the Project are described in Sections 9, 10 and 11 of the 2025 TEAMR (EDI 2026b).

f. In 2025, the permitted amount of shipped ore decreased from the Sustaining Operations Proposal (SOP) limits to the Early Revenue Phase (ERP) limits. Construction was limited to continued development and infrastructure, and laydown areas were required at the Mine Site and Milne Port to support operations with additional supplies and equipment. At the end of 2025, the total project footprint was 735 ha.

   The 2025 Final TEAMR (EDI, 2026b) summarizes mine traffic activity as it correlates to dustfall monitoring. All non-haul vehicle traffic on the Tote Road is recorded by Baffinland security. This type of vehicle traffic includes road maintenance mobile equipment, mechanical maintenance/fueling trucks, pick-up trucks, etc. Mine Operations Dispatch tracks the number of trucks hauling ore on the Tote Road each day.

g. The mean number of ore haul transits from January 1 to December 31, 2025, was 196 transits per day (ore haul accounted for 173 transits per day). Weather-related closures of the Tote Road in 2025, which resulted in multi-day stoppages of ore haul transits, occurred from July 10 to 17. Inclement weather also repeatedly closed the Tote Road to heavy-haul traffic throughout October 2025.

h. A summary of annual weather conditions is included in the 2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026a). 2025 was warmer and rainier than historic averages at the Mine Site and Milne Port. Rainfall was highest in the late summer, and winter temperatures were warmer than normal. Predominant wind patterns at the Mine Site and Milne Port have remained consistent since continuous monitoring began in 2013.

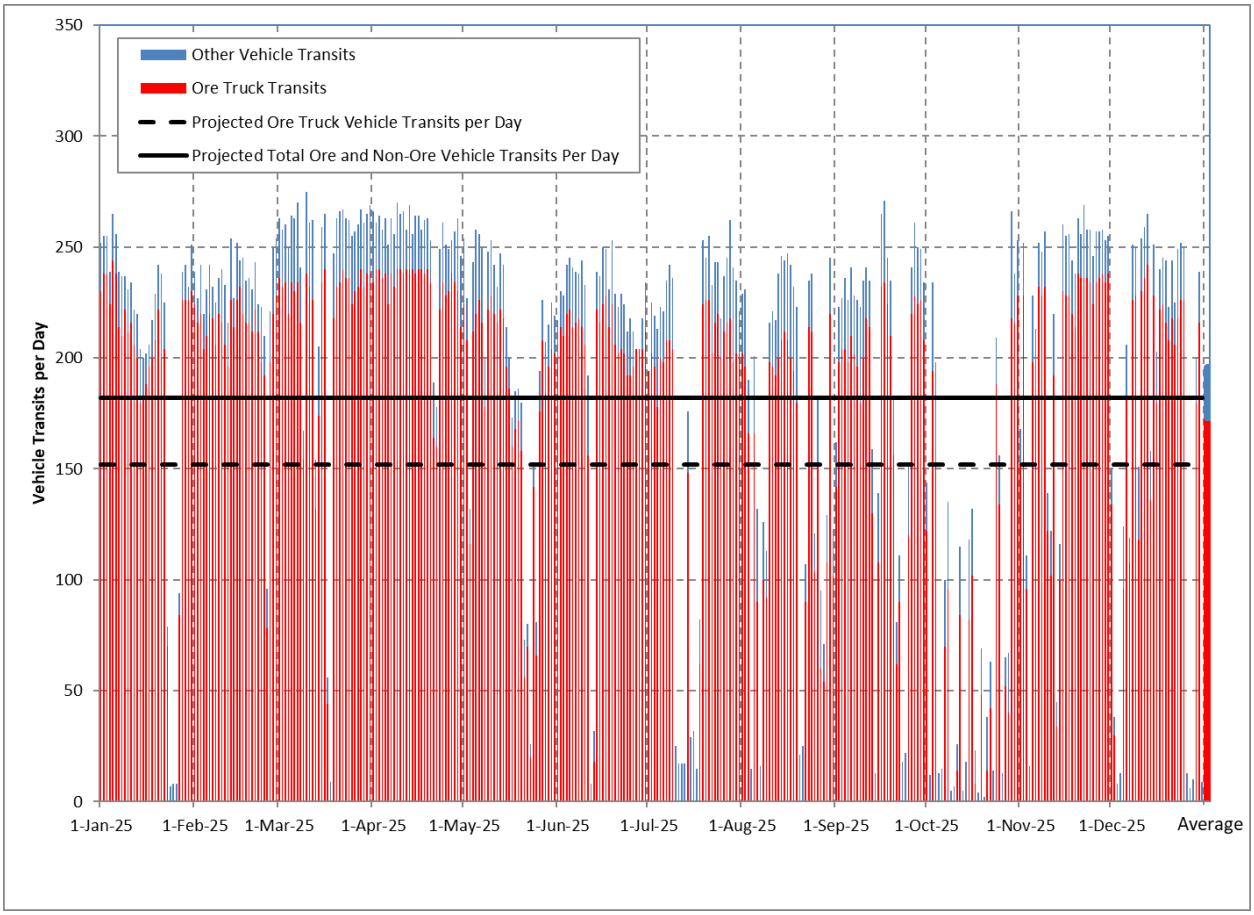


Figure 4:7: Vehicle Transits Per Day On the Tote Road, Including Ore Trucks (Red) And All Other Traffic (Blue), January 1 To December 31, 2025

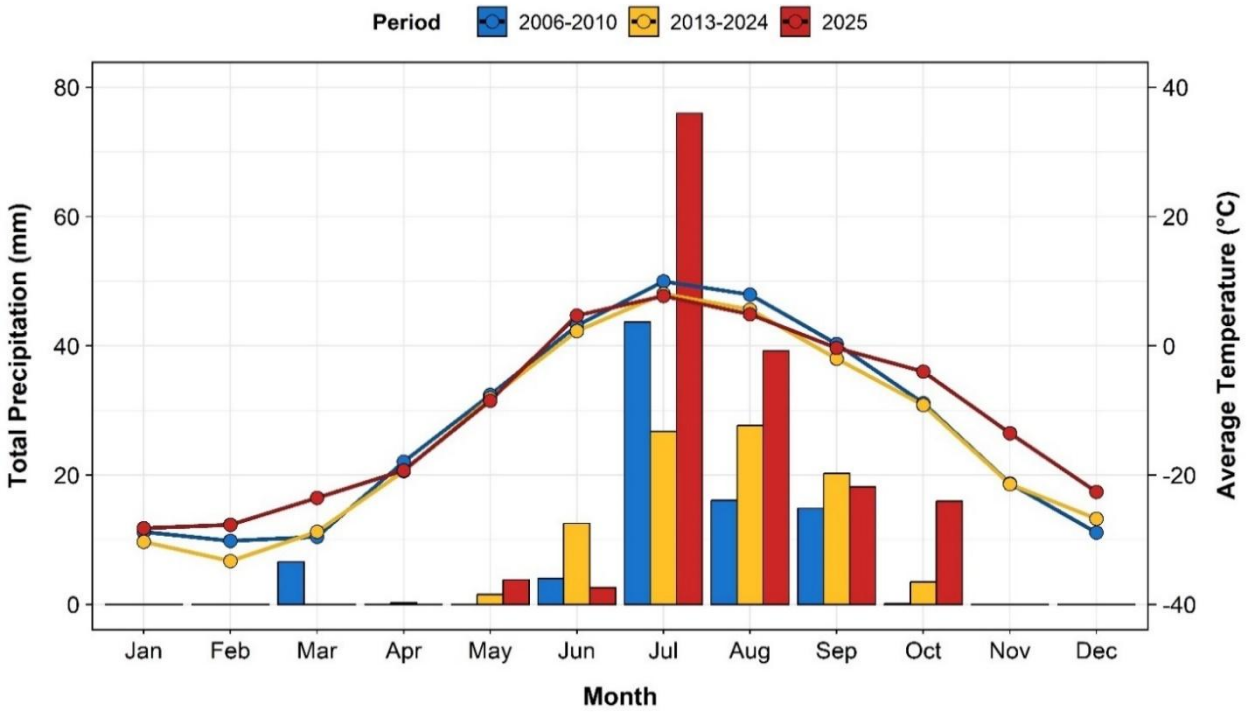


Figure 4:8: Milne Port monthly average air temperature (lines) and total precipitation (bars) from 2006–2010, 2013–2023, and 2025.

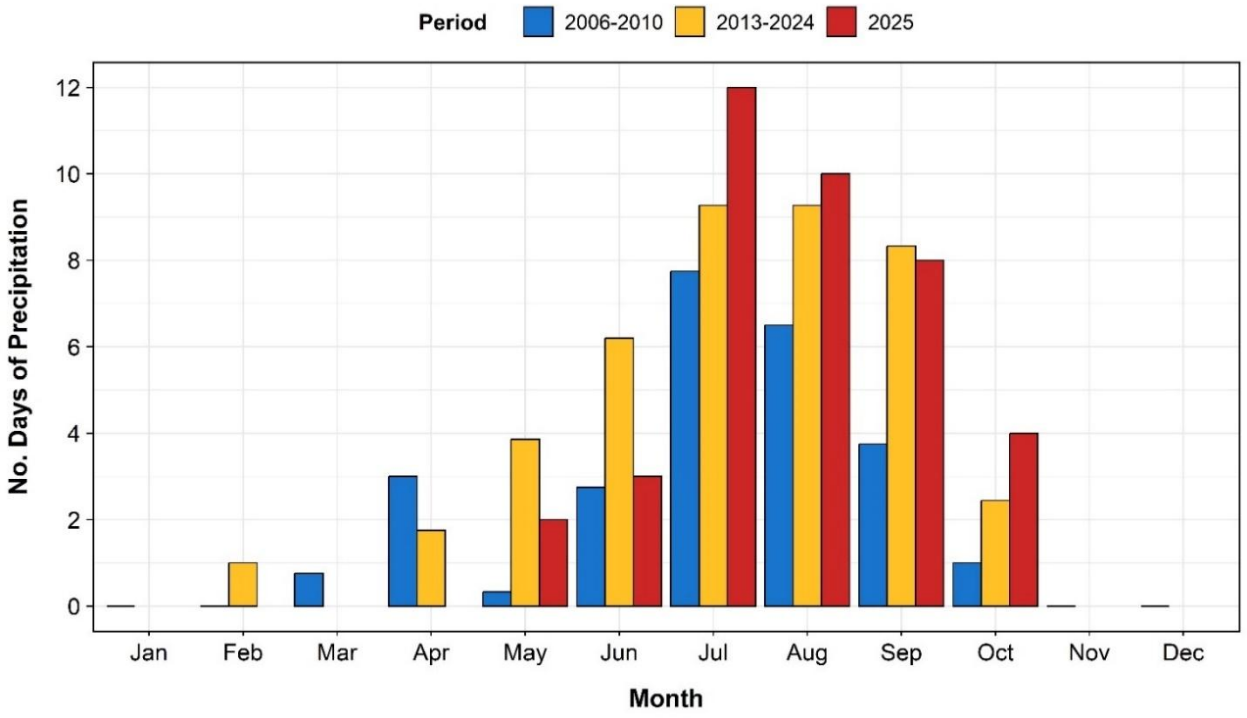


Figure 4:9: Milne Port monthly precipitation frequency (number of days experiencing precipitation) from 2006–2010, 2013–2023, and 2025.

i. The TEMMP was most recently reviewed and updated in 2025, accounting for comments from QIA and the planned construction of the Southern Rail. The latest TEMMP version addresses PC Term and Condition No. 57(h). All versions of the TEMMP have been included in the revision table contained within the document. Ongoing updates and changes to monitoring programs are also discussed in the Terrestrial Environment Annual Monitoring Reports and TEWG meetings. The 2025 revised TEMMP will be circulated to the TEWG for review.

TRENDS

a. Annual monitoring programs continue to increase knowledge of the terrestrial environment, in addition to knowledge gathered vis-à-vis support to regional monitoring programs.

b. Inuit participants in the terrestrial monitoring programs continue to provide valuable knowledge and skill sets to the implementation of the program. Additionally, Baffinland will continue to provide support for community-based monitoring programs through Inuit Impact Benefit Agreement (IIBA) requirements, and/or other collaborative opportunities should they arise in the future.

c. Overall, results for the terrestrial environment monitoring are consistent with FEIS predictions.

d. Wolf and caribou observations on-site follow the regional trend: very low abundance. Sightings of other terrestrial animals (i.e. arctic hare) have remained consistent with previous years.

e. Overall, results for the terrestrial environment monitoring are consistent with FEIS predictions.

f. Historic (2012-25) weather monitoring data indicate generally consistent seasonal wind patterns at the Project, reflecting primarily north-north-easterly and southeasterly winds (where the strongest winds are recorded from the southeast). Milne Port is consistently cooler and drier than the Mine Site. In general, temperatures recorded at Milne Port are, on average, marginally cooler than the Mine Site throughout the year. Since the start of the baseline recording, Milne Port has averaged 2.1°C cooler than simultaneous measurements from the Mine Site.

RECOMMENDATIONS / LESSONS LEARNED

Environmental monitoring will continue through the life of the Project. Supplemental baseline studies will continue for the Steensby Component prior to construction.

Project Certificate Term and Condition No. 58

Category	Terrestrial Wildlife and Habitat – Reporting
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate and monitor for impacts to wildlife.
Term or Condition	Within its annual report to the NIRB, the Proponent shall incorporate a review section which includes: a. An examination for trends in the measured natural variability of Valued Ecosystem Components in the region relative to the baseline reporting; b. A detailed analysis of wildlife responses to operations with emphasis on calving and post-calving caribou behaviour and displacements (if any), and caribou responses to and crossing of the railway, the Milne Inlet Tote Road and associated access roads/trails; c. A description of the extent of dustfall based on measured levels of dustfall (fugitive and finer particles such as TSP) on lichens and blueberries, and ash content of caribou fecal pellets; d. A demonstration and description of how the monitoring results, including the railway, road traffic, air traffic and dustfall contribute to cumulative effects of the Project; e. Any proposed changes to the monitoring survey methodologies, statistical approaches or proposed adaptive management stemming from the results of the monitoring program; f. Any updates to information regarding caribou migration trails. Maps of caribou migration trails, primarily obtained through any new collar and snow tracking data, shall be updated (at least annually) in consultation with the Qikiqtani Inuit Association and affected communities, and shall be circulated as new information becomes available.
Relevant Baffinland Commitments	60, 71
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Steensby Rail Corridor – Not Active Milne Inlet Tote Road – Active
Status of Compliance	Steensby Rail Corridor – Not Applicable Milne Inlet Tote Road – In Compliance
Stakeholder Review	Nunavut Impact Review Board, Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b) 2025 TEWG Meeting Records 2020 Terrestrial Environment Annual Monitoring Report (EDI, 2021a)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.2 – TEWG Meeting Records Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS AND RESULTS

The Terrestrial Environment Mitigation and Monitoring Plan (TEMMP) is the primary guidance document for environmental mitigation and monitoring at the Mary River Project; the Terrestrial Environment Annual Monitoring Report (TEAMR) is the primary source for terrestrial environment summary reporting. For brevity, the following are references to related PC Terms and Conditions that address the subcomponents (a-f) of PC Term and Condition No. 58. Note that the TEMMP and TEAMR should also be referenced for comprehensive descriptions of study design, data capture, analytical methods (including assessment limitations and assumptions), and monitoring results.

a. Refer to Summary for Term and Condition No. 57 (c-e).

b. Refer to Summary for Term and Condition No. 57 (c-e).

   Where relevant, the TEAMR discusses near-site wildlife observations concerning available knowledge about regional populations. It compares measured wildlife data (e.g., vegetation abundance data, cliff-nesting raptor data, caribou observations) to previous years' data and baseline data to indicate natural variability. Bird monitoring survey data that derived density estimates were compared to regionally available density values. Where applicable, inter-annual trends are provided in the TEAMR for a given assessment/monitoring campaign.

c. In 2025, a combination of surveys was conducted to evaluate the interaction of caribou and other terrestrial mammals with the Project. A summary of the outcomes of these surveys is provided in response to PC #53 (above).

d. Refer to Summary for Term and Condition No. 10, 34, and 54.

e. Refer to Summary for Term and Condition No. 57.

f. Refer to Summary for Term and Condition No. 10, 34, 50, 54 and 57.

TRENDS

a. Refer to PC Condition No. 53 for trends related to wildlife response (as indicated by outcomes from HOL surveys, snow track surveys, and incidental observations).

b. Refer to PC Condition No. 53, and 57 for trends related to wildlife response (as indicated by outcomes from HOL surveys, snow track surveys, and incidental observations).

c. Refer to PC Condition No. 34 for trends related to vegetation and soil base metals monitoring.

d. From 2014 to 2016, dustfall across the PDA increased commensurately with mine production. From 2016 to 2020, dustfall generally plateaued with only modest increases in some Project areas, and since 2022, dustfall has remained constant or decreased in most Project areas, particularly along the Tote Road. In 2025, dustfall was generally lower across the Project areas, with exceptions at some isolated monitors during the spring months (March, April and may), when variable spring thaw conditions can limit the effectiveness of dustfall mitigations. Trends since 2014 at each Project site are summarized below and are presented in Figure 4.10.
   - Mine Site (DF-M Monitors) — Dustfall at the mine site decreased in 2025, except for at site DF-M-01, located at the air strip; increased dustfall was measured at this site during the spring months

- Milne Port (DF-P Monitors) — Following some modest increases in 2017, dustfall has remained constant or decreased across the Milne Port Site; dustfall in 2025 was less than in 2024 across Milne Port monitors.
- Tote Road (DF-RN, DF-RS Monitors) — Dustfall along the Tote Road decreased in 2025 at both the North Crossings (KM 28) and South Crossings (KM 78), when compared with previous years.

Satellite-estimated mean dustfall concentrations generally increased from 2014 to 2020 in line with increased ore production. The mean dustfall concentration has been variable since 2020, and the 2025 results were consistent with those of previous years. Mean daily dustfall rates from the passive dustfall monitors have generally decreased since 2022 for March, April and May, with some variability in the Tote Road south crossing. The different trends may indicate differences in processes (e.g., transport) and variables (e.g., lighting and snow conditions) between dustfall and dust-estimated concentrations.

The 2025 dustfall extent covered 10.06% of the imagery analysis study area, with lower dustfall concentration classes (<4.5 g/m²) accounting for the largest dustfall area. Dustfall extents varied by location, with the Mine Site, Milne Port, and Tote Road south areas around 13.50%, a decrease compared to 2024, and the Milne Inlet and Tote Road north areas around 11.30%, an increase compared to 2024. The pattern of dustfall extent on the landscape was similar from 2014 to 2025 for all areas, with the highest concentrations near the Project and dustfall extending northeast along Milne Inlet, west and south of the Mine Site, and southwest of the South Crossing (KM 78) in the direction of prevailing and/or strong winds.

e. The TEMMP addresses PC Condition No. 58(e). All versions of the TEMMP have been included in the revision table contained within the document. Ongoing updates and changes to monitoring programs are also discussed in the Terrestrial Environment Annual Monitoring Reports and TEWG meetings.

f. The GN (2008 – 2011) and (2021 – 2025) GPS collar data that was analyzed showed that that caribou was widely distributed throughout the Melville peninsula Plateau and Baffin Island uplands ecoregions within and around the RSA. However, results indicate that more collars need to be deployed, as ground-based monitoring provides better information on interactions between caribou and project, (EDI, 2026b). The GN in collaboration with Baffinland is collaring caribou in the vicinity of Mary River.

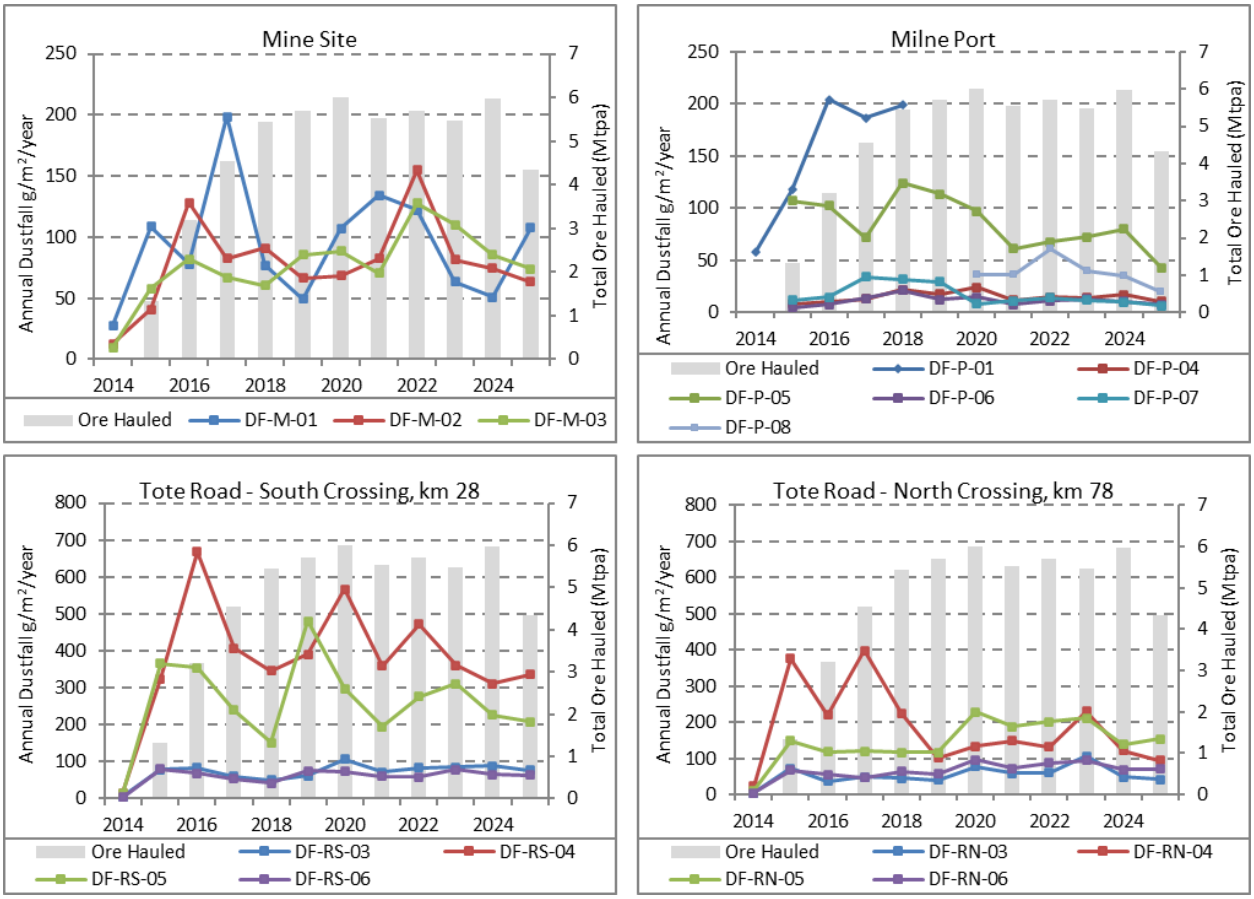


Figure 4:10: Annual Dustfall and Ore Shipping Trends from 2014 to 2025

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 53 for recommendations related to wildlife response (as indicated by outcomes from Height of Land surveys, snow track surveys, and incidental observations).

Refer to PC Term and Condition No. 34 for recommendations related to vegetation and soil base metals monitoring.

Recommendations for dustfall:

- Dustfall currently presents a low risk to environmental and human health and safety. As stated in the 2025 TEAMR (EDI, 2026b), CCME guidelines were consistent with the risk assessment and evaluation of exposure potential from ore dusting events in selected Valued Ecosystem Components.
- The TEWG and land users have raised concerns about dustfall extent on the landscape and impacts on vegetation and wildlife. To address the concerns, more in-depth data analyses were applied (including spatiotemporal and inter-annual comparisons) to tease out potential trends and tendencies. Analyses of satellite imagery were also conducted to further define spatial extents of dustfall.

- Baffinland is committed to mitigating dust generation at the Project by improving and refining its dust suppression approaches, including applying dust suppressants on the Tote Road, Air Strip, and Milne Port Stockpile.
- Baffinland will continue to investigate controls that can be implemented at the Project to mitigate dustfall dispersion by helicopters and the project will continue to monitor the dustfall along the road.
- Subsequent annual reports will include an explicit comparison of inter-annual trends determined by passive dustfall monitoring and satellite imagery analysis.
- Baffinland developed the Dust Audit Committee in 2023, which is comprised of members from the QIA, Government of Nunavut, Government of Canada, Hamlets and Hunters and Trappers Organization of the impacted communities (Pond Inlet, Arctic Bay, Clyde River, Sanirajak, Igloolik). New PC Term and Condition No. 187 affiliated with Amendment No. 04 of PC No. 005 states that Baffinland will resource the Dust Audit Committee to conduct an annual audit of dust impacts and mitigations associated with Project activities. The Committee evaluates the effectiveness of current dust mitigation measures and provide recommendations and options to reduce the spread and impacts of dust, if deemed necessary by participating members.
- New PC Term and Condition No. 188 affiliated with Amendment No. 04 of PC No. 005 requires Baffinland to establish a program to identify high risk conditions for dust dispersal and plan for additional measures to be taken at the times the conditions are present, which may include the use of additional dust suppression and operational staged decreases in dust generating site activities. Baffinland is currently jointly developing a program with the QIA, which will be presented to the TEWG only agreed upon by both parties for additional feedback.
- Appendix B of the revised PC No. 005, Amendment No. 04 has various commitments related to dust mitigation and monitoring efforts that must be completed by Baffinland. As per new PC Term and Condition No. 189, Baffinland is required to report on the status of these commitments bi-annually to the NIRB.
- The 2025 annual reports include an explicit comparison of inter-annual trends determined by passive dustfall monitoring and satellite imagery analysis.

Project Certificate Term and Condition No. 59

Category	Terrestrial Wildlife and Habitat – Aircraft Disturbances
Responsible Parties	The Proponent
Project Phase(s)	Construction, Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate aircraft disturbance to wildlife and Inuit harvesting.
Term or Condition	The Proponent shall ensure that aircraft maintain, whenever possible (except for specified operational purposes such as drill moves, take offs and landings), and subject to pilot discretion regarding aircraft and human safety, a cruising altitude of at least 610 metres during point to point travel when in areas likely to have migratory birds, and 1,000 metres vertical and 1,500 metres horizontal distance from observed concentrations of migratory birds (or as otherwise prescribed by the Terrestrial Environment Working Group) and use flight corridors to avoid areas of significant wildlife importance. The Proponent, in collaboration with the Terrestrial Environment Working Group shall develop a program or specific measures to ensure that employees and subcontractors providing aircraft services to the Project are respectful of wildlife and Inuit harvesting that may occur in and around Project areas.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	2021 Terrestrial Environment Annual Monitoring Report (EDI, 2022b) Nunavut Impact Review Board's 2020-2021 Annual Monitoring Report (NIRB, 2022d) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.2 – TEWG Meeting Records Appendix G.4.1 - 2024 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

Note: There is a discrepancy between Project Term and Condition No. 59 and 71. Project Term and Condition No. 59, suggests that minimum cruising altitude should be 610 metres above ground level (magl) in all areas, while Project Term and Condition No. 71 prescribes a minimum cruising altitude of 650 magl. Considering that most, if not all, areas where Baffinland operated in May through September were likely to have migratory birds, the default minimum cruising altitude for helicopter overflights was the more conservative 650 magl.

In consultation with the Terrestrial Environment Working Group (TEWG), Baffinland implemented a requirement for all helicopter pilots to complete a daily pilot timesheet to track flight data, including rationale for low-level flights when required. Descriptions of the rationales recorded in the daily pilot timesheets are listed in Table 4.20. As per requests in the 2021-2022 NIRB Annual Monitoring Report (NIRB, 2022d), Baffinland worked with the Government

of Nunavut (GN) to jointly revise the list of acceptable rationale to better reflect feedback from the TEWG that has been received throughout the years.

Table 4:19: Descriptions of Pilot Rationales Given for Low-Level Flights[1, 2]

Rationale	Description
Slinging	Helicopters slinging external loads fly low for safety purposes. If issues occur, the load can be quickly lowered to the ground in a controlled manner or dropped while maintaining a visual reference of the landing location.
Short Distance	At the discretion of the pilot operating the aircraft during the flight. Considers the distance travelled during a flight as well as other contributing factors, which may result in a determination that gaining an altitude of 650 magl is unreasonable, unsafe, or impractical. These types of trips are generally associated with specific monitoring programs that are MANDATORY with no other practical ways of completing them (e.g., water sampling locations not accessible by foot or boat, dustfall sampling, wildlife observations, noise sampling, prospecting).
Weather	Poor visibility associated with low cloud restricts pilots to flying below the cloud line, which is under 650 magl. High winds and/or flat light conditions (reduces a pilot's depth-of-field, causing poor ground reference) can make it difficult to maintain a consistent 650 magl flight height. Even if pilots have enough ceiling to reach the required altitude at take-off, there could be poor weather conditions along the route or later in the day. Flights returning staff from remote work areas to camp are required regardless of the ceiling.
Search and Rescue	Flying the aircraft at low levels where Search and Rescue members have sufficient visual detail of the ground.
Inspection	Visual inspection of features on the ground (e.g., waterbodies, site infrastructure) where low-level flying is required for personnel to have sufficient visual detail.
Maintenance Flight	Flying the aircraft at low levels for purposes related to maintenance of the aircraft.
Medical Evacuation / Emergency Response	Flying the aircraft at low levels for purposes related to medical evacuation and/or emergency response where efficiency and/or other factors are of utmost importance.
Geophysical Survey	Low-level flying is required as part of the survey methodology (e.g., flying a low-level grid pattern for a geophysical survey, keeping a sensor at a constant elevation relative to the ground). The length of the survey is dependent on the size of the area to be surveyed. These surveys, if required, are conducted outside of the bird nesting or moulting windows.

[1] Descriptions are stated with a cruising altitude requirement of 650 magl and apply to a cruising altitude requirement of 1,100 magl in the Snow Geese area during the moulting season (July and August).

[2] the pilot will have final authority for the disposition of the aircraft during the time in which they are in command.

Pilots were also given the spatial boundaries of any identified concentrations of migratory birds, buffered by the required 1,500 m horizontal avoidance distance. Pilots were then asked to avoid flying in these areas.

Canadian Helicopters provided flight track log data (GPS points along the flight path at 2-minute intervals). Baffinland provided a compliance database using daily pilot timesheets (with flight details) from May to September 2024, when

the helicopters were active and on-site. The two datasets were combined and analyzed for cruising altitude compliance. The methods used to calculate flight altitudes above ground level and compliance are described in detail in the TEAMR.

Data were split into two (2) categories: 1) those data within the Snow Geese area (provided by Environment and Climate Change Canada) during the 2024 moulting season (July and August) in relation to the 1,100 magl cruising altitude and 1,500 m horizontal distance requirement and 2) those data outside the Snow Geese area during the 2024 moulting season, and in all areas during all other months, in relation to the 650 magl cruising altitude requirement. The datasets were then analyzed separately to assess specific cruising altitude allowances using the different areas and minimum cruising altitude requirements. Using the pilot rationale, any flight data with justifications for flying at lower altitudes than required was considered compliant with rationale. When no justification was provided for low-level flights, entries defaulted to non-compliant. For this reason, the proportion of compliant flights was considered conservative. Based on this analysis, flight data were organized into the following six categories:

1. Those data within the Snow Geese area in July and August where the 1,100 magl cruising altitude requirement was achieved (compliant);
2. Those data within the Snow Geese area in July and August where the 1,100 magl cruising altitude requirement was not achieved, but a rationale for low-level flying was given (compliant with rationale);
3. Those data within the Snow Geese area in July and August where the 1,100 magl cruising altitude requirement was not achieved and no rationale for low-level flying was given (non-compliant);
4. Those data outside the Snow Geese area in July and August, and in all areas during all other months, where the 650 magl cruising altitude requirement was achieved (compliant);
5. Those data outside the Snow Geese area in July and August, and in all areas during all other months, where the 650 magl cruising altitude requirement was not achieved, but a rationale for low-level flying was given (compliant with rationale); and,
6. Those data outside the Snow Geese area in July and August, and in all areas during all other months, where the 650 magl cruising altitude requirement was not achieved and no rationale for low-level flying was given (non-compliant).

Additional details concerning helicopter pilot rationale and flight time were requested during 2020 TEWG meetings. Therefore, the helicopter flight database used for assessing compliance was re-analyzed from 2017 to 2019 and incorporated into the 2020 analysis to address this request and was presented in the 2020 TEAMR. A re-analysis by flight time of the 2015 and 2016 helicopter overflight data was requested in comments to the 2020 Terrestrial Environment Annual Monitoring Report (TEAMR) and were presented in the 2021 TEAMR along with the 2021 analysis (EDI, 2022b). Analysis and reporting for 2025 continued to be based on flight time and incorporated pilot rationale. Compliant and compliant with rationale categories were reported separately, and flight time was reported for each pilot rationale in the compliance database.

RESULTS

No locations or boundaries of areas prescribed explicitly by the TEWG or of observed concentrations of migratory birds other than the Snow Goose key moulting area were identified in 2025 for avoidance. Except for the Snow Geese

area, no analysis was required to determine compliance of 1,100 m vertical and 1,500 m horizontal distance of any other location. Pilots made efforts to avoid the Snow Geese area during the moulting season, when possible, in 2025. Out of 1,200 transits flown from June to September, 92 (7.7%) intersected the Snow Geese area during moulting season, and only 9.36 hours (2.19%) of a total flight time of 427.36 hours were flown within the Snow Geese area during moulting season. Most flights over the Snow Geese area were related to transits to Steensby Inlet, which only skirted the eastern edge of the Snow Goose area boundary and monitoring activities near a lake along the eastern side of the Snow Geese area. These flights were within a well-defined track, away from the core of the Snow Goose area, which was identified as having higher concentrations of geese. There were two non-compliant flights from helicopters arriving and departing the Mine Site.

After considering pilot rationale in 2025, combined compliance for flight time within the Snow Geese area during the moulting season was 46.53%, with 25.20% compliant and 21.33% compliant with rationale (Table 4.20). Overall, combined compliance across all areas for all months (June to September) was 77.59%, with 34.15% compliant and 43.45% compliant with rationale.

Table 4:20: Number of flight hours of cruising altitude compliance (≥1,100 magl) within the Snow Geese area during the moulting season, July 1 to August 31, 2025.

Month	Area	Total Hours per Month	Total Flight Hours	Compliant		Compliant with Rationale		Combined Compliance	Non-compliant	
				hrs	%	hrs	%	%	hrs	%
July	Within SNGO[1] Area	744	3.05	0.77	25.31	0.60	19.64	44.95	1.68	55.05
August	Within SNGO[1] Area	744	6.31	1.59	25.15	1.40	22.14	47.29	3.33	52.71
Total		**1,488**	**9.36**	**2.36**	**25.20**	**2.00**	**21.33**	**46.53**	**5.01**	**53.53**

[1] SNGO = Snow Geese.

Note: Total values may be off from row/column sums by 0.01 due to rounding.

2025 was the ninth (9) consecutive year that flight height data were cross-referenced with compliance data from daily pilot timesheets. For analytical purposes, flight line segments and the associated flight time were designated "compliant" if/when cruising altitude requirements were followed, "compliant with rationale" if/when cruising altitude requirements were not met, but pilot discretionary rationale was provided, and "non-compliant", if/when cruising altitude requirements were not met and no explanation/rationale was provided. A summary of 2025 low-level flights and rationale is provided in Table 4.21.

Table 4:21: Helicopter compliant with rationale flight hours summarized according to pilot rationale for flights within the ≥1,100 magl and ≥650 magl cruising altitude requirements, June 1 to September 17, 2025.

Rationale	Total Hours	Flight Hours	% of Total Flight Hours[1]	≥1,100 magl Cruising Altitude Requirement		≥650 magl Cruising Altitude Requirement	
				Flight Hours	% of Total Flight Hours[1]	Flight Hours	% of Total Flight Hours[1]
Slinging	**2,616**	19.35	4.53	0.05	0.01	19.30	4.52
Short Distance	**2,616**	48.00	11.23	0.36	0.09	47.64	11.15
Weather	**2,616**	96.79	22.65	1.12	0.26	95.67	22.39
Search and Rescue	**2,616**	10.80	2.53	-	-	10.80	2.53
Inspection	**2,616**	2.67	0.62	0.17	0.04	2.50	0.59
Maintenance Flight	**2,616**	-	-	-	-	-	-
Medical Evacuation / Emergency Response	**2,616**	-	-	-	-	-	-
Geophysical Survey	**2,616**	8.07	1.89	0.29	0.07	7.77	1.82
Total	**2,616**	**185.68**	**43.45**	**2.00**	**0.47**	**183.69**	**42.98**

Flights with justification from pilot daily timesheets accounted for 43.45% of total flight hours, lower than in 2024 (53.64%). Low-level flights with rationale will likely continue in future years, as most helicopter work at the Project requires either low-level flying for safety/operational reasons (e.g., slinging, geophysical surveys) or involves multiple short-distance flights that prevent helicopters from reaching cruising altitudes (e.g., sampling, drop-offs/pickups). In 2025, the weather-related circumstances (22.65% of total flight hours) and short-distance flights (11.23% of total flight hours) were the most common reasons for flying below the cruising altitude requirements. Low-level flights due to weather within the Snow Goose area during the moulting season accounted for 1.25 hours, a decrease from 2024. While flights were cancelled or delayed due to bad weather—unless needed to bring field staff back to camp safely—poor weather conditions may have prevented flights from being scheduled at all, which cannot be tracked.

During the moulting season within the Snow Geese area, with a cruising altitude requirement of ≥1,100 magl, the number of flight hours decreased from 24.9 hours in 2024 to 9.4 hours in 2025. While the combined compliance percentage decreased (70.0% to 46.5%), the number of flight hours decreased: compliant flights with rationale (15.12 hours to 2.00 hours) and non-compliant flights (7.5 hours to 5.0 hours). The 2025 compliance with the ≥650 magl cruising altitude requirement increased for compliant flights (34.3%/143.6 hours) and decreased for compliant flights with rationale (43.94%/183.69 hours), compared to 2024 (19.2%/78.7 hours and 53.22%/218.21 hours, respectively). Non-compliant flight hours in 2025 (21.71%/90.75 hours) decreased compared to 2024 (27.6%/113.1 hours).

Additional details and analysis concerning pilot rationale and flight time are included in the 2025 Terrestrial Environment Monitoring Annual Report (EDI, 2026b).

TRENDS

During the moulting period, flight hours inside the Snow Goose area were ~6% of the total flight hours between 2015 and 2017, followed by a decrease to ~2% between 2018 and 2022, an increase to ~5–6% in 2023 and 2024, and dropping back to 2% in 2025. However, the total number of flight hours within the Snow Goose area is the lowest it has ever been, at 9.4 hours, compared to the next-lowest at 14.4 hours in 2020. Helicopter cruising altitude combined compliance within the Snow Geese area during the moulting season was 46.5% in 2025 (Figure 4.11). This percentage comprised 25.2% compliant flights and 21.3% compliant flights with rationale. Compared to previous years, 2025 compliance was lower than in years that included a pilot rationale; however, there has been an overall drop in the number of non-compliant flight hours. Outside the Snow Geese area, and in all other areas during non-moulting months, 2025 combined compliance was 78.29%. This percentage was higher than 2024 (72.4%), but lower than the combined compliance between 2018 and 2023, which was above 90% (Figure 4.12).

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to work with their helicopter provider to improve cruising altitude compliance by communicating these requirements and providing a rationale for noncompliance. Helicopter flight overflight analysis based on flight line segments and flight time, including rationale from pilot timesheets, will continue in 2026.

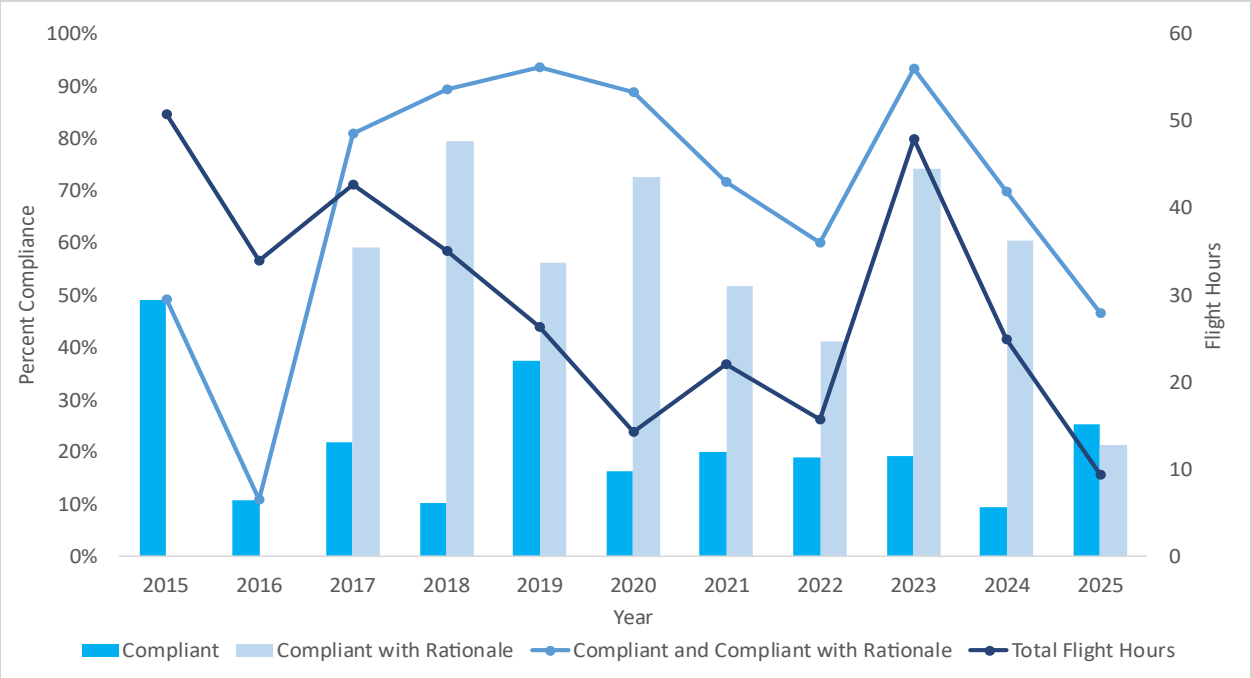


Figure 4:11: Percent compliance and total flight hours for flights within the Snow Geese area during the moulting season, 2015 to 2025.

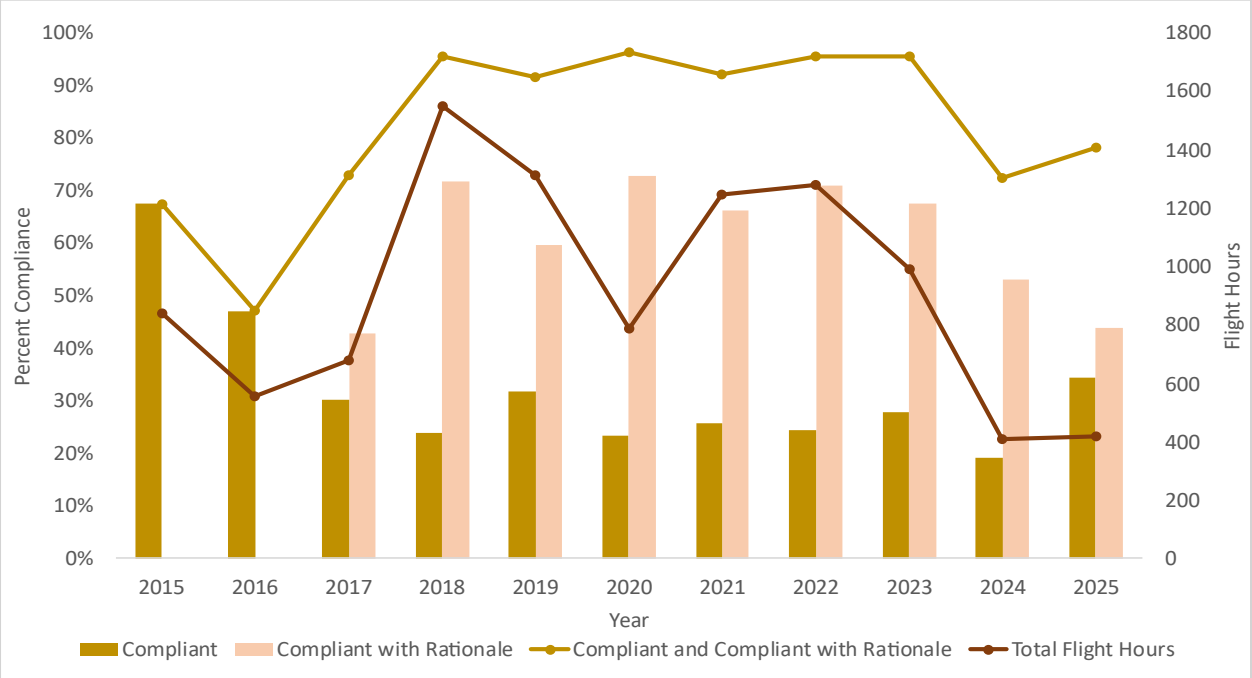


Figure 4:12: Percent compliance and total flight hours for flights outside the Snow Geese area during the moulting season and in all areas in all other months, 2015 to 2025.

Project Certificate Term and Condition No. 60

Category	Terrestrial Wildlife and Habitat – Explosives
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To mitigate impacts to wildlife from explosives.
Term or Condition	Prior to construction, the Proponent shall develop a detailed blasting program to minimize the effects of blasting on terrestrial wildlife that includes, but is not limited to the restriction of blasting when migrating caribou, sensitive local carnivores or birds may be negatively affected.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Quarry Blasting Operations Management Plan (Baffinland, 2013b) Borrow Pit and Quarry Management Plan (Baffinland, 2014c) Environmental Protection Plan (Baffinland, 2021c)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland submitted a Quarry Blasting Operations Management Plan to the Nunavut Water Board (NWB) in 2013 (Baffinland, 2013b), as well as a Borrow Pit and Quarry Management Plan in 2014 (Baffinland, 2014c). That plan accompanied a broader Environmental Protection Plan (Baffinland, 2021c) that included the requirement to scan for and report wildlife presence on a wildlife sightings log. Blasting does not occur if wildlife is present and could be harmed by the activity.

RESULTS

No wildlife has been knowingly harmed or disturbed by blasting activities during construction.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 61

Category	Terrestrial Wildlife and Habitat - Operations (General)
Responsible Parties	The Proponent, TEWG
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate Project impacts to wildlife.
Term or Condition	Whenever practical and not causing a human safety issue, a stop work policy shall be implemented when wildlife in the area may be endangered by the work being carried out. An operational definition of 'endangered' shall be provided by the Terrestrial Environment Working Group.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Environmental Protection Plan (Baffinland, 2021c)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

The Environmental Protection Plan (EPP; Baffinland, 2021c) outlines the 'stop work' procedure when wildlife is in the area.

RESULTS

Whenever practical and not presenting a risk to human safety, a stop work policy shall be implemented when wildlife in the area may be endangered (at risk of immediate injury or death) by work being conducted.

The term "endangered" was defined by the Terrestrial Environment Working Group (TEWG) as: at risk of physical injury or death.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 62

Category	Terrestrial Wildlife and Habitat - Operations (General)
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent increased harvesting pressure on wildlife.
Term or Condition	The Proponent shall prohibit project employees from transporting firearms to site and from operating firearms in project areas for the purpose of wildlife harvesting.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Weapons on Site Policy (Baffinland, 2025m) Hunting and Fishing (Harvesting) Policy (Baffinland, 2013c) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - Terrestrial Environment 2025 Annual Monitoring Report (TEAMR)

METHODS

Baffinland implements its Weapons on Site Policy (Baffinland, 2025m), which prohibits employees from transporting firearms to site. Site orientation includes cultural awareness and reviews the policies outlined in the Hunting and Fishing (Harvesting) Policy (Baffinland, 2013c). Baffinland does not interfere with rights of public hunting or fishing near or within the PDA. All visitors that check in with Site Security and reported visitor activities are tracked through a Hunter and Visitor log. Visitor information for 2025 is summarized in the 2025 Terrestrial Environment Annual Monitoring Report (Appendix G.4.1).

RESULTS

No incidences of Project personnel hunting or fishing within the Impact Area lands leased to Baffinland and/or the PDA occurred in 2025.

TRENDS

No Project personnel have participated in hunting or fishing on the PDA unless approved by scientific permit and Baffinland has not interfered with public rights to fish or hunt in or near the PDA.

Baffinland continues to accommodate all hunting parties and other visitors that travel to the Project.

RECOMMENDATIONS / LESSONS LEARNED

The Weapons on Site Policy (Baffinland, 2025m) has been successful in eliminating firearms from the workplace.

Baffinland continues to monitor and implement the policy banning all employees and contractors from hunting and fishing within the PDA and accommodating all hunting parties.

Project Certificate Term and Condition No. 63

Category	Terrestrial Wildlife and Habitat - Public Engagement
Responsible Parties	The Proponent, local Hunters and Trappers Organizations
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To keep communities up to date with Project operations.
Term or Condition	The Proponent shall liaise with local Hunters and Trappers Organizations in advance of carrying out terrestrial wildlife surveys. At a minimum, The Proponent shall also meet annually in person with Hunters and Trappers Organizations to discuss wildlife monitoring and mitigation plans and address community concerns regarding wildlife interactions. The Proponent may be required to facilitate these meetings through payment of honoraria and meeting costs.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG) and with local Hunter and Trappers Organizations (HTOs)
Reference	2025 Engagement Records 2025 TEWG Meeting Records
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix B.1 - 2025 Engagement Records Appendix C.2 - 2025 TEWG Meeting Records

METHODS

The MHTO became a member of the TEWG in 2016. The other four (4) North Baffin HTOs (Arctic Bay, Clyde River, Igloolik, and Sanirajak) became members of the TEWG in 2022. With the Terms of Reference (ToR) in effect, Baffinland formally invited Kimmirut (Mayukalik) Hunters and Trappers Association (MHTA) and Kinngait (Aiviq) Hunters and Trappers Organization (AHTO) to join the TEWG in 2025. The TEWG meets three (3) times a year, in-person or virtual or based on operational feasibility. Baffinland facilitates these meetings through the provision of honoraria and meeting costs for HTO/HTA members' participation, including airfare, transportation, accommodation and a per diem to cover other expenses.

In addition to the HTO/HTAs' participation in the Working Groups, Baffinland exchanged information with the HTOs on a number of occasions throughout the year to provide an update on the Project, discuss specific monitoring programs or mitigations and proposed Project amendments (e.g., Steensby Component). These meetings are listed in Table 2.1 Public Meetings and Events 2025.

RESULTS

Wildlife monitoring and mitigation programs and wildlife surveys are reviewed at the TEWG meetings, where HTOs are present (Appendix C.2). The GN consulted and secured HTO support for a caribou collaring program in 2025. Baffinland and the Government of Nunavut (GN) are collaborating on the program that covers both the GN's regional studies and Baffinland's Zone of Influence (ZoI) which would address QIA's recommendation from 2024. The 2025 terrestrial monitoring programs had four (4) Inuit participants and over 486 working hours.

In addition, monitoring reports are released annually and shared directly with TEWG members and observers for review and comment so that feedback may be considered in future monitoring programs.

2025 monitoring for terrestrial mammals included a number of surveys designed to monitor caribou interactions with the Project. Relevant programs included:

- Weather monitoring;
- helicopter flight height analysis;
- Tote Road traffic monitoring;
- Dustfall monitoring (passive monitoring & extent imagery analysis);
- exotic invasive vegetation monitoring;
- snow track surveys;
- snowbank height monitoring;
- Height of Land (HOL) caribou surveys;
- remote camera monitoring;
- hunter and visitor log summaries;
- Active Migratory Bird nest Surveys (AMBNS); and,
- Wildlife interactions and mortalities.

TRENDS

Baffinland regards engagement and consultation with Inuit, and incorporation of Inuit in field monitoring, as an important aspect of the programs. Inuit have been involved in various components of the terrestrial environment monitoring program, including: hiring and training Inuit to work on terrestrial monitoring programs; supporting the participation of the HTOs in the TEWG; funding for three (3) full-time on-site Environmental Monitors that are appointed and solely employed by QIA but fully integrated into the Site Environment team; and the implementation of a community-based monitoring program through the Mary River IIBA. Inuit are involved in all terrestrial environment annual monitoring programs conducted by Baffinland's consultant wherever possible. This has included participation in snow track surveys, HOL surveys, vegetation monitoring, and raptor monitoring.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to work with the HTOs at TEWG meetings and other in-community meetings. It is Baffinland's expectation that local Inuit, including representatives from the HTOs, will continue to play an important role in the terrestrial monitoring programs at Site. Additionally, Baffinland continues to provide support for community-based monitoring programs through IIBA requirements, and/or other collaborative opportunities should they arise in the future.

Project Certificate Term and Condition No. 64

Category	Terrestrial Wildlife and Habitat - Waste Management
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent human-carnivore interactions.
Term or Condition	The Proponent shall ensure that its Environment Protection Plan incorporates waste management provisions to prevent carnivores from being attracted to the Project site(s). Consideration must be given to the following measures: a. Installation of an incinerator beside the kitchen that will help to keep the food waste management process simple and will minimize the opportunity for human error (i.e., storage of garbage outside, hauling in a truck (odours remain in truck), hauling some distance to a landfill site, incomplete combustion at landfill, fencing of landfill, etc.); and b. Installation of solid carnivore-proof skirting on all kitchen and accommodation buildings (i.e., heavy-duty steel mesh that would drop down from the edge of the buildings/trailers and buried about a half meter into the ground to prevent animals from digging under the skirting).
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Environment Climate Change Canada, Qikiqtani Inuit Association, Crown-Indigenous Relations and Northern Affairs Canada, Nunavut Impact Review Board.
Reference	Environmental Protection Plan (Baffinland, 2021c) Waste Management Plan (Baffinland, 2024c) 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a) Baffinland Waste Sorting Guidelines (Baffinland, 2021b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report

METHODS

Waste management buildings are situated at both the Mine and Milne Port sites. The waste management buildings house a dual chamber incinerator designed for optimal incineration of approved specific wastes, including food wastes. Design constraints at the Project site limited the ability to situate the Waste Management Building(s) directly beside complex kitchens, however, Baffinland employs procedures to minimize animal attractants and interaction of carnivores with food or food wastes as described in the Environmental Protection Plan (EPP; Baffinland, 2021c) and the Waste Management Plan (Baffinland, 2024c), including the associated Incinerator Operation Procedure. Employees are trained on animal attractant policies upon arrival at Site.

The specific measures implemented to mitigate attractants and animal interactions include; double bagging food and food wastes, storage in closed top bins or sealed SeaCans, and prompt removal for incineration inside the enclosed Waste Management Building(s). Food wastes are incinerated under stipulated conditions, and ash is visually inspected and tested under applicable Government of Nunavut guidelines for landfilling. Ash deposited in the designated landfill is promptly covered with a layer of material to mitigate animal attraction. Prior to disposal of ash, the ash is tested using Toxicity Characteristic Leaching Procedure (TCLP) analysis in accordance with the Type 'A' Water Licence. Results are summarized in the 2025 QIA and NWB Annual Report for Operations (Baffinland, 2026a). Metal Skirting has also been installed on kitchen and accommodation buildings, including Sailivik camp, on the Project site to prevent carnivores accessing under buildings.

RESULTS

Both the Environmental Protection Plan and Waste Management Plan incorporate carnivore interaction and attractant mitigation measures and policies, which continued to be implemented in 2025 (Baffinland, 2021c; 2024c). Food and food wastes were stored as designated by the aforementioned plans, incinerated in the waste management buildings, and compliant ash promptly disposed of and covered in the designated landfill. The Mine Site Landfill Facility continued to accept inert, non-hazardous waste materials in 2025, with animal attractants (food scraps, wrappers, etc.) diverted to the incineration units. While landfill fencing completed in 2019 may result in some additional wildlife deterrence, the primary mitigation measure to reduce animal interactions at the landfill remains the diversion of animal attractants from placement in the landfill.

Ongoing employee education around proper waste sorting continues to be conducted to ensure site-wide adherence to the Waste Management Plan (Baffinland, 2024c). In 2023, Baffinland established Waste and Water Management positions to support the ongoing improvement of overall management, education and operational processes for waste generated and disposed of at the Project. Routine inspections of Landfill Facility operations also continue to be completed with a focus on waste volume, composition and overall conformance to the Project's Waste Sorting Guidelines (Baffinland, 2021b). Any items requiring corrective actions identified during the routine inspections are addressed and follow up actions implemented.

Carnivore interactions on the Project remain relatively low. No carnivore interactions were attributed to waste management infrastructure in 2025. Animal interactions are documented and discussed in the 2025 Terrestrial Environment Annual Monitoring Report (TEAMR; Appendix G.4.1).

TRENDS

Since 2014, there have been similar frequencies of wildlife interactions and mortalities, with no noticeable trends between the years. In 2025, no interactions with carnivore and/or Arctic Fox were associated with waste management infrastructure; validating the continued success of ongoing waste management practices implemented on site. Incineration, employee training, animal attractant mitigation measures and metal skirting maintenance continue to be measures implemented to reduce wildlife interactions at the Project.

Refer to the 2025 TEAMR (Appendix G.4.1) for additional trends associated with wildlife interactions on the Project.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to mitigate wildlife interactions at the Project area by training, enforcing, and monitoring waste management practices and guidelines. Management and supervisors attend mandatory EPP training, which is then

passed on to all employees. Included in the EPP are wolf, polar bear, fox, and caribou protection measures and waste management guidelines that are continually updated and implemented. Incineration and proper waste sorting are the most prominent deterrents used. Wildlife attractants such as food scraps and human waste are sorted and sealed in animal proof containers and incinerated on site. Posted around each site are Waste Sorting Guidelines, which are reviewed regularly, that clearly define where food and other attractants should be placed for disposal. Another deterrent used is metal skirting to minimalize wildlife entry under buildings. Wire skirting is used under the main camps at both sites to ensure no wildlife such as foxes or hares den underneath. Feeding of wildlife is strictly prohibited and non-compliance is dealt with accordingly.

4.6.9 Birds (PC Terms and Conditions 65 through 75)

Eleven (11) PC Terms and Conditions focus on the potential impacts of the Project on birds. Most of these conditions relate to the implementation of mitigation measures to protect birds in consultation with relevant organizations. Baffinland is also required to report on the amount of terrestrial habitat loss annually.

Inuit & Stakeholder Feedback

The Canadian Wildlife Service of Environment and Climate Change Canada (CWS-ECCC) has legislated responsibility for migratory birds under the *Migratory Birds Convention Act* and associated regulations. The Government of Nunavut (GN) is responsible for species at risk within Nunavut, pursuant to the *Wildlife Act* (GN, 2008). During the Project reviews, the focus was primarily on species at risk. Both agencies participate in the TEWG, and as such, Baffinland engages with these agencies multiple times per year on the mitigation and monitoring of Project effects on birds through the TEWG.

Monitoring

Baffinland's bird monitoring program included the following in 2025:

- Active migratory bird nest surveys (AMBNS);
- Helicopter Overflight Compliance Tracking;
- Calculating the amount of habitat lost annually; and
- Incidental Observation and Wildlife Interaction Tracking.

The CWS-ECCC has also conducted seabird monitoring programs and programs for regional and international shorebird monitoring (PRISM) that contribute to regional bird distribution data.

Table 4.22 summarizes the main activities in 2025 in relation to birds and an impact evaluation compared to the predictions outlined in the FEIS and FEIS Addendum.

Table 4:22: Birds Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Bird Indicator Species/Species at Risk	Destruction of active nests due to development in the project footprint	In 2025, eleven active migratory bird nest survey (AMBNS) was completed, covering approximately 72,951 m^2; no nests were detected incidentally outside of the AMBNS survey area.	The effect did not occur
	Habitat loss: direct habitat loss due to the Project footprint; and indirect habitat loss due to sensory disturbances	Cliff-nesting raptor occupancy and productivity survey; cliff-nesting raptor nest site management and effects monitoring. No effect on cliff-nesting raptor nest occupancy rates since 2011. Distance to disturbance analysis suggests there is no adverse effect on monitored raptor nesting. Additionally, as of the end of 2024, the total Project footprint was 725 ha, which is less than what was assessed in the FEIS (7,618 ha).	Effect negligible, within FEIS predictions
	Influences on health	In 2025, after incorporating pilot rationale, helicopter cruising altitude compliance within the	Consistent with FEIS predictions

Component	Effects	Monitoring Program	Impact Evaluation
		Snow Geese area during the moulting season was 25.20% compliant, 21.33% compliant with rationale, and 53.47% non-compliant. Combined compliance (compliant plus compliant with rationale) was 46.53, however, the amount of flight hours was reduced to 9.3 hours, the lowest recorded.%. Overall combined compliance in all areas in all months was 78.29% in 2025 an increase from 72.29% in 2024.	
	Mortality	In 2025, 14 individual wildlife mortality incidents were reported involving four species: 11 Arctic fox (Vulpes lagopus), one Arctic hare (Lepus arcticus), one loon (Gavi asp.), and one ptarmigan (Lagopus sp.).	Two (2) bird mortalities were observed; the effect is within FEIS predictions

Path Forward

Baffinland will remain vigilant about the mitigation and monitoring activities that are in place to protect birds, including for species at risk. Baffinland will continue to seek input and review monitoring results trends from technical members of the TEWG. Baffinland will continue to support regional shorebird monitoring, including species at risk in conjunction with CWS-ECCC, as opportunities arise. Active migratory bird nest surveys will continue in future years prior to any proposed land disturbance and/or clearing during the breeding bird window, and raptor monitoring will continue to focus on multiple nesting territory visits in survey years. Baffinland also partnered on an initiative with CWS-ECCC and multiple universities (McGill, Windsor, and Carleton) entitled “Using cutting-edge biologging and physiological tools to map environmental sensitivities in the Arctic: application to shipping associated with Baffinland Iron Mines.” This partnership followed a successful Natural Sciences and Engineering Research Council of Canada (NSERC) Collaborative Research and Development (CRD) grant application in December 2019. An amendment to this agreement has been signed extending this partnership till March, 2027.This initiative aims to develop innovative techniques to study the potential impacts of marine shipping on seabirds, and the effects of mining activities on terrestrial birds near the Project. Field work pertaining to seabird research was conducted at Cape Graham Moore during the 2024 season and a preliminary field result were presented to Baffinland in April 2025. With research completed at Cape Graham Moore, the research focus will now shift to focus on the low arctic at Digges Island.

Project Certificate Term and Condition No. 65

Category	Birds – Awareness
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent disturbance to birds and bird habitat.
Term or Condition	The Proponent shall ensure all employees working at project sites receive awareness training regarding the importance of avoiding known nests and nesting areas and large concentrations of foraging and moulting birds.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Nunavut Impact Review Board, Terrestrial Environment Working Group (TEWG)
Reference	Environmental Protection Plan (Baffinland, 2021c) Migratory Birds Convention Act (Government of Canada, 1994) Terrestrial Environment Mitigation and Monitoring Plan (TEEMP; Baffinland, 2016a) Baffinland Helicopter Guidelines (Baffinland, 2024n)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report

METHODS

Section 4.13 (Bird Protection Measures) of the Environmental Protection Plan (EPP; Baffinland, 2021c) is the relevant document that informs on Bird Awareness training delivered to employees. All employees are made aware of avoiding known nesting areas and birds during mandatory site orientation.

Baffinland endeavours to perform construction activities outside of the bird nesting season. If construction activity is required in undisturbed areas during bird nesting seasons, active migratory bird nest surveys are conducted in accordance with the Migratory Birds Convention Act, 1994 (Government of Canada, 1994). Construction has five (5) days to commence from the time that a migratory bird presence survey is conducted. A new survey is completed if construction does not commence within this five-day timeline. The results of these surveys are reviewed with the TEWG on a yearly basis and presented in the 2025 Terrestrial Environment Annual Monitoring Report provided in Appendix G.4.1

Baffinland reviews the ECCC nesting calendar in advance of the nesting period each year and in consultation with external wildlife biologists to ensure Project land disturbance migratory bird nest surveys and mitigations apply to the appropriate nesting window, which changes periodically. This is an example of adaptive management by Baffinland whereby adoption of a regular review was implemented to ensure periodic changes to the nesting window are identified and captured throughout Project activities.

All personnel, including helicopter pilots, who will be flying at site are required to take Cognibox training which reviews the Helicopter Guidelines (Baffinland, 2024n) which outlines key measures taken to avoid large known moulting and nesting areas of birds.

RESULTS

Results are presented in the 2025 Terrestrial Environment Annual Monitoring Report provided in Appendix G.4.1.

TRENDS

Not Applicable

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to minimize disturbance (clearing) or other industrial activities in previously undisturbed areas during the nesting season.

Project Certificate Term and Condition No. 66

Category	Birds - Species at Risk
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to sensitive bird species.
Term or Condition	If Species at Risk or their nests and eggs are encountered during Project activities or monitoring programs, the primary mitigation measure must be avoidance. The Proponent shall establish clear zones of avoidance on the basis of the species-specific nest setback distances outlined in the Terrestrial Environment Management and Monitoring Plan.
Relevant Baffinland Commitments	75
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	DRAFT Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2023e) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 – 2025 Terrestrial Environment Annual Monitoring Report

METHODS

To the fullest extent possible, Baffinland plans for new ground disturbance outside of the breeding bird season and conducts active migratory bird nest surveys (AMBNS) in areas disturbed in the breeding season, before any activities proceed. Surveys are conducted a maximum of five (5) days before clearing using the rope-drag method, as recommended by CWS-ECCC. Surveys were conducted by at least two (2) Baffinland searchers/observers by walking slowly through the area with the rope-drag, looking for nests and potential breeding bird activities/birds displaying nesting behaviour. Baffinland establishes clear zones of avoidance when bird nests are found based on species-specific nest setback distances included in Table 3-1 in the draft Terrestrial Environment Mitigation and Monitoring Plan (TEMMP; Baffinland, 2023e).

RESULTS

No Species at Risk nests or eggs have been encountered during Project activities; however, the empty nest of an unidentified species was discovered. In response, a 500 m buffer was established around the nesting location (EDI, 2026)

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to avoid Species at Risk nests and eggs when encountered by conducting pre-disturbance active migratory bird nest surveys and following established guidelines for setback distances.

Project Certificate Term and Condition No. 67

Category	Birds - Species at Risk
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to sensitive bird species.
Term or Condition	The Proponent shall ensure that the mitigation and monitoring strategies developed for Species at Risk are updated as necessary to maintain consistency with any applicable status reports, recovery strategies, action plans and management plans that may become available during the duration of the Project.
Relevant Baffinland Commitments	75
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG), Environment and Climate Change Canada (ECCC)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) DRAFT Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2023e)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Environment and Climate Change Canada (ECCC) provides input to develop mitigation and monitoring strategies for Species at Risk via participation in the TEWG. Section 3 of the Terrestrial Environment Mitigation and Monitoring Plan (TEMMP; Baffinland, 2016a) identifies mitigation and monitoring strategies relevant to all wildlife that could interact with the Project, including Species at Risk. An update draft TEMMP was submitted to NIRB in May 2023 for public review (Baffinland, 2023e). Baffinland is currently updating the draft TEMMP to cover Steenby component. This update will include Species at Risk, this will be circulated to the TEWG members for comments when ready and will be provided to NIRB once complete.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue coordinating with ECCC through the TEWG to address mitigation and monitoring strategies related to Species at Risk.

Project Certificate Term and Condition No. 68

Category	Birds - Project Infrastructure
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent potential injuries to birds.
Term or Condition	The Proponent shall ensure flashing red, red strobe or white strobe lights and guy-wire deterrents are used on communications towers established for the Project. Consideration should also be given to reducing lighting, when possible, in areas where it may serve as an attractant to birds or other wildlife.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Environment and Climate Change Canada (ECCC), Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Through discussions with ECCC in 2013, Baffinland installed reflectors on guy wires at the communication towers established for the Project and will continue to do so on any new infrastructure as required. It was determined that strobe lights were not a relevant mitigation measure as most birds are in the area during the summer when there is 24 hours of light. If it does not present any risks to operating the Project safely, consideration is given to reducing lighting where possible.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Strobe lights were not a relevant mitigation measure because birds are mostly present when the Project experiences 24 hours of daylight. Baffinland will maintain the reflectors installed on the guy wires of the Project's communication towers and continue using this method on any new infrastructure as required.

Project Certificate Term and Condition No. 69

Category	Birds - Construction/Clearing Activities
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent nesting by birds in active Project areas.
Term or Condition	Prior to bird migrations and commencement of nesting, the Proponent shall identify and install nesting deterrents (e.g., flagging) to discourage birds from nesting in areas likely to be disturbed by construction/clearing activities taking place during the nesting season.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal/ Appendix G.4.1 – 2025 Terrestrial Environment Annual Monitoring Report

METHODS

Baffinland prepared a bird deterrence review discussed at the TEWG meeting held on May 21, 2013. There was no feedback from the group on what would prove to be practical solutions before the 2014 construction season. Although active migratory bird nest surveys (AMBNS) were completed, deterrents were not erected. While not specific to land clearing activities, Baffinland has previously installed deterrents at waste water containment ponds, and the landfill, including both decoy birds of prey and scarecrows. During the open water season, routine compliance inspections are completed to ensure that these deterrents are still in place and not damaged.

RESULTS

Not applicable

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Since the areas cleared during the breeding season are managed by AMBNS's before disturbance, deterrents have not been required during land disturbance activities. The TEWG has made no recommendations that an alternative approach would be more successful or necessary. Baffinland will continue to maintain bird deterrents at waste water ponds to discourage use by migratory birds if applicable.

Project Certificate Term and Condition No. 70

Category	Birds - Construction/Clearing Activities
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to birds and nesting areas.
Term or Condition	The Proponent shall protect any nests found (or indicated nests) with a buffer zone determined by the setback distances outlined in its Terrestrial Environment Mitigation and Monitoring Plan, until the young have fledged. If it is determined, that observance of these setbacks is not feasible, the Proponent will develop nest-specific guidelines and procedures to ensure bird's nests and their young are protected.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) Draft Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2023e)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 – 2025 Terrestrial Environment Annual Monitoring Report

METHODS

Active migratory bird nest surveys (AMBNS) are conducted in areas scheduled for disturbance during the breeding bird season (i.e., May 17 to August 19, 2025). Surveys are conducted a maximum of five (5) days prior to clearing; using the rope-drag method, as recommended by the Canadian Wildlife Service and Environment and Climate Change Canada (CWS-ECCC). Surveys were conducted by at least two (2) Baffinland searchers/observers by walking slowly through the area with the rope-drag, looking for nests and potential breeding bird activities/birds displaying nesting behaviour. When bird nests are found, Baffinland establishes a clear setback distance based on the species-specific nest. Setback distances are included in Table 3-1 of the TEMMP (Baffinland, 2016a). An update to the TEMMP was submitted to NIRB in May 2023 for public review (Baffinland, 2023e), and Baffinland has received comments from QIA and is working towards agreement on certain adaptive management elements of the TEMMP and will provide to NIRB once complete.

RESULTS

Baffinland Environmental staff did not observe any indications of nests while conducting these surveys in 2024. However, one active nest of an unknown species was discovered by an operator after an AMBNS was conducted and construction had begun; the nest was given a 500 m setback distance. For more information, please refer to the 2025 TEAMR (Appendix G.4.1)

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to avoid new ground disturbance during the breeding bird season where possible and continue to conduct AMBNS throughout the breeding bird season in areas that need to be cleared.

Project Certificate Term and Condition No. 71

Category	Birds - Flight Altitude Requirements
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate aircraft disturbance to birds.
Term or Condition	Subject to safety requirements, the Proponent shall require all Project related aircraft to maintain a cruising altitude of at least: • 650 m during point-to-point travel when in areas likely to have migratory birds; • 1,100 m vertical and 1,500 m horizontal distance from observed concentrations of migratory birds; and • 1,100 m over the area identified as a key site for moulting snow geese during the moulting period (July-August), and if maintaining this altitude is not possible, maintain a lateral distance of at least at least 1,500 m from the boundary of this site.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	n/a
Ref. Document Link	n/a

METHODS / RESULTS

Refer to PC Term and Condition No. 59. Reporting on PC Term and Condition No. 71 is identical to that of PC Term and Condition No. 59.

TRENDS

Refer to PC Term and Condition No. 59. Reporting on PC Term and Condition No. 71 is identical to that of PC Term and Condition No. 59.

RECOMMENDATIONS / LEASONS LEARNED

Refer to PC Term and Condition No. 59. Reporting on PC Term and Condition No. 71 is identical to that of PC Term and Condition No. 59.

Project Certificate Term and Condition No. 72

Category	Birds - Flight Altitude Requirements
Responsible Parties	The Proponent, Transport Canada
Project Phase(s)	Construction, Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate aircraft disturbance to birds.
Term or Condition	The Proponent shall ensure that pilots are informed of minimum cruising altitude guidelines and that a daily log or record of flight paths and cruising altitudes of aircraft within all Project Areas is maintained and made available for regulatory authorities such as Transport Canada to monitor adherence and to follow up on complaints.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Nunavut Impact Review Board, Transport Canada, Terrestrial Environment Working Group (TEWG)
Reference	Environmental Protection Plan (Baffinland, 2021c) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 – 2025 Terrestrial Environment Annual Monitoring Report

METHODS

Flight height requirements are included in all aviation contracts, and flight paths are recorded using Skytracker. To comply with horizontal guidelines, pilots are given the spatial boundaries of any identified concentrations of migratory birds, which are buffered by the required 1,500 m horizontal avoidance distance. (Baffinland, 2021c, EDI, 2026b). Pilots are then asked to avoid flying in these areas and the areas are programmed into the helicopter Geographic Positioning System (GPS) (EDI, 2026b). Additionally, pilots are made aware of flight height requirements in 'toolbox' talks given at the beginning of each season, and check-in meetings are held within each department. This is also reviewed as part of onboarding Cognibox training. Audits of flight logs are also completed throughout the season to help ensure compliance with requirements.

RESULTS

Refer to PC Term and Condition No. 59.

TRENDS

Refer to PC Term and Condition No. 59.

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 59.

Project Certificate Term and Condition No. 73

Category	Birds
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To monitor Project-related effects on migratory birds.
Term or Condition	The Proponent shall develop detailed and robust mitigation and monitoring plans for migratory birds, reflecting input from relevant agencies, the Qikiqtani Inuit Organization and communities as part of the Terrestrial Environment Working Group and to the extent applicable the Marine Environment Working Group.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG), Marine Environment Working Group (MEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) 2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b) 2015 TEWG Meeting Records (Baffinland, 2016b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

The Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2016a) describes the mitigations and monitoring approaches applicable to birds at the Project. Since 2011, Baffinland has conducted several collaborative research initiatives with relevant members (primarily Environment and Climate Change Canada; ECCC) of the Terrestrial and Marine Environment Working Groups (TEWG and MEWG, respectively) as detailed in the Summary for Term and Condition No. 74.

RESULTS

Following Canadian Wildlife Services (CWS) input provided in the 2015 TEWG meetings (Baffinland, 2016b), Baffinland acquired two rope-drags (for the Mine Site and Milne Port) to use during pre-clearing surveys to increase the likelihood of nest/nesting adult detection. Rope drags were constructed following the template provided by the CWS. With respect to mitigation, through discussions with ECCC in 2013, Baffinland installed reflectors on guy wires at the communication towers established for the Project and will continue to do so on any new infrastructure as required. It was determined that strobe lights were not a relevant mitigation measure as most birds are in the area during the summer when there are 24 hours of light. If it does not present any risks to operating the Project safely, consideration has been given to reducing lighting where possible. Baffinland also prepared a bird deterrence review, which was discussed at the TEWG meeting on May 21, 2013. There was no feedback from the group on what would prove to be practical solutions before the 2014 construction season. Baffinland uses bird deterrents, including decoy

birds of prey and scarecrows, at wastewater containment ponds throughout the open water season to discourage nesting birds.

Active migratory bird nest surveys (AMBNS) are also completed annually during land-clearing activities within the bird breeding window (May 17 to August 19, 2023). In 2025, approximately 72,951 m2 (7.3 ha) of land were disturbed for Project infrastructure during the breeding bird window (EDI, 2026b). Eleven (11) AMBNS were completed; no bird nests were found. Surveys will continue to be conducted whenever vegetation clearing or surface disturbance occurs within the breeding bird window.

TRENDS AND LESSONS LEARNED

Baffinland continues to benefit from ECCC's expertise via the TEWG and MEWG. For more details, see the Summary for Term and Condition Nos. 68, 69, and 74 for more details.

Project Certificate Term and Condition No. 74

Category	Birds – Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To develop appropriate mitigation and monitoring of impacts on birds.
Term or Condition	The Proponent shall continue to develop and update relevant monitoring and management plans for migratory birds under the Proponent's Environmental Management System, Terrestrial Environment Mitigation and Monitoring Plan prior to construction. The key indicators for follow up monitoring under this plan will include peregrine falcon, gyrfalcon, common and king eider, red knot, seabird migration and wintering, and songbird and shorebird diversity.
Relevant Baffinland Commitments	57, 77
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	2024 NIRB Annual Report (Baffinland, 2025g)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.1 – MEWG Meeting Records

METHODS

In 2025, Baffinland and ECCC agreed to extend Baffinland's financial support to ECCC research program on arctic seabirds till 2027. ECCC research efforts on thick-billed murres continued at Coats Island. With this research now completed at Cape Graham Moore, ECCC is shifting focus to the low arctic at Digges Island. The methods are described in previous annual reports. Please see the 2024 Annual Report (Baffinland, 2025g)

RESULTS

Results can be found in the 2023 and 2024 Annual Reports to the NIRB (Baffinland, 2024b; Baffinland, 2025g) ECCC presented the preliminary results of the 2025 field season of the Arctic Seabird and Ecosystems research at the November 2025, MEWG meeting see details in Appendix C.1.

TRENDS/ RECOMMENDATIONS

No additional surveys contributing to trends monitoring are recommended.

Project Certificate Term and Condition No. 75

Category	Birds – Monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To assess the extent of terrestrial habitat loss.
Term or Condition	The Proponent's monitoring program shall assess and report, on annual basis, the extent of terrestrial habitat loss due to the Project to verify impact predictions and provide updated estimates of the total Project footprint.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be provided within the Annual Report to the NIRB.
Status of PC Term and Condition	Active
Status	In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Nunavut Impact Review Board, Terrestrial Environment Working Group (TEWG)
Reference	Environmental Protection Plan (Baffinland, 2021c) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR)

METHODS

Before construction on undisturbed land, the appropriate approvals must be obtained, and construction plans must comply with the Environment Protection Plan. Baffinland tracks the new disturbance of land by maintaining construction and disturbance records and mapping spatial extent for cumulative totals.

RESULTS

At the end of 2025, the total project footprint was 735 ha, less than what was assessed in the FEIS (7,618 ha). Predictions were based on the assumption that the entire PDA would be disturbed. Overburden that is removed from an area to be disturbed is stockpiled for the remediation of the area, wherever possible, and materials are suitable for re-use. No unauthorized land disturbance occurred in 2025, and all disturbed land is reported in the 2025 Final Terrestrial Environment Annual Monitoring Report (EDI, 2026b).

TRENDS

To date, all disturbed land has remained within the PDA and below FEIS predictions.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to monitor terrestrial habitat loss due to disturbance and maintain the limits of the Potential Development Area, and restrict overland movement and traffic to existing roads, pads, and walkways.

4.6.10 Marine Environment (PC Terms and Conditions 76 through 98)

Twenty-four (24) PC Terms and Conditions relate to the potential impacts of the Project on the marine environment. These conditions encompass the development of a comprehensive environmental effects monitoring program and the establishment of the Marine Environment Working Group (MEWG).

Inuit & Stakeholder Feedback

The marine environment has been a key focus of Inuit and stakeholder interest and concern. Concerns have primarily been centred on the potential for impacts of Milne Port operations on the marine environment, including marine water quality, marine sediment quality, fish and fish habitat, the potential for introduction of non-indigenous species (NIS) and/or aquatic invasive species (AIS) as a result of ballast water discharge and hull fouling, and impacts on marine mammals. Baffinland has continued to engage regulators who have jurisdictional responsibilities and authorities over this component of the Project, including ECCC, DFO and TC on these issues, as well as the QIA and Inuit community members through regular engagement (Appendix B) and meetings of the MEWG (Appendix C.1).

Monitoring

Marine biota and the physical environment (marine water and sediment quality) is subject to a marine Environmental Effects Monitoring (EEM) program, which includes the following components:

Benthic Infauna – Sampling for benthic infauna to characterize benthic infauna communities and detect changes over time.

Marine Sediment Quality - Sampling sediment for particle size analysis (to detect changes in sediment composition), the presence of hydrocarbons, and metal concentrations as a function of distance from the ore dock over time.

Marine Water Quality - Sampling to measure total suspended solids (TSS), salinity, temperature, pH, metals, nutrients and hydrocarbon concentrations over time.

Substrate, Macroflora, Epifauna - Diver-based biophysical surveys in permanent quadrats to enumerate macroflora and benthic epifauna and compare changes over time.

Fish Community – Sampling to monitor the abundance and diversity of the fish community and compare changes over time and in relation to proximity to the ore dock and other port activities

Fish Health - Opportunistic sampling of contaminants in Arctic char, and targeted sampling of body condition and contaminants in Fourhorn Sculpin and *Hiatella Arctica* (a shellfish species).

Non-indigenous Species (NIS)/Aquatic Invasive Species (AIS) - Sampling for the presence/absence of aquatic organisms (zooplankton, benthic infauna, benthic epifauna, macroflora, encrusting epifauna, fish) potentially introduced by Project activities.

Ballast Water Monitoring - Monitoring of salinity levels in ballast water to verify exchange of ballast in accordance with Ballast Water Regulations.

Table 4.23 provides an evaluation of the Project's potential impacts on the marine environment, based on monitoring activities completed at Milne Port up to 2025, relative to predictions presented in the Final

Environmental Impact Statement (FEIS) (Baffinland, 2012) and subsequent Early Revenue Phase addenda (Baffinland, 2013a).

To the extent that potential Project impacts on the marine environment can be evaluated, the effects of the Project are within FEIS and subsequent Early Revenue Phase addenda predictions.

Table 4:23: Marine Environment Impact Evaluation

Component	Potential Effects	Monitoring Program	Impact Evaluation
Marine Water and Sediment Quality	Changes in marine water and sediment quality due to prop wash, ballast water discharge, and ore dust deposition	The Marine Environmental Effects Monitoring Program (MEEMP) did not detect any meaningful changes in marine water quality. Analytical results for water quality parameters (i.e., major ions, nutrients, metals, hydrocarbons, and polycyclic aromatic hydrocarbons [PAHs]) were generally within ranges observed during previous MEEMP sampling programs (2015 to 2024). Consistent with previous programs, hydrocarbons and PAHs were not detected in the 2025 water samples. A substantial proportion of parameters analyzed in the water samples from Milne Inlet were not detected at all in downstream sampling stations. All parameters were below relevant water quality guidelines (i.e., CCME Water Quality Guidelines [WQGs]). In 2025, a reduced sediment quality and benthic infauna sampling program was conducted to monitor for scouring effects on sediment and benthic infauna for three years after the initial use of large (Baby Cape and Capesize) ore carriers in fall 2023. Analyses of the physical and chemical composition of sediments were conducted on samples collected from 8 stations adjacent to the Ore Dock, for particle size, metals, and organic parameters. Concentrations of sediment quality indicators were determined to be lower than available sediment quality guidelines and concentrations of organic parameters were largely not detected in the sediments sampled. Statistical spatial and temporal trend analyses did not suggest that sediment metal concentrations were accumulating at elevated levels in	Effect within FEIS predictions

Component	Potential Effects	Monitoring Program	Impact Evaluation
		proximity to the Ore Dock. Most of the Capesize sampling stations showed some level of decrease in the proportion of fine sediments in 2025 compared to 2024, but overall, the decrease in percent fines was minimal, not statistically significant, and reflects a continuing trend of low fines content evident since before 2025. For three of the eight Capesize stations, the proportion of fine sediments increased in 2025 relative to 2024. The ship wake and propeller wash assessment that modelled the effects of larger ore carriers (WSP 2023d) predicted a scouring impact at five of the eight Capesize sampling stations; however, in 2025, fines increased or remained relatively stable at all five stations. For the three stations not predicted to be impacted by scouring by the modelling study, all of which are shallower stations west of the Ore Dock, none showed signs of scouring in 2025; however, one of these stations remained low in fines (SW-3), one was comparable to existing conditions (i.e., 2023) and the third showed an increase in fines relative to 2024. These nearshore stations could be subject to the ongoing influence of natural coastal processes and variations in morphology, and/or sediment transport to the inlet via Phillips Creek, as well as the potential influence of propeller wash. All Capesize monitoring stations continued to support diverse benthic infauna communities, and benthic infauna indicators (density, richness, evenness and diversity) did not significantly change from existing conditions (2023) to 2024 and 2025.	
Marine Water and Sediment Quality	Accidental fuel spill from marine shipping of fuel and other supplies	Inspections and visual monitoring during ship to land fuel transfers and sealift deliveries. No accidents or malfunctions occurred that had the potential for effects.	Effect did not occur
Marine Habitat	Disruption and loss of marine coastal habitat due to dock structure	The Freight Dock offset habitat was not scheduled for monitoring in 2025. The next	Effect within FEIS predictions

Component	Potential Effects	Monitoring Program	Impact Evaluation
		scheduled monitoring is in 2027 (Year 8 of a 10-year monitoring program). Results of habitat offset monitoring in 2024 (Year 5 of the 10-year monitoring program) indicated the three-dimensional structure of the constructed offset habitat at the Freight Dock was providing a suitable and stable substrate for continued colonization and growth of marine organisms including macroalgae, fish and motile/sessile invertebrates. However, some qualitative substrate shifting was observed, including minor slumping on the northern face, exposed rockfill foundation, and areas where rock armour had been slightly displaced.	
Fish Health	Changes in fish health and tissue chemistry related to impacts on marine habitat	In 2025, indicators of fish health were investigated for 40 Fourhorn Sculpin from Milne Port and 37 Fourhorn Sculpin from the Koluktoo Bay reference area. Female fish from Milne Port had significantly greater size-at-age, exceeding the critical effect size (CES), but lower relative gonad weight, compared to females from Koluktoo Bay. For male fish, size-at-age was significantly greater in Milne Port compared to Koluktoo Bay, exceeding the CES. No TARP thresholds were exceeded for Fourhorn Sculpin health endpoints. Significant variation over time was observed for both female and male Fourhorn Sculpin health endpoints, but few consistent trends were observed. An exception was relative liver weight for female Fourhorn Sculpin from Milne Port, which appeared to be increasing consistently over time. In 2025, 40 *Hiatella Arctica* (wrinkled rock-borer clam) were collected from Milne Port, and 40 *H. Arctica* were collected from Tugaat River Estuary reference area. Growth, as whole animal wet weight, was lower in Milne Port	Effects within FEIS predictions

Component	Potential Effects	Monitoring Program	Impact Evaluation
		when compared to the reference area, and length-frequency distributions differed significantly between sampling areas. Observed differences in length-frequency distributions and whole animal wet weight were conservatively considered to exceed the TARP 'Low Risk' threshold but did not exceed the 'Moderate Risk' threshold. The designation as 'Low Risk' is considered conservative as there is no CES for shellfish, and because the difference in weight was based on a supporting endpoint (whole animal wet weight), however the effect endpoint (relative total weight) did not significantly differ between Milne Port and Tugaat River Estuary. When evaluating fish health endpoints for *H. Arctica* within Milne Port among sampling years, differences were observed for length-frequency, whole animal wet weight, relative total weight, and mantle somatic index. No consistent trends over time were observed for any endpoint, suggesting interannual variability as the main contributor to observed differences. A total of 27 incidental mortalities of Arctic Char were analyzed in 2025. Age ranged from 5 to 24 years in 2025, which was similar to 2021 through 2024. Condition factor of Arctic Char varied among sampling years with no consistent temporal trends observed. Tissue samples analyzed for metals in 2025 included eight Arctic Char, eight Fourhorn Sculpin, and eight *H. Arctica* samples from Milne Port, and eight Fourhorn Sculpin and eight *H. Arctica* samples from the reference areas. Constituents of potential concern (COPCs) were identified based on the primary constituents of the Project iron ore (i.e., aluminum, magnesium, and iron), as well as metals with existing regulatory guidelines for fish tissue (i.e., mercury and selenium). Concentrations of	

Component	Potential Effects	Monitoring Program	Impact Evaluation
		most COPCs were not different between sampling areas for Fourhorn Sculpin: however, aluminum concentrations were significantly higher in Fourhorn Sculpin from Milne Port compared to Koluktoo Bay, with a magnitude of effect of 82% which was below the CES. For *H. Arctica*, concentrations of magnesium and mercury were significantly higher and iron concentrations were significantly lower in samples from Milne Port compared to Tugaat River Estuary. The magnitudes of effects, 65%, 31%, and -34%, respectively, were below the CES. Significant increasing trends in aluminum and iron concentrations were observed in Arctic Char tissue samples. Median concentrations of both metals exhibited appreciable interannual variability but have generally been increasing over time. No consistent increasing trends in COPCs were observed for Fourhorn Sculpin or *H. Arctica*. No TARP thresholds were exceeded for *H. Arctica* tissue chemistry. Mercury and selenium concentrations in nearly all Arctic Char and Fourhorn Sculpin samples collected in Milne Port were below Health Canada's Maximum Levels for Chemical Contaminants in Foods mercury consumption guideline of 0.50 mg/kg ww (Health Canada, 2015) and the BC Ministry of Environment selenium concentration guideline of 4.0 mg/kg dw (BC MOE, 2014), respectively. One Arctic Char captured had a mercury concentration (0.513 mg/kg ww) that exceeded the Health Canada guideline, and one Fourhorn Sculpin captured in Milne Port had a selenium concentration (4.08 mg/kg dw) that exceeded the BC guideline. Eight Fourhorn Sculpin and eight Arctic Char samples from Milne Port were analyzed for polycyclic aromatic hydrocarbons (PAHs) in 2025; no *H. Arctica* samples were analyzed for	

Component	Potential Effects	Monitoring Program	Impact Evaluation
		PAHs in 2025 due to limited sample volumes. Concentrations of all PAHs in Arctic Char and Fourhorn Sculpin were below reported detection limits (<0.050 mg/kg ww).	
Marine Biota	Potential changes to marine biota due to discharges to the marine environment, propeller scour, installation of dock structure.	In 2025, a reduced benthic infauna sampling program was conducted. Samples of benthic infauna were collected from eight stations in proximity to the Ore Dock to monitor for scouring effects on sediment and benthic infauna for three years after the initial use of large (Baby Cape and Capesize) ore carriers in fall 2023. The 2025 benthic infauna results remained within predictions of the FEIS and subsequent addenda, which forecasted the potential for localized sediment disturbance associated with propeller wash and temporary effects on benthic infaunal community indicators. In 2025, the eight Capesize stations continued to support diverse benthic invertebrate communities. Overall, no statistically significant changes were detected in density, richness, evenness or diversity between Year 1 (2024) and Year 2 (2025) compared to existing conditions (2023), although natural variability was present. Stations in close proximity to the Ore Dock (SW-1 and SW-2) fluctuated in density and richness over time, showing patterns that are consistent with documented scouring in this area. Scouring effects were previously observed in 2020 at station SW-2 due to propeller wash from smaller ore carriers and tugs. Subsequent monitoring years indicated that the benthic infaunal community at that station later recovered, and that the effects were temporary and localized. In 2025, diversity generally remained stable across most stations, with no measurable effect attributable to the Capesize vessels. Evenness varied among stations without a consistent temporal trend. These	Effect within FEIS predictions

Component	Potential Effects	Monitoring Program	Impact Evaluation
		observations are partly supported by changes in the proportion of fines content in the area over time as well as natural variability seen within benthic communities. Macroalgae and benthic epifaunal community assemblages were comparable between exposure and reference areas, with similar macroalgae and epifaunal taxa composition observed in 2025 as in previous years (2021-2024). Community indicators (percent cover or density, taxa richness, and SDI) were not significantly different between the exposure and reference areas in 2025 except for. sessile epifauna percent cover which was higher in the exposure area than in the reference area. The interaction of area and year was significant for sessile epifauna percent cover and the density of motile epifauna, and the effect of year was significant for all other metrics and indicators. Sessile epifauna percent cover was higher in the exposure area in 2025 than in all previous years, with significant difference and/or large effect sizes compared to 2021, 2022 and 2024. For the reference area, significantly lower percent cover was found in 2025 compared to 2022 and 2023. While no significant differences in motile epifauna density were observed in the exposure area, density was higher in 2025 than in 2024 based on a large effect size; in the reference area, 2025 density was observed to be significantly higher than in 2022 but lower than in 2021. For the remaining indicators, higher values were observed in 2025 than in previous years, with all indicators except macroflora percent cover indicating significantly higher values in 2025 compared to 2022. Macroflora cover and richness and sessile epifauna SDI showed significantly higher values in 2025 compared to 2021 with macroalgae richness also observed to be significantly higher in 2025 compared to 2023. Motile epifauna diversity (richness and SDI) were the only indicators to show significant main effect interannual	

Component	Potential Effects	Monitoring Program	Impact Evaluation
		changes in 2025 compared to 2024, with both indicators significantly increased since 2024. Overall, macroalgae and benthic epifaunal community assemblages were comparable between exposure and reference areas though some indicators varied spatially and interannually, likely driven by natural environmental factors such as temperature, salinity, ice scour, and ice cover. Monitoring efforts to date revealed no evidence of overarching spatial or temporal trends that might be associated with Project-induced effects from construction or operation of Milne Port, though a local effect at station Q12 may have resulted from predicted impacts within the zone of influence modelled for Capesize vessel operations. The composition and abundance of the fish community captured in 2025 were generally comparable to those of the 2020-2024 monitoring programs. In total, 433 fish belonging to eleven unique taxa were recorded in Milne Port from 82 fishing events (efforts) using a combination of methods during the 2025 open water survey season. As in previous sampling years, Arctic Char, Fourhorn Sculpin (*Myoxocephalus quadricornis*), and Shorthorn Sculpin (*M. Scorpius*) were the dominant species. Other fish captured included Arctic Alligator fish (*Aspidophoroides olrikii*), Ribbed Sculpin (*Triglops pingelii*), Arctic Sculpin (*M. scorpioides*), Pacific Cod (*Gadus macrocephalus*), Arctic Staghorn Sculpin (*Gymnocanthus tricuspis*), Spatulate Sculpin (*Icelus spatula*), Atlantic Spiny Lumpsucker (*Eumicrotremus spinosus*) and Fourline Snakeblenny (*Eumesogrammus parecisus).* Unidentified juvenile cod were also captured. Species richness remained consistent with previous years at eleven unique taxa (comparable to 10-12 taxa in 2020-2024). Total abundance uncorrected for fishing effort (433 fish) was at its lowest of all sampling years, as	

Component	Potential Effects	Monitoring Program	Impact Evaluation
		abundance between 2020 and 2024 ranged between 482-852 individuals. Results of the statistical analyses of CPUE (i.e., catch rates corrected for fishing effort) continued to support the conclusion that existing mitigation measures were functioning as intended and that current Project activities were not resulting in adverse effects on local marine fish communities in Milne Port. The majority of statistical comparisons, supported by effect sizes, indicated a significant main effect of fishing area with higher CPUE in the Direct Project Footprint than in the Indirect Project Footprint. Mean catch rates for angling-jigging (all species combined and Fourhorn Sculpin) and to a lesser extent gill netting (Fourhorn Sculpin) were lower in 2025 compared to previous years. This was largely driven by lower catch rates for Fourhorn Sculpin in the Direct Project Footprint. Elevated turbidity levels, observed by the dive team, offer a possible explanation, as increased turbidity is known to reduce movement, foraging ability and catchability for many species. The turbidity observed in 2025 may have resulted from a combination of wind- and wave-driven sediment resuspension during periods of rough weather that may have affected inlet-wide conditions, and localized resuspension from operational activities, such as propeller wash near the Ore Dock. As in previous years, interannual variability in the CPUE of Arctic Char catch rates in gill nets continued to be pronounced in 2025. Arctic Char is an anadromous and migratory species and as such is inherently likely to demonstrate high levels of interannual population variability. There was a significant interaction between year and fishing area, however, within 2025 the CPUE in the Direct Project Footprint did not differ significantly from the Indirect Project Footprint.	

Component	Potential Effects	Monitoring Program	Impact Evaluation
Marine Biota	Potential changes to marine biota from the introduction of NIS/AIS due to shipping (ballast water discharges, etc.)	In 2025, sampling and review of previous collections undertaken as part of the MEEMP and Non-Indigenous Species/Aquatic Invasive Species (NIS/AIS) Monitoring Program detected 15 taxa that had not been identified previously at Milne Port during baseline sampling. The new additions included nine taxa identifiable to the species level and at least three unique taxa that represented potential undescribed endemic Arctic species. No taxa were added to the Project Watch List for increased monitoring effort. Four taxa *(Chaetozone anasima, Paramphitrite birulai, Punctaria latifolia, and Stictyosiphon soriferus)* were **removed** from the Watch List following corrections to their identification based on morphological or DNA analysis by expert taxonomists. There are no species on the Trigger List. The Baffinland NIS/AIS monitoring program represents the most comprehensive monitoring program for NIS/AIS conducted by a marine port in Canada. Approximately 1,235 taxa have been identified in Milne Inlet through monitoring surveys to date, including 511 identifiable to species; these comprise macroflora, zooplankton, benthic invertebrates, and fish species. The identification and risk assessment of individual taxa out of the hundreds identified in Milne Inlet indicated this surveillance program was effective and functioning as intended. The vast majority of these taxa have been designated as "No Risk" and are not considered to be of concern.	Effect within FEIS predictions

Path Forward

Baffinland will remain vigilant about the mitigation and monitoring activities that are in place to protect the marine environment. Baffinland will continue to seek input and review monitoring results trends from technical members of the MEWG, in addition to gathering feedback through separate forums such as annual community pre-shipping

and post-shipping meetings led by Baffinland with relevant Inuit representatives (e.g., MHTO, Pond Inlet Hamlet) and QIA). Reporting on each PC Term and Condition follows.

Project Certificate Term and Condition No. 76

Category	Marine Environment – General
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To mitigate potential impacts to the marine environment from the Mary River Project, as modified by the Early Revenue Phase Project, Production Increase Proposal, Extension Request to the Production Increase Proposal, Production Increase Proposal Renewal and Sustaining Operations Proposal and any subsequent modifications to the Mary River Project.
Term or Condition	The Proponent shall develop a comprehensive Marine Environmental Effects Monitoring Program to address concerns and identify potential impacts of the Project on the marine environment. The Marine Environmental Effects Monitoring Program shall include: a) A summary of the monitoring conducted by the Proponent to identify potential project effects in the marine environment; b) The comparison of impact predictions provided by the Proponent in the Final Environmental Impact Assessment (FEIS), FEIS Addenda and/or other assessments provided to the Board; c) The identification of mitigation measures the Proponent has implemented to protect the marine environment; d) Any adaptive management plans developed/implemented to prevent, manage or mitigate effects in the marine environment; e) A discussion of how relevant Inuit Qaujimajatuqangit, scientific and/or technical knowledge and industry best practices have been incorporated into the Program and have informed the components of the Program; and f) The identification of changes to the Project that may be required to ensure that potential adverse effects to the marine environment are prevented, that adaptive management occurs, and that mitigation measures are effective.
Relevant Baffinland Commitment	40, 51, 84, 85, 79
Reporting Requirement	The Proponent shall provide a summary discussion of its implementation of this term and condition (including results of monitoring, adaptive management strategies, consultation, and contribution efforts) to the NIRB through the Proponent's annual monitoring report. Updates to the Program are expected to be submitted to the NIRB throughout the monitoring year as they are finalized.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Marine Environmental Effects Monitoring Guidance (EC, 2012) Marine Monitoring Plan (Baffinland, 2023i) 2025 MEEMP and NIS/AIS Monitoring Program Report (WSP, 2026c)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.5.3 – Marine Environmental Effects Monitoring Program Report

METHODS

The Marine Environmental Effects Monitoring Program (MEEMP) was initially developed in 2015 following completion of marine biological baseline studies at Milne Port during 2010, 2013 and 2014. Monitoring has been conducted annually since 2015. The MEEMP sampling design is generally based on Environmental Effects Monitoring (EEM) guidance from Environment Canada (EC, 2012). The MEEMP includes annual monitoring to detect potential Project-related effects on marine water and sediment quality, benthic invertebrates, substrate and macroflora, fish communities, fish health, and fish tissue chemistry. MEEMP is combined with a Non-Indigenous Species/Aquatic Invasive Species (NIS/AIS) Monitoring Program, which, in addition to reviewing all taxa collected during MEEMP sampling, conducts surveillance of zooplankton, settlement substrates for fouling organisms, and targeted sampling for DNA or population analyses. Detailed information on study design and sampling methodology is available in the annual monitoring report for the MEEMP and NIS/AIS Monitoring Program (WSP, 2026c).

RESULTS

A summary of the monitoring conducted in 2025 and detailed sampling results are available in Table 4.23 in Section 4.6.9 and are presented in the 2025 MEEMP and NIS/AIS Monitoring Report, along with comparisons to impact predictions where applicable (WSP, 2026c). Monitoring completed to date as part of the MEEMP reflects concordance with the applicable Terms and Conditions of PC No. 005, including PC Terms and Conditions No. 1, 76, 83, 83(a), 85, 87, 91, 99, 99(b), 113, 114 and 126. A summary of the 2025 NIS/AIS program will be provided in the response to PC Term and Condition No. 87 below, rather than duplicating content here.

Term and Condition No. 1 and No. 83, related to the operation of a tidal gauge to monitor relative sea levels, are currently under discussion with NIRB to clarify the objectives of these Conditions. Technical difficulties in collecting data with sufficient resolution to monitor sea level changes with adequate accuracy have been discussed with the MEWG and with experts from Canadian Hydrological Service (CHS). Baffinland engaged CHS in late 2025 and is currently exploring methods of data collection. Baffinland is committed to fulfilling these Conditions, whether through continued monitoring of relative sea levels or through a different, indicator.

Monitoring results are assessed against predictions of the FEIS and FEIS Addenda, and Trigger Action Response Plan (TARP) indicators and thresholds as outlined in Baffinland's Marine Monitoring Plan (MMP; Baffinland, 2023i).

Overall, MEEMP sampling results from 2025 do not suggest degradation or impairment of the marine physical or biological environment (i.e., water and sediment quality, benthic infaunal and macroflora/epibenthic communities, marine fish community, fish health and tissue chemistry, NIS/AIS) associated with the construction and operation of Milne Port; therefore, **no additional mitigation measures or adaptive management plans are warranted at this time**. Details on modifications to study components based on 2025 monitoring results, relevant Inuit Qaujimajatuqangit, scientific knowledge and industry best practices, and recommendations from the MEWG regarding potential modifications to the 2026 program are outlined within the relevant chapters of the 2025 MEEMP and NIS/AIS Monitoring Report.

TRENDS

Overall, MEEMP sampling results from 2025 do not suggest degradation or impairment of the marine physical or biological environment (i.e., marine water quality, marine sediment quality, benthic infauna, macroflora and epibenthic communities, fish community, fish health and tissue chemistry, NIS/AIS) associated with the construction and operation of Milne Port.

RECOMMENDATIONS / LESSONS LEARNED

The MEEMP study design, data collection methodology and annual monitoring results are reviewed yearly with the MEWG. Recommendations from the MEWG inform refinements to the program, enhancement of existing mitigation measures, and development of adaptive management measures (when and where applicable). MEEMP results will continue to be presented to the MEWG on an annual basis, and suggested alterations to the programs will be considered by Baffinland and implemented as deemed necessary and relevant for detecting potential Project-related impacts. An example of such a recommendation implemented in 2025 was the use of temporary quadrats to collect data on epifauna and macroflora at two sites off the mouth of Phillips Creek where the permanent quadrats had been lost.

Based on results collected to date, no additional mitigation measures are recommended at this time.

Project Certificate Term and Condition No. 77

Category	Marine Environment - Working Group
Responsible Parties	The Proponent, Qikiqtani Inuit Association, Government of Nunavut, Government of Canada, Hunters and Trappers Organizations of the Impacted Communities (Pond Inlet, Arctic Bay, Clyde River, Sanirajak, Igloolik).
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	The Marine Environment Working Group (MEWG) will provide advice, guidance and enforceable recommendations regarding: adding to and improving baseline information, mitigation measures for the protection of the marine environment, monitoring of effects on the marine environment, assessing the accuracy of impact predictions, the development and implementation of adaptive management plans, sharing of relevant Inuit Qaujimajatuqangit, scientific and/or technical knowledge and industry best practice and, consideration of project changes that may be required to make sure the management of negative impacts is effective and that lasting damage to the marine environment is prevented. The role of the MEWG is not intended to either duplicate or to affect the exercise of regulatory authority by appropriate government agencies and departments. The Terms of Reference (ToR) for the MEWG shall be revised to include the following requirements: That an independent chair be appointed for MEWG and that this independent Chair be responsible for scheduling and administering meetings including circulating meeting invitations, agendas and documentation: a. That the Working Group's decision-making process be amended to provide that it must occur on a consensus basis between all working group member parties, with all votes and decisions in writing and recorded by the chair. b. That the Working Group's recommendations be recognized as recommendations (i.e., will be implemented by the Proponent), with provision that the Proponent may request not to enforce the recommendation at which point the matter shall go to an independent third party (agreed upon by the Proponent, QIA, and the Government of Canada) for dispute resolution. c. That the Working Group will include all Responsible Parties as member parties, should they wish to participate. The Proponent may be required to facilitate the participation of Hunters and Trappers Organizations through payment of honoraria and other participation costs in accordance with the Commitment List appended at Appendix B. d. That Working Group materials and records of decisions become public information with the independent chair responsible for keeping and circulating minutes which shall be posted to the Baffinland website including all meeting minutes once finalized and provided to Baffinland by the independent chair.
Term or Condition	A Marine Environment Working Group (MEWG) shall be established as an advisory oversight body providing advice, guidance and recommendations to fulfill the intended objectives. The operation of the MEWG shall not duplicate or impede the exercise of regulatory authority of authorizing agencies or government. The MEWG shall have the following permanent members: The Proponent, the Qikiqtani Inuit Association, the Government of Nunavut, the Government of Canada, the Mittimatalik HTO, and the Hunters and Trappers Organizations of the other Impacted Communities (Arctic Bay, Clyde River, Sanirajak, Igloolik), should they wish to participate. Makivvik Corporation shall also be entitled to membership on the MEWG at its election.

	A Terms of Reference shall be established that guides the participation of observers. The MEWG shall be chaired by an independent third party as chosen by the permanent members. A revised Terms of Reference shall be presented to NIRB no later than December 15th, 2023, or at another date on consent of the Proponent, Canada, and the Qikiqtani Inuit Association.
Relevant Baffinland Commitment	46, 49, 51
Reporting Requirement	Project monitoring reports and relevant data to be considered by the MEWG will be provided to members not less ten (10) working days prior to a scheduled meeting, or as otherwise described in the Terms of Reference. Draft meeting minutes of the MEWG shall be filed by the independent chair with working group members within fifteen (15) working days following a meeting for review by MEWG working group members, or as otherwise described in the Terms of Reference. All final meeting minutes shall be submitted to the NIRB registry by the Proponent for circulation to NIRB's distribution list not more than thirty (30) Working days following receipt from the independent chair. All final meeting minutes shall be included in the Annual Report to the NIRB.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	2025 MEWG Meeting Records
Ref. Document Link	Appendix C.1 - 2025 MEWG Meeting Records

METHODS

Baffinland established a MEWG in 2013. Members include representatives from: The Mittimatalik Hunters and Trappers Organization (MHTO), the Government of Nunavut (GN), the Qikiqtani Inuit Association (QIA), Environment and Climate Change Canada (ECCC), Fisheries and Oceans Canada (DFO), Parks Canada (PC), Makivvik Corporation, Baffinland, and technical experts as required. The Igloolik Hunters and Trappers Organization (IHTO), Arctic Bay (Ikajutit) Hunters and Trappers Organization (IHTA), Hall Beach (Sanirajak) Hunters and Trappers Organization (HB HTA), and Clyde River (Nangmautuq) Hunters and Trappers Organization (NHTO) have also been acting as members since February 2023. The Terms of Reference (ToR) includes these HTAs as members should they wish to participate. Additionally, World Wildlife Fund (WWF), the Nunavut Impact Review Board (NIRB), the Canadian Northern Economic Development Agency (CANNOR), and Oceans North (ON) participate as observers on the group. Transport Canada (TC) has also been actively participating as an observer on the MEWG since June 14th, 2022. Kinngait (Aiviq) Hunters and Trappers Organization (AHTO) and Kimmirut (Mayukalik) Hunters and Trappers Association (MHTA) HTAs were formally invited to the MEWG in 2025, but have not joined a meeting to date.

Refer to Appendix C.1 for 2025 Marine Environment Working Group (MEWG) minutes for meetings held in March, July and November 2025. Baffinland covered all costs associated with the coordination of the 2025 MEWG meetings, including: arranging simultaneous translation, translating all supporting materials to Inuktitut, and funding for

participation of the five (5) HTOs, inclusive of meeting honoraria since there were no in-person meetings in 2025. Additionally, Baffinland representatives are responsible for compiling meeting minutes and ensuring prompt closure of action items following each meeting.

Generally, the Working Group meetings are structured in such a way to include:

- Baffinland to provide a Project update to the members (e.g., includes mining and shipping-related activities such as ore production, and vehicular and vessel traffic);
- Discussion of monitoring program planning including sampling approach (e.g., sampling variables, sites, and data collection methods) in advance of field programs to obtain feedback by MEWG members;
- Discussion of results of monitoring programs to obtain feedback by MEWG members; and
- Various research presentations (given by Baffinland, Baffinland technical consultants and other members).

The group typically schedules two (2) yearly in-person meetings, in addition to hosting two (2) interim teleconferences per year. This is subject to change based on the finalized and submitted ToR, which states that three (3) regular meetings and up to three (3) touchpoint meetings will be held, in addition to ad hoc meetings at the request of members.

Baffinland submitted the updated Terms of Reference to NIRB on Feb 3rd, 2025. With this, the group commenced the process of finding an Independent Chair. Selection of an Independent Chair got underway in March 2025, with a discussion on the process and a request for members to nominate potential candidates. In November 2025, members agreed to meet and interview the three nominated candidates in January 2026.

Technical annual reports, presentation materials, and other documentation are provided to the MEWG in advance of meetings to the extent possible and on an on-going basis to allow for review, comment and advice to be provided by all members. Baffinland reviews all comments received on technical reports and makes an effort to provide meaningful responses to each comment, ultimately allowing for MEWG feedback to be incorporated into future monitoring programs.

RESULTS

In 2025, the MEWG met on six (6) occasions: a combined TEWG and MEWG meeting on March 20th, and a separate MEWG meeting on this same day; July 8th, July 11th, November 17th and November, 18th, 2025. In addition, Baffinland met separately with the HTOs on December 2nd, 2025, an action from the November meetings to ensure that they are well informed on the Independent Chair selection process.

A list of the meetings and topics discussed with the MEWG in 2025 is provided in Table 2.5 in Section 2.5.1 MEWG of this report.

As a result of inputs from the MEWG, numerous program modifications have been made since 2015, and additional mitigations have been adapted. When suggestions have been made by working group members on specific programs, Baffinland has made the effort in considering these requests in the most expedited and feasible manner. When a change is not implemented, Baffinland has provided rationale as to why the modification cannot immediately be implemented and/or that additional information is required before it can make an informed decision and/or has provided its reasoning for not pursuing specific requests and requesting that alternative methods be suggested.

Many of the members that participate in the Working Groups also represent regulatory bodies that have the ability to issue directions to Baffinland in accordance with their jurisdiction, mandate or issued permits. As has always been the intention of the Working Groups, they should not duplicate or fetter regulatory obligations, and rather remain focused on the enhancement of Baffinland's monitoring programs and providing advice on best practices or new research they are aware of to inform the ongoing development and implementation of Baffinland's comprehensive environmental management system.

See also PC Term and Condition No. 183.

TRENDS

There are no trends to report in 2025.

RECOMMENDATIONS / LESSONS LEARNED

The Working Groups are a tool that can be used by the proponent and working group participants to discuss, debate and continuously improve monitoring programs and outcomes. It is imperative that all participants participate in good faith, be forthright in providing the appropriate expertise and knowledge relevant to their organizations and participation and contribute collaboratively with a mind to problem solving where issues or concerns are brought forward. The Working Groups ToR presents a reasonable path forward that would result in meaningful changes to the Groups' current structure, operational schedule, and ability to influence the Project. It is expected that this should improve Members' expectations, communication within the Group and outcomes. We look forward to having an Independent Chair in 2026.

Project Certificate Term and Condition No. 78

Category	Marine Environment - Ice Breaking and Shipping
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operation, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To obtain accurate and current ice information.
Term or Condition	The Proponent shall update the baseline information for land fast ice using a long-term dataset (28 years), and with information on inter-annual variation. The analysis for pack and landfast ice shall be updated annually using annual sea ice data (floe size, cover, concentration) and synthesized and reported in the most appropriate management plan.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – In Compliance Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Not applicable
Reference	Viking Ice Consultancy (VIC), Steensby Inlet Iron Ore Shipping Project. Fixed Wing Survey. June 2023 (VIC, 2023). Viking Ice Consultancy (VIC). Steensby Inlet Fast Ice Study. March, 2024 (VIC, 2024) Baffinland Iron Mines Corporation (Baffinland), 2025g. 2024 Annual Report to the Nunavut Impact Review Board. NIRB Registry No. 355641. June 1, 2025. Found at the link below.
Ref. Document Link	https://baffinland.com/_resources/document_portal/2024-NIRB-Annual-Report.pdf

METHODS

Ice condition studies have been commissioned by Baffinland for the Northern Shipping Route on several occasions and have been included in previous annual reports (Baffinland, 2025g)

Ice information from the Canadian Ice Service (CIS) and satellite imagery is obtained by Fednav, on behalf of Baffinland's Shipping Department, on a daily basis before the start and at end of shipping season for the purposes of managing shipping operations safely and within the parameters of the commitments and mitigations made by the Company (i.e., commitment not to break landfast ice, delaying shipping until ice is no greater than 3/10ths along the nominal Northern Shipping Route). Ice data cannot be integrated into a management plan in advance of the season to inform planning of shipping operations. However, historical ice data has been integrated into relevant management plans for this purpose.

As part of the extended ice study conducted in 2023 for the Steensby Shipping Route, Baffinland conducted an overflight with fixed wing to observe ice and ice dynamics. Baffinland commissioned a fixed wing survey to gather high resolution data describing the ice conditions along the maritime route utilized to access Steensby Inlet. This work included gathering images, processing of images collected both pre and post survey, and particle analysis to

generate statistical information on individual ice floes. Additionally, Baffinland obtained a better understanding of the governing factors for landfast ice regime in the port area and approaches to the undeveloped Steensby Port. This was obtained through updating the baseline ice and weather information for landfast ice using a long-term data set, (28 years) and with information on inter-annual variation (VIC, 2024).

In 2025, Baffinland worked with the National Research Council of Canada (NRC) to characterise sea ice conditions and iceberg presence, to understand areas where pressure and ridging may be of concern and to summarize met-ocean reanalysis data for the southern shipping route. Baffinland will use this analysis to help inform future shipping operations.

RESULTS

Results were obtained through updating the baseline ice and weather information for landfast ice using a long-term data set, (28 years) and with information on inter-annual variation (VIC, 2024). The report concluded that ice edges start to develop in December and is well established by the first week of February (VIC, 2024). Additionally, the fixed wing survey provided good information about the conditions present along the proposed shipping route to Steensby Inlet. One thing to note from this survey was that ice concentrations observed were lower than the conditions indicated by the CIS ice charts (VIC, 2023).

TRENDS

Ice conditions have been quite variable from year to year, with no obvious trends apparent. For example, the decay of landfast ice has typically occurred within the same 1.5-week period beginning mid-to-end of July, with ice freeze occurring over a similar two-week time frame at the mid-to-end of October. Monthly ice reports were provided to Baffinland throughout the shipping season.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland understands that PC Term and Condition No. 78 was intended for shipping operations along the Southern Shipping Route (Steensby Inlet) where Project shipping engages with landfast ice. Baffinland continues to assess ice conditions before shipping begins each season for the Northern Shipping Route.

Project Certificate Term and Condition No. 79

Category	Marine Environment - Ice Breaking and Shipping
Responsible Parties	The Proponent, Canadian Hydrographic Services
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To assist in the development of nautical charts for Canadian waters.
Term or Condition	The Proponent shall provide the Canadian Hydrographic Services with bathymetric data and other relevant information collected in support of Project shipping where possible, to assist in the development of nautical charts for Canadian waters.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – In Compliance Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Canadian Hydrographic Service (CHS)
Reference	Marine Route Survey, Steensby Inlet Nunavut, 2025 (Seaforth, 2026)
Ref. Document Link	Appendix G.8.3 – Bathymetry Survey Operations and Marine Mammal Mitigation Report

METHODS

Baffinland conducted a multibeam bathymetric survey within Foxe Basin, representing a continuation of surveys completed in 2023. An environmental monitoring plan was implemented as part of the survey that required visual and acoustic monitoring of marine mammals during the survey operations. These reports were provided to CHS.

Baffinland continues to consult with CHS on their technical guidance on the methodology of bathymetric surveys for the Steensby Inlet to ensure alignment with best practices and to produce electronic navigational charts for this area. This work is on-going.

RESULTS

Approximately 2800 survey km of data was collected between August 31 and September 20, 2025. Additionally, all monitoring and mitigation requirements outlined in the Seaforth Environmental Monitoring Plan were implemented without deviation (Seaforth, 2026). The data collected was shared with CHS to provide navigational charts and to expand the data set to assist in the development of nautical charts for these waters.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 80

Category	Marine Environment - Ice Breaking and Shipping
Responsible Parties	The Proponent, Canadian Hydrographic Services
Project Phase(s)	Construction
Objective	To identify areas of risk along the shipping route.
Term or Condition	Prior to commercial shipping of iron ore, the Proponent shall conduct a detailed risk assessment for Project-related shipping accidents, noting areas along the ship tracks where vessels may be particularly vulnerable to environmental conditions such as sea ice, and any seasonal differences in risk. This assessment shall inform mitigation and adaptive management plans.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Not applicable
Reference	
Ref. Document Link	

METHODS

Applicable to the Construction phase only. Since start of operations, Baffinland has developed and maintained appropriate contingency plans to respond to spills on land, at the port, and at sea. The plans outline the equipment to be used in the event of a spill, as well as the roles and responsibilities and training necessary to maintain appropriately trained personnel.

With Steensby Component plans underway, a detailed risk assessment, including probability analysis will be completed prior to commercial shipping.

See also summary for PC Term and Condition No. 78 and 92.

RESULTS

Emergency response plans outline the equipment to be used in the event of a spill, as well as the roles and responsibilities and training necessary to maintain appropriately trained personnel.

See also summary for PC Term and Condition No. 78 and 92.

TRENDS

Baffinland is committed to conducting regular and annual spill response exercises and training in known and effective techniques for responding to spills and any other Project-related shipping accidents.

See also summary for PC Term and Condition No. 78 and 92.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to conduct routine training exercises and strategically procure resources and equipment to respond to any Project-related shipping accidents in the unlikely event that these occur.

See also summary for PC Term and Condition No. 78 and 92.

Project Certificate Term and Condition No. 81

Category	Marine Environment - Shoreline Effects and Sediment Redistribution
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To mitigate potential shoreline effects from shipping.
Term or Condition	The Proponent shall reassess the potential for ship wake impacts to cause coastal change following any further changes to the proposed shipping routes.
Relevant Baffinland Commitment	84
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Mary River Project – FEIS (Baffinland, 2012) Mary River Project – Phase 2 Proposal – Technical Supporting Document (TSD) No. 22 - Ship Wake and Propeller Wash Assessment (Golder, 2018a) Ship Wake and Propeller Wash Assessment, Mary River Project, Sustaining Operations Proposal (WSP, 2023d)
Ref. Document Link	Not applicable

METHODS

The Project is not in Construction phase and no change in shipping routes has occurred, but an updated ship wake assessment was prepared in 2023 to determine the potential effects of larger ore carriers (Baby Cape and Capesize) for the SOP (WSP, 2023d). Ship wakes were evaluated using an oceanographic model.

Ship wake effects on shorelines were previously assessed in Appendix 8D-2 of the FEIS (Baffinland, 2012) and Technical Supporting Document (TSD) No. 22 for the Phase 2 Proposal (Golder, 2018a).

RESULTS

Results of all ship wake assessments (Baffinland, 2012; Golder, 2018a; WSP, 2023d) indicated that wave energy from wind-generated waves was estimated to exceed ship-generated wave energy during both average and peak wind conditions, and therefore ship wake impacts would be non-measurable and have negligible effects on the physical shoreline in comparison to existing conditions.

TRENDS

Ship wake impacts have been determined to have negligible effects in comparison to wind-generated waves throughout more than a decade of assessment.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 82

Category	Marine Environment - Shoreline Effects and Sediment Redistribution
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operation
Objective	To mitigate potential shoreline effects from shipping.
Term or Condition	In the 2023, Annual Report, the Proponent is required to provide the Board with a summary of available information describing the wake characteristics at various vessel speeds and distances for all vessel types to be used to transport ore. Subsequently, if the Proponent proposes to use a new vessel type to transport ore, the Proponent is required to update the summary information previously provided to the Board under this Term and Condition.
Relevant Baffinland Commitment	N/A
Reporting Requirement	The Proponent shall provide a summary discussion of its implementation of this term and condition (including results of monitoring, adaptive management strategies, consultation, and contribution efforts) to the NIRB through the Proponent's annual monitoring report.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) –Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – In Compliance Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Mary River Project – Sustaining Operations Proposal, Ship Wake and Propeller Wash Assessment – (WSP, 2023d) 2023 Annual Report to the Nunavut Impact Review Board. NIRB Registry No. 349705. May 3, 2024 (Baffinland, 2024b).
Ref. Document Link	Not applicable

METHODS

This Term and Condition was modified as part of the Sustaining Operations Proposal (SOP) approval in 2023, requiring a summary of available information describing the wake characteristics at various vessel speeds and distances for all vessel types used to transport ore. Baffinland satisfied this term and condition in the 2023 annual report.

RESULTS

Please see 2023 Annual Report, NIRB Registry No. 349705, for more details (Baffinland, 2024b).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Should Baffinland propose to use a new vessel type to transport ore, Baffinland will update the summary information previously provided to the Board under this Term and Condition

Project Certificate Term and Condition No. 83

Category	Marine Environment - Shoreline Effects and Sediment Redistribution
Responsible Parties	The Proponent
Project Phase(s)	All phases
Objective	To provide data on tide levels and storm surges.
Term or Condition	The Proponent shall install tidal gauges at Steensby and Milne Port to monitor sea levels and storm surges.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	The Proponent shall summarize and supply these monitoring results to NIRB in the annual Project report.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Progress
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Reporting on PC Term and Condition No. 83 is addressed in PC Term and Condition No. 1.

RESULTS

Reporting on PC Term and Condition No. 83 is addressed in PC Term and Condition No. 1.

TRENDS

Reporting on PC Term and Condition No. 83 is addressed in PC Term and Condition No. 1.

RECOMMENDATIONS / LESSONS LEARNED

Reporting on PC Term and Condition No. 83 is addressed in PC Term and Condition No. 1.

Project Certificate Term and Condition No. 83 (a)

Category	Marine Environment - Shoreline Effects and Sediment Redistribution
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operation
Objective	To identify potential for and conduct monitoring to identify effects of sediment redistribution associated with construction and operation of the Milne Port.
Term or Condition	The Proponent shall conduct hydrodynamic modelling in the Milne Inlet Port area to determine the potential impacts arising from disturbance to sediments including re-suspension and subsequent transport and deposition of sediment. The modelling results shall be used to update the marine water and sediment quality monitoring and mitigation program to include activities associated with the construction and operation of the Milne Inlet Port. In the 2023 Annual Report, the Proponent is required to provide the Board with updates to the marine water and sediment quality monitoring and mitigation program necessary to reflect the increased use of larger ore vessels (Baby Cape and Capesize) at Milne Port. The monitoring program shall include an ongoing assessment of the potential introduction of metals that bio-accumulate in the marine food chain.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	Implementation of these measures and monitoring results shall be reported and discussed in the Proponent's annual report to the NIRB. Updated plans are expected to be submitted to the NIRB throughout the monitoring year as they are finalized.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Mary River Project – FEIS (Baffinland, 2012) Mary River Project – Addendum to the FEIS (Baffinland, 2013a) Review of Hydrology and Geomorphology of Phillips Creek (Golder, 2020c) 2025 MEEMP and NIS/AIS Monitoring Report (WSP, 2026c) Sustaining Operations Proposal - Ship Wake and Propeller Wash Assessment (WSP, 2023d)
Ref. Document Link	Appendix G.5.3 - 2025 Marine Environmental Effects Monitoring Program Report

METHODS

In the FEIS (Baffinland, 2012) and the FEIS Addendum for the Early Revenue Phase (Baffinland, 2013a), it was predicted that installation of the existing Ore Dock would have minimal effect on local sediment transport and that Project operations were not likely to result in significant adverse effects on water or sediment quality. These impact predictions were used to inform the current Marine Environmental Effects Monitoring Program (MEEMP) sampling design (2014 through to 2025) including the selection of sample locations and analytical parameters. To meet the overall objective of assessing and monitoring for potential sediment redistribution associated with Milne Port-

related activities, in addition to assessing the potential introduction of metals, Baffinland has implemented the following study components:

Hydrodynamic Modelling

Hydrodynamic modelling was conducted in 2023 to support the Sustaining Operations Proposal with an assessment of potential changes in currents, waves and sediment transport from the use of larger (Babycape and Capesize) ore carriers (WSP, 2023d).

Review of Hydrology and Geomorphology of Phillips Creek

In 2019, a background review of hydrology and geomorphology in Phillips Creek estuary was conducted to better understand fluvial processes and whether observed changes in sediment conditions along the West Transect stem from underlying natural or Project-related causes (Golder, 2020c). This included a literature review of Arctic hydrology and sediment regime, analysis of historical air photographs of Phillips Creek estuary and delta, and a review of collected Milne Inlet sediment data from 2014 to 2017.

MEEMP

Baffinland's monitoring efforts at Milne Port include an ongoing assessment of potential Project-related effects on sediment disturbance, and introductions of nutrients, metals, and hydrocarbons to the marine environment that may have the potential to bio-accumulate in the marine food chain. The 2025 MEEMP (WSP, 2026c) included marine sediment quality and benthic infaunal monitoring to detect changes in sediment disturbance (e.g., redistribution of fines) and associated effects on the benthic infauna community. Marine water quality, marine sediment quality and fish tissue chemistry were sampled for analysis of metals and polycyclic aromatic hydrocarbons (PAHs). In 2025, a reduced sediment quality and benthic infauna sampling program was conducted focused on monitoring of potential impacts of larger (Capesize and Baby Cape) ore carriers at Milne Port. To that end, additional sampling stations were added in proximity to the Ore Dock in 2023 to develop a suite of eight stations to be monitored for sediment quality and benthic infauna community. These stations were sampled in 2024 and 2025 to compare with samples that were collected in 2023 prior to arrival of the first Baby Cape or Capesize carrier.

Detailed information on study design and sampling methodology is available in the 2025 Annual Report for the MEEMP and NIS-AIS Monitoring Program (WSP, 2026c).

RESULTS

Results are found in the 2025 Milne Port Marine Environmental Effects Monitoring Program (MEEMP) and

Non-Indigenous Species/Aquatic Invasive Species (NIS/AIS) Monitoring Program Report *(Appendix* G.5.3***)***

TRENDS

Hydrodynamic Modelling

Not applicable

Review of Hydrology and Geomorphology of Phillips Creek

Not applicable. Review performed in 2019.

MEEMP

Marine water quality, marine sediment quality, benthic infauna community, and fish health all continue to demonstrate results within the predictions of the FEIS.

RECOMMENDATIONS / LESSONS LEARNED

Recommendations are found in the 2025 Milne Port Marine Environmental Effects Monitoring Program (MEEMP) and Non-Indigenous Species/Aquatic Invasive Species (NIS/AIS) Monitoring Program Report (Appendix G.5.3)

Project Certificate Term and Condition No. 84

Category	Marine Environment - Shoreline Effects and Sediment Redistribution
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To prevent sediment redistribution along the shipping route
Term or Condition	The Proponent shall update its sediment redistribution modeling once ship design has been completed and sampling should be undertaken to validate the model and to inform sampling sites and the monitoring plan.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	None
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Refer to PC Term and Condition No. 81 and No. 83(a). Reporting on PC Term and Condition No. 84 is covered under PC Term and Condition No. 81 and No. 83(a).

RESULTS

Refer to PC Term and Condition No. 81 and No. 83(a). Reporting on PC Term and Condition No. 84 is covered under PC Term and Condition No. 81 and No. 83(a).

TRENDS

Refer to PC Term and Condition No. 81 and No. 83(a). Reporting on PC Term and Condition No. 84 is covered under PC Term and Condition No. 81 and No. 83(a).

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 81 and No. 83(a). Reporting on PC Term and Condition No. 84 is covered under PC Term and Condition No. 81 and No. 83(a).

Project Certificate Term and Condition No. 85

Category	Marine Environment - Shoreline Effects and Sediment Redistribution
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operation
Objective	To prevent sediment redistribution along the shipping route.
Term or Condition	The Proponent shall develop a monitoring plan to verify its impact predictions associated with sediment redistribution resulting from propeller wash in shallow water locations along the shipping route. If monitoring detects negative impacts from sediment redistribution, additional mitigation measures will need to be developed and implemented. In the 2023 Annual Report, the Proponent is required to identify updates to the monitoring plan to reflect the increased use of larger ore vessels (Baby Cape and Capesize) at Milne Port.
Relevant Baffinland Commitment	84
Reporting Requirement	Implementation of these measures and monitoring results shall be reported and discussed in the Proponent's annual report to the NIRB. Updated plans are expected to be submitted to the NIRB throughout the monitoring year as they are finalized.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	None
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Refer to PC Term and Condition No. 83(a). Reporting on PC Term and Condition No. 85 is covered under PC Term and Condition No. 83(a).

RESULTS

Refer to PC Term and Condition No. 83(a). Reporting on PC Term and Condition No. 85 is covered under PC Term and Condition No. 83(a).

TRENDS

Refer to PC Term and Condition No. 83(a). Reporting on PC Term and Condition No. 85 is covered under PC Term and Condition No. 83(a).

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 83(a). Reporting on PC Term and Condition No. 85 is covered under PC Term and Condition No. 83(a).

Project Certificate Term and Condition No. 86

Category	Marine Environment - Ballast Water
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To update ballast water discharge impact predictions.
Term or Condition	Prior to commercial shipping of iron ore, the Proponent shall use more detailed bathymetry collected from Steensby Inlet and Milne Inlet to model the anticipated ballast water discharges from ore carriers. The results from this modeling shall be used to update ballast water discharge impact predictions and should account for density dependent flow and annual timescales over the project life. Additional sampling should also be undertaken to validate the model and to inform sampling sites and the monitoring plan.
Relevant Baffinland Commitment	85
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Not Applicable
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Ocean Circulation and Ballast Water Dispersal in Milne Inlet, Baffin Island (CORI, 2014) Data Report for the 2015-2016 Observational Oceanography Program in Milne Inlet (CORI, 2016) TSD #18 - Ballast Water Dispersion Modelling Report (Golder, 2018d) Ballast Water Model Validation Report (Golder, 2019b) Response to DFO Ballast Water Modelling Concerns (Golder 2020a) Sustaining Operations Proposal 2 – Ballast Water Dispersion Modelling (WSP, 2024e)
Ref. Document Link	

METHODS

Ballast water dispersion modelling has been undertaken a number of times with the most recent modelling undertaken in 2023. See previous NIRB annual monitoring reports for further information.

RESULTS

Results of all modelling have indicated that ballast water discharged at Milne Port is unmeasurable beyond Ragged Island, and because of dilution is negligible within 5 Km of the discharge, as predicted. Based on these results, the NIS/AIS program was designed to include some sampling at Ragged Island with the main focus at Milne Port.

TRENDS

Modelling indicates that significant long-term changes in salinity / temperature structure of Milne inlet are not anticipated as a result of ballast water releases.

There is no indication that further expansion of the monitoring program is required based on the results of monitoring ballast water modelling.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 87

Category	Marine Environment - Ballast Water
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent invasive species introductions resulting from Project shipping.
Term or Condition	The Proponent shall develop a detailed monitoring program at a number of sites over the long term to evaluate changes to marine habitat and organisms and to monitor for non-native introductions resulting from Project-related shipping. This program needs to be able to detect changes that may have biological consequences and should be initiated several years prior to any ballast water discharge into Steensby Inlet and Milne Inlet to collect sufficient baseline data and should continue over the life of the Project.
Relevant Baffinland Commitment	85
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	2025 MEEMP and NIS/AIS Monitoring Report (WSP, 2026c)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.5.3 - 2025 Marine Environmental Effects Monitoring Program Report

METHODS

Baffinland's Non-Indigenous Species and Aquatic Invasive Species (NIS/AIS) Monitoring Program was developed in 2015 as part of the MEEMP to detect potential NIS/AIS introduced to Milne Inlet via Project related shipping vectors such as ballast water discharges or hull biofouling. All species identified through baseline and monitoring programs at Milne Port are added to the taxonomic inventory for Milne Port. In addition to the collections of benthic infaunae and epifauna, macroalgae, and fish that are conducted for MEEMP, surveys that are conducted specifically for NIS/AIS monitoring include sampling of zooplankton, fouling species on settlement substrates, and targeted benthic sampling for DNA-based investigation and detection of species of interest.

Taxa identified in samples or through direct observation are cross-checked against the taxonomic inventory for Milne Inlet. If a taxon is newly observed (i.e., not listed on the Milne Inlet Taxonomic Inventory), it is checked through a detailed literature review of species descriptions and collection records to determine documented and presumed ranges as well as compared against various databases listing NIS/AIS. Any taxa flagged as potential NIS/AIS, or with uncertainties in their ranges, are sent for independent verification of the taxonomic identification, either to Laval University, a global expert specializing in the taxonomic group in question, or for molecular taxonomy either to the University of New Brunswick (macroalgae) or Canadian Centre for DNA Barcoding at the University of Guelph (fauna). Results and rationale for the independent verifications are reviewed and taxa undergo a detailed information gathering stage. After these steps, species may be placed on the "Watch List" (taxa subject to a heightened level of

monitoring, which may include targeted sampling for DNA analysis or population assessment) or the "Trigger List" (High-Risk taxa that are showing invasive behaviour in Milne Inlet or have shown invasive behaviour in similar ecosystems; placement of a taxon on this list triggers development of a response plan). Criteria for risk status are detailed in the MEEMP and NIS/AIS monitoring report (WSP, 2026c).

Detailed information on study design and sampling methodology is available in the annual monitoring report for the MEEMP and NIS/AIS monitoring programs (WSP, 2026c).

RESULTS

The extensive monitoring undertaken in Milne Inlet has detected no confirmed introduced AIS. There are approximately 1,235 taxa currently listed in the Milne Inlet Taxonomic Inventory, of which 511 have been identifiable to species.

The 2025 surveys resulted in 15 new additions to the taxonomic inventory for Milne Inlet (i.e., taxa that had not been observed in previous surveys). Directed literature review of newly observed taxa in 2025 has resulted in no taxa being added to the Program Watch List for increased monitoring effort. Four taxa (*Chaetozone anasima*, *Paramphitrite birulai*, *Punctaria latifolia*, and *Stictyosiphon soriferus*) were removed from the Watch List following corrections to their identification based on morphological or DNA analysis by expert taxonomists.

There are no species on the Trigger List.

Overall, the identification and flagging of individual taxa out of the hundreds identified in Milne Inlet indicate the NIS/AIS surveillance program is effective and functioning as intended.

TRENDS

The NIS/AIS program represents the most comprehensive monitoring program for NIS/AIS conducted by a marine port in Canada. The inventory of marine organisms (macroalgae, invertebrates, fish and fish parasites) residing in Milne Port and Milne Inlet currently consists of approximately 1,235 taxa (of which 511 have been identified to species). The vast majority of these taxa have been designated as "No Risk" and are not considered to be of concern. There are nine taxa on the Project Watch List and no taxa on the Trigger List. To date, no Project-related introduction of a NIS/AIS species have been documented at Milne Port. There is one range expansion of a fish species into Milne Inlet that is not Project-related.

RECOMMENDATIONS / LESSONS LEARNED

The NIS/AIS program represents the most comprehensive monitoring program for NIS/AIS conducted by a marine port in Canada. The inventory of marine organisms (macroalgae, invertebrates, fish and fish parasites) residing in Milne Port and Milne Inlet currently consists of approximately 1,235 taxa (511 identified to species). The vast majority of these taxa have been designated as "No Risk" and are not considered to be of concern. There are nine taxa on the Project Watch List and no taxa on the Trigger List. To date, no Project-related introduction of a NIS/AIS species have been documented at Milne Port. There is one range expansion of a fish species into Milne Inlet that is not Project-related.

Project Certificate Term and Condition No. 88

Category	Marine Environment - Ballast Water
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent invasive species introductions resulting from Project shipping.
Term or Condition	Prior to commercial shipping of iron ore and in conjunction with the Marine Environment Working Group, the Proponent shall provide an updated risk analysis regarding ballast water discharge to assess the adequacy of treatment and implications on the receiving environment. This risk analysis shall consider, but not be limited to: a. Invasive species b. Seasonal oceanography c. Ballast water quality and quantity d. Receiving water quality; e. Residual physical, chemical, and/or biological effects; and f. Any risk assessment analysis regarding ballast water exchange and treatment efficacy in arctic waters
Relevant Baffinland Commitment	85, 86
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environment Work Group (MEWG)
Reference	Risk assessment for ship-mediated introductions of aquatic nonindigenous species to the Canadian Arctic (Chan et al., 2012) National risk assessment for introduction of aquatic nonindigenous species to Canada by ballast water (Casas-Monroy et al., 2014) Risk Assessment for Potential Introduction of Aquatic Nonindigenous Species through Ballast Water Discharge at Milne Port (SEM, 2013) International Convention for the Control and Management of Ships' Ballast Water and Sediments, 2004 (Convention; International Maritime Organization [IMO], 2017) Ballast Water Regulations (SOR/2021-120) (Transport Canada, 2022) Ballast Water Management Plan (Baffinland, 2023h) Mary River Project – Addendum to the Final Environmental Impact Statement. (Baffinland, 2013a) 2025 MEEMP Program Report (WSP, 2026c)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.5.3 – 2025 Marine Environmental Effects Monitoring Program Report

METHODS

The relative risk of introduction of Aquatic Invasive Species (AIS) through ballast water exchange prior to commercial shipping of iron ore were subjected to a semi-quantitative risk assessment (SEM, 2013) using methods developed by DFO (Chan et al., 2012).

An updated risk assessment of AIS introductions from ballast water was developed in 2023 considering an existing shipping scenario and two future shipping scenarios including the use of larger ore carriers (WSP, 2024f). The assessment took into account Baffinland's Ballast Water Management Plan (Baffinland, 2019d; 2023h), the proportion of ore carriers equipped with a D-2 standard ballast water management system in 2022, ports of origin of the ore carriers, climatic and biological (including AIS lists) characteristics of the originating and receiving waters, volume of ballast water being discharged, hull surface area, and literature-derived estimates of the density and biodiversity of organisms carried in ballast waters or on ship hulls.

Baffinland's Ballast Water Management Plan (Baffinland, 2019d; 2023h) exceeds federal ballast water regulatory requirements by voluntarily conducting salinity-based ballast water compliance monitoring prior to ballast water treatment and discharge, because Project vessels are required by Baffinland to conduct a mid-ocean ballast water exchange prior to arrival at Port, followed by ballast water treatment with a D-2 standard ballast water management system as required by Canadian Ballast Water Regulations (Transport Canada, 2022) and the International Ballast Water Convention (IMO, 2017).

RESULTS

The results presented in Appendix 8B-4 of the Early Revenue Phase Addendum to the FEIS (Baffinland, 2013a) indicated that the risk of ballast water-mediated AIS introductions at Milne Port due to Early Revenue Phase shipping operations was low (Invasion Risk categorized as 'lowest' on a relative risk scale of lowest-lower-intermediate-higher-highest).

The analysis conducted in 2023 determined that the overall risk (probability of introduction and magnitude of consequences) on a relative risk scale of lower-intermediate-higher was lower for ballast water-mediated introductions under the Early Revenue Phase (ERP) and intermediate for the two future scenarios under the SOP (WSP, 2024f). Elements of the risk assessment were associated with a moderate to higher level of uncertainty given the limited data/information available. Precautionary assumptions were incorporated into the risk assessment. For instance, salinity was not considered on a port-by-port basis, given that the salinity of ballast water sampled upon arrival at Milne Port consistently exceeded 30 parts per thousand and all vessels had to undertake an extended ocean voyage to reach Milne Port. The magnitude of risk was based on numbers of AIS described in broad ecoregions, which may overestimate the AIS present in each port of origin. Where there was uncertainty as to whether an AIS could utilize a ballast water vector, it was assumed that the vector was available to that AIS. It is possible that the conclusions of this risk assessment overstate the risk. Shipping in 2025 was conducted at levels consistent with the ERP but shipping conducted at levels approximating those proposed in the two SOP scenarios occurred for several years at Milne Port (with a maximum of 81 vessel arrivals in 2017) and no AIS introductions have been detected by Baffinland's NIS/AIS monitoring program (WSP, 2026a). To date, vigorous monitoring has detected one natural range expansion of a fish. Species for which there is uncertainty in the taxonomy (i.e., collected specimens could not be identified to species) or geographic range are targeted for ongoing monitoring as a precautionary measure. The taxonomic inventory for Milne Port is re-evaluated and updated annually as additional

data are collected by monitoring programs conducted by Baffinland at Milne Port, specifically the Marine Environmental Effects Monitoring Program and NIS/AIS Program.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

It is recommended that NIS/AIS monitoring through the marine environmental effects monitoring program continue to be conducted.

Additionally, Baffinland is collaborating with DFO to develop a risk-based approach for biological ballast water sampling. A pilot program was implemented and sampled ballast tanks of incoming ore carriers at Milne Port in 2023, 2024 and 2025. An updated risk assessment for ballast water as a vector for NIS/AIS will be conducted following completion of the biological ballast water study.

Project Certificate Term and Condition No. 89

Category	Marine Environment - Ballast Water
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to marine water quality resulting from ballast water exchange.
Term or Condition	The Proponent shall develop and implement an effective ballast water management program that may include the treatment and monitoring of ballast water discharges in a manner consistent with applicable regulations and/or exceed those regulations if they are determined to be ineffective for providing the desired and predicted results. The ballast water management program shall include, without limitation, a provision that requires ship owners to test their ballast water to confirm that it meets the salinity requirements of the applicable regulations prior to discharge at the Milne Port, and a requirement noting that the Proponent, in choosing shipping contractors will, whenever feasible, give preference to contractors that use ballast water treatment in addition to ballast water exchange.
Relevant Baffinland Commitment	57, 87
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Transport Canada, Marine Environmental Working Group (MEWG)
Reference	Ballast Water Management Plan (BWMP; Baffinland 2019e; Baffinland, 2023h) International Convention for the Control and Management of Ships' Ballast Water and Sediments (IMO, 2017) Discussion paper: Canadian implementation of the ballast water convention (Transport Canada, 2012)
Ref. Document Link	http://www.imo.org/en/About/Conventions/ListOfConventions/Pages/International-Convention-for-the-Control-and-Management-of-Ships'-Ballast-Water-and-Sediments-(BWM).aspx

METHODS

Baffinland ensures that contracted vessels comply with the International Maritime Organization (IMO) International Convention for the Control and Management of Ships' Ballast Water and Sediments (i.e., the Ballast Water Management (BWM) Convention). The BWM Convention includes two performance standards for the discharge of ballast water: D-1 and D-2. The D-1 standard concerns ballast water exchange, which must be undertaken within open ocean areas, defined as waters >200 nautical miles from land and in seas >2,000 m deep. The D-2 standard covers approved ballast water treatment systems. All ships entering Canadian waters must currently meet the D-1 standard while requirements for meeting the D2 standard are phased but must occur no later than 8 September 2024 for vessels constructed after 1 January 2009 and by 8 September 2030 for older vessels.

The D-2 standard (treatment) specifies a maximum number of organisms and indicator microbes that are allowed to be discharged to the receiving marine environment according to the schedule set by the IMO. At this point in time, sampling and analysis methodologies to test for compliance with the D-2 standard have not been fully developed by the IMO. Baffinland developed a comprehensive, stand-alone Ballast Water Management Plan (BWMP) that is reflective of its current (Baffinland, 2019d and future (Baffinland, 2023h) shipping operations. As a matter of due diligence, Baffinland, as stipulated in its BWMP (Baffinland, 2023h), conducts voluntary ballast water sampling in one randomly selected ballast water tank on all ore carriers arriving at Milne Port prior to ballast water discharge to verify their compliance with the Regulations and the IMO's D-1 standard.

In 2025, all bulk carriers that called at Milne Port during the shipping season were boarded by a Baffinland representative trained in the procedure detailed in the BWMP, who conducted salinity testing of the ship's ballast water before it was approved for release in Milne Port and before loading of the carrier could begin. In these instances, a single ballast tank on the vessel was tested for salinity concentration using a calibrated water quality meter (i.e., YSI Pro 30) to confirm that ballast water salinity levels were above 30‰ (parts per thousand, ppt), prior to being authorized by the port captain to discharge in Milne Port. Salinity levels were consistent with mid-ocean exchange requirements for vessels conducting a transoceanic voyage (salinity of seawater in the mid-Atlantic Ocean, where open-water exchange takes place, is typically in the range of 34-35‰). It is important to note that the ship operators/owners are the responsible party for ensuring their ships are compliant with federal ballast water regulations and the BWM Convention. There are no specific legal obligations on the part of port and harbour authorities in relation to overseeing ballast water management or treatment procedures on behalf of the ship owner/operators, including for testing of ballast water or reporting ballast water readings to the federal authority. Baffinland's voluntary ballast water compliance monitoring represents a level of monitoring that exceeds all federal (Transport Canada, 2012) and international (IMO, 2017) regulatory requirements related to ballast water management, and surpasses management practices currently implemented at any marine port in Canada.

RESULTS

In 2025, all of the 28 unique ore carriers (100%) that serviced Milne Port had IMO-approved D-2 ballast water treatment systems installed onboard. As most vessels conducted repeat voyages to Milne Port during the 2025 shipping season, this resulted in all of the 49 ore carrier voyages having completed both ballast water exchange and treatment methods prior to releasing their ballast water in the RSA (i.e., representing 100% of all ore carriers that called to Milne Port and 100% of all voyages in 2025).

All of the bulk carriers servicing Milne Port during the 2025 shipping season conducted mid-ocean ballast water exchange as required by federal Ballast Water Control and Management Regulations (D-1 standard). Additionally, all vessels completed D-2 ballast water treatment, therefore all vessels completed both a mid-ocean ballast water exchange (D-1) and a ballast water treatment (D-2) prior to releasing ballast waters.

Ballast water salinity was measured in all ore carriers that called to Milne Port for all transits (n=49) in 2025. Results are presented in Table 4.24. Salinity measurements for all carriers ranged between 30.0‰ to 39.9‰, which was compliant with federal Ballast Water Regulations (>30.0‰).

Table 4:24: 2025 Vessel Ballast Water Salinity Test Results Prior to Discharge in Milne Port

Vessel Name	Date	Tank Tested	Salinity (ppt)
MV NORDIC NULUUJAAK	25 07 30	6P	31.7
MV NORDIC ODIN	25 07 30	CH 4	33.3
MV NORDIC OSHIMA	25 07 30	CH 4	33.6
MV NORDIC SIKU	25 08 02	DB/TS 6 Port	35.9
MV NORDIC OLYMPIC	25 08 03	WBT 5/6 P	35.4
MV NORDIC ORION	25 08 04	CH 4	38.3
MV HEIDE OLDENDORFF	25 08 04	4 TS + DB P	36.2
MV GOLDEN OPAL	25 08 05	DBTS 4P	30.1
MV NORDIC SANNGIJUQ	25 08 07	DB/TS 6 Port	32.6
MV NORDIC QINNGUA	25 08 08	WB 6 Port	34.4
MV NORDIC ODYSSEY	25 08 11	CH 4	37.6
MV NORDIC OASIS	25 08 12	DB/TS 5/6 P	37.0
PETER OLDENDORFF	25 08 13	TST 5P	35.2
MV GCL KRISHNA	25 08 14	6DB Port	39.6
HAUKE OLDENDORFF	25 08 16	4 TS P	39.2
GOLDEN FAST	25 08 16	DB/TS 5/6P	38.0
GLC CODVARI	25 08 17	4WBTP	31.2
GOLDEN FURIOUS	25 08 19	No 3, 4 TS DBP	38.8
GCL MAHI	25 08 21	6 D B P	38.8
GOLDEN GRACE	25 08 23	No 4 TS DB P	39.7
GOLDEN ERLING	25 08 26	TS / DB 4P	34.9
GCL GOMTI	25 08 25	WBT 4P	37.2
GOLDEN AMBER	25 08 28	DB, TS 4P	30.3
GOLDEN JOHN	25 08 29	DB 4P	30.0
NORDIC OSHIMA	25 08 30	DB TS 5/6 Port	35.6
NORDIC ORION	25 09 01	CH 4	39.0
MV NORDIC ODIN	25 09 04	CH 4	38.9
MV NORDIC SANNGIJUQ	25 09 04	DB/TS 6 Port	34.5
MV NORDIC OLYMPIC	25 09 06	CH 4	38.9
MV GOLDEN BRILLIANT	25 09 07	TS & DB WBT 4P	38.9
MV NORDIC NULUUJAAK	25 09 07	CH 4	39.6
MV NORDIC OASIS	25 09 09	CH 4	39.8
MV ROLAND OLDENDORFF	25 09 10	TS 4 Port	39.5
MV NORDIC ODYSSEY	25 09 11	CH 4	39.7
MV NORDIC QINNGUA	25 09 12	CH 4	39.9
MV GOLDEN OPAL	25 09 12	DBTS 4P	37.2

MV NORDIC SIKU	25 09 14	CH 4	39.9
MV DESPINA V	25 09 18	CH 4	39.9
MV HAUKE OLDENDORFF	25 09 18	CH 6	39.0
MV GOLDEN FAST	25 09 18	CH 4	38.7
MV GOLDEN GRACE	25 09 21	WBT 5	36.9
MV HEIDE OLDENDORFF	25 09 21	WBT 2	38.7
MV GISELA OLDENDORFF	25 09 23	CH 4	39.6
MV GOLDEN FURIOUS	25 09 24	No. 3,4 TS DBP	37.2
MV GOLDEN ERLING	25 09 26	DB/75 6P	39.3
NORDIC ORION	25 09 28	CH 4	37.5
GOLDEN JOHN	25 09 30	DB 6P	38.7
NORDIC OLYMPIC	25 10 05	CH#4	38.0
NORDIC SANNGIJUQ	25 10 07	CH4	38.4

TRENDS

All ships arriving at Milne Port in 2025 were compliant with the D-2 standard of the BWM Convention. An increase in the number of vessels calling to Milne Port with the approved D-2 treatment systems installed onboard occurred annually (100% of carrier voyages compared to 99% in 2023, 90% in 2022, 73% in 2021, and 58% in 2020). Compliance monitoring data indicate that the current ballast water management measures, as outlined in Baffinland's BWMP, have been effective in protecting the marine environment from ballast-mediated introductions.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to implement and, as necessary, update the BWMP to maintain and/or exceed compliance with Canadian and international ballast water regulations.

Project Certificate Term and Condition No. 90

Category	Marine Environment - Ballast Water
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent impacts to marine water quality resulting from ballast water exchange.
Term or Condition	The Proponent shall incorporate into its Shipping and Marine Mammal Management Plan provisions to achieve compliance with the requirements under the International Convention for the Control and Management of Ship's Ballast Water and Sediment (2004) or its replacement and as implemented by the Canadian Ballast Water and Control Regulations as may be amended from time to time.
Relevant Baffinland Commitment	57
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Transport Canada, Marine Environment Working Group (MEWG)
Reference	Ballast Water Management Plan (Baffinland, 2019d, 2023h) 2022 Shipping and Marine Wildlife Management Plan (Baffinland, 2022d International Convention for the Control and Management of Ships' Ballast Water and Sediments (IMO, 2017) Ballast Water Regulations (SOR/2021-120) (Transport Canada, 2022)
Ref. Document Link	Not applicable

METHODS

Refer to PC Term and Condition No. 89. Reporting on PC Term and Condition No. 90 is covered under PC Term and Condition No. 89.

RESULTS

Refer to PC Term and Condition No. 89. Reporting on PC Term and Condition No. 90 is covered under PC Term and Condition No. 89.

TRENDS

Refer to PC Term and Condition No. 89. Reporting on PC Term and Condition No. 90 is covered under PC Term and Condition No. 89.

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 89. Reporting on PC Term and Condition No. 90 is covered under PC Term and Condition No. 89.

Project Certificate Term and Condition No. 91

Category	Marine Environment - Ballast Water
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent impacts to marine water quality in Steensby Inlet and Milne Inlet.
Term or Condition	The Proponent shall develop a detailed monitoring plan for Steensby Inlet and Milne Inlet for fouling that complies with all applicable regulatory requirements and guidelines as issued by Transport Canada, and includes sampling areas on ships where antifouling treatment is not applied such as the areas where non-native species are most likely to occur.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Transport Canada, Marine Environmental Working Group (MEWG)
Reference	Shipping and Marine Wildlife Management Plan (SMWMP; Baffinland, 2022d) 2025 MEEMP and AIS Monitoring Program Report (WSP, 2026c Guidelines for the control and management of ships' biofouling to minimize the transfer of aquatic invasive species (IMO, 2011) Biofouling Monitoring for Aquatic Invasive Species (AIS) in DFO Maritimes Region (Sephton et al., 2017) Survival of ship biofouling assemblages during and after voyages to the Canadian Arctic (Chan et al., 2016)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.5.3 - 2025 Marine Environmental Effects Monitoring Program Report

METHODS

No regulatory requirement or guideline for monitoring hull fouling has been issued by Transport Canada. Transport Canada supports the International Maritime Organization's (IMO) guidelines for the control and management of ships' biofouling to minimize the transfer of aquatic invasive species, which vessels calling on Milne Port adhere to.

As outlined in the update for PC Term and Condition No. 87, in addition to ship hull monitoring during 2018-2020, multi-trophic monitoring (zooplankton, macroflora, benthic epifauna and infauna, and fish) has been conducted annually since 2014 to detect potential NIS/AIS introductions. Additionally, settlement substrates (settlement plates and baskets) were deployed annually starting in 2020 for NIS/AIS detection, specifically targeting the detection of organisms that may foul surfaces. Generally, four to five settlement substrates are deployed at any given time at a station, and are sampled on annual or multi-year cycles. Specimens settling on the substrates are identified morphologically and a subset of plates is preserved in ethanol for DNA analysis, if required for taxonomic verification.

In 2025, the use of settlement baskets was discontinued as the taxonomic representation of settled organisms was not appreciably different from those settling on the plates, and individuals that settled in the baskets were subject

to physical damage by shifting of the rocks in the basket. The remaining baskets were left in place on the seafloor to continue accumulating settled organisms that might be collected in future, and to continue functioning as small artificial reef habitats

RESULTS

Baffinland is in compliance with industry standards and guidelines including those set by IMO as supported by Transport Canada.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland intends to continue monitoring for NIS/AIS presence under the MEEMP and NIS/AIS program. Vessels calling on Milne Port comply with IMO standards for biofouling. Baffinland is compliant with Transport Canada.

Project Certificate Term and Condition No. 92

Category	Marine Environment – Spill Prevention
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operation, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure adequate spill response capacity.
Term or Condition	The Proponent shall ensure that it maintains the necessary equipment and trained personnel to respond to all sizes of potential spills associated with the Project in a self-sufficient manner.
Relevant Baffinland Commitment	10, 108, 110
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Oil Pollution Emergency Plan (Baffinland, 2025k) Oil Pollution Prevention Plan (Baffinland, 2025l)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland has developed and maintained appropriate contingency plans to respond to spills on land, at Milne Port, and at sea. The plans outline the equipment to be used in the event of a spill, as well as the roles and responsibilities and necessary training to maintain appropriately trained personnel. Oil Pollution Emergency Response (OPEP; (Baffinland, 2025k) training and spill response exercises are conducted annually. Timing of the training corresponds with ship-to-shore fuel transfer events at Milne Port. In 2025, training of Baffinland staff on its Oil Pollution Prevention Plan (OPPP; Baffinland, 2025l) and OPEP was conducted by spill response consultant Navenco Marine from July 11 to 13, 2025. The training encompassed classroom and hands-on spill response techniques, including a mock exercise for potential port oil spills during ship-to-shore transfer. In addition to the training, an audit was completed by Navenco Marine to confirm that Baffinland's spill response equipment and training requirements were in compliance with the OPEP and Transport Canada regulations for Baffinland's Class 2 Oil Handling Facility. General land-based spill response training is periodically reviewed with the Mine Rescue Team; while the OPEP is reviewed at a minimum of once a year. Baffinland also maintains a contract with Oil Spill Response Ltd. (OSRL) for emergency response in the event of a marine spill.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Annual spill response training will be continued prior to the arrival of fuel vessels and unloading of fuels

Project Certificate Term and Condition No. 93

Category	Marine Environment - Spill Prevention
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent impacts to the marine environment at Steensby Inlet.
Term or Condition	Prior to construction, based on vessel selection and if so required, the Proponent shall reassess the risk analysis of using vessel-based fuel storage, including the potential environmental impacts of containment failure under a range of winter ice conditions, how a spill might spread and the impact of fuel if it does not volatilize to the atmosphere.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not Applicable. The use of vessel-based fuel storage is not currently active.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 94

Category	Marine Environment - Spill Prevention
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To promote public awareness of Project activities.
Term or Condition	The Proponent shall consult directly with affected communities regarding its plans for over-wintering of fuel in Steensby Inlet, with discussion topics to include descriptions of the duration of proposed activities, vessel type, spill preparedness and emergency response protocols, environmental impact predictions and answers to community member questions.
Relevant Baffinland Commitment	106
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable
Stakeholder Review	Communities of Sanirajak and Igloolik
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not Applicable. Overwintering of fuel in Steensby Inlet is not currently active.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 95

Category	Marine Environment - Spill Prevention
Responsible Parties	The Proponent, Transport Canada
Project Phase(s)	Construction
Objective	To prevent impacts to the marine environment at Steensby Inlet.
Term or Condition	The Proponent shall meet or exceed all regulatory regulations and requirements as apply to the practice of overwintering a fuel vessel at Steensby Inlet, with reporting to the NIRB and Transport Canada.
Relevant Baffinland Commitment	8
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not applicable. Overwintering of fuel in Steensby Inlet is not currently active.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 96

Category	Marine Environment - Spill Prevention
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To ensure adequate oversight of Project activities is occurring.
Term or Condition	The Proponent will update the NIRB on the results of all compliance monitoring and site inspections undertaken by government agencies for the overwintering of a fuel vessel in Steensby Inlet.
Relevant Baffinland Commitment	8
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not applicable. Overwintering of fuel in Steensby Inlet is not currently active.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 97

Category	Marine Environment - Spill Prevention
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent impacts to the marine environment along the shipping route.
Term or Condition	Prior to the commercial shipping of iron ore, the Proponent shall conduct fuel spill dispersion modeling that will, at a minimum, consider: a. Modeling of oil spills for both the Northern and Southern Shipping Routes, in representative locations, identified by the Proponent, in consultation with the Marine Environment Working Group along both Shipping Routes, and including: i. Pinch points; ii. The approaches into Steensby Inlet and Milne Inlet; iii. Shallow water and shorelines; and, iv. Areas that have been identified as having high flows and/or high concentrations of marine mammals, marine fish or seabirds. b. Open water and, where applicable, ice-covered conditions i. Spill volumes up to and including loss of a full tanker cargo ii. Differences in the quantity and properties of each type of bulk fuel transported by vessels when they are at, or in transit to, the ports at Steensby Inlet and Milne Inlet
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Transport Canada Marine Safety. Canadian Coast Guard
Reference	Milne Inlet Spill Modelling Report Fuel Spill Modelling: Northern Shipping Route Open Water Season – Milne Inlet, Eclipse Sound, Pond Inlet (AMEC Foster Wheeler, 2015) Spill at Sea Response Plan (Baffinland, 2015)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Northern Transportation Corridor

Revised oil spill modelling was conducted for shipping from Milne Port in 2015. Leading up to this modelling, a fuel spill preparedness workshop was held in April 2014 with Transport Canada (TC) and the Canadian Coast Guard.

Further spill modelling was carried out in 2018 for shipping activities along the Northern Shipping Route from Baffin Bay through Pond Inlet, Eclipse Sound, and Milne Inlet that could be occurring in the presence of ice. For additional details on these studies see Baffinland's previous NIRB annual monitoring reports.

Southern Transportation Corridor

Supplemental fuel spill modelling for the Southern Shipping Route through Hudson Strait and Foxe Basin into Steensby Inlet is ongoing. The scope of the supplemental modelling was presented to the Marine Environment Working Group in June 2024 and November 2025. Notification letters on proposed locations for the fuel spill modelling were shared in November 2025 with the Hamlets and HTOs of Igloolik, Kinngait, Kimmirut, and Sanirajak, as well as Makivvik Corporation. The revised spill modelling is continuing through 2026.

RESULTS

Northern Transportation Corridor

The spill modelling results highlight the importance of spill prevention and fuel spill response plan preparedness to minimize any adverse effects in the unlikely event of a fuel release of any size during vessel traffic into Milne Inlet. The 2015 spill model informed the development of Baffinland's Spill at Sea Response Plan (Baffinland, 2015). While the 2018 spill model was appended to Baffinland's Spill at Sea Response Plan.

Southern Transportation Corridor

The supplemental spill modelling for the Southern Shipping route is ongoing and results will be presented in the NIRB Annual Report when they are available.

See also PC Term and Conditions No. 98 and 176.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

The spill modelling results highlight the importance of spill prevention, the OPPP and the Spill at Sea Response Plan preparedness to minimize any adverse effects in the unlikely event of a fuel release of any size during vessel traffic into Milne Inlet.

The Spill at Sea Response Plan was updated to append the results of additional fuel spill modelling carried out in 2018. The OPPP and OPEP for ship to shore fuel transfers at Milne Port are updated on an annual basis and approved by Transport Canada.

Project Certificate Term and Condition No. 98

Category	Marine Environment - Spill Prevention
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent impacts to the marine environment along the shipping route.
Term or Condition	The Proponent shall incorporate the results of revised fuel spill dispersion modeling into its impact predictions for the marine environment and its spill response and emergency preparedness plans.
Relevant Baffinland Commitment	11, 106
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Transport Canada Marine Safety, Canadian Coast Guard
Reference	Milne Inlet Spill Modelling Report Fuel Spill Modelling: Northern Shipping Route Open Water Season – Milne Inlet, Eclipse Sound, Pond Inlet (AMEC Foster Wheeler, 2015) Spill at Sea Response Plan (Baffinland, 2015)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

See PC Term and Conditions No.98 and No.176.

RESULTS

The modelling results from the 2015 report (AMEC Foster Wheeler, 2015) were presented in a series of figures showing expected spill trajectories after one (1) day and five (5) days. The spill model informed the development of Baffinland's Spill at Sea Response Plan (Baffinland, 2015). Further spill modelling was carried out in 2018 for shipping activities along the Northern Shipping Route from Baffin Bay through Pond Inlet, Eclipse Sound, and Milne Inlet that could be occurring in the presence of ice.

Two (2) spill scenarios are included that release one (1) million litres of intermediate fuel oil from an ore carrier at locations along the Northern Shipping Route. These include a mid-July Sea ice break-up scenario in Eclipse Sound and a mid-October Sea ice freeze-up scenario at the mouth of Milne Inlet. A spill distribution probability map for each spill scenario location is presented showing the probability that fuel would reach any particular location on the map, should a spill occur.

Upon completion of the supplemental fuel spill modelling currently underway for the Southern Shipping Route, results will be incorporated into impact predictions for the marine environment and spill response and emergency preparedness plans.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

The spill modelling results highlight the importance of spill prevention, the OPPP and the Spill at Sea Response Plan preparedness to minimize any adverse effects in the unlikely event of a fuel release of any size during vessel traffic into Milne Inlet.

The Spill at Sea Response Plan was updated to append the results of additional fuel spill modelling carried out in 2018. The OPPP and OPEP for ship to shore fuel transfers at Milne Port are updated on an annual basis and approved by Transport Canada.

4.6.11 Marine Wildlife (PC Terms and Conditions 99 through 128)

Thirty-one (31) PC Terms and Conditions (including Term and Condition No. 125 and 125a) relate to the potential effects of the Project on marine wildlife. These conditions provide direction on mitigation and monitoring programs and identify shipping information to be communicated to potentially affected communities regarding shipping activities.

Inuit & Stakeholder Feedback

The potential effects of shipping on marine mammals (particularly narwhal, seal, bowhead) continues to be brought forward to Baffinland during community engagement sessions (Appendix B.1), and through the MEWG (Appendix C.1). Underwater noise from shipping and its potential impact on marine mammals and, by extension, traditional hunting activities, has been consistently raised as key concerns. In 2020 and 2021, Baffinland was also provided feedback from Inuit community members regarding the need for increased monitoring of ringed seal. Baffinland addressed this concern through the implementation of a Ringed Seal Aerial Survey Monitoring Program in 2021, which showed that abundance estimates were consistent with baseline results. A Ringed Seal Aerial Survey Program was conducted for Steensby Component in 2024, results are found in (Appendix G.8.1; WSP, 2026a).

Monitoring

The following marine mammal monitoring programs were conducted in 2025:

- 2025 Bruce Head Shore-based Monitoring Program (WSP, 2026b; Appendix G.5.2 to investigate and characterize narwhal behavioural responses to shipping along the Northern Shipping Route in Milne Inlet, with data collected on Relative Abundance and distribution (RAD), group composition, and behaviour.
- 2024 Marine Environmental Effects Monitoring Program (MEEMP) and Non-Indigenous Species / Aquatic Invasive Species (NIS/AIS) Monitoring Program (WSP, 2026c; Appendix G.5.3) to evaluate potential Project effects on marine fish and their habitats, including species for which marine mammals are potentially reliant on over the course of the shipping season.

Path Forward

Baffinland will remain vigilant about the mitigation and monitoring activities that are in place to protect marine mammals. Baffinland will continue to seek input and review monitoring results trends with Inuit community members and the MEWG. Reporting on each PC Term and Condition follows.

Project Certificate Term and Condition No. 99

Category	Marine Environment - Supplemental Baseline Assessments
Responsible Parties	The Proponent, Marine Environment Working Group
Project Phase(s)	Construction and Operations
Objective	To supplement and update baseline information and improve predictions for potential impacts to marine wildlife.
Term or Condition	The Proponent, working with the Marine Environment Working Group, shall consider and identify priorities for conducting the following supplemental baseline assessments: a. Establish shipping season, inter-annual baseline in Steensby Inlet and Milne Inlet that enables effective monitoring of physical and chemical effects of ballast water releases, sewage outfall, and bottom scour by ship props, particularly downslope and downstream from the docks. This shall include the selection and identification of physical, chemical, and biological community/indicator components. The biological indicators shall include both pelagic and benthic species but with emphasis on relatively sedentary benthic species (e.g., sculpins). b. The collection of additional baseline data: i. In Steensby Inlet on walrus, beluga, bearded seal anadromous Arctic char abundance, distribution ecology and habitat use. ii. In Milne Inlet on narwhal, bowhead and anadromous arctic char abundance, distribution ecology and habitat use. c. Enhance baseline data on marine wildlife (fish, invertebrates, birds, mammals, etc.) and to provide more details on species abundance and distribution found in the Project area. This shall include, but not be limited to the following: i. Aerial surveys for basking ringed seals throughout the landfast ice of Steensby Inlet and at an appropriate control location ii. Shore-based observations of pre-Project narwhal and bowhead whale behavior in Milne Inlet that continues throughout operations at an appropriate frequency throughout the Proponent's ore shipping operations via Milne Inlet d. Enhance the baseline for affected freshwater systems, which includes control sites to detect Project-related changes before they cause significant harm.
Relevant Baffinland Commitment	81
Reporting Requirement	The Proponent shall provide a summary discussion of its implementation of this term and condition (including results of monitoring, adaptive management strategies, consultation, and contribution efforts) to the NIRB through the Proponent's annual monitoring report. Updated plans developed from monitoring, adaptive management, and engagement shall be provided to the NIRB throughout the monitoring year as they are finalized.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance

Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	2021 and 2024 Ringed Seal Aerial Survey Program (RSASP) - Technical Report (WSP, 2026a) 2025 Qikiqtani Inuit Association and Nunavut Water Board Annual Report for Operations (Baffinland, 2026a) 2025 Steensby Rail Corridor Hydrometric Monitoring Report (North Water Environmental, 2026) Multibeam Bathymetric Survey - Steensby Inlet, Marine Survey Operations Report (Seaforth Geosurveys Inc., 2026)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.8.1 - 2021 and 2024 Ringed Seal Aerial Survey Program (RSASP) - Technical Report Appendix G.8.3 – Bathymetry Survey Operations and Marine Mammal Mitigation Report

METHODS

Northern Transportation Corridor

This PC Term and Condition applies to the Construction phase of the Approved Project and completion of supplemental baseline assessments. The Approved Project is currently in operation; supplemental baseline assessments are complete (pre-2021). These have been submitted to NIRB and are also available on Baffinland's Document Portal (https://www.baffinland.com/document-portal/).

Current effort is focused on environmental effects monitoring (EEM) using a number of different EEM programs that focus on detection of potential Project effects on marine mammals and the marine environment. Detailed information on EEM study design and sampling methodology are available in Baffinland's draft revision of the Marine Monitoring Plan (MMP; Baffinland, 2023f).

Southern Transportation Corridor

Since 2021 Baffinland has been conducting fieldwork in support of various environmental authorizations required to develop specific elements of the Steensby Component of the Project (Southern Transportation Corridor). Desk-based studies have been undertaken since 2020. Table 4.26 below provides a list of supplemental baseline studies and field programs that have been run since 2020 in marine and freshwater environments. No construction or operational activity took place for the Steensby Component in 2025. Supplemental baseline studies for the marine and freshwater environment that occurred or were reported on in 2025 include:

- **Ringed Seal Aerial Survey Program:** ringed seal aerial surveys were conducted in Steensby Inlet and Tasiujaq (control location) in late spring (early June) of 2021 and 2024 to determine ringed seal densities along the planned Southern Shipping Route (Appendix G.8.1; WSP, 2026a). The MHTO and MEWG were consulted prior to the surveys being conducted to incorporate technical advice and Inuit input in the methodology and analytical procedures. Survey methodology used a strip-transect analysis of infrared imagery combined with high-resolution photography. The primary objective of the surveys was to collect baseline ringed seal density and distribution throughout the landfast ice of Steensby Inlet and Tasiujaq. The secondary objective of the survey was to identify ringed seal hotspots using density surface modelling.

- **Multibeam Bathymetric Survey:** A bathymetry survey was completed in Foxe Basin in 2025 with the goal of collecting data to increase the accuracy of existing navigational charts and environmental data within the area of the Southern Shipping Route (Appendix G.8.3; Seaforth Geosurveys Inc., 2026). This work represented a continuation of the survey program previously completed in 2023.
- **Characterization of Ice and Met-Ocean Conditions in Foxe Basin and Hudson Strait**: Baffinland worked with the National Research Council of Canada to characterize sea ice conditions and iceberg presence, to understand areas where pressure and ridging may be of concern and to summarize met-ocean reanalysis data for the Southern Shipping Route.
- **Freshwater Aquatic Supplemental Baseline Program:** Aquatic environment surveys were undertaken in June, July and August 2025 along the first forty (40) km of the planned Steensby Railway alignment. Surveys focused on water and sediment quality and biological sampling (benthic invertebrates and fish) in freshwater environments expected to interact with Project infrastructure, as well as at representative reference sites selected away from potential Project influences. A before-after-control-impact (BACI) approach was implemented to enable future comparisons of aquatic environmental and biological endpoints (e.g., concentrations of metals in sediments, benthic invertebrate richness) between potentially affected habitats and reference habitats, both before and after development of the Steensby Component.
- **Steensby Rail Corridor Hydrometric Monitoring Program:** Baffinland reactivated four (4) hydrometric monitoring stations along the Steensby Railway Corridor at water crossing locations: Bridge (BR) 11, BR 25, BR 96-2, and BR 137 (North Water Environmental, 2026). The stations were installed in June and decommissioned in September prior to freeze-up. Data collected supplements the baseline dataset from the 2012 FEIS (Baffinland, 2012), with the objective of measuring streamflow and characterizing natural variation in hydrological conditions. Water level or stage was measured at each station using a pressure transducer and data logger, which recorded water level and temperature at fifteen (15) minute intervals. Where flows permitted safe access to a watercourse's channel, a wading current meter was used to measure stream velocity. Where higher flows prevented the use of a wading current meter, dilution gauging using rhodamine water tracing or an acoustic doppler current profiler was utilized to estimate discharge.

Table 4:25: Marine and Freshwater Supplemental Baseline Studies Completed from 2020 to 2025 for the Steensby Component

Study Year	Topic	Study	Report Location
2020	Marine	Ice Conditions and Ship Access to the Steensby Inlet Port Site	2024 NIRB Annual Report Appendix G.9.11
2021	Marine	Marine Fish and Fish Habitat Studies in Steensby Port Area	2024 NIRB Annual Report Appendix G.9.19
2021, 2024	Marine	Ringed Seal Aerial Survey Program in Steensby Inlet	2025 NIRB Annual Report Appendix G.8.1
2021-2022	Marine	Physical Oceanography Program	2023 NIRB Annual Report Appendix G.1
2021	Freshwater	Steensby Port Arctic Char Otolith Analysis	2024 NIRB Annual Report Appendix G.9.18
2021-2024	Freshwater	Steensby Port and Railway Freshwater Habitat Surveys: Non-Fish Bearing Sites	2024 NIRB Annual Report Appendix G.9.15
2021-2024	Freshwater	Steensby Port and Railway Freshwater Habitat Surveys: Fish Bearing Sites	2024 NIRB Annual Report Appendix G.9.14
2023	Marine	Fixed Wing Ice Survey	2024 NIRB Annual Report Appendix G.9.8
2023	Marine	Multibeam Bathymetric Survey in Steensby Inlet	2024 NIRB Annual Report Appendix G.9.6
2023	Freshwater	Potential Offsetting Sites: Freshwater Habitat Surveys	2024 NIRB Annual Report Appendix G.9.17
2023	Freshwater	Water Withdrawal Notification and Hydrological Assessment – Steensby Component	2024 NIRB Annual Report Appendix G.9.16
2023	Freshwater	Fish Passage Assessment – Steensby Component	2024 NIRB Annual Report Appendix G.9.13
2023	Freshwater	Construction of the Steensby Inlet Railway Underwater Noise Modelling Report: Freshwater	2024 NIRB Annual Report Appendix G.9.12
2023	Freshwater	Freshwater and Fish Habitat Survey: Mary River and Tributary F 2023	2024 NIRB Annual Report Appendix G.9.2
2023	Marine	Steensby Inlet Fast Ice Study	2024 NIRB Annual Report Appendix G.9.7

Study Year	Topic	Study	Report Location
2024	LiDAR	LiDAR and Orthophoto of the Northern and Southern Corridors	2024 NIRB Annual Report Appendix G.9.5
2024	Freshwater	2024 Steensby Freshwater Program - KP 85 Lake Bathymetry and Substrate Survey	2024 NIRB Annual Report Appendix G.9.3
2024	Freshwater	2024 Steensby Freshwater Program - KP 85 Lake Water Quality, Benthic Invertebrates and Fish	2024 NIRB Annual Report Appendix G.9.4
2024	Freshwater	2024 Steensby Freshwater Program - Cockburn Lake Gillnetting	2024 NIRB Annual Report Appendix G.9.1
2024	Marine	Underwater Noise Modelling – Construction of Steensby Port	2024 NIRB Annual Report Appendix G.9.10
2024	Marine	Airborne Noise Modelling – Construction of Steensby Port	2024 NIRB Annual Report Appendix G.9.9
2025	Marine	Multibeam Bathymetric Survey in Foxe Basin	2025 NIRB Annual Report Appendix G.8.2
2025	Marine	Characterization of Ice and Met-Ocean Conditions in Foxe Basin and Hudson Strait	Reporting is ongoing
2025	Freshwater	Freshwater Aquatic Environment Supplemental Baseline – Steensby Railway KM 0-40	Reporting is ongoing
2025	Freshwater	Steensby Rail Corridor Hydrometric Monitoring Program	2025 QIA-NWB Annual Report Appendix E.13.4

RESULTS

Northern Transportation Corridor

Not applicable

Southern Transportation Corridor

- **Ringed Seal Aerial Survey Program:** For discussion on the results of the 2021 and 2024 Ringed Seal Aerial Survey Program, please refer to PC Term and Condition No. 119.
- **Multibeam Bathymetric Survey:** Approximately 350 km^2 of bathymetry data was collected across twenty-one (21) days of survey operations. The data was delivered to Canadian Hydrographic Services (CHS) for preparation of electronic navigational charts.
- **Characterization of Ice and Met-Ocean Conditions in Foxe Basin and Hudson Strait**: Baffinland will use this analysis to help inform future shipping operations.
- **Freshwater Aquatic Supplemental Baseline Program:** Analysis of results is ongoing and a final report will be included in Baffinland's NIRB Annual Report when completed.

- **Steensby Rail Corridor Hydrometric Monitoring Program:** This program was implemented as part of commitments made under Baffinland's Type 'A' Water Licence Renewal. Results are reported in Baffinland's 2025 QIA-NWB Annual Report for Operations (Baffinland, 2026a; North Water Environmental, 2026).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Environmental effects monitoring will continue through the life of the Project. Supplemental baseline studies will continue for the Steensby Component prior to construction.

Project Certificate Term and Condition No. 100

Category	Marine Environment - Supplemental Baseline Assessments
Responsible Parties	The Proponent, Marine Environment Working Group
Project Phase(s)	Construction
Objective	To supplement baseline information and improve predictions for potential impacts to marine wildlife.
Term or Condition	The Proponent shall update its Shipping and Marine Wildlife Management Plan, to include avoidance of polynyas and mitigation measures designed for potential fuel spills along the shipping lane during the winter months, with consideration for the impact of spilled fuel on marine mammals when they might be less mobile or able to avoid contact with spilt fuel or fumes.
Relevant Baffinland Commitment	57
Reporting Requirement	To be developed following approval of the Project by the Minister.
Responsible Party	Baffinland
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - Not Applicable
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	
Ref. Document Link	Not applicable

METHODS

Applicable only to the Construction phase, therefore not active for 2025.

RESULTS

In 2025, there were no fuel spills during shoulder (or open-water) season shipping, no interactions with the North Water Polynya and no ship strikes on marine mammals.

TRENDS

Shipping during the shoulder (or open-water) seasons has not resulted in large-scale fuel spills along the shipping route, interactions with the North Water Polynya or ship strikes on marine mammals.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland is currently updating the SMWMP to include the construction phase of Steensby prior to any winter shipping (applicable to the Southern Shipping Route only). Furthermore, Baffinland notes that this condition is relevant only to the Construction phase of the Project, and therefore not applicable to the Northern Shipping Route.

Project Certificate Term and Condition No. 101

Category	Marine Environment – Monitoring
Responsible Parties	The Proponent, Marine Environment Working Group
Project Phase(s)	Construction and Operation
Objective	To monitor for potential impacts to marine wildlife and marine habitat.
Term or Condition	The Proponent shall incorporate into the appropriate monitoring plans the following items: a. A monitoring program that focuses on walrus use of Steensby Inlet and their reaction to disturbance from construction activities, aircraft, and vessels; b. Efforts to involve Inuit in monitoring studies at all levels; c. Monitoring protocols that are responsive to Inuit concerns; d. Marine monitoring protocols are to consider the use of additional detecting devices to ensure adequate monitoring through changing seasonal conditions and daylight; e. Schedule for periodic aerial surveys as recommended by the Marine Environment Working Group; f. Periodic aerial surveys for basking ringed seals throughout the landfast ice of Steensby Inlet, and a suitable control location. Surveys shall be conducted at an appropriate frequency to detect change inter-annual variability; g. Shore-based observations of pre-Project narwhal behavior in Milne Inlet, that continues throughout operations at an appropriate frequency throughout the Proponent's ore shipping operations via Milne Inlet; h. Conduct landfast ice monitoring for the duration of the Project Operations phase, which will include: i. The number of ship transits that are able to use the same track; ii. The area of landfast ice disrupted annually by ship traffic; and iii. Monitoring strategy focused on assessing and mitigating interaction between humans and wildlife at the port site(s).
Relevant Baffinland Commitment	Not Applicable
Reporting Requirement	The Proponent shall provide a summary discussion of its implementation of this term and condition (including results of monitoring, adaptive management strategies, consultation, and contribution efforts) to the NIRB through the Proponent's annual monitoring report. Updated plans developed from monitoring, adaptive management, and engagement shall be provided to the NIRB throughout the monitoring year as they are finalized.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG), Nunavut Impact Review Board
Reference	Marine Mammal Trigger Action Response Plan (TARP) (Baffinland, 2021k)

	2023 Marine Mammal Aerial Survey Program - Final Report (WSP, 2024b) 2025 Bruce Head Shore-based Monitoring Program – Final Report (WSP, 2026b) 2017-2018 Integrated Narwhal Tagging Study (Golder 2020b) 2025 MEWG Meeting Minutes 2023 Early Warning Indicator (EWI) Aerial Survey Results (WSP, 2023c) 2021 Ringed Seal Aerial Survey Program (Golder 2022d) Marine Mammal Noise Exposure Criteria (Southall et al., 2021)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix B.1 – 2025 Engagement Records Appendix G.5.2 – 2025 Bruce Head Shore-based Monitoring Program Report

METHODS

a. Not applicable in 2025.

b. As part of yearly planning and review of upcoming field programs, Baffinland provides its annual monitoring results to the Marine Environment Working Group (MEWG) members (which include Inuit representation) for comment and also presents its plan for monitoring for the upcoming year during annual MEWG meetings.

   Baffinland held also held a 2025 pre-season and post-season shipping meetings in Pond Inlet where we presented monitoring plans and accomplishments to the Hamlet and MHTO. Additionally, Baffinland hosted radio shows in the five (5) North Baffin communities as well as Kinngait and Kimmirut to discuss Steensby and Shipping (Section 2.3.1 Table 2:1) for details. The company also held an end of season drop in at the co-op in Pond Inlet for the community to come and ask questions about Baffinland's shipping mitigations and monitoring programs. Please see Appendix B.1 for specifics.

   Inuit are also directly involved in the marine monitoring programs through their participation as field technicians, marine wildlife observers and polar bear monitors where all participants also receive program-specific technical and safety training.

c. Baffinland's ongoing development and refinement of monitoring programs and protocols considers input from local community members (e.g., concerns that are communicated through community workshops) as well as discussions with the MEWG, in which Inuit organizations actively participate. Baffinland also engages with Inuit in the local communities through public radio shows, meetings with the Hamlet council and active engagement through the Shipping Monitor Program run in Pond Inlet throughout the entirety of the shipping season. Concerns are received and recorded during meetings, radio shows and community drop-ins. Community concerns are also discussed in both the pre and post shipping meetings with the Hamlet Council and MHTO Board. Identified concerns are also shared with vessel owners during the end of season debrief.

d. Not Applicable in 2025.

e. Marine mammal aerial surveys did not take place along the Northern Shipping Route in 2025. A visual clearance survey was not required at the end of the shipping season in October. In 2026 Baffinland will undertake a Marine Mammal Aerial Survey in Eclipse Sound.

f. Refer to PC Term and Condition No. 99 for additional information on the 2024 Ringed Seal Aerial Survey for the Southern Shipping Route.

g. Baffinland undertook a shore-based narwhal monitoring program at Bruce Head from 2013–2017[2] and again from 2019–2025[3]. The objective of the Bruce Head Shore-based Monitoring Program is to investigate narwhal response to shipping activities along the Northern Shipping Route in Milne Inlet. During the 2025 open-water season, visual survey data were collected from a cliff-based observation platform at Bruce Head overlooking the nominal shipping route. Data were systematically collected on the relative abundance and distribution of narwhal via shore-based Marine Mammal Observers (MMOs). Data on narwhal group composition was collected using both MMOs and Unmanned Aerial Vehicle (UAV; i.e., drones). Narwhal behavioural data were collected using UAV to evaluate behavioural responses of narwhal to vessel traffic via focal follow video surveys of individual groups. Additional data were collected on environmental conditions and anthropogenic activities (e.g., shipping and hunting activities) to distinguish between the potential effects of Project-related shipping activities and confounding factors that may also affect narwhal behaviour. Detailed methodology and analytical procedures of the 2025 Bruce Head Shore-based Monitoring Program are presented in WSP (2026b; Appendix G.5.2).

h. Baffinland understands that the intent of Condition 101(h) is to address concerns related to icebreaking of land-fast ice in support of shipping operations along the Southern Shipping Route and in Steensby Port. This phase of the project is currently inactive. Baffinland did not undertake icebreaking of land-fast ice along the Northern Shipping Route in 2025.

RESULTS

a. Not applicable in 2025.

b. A total of 10 Inuit participants (five from Pond Inlet, three from Arctic Bay, one from Sanirajak, and one from Iqaluit) were employed for the 2025 marine monitoring programs. The total amount of work hours for Inuit staff on the 2025 marine monitoring programs was 2,176 hours. The work positions filled by Inuit participants in 2025 included: marine wildlife observers, polar bear monitors, boat operators and field technicians.

   A total of 14 Shipping Monitors in Pond Inlet supported the planning and monitoring of shipping activities during the 2025 shipping season. This included active tracking of shipping activities in the RSA using the online Automatic Identification System (AiS) vessel tracker system. Shipping Monitors can be reached by members of the public (community residents) 24 hours a day for information on local shipping. Shipping monitors work in pairs 24-7 during the entire shipping season.

c. Baffinland proposed running a narwhal tagging program prior to the start of the early shoulder shipping season. The MHTO was not supportive of Baffinland running this tagging program and, as such, the program did not move forward.

d. Not applicable in 2025.

[2] 2013 represented a pilot study year for the Bruce Head Shore-based Monitoring Program.
[3] A Bruce Head vessel-based monitoring program pilot study was conducted in 2018 instead of a shore-based study due to safety concerns following a damaged observation platform that prevented safe implementation of the shore-based program.

e. Not applicable in 2025.

f. Not applicable in 2025.

g. The requirement to complete a minimum of three years of shore-based monitoring of narwhal behaviour in Milne Inlet (relative to shipping activities) has been achieved. In 2025, the Bruce Head Shore-based Monitoring Program completed its eleventh year of monitoring of narwhal behavioural monitoring in the RSA (WSP, 2026b; Appendix G.5.2).

   Detailed results of the 2025 Bruce Head Shore-based Monitoring Program are presented in WSP (2025b; Appendix G.5.2)

h. Not applicable in 2025.

TRENDS

a. Not applicable in 2025.

b. Inuit have been involved in monitoring studies at all levels since the inception of the program. The addition of the MHTO as members of the MEWG in 2016 and the hiring of Inuit participants from Inuit-based companies has increased the participation of Inuit in this process. Inuit participation in 2025 monitoring programs was (2,176 hours / 10 participants, an increase from last year.

c. Engagement with Inuit community members with respect to monitoring protocols applied within the marine-based monitoring programs has continued to increase since the start of the program. Both the MEWG and TEWG include members from five (5) HTOs (MHTO, IHTA, IHTO, HB HTA, NHTO). These working groups serve as a platform for Inuit to address concerns associated with both the marine and terrestrial monitoring programs. Meeting records pertaining to 2025 MEWG, TEWG engagements can be found in Appendix C, respectively. Baffinland also hosts pre- and post-shipping meetings and radio shows on an annual basis within Mittimatalik to inform community members of proposed monitoring and operations plans, as well as actual completed monitoring following the close of the season. Engagement records pertaining to pre- and post-shipping meetings and radio shows can be found in Appendix B.2.

d. Not applicable in 2025.

e. Results from the most recent narwhal aerial survey can be found in 2023 Marine Mammal Aerial Survey Program Report (WSP, 2024b)

f. Results of the 2021 RSASP indicates that ringed seal densities in the RSA for the Northern Shipping Route are stable relative to 2016 survey estimates since the onset of shipping or icebreaking activities in the RSA, with some natural inter-annual variation expected (Golder, 2022d).

g. The 2025 Bruce Head Shore-based Monitoring Program represents the eleventh year of monitoring of narwhal behavioural monitoring in the RSA. A summary of trends observed for the Bruce Head monitoring program can be found in (WSP, 2026b; Appendix G.5.2).

h. Not applicable in 2025.

RECOMMENDATIONS / LESSONS LEARNED

a. Not applicable in 2025.

b. Marine monitoring programs will continue to involve Inuit in field monitoring and data reporting whenever possible. Baffinland has invited representatives from the five HTOs northern HTOs plus Kinngait and Kimmirut to participate in both the MEWG and TEWG.

c. Baffinland will continue to engage with the MEWG, HTOs and local Inuit in 2026 with regards to marine monitoring programs to ensure responsiveness to Inuit concerns. Ongoing communication with the HTOs and Inuit communities will continue in 2026.

d. Not applicable in 2025.

e. Based on the five-year monitoring plan, Baffinland will run a Marine Mammal Aerial Survey in 2026.

f. No ringed seal aerial surveys were conducted along the Northern Shipping Route in 2025, and none are planned for 2026.

g. With respect to future monitoring initiatives for the Bruce Head Shore-based Monitoring Program, Baffinland will continue to consult with the MEWG.

h. Not applicable in 2025.

Project Certificate Term and Condition No. 102

Category	Marine Environment - Traffic Log and Shipping Information
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To promote public awareness of Project shipping activities for the general public.
Term or Condition	The Proponent shall ensure that routing of Project vessels is tracked and recorded for both the southern and northern shipping routes, with data made accessible in real time to communities in Nunavut and Nunavik.
Relevant Baffinland Commitment	30, 36
Reporting Requirement	To be provided in the Annual Report to the NIRB.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Not applicable
Reference	Baffinland Corporate Website – Operation – Shipping and Monitoring Facebook Shipping Page
Ref. Document Link	https://www.baffinland.com/operation/shipping-and-monitoring/ https://www.facebook.com/ShippingBaffinland/

METHODS

Baffinland has contracted Spire Shipview® (previously known as exactEarth®), a global vessel monitoring and tracking service based on Automatic Identification System (AiS) data from polar orbiting satellites to track and report on vessel movements. The vessel tracking information is available throughout the entire duration of the shipping season on Baffinland's website (https://www.baffinland.com/operation/shipping-and-monitoring/) to allow communities to check on vessel coordinates, which direction the vessel is moving, and its destination.

Although the vessel locations plotted on the online map are available 24 hours a day, seven (7) days a week over the entire duration of the shipping season, they are not available "real-time", per se, on a minute-by-minute basis, but do provide regularly updated snapshots of latest vessel position in the North Baffin region. Data are immediately uploaded to the website once the data, as captured by satellites, are made available through the software.

In 2025, Baffinland continued its Shipping Monitor Program, which consists of hiring a minimum of two (2) full-time employees to actively track daily Project vessel movements in the Regional Study Area (RSA) through tracking of data available through Spire Shipview®, and in relation to reported marine mammal sightings (as shared by residents of Pond Inlet through marine Very High Frequency (VHF) radio and Baffinland monitoring teams). One (1) of the primary roles of the Shipping Monitors is to provide direct liaison between the community of Pond Inlet, hunters and Baffinland. They work directly out of the Baffinland office situated on the second floor of the MHTO office building in Pond Inlet. Through this role, Shipping Monitors provide updates on Baffinland's shipping activities using a variety of communication methods including local public radio, marine VHF radio (for hunters on the water) and

through social media (e.g., Facebook posts). Shipping Monitors are also available to track any comments/questions that are communicated by residents, and provide answers as needed.

RESULTS

Over the course of the season, fourteen (14) Shipping Monitors from Pond Inlet supported the shipping season in 2025. Baffinland has made vessel routing accessible to the public via the Baffinland website. Baffinland also created a dedicated "Baffinland Shipping" Facebook page to further enhance regular communications over the shipping season, attracting hundreds of followers during the active shipping season. Key information was posted including maps showing the Northern Shipping Route extending from Baffin Bay to Milne Port, contact information of Shipping Monitors including direct cell phone line and email, and a link to the live vessel tracking available on the Baffinland website. Deviations reports are also posted on the Facebook page with pictures (where possible).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland has found the use of Spire Shipview® to be beneficial in providing information related to ship routing to the public. Baffinland will continue to use this service. Furthermore, it is Baffinland's intent to continue the hiring of Shipping Monitors over the entire duration of the shipping season.

Project Certificate Term and Condition No. 103

Category	Marine Environment – Traffic Log and Shipping Information
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To monitor effectiveness of mitigation of shipping impacts to marine wildlife.
Term or Condition	The Proponent shall report annually to the NIRB regarding project-related ship track and sea ice information, including: a. A record of all ship tracks taken along both shipping routes covering the entire shipping season; b. When employing ice-breaking, an overlay of ship tracks onto ice imagery to determine whether ships are effectively avoiding shore leads and polynyas; c. A comparison of recorded ship tracks to the expected nominal shipping route, and probable (if any) extent of year-round shipping during periods of ice cover and open-water; d. An assessment of the level of adherence to the nominal shipping route and the spatial extent of the shipping zone of influence; and e. When employing ice-breaking, marine bird and mammal species and number of individuals attracted to ship tracks in ice.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be provided in the Annual Report to the NIRB.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Nunavut Impact Review Board
Reference	Not Applicable
Ref. Document Link	https://www.baffinland.com/operation/shipping-and-monitoring/ https://www.baffinland.com/document-portal/ Appendix G.5.2 – 2025 Bruce Head Shore-based Monitoring Program Report Appendix G.5.4 – Marine Mammal Observation Network (MMON) 2025 Season Summary https://www.canada.ca/en/environment-climate-change/services/ice-forecasts-observations/latest-conditions/archive-overview.html

METHODS

a. Vessel tracks and associated speeds along the Northern Shipping Route are recorded throughout the shipping season using the Automatic Identification System (AiS) on ships. AiS is a digital positional awareness system that integrates a standardized Very High Frequency (VHF) transceiver with a Global Positioning System (GPS) receiver installed on marine vessels, along with other onboard electronic navigation sensors, such as a gyrocompass or rate of turn indicator. Vessels fitted with dedicated AiS transceivers can be tracked by AiS base stations located along coastlines or, when out of range of terrestrial networks, through satellites fitted with special AiS receivers. The purpose of the AiS system is to allow vessels, maritime authorities and/or other third parties to track and monitor vessel movements in a defined

area in relation to navigational markers and bathymetric features. In Canada, all self-propelled vessels of ≥150 gross tonnage carrying more than 12 passengers are required to carry Class A AiS systems, as per the federal Navigation Safety Regulations (SOR/2005-134). The International Maritime Organization Convention for the Safety Of Life At Sea (SOLAS) Regulation V/19.2.4 requires all vessels of 300 gross tonnage (GT) and above engaged on international voyages and all passenger ships irrespective of size to carry AiS onboard. AiS signals emitted by vessels transiting in the RSA are recorded by shore-based stations set up at Pond Inlet and Bruce Head; and when out of range of the base stations, through satellite-based AiS receivers (Spire [previously exactEarth®] ShipView™ exactEarth® AiS archive). Vessel tracks are publicly accessible through the Baffinland website during the shipping season and at the Baffinland office located in the MHTO building.

b. Baffinland maintains daily records of ship tracks taken along the Northern shipping route. There was no ice breaking in the 2025 shipping season.

c. Baffinland will plot the ship tracks against the nominal shipping route.

d. Deviations from the nominal shipping route are tracked and recorded by the Pond Inlet based shipping monitors.

e. No icebreaking took place in the 2025 shipping season.

Baffinland continues to collaborate with the Marine Mammal Observation Network (MMON) to implement a marine mammal incidental sightings program through the participation of vessels contracted by Baffinland (Appendix G.5.4).

RESULTS

a. Baffinland recorded Project-related vessel tracks in 2025. Baffinland will submit the ship tracks once available.

b. Not applicable in 2025.

c. Baffinland recorded Project-related vessel tracks in 2025. Baffinland will plot this against the nominal shipping route when available.

d. See (c) above.

e. There was no ice breaking in 2025.

TRENDS

No major deviations from the nominal Northern Shipping Route in the RSA were undertaken by Project ore carriers during the first eleven (11) years of iron ore shipping in this area (2015 to 2025). Eighteen minor deviations from the nominal shipping route were recorded within the RSA in 2025. Majority of these deviations were a result of icebergs and bergy water along the nominal shipping route.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to monitor Project vessel movements in the RSA using the shore-based AiS stations at Pond Inlet, and satellite-based AiS using the Spire ShipView™ archive. Baffinland will also continue to communicate

expectations to Masters with regards to avoiding deviations from the nominal Northern Shipping Route when vessels are under contract to Baffinland, and will maintain active tracking through the use of notification alerts.

Project Certificate Term and Condition No. 104

Category	Marine Environment - Traffic Log and Shipping Information
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations
Objective	To prevent impacts to marine wildlife from Project shipping activities.
Term or Condition	Subject to safety considerations and the potential for conditions as determined by the crew of transiting vessels, to result in route deviations: a. The Proponent shall require, for shipping to/from Steensby Port, project vessels to maintain a route to the south of Mill Island to prevent disturbance to walrus and walrus habitat on the northern shore of Mill Island. Where project vessels are required to transit to the north of Mill Island owing to environmental or other conditions, an incident report is to be provided to the Marine Environment Working Group and the NIRB within 30 days, noting all wildlife sightings and interactions as recorded by shipboard monitors. b. The Proponent shall summarize all incidences of significant deviations from the nominal shipping routes for traffic to/from Milne Port and Steensby Port as presented in the FEIS and FEIS Addendum to the NIRB annually, with corresponding discussion regarding justification for deviations and any observed environmental impacts.
Relevant Baffinland Commitment	Not Applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

a. Not applicable

b. Refer to PC Term and Condition No. 103. Reporting for PC Term and Condition No. 104 is identical to that of PC Term and Condition No. 103.

RESULTS

a. Not applicable.

b. Refer to PC Term and Condition No. 103. Reporting for PC Term and Condition No. 104 is identical to that of PC Term and Condition No. 103.

TRENDS

a. Not applicable.

b. Refer to PC Term and Condition No. 103. Reporting for PC Term and Condition No. 104 is identical to that of PC Term and Condition No. 103.

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 103. Reporting for PC Term and Condition No. 104 is identical to that of PC Term and Condition No. 103.

Project Certificate Term and Condition No. 105

Category	Marine Environment - Traffic Log and Shipping Information
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operation
Objective	To prevent impacts to marine wildlife from Project shipping activities.
Term or Condition	The Proponent shall ensure that measures to reduce the potential for interaction with marine mammals, particularly in Hudson Strait and Milne Inlet, are identified and implemented prior to commencement of shipping operations. These measures could include, but are not limited to: a. Changes in the frequency and timing (including periodic suspensions) of shipping during winter months in Hudson Strait and during the open water season in Milne Inlet, i.e., when interactions with marine mammals are likely to be the most problematic. b. Reduced shipping speeds where ship-marine mammal interactions are most likely. c. Identification of alternate shipping routes through Hudson Strait for use when conflicts between the proposed routes and marine mammals could arise. Repeated winter aerial survey results showing marine mammal distribution and densities in Hudson Strait would greatly assist in this task.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Standing Instructions and General Information for Masters of Vessels Loading at Milne Inlet Port (Fednav, 2025) 2025 Bruce Head Shore-based Monitoring Program Report (WSP, 2026b) 2022 Shipping and Marine Wildlife Management Plan (Baffinland, 2022d)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.5.2 - 2025 Bruce Head Shore-based Monitoring Program Report

METHOD

a. Several mitigation measures, including those relevant to shipping operations and icebreaking activities associated with the current Project committed to by Baffinland to avoid and/or minimize adverse effects from shipping on marine mammals along the Northern Shipping Route, are adhered to by Baffinland and are identified in Baffinland's Shipping and Marine Wildlife Management Plan (Baffinland, 2022d) including:

- Defined shipping lane throughout the RSA.
- Maintain constant speed and course when possible.
- All Project vessels will reduce speeds to a voluntary maximum of 9 knots when travelling within the RSA.

- No breaking of landfast ice will occur in the spring or fall shoulder season.
- No icebreaking to commence the 2025 shipping season. Ore carriers will not begin their transit to Milne Port until 3/10ths or less ice is present along the entire shipping route through the Nunavut Settlement Area (NSA) from the entrance of Eclipse Sound and Milne Port.
- When marine mammals appear to be trapped or disturbed by Project vessel movements, the vessel will implement appropriate measures to mitigate disturbance, including stoppage of movement until wildlife move away from the immediate area (as safe navigation allows).
- All Project vessels will be provided with standard instructions to not approach within 300 m of a walrus or polar bear observed on sea ice.
- All Project vessels will be provided with standard instructions to operate their vessel in a manner that avoids separating an individual member(s) of a group of marine mammals from other members of the group.
- Vessels awaiting instructions from the Port Captain to enter the RSA will be instructed to wait in Baffin Bay at least 40 km east of the NSA.
- Use of convoys throughout the 2025 season to further reduce total sound exposure. Baffinland proposed to target a 15% reduction in overall independent one-way transits by implementing convoys.
- Project aircrafts (helicopter and airplanes) will maintain an altitude of 450 m over marine waters when possible.
- Establishment of restricted “no-go” zones to avoid key sensitive areas and hunting camp areas (Koluktoo Bay, Tremblay Sound, western shoreline of Milne Inlet).
- No drifting in Eclipse Sound.
- Maximum of three (3) vessels anchored at Ragged Island.
- Limiting vessel idling.

It is important to note that several of these mitigation measures have been implemented on a voluntary basis by Baffinland and exceed any applicable regulatory requirements in Canada. This suite of measures represents a more conservative practice of vessel traffic management than is demonstrated by any other industrial/commercial shipping operator or government vessels in the RSA (i.e., Canadian Coast Guard, DFO).

Mitigation measures currently implemented by Baffinland to manage adverse effects on marine mammals from shipping are routinely evaluated as part of the ongoing marine mammal monitoring programs. In 2025, this included the Bruce Head Shore-based Monitoring Program (WSP, 2026b; Appendix G.5.2.

b. Baffinland’s Standing Instructions to Masters (SITM; Fednav, 2025) identifies a “maximum vessel speed limit of 9 knots over ground beginning at the entrance to Pond Inlet (at 74 degrees’ longitude) through Eclipse Sound and throughout Milne Inlet”. Project vessel speeds are tracked in real-time using the satellite-based Automatic Identification System (AiS), supported by two (2) shore-based AiS base stations installed along the Northern Shipping Route (at Bruce Head and Pond Inlet).

c. Not applicable in 2025.

RESULTS

a. Mitigations outlined in the methods section above were successfully implemented by Baffinland in 2025.

Shipping operations began on July 29, 2025, the use of vessel convoys as a mitigation method to reduce the number of vessel transits through the RSA was continued for the 2025 shipping season to manage traffic density in the narwhal summering grounds. These measures, along with real-time AIS vessel tracking, provided high-resolution positional data for all medium and large-sized vessels transiting through Milne Inlet. There was a total of 12 convoys during the 2025 shipping season.

b. All vessels calling to Milne Port in 2025 adhered to the 9 knots speed restriction with the exception of one vessel that went 9.1 knots due to wind propulsion. Additionally, one sealift had to go over the speed limit for 30 minutes during its voyage for mechanical reasons to maintain ship operation.

c. Not applicable in 2025.

TRENDS

a. Underwater acoustic monitoring results and narwhal behavioural data collected to date have demonstrated that shipping noise in the RSA is lower than predicted in the FEIS and FEIS Addendum, and that behavioural effects from shipping on narwhal are limited to low-level disturbance effects that are localized and temporary in nature. This gives Baffinland confidence that its current mitigation measures (e.g., 9-knot speed restriction, 40-km buffer area at entrance of RSA, use of convoys, etc.) are demonstratively effective at managing Project incremental effects from shipping on narwhal in the RSA.

b. There has been a marked improvement by Project vessel operators since 2018 in terms of adherence to the 9-knot speed restriction in the RSA. Through compliance with the 9 knots speed restriction was near 100% in 2025, this is largely as a result of continuous improvement in communication between the Port Master/Baffinland Shipping and the vessel owners/operators, as well as updates made to the SITM.

c. Not applicable in 2025.

RECOMMENDATIONS / LESSONS LEARNED

a. No further recommendations in 2025.

b. In 2026, all Project vessels will continue to be provided with standing instructions to travel along the Northern Shipping Route at speeds not exceeding 9 knots. Baffinland will continue to monitor ship tracks and ship speeds using shore-based AiS stations installed at Pond Inlet and Bruce Head, and satellite-based ship tracking.

c. Not applicable in 2025.

Project Certificate Term and Condition No. 106

Category	Marine Environment - Shipboard Observers
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure that interactions with marine mammals and Project shipping activities are effectively monitored.
Term or Condition	The Proponent shall ensure that shipboard observers are employed during seasons where shipping occurs and provided with the means to effectively carry out assigned duties. The role of shipboard observers in shipping operations should be taken into consideration during the design of any ore carriers purpose-built for the Project, with climate-controlled stations and shipboard lighting incorporated to permit visual sightings by shipboard observers during all seasons and conditions. Any shipboard lighting incorporated should be in accordance with the *Canada Shipping Act*, 2001's Collision Regulations, and should not interfere with safe navigation of the vessel.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	As needed.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	Marine Mammal TARP and Action Toolkits (Baffinland 2021k)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.1 – MEWG Meeting Records Appendix G.5.4 – Marine Mammal Observation Network (MMON) 2025 Season Summary

METHOD

To address the uncertainty regarding the potential for ship strikes of marine mammals and satisfy the objective of Term and Condition 106, Baffinland developed the Ship-based Observer (SBO) Program and only in the latter years did the Program opportunistically collect observational data on the presence, relative abundance, spatial distribution, and behavioural response of marine mammals along the Northern Shipping Route. The SBO Program was first run between 2013 and 2015 from ore carriers with Baffinland staff boarding the vessels after they entered the RSA. This iteration of the Program was suspended following the determination that the boarding process presented unacceptable safety risks and was only resumed in 2018 when it became possible to run the Program from Ice Management Vessels operating in the shoulder seasons.

In 2025, Baffinland did not require the services of an Ice Management Vessel and there was no alternative opportunity to carry out the SBO Program. However, Baffinland continued to collaborate with the Marine Mammal

Observation Network (MMON) to implement a marine mammal incidental sighting program through the participation of vessels contracted by Baffinland.

Baffinland received the 2024/2025 NIRB annual monitoring report in November 2025. In that, the Board instructed Baffinland to provide an update *of the reasonable measures that are being, or could be, taken for Baffinland to meet the requirements of Term and Condition 106 requiring shipboard observers to be onboard when shipping occurs.*

Baffinland is currently exploring all reasonable measures and will provide an update to the Board before the 2026 shipping season. This will be reflected in the next annual report.

RESULTS

No ship strikes were recorded in 2025.

TRENDS

As predicted in the FEIS, **no** ship strikes on marine mammals have been recorded to date as part of the multi-year SBO Program or via Baffinland's other marine mammal monitoring programs in place for the project. Similarly, no ship strikes on marine mammals have been reported by ship operators since the start of the Project (including ore carriers, fuel/cargo ships and support tugs) or during the 2025 reporting year. The only mortality reported over six years of monitoring occurred during the 2019 shipping season when a seabird flew into a piece of infrastructure on the upper deck of an ore carrier (Golder, 2020e). Of note is that to date, monitoring results from the SBO Program have not demonstrated any exceedances of the Low-Risk threshold in place for marine mammal – vessel collisions (i.e., ship strike of 1 individual) as per the Marine Mammal Trigger Action Response Plan (TARP; Baffinland, 2021k).

Across all of Baffinland's monitoring programs, it has been confirmed that marine mammals are able to detect and avoid vessels as they approach and then return to typical behaviours once the vessel has passed. Data from all previous SBO programs confirm Baffinland's FEIS prediction of no impact to marine mammals from ship strikes.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will provide an update to the Nunavut Impact Review Board in advance of the 2026 shipping season identifying all reasonable measures that could be taken to meet this requirement.

Project Certificate Term and Condition No. 107

Category	Marine Environment - Shipboard Observers
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations
Objective	To determine the presence of, and ensure that interactions with marine mammals, seabirds and seaducks are effectively monitored for, along the northern and southern shipping routes, as applicable.
Term or Condition	The Proponent shall revise the proposed "surveillance monitoring" to improve the likelihood of detecting strong marine mammal, seabird or seaduck responses occurring too far ahead of the ship to be detectable by observers aboard the ore carriers. A baseline study early in the shipping operations could employ additional surveillance to detect potential changes in distribution patterns and behavior. At an ambitious scope, this might be achieved using unmanned aircraft flown ahead of ships, or over known areas of importance for seabirds or haul-out sites in the case of walruses, in accordance with the requirements of their Special Flight Operations Certificate.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.5.2 - 2025 Bruce Head Shore-based Monitoring Program Report Appendix G. 5.4 – Marine Mammal Observation Network (MMON) 2025 Season Summary

METHODS

Refer to PC Term and Condition No. 103 for Methods of the 2025 Marine Mammal Incidental Sightings programs.

Baffinland did not have Ship-based Observer on the ice-breakers like previous years because ice-breakers were not deployed in 2025 due to the shorter shipping season. Baffinland's marine mammal monitoring programs are better tailored to evaluate potential changes in marine mammal abundance, distribution and behaviour in relation to Project shipping activities. These programs include the Bruce Head Shore-based Monitoring Program, the Underwater Acoustic Monitoring Program, and the Marine Mammal Aerial Survey Programs. Additional information on these programs is available in PC Term and Condition No. 101 and 109.

RESULTS

Refer to PC Term and Condition No. 101, No.103, No. 106 & No. 109.

TRENDS

Refer to PC Term and Condition No. 101, No. 103, No. 106 and No. 109 for specific trend related information.

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 101, No. 103, No. 106 or No. 109 for specific recommendations.

Project Certificate Term and Condition No. 108

Category	Marine Environment - Shipboard Observers
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations
Objective	To ensure that interactions with marine mammals, seabirds, and seaducks are effectively monitored for along the southern and northern shipping routes, as applicable.
Term or Condition	The Proponent shall ensure that data produced by the surveillance monitoring program is analysed rigorously by experienced analysts (in addition to being discussed as proposed in the FEIS) to maximize their effectiveness in providing baseline information, and for detecting potential effects of the project on marine mammals, seabirds and seaducks in the Regional Study Area. It is expected that data from the long-term monitoring program be treated with the same rigor.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	2025 MEWG Meeting Records
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.1 – MEWG Meeting Records Appendix G.5.2 - 20254 Bruce Head Shore-based Monitoring Program Report

METHODS

Refer to PC Term and Condition No. 106.

All data that are collected as part of Baffinland's marine-based monitoring programs, and subsequent data analysis and interpretation, are completed by experienced marine mammal biologists and statistical analysts, as well as Inuit field participants. Baffinland's annual monitoring reports include a list of the lead authors including their professional credentials and academic designations (e.g., Registered Professional Biologist, Master of Science [MSc], Doctor of Philosophy [PhD]). Additionally, where required, Baffinland has partnered with governmental agencies (e.g., ECCC-CWS) and academic researchers from different universities and academic institutions to undertake specific study or analytical components of the monitoring programs where specialized external expertise is required (this includes data analysis and interpretation by experienced biology professionals and statistical analysts).

RESULTS

Refer to PC Term and Condition No. 103 for Results of the 2024 MMON Program, and PC Term and Condition No. 106

TRENDS

Refer to PC Term and Condition No. 106. Reporting on PC Term and Condition No. 108 is identical to that of PC Term and Condition No. 106.

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 106.

Project Certificate Term and Condition No. 109

Category	Marine Environment - Ship Noise
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operation
Objective	To prevent impacts to marine mammals from Project shipping activities.
Term or Condition	The Proponent shall conduct a monitoring program to confirm the predictions in the FEIS with respect to disturbance effects from ships noise on the distribution and occurrence of marine mammals. The survey shall be designed to address effects during the shipping seasons, and include locations in Hudson Strait and Foxe Basin, Milne Inlet, Eclipse Sound and Pond Inlet. The survey shall continue over a sufficiently lengthy period to determine the extent to which habituation occurs for narwhal, beluga, bowhead and walrus.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	2023 Underwater Acoustic Monitoring Program (Open-Water Season) – Report (Austin et al., 2024) 2017 - 2018 Integrated Narwhal Tagging Study Report (Golder 2020b) 2023 Marine Mammal Aerial Survey Program - Final Report (WSP, 2024b) 2025 Bruce Head Shore-based Monitoring Program – Final Report (WSP, 2026b) 2023 Ship-based Monitoring Program – Final Report (WSP, 2024d) Marine Mammal TARP and Action Toolkits (Baffinland 2021k) 2021 and 2024 Ringed Seal Aerial Survey Program (RSASP) Technical Report (WSP 2026a)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.5.4 - Marine Mammal Observation Network (MMON) Season 2025 Summary Appendix G.8.1 – 2021 and 2024 Ringed Seal Aerial Survey Program (RSASP) Technical Report Appendix G.5.2 - 2025 Bruce Head Shore-based Monitoring Program

METHODS

Southern Shipping Route

Ringed seal aerial surveys were conducted in Steensby Inlet and Tasiujaq (control location) in late spring (early June) of 2021 and 2024 to determine ringed seal densities along the Southern Shipping Route, as part of the Ringed Seal Aerial Survey Program (RSASP) (WSP, 2026a; Appendix G.8.1). The MHTO and MEWG were consulted prior to the surveys being conducted to incorporate technical advice and Inuit input in the methodology and analytical procedures. Ringed seal aerial surveys were conducted using a strip-transect analysis of infrared imagery combined

with high-resolution photography. The primary objective of the surveys was to collect baseline ringed seal density and distribution throughout the landfast ice of Steensby Inlet and Tasiujaq. The secondary objective of the survey was to identify ringed seal hotspots using density surface modelling. Data collected as part of the 2021 and 2024 RSASP for the Southern Shipping Route were presented to the MEWG in 2025.

Northern Shipping Route

Marine mammal monitoring programs conducted along the Northern Shipping Route and corresponding analyses undertaken used a 'multiple lines of evidence' approach to confirm predictions in the FEIS with respect to disturbance effects from ship noise on the distribution and occurrence of marine mammals along the Northern Shipping Route. In the FEIS, it was predicted that marine mammal behavioural responses to ship noise would be limited to temporary, short-term avoidance behaviour, consistent with low to moderate severity responses. No large-scale avoidance behaviour, displacement effects, or abandonment of the summering grounds are predicted to occur.

Monitoring programs used visual, acoustic and remote sensing techniques to assess changes in marine mammal distribution and abundance within the RSA, and behavioural responses of narwhal and other marine mammals to ship noise. Not all programs are conducted on an annual basis but results from all programs continue to inform ongoing monitoring programs and adaptive management for the Project, including information on potential habituation of shipping by narwhal. Collectively, these multi-year monitoring programs provide for a comprehensive evaluation of potential ship noise effects on marine mammals during the entire shipping period and throughout the life of the Project. Detailed methodology and analytical procedures of the monitoring programs are available in the respective annual monitoring reports (WSP, 2026b, WSP, 2024b; WSP, 2024d; Golder 2020e; Austin et al., 2024).

RESULTS

Detailed results of the acoustic monitoring programs are available in the respective annual monitoring reports (WSP, 2026b; *WSP, 2024b; WSP, 2024d; Austin et al., 2024*).

For the ***2025 Bruce Head Shore-based Monitoring Program results***

Refer to PC Term and Condition No. 101 and WSP (2026b) found in Appendix G.5.2**.**

TRENDS

Acoustic monitoring results and narwhal behavioural data available to date have demonstrated that shipping noise in the RSA is lower than predicted in the FEIS and that behavioural effects from shipping on narwhal are limited to low-level disturbance effects that are localized and temporary in nature. This gives Baffinland confidence that its current mitigation measures (e.g., 9 knot speed restriction, 40 Km buffer area at entrance of RSA, no icebreaking during early shoulder season based on local ice conditions, etc.) are demonstratively effective at managing Project incremental effects from shipping on narwhal in the RSA.

No ship strikes on marine mammals have been recorded to date through any of the SBO programs. Similarly, no ship strikes on marine mammals have been reported by ship operators since the start of the Project, including ore carriers, fuel/cargo ships and support tugs. The only seabird strike reported over six years of monitoring occurred during the 2019 SBO Program (Baffinland, 2020d).

Refer to PC Term and Condition No. 101 and 103 for Trends specific to each monitoring program.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to monitor for Project related effects to confirm the predictions in the FEIS with respect to disturbance effects from ships noise on the distribution and occurrence of marine mammals. Future acoustic monitoring will focus on the Southern Shipping Route.

Project Certificate Term and Condition No. 110

Category	Marine Environment - Ship Noise
Responsible Parties	The Proponent, Marine Environment Working Group
Project Phase(s)	Construction and Operation
Objective	To prevent impacts to marine mammals from Project shipping activities.
Term or Condition	The Proponent shall immediately develop a monitoring protocol that includes, but is not limited to, acoustical monitoring, to facilitate assessment of the potential short term, long term, and cumulative effects of vessel noise on marine mammals and marine mammal populations. The Proponent is expected to work with the Marine Environment Working Group to determine appropriate early warning indicator(s) that will ensure rapid identification of negative impacts along the southern and northern shipping routes.
Relevant Baffinland Commitment	84
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Marine Mammal Trigger Action Response Plan (TARP; Baffinland, 2021k) 2025 Bruce Head Shore-based Monitoring Program Report (WSP, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.5.4 - Marine Mammal Observation Network (MMON) Season 2025 Summary Appendix G.5.3 - 2025 Marine Environmental Effects Monitoring Program Report

METHODS

Monitoring Protocol

In order to better understand potential short-term, long-term and cumulative effects of vessel noise on marine mammals, Baffinland has implemented since 2014 a number of marine mammal monitoring programs aimed at evaluating the potential effects on vessel noise on marine mammals and marine mammal populations (e.g., Bruce Head Shore-based Monitoring Program, Marine Mammal Aerial Survey Program (MMASP), Narwhal Tagging Study, Ship-based Observer (SBO) Program, Ringed Seal Aerial Survey Program, Underwater Passive Acoustic Monitoring (PAM) Program.

Detailed methods of the 2025 Bruce Head monitoring programs are available in the 2025 annual monitoring report (WSP 2026b; Appendix G.5.2)

RESULTS

Detailed results are available in 2025 annual monitoring report (WSP, 2026b; Appendix G.5.2). Results from all other monitoring programs are found in previous annual monitoring reports as well as in the annual report to the NIRB.

TRENDS

Monitoring Protocol

Refer to PC Term and Condition No. 109.

Early Warning Indicator

Refer to the 2025 Bruce Head Monitoring report (WSP, 2026b, Appendix G.5.2)

RECOMMENDATIONS / LESSONS LEARNED

Monitoring Protocol

Acoustic monitoring results and narwhal behavioural data available to date have demonstrated that shipping noise in the RSA is lower than predicted in the FEIS and that behavioural effects from shipping on narwhal are limited to low-level disturbance effects that are localized and temporary in nature. This gives Baffinland confidence that its current mitigation measures (e.g., 9 knot speed restriction, 40-Km buffer area at entrance of RSA, no icebreaking during early shoulder season based on local ice conditions, etc.) are effective at managing Project incremental effects from shipping on narwhal in the RSA.

Early Warning Indicator

The selected EWI is active and is functional at monitoring for early detection of project effects, as intended. Baffinland has also developed a number of other effect indicators in support of the Project aimed at the rapid identification of adverse impacts on narwhal along the Northern Shipping Route, as outlined in the Marine Mammal TARP (Baffinland, 2021k). Many of these indicators, monitored across multiple monitoring programs, have shown to be effective of early detection of adverse effects on narwhal resulting from Project activities and/or other contributing factors in the marine environment.

Project Certificate Term and Condition No. 111

Category	Marine Environment - Ship Noise
Responsible Parties	The Proponent, Marine Environment Working Group
Project Phase(s)	Construction and Operation
Objective	To prevent impacts to marine mammals from Project shipping activities.
Term or Condition	The Proponent shall develop clear thresholds for determining if negative impacts as a result of vessel noise are occurring. Mitigation and adaptive management practices shall be developed to restrict negative impacts as a result of vessel noise. This shall include, but not be limited to: a. Identifications of zones where cumulative noise could be mitigated due to biophysical features (e.g., water depth, distance from migration routes, distance from overwintering areas etc.) b. Vessel transit planning, for all seasons, to determine the degree to which cumulative sound impacts can be mitigated through the seasonal use of different zones
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Marine Mammal Trigger Action Response Plan (TARP) (Baffinland, 2021k) Marine mammal noise exposure criteria (Southall et al., 2007 and 2021) Criteria and Thresholds for U.S. Navy Acoustic and Explosive Effects Analysis (Finneran et al., 2017) 2025 Bruce Head Shore-based Monitoring Program Report (WSP, 2026b) 2025 MEWG Meeting Records
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.1 – MEWG Meeting Records Appendix G.5.2 - 2025 Bruce Head Shore-based Monitoring Program Report Appendix G.5.4 - 2025 Marine Environmental Effects Monitoring Program Report

METHODS

Project Effect Indicators

Baffinland's marine mammal monitoring programs include a number of monitoring indicators and thresholds for determining if adverse impacts on marine mammals are occurring as a result of Project shipping (Baffinland, 2021k). These include, but are not limited to, the following:

- change in underwater noise level relevant to established acoustic thresholds and ambient (i.e., background) noise levels.
- change in absolute abundance (e.g., stock size) relative to pre-shipping numbers and previous survey years.

- change in relative abundance and distribution relative to pre-shipping numbers and previous survey years.
- change in group composition relative to pre-shipping numbers and previous survey years.
- change in reproductive output (i.e., proportion of immature narwhal in the population) relative to pre-shipping numbers and previous survey years.
- change in behaviour (e.g., for which many different response variables are used as monitoring indicators such as change in animal orientation, travel speed, dive behaviour, etc.) - compared to previous survey years and relative to established behavioural severity indexing (Southall et al., 2007, 2021; Finneran et al., 2017).
- occurrence of ship strikes.

For those indicators where established guidelines exist, such as underwater noise (e.g., marine mammal acoustic injury and disturbance criteria), these are used for the basis of the threshold (e.g., proportion of time in a day the disturbance threshold is exceeded, referred to as the daily disturbance period). Where established guidelines do not exist, comparisons are typically made to pre-project baseline years where possible, or to previous monitoring years, with the threshold being statistical significance that is suggestive of a pattern of a Project or shipping-induced effect.

Early Warning Indicator (EWI) and Trigger Action Response Plan (TARP) for Marine Mammals

Refer to PC Term and Condition No. 110.

RESULTS

Project Effect Indicators

Results for the various Project effect indicators for the marine environment are presented in the respective 2025 annual marine monitoring reports (WSP 2026b; Appendix G.5.2; WSP 2026c; Appendix G.5.3), with a brief overview provided (by monitoring program) in PC Condition No. 109.

EWI and TARP for Marine Mammals

Refer to PC Term and Condition No. 110.

TRENDS

Refer to PC Term and Condition No. 110.

RECOMMENDATIONS/LESSONS LEARNED

Refer to PC Term and Condition No. 110.

All empirical data collected to date clearly demonstrates that the effects of vessel noise and shipping activities on marine mammals are within the range of the predicted effects. Our programs further demonstrate that we have sufficient statistical power to detect project effects. As written, Baffinland is fully compliant with the requirements outlined in PC Term and Condition No. 111.

Project Certificate Term and Condition No. 112

Category	Marine Environment - Ship Noise
Responsible Parties	The Proponent, Marine Environment Working Group
Project Phase(s)	Construction and Operation
Objective	To prevent impacts to marine mammals from Project shipping activities.
Term or Condition	Prior to commercial shipping of iron ore, the Proponent, in conjunction with the Marine Environment Working Group, shall develop a monitoring protocol that includes, but is not limited to, acoustical monitoring that provides an assessment of the negative effects (short and long term cumulative) of vessel noise on marine mammals. Monitoring protocols will need to carefully consider the early warning indicator(s) that will be best examined to ensure rapid identification of negative impacts. Thresholds shall be developed to determine if negative impacts as a result of vessel noise are occurring. Mitigation and adaptive management practices shall be developed to restrict negative impacts as a result of vessel noise. This shall include, but not be limited to: • Identification of zones where noise could be mitigated due to biophysical features (e.g., water depth, distance from migration routes, distance from overwintering areas etc.). • Vessel transit planning, for all seasons. • A monitoring and mitigation plan is to be developed and approved by the Department of Fisheries and Oceans prior to the commencement of blasting in marine areas.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Not Applicable
Ref. Document Link	Not Applicable

METHODS

Refer to PC Terms and Conditions No. 110 and 111. Reporting on Methods for PC Term and Condition No. 112 is identical to that of PC Term and Condition No. 110 and 111.

RESULTS

Refer to PC Terms and Conditions No. 110 and 111. Reporting on Results for PC Term and Condition No. 112 is identical to that of PC Term and Condition No. 110 and 111.

TRENDS

Refer to PC Terms and Conditions No. 110 and 111. Reporting on Trends for PC Term and Condition No. 112 is identical to that of PC Term and Condition No. 110 and 111.

RECOMMENDATIONS/LESSONS LEARNED

Refer to PC Terms and Conditions No. 110 and 111. Reporting on Recommendations/Lessons Learned for PC Term and Condition No. 112 is identical to that of PC Term and Condition No. 110 and 111.

Project Certificate Term and Condition No. 113

Category	Marine Environment - Arctic Char
Responsible Parties	The Proponent, Marine Environment Working Group
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to marine fish in Steensby Inlet and Milne Inlet
Term or Condition	The Proponent shall conduct monitoring of marine fish and fish habitat, which includes but is not limited to, monitoring for Arctic char stock size and health condition in Steensby Inlet and Milne Inlet, as recommended by the Marine Environment Working Group
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Metal and Diamond Mining Effluent Regulations (Government of Canada, 2002). 2025 MEEMP and NIS/AIS Monitoring Program Report (WSP, 2026c)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.1 – MEWG Meeting Records Appendix G.5.3 – 2025 Marine Environmental Effects Monitoring Program

METHODS

Fish monitoring in Milne Inlet is undertaken annually during the open-water season to assess fish health condition in the marine receiving environment and to provide a general characterization of the fish community in the study area during this period, including Arctic char. The marine fish program was initially developed based on traditional fishing areas (i.e., IQ) and sites adjacent to the Milne Port facility. For fish health monitoring, fish condition and tissue chemistry in Milne Inlet are compared to reference areas in Koluktoo Bay and in Milne Inlet near Tugaat River. Marine fish and fish habitat surveys in the Milne Port area were first conducted in 2010 with monitoring occurring annually from 2013 to 2025. There were no modifications incorporated to the marine fish program in 2025.

Detailed information on study design and sampling methodology is available in the annual monitoring report for the MEEMP-NIS/AIS program (WSP, 2026c Appendix G.5.3)

Monitoring of stock size of Arctic char is not undertaken for the Project as this is beyond the current scope of the marine-based monitoring programs. Catch per unit effort (CPUE) of Arctic char is used as an indicator of abundance. See 'Recommendations and Lessons Learned' section below for more information.

RESULTS

Detailed sampling results are available in the 2025 MEEMP annual report (WSP, 2026c; Appendix G.5.3). An overview summary is provided below.

Fish Community

A total of 433 fish belonging to 10 known taxa were recorded in Milne Port from 82 fishing events (efforts) using a combination of methods during the 2025 open water survey season. Similar to previous sampling years, Arctic Char (*Salvelinus alpinus*), Fourhorn Sculpin (*Myoxocephalus quadricornis*) and Shorthorn Sculpin (*Myoxocephalus Scorpius*) were the most abundant species. Other fish captured included Arctic Alligator fish (*Aspidophoroides olrikii*), Ribbed Sculpin (*Triglops pingelii*), Arctic Sculpin (*M. scorpioides*), Pacific Cod (*Gadus macrocephalus*), Arctic Staghorn Sculpin (*Gymnocampus tricuspis*), Spatulate Sculpin (*Icelus spatula*), Atlantic Spiny Lumpsucker (*Eumicrotremus spinosus*) and Fourline Snakeblenny (*Eumesogrammus parecisus).* Unidentified juvenile cod were also captured. The composition and abundance of the fish community captured in 2025 were generally comparable to those of the 2020-2024 monitoring programs. Species richness remained consistent with previous years at eleven known taxa (comparable to 10-12 taxa in 2020-2024). Total abundance uncorrected for fishing effort (433 fish) was within the abundance range of years 2020-2024 (422-852 individuals). Results of the statistical analyses of CPUE (i.e., catch rates corrected for fishing effort) continued to support the conclusion that existing mitigation measures are functioning as intended and that current Project activities are not resulting in adverse effects on local marine fish communities in Milne Port. The majority of statistical comparisons, supported by effect sizes, indicated a significant main effect of fishing area with higher CPUE in the Direct Project Footprint than in the Indirect Project Footprint. Mean catch rates for angling-jigging (all species combined and Fourhorn Sculpin) and to a lesser extent gill netting (Fourhorn Sculpin) were lower in 2025 compared to previous years. This was largely driven by lower catch rates for Fourhorn Sculpin in the Direct Project Footprint. Elevated turbidity observed by the dive team offers a possible explanation, as increased turbidity is known to reduce movement, foraging ability and catchability for many species. The turbidity observed in 2025 may have resulted from a combination of wind- and wave-driven sediment resuspension during periods of rough weather that may have affected inlet-wide conditions, potentially combined with localized resuspension from operational activities, such as propeller wash near the Ore Dock.

As in previous years, interannual variability in the CPUE of Arctic Char catch rates in gill nets continued to be pronounced in 2025, Arctic Char is an anadromous and migratory species and as such is inherently likely to demonstrate high levels of interannual population variability. There was a significant interaction between year and fishing area, however, within 2025 the CPUE in the Direct Project Footprint did not differ significantly from the Indirect Project Footprint.

Fish Health

A total of 27 incidental mortalities of Arctic Char were analyzed in 2025, including 25 juveniles and two adult females. Processed Arctic Char ranged in age from 5 to 24 years, in total length from 317 to 556 mm, and in weight from 296 to 1,600 g. Condition factor ranged from 0.59 to 1.31. Fish were considered to be in good health, with only five fish being observed with parasite infections.

Stomach contents of 20 incidental mortalities of Arctic Char from Milne Inlet were analyzed. Ten unique taxonomic groups of prey items were identified, including: five families of amphipods, one family of calanoid copepods, unidentified fish including sand lances (family Ammodytidae), one family of mysids, sea butterflies (genus *Limacina*, class Gastropoda), and unidentified crustaceans. The dominant prey item by weight consumed by Arctic Char in 2025 was crustaceans (62%), comprised of amphipods (43%), mysids (11%), unidentified crustaceans (6%), and calanoid copepods (1.7%). Unidentified fish and sea butterflies comprised 38% and <1%, respectively, of prey consumed, by weight.

In total, 40 Fourhorn Sculpin from Milne Port and 37 Fourhorn Sculpin from the Koluktoo Bay reference area were processed in 2025. Differences in fish health endpoints were observed for female and male Fourhorn Sculpin between Milne Port and Koluktoo Bay. Females from Milne Port had significantly greater size-at-age, exceeding the critical effect size (CES), but lower relative gonad weight, compared to female fish from Koluktoo Bay. For male fish, size-at-age was significantly greater in Milne Port compared to Koluktoo Bay, exceeding the CES. No TARP thresholds were exceeded for Fourhorn Sculpin health endpoints. Significant variation over time was observed for both female and male Fourhorn Sculpin health endpoints, but few consistent trends were observed. An exception was relative liver weight for female Fourhorn Sculpin from Milne Port, which appeared to be increasing consistently over time.

In 2025, 40 *H. arctica* were collected from Milne Port, and 40 *H. arctica* were collected from Tugaat River Estuary reference area. Growth, as whole animal wet weight, was lower in Milne Port when compared to the reference area, and length-frequency distributions differed significantly between sampling areas. Observed differences in length-frequency distributions and whole animal wet weight were considered to exceed the TARP 'Low Risk' threshold. When evaluating fish health endpoints for *H. arctica* within Milne Port among sampling years, differences were observed for length-frequency, whole animal wet weight, relative total weight, and mantle somatic index. No consistent trends over time were observed for any endpoint, suggesting interannual variability as the main contributor to observed differences.

TRENDS

Fish Community

The composition and abundance of the fish community captured in 2025 were generally comparable to those observed in the 2020-2024 monitoring programs. Species richness remained consistent with previous years at ten known taxa (comparable to 10-12 taxa in 2020-2024), however abundance, uncorrected for fishing effort (432 individuals), was slightly lower than the abundance range of years 2020-2024 (422 - 852 individuals). Results of the statistical analyses of catch per unit effort (CPUE; i.e., catch rates corrected for fishing effort) continued to support the conclusion that existing mitigation measures were functioning as intended and that current Project activities were not resulting in adverse effects on local marine fish communities in Milne Port. The majority of statistical comparisons, supported by effect sizes, indicated a significant main effect of fishing area with higher CPUE in the DPF than in the IPF. Mean catch rates for angling-jigging (all species combined and Fourhorn Sculpin) were lower in 2025 compared to previous years. This was largely driven by lower catch rates for Fourhorn Sculpin in the DPF. A similar but lesser effect was seen for gill netting for Fourhorn Sculpin. Elevated turbidity observed by the dive team offers a possible explanation, as increased turbidity is known to reduce movement, foraging ability and catchability for many species. The turbidity observed in 2025 may have resulted from a combination of wind- and wave-driven sediment resuspension during periods of rough weather that may have affected Inlet-wide conditions, and localized resuspension from operational activities, such as propeller wash near the Ore Dock. Given that this shift in CPUE patterns appears to be environmentally driven rather than indicative of Project-related effects, and because it differs from trends observed in previous monitoring years, this indicator will be monitored in following monitoring programs.

Fish Health

Results of the fish health analysis for Arctic Char, Fourhorn Sculpin, and *Hiatella arctica* were within FEIS predictions, which indicated the potential for low magnitude reductions in fish health and condition associated with release of site drainage. Results presented herein do not exceed predicted effects on fish health due to Project activities.

A total of 27 incidental mortalities of Arctic Char were analyzed in 2025. Age ranged from 5 to 24 in 2025, which was similar to 2021, 2022, 2023, and 2024. Condition factor of Arctic Char varied among sampling years with no consistent temporal trends observed.

Differences in fish health endpoints were observed for female and male Fourhorn Sculpin between Milne Port and Koluktoo Bay. Both females and males from Milne Port had significantly greater size-at-age, exceeding the Critical Effect Size (CES), compared to fish from Koluktoo Bay. Females from Milne Port had significantly lower gonad weight than females from Koluktoo Bay but the CES was not exceeded. No TARP thresholds were exceeded for Fourhorn Sculpin health endpoints. Significant variation over time was observed for both female and male Fourhorn Sculpin health endpoints, but few consistent trends were observed. An exception was relative liver weight for female Fourhorn Sculpin from Milne Port, which appeared to be increasing consistently over time.

Growth of *Hiatella arctica*, as whole animal wet weight, was lower in Milne Port when compared to the Tugaat River estuary, and length-frequency distributions differed significantly between sampling areas. Observed differences in length-frequency distributions and whole animal wet weight were considered to exceed the TARP 'Low Risk' threshold. When evaluating fish health endpoints for *H. arctica* within Milne Port among sampling years, differences were observed for length-frequency, whole animal wet weight, relative total weight, and mantle somatic index. No consistent trends over time were observed for any endpoint, suggesting interannual variability as the main contributor to observed differences.

Tissue Chemistry

Results of chemical analyses of metals and PAHs in Arctic Char tissues were within FEIS predictions, which are consistent with low magnitude increases in fish tissue concentrations of metals and/or PAHs associated with release of site drainage. These results do not exceed predicted effects on fish tissue chemistry due to Project activities. Significant increasing trends in aluminum and iron concentrations were observed in Arctic Char tissue samples. Median concentrations of both metals exhibited appreciable interannual variability but have generally been increasing over time. No consistent increasing trends in constituents of potential concern (COPCs) were observed for Fourhorn Sculpin or *H. arctica*.

RECOMMENDATIONS / LESSONS LEARNED

As monitoring of fish health and tissue chemistry in 2025 continued to demonstrate that the effects of Project activities are within those predicted by the FEIS and subsequent addenda, it is recommended that monitoring of fish health and tissue chemistry of Fourhorn Sculpin and *H. arctica* be conducted on a three-year cycle. This recommendation aligns with the Metal and Diamond Mining Effluent Regulations (MDMER) environmental effects monitoring (Government of Canada, 2002) requirements for biological monitoring and minimizes potential population-level effects of repeated lethal fish sampling. Fish health and tissue chemistry analyses of incidental mortalities of Arctic Char should continue to be conducted and reported in the next monitoring cycle.

Project Certificate Term and Condition No. 114

Category	Marine Environment – Arctic Char
Responsible Parties	The Proponent, Marine Environment Working Group
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to marine fish in Steensby Inlet and Milne Inlet.
Term or Condition	In the event of the development of a commercial fishery in the Steensby Inlet area or Milne Inlet-Eclipse Sound areas, the Proponent, in conjunction with the Marine Environment Working Group, shall update its monitoring program for marine fish and fish habitat to ensure that the ability to identify Arctic char stock(s) potentially affected by Project activities and monitor for changes in stock size and structure of affected stocks and fish health (condition, taste) is maintained to address any additional monitoring issues identified by the MEWG relating to the commercial fishery.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – Not Applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not applicable, as no commercial fishery has been developed.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 115

Category	Marine Environment - Arctic Char
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To prevent impacts to marine fish in Steensby Inlet and Milne Inlet.
Term or Condition	The Proponent is encouraged to continue to explore off-setting options in both the freshwater and marine environment to offset the serious harm to fish which will result from the construction and infrastructure associated with the Project.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Fisheries and Oceans Canada (DFO), Marine Environment Working Group (MEWG)
Reference	Mary River Project – Year 5 Freight Dock Offset Habitat Monitoring Report (WSP, 2025c)
Ref. Document Link	Appendix B.3.1 BIM Federal Tour Follow up Letter Appendix C.1 - MEWG Meeting Records

METHODS

Milne Port

DFO issued Fisheries Act Authorization 18-HCAA-00160 (FAA) for the Milne Port Freight Dock on March 21, 2019, which included requirements for offsetting measures in addition to a prescribed 5-year monitoring program conducted over 10 years (years 1, 2, 5, 8, and 10) and reporting requirements for the Freight Dock offset habitat. The first two years of habitat monitoring occurred in 2020 (Year 1) and 2021 (Year 2). Year 5 of the habitat monitoring occurred between July 30 and August 7, 2024. No monitoring of the Milne Port freight Dock was conducted in 2025.

In 2025, Baffinland continued to advance fish habitat offsetting measures associated with the Milne Port Freight Dock in response to impacts to fish habitat identified under the Fisheries Act Authorization for the Mary River Project. The authorization recognizes that construction of the freight dock and associated infrastructure will result in the permanent loss of fish habitat in Milne Inlet, requiring implementation of offsetting measures to compensate for these impacts.

During 2025, Baffinland progressed the development and implementation planning for the rocky reef offsetting intended to create new marine fish habitat. Detailed engineering and constructability reviews were undertaken following the issuance of the Fisheries Act Authorization, resulting in refinements to the original reef design. The revised design maintains the approved ecological function of the offsetting measure while improving constructability under Arctic ice conditions. The updated configuration consists of a long, narrow reef constructed using coarse rock placed on sea ice during winter, which will settle onto the seafloor as the ice melts, creating structured habitat suitable for colonization by macroalgae, invertebrates, and fish species.

To support implementation, Baffinland also continued engagement with regulators and Inuit organizations regarding the revised design and necessary approvals, including discussions with Fisheries and Oceans Canada and Transport Canada. These efforts were undertaken to ensure the offsetting measures remain compliant with regulatory requirements and can be constructed within the planned timeline while achieving the intended habitat compensation outcomes. On August 12, 2025, DFO issued an amendment to the Fisheries Act Authorization 18-HCAA-00160 (FAA) for the Milne Port Freight Dock to include the revised design of the rocky reef offsetting.

Steensby Component

In 2025, Baffinland continued to advance the regulatory review of its freshwater and marine Fisheries Act Authorization applications for the Steensby Component. Engagement with federal regulators remained ongoing, including technical discussions with DFO regarding comments on the submitted Fisheries Act Authorization applications and follow-up actions related to fish habitat offsetting, monitoring programs, and technical design of freshwater and marine offsetting measures.

Throughout 2025, Baffinland also participated in a federal consultation tour organized by the Northern Projects Management Office (NPMO), which included meetings with communities in Igloolik, Sanirajak, Pond Inlet, Kimmirut, Kinngait, Arctic Bay, and Clyde River (Appendix B.3.1). These consultation sessions provided opportunities for Inuit organizations, Hamlet representatives, Hunters and Trappers Associations (HTAs), and community members to discuss the proposed Steensby Fish habitat offsetting measures and other potential environmental effects of the Steensby Component. Topics raised during these discussions included potential impacts to fish and fisheries, marine mammals, wildlife, shipping routes, and monitoring programs associated with the proposed railway and port infrastructure.

Additional engagement activities were conducted through working group meetings and community sessions, including meetings with the Igloolik Working Group and federal departments in May and June 2025. These discussions focused on community concerns regarding potential environmental impacts, monitoring programs, shipping operations, and opportunities for increased Inuit participation in environmental monitoring and project oversight. Community members emphasized the importance of incorporating Inuit Qaujimajatuqangit (IQ), continued communication, and transparent sharing of environmental monitoring results as the regulatory review of the Steensby Component proceeds.

RESULTS

Milne Port

Survey results from the Year 5 habitat monitoring at Milne Port indicate that macroalgae colonization of the Freight Dock offset habitat was moderate to high. In general, the Reference Area showed relatively higher areal cover and taxa richness, as expected in Year 5 of a 10-year monitoring program (WSP, 2025c). Results of the 2024 Freight Dock Habitat Offset Monitoring were also presented to the MEWG in January 2025 (Appendix C.1).

Steensby Component

Following the submission of the Fisheries Act Authorization applications in February 2024, Baffinland continued engagement with federal regulators and communities regarding proposed fish habitat offsetting measures for the Steensby Component throughout 2025. Engagement activities included participation in federal consultation sessions organized by the NPMO and additional community meetings and working group discussions with Inuit organizations, HTAs, and community members. These engagement activities provided opportunities to discuss potential impacts

to fish and fish habitat, proposed monitoring programs, and opportunities for increased Inuit participation in environmental monitoring and fisheries research associated with the Project.

TRENDS

Milne Port

Results from the six-years of post-construction monitoring of the Milne Port Ore Dock offsetting works have shown the coarse rock offsetting habitat on the perimeter of the Ore Dock is effective in supporting biological activity, providing support for the addition of coarse substrates as an effective approach for successful offsetting. The Fisheries Act Authorization (FAA) for the Milne Port Ore Dock was closed by DFO in 2021 as monitoring results demonstrated the effectiveness of the offsetting habitat.

Year 5 of post-construction monitoring for the Freight Dock offset habitat occurred in 2024. Year 5 of monitoring indicated that macroalgae, motile invertebrates and fish continue to colonize the Freight Dock offset habitat, and that it appears to be providing a suitable and stable substrate for continued colonization and growth of marine organisms. Year 8 of post-constructing monitoring will occur in 2027.

Over the long term, as existing data is expanded upon with results from offsetting monitoring programs and community consultations in the region, the suitability of freshwater and marine habitat offsetting methods will be further evaluated.

Steensby Component

Baffinland will continue to work with DFO and communities in 2026 to refine the fisheries offsetting options for the Steensby Railway and Port.

RECOMMENDATIONS / LESSONS LEARNED

Through engagement conducted in 2024 and continuing into 2025, Baffinland received feedback from communities, Inuit organizations, and Hunters and Trappers Associations regarding proposed habitat offsetting measures for the Steensby Component of the Project. Community input was gathered through federal consultation sessions and additional engagement activities, which provided opportunities for participants to raise questions and share perspectives related to potential impacts to fish and fisheries, monitoring programs, and proposed mitigation and offsetting approaches. These discussions continue to inform the refinement of fish habitat offsetting methods and monitoring programs associated with the Project.

Baffinland will continue to monitor the success of fish habitat offsetting measures associated with the construction of the Freight Dock and develop the Milne Port Rocky Reef offsetting. Monitoring will be undertaken in accordance with regulatory requirements and will include ongoing reporting to Fisheries and Oceans Canada (DFO) and other relevant regulatory and advisory bodies.

Baffinland remains committed to exploring and refining potential offsetting options in both freshwater and marine environments to address potential losses in fish habitat associated with permanent habitat alteration or destruction related to Project infrastructure. This includes continued engagement with communities and regulators to support the development of offsetting measures, monitoring programs, and potential community-based initiatives associated with fisheries research and environmental monitoring.

Project Certificate Term and Condition No. 116

Category	Marine Environment – Blasting
Responsible Parties	The Proponent, the Department of Fisheries and Oceans
Project Phase(s)	Construction
Objective	To prevent impacts to marine fish and fish habitat from explosives.
Term or Condition	Prior to construction, the Proponent shall develop mitigation measures to minimize the effects of blasting on marine fish and fish habitat, marine water quality and wildlife that includes, but is not limited to compliance with the Guidelines for the Use of Explosives in or Near Canadian Fisheries Waters (Wright and Hopky, 1998) as modified by the Department of Fisheries and Oceans for use in the North and as revised from time to time.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – Not Applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

In the event blasting is required, Baffinland will provide operational control procedures in consultation with the MEWG and DFO that prescribe the requirements for the use of explosives in or near marine water bodies to ensure the activity is carried-out in accordance with DFO guidance and best practice.

No blasting occurred in the marine environment or in nearshore areas during 2025.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 117

Category	Marine Environment – Blasting
Responsible Parties	The Proponent, Fisheries and Oceans Canada
Project Phase(s)	Construction
Objective	To prevent impacts to marine fish and fish habitat from explosives.
Term or Condition	The Proponent shall ensure that blasting in, and near, marine water shall only occur during periods of open water. Blasting in, and near, fish-bearing freshwaters shall, to the greatest degree possible, only occur in open water. If blasting is required during ice-covered periods, it must meet requirements established by Fisheries and Oceans Canada.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Not Active
Status of Compliance	Not Applicable
Stakeholder Review	Fisheries and Oceans Canada (DFO), Marine Environment Working Group (MEWG)
Reference	Surface Water and Aquatic Ecosystem Management Plan (Baffinland, 2021d) Quarry Blasting Operations Management Plan (Baffinland, 2013b) Guidelines for Use of Explosives in or Near Canadian Fisheries Water (Wright and Hopky, 1998)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Not Applicable in 2025. Blasting in the marine environment has not occurred on site to date. In the event it is required, Baffinland will provide operational control procedures in consultation with the MEWG and DFO that prescribe the requirements for the use of explosives in or near marine waterbodies to ensure the activity is carried-out in accordance with DFO guidance and best practice, including the requirement that blasting in, and near, marine water shall only occur during periods of open water.

For freshwater, Baffinland's Surface Water and Aquatic Ecosystem Management Plan (SWAEMP) and Quarry Blasting Operations Management Plan have been developed to include the requirements for the use of explosives (blasting) in or near freshwater bodies. The requirements were developed in accordance with DFO guidance, including the Guidelines for Use of Explosives in or Near Canadian Fisheries Water, 1998 (Wright and Hopky, 1998), in order to mitigate possible effects on fish habitat and fish health.

RESULTS

Blasting in the marine and freshwater environment has not occurred on site to date.

TRENDS

To date, no blasting has occurred within the required setback distances at the Project.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 118

Category	Marine Environment – Blasting
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To prevent impacts to marine fish and fish habitat from explosives.
Term or Condition	The Proponent shall incorporate into the appropriate mitigation plan prior to construction, thresholds for the use of specific mitigation measures meant to prevent or limit marine wildlife disturbance, such as bubble curtains for blasting, and nitrate removal.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

No marine construction activity occurred at Steensby or Milne Port in 2025.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable

Project Certificate Term and Condition No. 119

Category	Marine Environment - Ringed Seals
Responsible Parties	The Proponent, Marine Environment Working Group
Project Phase(s)	Construction
Objective	To prevent impacts to ringed seals from icebreaking associated with Project shipping.
Term or Condition	The Proponent shall, in conjunction with the Marine Environment Working Group, monitor ringed seal birth lair abundance and distribution for at least two years prior to the start of icebreaking to develop a baseline, with continued monitoring over the life of the Project as necessary to test the accuracy of the impact predictions and determine if mitigation is needed. Monitoring shall also include a control site outside of the Project's zone of influence.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Not applicable
Status of Compliance	Not applicable
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	2021 and 2024 Ringed Seal Aerial Survey Program (RSASP) - Technical Report (WSP, 2026a) 2021 Ringed Seal Aerial Survey Monitoring Program (Golder, 2022d) Marine Mammal Trigger Action Response Plan (TARP; Baffinland, 2021k) Comparing infrared imagery to traditional methods for estimated ringed seal density (Young et al., 2019) Spring distribution of ringed seals (Pusa hispida) in Eclipse sound and Milne Inlet, Nunavut: implications for potential ice-breaking activities (Yurkowski et al., 2019) Mary River Project – Final Environmental Impact Statement (Baffinland, 2012)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Winter shipping has not been required in the previous and current Project phases of the project. Baffinland's shipping-related management and mitigation measures applied along the Northern Shipping Route (the only active part of the Project to date) takes into consideration key sensitive periods of ringed seal. Specifically, shipping and icebreaking will be conducted outside of key sensitive periods including pupping, nursing and mating periods (i.e., January to May, no temporal overlap with Project-related shipping). Baffinland did not ice break during the 2025 season and did not commence shipping until ice concentrations were less than 3/10ths. In fact, on July 29, 2025, when shipping began, there was open water along the shipping route. Ringed seal aerial surveys were completed in the RSA in 2006 (exploratory only), 2007 and 2008 to characterize baseline conditions in support of the FEIS (Baffinland, 2012). Surveys completed in 2007 and 2008 were completed in Milne Inlet and Koluktoo Bay. Baffinland later completed surveys in 2014 to update baseline data on ringed seal density and distribution. DFO subsequently completed surveys in 2016 and 2017 to assess spring distribution and density of ringed seal in Eclipse Sound and Milne Inlet areas (Young et al., 2019; Yurkowski et al., 2019).

Baffinland conducted a 2021 RSASP (Golder, 2022d) in Eclipse Sound and Milne Inlet. Baffinland did not conduct ringed seal aerial surveys for the Northern Shipping Route in 2025.

Baffinland conducted Ringed seal aerial surveys in the RSA in 2006 (exploratory only), 2007 and 2008 to characterize baseline conditions in support of the FEIS (Baffinland, 2012). Baffinland conducted ringed seal aerial surveys in Steensby Inlet and Tasiujaq (control location) in late spring (early June) of 2021 and 2024 to determine ringed seal densities along the Southern Shipping Route, as part of the supplemental baseline Ringed Seal Aerial Survey Program (RSASP) (WSP, 2026a). The MEWG were consulted prior to the surveys being conducted to incorporate technical advice and Inuit input in the methodology and analytical procedures.

RESULTS

Not applicable for the Northern Shipping Route in 2025.

During the 2021 and 2024 supplemental baseline RSASP in Steensby Inlet and Tasiujaq, there were 561 confirmed marine mammal observations which consisted of 557 ringed seal observations and four polar bears observed both on and off the transect. Using surface density models, ringed seal hotspots were identified in Steensby Inlet and Tasiujaq and demonstrate inter-annual changes in ringed seal density. In Steensby Inlet, ringed seal density decreased from 0.9 seals/km² in 2021 to 0.5 seals/km² in 2024. In Tasiujaq, ringed seal density decreased from 1.2 seals/km² in 2021 to 0.7 seals/km² in 2024. In Steensby Inlet, the spatial overlap of hotspots between survey years was 51.6 km², representing 12.2% and 9.9% of the total hotspot areas in 2021 and 2024, respectively. In Tasiujaq, the spatial overlap of hotspots between survey years was 151.0 km², representing 39.2% and 40.7% of the total hotspot areas in 2021 and 2024, respectively. In Steensby Inlet, the number of hotspots increased from five in 2021 to six in 2024, with a corresponding increase in average hotspot size (84.8 km² to 87.1 km²) and total hotspot area (424.1 km² to 522.6 km²), covering a larger portion of the study area (13.3% to 15.8%). The maximum hotspot size also increased from 122.6 km² to 232.1 km², while the minimum hotspot size increased slightly from 1.0 km² to 2.0 km². In each survey year, two hotspots were consistently present: one along the southwestern floe edge and another along the eastern edge of the southeastern floe edge. However, the remaining hotspot locations in Steensby Inlet differed between the two survey years. The amount of spatial overlap of ringed seal hotspots in Steensby Inlet and Tasiujaq between 2021 and 2024 was generally lower in Steensby Inlet, with the locations of ringed seal hotspots varying geographically annually in both survey areas. These patterns suggest that the establishment of hotspots is somewhat dynamic and likely influenced by environmental factors at play in a given year. Results of the 2021 and 2024 RSASP in Steensby Inlet and Tasiujaq were presented to the MEWG on November 17, 2025.

TRENDS

Northern Transportation Corridor

Survey results from 2021 indicated that ringed seal densities have overall remained stable along the Northern Shipping Route with some annual variations since the onset of shipping operations in 2015, and since Project icebreaking activities began in the shoulder seasons in 2018. These results confirmed that mitigation measures were functioning as intended and that these Project activities were are being managed in a way that has not adversely affected ringed seals and that a 2024 ringed seal aerial survey was not warranted.

The results of the 2021 RSASP in Eclipse Sound and Milne Inlet also indicate there was no exceedance of the marine mammal TARP High Risk threshold (i.e., confirmed >25.0% decrease in density throughout the LSA) as per the Marine

Mammal TARP (Baffinland, 2021k). The TARP does not include a Low or Moderate Risk Condition Status / Threshold for this performance indicator.

Southern Transportation Corridor

Baffinland conducted aerial surveys for ringed seal during spring (June) in Steensby Inlet in 2006, 2007 and 2008 to characterize baseline conditions for the FEIS. Baseline data collected during these surveys showed yearly fluctuations with a density of 0.20 seals/km^2 in 2006, 1.57 seals/km^2 in 2007 and 0.71 seal/km^2 in 2008 (Baffinland, 2012). Density indices from the supplemental baseline RSASP in 2021 and 2024 also showed yearly fluctuations in Steensby Inlet, with a density of 0.944 seal/km^2 in 2021 compared to 0.503 seal/km^2 in 2024. These patterns suggest that the establishment of hotspots is somewhat dynamic and likely influenced by environmental factors at play in a given year.

RECOMMENDATIONS / LESSONS LEARNED

Results from the 2021 Eclipse Sound and Milne Inlet surveys demonstrate that mitigations are functioning as intended.

No ringed seal aerial survey program is planned in 2026 for the Northern or Southern Shipping Routes.

The supplemental baseline RSASP results indicate that ringed seal density in the Steensby Inlet area exhibits natural spatial and temporal variability. Continued monitoring is recommended should there be winter shipping activities along the Southern Shipping Route to effectively monitor for potential ice breaking impacts on the local ringed seal population.

Project Certificate Term and Condition No. 120

Category	Marine Environment - Marine Mammal Interactions
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operation, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to marine mammals associated with Project shipping.
Term or Condition	The Proponent shall ensure that, subject to vessel and human safety considerations, all project shipping adhere to the following mitigation procedures while in the vicinity of marine mammals: a. Wildlife will be given right of way. b. Ships will, when possible, maintain a straight course and constant speed, avoiding erratic behavior. c. When marine mammals appear to be trapped or disturbed by vessel movements, the vessel will implement appropriate measures to mitigate disturbance, including stoppage of movement until wildlife have moved away from the immediate area.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environmental Working Group (MEWG)
Reference	Not Applicable
Ref. Document Link	Not Applicable

METHODS

Refer to PC Term and Condition No. 103 and 105. Reporting on PC Term and Condition No. 120 is identical to that of PC Term and Condition No. 103 and 105.

RESULTS

Refer to PC Term and Condition No. 103 and 105. Reporting on PC Term and Condition No. 120 is identical to that of PC Term and Condition No. 103 and 105.

TRENDS

Refer to PC Term and Condition No. 103 and 105. Reporting on PC Term and Condition No. 120 is identical to that of PC Term and Condition No. 103 and 105.

RECOMMENDATIONS / LESSONS LEARNED

To ensure adherence to the SMWMP, Baffinland will continue to monitor vessel tracks and associated speeds using shore-based AiS stations at Pond Inlet and Bruce Head, and satellite-based vessel tracking using the Spire ShipView™ archive.

In 2026, all Project vessels (ore carriers, fuel tankers, cargo ships, tugs, icebreaker) will be subject to the mitigation measures outlined in the other Terms and Conditions above (as part of the annually updated SITM) when under contract to Baffinland, including standing instructions to travel through Eclipse Sound and Milne Inlet at speeds of no greater than 9 knots and to avoid deviating from the nominal Northern Shipping Route. Baffinland will also continue to hire community-based Shipping Monitors based in Pond Inlet to provide community oversight of its shipping activities.

Project Certificate Term and Condition No. 121

Category	Marine Environment - Marine Mammal Interactions
Responsible Parties	The Proponent, Fisheries and Oceans Canada, Environment Canada
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to marine mammals and seabird colonies associated with Project shipping.
Term or Condition	The Proponent shall immediately report any accidental contact by project vessels with marine mammals or seabird colonies to Fisheries and Oceans Canada and Environment Canada, respectively, by notifying the appropriate regional office of the: • Date, time and location of the incident; • Species of marine mammal or seabird involved; • Circumstances of the incident; • Weather and sea conditions at the time; • Observed state of the marine mammal or sea bird colony after the incident; and, • Direction of travel of the marine mammal after the incident, to the extent that it can be determined.
Relevant Baffinland Commitment	80, 83
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG), Fisheries and Oceans Canada (DFO), Environment and Climate Change Canada (ECCC)
Reference	2022 Shipping and Marine Wildlife Management Plan (Baffinland, 2022d)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland's Shipping and Marine Wildlife Management Plan (Baffinland, 2022d) mandates the recording of any contact that occurs between Project vessels and marine mammals or seabird colonies.

Should an instance occur, Baffinland will notify Fisheries and Oceans Canada and Environment Canada, providing the information detailed in the term above.

RESULTS

In line with FEIS predictions, there were no marine mammal or seabird strikes reported in 2025, and therefore no notification was required.

TRENDS

From 2013 through 2025, no notifications of accidental contact with marine mammals or seabirds were required, with the exception of one seabird strike that occurred in October 2019. Given that this remains the only seabird strike to occur since 2013, there is insufficient data to undertake any type of trend analysis.

RECOMMENDATIONS / LESSONS LEARNED

Given that only one (1) seabird strike has been recorded to date (from 2019), no additional mitigation measures are deemed necessary based on the very low frequency of occurrences. Additional recommendations will be considered should this be observed on a recurring basis.

Project Certificate Term and Condition No. 122

Category	Marine Environment - Marine Mammal Interactions
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to marine mammals and seabird colonies associated with Project shipping.
Term or Condition	The Proponent shall summarize and report annually to the NIRB regarding accidental contact by project vessels with marine mammals or seabird colonies through the applicable monitoring report.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be provided in the Annual Report to the NIRB.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	2022 Shipping and Marine Wildlife Management Plan (Baffinland, 2022d)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland's Shipping and Marine Wildlife Management Plan (Baffinland, 2022d) mandates the recording of any contact that occurs between Project vessels and marine mammals or seabird colonies.

For more information on methods please see TC 121.

RESULTS

There were no marine mammal or seabird strikes reported in 2025, and therefore no reporting was required.

TRENDS

From 2013 through 2025, no notifications of accidental contact with marine mammals or seabirds were required, with the exception of a seabird strike that occurred in October 2019. Given that this was the first seabird strike to occur since 2013 and the only one recorded to date, there is insufficient data to undertake any type of trend analysis.

RECOMMENDATIONS / LESSONS LEARNED

Given that only one (1) seabird strike has been recorded to date (from 2019), no additional mitigation measures are deemed necessary based on the very low frequency of occurrences. Additional recommendations will be considered should this be observed on a recurring basis.

Project Certificate Term and Condition No. 123

Category	Marine Environment - Marine Mammal Interactions
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to marine mammals and seabird colonies associated with Project shipping.
Term or Condition	The Proponent shall provide sufficient marine mammal observer coverage on project vessels to ensure that collisions with marine mammals and seabird colonies are observed and reported through the life of the Project. The marine wildlife observer protocol shall include, but not be limited to, protocols for marine mammals, seabirds, and environmental conditions and immediate reporting of significant observations to the ship masters of other vessels along the shipping route, as part of the adaptive management program to address any items that require immediate action.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	Multibeam Bathymetric Survey - Steensby Inlet, Marine Survey Operations Report (Seaforth Geosurveys Inc., 2026)
Ref. Document Link	Appendix G.5.4 – Marine mammal Observer Network (MMON) 2025 Season Summary

METHODS

To address the uncertainty regarding the potential for ship strikes of marine mammals and satisfy the objective of Term and Condition 106 & 123, Baffinland developed the Ship-based Observer (SBO) Program and only in the latter years did the Program opportunistically collect observational data on the presence, relative abundance, spatial distribution, and behavioural response of marine mammals along the Northern Shipping Route. The SBO Program was first run between 2013 and 2015 from ore carriers with Baffinland staff boarding the vessels after they entered the RSA. This iteration of the Program was suspended following the determination that the boarding process presented unacceptable safety risks and was only resumed in 2018 when it became possible to run the Program from Ice Management Vessels operating in the shoulder seasons. In 2025, Baffinland did not require the services of an Ice Management Vessel as operations have reverted back to Early Revenue Phase (ERP) with a shorter shipping season with no alternative opportunity to carry out the SBO Program. However, Baffinland continues to collaborate with the Marine Mammal Observation Network (MMON) to implement a marine mammal incidental sightings program through the participation of vessels contracted by Baffinland (Appendix G.5.4).

In 2025, Baffinland conducted a multibeam bathymetric survey in Foxe Basin (Appendix G.8.3; Seaforth Geosurveys Inc., 2026). The purpose of this survey was to collect data to increase the accuracy of existing navigational charts

and environmental data within the area of the planned Southern Shipping Route. Marine mammal monitoring was conducted aboard the *RV Connor Murphy* during transit to the survey site from August 27 – 30, 2025, and throughout survey operations from August 31 – September 20, 2025.

Due to the Kongsberg EM712 frequency range falling within the hearing range of known marine mammals in the survey area, a marine mammal observer (MMO) was present onboard during daylight operations. The MMO held shift from 07:00-19:00 in the wheelhouse keeping a log of any observations made in the field. During nighttime hours (19:00-07:00) a Passive Acoustic Monitoring System (PAM) was deployed off the stern of the vessel and towed while surveying. The nighttime surveyor was responsible for monitoring the PAM data for any anomalies.

RESULTS

Bathymetry Survey 2025

During the multibeam bathymetric survey period of August 27 – September 20, 2025 a total of five (5) marine mammal observations were reported. The five (5) individual animals were from two (2) positively identified species; bearded seal (*Erignathus barbatus*) and harp seal (*Pagophilus groenlandicus*), as well as one (1) unidentified seal species. All observations were visual, conducted by MMO/PAM operator on the bridge of the survey vessel. No acoustic detections were observed on the iCListen PAM system. Of the five (5) marine mammal observations, none required mitigation events.

Northern Shipping Route

A total of ten (10) vessels (ore carriers) participated in the MMON program in 2025 (Appendix G.5.4). A total of two (2) sightings totaling 20 individuals were recorded between August and September in the RSA. A sighting refers to when a minimum of one individual was recorded at a specific location by a participating vessel during transit along the Northern Shipping Route. One incidental sightings of Bowhead whale and North Atlantic Right Whale were recorded by MSV Nordic Oasis and Nordic Olympic in the RSA from August to September, 2025. No sightings of narwhal were made.

Appendix G.5.4 includes locations of marine mammal sightings in the RSA from July to September 2025 conducted as part of the MMON program.

In line with FEIS predictions, there have been no incidents of ship strikes nor near misses recorded to date.

TRENDS

As predicted in the FEIS, no ship strikes on marine mammals have been recorded to date as part of the multi-year SBO Program or via Baffinland's other marine mammal monitoring programs in place for the project. Similarly, no ship strikes on marine mammals have been reported by ship operators since the start of the Project (including ore carriers, fuel/cargo ships and support tugs) or during the 2025 reporting year. The only mortality reported over six years of monitoring occurred during the 2019 shipping season when a seabird flew into a piece of infrastructure on the upper deck of an ore carrier (Golder, 2020e. Of note is that to date, monitoring results from the SBO Program have not demonstrated any exceedances of the Low-Risk threshold in place for marine mammal – vessel collisions (i.e., ship strike of 1 individual) as per the Marine Mammal Trigger Action Response Plan (TARP; Baffinland, 2021k).

Across all of Baffinland's monitoring programs, it has been confirmed that marine mammals are able to detect and avoid vessels as they approach and then return to typical behaviours once the vessel has passed. Data from all previous SBO programs confirm Baffinland's FEIS prediction of no impact to marine mammals from ship strikes.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland is exploring reasonable measures to comply with Term and Condition 106 as directed by the NIRB in its 2025 Annual Monitoring Report, which also relates to Term and Condition 123.

Project Certificate Term and Condition No. 124

Category	Marine Environment - Marine Mammal Interactions
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To prevent impacts to marine mammals and marine fish populations from increased harvesting pressures in Project areas.
Term or Condition	The Proponent shall prohibit project employees from recreational boating, fishing, and harvesting of marine wildlife in project areas, including Steensby Inlet and Milne Inlet. The Proponent is not directed to interfere with harvesting by the public in or near project areas, however, enforcement of a general prohibition on harvesting in project areas by project employees during periods of active employment (i.e., while on site and between work shifts) is required.
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Fisheries and Oceans Canada (DFO), Crown Indigenous Relations and Northern Affairs Canada (CIRNAC), Qikiqtani Inuit Association (QIA), Terrestrial Environment Working Group (TEWG)
Reference	2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b) Hunting and Fishing (Harvesting) Policy (Baffinland, 2013c) Environmental Protection Plan (Baffinland, 2021c)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 – 2025 Terrestrial Environment Annual Monitoring Report

METHODS

As part of the Site orientation and training on the Environmental Protection Plan (EPP; Baffinland, 2021c), all staff and contractors receive training in cultural awareness and are provided with an overview of the policies outlined in the Hunting and Fishing (Harvesting) Policy (Baffinland, 2013c). Baffinland does not interfere with rights of public hunting or fishing near or within the PDA. All visitors that check in with Site Security and reported visitor activities are tracked through a Hunter and Visitor Log. Visitor information for 2025 is summarized in the 2025 Terrestrial Environment Annual Monitoring Report provided in Appendix G.4.1 (EDI, 2026b)

Upon approval from DFO, fishing activities and fish population health surveys occur for the collection of environmental data and fish population health metrics by trained contracted professionals for aquatic effects assessment. Required scientific permits are applied for and received before sampling or fish population health programs occur. Results are published under various annual reports.

RESULTS

No incidences of Project personnel hunting or fishing within Impact Area lands leased to Baffinland and/or the PDA occurred in 2025.

TRENDS

No Project personnel have participated in hunting or fishing on the PDA unless approved by scientific permit and Baffinland has not interfered with public rights to fish or hunt in or near the PDA.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to monitor and implement the policy banning all employees and contractors from hunting and fishing within the PDA and accommodating all hunting parties.

Project Certificate Term and Condition No. 125

Category	Marine Environment - Public Engagement
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To assess acceptability of acoustic deterrent devices for the general public.
Term or Condition	Prior to use of acoustic deterrent devices, the Proponent shall carry out consultations with communities along the shipping routes and nearest to Steensby Inlet and Milne Inlet ports to assess the acceptability of these devices. Feedback received from community consultations shall be incorporated into the appropriate mitigation plan.
Relevant Baffinland Commitment	41
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - Not Applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not applicable. No acoustic deterrents have been required and therefore considered for use on the Project to date.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 125 (a)

Category	Marine Environment - Public Engagement
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure public acceptability of project vessel anchor sites and reduce potential conflicts between project marine shipping and local harvesting.
Term or Condition	The Proponent shall consult with potentially-affected communities and groups, particularly Hunters' and Trappers' Organizations regarding the identification of project vessel anchor sites and potential areas of temporary refuge for project vessels along the shipping routes within the Nunavut Settlement Area. Feedback received from community consultations shall be incorporated into the most appropriate mitigation or management plans.
Relevant Baffinland Commitment	35
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Mittimatalik Hunters and Trappers Organization (MHTO)
Reference	Request for Further Modification of Condition 179(a) and 179(b) of Mary River Project Certificate No. 005 (Baffinland, 2019g) Northern Shipping Corridor Anchorage Locations (Baffinland, 2020h) Marine Shipping and Vessel Management Report (Baffinland, 2025f)
Ref. Document Link	https://baffinland.com/_resources/document_portal/2024-NIRB-Annual-Report.pdf

METHODS

Baffinland continues to interact with the Hamlet of Pond Inlet and the MHTO to better understand potential concerns associated with its shipping operations, including discussions related to anchorage sites. Concerns related to anchorage have not been raised for some time. For more detail on the history of these conversations, please see the 2024 annual report (Baffinland, 2025g). The southern shipping route was discussed during consultations throughout 2025. Please see the engagement records for more detail. As Baffinland continues to develop the Steensby Component of the project, further consultation on the southern shipping route, including anchorage and areas of temporary refuge will be discussed.

RESULTS

For detail, please refer to the 2024 annual report (Baffinland, 2025g)

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to consult with key stakeholders throughout the life of the Project to mitigate Project effects on local communities and other resource users to the fullest extent practicable. Baffinland will provide updates as warranted through future annual reporting efforts.

Project Certificate Term and Condition No. 126

Category	Marine Environment - Public Engagement
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To incorporate local input into monitoring data collection.
Term or Condition	The Proponent shall design monitoring programs to ensure that local users of the marine area in communities along the shipping route have opportunity to be engaged throughout the life of the Project in assisting with monitoring and evaluating potential project-induced impacts and changes in marine mammal distributions.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Responsible Party	Baffinland
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Refer to PC Term and Condition No. 101. Reporting on PC Term and Condition No. 126 is identical to that of PC Term and Condition No. 101.

RESULTS

Refer to PC Term and Condition No. 101. Reporting on PC Term and Condition No. 126 is identical to that of PC Term and Condition No. 101.

TRENDS

Refer to PC Term and Condition No. 101. Reporting on PC Term and Condition No. 126 is identical to that of PC Term and Condition No. 101.

RECOMMENDATIONS / LESSONS LEARNED

Refer to PC Term and Condition No. 101. Reporting on PC Term and Condition No. 126 is identical to that of PC Term and Condition No. 101.

Project Certificate Term and Condition No. 127

Category	Marine Environment – Public Engagement
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To promote public awareness and engagement with Project shipping activities.
Term or Condition	The Proponent shall ensure that communities and groups in Nunavik are kept informed of Project shipping activities and are provided with opportunity to participate in the continued development and refinement of shipping related monitoring and mitigation plans.
Relevant Baffinland Commitment	27,28
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Mittimatalik Hunter and Trappers Organization, Marine Environment Working Group (MEWG)
Reference	Not applicable
Ref. Document Link	https://www.baffinland.com/operation/shipping-and-monitoring/

METHODS

Although this condition is specific to Steensby Component which does not currently have shipping activity, Baffinland still ensures that the public is made aware of shipping-related activities. Accordingly, Baffinland has enlisted Spire Shipview®, a global vessel monitoring and tracking service based on Automatic Identification System (AiS) data from polar orbiting satellites to track and report on vessel movements. The information is readily available on the Baffinland website over its entire shipping season and on the Baffinland Shipping Facebook page.

RESULTS

Baffinland has made vessel routing for the northern shipping route accessible to the public via the Baffinland website and on the Baffinland Shipping Facebook page.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will ensure that communities and groups in Nunavik are kept informed of Project shipping activities and are provided with opportunity to participate in the continued development and refinement of shipping related monitoring and mitigation plans as the Steensby Component develops through MEWG meetings or as part of future consultations and engagements.

Project Certificate Term and Condition No. 128

Category	Marine Environment - Public Engagement
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure habitat compensation is acceptable to local communities.
Term or Condition	The Proponent shall consult with local communities as fish habitat off-setting options are being considered and demonstrate its incorporation of input received into the design of the Fish Habitat Off-Setting Plan required to offset the Harmful Alteration, Disruption or Destruction of Fish and Fish Habitat (HADD).
Relevant Baffinland Commitment	27, 28
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Fisheries and Oceans Canada, Mittimatalik Hunter and Trapper Organization, Pisiksik Working Group
Reference	Mary River Project – Year 5 Freight Dock Offset Habitat Monitoring Report (WSP, 2025c)
Ref. Document Link	Appendix B.3.1 BIM Federal Tour Follow up Letter Appendix C.1 MEWG Meeting Records

METHODS

Milne Port

Baffinland conducted engagement on the Project as a whole with the five (5) North Baffin communities (Arctic Bay, Clyde River, Igloolik, Pond Inlet, and Sanirajak) prior to, during, and following the environmental reviews of the Project by the NIRB.

During 2025, Baffinland progressed the development and implementation planning for a rocky reef offsetting project intended to create new marine fish habitat. Detailed engineering and constructability reviews were undertaken following the issuance of the Fisheries Act Authorization, resulting in refinements to the original reef design. The revised design maintains the approved ecological function of the offsetting measure while improving constructability under Arctic ice conditions.

To support implementation, Baffinland also continued engagement with regulators and Inuit organizations regarding the revised design and necessary approvals, including discussions with Fisheries and Oceans Canada and Transport Canada. These efforts were undertaken to ensure the offsetting measures remain compliant with regulatory requirements and can be constructed within the planned timeline while achieving the intended habitat compensation outcomes. On August 12, 2025, DFO issued an amendment to the Fisheries Act Authorization 18-HCAA-00160 (FAA) for the Milne Port Freight Dock to include the revised design of the rocky reef offsetting.

Steensby Component

Throughout 2025, Baffinland also participated in a federal consultation tour organized by the Northern Projects Management Office (NPMO), which included meetings with communities in Igloolik, Sanirajak, Pond Inlet, Kimmirut, Kinngait, Arctic Bay, and Clyde River (Appendix B.3.1). These consultation sessions provided opportunities for Inuit organizations, Hamlet representatives, Hunters and Trappers Associations (HTAs), and community members to discuss the proposed Steensby Fish habitat offsetting measures and other potential environmental effects of the Steensby Component. Topics raised during these discussions included potential impacts to fish and fisheries, marine mammals, wildlife, shipping routes, and monitoring programs associated with the proposed railway and port infrastructure.

Additional engagement activities were conducted through working group meetings and community sessions, including meetings with the Igloolik Working Group and federal departments in May and June 2025. These discussions focused on community concerns regarding potential environmental impacts, monitoring programs, shipping operations, and opportunities for increased Inuit participation in environmental monitoring and project oversight. Community members emphasized the importance of incorporating Inuit Qaujimajatuqangit (IQ), continued communication, and transparent sharing of environmental monitoring results as the regulatory review of the Steensby Component proceeds.

RESULTS

Milne Port

The results of the Freight Dock Habitat Offset monitoring conducted in 2024 are appended to this report. Results will be discussed at the next MEWG meeting.

Steensby Component

Following the submission of the Fisheries Act Authorization applications in February 2024, Baffinland continued engagement with federal regulators and communities regarding proposed fish habitat offsetting measures for the Steensby Component throughout 2025. Engagement activities included participation in federal consultation sessions organized by the NPMO and additional community meetings and working group discussions with Inuit organizations, HTAs, and community members. These engagement activities provided opportunities to discuss potential impacts to fish and fish habitat, proposed monitoring programs, and opportunities for increased Inuit participation in environmental monitoring and fisheries research associated with the Project.

TRENDS

Baffinland will continue to work with DFO and communities in 2026 to refine the fisheries offsetting options for the Steensby Railway and Port.

Over the long term, as existing data is expanded upon with results from offsetting monitoring programs and community consultations in the region, the suitability of freshwater and marine habitat offsetting methods will be further evaluated.

RECOMMENDATIONS / LESSONS LEARNED

Through engagement conducted in 2024 and continuing into 2025, Baffinland received feedback from communities, Inuit organizations, and Hunters and Trappers Associations regarding proposed habitat offsetting measures for the Steensby Component of the Project. Community input was gathered through federal consultation sessions and additional engagement activities, which provided opportunities for participants to raise questions and share

perspectives related to potential impacts to fish and fisheries, monitoring programs, and proposed mitigation and offsetting approaches. These discussions continue to inform the refinement of fish habitat offsetting methods and monitoring programs associated with the Project.

Baffinland will continue to monitor the success of fish habitat offsetting measures associated with the construction of the Freight Dock and future Milne Port rocky reef. Baffinland will also continue to provide the results of monitoring programs to DFO, the MEWG and other interested parties, as requested.

Baffinland remains committed to exploring potential offsetting options in both freshwater and marine environments to address potential losses in fish habitat associated with permanent habitat alteration or destruction of fish habitat associated with future permitting requirements, as needed.

4.7 PERFORMANCE ON SOCIO-ECONOMIC TERMS AND CONDITIONS

4.7.1 Population Demographics (PC Terms and Conditions 129 through 134)

Six (6) PC Terms and Conditions are listed in the Population Demographics section of the Project Certificate. Three (3) of these describe the NIRB's expectations with respect to working with the Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and establishing a Project-specific working group. The remaining three (3) PC Terms and Conditions relate to mitigating the potential for demographic changes, and the monitoring and reporting of demographic change within the North Baffin communities as a result of Project employment.

Inuit & Stakeholder Feedback

Key stakeholders who provide input related to the socio-economic monitoring program for the Project include the five (5) North Baffin communities, the QIA, various departments of the GN, and CIRNAC, all of which are members of the regional QSEMC. The QIA, GN and CIRNAC are also members of the project specific Mary River Socio-economic Monitoring Working Group (SEMWG). While the potential for in-migration of Non-Inuit into the North Baffin communities and out-migration of Inuit from the North Baffin were raised as concerns by the GN and by communities during the environmental assessment, it was not raised as a concern in engagement activities in 2025.

Monitoring

The North Baffin Local Study Area (LSA) is defined by the five (5) North Baffin communities. Baffinland conducts monitoring of population demographics in the North Baffin LSA by reviewing government population statistics, tracking employee origin information, and the tracking of changes to an employee(s) address. Table 4.26 provides an evaluation of Project impacts on population demographics, based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and FEIS Addendum.

Table 4:26: Population Demographics Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Mine Employment	Migration of non-Inuit Project employees into the North Baffin LSA Out-migration from North Baffin	Baffinland's 2025 Socio-Economic Monitoring Report includes a review of population statistics, as well data related to migration intentions from Baffinland's 2025 Inuit Employee Survey. Additionally, the report typically includes data on project-induced migration (through change-of-address requests and BCLO tracking of worker changes in home community), however, this data was not available for 2025. Project migration data for 2025 will be included in the 2026 SEMR if it becomes available Two migrations, one in and one out of the North Baffin LSA, were reported in the 2025 Inuit Employee Survey. Cumulative Baffinland data (i.e. Baffinland Human Resources data and BCLO survey) from 2015 to 2024 indicate a net of 1 non-Inuit employee/contractor is known to have in-migrated to the North Baffin LSA. In that same period, Baffinland data indicates a net negative migration (out-migration) of 31 Inuit workers from the North Baffin LSA (up until end of 2024). These results show significantly lower effects than the lower end of the out-migration estimates from the EIS (i.e. 15	Effects may be occurring but links to Project are uncertain. Recorded effects are not significant.

Component	Effects	Monitoring Program	Impact Evaluation
		individuals). While a small number of Project workers have moved out of the North Baffin LSA, the effect has been smaller than predicted. It is also impossible to determine whether out-migration from the North Baffin LSA might have been any different if the Project was not there.	

Source: (Aglu and ERM, 2026a)

Path Forward

Baffinland will continue to monitor this aspect of the socio-economic environment, and will discuss monitoring results with the SEMWG and QSEMC. Reporting on each PC Term and Condition follows.

Project Certificate Term and Condition No. 129

Category	Population Demographics - Qikiqtaaluk Socio-Economic Monitoring Committee
Responsible Parties	The Proponent, members of the QSEMC
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	Description of the general monitoring framework to be developed in consultation with the Qikiqtaaluk Socio-Economic Monitoring Committee.
Term or Condition	The Proponent is strongly encouraged to engage in the work of the Qikiqtaaluk Socio-Economic Monitoring Committee along with other agencies and affected communities, and it should endeavour to identify areas of mutual interest and priorities for inclusion into a collaborative monitoring framework that includes socio-economic priorities related to the Project, communities, and the North Baffin region as a whole.
Relevant Baffinland Commitment	41, 43, 45, 46
Reporting Requirement	To be determined following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	Not Applicable
Ref. Document Link	Not Applicable

METHODS

Baffinland continues to engage with the Government of Nunavut (GN) led regional Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and the Mary River Socio-Economic Monitoring Working Group (SEMWG). The SEMWG is a sub-set of the QSEMC whose members include Baffinland (Lead), the Government of Nunavut (GN), the Government of Canada, and the Qikiqtani Inuit Association (QIA).

RESULTS

The QSEMC met in October 2025 in Iqaluit. Baffinland attended, participated, and presented data on the 2024 Socio-economic Monitoring Report as well as a brief Steensby Component update. Baffinland has not yet seen a final report from the Government of Nunavut summarizing the 2025 QSEMC but looks forward to receiving the report when ready.

TRENDS

There are no trends to report for this Term.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland plans to participate in the 2026 meeting of the QSEMC, and is awaiting confirmation of meeting dates.

Project Certificate Term and Condition No. 130

Category	Population Demographics - Project-specific monitoring
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	Recognizing that some Project-specific socio-economic monitoring initiatives may be best addressed in smaller more focused working groups, this is encouraged where possible.
Term or Condition	The Proponent should consider establishing and coordinating with smaller socio-economic working groups to meet Project specific monitoring requirements throughout the life of the Project.
Relevant Baffinland Commitment	41, 43, 46
Reporting Requirement	To be determined following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a)
Ref. Document Link	Appendix B.1 – 2025 Engagement Records Appendix C.3 - 2025 SEMWG Meeting Summary

METHODS

Baffinland continues to engage with the QSEMC and the SEMWG on the Project's socio-economic monitoring program. In addition, Baffinland regularly engages North Baffin community members through its community engagement program, and other committees that operate under provisions of the Inuit Impact and Benefit Agreement (IIBA), on various socio-economic topics. A complete community engagement record for the 2025 year is provided in Appendix B.1 of this report. The 2025 SEMWG meeting summary can be found in Appendix C.3.

RESULTS

Baffinland continues to maintain and engage the SEMWG, whose members include Baffinland, the Government of Nunavut, the Government of Canada, and the Qikiqtani Inuit Association (QIA). Baffinland incorporates feedback from SEMWG members while developing the Project's Socio-Economic Monitoring Program and continues to welcome feedback on the program from working group members. A summary of the 2025 meeting agenda is as follows:

1) Welcome and Introductions

2) Member Updates – Roundtable

3) 2024 Socio-Economic Monitoring Report

- Data gaps

- Data interpretation
- Streamlined approach
- Summary of IR comments

4) 2025 Inuit Employee Survey

5) Looking Ahead

6) Walk-on Items

7) Wrap-up

TRENDS

There are no trends to report for this Term.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to engage with the QSEMC, SEMWG and North Baffin LSA communities on the Project's monitoring program.

Project Certificate Term and Condition No. 131

Category	Population Demographics - Monitoring demographic changes
Responsible Parties	The Proponent, members of the QSEMC
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To monitor demographic changes affecting the North Baffin communities and the territory as a whole in order to understand changes and to evaluate the Proponent's predictions as related to population demographics.
Term or Condition	The Qikiqtaaluk Socio-Economic Monitoring Committee is encouraged to engage in the monitoring of demographic changes including the movement of people into and out of the North Baffin communities and the territory as a whole. This information may be used in conjunction with monitoring data obtained by the Proponent from recent hires and/or out-going employees in order to assess the potential effect the Project has on migration.
Relevant Baffinland Commitment	45
Reporting Requirement	To be determined following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) Draft 2019 Socio-Economic Monitoring Plan (Baffinland, 2019h)
Ref. Document Link	Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

Baffinland's Socio-Economic Monitoring Plan (Baffinland, 2019h) provides for monitoring of demographic changes, which is then included in annual socio-economic monitoring reporting. The Plan includes annual monitoring of population estimates, known in-migrations of non-Inuit Project employees and contractors, known out-migrations of Inuit and non-Inuit Project employees and contractors, percentage of Inuit vs. non-Inuit residents in the North Baffin Local Study Area (LSA), and Nunavut annual net migration. Baffinland also regularly administers an Inuit Employee Survey, which collects information related to employee changes of address, housing status, and migration intentions.

Nunavut net migration data, previously outdated, has now been updated by NBS through 2024 and included in Baffinland's 2025 Socio-Economic Monitoring Plan.

RESULTS

Demographic change indicator trends are provided in Table 4.27. Detailed results will be presented in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

TRENDS

Where appropriate, trends will be described for the indicators assessed in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

Table 4:27: 2025 Monitoring of Indicators of Demographic Change

Indicator / Topic	Summary
Known in-migrations of non-Inuit Project employees and contractors	Baffinland data since 2015 indicates a net of one non-Inuit employee/contractor is known to have in-migrated to the North Baffin LSA. No employee migration data was available at the time of drafting the 2025 SEMR.
In-migration of non-Inuit to the North Baffin LSA	Data to monitor this metric relies on annual data from public institutions, and this data has not been updated since 2016.
Known out-migrations of Inuit Project employees and contractors	Cumulative Baffinland data (i.e. Baffinland Human Resources data and BCLO survey) from 2015 to 2024 indicates a net negative migration (out-migration) of 31 Inuit workers from the North Baffin LSA. No employee migration data was available at the time of drafting the 2025 SEMR.
Out-migration of Inuit from the North Baffin LSA	Data to monitor this metric relies on annual data from public institutions, and this data has not been updated since 2016.
Population estimates	The average annual growth rates over the post-development period were 2.4% for the North Baffin LSA communities, 1.3% for Iqaluit, and 1.5% for Nunavut. Rates for Iqaluit and Nunavut are comparable to the Canadian average growth rate of 1.6% over the 2013-2024 period. The rate of growth does not appear to have been affected by the Project.
Nunavut net migration	Nunavut net migration was -114 people in 2024 (the latest year data is available from public institutions), continuing a fluctuating, but overall negative trend over the previous 10 years.
Employee and contractor changes of address, housing status, and migration intentions	Information relating to changes of address, housing status, and migration intentions is gathered from the annual Inuit Employee Survey. Like previous surveys, several 2025 survey respondents indicated they had moved to a different community in the past 12 months (7% in 2025, 9% in 2023 and 2022, 5% in 2020, 4% in 2019, 10% in 2018, and 7% in 2017) or planned to move to a different community in the next 12 months (10% in 2025, 7% in 2023, 10% in 2022, 5% in 2020, 14% in 2019, 18% in 2018, and 16% in 2017).
In-migration of non-Inuit to the North Baffin LSA	These indicators are included in the SEMP; however, it is noted that limited data is currently available.
Out-migration of Inuit from the North Baffin LSA	

Source: (Aglu and ERM, 2026a) (Aglu and ERM, 2026b)

Available public data and Project data both indicate that in-migration due to the Project is not significant. Monitoring shows that, with few exceptions, more people move out of Nunavut than into the territory annually. Migration intentions shared in the 2025 Inuit Employee Survey suggest that reasons for moving are diverse and influenced by a wide range of factors, many of which are not directly related to the Project (Aglu and ERM, 2026a). The Nunavut Bureau of Statistics (NBS) presented on population and demography at the QSEMC, noting that the Qikiqtaaluk

region reveals a growing population distribution, with highest population growth between 2021 and 2024 in the communities of Kimmirut, Sanirajak and Arctic Bay (Nunavut Bureau of Statistics, 2025).

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to provide demographic change information in its annual Socio-Economic Monitoring Report through a variety of indicators. While some indicators in the SEMP lack specific, established data sets (i.e. in-migration of non-Inuit to the North Baffin LSA and out-migration of Inuit from the North Baffin LSA), the QSEMC and Baffinland continues to collect data and monitor demographic changes of both the workforce and population using a breadth of other indicators, data and qualitative information to help effectively monitor this topic.

Project Certificate Term and Condition No. 132

Category	Population Demographics - Training programs
Responsible Parties	The Proponent, North Baffin Hamlets, Municipal Training Organization, Government of Nunavut
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To develop training programs in ways which contribute to limiting the potential for migration to occur as North Baffin residents seek training and employment opportunities in the larger centre of Iqaluit.
Term or Condition	The Proponent is encouraged to partner with other agencies such as Hamlet organizations in the North Baffin region, the Municipal Training Organization, and the Government of Nunavut in order to adapt pre-existing, or to develop new programs which encourage Inuit to continue living in their home communities while seeking ongoing and progressive training and development. Programs may include driver training programs offered within Hamlets, providing upgraded equipment to communities for use in municipal works, providing incentives for small businesses to remain operating out of their community of origin, or supplementing existing recreational facilities and programming in North Baffin communities.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

In 2025, Baffinland partnered with local and regional governmental agencies and educational institutions to support local communities and promote training programs for residents while limiting the potential for out migration. Baffinland's priority in training is to train people to work at the mining operation. Training provided can benefit local communities should an employee choose to change jobs and return to work in the community. The skill set learned at Baffinland is transferrable for life long benefit of the individual and their home communities.

Baffinland's 3-week in 3-week out fly-in fly-out rotational schedule additionally allows for employees to return to their communities for more than 50% of the time to continue traditional lifestyles and community activities.

The Work Ready Program (WRP) in each of the five (5) impacted communities and Iqaluit is a five (5) day program that introduces the mining industry and working at a fly-in, fly-out operation includes, but also contains learning skills that are transferable such as: essential skills, safety and financial literacy. This community-based training also resulted in a positive financial benefit to each community. Travelling instructors utilized local hotels and restaurants, and community participants who received a training allowance most often spent that money in the community. Small businesses were used for catering and transportation.

Baffinland liaised with Nunavut Arctic College (NAC) in the communities to promote their programs that are pertinent to the preparation and development of one to either work at the mine or for other opportunities in their communities: Adult Basic Education (ABE), Pathway to Adult Secondary School programs (PASS), and Pre-Trades training.

RESULTS

Community Based Work Ready Program

Baffinland continues to offer the Community Based WRP training. The community WRP is a 40-hour training program facilitated in the communities in person which addresses the following areas: Self Awareness, an Introduction to Mining, Essential Skills for the Workplace, Money Management and Preparing for Fly-In, Fly-Out. For 2025, in line with the IIBA commitments, the WRP was delivered in all five of the North Baffin surrounding communities as well as Iqaluit.

In 2025, Baffinland held 15 community based WRP sessions, with a total of 73 participants.

Baffinland continues to encourage its employees to take advantage of community training that is made available, such as Adult Basic Education (ABE), Pathway to Adult Secondary School programs (PASS), and Pre-Trades training.

TRENDS

Not applicable.

RECOMMENDATIONS/LESSONS LEARNED

The relationship that has been built between NAC, QIA and Baffinland is strong and this should ensure the continued ability to highlight additional training opportunities in each of the surrounding communities.

Baffinland also recognizes that the Government of Nunavut has developed a Mine Training Strategy that could provide additional opportunities for prospective or current Inuit employees to receive training in their own communities. As the Mine Training Strategy is implemented Baffinland will work with the GN to find mutual opportunities and report on any outcomes in future annual monitoring reports. Baffinland has also contributed funding to the Regional Training Centre which is expected to be completed in Pond Inlet in 2026. It is expected to offer additional opportunities to Nunavummiut.

Project Certificate Term and Condition No. 133

Category	Population Demographics - Monitoring demographic changes
Responsible Parties	The Proponent, members of QSEMC, Government of Nunavut, Nunavut Housing Corporation
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	Training programs may be developed with the goal of limiting the potential for migration to occur as North Baffin residents may choose to seek employment and therefore move from smaller North Baffin communities to the larger centre of Iqaluit.
Term or Condition	The Proponent is encouraged to work with the Qikiqtaaluk Socio-Economic Monitoring Committee and in collaboration with the Government of Nunavut's Department of Health and Social Services, the Nunavut Housing Corporation and other relevant stakeholders, design and implement a voluntary survey to be completed by its employees on an annual basis in order to identify changes of address, housing status (i.e., public/social, privately owned/rented, government, etc.), and migration intentions while respecting confidentiality of all persons involved. The survey should be designed in collaboration with the Government of Nunavut's Department of Health and Social Services, the Nunavut Housing Corporation and other relevant stakeholders. Non-confidential results of the survey are to be reported to the Government of Nunavut and the NIRB.
Relevant Baffinland Commitment	43, 45
Reporting Requirement	To be determined following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) Draft 2019 Socio-Economic Monitoring Plan (Baffinland, 2019h) 2025 Mary River Project Inuit Employee Survey Report (Aglu and ERM, 2026b)
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

Baffinland regularly administers a voluntary Inuit Employee Survey, which collects information on employee changes of address, housing status, and migration intentions. The most recent Inuit Employee Survey was administered in 2025 at the Mary River project site, Milne Port, in transport on LSA community flights to and from site, and within LSA communities with assistance from BCLOs (Aglu and ERM, 2026b). Baffinland regularly requests input into the survey design from the Mary River Socio-Economic Monitoring Working Group (MRSEMWG), of which the GN is a member, and discusses survey results with the MRSEMWG and the QSEMC, including how results inform the Project's Socio-Economic Monitoring Program. Survey results are incorporated into the annual Socio-Economic Monitoring Report and the survey report is appended.

RESULTS

The most recent Inuit Employee Survey was administered between October 27th and December 8th, 2025, at the Mary River mine site and Milne Port, in transport on LSA community flights to and from site, as well as in-community with assistance from the BCLOs.

At site, the survey was administered through the Baffinland Human Resources (HR) and Labour Relations department, and respondents had the option of having a cultural advisor and/or an HR representative (i.e., HR Advisor, Inuit Relations) to support filling out the survey (e.g., by reading the questions and explaining the options). Surveys were advertised site wide via posters, email announcements, and announcements at daily and weekly meetings. The survey was available in English and Inuktitut and was administered in paper format. Participation in the survey was voluntary and respondents did not have to provide response to question(s) they did not wish to answer. Respondents were advised prior to the survey that their responses would remain confidential, and their names would not be used publicly, however, Baffinland could use survey information in public reports and/or presentations.

In total, Baffinland collected 83 responses to the survey, representing a response rate of 26%[4]. This represents an increase from an 22% response rate achieved in 2023, and 18% response rate achieved in 2022.

Table 4.28 pertains to current Inuit employee and contractor survey respondent changes in address/community of residence (*n*=81).

Table 4:28: Changes in Inuit Employee and Contractor Residence and Community (2025 Inuit Employee Survey Results)

Type of Change	Number of Respondents	Percentage of Respondents
All question respondents (n=84)		
Residence changed in the past 12 months, within existing community	10	12%
Residence changed in the past 12 months, moved to new community	6	7%
Residence did not change in the past 12 months	65	80%
Total	**81**	**100%**
If you answered 'Yes, from one community to another community', which community did you move from? (n=6)		
Reed Deer	1	20%
Iqaluit	1	20%
Arctic Bay to Ottawa	1	20%
Arctic Bay to Pond Inlet	1	20%
Ottawa to Clyde River	1	20%
Total	**5**	**100%**

[4] Response rate is calculated by dividing number of responses by number of Inuit employees on staff in Q3 of the 2025 fiscal year).

Notes: Some percentages may not add to 100% due to rounding. One respondent selected both "Yes – Within my community" and "No – I have not moved". Both responses were included in the data above. One respondent who selected "Yes – From one community to another community" did not provide a comment specifying which community.
Source: 2025 Inuit Employee Survey Report (Aglu and ERM, 2026b)

Table 4.29 pertains to current Inuit employee and contractor housing status (*n*=82 and *n*=82).

Table 4:29: Current Inuit Employee and Contractor Housing Status (2025 Inuit Employee Survey Results)

Current Housing Status	Number of Respondents	Percentage of Respondents
What type of housing do you currently live in? (n=79)		
Public housing	49	60%
Privately owned – Owned by you	3	4%
Privately owned - Owned by a family member or friend	9	11%
Renting from a private company or individual	12	15%
Government of Nunavut Staff Housing	3	4%
Other Staff Housing	2	5%
Other	4	5%
Total	**82**	**100%**
Have you ever considered purchasing a home in your community? (n=81)		
Yes – I do not currently own a home but would like to purchase one	37	45%
Yes – I own but would like to purchase a new home	4	5%
No – I am satisfied with my current home	19	23%
No – I do not want to purchase a home	22	27%
Total	**82**	**100%**

Notes:
Some percentages may not add to 100% due to rounding. One respondent selected both "No – I do not want to purchase a home" and "No – I am satisfied with my current home". Both responses were included as data points.
Source: 2025 Inuit Employee Survey Report (Aglu and ERM, 2026b)

Table 4.30 summarizes results pertaining to Inuit employee and contractor migration intentions (*n*=77).

Table 4:30: Inuit Employee and Contractor Migration Intentions (2025 Inuit Employee Survey Results)

Migration Intentions	Number of Respondents	Percentage of Respondents
Do you plan on moving from one residence to another residence in the next 12 months? (n=77)		
Plan to move residences in the next 12 months, within existing community	8	10%
Plan to move residences in the next 12 months, to a new community	8	10%
Do not plan to move residences in the next 12 months	61	79%
Total	**77**	**100%**
If so, which community are you planning to move to? (n=8)		
Ottawa	2	25%
Iqaluit	1	13%
Iqaluit or Ottawa	1	13%
Pond Inlet	1	13%
Igloolik	1	13%
Alberta	1	13%
Not sure yet	1	13%
Total	**8**	**100%**

Notes:
Some percentages may not add to 100% due to rounding.
Source: 2025 Inuit Employee Survey Report (Aglu and ERM, 2026b)

TRENDS

Where appropriate, trends have been described for the indicators assessed in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

As indicated in Figure 4.13, six (6) or 7% of 2025 survey respondents indicated they had moved to a different community in the past 12 months, which is consistent with previous years' surveys (between 5% and 10%). Eight (8) or 10% of survey respondents noted they planned to move to a different community in the next 12 months, similar to recent years' (7% in 2023, 10% in 2022), and less than in earlier survey years (e.g., 5% in 2020, 14% in 2019, 18% in 2018, and 16% in 2017). The number of respondents that indicated they planned to move to a different community increased by 3 percentage points from 2023. The proportion of employees living in public housing appeared to be trending downwards from 2017 to 2022 (67% in 2017, 61% in 2018, 55% in 2020 and 49% in 2022). However, this percentage has increased in 2023 (57%) and 2025 (60%). This increase may be attributed to the higher response rate to the survey, or due to other factors, such as the construction of new public housing available in Nunavut.

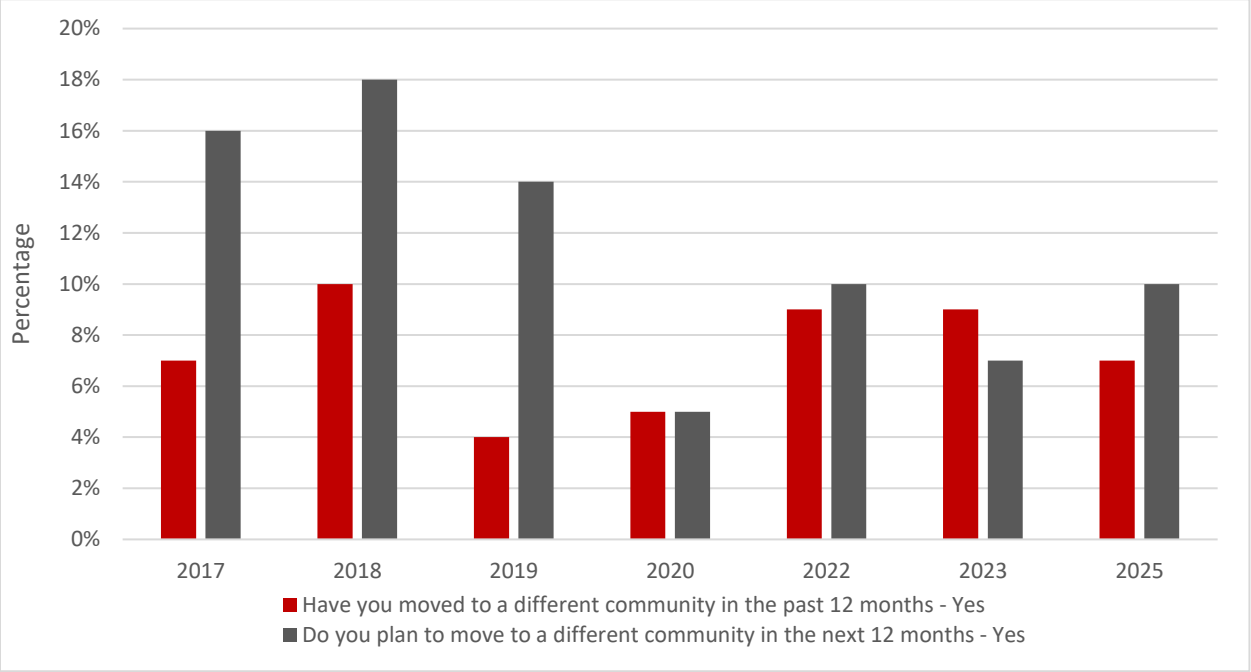


Figure 4:13: Inuit Employee and Contractor Migration Intentions (Inuit Employee Surveys)

Baffinland will continue to track employee changes of address, housing status, and migration intentions through the annual Inuit Employee Survey to see if future trends emerge.

RECOMMENDATIONS / LESSONS LEARNED

Participation in the 2025 survey increased slightly from the 2023 survey. This increase can be attributed to a number of factors, including strong engagement by the administration team (which included an Inuk intern tasked with survey support), expanding the administration of the survey to employees in transit on flights to LSA communities, and providing an incentive to those who completed a survey (i.e. chance to win one of two pre-loaded visa credit cards). (Aglu and ERM, 2026b).

The Company will continue to look for ways to expand survey administration into communities to ensure the survey aims to attract responses from the largest segment of the Baffinland Inuit workforce.

Project Certificate Term and Condition No. 134

Category	Population Demographics - Employee origin
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	Project-specific information regarding employee origin is important to comparing predictions of labour availability and employment opportunities with actual levels of employment from various demographic segments over different geographic areas.
Term or Condition	The Proponent shall include with its annual reporting to the NIRB a summation of employee origin information as follows: a. The number of Inuit and non-Inuit employees hired from each of the North Baffin communities, specifying the number from each b. The number of Inuit and non-Inuit employees hired from each of the Kitikmeot and Kivalliq regions, specifying the number from each c. The number of Inuit and non-Inuit employees hired from a southern location or other province/territory outside of Nunavut, specifying the locations and the number from each d. The number of non-Canadian foreign employees hired, specifying the locations and number from each foreign point of hire.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be determined following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) Draft 2019 Socio-Economic Monitoring Plan (Baffinland, 2019h)
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

Data on the origin, number, and ethnicity of employees and contractors who worked on the Project are presented in the annual Socio-Economic Monitoring Report.

Monitoring relies on two methodologies to report on numbers of employees and contractors: Full-Time Equivalents (FTEs), and headcount. One FTE represents 2,184 hours, which is the approximate time one person works on a full-time basis each year. Headcount, on the other hand, provides a 'snapshot' of who is working at a specific point in time (e.g. the end of a quarter). For the purpose of employee origin information, FTEs are used, as this gives a better picture of where employees and contractors are being hired from, on average, over the year, as opposed to headcount which may miss on seasonal trends or other events.

RESULTS

2025 results are summarized in the below Table 4.31 (Aglu and ERM, 2026a). This information was obtained from internal Baffinland records.

Table 4:31: Detailed Baffinland and Contractor Employment Full-Time Equivalents 2025

Location	Baffinland			Contractor			All Workers		
	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total
LSA Communities									
Arctic Bay	16	-	16	2	-	2	18	-	18
Clyde River	11	-	11	3	-	3	14	-	14
Pond Inlet	24	-	24	8	-	8	33	-	33
Igloolik	11	-	11	8	-	8	20	-	20
Iqaluit	22	1	23	33	-	33	55	1	56
Kimmirut	2	-	2	-	-	-	2	-	2
Kinngait	3	-	3	-	-	-	3	-	3
Sanirajak	15	<1	15	8	-	8	24	<1	24
LSA Total	**105**	**2**	**107**	**63**	**-**	**63**	**167**	**2**	**169**
Other Qikiqtani Communities									
Pangnirtung	2	-	2		-		2	-	2
Resolute Bay	2	-	3		-		3	-	2
Other Qikiqtani Total	**3**	**-**	**2**		**-**		**2**	**-**	**2**
Other Nunavut									
Arviat	1	-	1	-	-	-	1	-	1
Rankin Inlet	2	-	2	-	-	-	2	-	2
Coral Harbour	1	-	1	-	-	-	1	-	1
Unknown	-	-	-	1	-	1	1	-	1
Other Nunavut Total	**4**	-	**4**	**1**	**-**	**1**	**5**	**-**	**5**
Other Provinces and Territories									
Alberta	2	56	58	-	33	33	2	89	91
British Columbia	1	27	28	-	13	13	1	40	41
Manitoba	2	19	21	1	11	12	3	30	33
New Brunswick	2	78	80	-	15	15	2	92	94
Newfoundland & Labrador	3	183	186	1	29	30	4	212	216
Northwest Territories	1	-	1	-	3	3	1	3	5
Nova Scotia	1	141	142	1	27	28	2	168	170
Ontario	15	226	241	7	63	70	22	289	311
Prince Edward Island	-	5	5	-	-	-	-	5	5
Quebec	6	44	50	1	32	33	7	76	83
Saskatchewan	-	18	18	-	2	2	-	20	20
Yukon	-	2	2	-	0	0	-	2	2
Other Provinces and Territories Total	**32**	**799**	**831**	**11**	**228**	**239**	**43**	**1,027**	**1,070**
Other									
International	-	1	1	-	1	1	-	1	1
Unknown	-	-	-	-	<1	<1	-	<1	<1

Location	Baffinland			Contractor			All Workers		
	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total	Inuit	Non-Inuit	Total
Other total	-	-	-	-	1	1	-	2	2
Totals	144	801	944	75	229	304	218	1,031	1,249

Due to the nature of rounding, numbers presented – most notably with regard to FTEs – may not add up precisely to the totals provided and percentages may not precisely reflect the absolute figures. This is due to presenting FTE data broken down across a number of attributes (e.g., by community, region, Inuit status and gender).
Source: (Aglu and ERM, 2026a)

TRENDS

Where appropriate, trends have been described for the indicators assessed in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

There were 218 Inuit FTEs at the Project in 2025 (including direct and contractor employees), including 108 from North Baffin LSA communities, 55 from Iqaluit, and five (5) from the South Baffin LSA. This represents an increase of 54 Inuit FTEs (or an increase of approximately 33%) since operation began in 2015. There was an initial drop in Inuit employment from 2014 to 2016, likely caused by a shift away from the large amount of labour used during construction. Inuit employment peaked in 2019, likely due to anticipation of expansion.

Following an increase in Inuit employment in 2024, Inuit employment declined in 2025 to near-2023 levels.

The number of directly employed Inuit from North Baffin LSA communities and Iqaluit)was 99 (FTEs) in 2025, representing a decrease from 2024 (128 FTEs) and 2023 (110 FTEs). The number of Inuit contractor FTEs from the same communities also decreased to 63 in 2025, compared to 76 and 75 in 2024 and 2023, respectively. The remainder of Inuit FTEs were residing either elsewhere in Nunavut, or in other Canadian provinces or territories, with the majority living in Ontario.

For non-Inuit, there were 1,031 FTEs at the Project in 2025, compared to 1,484 in 2024. This reflects layoffs that occurred in 2025 due to reduced operating levels. The number of non-Inuit FTEs living in LSA communities was two (2) in 2025, consistent with previous years of 2-3 non-Inuit FTEs living in LSA communities. Of the 1,031 non-Inuit FTEs, most resided in Ontario (28%), Newfoundland (21%), and Nova Scotia (16%).

There was one (1) non-Inuit direct Baffinland FTE and one (1) non-Inuit contractor FTE reported living outside of Canada in 2025. The direct Baffinland FTE originates from Germany and worked 1,104 hours in 2025[2]. However, the contractor FTE comprise a greater number of individuals working a relatively small number of hours (e.g. hours worked ranging from 12 to 492 per individual) done by a variety of specialized individuals and contractors. In 2025, these contractor FTEs originated from France, Spain, Switzerland, New Zealand, the United Kingdom, the United Arab Emirates, and the United States.

[2] Due to rounding, this is reported as one (1) FTE. However, the actual value is 0.51 FTE.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to provide information regarding employee origin in future Socio-Economic Monitoring Reports to support comparing with predictions of labour availability and employment opportunities. The Socio-Economic Monitoring Report provides detailed Baffinland and contractor employment data and trend analysis (Aglu and ERM, 2026a).

4.7.2 Education and Training (PC Terms and Conditions 135 through 141)

Seven (7) PC Terms and Conditions relate to education and training, mostly encouraging Baffinland to maximize education and training benefits to Nunavummiut in the local communities. This includes the development of recognizable and transferable skills that can be used outside of the mining industry. The NIRB required Baffinland to conduct a labour market analysis, which was updated for the Early Revenue Phase.

Inuit & Stakeholder Feedback

As noted in Section 4.7.1, the key stakeholders focused on the socio-economic environment include the five (5) North Baffin communities, the QIA, various departments of the Government of Nunavut (GN), and CIRNAC. There is an inherent relationship between the education and training initiatives and objectives implemented by Baffinland and the GN, which is responsible for delivering most education and training programs in Nunavut. Commitments for Baffinland to provide education and training opportunities are contained in the IIBA and this subject is regularly discussed through the IIBA Employment Committee. The SEMWG and QSEMC also regularly discuss this element of the Project.

Monitoring

To understand effects on education and training, Baffinland tracks and reports on the amount of training delivered each year (including the amount of training delivered to Inuit workers), government educational attainment statistics, and results from the Inuit Employee Survey. Table 4.32 provides an evaluation of the Project's impacts on education and training, based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and FEIS Addendum.

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Monitoring

Baffinland tracks and reports on the amount of training delivered each year (including the amount of training delivered to Inuit workers), government educational attainment statistics, and results from an Employee Information Survey. Table 4.32 provides an evaluation of the Project's impacts on education and training, based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and FEIS Addendum.

Table 4:32: Education and Training Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Life Skills	Training of workers and contractors, resulting in improved life skills amongst LSA residents. Training in 2025 is described in PC Term and Condition No. 137.	All Inuit training hours for Baffinland staff and contractors are tracked and reported quarterly and annually to the QIA. Baffinland reports on its training programs annually in its socio-economic monitoring report. In 2025, Inuit training hours totaled 22,561 hours, which is 34.9% of the total training provided by Baffinland.	Positive effects consistent with FEIS predictions
Education and Skills	Training programs as described above; incentives related to school attendance and success (i.e., laptop program, scholarships); opportunities to gain skills on the job		Positive effects consistent with FEIS predictions

Source: (Aglu and ERM, 2026a).

Positive effects with respect to life skills and to education and work skills have occurred as a result of the Project.

Path Forward

Baffinland will continue to implement and refine its training programs, in consultation with the SEMWG, QSEMC, and the Project's workforce. Reporting on each PC Term and Condition follows.

Project Certificate Term and Condition No. 135

Category	Education and Training - Employee work/study programs
Responsible Parties	The Proponent, Qikiqtani Inuit Association
Project Phase(s)	Construction and Operations
Objective	Recognizing the 12-hour work days inherent with work at the Project site, it is not clear how employees would successfully engage in a work/study program offered by the Proponent.
Term or Condition	The Proponent is encouraged to consider offering additional options for work/study programs available to Project employees (in addition to study programs at project sites that would be offered to employees when off-shift).
Relevant Baffinland Commitment	93
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	Not Applicable
Ref. Document Link	Not Applicable

METHODS

Q-STEP / Apprenticeship

Baffinland and Qikiqtani Inuit Association (QIA) are continuing to support the Mary River Impact and Benefit Agreement (IIBA) implementation with the Qikiqtani Skills and Training for Employment Partnership (Q-STEP) Inuit Training and Development Program. Funded by the Government of Canada, and with financial and in-kind supports from Baffinland, this initiative focuses on pre-trades instruction and related training and employment initiatives for apprenticeships at the Mary River Mine Site. The funding is providing support for expenses relate to training, such as wages, accommodations, and travel. This program began in February of 2022, and it is scheduled to continue to March 31, 2028. The target is to hire and maintain sixteen (16) Inuit apprentices in various trades, with the end goal that apprentices complete training and advancing in their careers in mining industry trades.

Baffinland works in partnership with the Government of Nunavut (GN), Department of Family Services (or other provincial/territorial apprenticeship offices for Inuit residing outside of Nunavut) to deliver apprenticeship programs. This allows Inuit employees to train to become journeypersons in skilled trades. Baffinland has identified apprenticeship opportunities in the following areas: Housing Maintainer, Oil Burner Mechanic, Electrician, Welder, Heavy Equipment Mechanic, Automotive Service Technician, Heavy Truck and Trailer Service Technician, Millwright, and Machinist. Red Seal certification is recognized throughout Canada.

As part of the apprenticeship program, Baffinland Inuit apprentices are released from their work schedule to be able to attend technical training in Rankin Inlet or Alberta, (as per the GN's apprenticeship program for Nunavummiut), or other provincial jurisdictions (for Inuit apprentices residing outside of Nunavut). This takes place each year of their

apprenticeship program (either three (3) or four (4) years). During this time, Baffinland continues to pay their base salary.

Heavy Equipment Operator Training

In collaboration with Q-STEP and QIA, Baffinland will offer opportunities for off-site training to employees as they become available or identified. One opportunity for 2025 was the Excavator and Dozer training programs which are offered at Operating Engineers Training Institute of Ontario (OETIO) in Morrisburg. It is meant to further develop the skills of graduates of the OETIO Loader, Haul Truck and Skid Steer Operator program. For this program, participants are released from their work so that they can take this training offsite, while continuing to receive their Baffinland base salary.

Baffinland works with the Mary River Inuit Impact and Benefit Agreement (IIBA), the Employment Committee and the Joint Employment Committee (JEC) to discuss training opportunities at both the mine site and in communities. These discussions are of an ongoing and of an iterative nature and will continue to occur in 2025.

Note that Work Ready Training offered within communities is described in detail under Term and Condition 132.

RESULTS

Q-STEP/Apprenticeship Program

Baffinland continued to offer apprenticeship training in 2025. In January 2025, there were ten (10) registered Inuit Apprentices a Baffinland participating in the apprenticeship program, which includes on-the-job training coupled with offsite formal technical training. Of these apprentices, a total of five (5) apprentices attended technical training (one apprentice attended technical training twice), as described in the following table:

Trade	Year	Quarter	Result
Electrician	4	Apr-Jun	Passed – obtained Red Seal
	3	Sept-Nov	Passed
Heavy Equipment Technician	3	Jan-Feb	Passed – obtained Red Seal (off-road)
	2	Mar-Apr	Passed
	3	Sept-Oct	Passed – obtained Red Seal (off-road)
Housing Maintainer	2	Sep-Nov	Passed

In 2025, one apprentice attempted to challenge the Block 1 Welding Exam but did not achieve a passing result. This apprentice had been unsuccessful in passing the block 1 training in 2023 and 2024 (including supplemental exams). They are no longer in the apprenticeship program.

As of December 31, 2025, there were eight (8) registered Inuit apprentices at Baffinland. Of this number two (2) are first year apprentices, one (1) is a second-year apprentice, one (1) is a third-year apprentice and four (4) are fourth year apprentices. The reduction from 10 apprentices in January 2025 to 8 in December 2025 is due to:

- one apprentice obtaining their electrician red seal (qualified journeyperson, no longer in apprenticeship program)
- one apprentice exited the program due to extended medical leave
- one welding apprentice who had been unsuccessful in passing the exam multiple times and is no longer in the program
- one new 4th year heavy equipment technical apprentice

In the first quarter of 2026, three (3) apprentices are preparing to attend technical training for Heavy Equipment Technician. Baffinland remains committed to supporting its current apprentices in achieving their Red Seal trade certifications and is actively exploring opportunities to expand the apprenticeship program through new hires and additional enrollments in 2026.

Heavy Equipment Operator Training

As part of the Q-STEP program, two (2) Baffinland employees were registered in 2025 to attend heavy equipment training program (excavator) offered at Morrisburg in collaboration with QIA. One employee successfully completed the program. A second potential candidate became unreachable and could not start the program.

TRENDS

In 2025, Baffinland apprentices completed over 13,428 training hours including on-the-job and technical training. Five (5) apprentices attended technical training, with one apprentice completing two blocks in the same year. Baffinland is committed to its apprentices obtaining their Red Seal trade certificate, in 2025, three (3) apprentices (two heavy equipment technicians and one electrician) obtained a red seal certificate, which is the result of having completed their program – they are now qualified journeypersons and can practice their trade. The two heavy equipment technicians who obtained their Red Seal certificate (off-road) will be completing their fourth block in 2026 and are expected to obtain a second Red Seal certificate.

RECOMMENDATIONS / LESSONS LEARNED

The Q-STEP team continues to seek additional third-party funding to support the continuation of apprenticeship training and offer other opportunities at Baffinland.

Baffinland will continue to examine programs offered in other jurisdictions, including those offered by other mining companies operating in similar conditions, to determine their potential suitability for offer at the Mary River Project.

Baffinland also recognizes that the GN has developed a Mine Training Strategy that may provide additional opportunities for prospective or current Inuit employees to receive additional training. As the Mine Training Strategy is implemented Baffinland will work with the GN to find mutual opportunities and report on any outcomes in future annual monitoring reports. Baffinland has also contributed funding to the Regional Training Centre which is expected to be completed in Pond Inlet in 2026. It is expected to offer additional opportunities to Nunavummiut.

Project Certificate Term and Condition No. 136

Category	Education and Training - Transferable skills and training
Responsible Parties	The Proponent, Qikiqtani Inuit Association, Government of Nunavut, Municipal Training Organization
Project Phase(s)	Construction and Operations
Objective	Offering training which results in certifications that are valid for employment at more than one site or in different fields provides an investment in the long-term employability of Nunavummiut.
Term or Condition	The Proponent is encouraged to work with training organizations and/or government departments offering mine-related or other training in order to provide additional opportunities for employees to gain meaningful and transferable skills, credentials and certifications especially where such training of employees offered by the Proponent remains valid only at the Mary River Project sites.
Relevant Baffinland Commitment	92, 94
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	Not Applicable
Ref. Document Link	Not Applicable

METHODS

On-Site Training

Baffinland has trained a number of Inuit employees in Standard First Aid with CPR/AED level C. Training has also been provided for Mine Rescue, which involves advanced first aid (Emergency Medical Responder) and Cardiopulmonary Resuscitation (CPR), ladder and fire tool training, pumper truck operations, self-contained breathing apparatus, rope and confined space rescue and basic and advanced firefighting techniques. Internal and external instructors have been engaged to ensure the highest standard is being delivered and achieved. Standard First Aid with CPR/AED Level C and, Emergency Medical Responder is training that is provided by an instructor who is certified in the Canadian Red Cross programs. A number of employees are also part of the Emergency Response Team (ERT) which provides them with a large number of skills and recognition which can be used outside of Baffinland.

There are a number of other certificates offered at Baffinland that remain valid and may be recognized for other opportunities: Workplace Hazardous Materials Information System (WHMIS) awareness training certificate, Transportation of Dangerous Goods (TDG) certificate (for ground, marine and air transportation) and Workers' Safety and Compensation Commission (WSCC) Supervisor certificate.

Apprenticeship Program

Baffinland works in partnership with the GN, Department of Family Services to deliver apprenticeship programs. This allows Nunavummiut to train to become journeypersons in skilled trades. Baffinland has identified apprenticeship opportunities in the following areas: Housing Maintainer, Oil Burner Mechanic, Electrician, Welder, Heavy Equipment Mechanic, Automotive Service Technician, Heavy Truck and Trailer Service Technician, Millwright, and Machinist. A qualified journey person is able to work for other employers in their trade. Red Seal certification is recognized throughout Canada.

RESULTS

On Site Training

In 2025, the Training Department provided numerous training and qualifications; a list of qualifications that Baffinland employees can obtain is provided in the 'Methods' section for PC Term and Condition No. 137. The objective of these training programs is to upskill the trainees and provide them transferable skills to work at the Project, or to be able to apply to other careers and opportunities. In 2025, Inuit training totalled 22,561 hours, equivalent to 34.9% of the total training provided by Baffinland.

Apprenticeship Program

Baffinland continued to offer apprenticeship training in 2025. As of December 31, 2025, there were eight (8) registered Inuit apprentices at Baffinland. Of this number two (2) are first year apprentices, one (1) are second year apprentices, one (1) is a third-year apprentice and four (4) are fourth year apprentices as summarized in Table 4.33.

Table 4:33: Apprentices at Baffinland in 2025

Number of Apprentices	Level of Training	Occupation
2	Year 1 Apprentice	Heavy Equipment Service Technician
1	year 2 Apprentice	Machinist
1	Year 3 Apprentice	Housing Maintainer
1	Year 4 Apprentice	Industrial Electrician
3	Year 4 Apprentice	Heavy Equipment Service Technician

During 2025, a total of five (5) apprentices attended block training:

Trade	Year	Quarter	Result
Electrician	4	Apr-Jun	Passed – obtained Red Seal
	3	Sept-Nov	Passed
Heavy Equipment Technician	3	Jan-Feb	Passed – obtained Red Seal (off-road)

	2	Mar-Apr	Passed
	3	Sept-Oct	Passed – obtained Red Seal (off-road)
Housing Maintainer	2	Sept-Nov	Passed

In 2025, one apprentice attempted to challenge the Block 1 Welding Exam but did not achieve a passing result. This apprentice had been unsuccessful in passing the block 1 training in 2023 and 2024 (including supplemental exams). They are no longer in the apprenticeship program.

TRENDS

Inuit training for 2025 totalled 22,561 hours, equivalent to 34.9% of the total training provided by Baffinland, which is similar to the 2024 value of 32%.

In 2025, Baffinland apprentices completed over 13,428 training hours including on-the-job and technical training. Five (5) apprentices attended technical training, which is similar to 2024 with one apprentice completing two blocks in the same year. Of these apprentices, three (3) apprentices (two heavy equipment technicians (off-road) and one electrician) obtained a red seal certificate, which is the result of having completed their program – they are now qualified journeypersons and can practice their trade. The two heavy equipment technicians who obtained their Red Seal certificate will be completing their fourth block in 2026 and are expected to obtain a second Red Seal certificate.

RECOMMENDATIONS / LESSONS LEARNED

The Q-STEP team continues to seek additional third-party funding to support the continuation of apprenticeship training at Baffinland as it is a very sought after program that leads to certification.

All current apprentices at Baffinland shall continue to attend technical training school for their specific trade and apprenticeship level in 2026. Baffinland is coordinating the training with the Government of Nunavut Apprenticeship Unit of the Department of Family Services.

Baffinland will continue to look for training that can be provided by external organizations which are valid for employment at more than one site.

Baffinland also recognizes that the GN has developed a Mine Training Strategy that may provide additional opportunities for prospective or current Inuit employees to receive additional training. As the Mine Training Strategy is implemented Baffinland will work with the GN to find mutual opportunities and report on any outcomes in future annual monitoring reports. Baffinland has also contributed funding to the Regional Training Centre which is expected to be completed in Pond Inlet in 2026. It is expected to offer additional opportunities to Nunavummiut.

Project Certificate Term and Condition No. 137

Category	Education and Training - Transferable skills and training
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	Offering training which results in certifications that are valid for employment at more than one site or in different fields provides an investment in the long-term employability of Nunavummiut.
Term or Condition	Prior to construction, the Proponent shall develop an easily referenced listing of formal certificates and licences that may be acquired via on-site training or training during employment at Mary River, such listing to indicate which of these certifications and licences would be transferable to a similar job site within Nunavut. This listing should be updated on an annual basis, and is to be provided to the NIRB upon completion and whenever it is revised.
Relevant Baffinland Commitment	92
Reporting Requirement	The initial listing should be provided to the NIRB at least 60 days prior to the start of construction, and annually thereafter or as may otherwise be required.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 List of Training Programs
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.6.2 – 2025 List of Training Programs

METHODS

There are a number of qualifications that employees can obtain which would aid them for their work and their personal lives. The objective of these training programs is to upskill the trainees and provide them transferable skills to work at the Project, or to be able to apply to other careers and opportunities. An exhaustive list of training is provided in Appendix G.6.2.

Baffinland delivers training that is job specific, and all of which is subject to operational need. It is noteworthy that due to poor internet connectivity in some communities, employees who reside in the North Baffin Communities upon hire complete the full suite of training once they arrive on-site for their first employment rotation.

RESULTS

In 2025, Inuit training totalled 22,561 hours, equivalent to 34.9% of the total training provided by Baffinland.

TRENDS

Baffinland continues to provide training and certification to employees as required. Future plans focus on new training programs and certifications that will allow more Inuit to become employed in meaningful and long-term careers at Baffinland.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to monitor and evaluate training programs to ensure that training is effective and offers employees the opportunities to advance in their chosen careers and to develop transferable skills. New initiatives and programs are being considered to enhance the subject matter of training as well as enhance the support that is offered by Baffinland Management to Project employees.

Baffinland continues to work with contractors to ensure Inuit content in the form of training opportunities and to explore new skills development initiatives. Training programs are expected to continue to evolve at the Project as the operation advances, employment increases, and feedback from Inuit employees is considered.

Baffinland also recognizes that the GN has developed a Mine Training Strategy that may provide additional opportunities for prospective or current Inuit employees to receive additional training. As the Mine Training Strategy is implemented Baffinland will work with the GN to find mutual opportunities and report on any outcomes in future annual monitoring reports. Baffinland has also contributed funding to the Regional Centre which is expected to be completed in Pond Inlet in 2026. It is expected to offer additional opportunities to Nunavummiut.

Project Certificate Term and Condition No. 138

Category	Education and Training - Inuit employee training
Responsible Parties	The Proponent, Qikiqtani Inuit Association (QIA)
Project Phase(s)	Construction
Objective	Working together with the QIA to prepare effective training programs developed specifically for Inuit will assist in employee preparedness and may improve employee retention.
Term or Condition	The Proponent is encouraged to work with the QIA to ensure the timely development of effective Inuit training and work-ready programs.
Relevant Baffinland Commitment	92
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Not Active
Status of Compliance	In Compliance
Stakeholder Review	Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	Not Applicable
Ref. Document Link	Not Applicable

METHODS

Baffinland and Qikiqtani Inuit Association (QIA) are continuing to support the Mary River Impact and Benefit Agreement (IIBA) implementation with the Qikiqtani Skills and Training for Employment Partnership (Q-STEP) Inuit Training and Development Program. Funded by the Government of Canada, and with financial and in-kind supports from Baffinland, this initiative focuses on pre-trades instruction and related training and employment initiatives for apprenticeships at the Mary River Project. The funding is providing support for expenses relate to training, such as wages, accommodations, and travel. This program began in February 2022, and it is scheduled to continue to March 31, 2028. The target is to hire and maintain eight (8) Inuit apprentices in various trades, with the end goal that apprentices complete training and advance in their careers in mining industry trades.

Baffinland continued working in collaboration with QIA, to identify candidates for training opportunities and for Inuit to gain skills and competencies to secure employment with Baffinland. This program is designed to prepare Inuit for employment both at the Project and in the community and to gain employment skills for future employment in the region through a number of training-to-employment initiatives.

RESULTS

Heavy Equipment Operator Training

As part of the Q-STEP program, two (2) Baffinland employee were registered in 2025 to attend heavy equipment training program (excavator) offered at Morrisburg in collaboration with QIA. One employee successfully completed the program. A second potential candidate became unreachable and could not start the program.

Apprenticeship Program

Baffinland continued to offer apprenticeship training in 2025. As of December 31, 2025, there were eight (8) registered Inuit apprentices at Baffinland. Of this number two (2) are first year apprentices, one (1) are second year apprentices, one (1) is a third-year apprentice and four (4) are fourth year apprentices., as summarized in Table 4.34.

Table 4:34: Apprentices at Baffinland in 2025

Number of Apprentices	Level of Training	Occupation
2	Year 1 Apprentice	Heavy Equipment Service Technician
1	Year 2 Apprentice	Machinist
1	Year 3 Apprentice	Housing Maintainer
1	Year 4 Apprentice	Industrial Electrician
3	Year 4 Apprentice	Heavy Equipment Service Technician

During 2025, a total of five (5) apprentices attended block training:

Trade	Year	Period	Result
Electrician	4	Apr-Jun	Passed – obtained Red Seal
	3	Sept-Nov	Passed
Heavy Equipment Technician	3	Jan-Feb	Passed – obtained Red Seal (off-road)
	2	Mar-Apr	Passed
	3	Sept-Oct	Passed – obtained Red Seal (off-road)
Housing Maintainer	2	Sept-Nov	Passed

TRENDS

In 2025, Baffinland apprentices completed over 13,428 training hours including on-the-job and technical training. Five (5) apprentices attended technical training, which is similar to 2024, with one apprentice completing two blocks in the same year. Baffinland is committed to its apprentices obtaining their Red Seal trade certificate, in 2025, three (3) apprentices (two heavy equipment technicians and one electrician) obtained a red seal certificate, which is the result of having completed their program – they are now qualified journeypersons and can practice their trade. The two heavy equipment technicians who obtained their red seal certificate will be completing their fourth block in 2026 and are expected to obtain a second red seal certificate.

RECOMMENDATIONS / LESSONS LEARNED

In 2025, Baffinland will look to work with QIA to ensure that an effective online WRP is developed to be able to continue to increase its labour pool and help prepare Nunavummiut to be ready for employment at its Mine Site and Milne Port locations.

Baffinland remains committed to supporting its current apprentices in achieving their Red Seal trade certifications and is actively exploring opportunities to expand the apprenticeship program through new hires and additional enrollments in 2026.

Project Certificate Term and Condition No. 139

Category	Education and Training - Hiring southern Canadians and foreign employees
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	With the unknown availability of labour from the North Baffin region and Nunavut as a whole to provide employment to the Project, the need to employ southern Canadians or foreign workers may implicate the Proponent's on-site language, cross-cultural awareness, and other programming. Having information available regarding the sourcing of labour for the Project is important to ensuring the Proponent and others are prepared for any influx of southern or foreign employees.
Term or Condition	Prior to commencing construction, the Proponent is requested to undertake and provide the results of a detailed labour market analysis which provides quantitative predictions of the number of employees that may reasonably need to be sourced from southern Canada and from foreign markets, identifying where applicable, the country of origin for the foreign labour. Within 90 days of the issuance of the Project Certificate, the Proponent is required to submit an updated Labour Market Analysis which considers requirements of the Early Revenue Phase as well as hiring points within Nunavut and outside of the North Baffin region and RSA.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Not Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	Qikiqtani Labour Market Analysis (NIRB Registry No. 291437, FHW Consulting, 2014b) Qikiqtani Labour Market Analysis (MiHR, 2021)
Ref. Document Link	Not applicable

METHODS

Baffinland ensures priority hiring for Inuit within the five (5) points of hire communities as well as the Qikiqtani region. Following this Inuit who are beneficiaries under the Nunavut Agreement and who reside anywhere else in Canada are priority hires. All Inuit employees who express interest are contacted, and their qualifications and skills are assessed against any open roles. Inuit who are qualified for roles are interviewed and if successful are offered career positions at Baffinland.

Baffinland and QIA undertake a triannual study of the Qikiqtani Labour Market. As per the last Qikiqtani Labour Market Analysis (QLMA) report completed by Mining Industry Human Resources Council (MiHR) in 2021, there are ongoing challenges in recruiting Inuit from the North Baffin region and Nunavut as a whole given the limited skillset available within Qikiqtani labour supply (MiHR, 2021). Limited numbers of semi-skilled and skilled qualified workers currently seeking work are available. Because of this limited availability of labour, Baffinland is required to employ southern Canadian workers at site to meet operational and business requirements.

When employing a workforce with significant southern Canadian representation it is important to ensure on-site language, cross cultural awareness, and other programming is available. Taking steps to ensure these are in place will increase communication and good working relations.

In 2025, Baffinland and QIA continued the Qikiqtani Labour Market Analysis (QLMA) work, including engagement to update labour market information relevant to the Project's points of hire communities.

RESULTS

The Labour Market Analysis review is conducted tri-annually. The three primary objectives of the targeted QLMA are:

- Complete a targeted Qikiqtani labour market analysis for points of hire communities (i.e., Arctic Bay, Clyde River, Igloolik, Pond Inlet, Sanirajak, and Iqaluit) to inform the development of the three-year Minimum Inuit Employment Goals;
- Analyze known barriers and identify any additional barriers for recruitment of Inuit to work at the Mary River Project to inform the development of policy solutions to reduce and overcome those identified barriers; and,
- Examine the potential of the hidden labour market identified in the 2021 Labour Market Analysis, including which segments are not working, why they are not working, and what could be done to incentivize them to work at the mine.

The QLMA report aims to provide key findings and insights on the segments of the population that are not currently participating in the labour market to gather insights through statistical information, as available, on those who are less likely to actively participate in the labour force, considering various groups such as students, the retired population, and people with disabilities. Review of different types of underemployment and insights into groups such as discouraged workers and marginally attached workers. The report will also include a set of recommendations that represent both the understanding of the present realities and the desired future outcomes from work readiness, to recruitment, and retention. The QLMA provides labour market context and constraints to inform planning discussions; MIEG targets are set through the IIBA governance process.

TRENDS

The QLMA is a critical resource when examining labour supply and demand. QLMA is to be completed triannually to provide an objective overview of the labour and skillset available.

RECOMMENDATIONS / LESSONS LEARNED

There are challenges in attracting workers in the Qikiqtani's unique and complex labour market. The main attractors to working full-time are financial and personal motivations such as supporting family members or purchasing equipment that will help with hunting such as snowmobiles, boats and All Terrain-Vehicles (ATVs) as well as rifles and ammunition. However, these attractors are challenged by factors such as earnings-based rent increases and the family impacts of a rotational work schedule.

Findings from the QLMA indicate that there is limited detailed understanding of what mining work involves and what employment opportunities there may be. Baffinland continues to offer the community-based work ready program. The updated work ready program is a 40-hour training program facilitated in the communities and addresses the following areas: self awareness, introduction to mining, essential skills for the workplace, money management and preparing for fly-in, fly-out. These improvements in the work ready training program prepare Inuit participants with

more employable and transferable skills. Baffinland employed Inuit Recruitment Coordinators within the impacted communities to assist Inuit candidates with resume writing and interviewing capabilities that incorporate traditional knowledge and skills.

Many of the barriers to Inuit employment stem from weak social infrastructure, notably lack of access to affordable child care, housing shortages, limited educational (elementary, secondary and post-secondary) levels and work-related training opportunities, social assistance dependency through rent rated to income, lack of equitable health services to address complex mental health and addiction issues, and barriers to obtaining a driver's license (often a requirement for employment).

Baffinland recognizes the importance of mental health both within and beyond the workplace. Alongside the Community Counsellors Program and the Employee and Family Assistance Program (EFAP), Baffinland maintains two on-site mental health counsellors and offers additional support services for employees. The on-site counsellors provide both mental health and social support services and often assist employees in navigating family and community-related challenges, reflecting the strong connection employees maintain with their home communities across the North Baffin region.

Skills gaps and cultural norms concerning career advancement can create barriers, suggesting that Inuit employees may need more encouragement to apply for advancement, particularly for supervisory positions and above. The timeframes and steps required to advance from an entry-level position upward can also pose challenges. Recognizing this, Baffinland has continued Career Path interviews with all Inuit employees to understand the individual employees' current career path interest and other opportunities as part of their career development. In 2025, Baffinland continued engagement with Inuit employees and established career development plans for Inuit employees.

Recognizing the importance of ensuring that language and cross-cultural awareness is provided to the total workforce, Baffinland has ensured this is addressed. 100% of employees who arrive at the Baffinland site are required to complete an extensive site orientation on their first day at site. One hour of this orientation provides cultural awareness training, provided to all employees, contractors and visitors on their first day of work.

Project Certificate Term and Condition No. 140

Category	Education and Training - Survey of Nunavummiut employees
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	Monitoring the number of employees who leave previous employment in their home communities or who leave some type of formal education in pursuit of employment with the Project is important to evaluate predictions made and the potential impacts to North Baffin communities and education rates.
Term or Condition	The Proponent is encouraged to survey Nunavummiut employees as they are hired and specifically note the level of education obtained and whether the incoming employee resigned from a previous job placement or educational institution in order to take up employment with the Project.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) Draft 2019 Socio-Economic Monitoring Plan (Baffinland, 2019h) 2025 Mary River Project Inuit Employee Survey Report (Aglu and ERM, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

To meet the objective of this requirement, Baffinland uses and reports against different monitoring methodologies:

- For Baffinland employees, Baffinland collects information from the application process: when a candidate applies to a job listing through Baffinland's online application system, the candidate is prompted to fill out employment and education details in their profile for the application to the respective role, including their current employment status, whether they are currently enrolled in an education program, and their highest level of education obtained. When the candidate is hired, this information is compiled and reported.
- Baffinland also regularly administers a voluntary Inuit Employee Survey, which is open to all Inuit workers at the mine site and Milne Port, in transport on LSA community flights to and from site, as well as in-community with assistance from the BCLOs. (Baffinland employees and contractors). This survey collects information on employee level of education obtained and whether the employee resigned from a previous job placement or educational institution to take up employment with the Project. The most recent survey was administered by Baffinland in October to December 2025 (results shown below in Table 4.35). Results from the Inuit Employee Survey are also provided, where relevant, in the Project's Socio-Economic Monitoring Reports.

Both methodologies provide information in line with the objective of the term and condition. Baffinland's online application system provides more robust information, however it is limited to direct employees. The Inuit Employee Survey asks relevant questions to both Baffinland and contractor Inuit employees.

RESULTS

Inuit Employee Survey

In 2025, Baffinland collected information for 187 Inuit applicants to job positions with the company, of which 39 were hired in 2025. Information on Baffinland's Inuit hired applicants' employment and education status is shown in Table 4.35 below.

Table 4:35: Employment and Education Status of Baffinland Inuit Hires

Pre-Employment Activities of Baffinland Inuit Hires	Number of Hires	Percentage of Hires
Are you enrolled in an education program (n=39)		
Yes	2	5%
Yes, but I am switching to virtual learning	1	3%
Yes, I am continuing my studies while working	2	5%
No	28	72%
Unknown	6	15%
Total	**39**	**100%**
Current Employment Status (n=39)		
Employed	13	33%
Unemployed	25	64%
Other (student)	1	3%
Unknown	-	-
Total	**39**	**100%**
Highest Level of Education (n=39)		
University	1	3%
College	5	13%
High School	5	13%
Completed Some High School	10	26%
Unknown	18	46%
Total	**39**	**100%**

Notes:
Some percentages may not add to 100% due to rounding.

In 2025, most Inuit hires were not enrolled in an education program prior to applying to Baffinland. Six (6) Inuit employees hired by Baffinland indicated they were currently enrolled in an education program; two (2) of these

employees reported continuing their studies while working, and one (1) reported switching to virtual learning. 33% of Inuit employees hired by Baffinland indicated they were currently employed at the time they applied to work with the company. Most (72%) hired Inuit applicants in 2025 had partially or fully completed high school, with 24% of hired applicants indicating that they have completed a college program, and only one (1) employee (5%) reported having a university education.

Inuit Employee Survey

In 2025, a total of 83 surveys were completed by Inuit employees and contractors, including respondents who indicated that they were hired within the past 12 months. Table 4.36 summarizes results on the education status of these survey respondents (hired within the past 12 months) prior to Project employment (n=21 and n=3).

Table 4:36: Employment Status Prior to Project Employment (2023 Inuit Employee Survey Results, respondents hired within the past twelve months)

Pre-Employment Status	Number of Respondents	Percentage of Respondents
Were you enrolled in an academic or vocational program at the time of your hire at the Mary River Project? (n=21)		
Yes	3	14%
No	18	86%
Total	**21**	**100%**
If yes, did you suspend or discontinue your education because you were hired to work at the Mary River Project? (n=3)		
Yes	1	33%
No	2	67%
Total	**3**	**100%**

Notes:
Some percentages may not add to 100% due to rounding.
Source: 2025 Inuit Employee Survey Report (Aglu and ERM, 2026b)

Table 4.37 summarizes results on the employment status of survey respondents prior to Project employment (n=31 and n=10).

Table 4:37: Employment Status Prior to Project Employment (2023 Inuit Employee Survey Results)

Pre-Employment Status	Number of Respondents	Percentage of Respondents
Did you resign from a previous job in order to take up employment with the Mary River Project? (n=31)		
Yes	12	55%
No	10	45%
Total	**22**	**100%**
If yes, what was your previous employment status? (n=12)		
Casual	2	17%
Part-time	1	8%
Full-time	9	75%
Total	**12**	**100%**

Notes:
Source: 2025 Inuit Employee Survey Report (Aglu and ERM, 2026b)

TRENDS

It is important to consider that trends are influenced by the type and requirements of roles that Baffinland is hiring for in a particular year and the related labour market, and that 2022 was the first year Baffinland was able to report on Inuit applicant information related to current employment and educational program status.

As shown in Figure 4.14, the proportion of hired Inuit applicants who indicated they were employed at the time of application in 2025 is relatively similar to 2022 and 2023, following a spike in 2024. The proportion of hired Inuit applicants who were enrolled in an education program at the time of applying to work with the Project increased from all previous years. However, this represents an increase from two (2) to five (5) individuals, three of whom in 2025 were continuing their studies while working or switching to virtual learning. In 2025, one employee was continuing their studies while working.

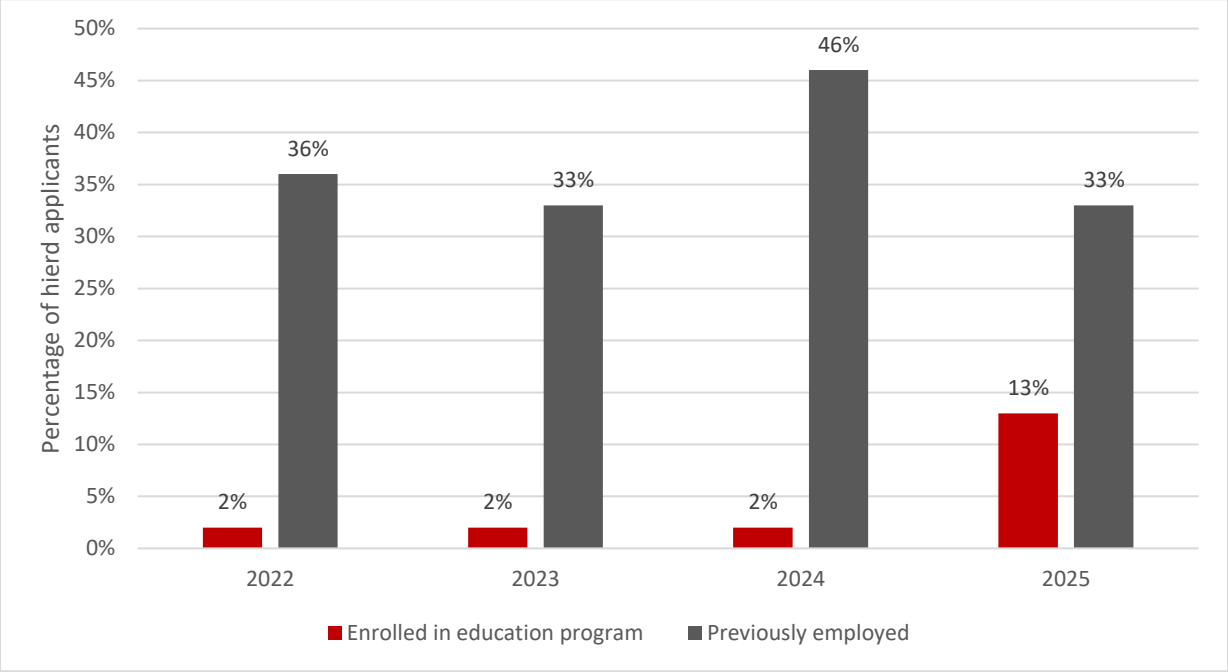


Figure 4:14: Proportion of hired Inuit applicants enrolled in an education program or employed at time of application (2022 – 2025)

These trends in data collected by Baffinland's Human Resources Department are similar to those reported in the Inuit Employee Survey, for both employment and education activities. However, in the 2025 Inuit Employee Survey, 52% of respondents hired within the past 12 months indicated that they resigned from a previous job to take up employment at the Project, an increase from 2023 (32%) and 2022 (22%).

In general, there are no significant trends in levels of educational attainment for Inuit employees reflected in either Human Resources data or responses to the Inuit Employee Survey. Most Inuit employees report having a high school diploma or lower level of education, followed by those with college or apprenticeship certifications and diplomas, with a very small proportion and number of employees reporting having a university education.

Baffinland will continue to track employee education and pre-employment status through an Inuit Employee Survey and data collected by Human Resources to see if additional trends emerge.

Baffinland will continue to track employee education and pre-employment status through an Inuit Employee Survey and data collected by Human Resources to see if additional trends emerge.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to collect information from applicants on pre-employment activities and administer the Inuit Employee Survey on a regular basis.

Project Certificate Term and Condition No. 141

Category	Education and Training - Training of Inuit
Responsible Parties	The Proponent, Qikiqtani Inuit Association
Project Phase(s)	Construction
Objective	To ensure that effective training is available in a timely manner.
Term or Condition	The Proponent is encouraged to work with the Qikiqtani Inuit Association prior to construction in order to prioritize the provision of training of Inuit to serve as employees in monitoring or other such capacities.
Relevant Baffinland Commitment	92
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Not Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association (QIA)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.6.1 2025 Socio-Economic Monitoring Report

METHODS

Baffinland continues to work collaboratively with the QIA to promote Inuit training, education, and employment initiatives, consistent with provisions of the 2018 Inuit Impact and Benefit Agreement. This work occurs through IIBA committees such as:

- The Joint Executive Committee; and
- Employment and Contracting Committees.

Inuit training and employment initiatives addressed through the IIBA include:

- Apprenticeship Program (not mentioned specifically in the IIBA, but apprenticeship training is identified as a potential program);
- Work Ready Program;
- Summer Student Employment;
- Inuit Internship Program;
- Achievement Awards and Scholarships; and
- Baffinland Inuit Training Centre.
- Baffinland and QIA are continuing to support IIBA implementation with the Qikiqtani Skills and Training for Employment Partnership (Q-STEP) Inuit Training and Development Program. Funded by the Government of Canada, and with financial and in-kind supports from Baffinland, this initiative focuses on pre-trades instruction and related training and employment initiatives for apprenticeships at the Mary River mine site. The funding is providing support for expenses related to training, such as wages, accommodations, and travel. This program began in February 2022, and is scheduled to continue to March 31, 2028. The target

was to hire and maintain 16 Inuit apprentices in various trades, with the end goal that apprentices complete training and advance in their careers in mining industry trades.

- As part of the commitment under the IIBA, in particular Article 7.15 Retention, Advancement, and Career Development, the Training and Inuit Success Team along with the Human Resources team works with Inuit team members to have discussions on advancement opportunities (Career Paths). These Career Development Plans discussions assist with mapping out a path to career progression. Baffinland has also developed and delivered an Inuit Leadership Development Program called Aulattijiit for existing and emerging leaders.

RESULTS

Detailed information on training programs is provided in responses to Term and Condition No. 136, 137, and 138 as well as in the 2025 SEMR (Aglu and ERM, 2025).

TRENDS

Detailed information on training programs is provided in responses to Term and Condition No. 136, 137, and 138 as well as in the 2025 SEMR (Aglu and ERM, 2025).

RECOMMENDATIONS / LESSONS LEARNED

While this condition was met for the construction period for which it applied, Baffinland recognizes the need to institute training programs at early stages to ensure Inuit are equipped with the necessary skills to take advantage of employment opportunities at the Mary River Project. The Mary River IIBA and Inuit Human Resources Strategy outline several initiatives Baffinland is undertaking to advance Inuit training and employment. The success of Inuit training and employment initiatives will continue to be tracked through Baffinland's Socio-Economic Monitoring Reports and IIBA Implementation Reports provided to QIA.

4.7.3 Livelihood & Employment (PC Terms and Conditions 142 through 147)

The Project provides direct and indirect employment opportunities to residents of the five (5) North Baffin communities and Iqaluit, as well as Nunavummiut in general.

Six (6) PC Terms and Conditions relate to potential impacts of the Project on livelihood and employment. The conditions identify actions that Baffinland and other parties (the GN, QIA and the Nunavut Housing Corporation) should undertake to remove barriers to employment of Inuit, including those barriers faced by Nunavummiut with limited or no previous wage employment experience; women; those living in social housing (the majority of Nunavummiut); and unilingual candidates.

The IIBA outlines the commitments Baffinland has made to ensure the North Baffin communities benefit from employment opportunities of the Project. Baffinland and QIA also establish annual Minimum Inuit Employment Goals (MIEGs) to set a target for Inuit employment and to outline the actions that need to be taken to meet it. Both parties worked together to develop 3-year MIEGs for all skill categories (i.e., Unskilled (Entry-level), Semi-Skilled, Skilled, Professional, Management) which were in place until 2025.

Baffinland and QIA initiated the development of an Inuit Human Resources Strategy (IHRS) in 2016. The IHRS was finalized with QIA in 2017. In 2019, Baffinland developed the Inuit Success Team. This team ensures Inuit success at Baffinland by directly interacting with all Inuit working at Baffinland. The team encourages Inuit to access available on-site and community-based training opportunities as well as ensures Baffinland continues to develop and retain Inuit employees.

Inuit & Stakeholder Feedback

Discussions around livelihood and Project-related employment opportunities continue to be a key focus of the comments provided by community members and other stakeholders during public meetings. Employment impacts and/or opportunities is a common topic discussed in SEMWG meetings.

Monitoring

Baffinland tracks and reports on Inuit employment levels reached each year. This information is presented in quarterly and annual IIBA reports to the QIA, and annually in the Mary River Socio-Economic Monitoring Report (SEMR). Furthermore, Baffinland has provided information on potential barriers to employment for women in the 2025 SEMR for the Mary River Project. This includes indicator data on hours worked by female employees and contractors, and information on childcare availability and costs. Table 4.38 provides an evaluation of the Project's impacts on employment, relative to predictions presented in the FEIS.

In 2025, the Project continued to generate substantial wage employment for LSA residents. The generation of 234,876 employment hours for North Baffin LSA Inuit (Baffinland and contractor) is greater than the FEIS prediction of 230,000 hours. The 119,287 employee hours generated by Inuit in Iqaluit is also greater than the 112,000 hours predicted in the FEIS. Combined, the 354,163 hours for the North Baffin LSA and Iqaluit, consistent with predicted 342,000 hours.

Table 4:38: Livelihood and Employment Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Wage Employment	Employment of LSA residents	In 2025, the Project continued to generate substantial wage employment for LSA residents. The generation of 234,876 employment hours for North Baffin LSA Inuit is greater than the FEIS prediction of 230,000 hours, while the 119,287 hours in Iqaluit is also greater than the 112,000 hours predicted in the FEIS. Combined, the 354,163 hours worked by LSA residents in 2025, consistent with the predicted 342,000 hours.	Positive effects consistent with FEIS predictions
	Creation of indirect jobs within the LSA	Spending on Inuit businesses is an indicator of potential indirect employment. Since Project development, more than $2.5 billion in contracts have been awarded to Inuit Firms. The value of contracts awarded to Inuit Firms was more than $66.1 million in 2025. Furthermore, the Project created 3,813,736 hours of labour opportunity in 2025, much greater than the predicted 900,000 hours.	Positive effects consistent with FEIS predictions
Job Progression and Career Advancement	Expanded employment and career development options	In 2025, Baffinland continued providing training and skills development opportunities to Inuit. This included more than 22,561 hours of training for Inuit in various training programs. Eight (8) Inuit apprentices were also employed by Baffinland, and four (4) interns were hired in 2025. Over 265,000 hours of training have been provided to Inuit since Project development. 11 Inuit were promoted in 2025.	Positive effects consistent with FEIS predictions

Path Forward

Baffinland will continue to monitor Inuit employment levels at the Project for future trends. Reporting on each PC Term and Condition follows.

Project Certificate Term and Condition No. 142

Category	Livelihood and Employment - Employee Cohesion
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To promote cohesion between employees on site, and between employees and their families.
Term or Condition	The Proponent is encouraged to address the potential direct and indirect effects that may result from Project employees' on-site use of various Inuktitut dialects as well as other spoken languages, specifically paying attention to the potential alienation of some employees that may occur as a result of language or other cultural barriers.
Relevant Baffinland Commitment	105
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association (QIA)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) 2025 Mary River Project Inuit Employee Survey Report (Aglu and ERM, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

Although the working language at the work sites is English, Baffinland supports the principle of increased use of Inuktitut in the workplace over the lifetime of the Project. As an operating mine in Nunavut, Baffinland must also comply with the *Inuit Language Protection Act*. In 2020, the updated *Inuktitut in the Workplace Policy*, which was revised with QIA as part of the work completed by the Inuit Impact and Benefit Agreement (IIBA) Employment Committee, was rolled out at the Project sites.

As such, Baffinland has implemented the following considerations throughout the employment lifecycle in order to proactively address direct and indirect effects:

- In order to ensure that ability to access opportunities is not impacted by language, Baffinland integrates language consideration throughout its recruitment, employment and training processes. An Inuktitut language portal is available in the Baffinland job search database, which allows job seekers to read job descriptions in Inuktitut. In addition to this, Inuit are able to apply/send in resumes in both English and/or Inuktitut. Baffinland also includes Inuktitut-speaking instructors for the Work Ready Program (WRP) offered in LSA communities, including Iqaluit.
- Baffinland is committed to providing translation in the dialect required to ensure that every employee is able to fully understand materials and documents. All staffing documents and processes, including notices, applications and interviews, are available in and can be completed in Inuktitut. Baffinland employs three full-time translators, and Inuit Success Team Facilitators, Human Resources Advisors and Cultural Advisors are available for ongoing support in Inuktitut and interpretation/translation services as required. Pursuant to

the IIBA, Baffinland provides Inuit employees with access to professional career counselling and professional counselling for personal issues on an as-needed basis.

- To address potential health and safety effects of language use at the Project sites', as well as other effects, such as potential alienation of employees, Baffinland applies its *Inuktitut in the Workplace Policy*, which outlines the Company's position in respect to support for the use of Inuktitut at all Project sites in Nunavut and ensures that a lack of proficiency in English will not be a barrier to Inuit employment, subject to considerations of health and safety. Critical risk programs such as the Field Level Risk Assessment Process and the Life Saving Rules have been translated into Inuktitut to assist with the comprehension of critical risk control.
- At the mine site, for both health and safety considerations as well as to promote inclusivity, Baffinland works to reduce barriers associated with language through increased use of bilingual (English and Inuktitut) signs and documents, with the use of graphics and symbols where possible. All safety materials, policies, directives and public postings are available in both English and Inuktitut. Baffinland also provides translation and interpretation services as necessary, including at certain meeting and presentations to ensure respectful, transparent dialogue, and understanding. In any instance where language is a barrier for any employee, Baffinland is committed to using best efforts to provide translation in the dialect required to ensure that every employee is able to fully understand materials and documents. Article 11.4 (Inuktitut in the Workplace) of the IIBA also specifically addresses the topic of Inuktitut in the workplace. The *Inuktitut in the Workplace Policy* has been in place since 2013. In 2019, Baffinland worked with the QIA to update the Policy, which is currently implemented at Site. Progress in adherence to the policy is tracked in the IIBA Annual Implementation Report and is further discussed at the Employment Committee.
- Baffinland is proactive in addressing any potential language or cultural barriers. To address potential alienation of employees that may occur as a result of language or other cultural barriers, Baffinland uses a variety of activities and programming that promotes the use and awareness of Inuktitut and Inuit culture on site for all staff, including:
    - Inuit Cultural Engagement Workshops: these workshops are provided to all employees at the project and which share information on Inuit history, customs and traditions, and language;
    - Cultural Awareness Employee Orientation Program: this cultural awareness training is completed by Baffinland employees and contractors during site orientation (excluding short-duration visitors) along with more robust training provided to employees in 2025 at both site and head office
    - Inuktitut lessons, which are delivered by site-based Cultural Advisors; and
    - Country food cooking classes, and providing country foods on site.
- Baffinland has also revised its Mission, Vision and Values statements in direct alignment with Inuit Societal Values.

RESULTS

Baffinland monitors Inuit employee and contractor's use of Inuktitut through the Inuit Employee Survey. In the most recent Inuit Employee Survey in 2025, when asked what language they speak, most of the 82 question respondents (78%) indicated that they speak both Inuktitut and English. Ten (10) respondents (12%) indicated that they were unilingual Inuktitut speakers, eight (8) respondents indicated that they did not speak Inuktitut (10%), and two (2) respondents reported speaking French (2%) (Aglu and ERM, 2026b).

TRENDS

2022 was the first year that a question on language was included in the Inuit Employee Survey. Compared with previous years, the proportion of respondents who spoke only one language (English or Inuktitut) increased in 2025. In 2022 and 2023, 4% and 5% of respondents, respectively, reported speaking only Inuktitut, compared to 10% in 2025. The proportion of English-only speakers also increased slightly to 10% in 2025, from 9% in 2023 and 2% in 2022 (Aglu and ERM, 2026b; Aglu and ERM, 2024).

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to monitor trends through the annual Inuit Employee Surveys.

Project Certificate Term and Condition No. 143

Category	Livelihood and Employment - Employee family contact
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To enable and foster connection and contact between employees and family members.
Term or Condition	The Proponent is encouraged to consider the use of both existing and innovative technologies (e.g., community radio station call-in shows, cell phones, video-conferencing, Skype, etc.) as a way to ensure Project employees are able to keep in contact with family and friends and to ward off the potential for feelings of homesickness and distance to impact on employee retention and family stability.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	As needed
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Internet and telephone access continues to be available free of charge to employees in the accommodation rooms at site, and in some common areas. If the individual has a phone, tablet or laptop they may use the wireless internet to connect their devices and communicate with friends and family via audio or video applications, in the privacy of their own room or common areas. Bandwidth and utilization levels may limit the use of some applications.

Internet and Communication Facilities

Baffinland recognizes the importance of facilitating effective communication between our workforce and their families, particularly given the remote nature of our operations. We continuously strive to improve our communication methods and provide convenient access to internet and telephone services for our employees.

Wireless Internet Access

Enhanced internet access and telephone access is available free of charge to employees in the accommodation rooms at site, as well as in some common areas. Individuals with phones, tablets, or laptops can connect their devices to the wireless internet to communicate with friends and family via audio or video applications, either in the privacy of their own rooms or in designated common areas. It is important to note that bandwidth and utilization levels may occasionally limit the use of some applications.

Desktop Computers and Private Offices

In addition to personal devices, employees also have access to desktop computers onsite, ensuring that those who may not have their own devices can still utilize internet-based communication tools. These desktops are available for use whenever needed, providing further flexibility for individuals.

Furthermore, private offices are accessible to employees both at the Mine Site and the Milne Port. These offices offer a quiet and private space for individuals to conduct video calls or other communication activities, ensuring confidentiality and convenience.

Communication Platforms

While various communication platforms such as Webex, Zoom, WhatsApp, Facebook Messenger/Calling, and Viber are utilized onsite. We have observed improvements in communication with the implementation of Baffinland's new Star Link internet service, particularly for Webex and Zoom video calling.

Overall, Baffinland remains dedicated to providing reliable and accessible communication facilities for employees, supporting their well-being and connectivity with their families.

RESULTS

Access continued to be available to employees as described above throughout 2025.

TRENDS

Ongoing monitoring of bandwidth and utilization continued during 2025.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 144

Category	Livelihood and Employment - Requirements for employment
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To ensure that the prerequisites and requirements for employment are clear and well known in work readiness programs.
Term or Condition	The Proponent is encouraged to make requirements for employment clear in its work-readiness and other public information programs and documentation, including but not limited to: education levels, criminal records checks, policies relating to drug and alcohol use and testing, and language abilities.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Job postings identify employment prerequisites and requirements, as do Baffinland Community Liaison Officers (BCLOs) when individuals drop off their resumes at their local offices. Employment prerequisites and requirements are also made clear to potential employees during Work Ready Program (WRP) training (general) and pre-screening interviews (specific). Ongoing requirements (background check, and medical) are included in the employment agreement that new employees receive and sign. Between the various channels, all the listed prerequisites and requirements as listed in Project Certificate Term and Condition No. 144 are effectively communicated to potential employees.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland is continuously seeking ways to increase Inuit employment in the Project and to provide relevant and meaningful training opportunities for local community members.

Project Certificate Term and Condition No. 145

Category	Livelihood and Employment - Barriers to employment for women
Responsible Parties	The Proponent, Government of Nunavut, members of QSEMC
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To monitor and understand the existence of barriers to employment for women specifically relating to childcare availability and costs.
Term or Condition	The Proponent is encouraged to work with the Government of Nunavut and the Qikiqtaaluk Socio-Economic Monitoring Committee to monitor the barriers to employment for women, specifically with respect to childcare availability and costs.
Relevant Baffinland Commitment	43, 45
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) 2025 Mary River Project Inuit Employee Survey Report (Aglu and ERM, 2026b)2024 Engagement Records 2025 Engagement Records
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal/ Appendix B.1 – 2025 Engagement Records Appendix G.6.1 – 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) Appendix G.6.2 – 2025 List of Training Programs

METHODS

Baffinland has provided information on potential barriers to employment for women in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026b). This includes indicator data on hours worked by female employees and contractors, and some information on childcare availability and costs. Furthermore, specific reference is made in the Mary River Project IIBA to Inuit women's access to employment (Article 7.17) and affirmative steps for attracting female employees (Article 11.5; which acknowledges Inuit women entering non-traditional occupations can face barriers related to skill levels and discrimination). Actions identified in Article 11.5 include:

- The Company shall develop an affirmative action plan that sets out measurable goals and procedures to monitor compliance with government employment equity legislation and any harassment policies.
- The Company and a designated Inuit organization shall develop and locate training programs developed specifically to attract women who may want to work at the Project.
- The Company and a designated Inuit organization shall develop and implement gender sensitivity training programs.
- The Company shall provide for appropriate accommodations and facilities for female Inuit employees.

Baffinland is committed to Inuit employment through all phases of the Mary River Project. This includes providing equal opportunity for both Inuit women and men. In this regard, Article 7.17 of the amended IIBA places special emphasis on the promotion of Inuit women's access to employment opportunities in the Project workforce and upon the development of policies, strategies, and procedures targeted at women's employment.

Since 2022, efforts under the Arnait Action Plan have focused on advancing existing work to reduce employment barriers and support Inuit women in the workforce. Ongoing engagement with women employees informs an improved understanding of current challenges and opportunities, with strategies and actions regularly reported to the Employment Committee.

RESULTS

Table 4.39 presents the hours (and percentage of hours) worked by women and men on the Project in 2025. 333,957 hours (or 12.2% of total hours worked on the Project) were worked by women, which is 105,545 hours less than documented for 2024. This is attributed to the lower production in 2025. As a percentage of the workforce, Inuit women represented approximately 33% of the Inuit workforce (which is slightly down from 34% in 2024), and non-Inuit women represented 8% of the non-Inuit workforce (which is steady from 2024). When looking at the ratio of female vs. male employment at site for Inuit and non-Inuit employees, the percentage of hours worked by Inuit women exceeded that for non-Inuit women in 2025.

Table 4:39: Hours Worked by Project Employees and Contractors by Ethnicity and Gender (2025)

	Hours Worked	FTE	% of 2025 Total
Inuit			
Male	320,993	147	11.8%
Female	156,182	72	5.7%
Non-Inuit			
Male	2,073,287	949	96%
Female	177,775	81	6.5%
All Ethnicities			
Male	2,394,280	1,096	87.8%
Female	333,957	153	12.2%
Total	**2,728,236**	**1,249**	**100.00%**

Women in mining have been under-represented over the last five (5) years, representing 17% of the Canadian workforce in 2023 (MiHR, 2024). Inuit women are less likely than non-Indigenous women to be employed in Canada (Statistics Canada, 2022). The 2021 census reported that Inuit women in Nunavut had an employment rate of 43%, compared to 84% for non-Indigenous women (Statistics Canada, 2022)

Appropriate community-level indicator data are currently unavailable for the topic of childcare availability and costs. As such, this topic continues to be tracked and discussed through informal discussions aligned with GN-Baffinland Memorandum of Understanding (MoU) priorities, QSEMC process, community engagement conducted for the

Project, and through the Inuit employee survey that is typically administered on an annual basis. Employment levels can be influenced by many factors, including the existence of barriers faced by certain demographic groups. The Arnait Action Plan committee has identified that inadequate access to childcare in the LSA may be creating some barriers to increased employment of women at the Project. However, new employment opportunities created for women in the LSA resulting from the Project should be acknowledged. Baffinland has also developed, or has committed to developing, several measures that encourage Inuit female employment and retention at the Project. Goals and priorities in this area were finalized with the QIA in the IHRS and through renegotiation of the IIBA in 2018. The success of IIBA and IHRS initiatives will continue to be tracked by Baffinland.

Baffinland continues to strive for the inclusion of Inuit women in its annual training programs. In 2025, training completed by Inuit women represented an approximate 15.1% - or 3,412 hours – of total training hours completed by Inuit (i.e., 22,561 hours).

TRENDS

As indicated in Figure 4.15, there were 72 female Inuit Full-Time Equivalents (FTEs) in the workforce in 2025 (Baffinland and contractor employees), slight decrease from 83 in 2024. Female Inuit employment as a percentage of the total Inuit workforce and entire workforce (i.e., Inuit and Non-Inuit) was 33% and 8%, respectively.

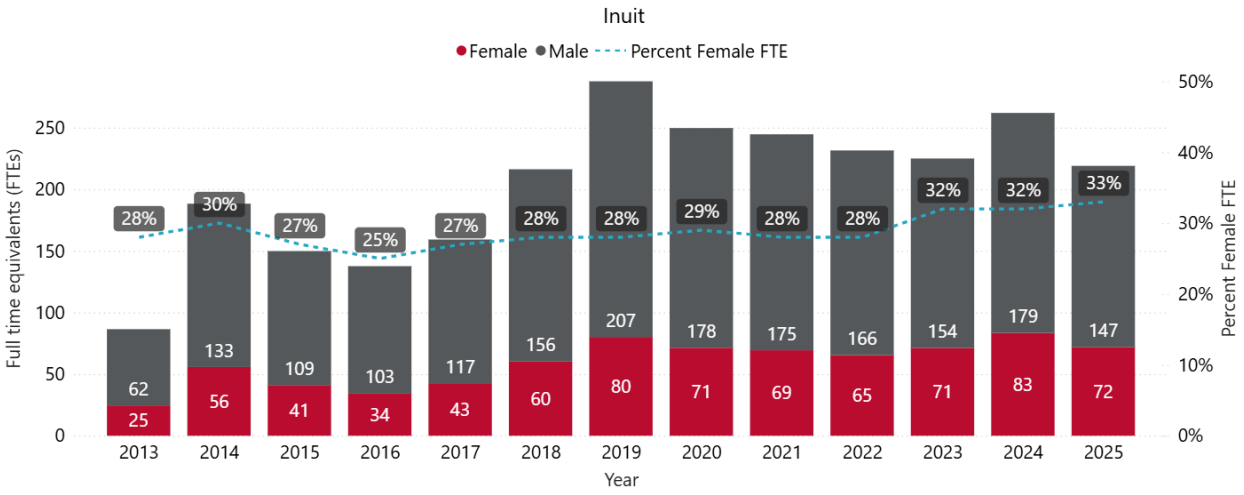


Figure 4:15: Baffinland and Contractor Inuit FTEs by Gender

Note:
Values may not add up due to rounding.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to provide information related to potential barriers to employment for women through its Socio-Economic Monitoring Reports. However, appropriate community-level indicator data are currently unavailable for the topic of childcare availability and costs.

Baffinland engages with the GN on employment topics through the SEMWG and QSEMC as well as the MoU signed in 2019. Baffinland remains open to discussions with the GN and members of the QSEMC on the subjects of female employment and access to child care, including discussions on how improved monitoring data may be obtained.

Project Certificate Term and Condition No. 146

Category	Livelihood and Employment - Availability of childcare for Project Employees
Responsible Parties	Government of Nunavut and Qikiqtani Inuit Association
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To lessen the barriers to employment as relating to the availability of childcare.
Term or Condition	The Government of Nunavut and the Qikiqtani Inuit Association are strongly encouraged to investigate the possibility for Project revenue streams to support initiatives or programs, which offset or subsidize childcare for Project employees.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	Not Applicable
Stakeholder Review	Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

This PC Term and Condition is not directed at Baffinland.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 147

Category	Livelihood and Employment - Affordability of housing
Responsible Parties	The Proponent, Government of Nunavut and Nunavut Housing Corporation
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To lessen the barriers to maintaining employment as relating to the availability and costs of housing.
Term or Condition	The Proponent is encouraged to work with the Government of Nunavut and the Nunavut Housing Corporation to investigate options and incentives which might enable and provide incentive for employees living in social housing to maintain employment as well as to negotiate for and obtain manageable rental rates.
Relevant Baffinland Commitment	43
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Government of Nunavut (Nunavut Housing Corporation; Community and Government Services; Economic Development and Transportation); Mary River Socio-Economic Monitoring Working Group (SEMWG); Qikiqtani Socio-economic Monitoring Committee (QSEMC)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a)
Ref. Document Link	https://baffinland.com/document-portal/ Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

In 2014, the Nunavut Housing Corporation (NHC) implemented changes to the Public Housing Rent Scale that were intended to reduce disincentives to employment, support the goals of poverty reduction, and make the calculation of rents fairer for tenants. Public Housing rent is now assessed based on the total gross income(s) of only the one or two Primary Tenants in the unit, and is based on an annual assessment of income. To reduce an abrupt and significant increase in rent after gaining new employment, the new Public Housing Rent Scale limits rent increases to 25% of the new rent assessed per year until the rent asses total is reached.

Baffinland continues to regularly discuss housing with the QSEMC and SEMWG, of which the Government of Nunavut (GN; including Nunavut Housing Corporation) is an active participant. Baffinland and the Government of Nunavut also maintain a Memorandum of Understanding (MoU) that highlights priority areas for potential collaboration. This MoU provides a venue for any GN Department or Agency, including Nunavut Housing Corporation (NHC), to approach Baffinland with proposals relevant to their mandates, including housing. Baffinland will always remain open to any discussions related to housing the GN and NHC wishes to have.

Baffinland delivered basic financial literacy training to North Baffin community members through the in-community Work Ready Program (WRP) in 2025. Financial literacy training delivered through the WRP included budgeting that consider housing and rent, as well as provided explanation of financial loans.

RESULTS

Not applicable

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to engage and discuss housing-related issues through the SEMWG in 2026.

4.7.4 Economic Development, Self-Reliance, and, Contracting and Business Opportunities (PC Terms and Conditions 148 through 152)

Five (5) PC Terms and Conditions relate to the potential impacts of the Project on economic development and self-reliance, and contracting and business opportunities. The objectives of the conditions are to: encourage Baffinland to investigate what measures the Proponent could take to encourage home ownership; promote the contracting of Inuit firms by contracting with smaller work packages; undertake collaborative monitoring with regional agencies to evaluate the Project's interactions with harvesting and food security; outline measures to minimize impacts on park users; and to complete an assessment of the risk presented by temporary mine closure on local employment and economic development.

Inuit & Stakeholder Feedback

With respect to economic development, local communities, the QIA, the GN, and the federal government are all key stakeholders. As with employment, Inuit and other stakeholders are interested to see the Project enhance economic development in the Region. Commitments and contracting guidelines are contained in the IIBA to encourage contracting of Inuit firms.

Monitoring

Baffinland tracks and reports on the amount spent on contracting with Inuit firms each year and on LSA payroll amounts. Baffinland has also presented information on Project harvesting interactions and food security, resource and land use and household income. Some Project harvesting interactions are discussed, to the extent that data is available, in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a). Table 4.40 provides an evaluation of the Project's impacts on economic development and self-reliance, and contracting and business opportunities based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and FEIS Addendum.

Positive effects with respect to aspects of the economy in the North Baffin communities have accrued as a result of Project employment.

Path Forward

Baffinland and QIA signed an amended IIBA in 2018 (IIBA, 2018). Both continue to work collaboratively to improve Inuit business opportunities at the Mary River Project. Baffinland will continue to monitor and report on Project-related economic-development effects in future years. Reporting on each PC Term and Condition follows.

Table 4:40: Economic Development Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Land	Mine operation and ongoing construction activities causing increased industrial utilization of land, may affect harvesting and travel, or result in changes to how people engage in the land-based economy	In 2025, a total of 576 land use visitor person-days were recorded at Project sites, a 42.2% increase from 2024. The QIA's Inuit Stewardship Plan is intended to focus on land use monitoring, which will supplement Baffinland's existing programs.	Positive and negative effects consistent with FEIS predictions
People	Employment, training and contracting resulting in increased human capacity and well-being; opportunities for youth, improved education and training; and increased wealth and well-being	Baffinland's 2025 Socio-economic Monitoring Report presents 2025 training, employment, income, and contracting statistics, as well as investments in school-based initiatives and company donations. Taken together, this data indicates the Project has had a positive effect on skills and opportunities in the LSA.	Positive effects consistent with FEIS predictions
Community Economy	Employment of North Baffin residents resulting in an improved ability to achieve strategic community development objectives; increased wealth in community; increased local business opportunities	Employment monitoring and results are described in Section 4.7.3. Since Project development, the value of contracts awarded to Inuit firms has been more than $2.5 billion. In 2025, $66.1 million in contracts was awarded to Inuit Firms. Furthermore, Baffinland and contractor Inuit employee payroll totaled $27,698,701 million in 2025, an approximate decrease of $3 million from 2024. These amounts include all Inuit employees who lived inside and outside of Nunavut.	Positive effects consistent with FEIS predictions
Territorial Economy	Employment of Nunavut residents causing growth in the territorial economy. Expanded economic activity (Gross Domestic Product [GDP]) Increased diversity of territorial economy.	Impacts to the territorial economy consist of employment (Section 4.7.3) and contracting within Nunavut (see above), as well as corporate and payroll taxes, mineral royalties and IIBA payments (Section 4.7.8).	Positive effects consistent with FEIS predictions

Source: (Aglu and ERM, 2026a). (Aglu and ERM, 2026b).

Project Certificate Term and Condition No. 148

Category	Economic Development and Self-Reliance, and Contracting and Business Opportunities – Food security
Responsible Parties	The Proponent, Members of the QSEMC
Project Phase(s)	Construction and Operations
Objective	To improve understanding of the interactions between the Project and Inuit harvesting and how this relates to food security for residents of the North Baffin.
Term or Condition	The Proponent is encouraged to undertake collaborative monitoring in conjunction with the Qikiqtaaluk Socio-Economic Monitoring Committee's monitoring program which addresses Project harvesting interactions and food security and which includes broad indicators of dietary habits.
Relevant Baffinland Commitment	45
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) 2025 Mary River Project Inuit Employee Survey Report (Aglu and ERM, 2026b) Nunavut Food Security Strategy and Action Plan 2014-2016 (Nunavut Food Security Coalition, 2014) QIA Tusaqtavut Studies (QIA, 2019a; 2019b; 2021)
Ref. Document Link	Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

Baffinland monitors Project harvesting interactions and food security though the Socio-Economic Monitoring Plan. Some territorial (but not community-scale) government data, such as the Indigenous Peoples' Survey, are available on harvesting and food security in Nunavut and are presented in the annual Socio-Economic Monitoring Report. Appropriate indicator data at the community level are not yet identified for this topic, though Department of Fisheries and Oceans (DFO) narwhal harvesting records, Qikiqtaaluk Wildlife Board (QWB) caribou harvest data, and Nunavut Wildlife Management Board (NWMB) harvest limits may provide insight into this topic and should be evaluated with the MRSEMWG. As such, this topic continues to be tracked through the QSEMC process, community engagement conducted for the Project, and related information.

Other data related to this topic are presented in the report and include: percentage of population receiving social assistance, number of recorded land use visitor person-days at Project sites, and number of Wildlife Compensation Fund claims. Previous reports have included data on the proportion of tax filers with employment income and median employment income; however, updated data was not available for inclusion in the 2025 report.

To further monitor against this objective, especially in relation to food security, Baffinland has added relevant questions to the Inuit Employee Survey, including on whether total household income has been enough to meet

respondents' (and their families') needs since obtaining Mary River Project employment. In 2025, Baffinland also added a new question asking about proportion of employees' diet made up of country foods compared to store-bought foods. Baffinland also collects information related to employee's perspectives on ability to provide, health and well-being, and ability to participate in harvesting and land-based activities through the Inuit Employee Survey.

The Qikiqtani Inuit Association's 2019 and 2021 Tusaqtavut studies (QIA, 2019a; 2019b; 2021), supported by Baffinland under IIBA and Inuit Certainty Agreement (ICA) cost recovery provisions, reported baseline interactions with the existing Approved project and anticipated Phase 2 interactions, and including harvesting interactions, from interviewed Inuit participants in the North Baffin LSA communities. Community-level data collected through the focused studies, such as the QIA's Tusaqtavut Studies has also been included and reported in previous years' annual socio-economic monitoring reports.

RESULTS

Detailed results are presented in the Socio-Economic Monitoring Report across a range of indicators.

Harvesting and consumption of country food remains a valued and important part of Inuit culture and diet. Land use monitoring data presented in the SEMR suggest Inuit land use activities coexist with the Project, as local land users have continued to access Project sites since construction. Inuit employee harvesting is also permitted at the Project (subject to certain restrictions).

Stakeholder concerns expressed about Project effects on harvesting and wildlife are acknowledged. Various mitigation measures have been established by Baffinland to address effects on Inuit travel, camps, and harvesting. For example, Baffinland has contributed an initial $750,000 to a Wildlife Compensation Fund (administered by the QIA under the terms of the 2018 IIBA) to address the potential for wildlife-related impacts from the Project. Over the 2025 calendar year, there were four (4) claims submitted to QIA, two (2) of which were not eligible for payment from the WCF, and two (2) of which were still under review in 2026. Four (4) WCF claims made in 2024 were paid in 2025 for a total of $6,250. Additionally, Baffinland reported 11 wildlife mortalities related to project activities between April 2024 and March 2025. A payment of $5,361.38 was made to Mittimatalik Hunters and Trappers Organization for 6 of these mortalities in 2025, including four arctic fox, one arctic hare, and one arctic char. This represents a decrease in both total claims and funds disbursed compared to 2024 (8 claims and $129,467). The WCF Framework and Guidelines were reviewed from mid-2024 to early 2025, with the Guidelines updated in March 2025. The WCF application form was revised to ask more targeted questions and require the claimant to identify which category (or categories) of compensation they are applying for.

Further, as per Section 17.7 of the 2018 IIBA, each year the Company supplies each Inuk residing in Pond Inlet who is not less than twelve years old with 300 litres of gas to support harvesting activities.

Indigenous Peoples' Survey

Data on food security for Inuit in Nunavut was published in 2024, from the results of the 2022 Indigenous Peoples' Survey (IPS). The 2022 IPS contained some questions from the 2017 Aboriginal Peoples' Survey (APS) (the most recent year), as well as additional questions, including on food security. From the 2022 IPS, the majority of Inuit in Nunavut (76%) indicates some level of food insecurity (Statistics Canada, 2024). Over 55% of respondents indicated that they hunted, fished or trapped in the last year, and over 36% of respondents reported that they gathered wild plants (e.g. berries) in the last year.

Inuit Employee Survey

Table 4.41 below shows 2025 Inuit Employee Survey results on indicators related to food security, including harvesting ability.

Table 4:41: Food Security Indicators (Ability to Meet Needs, Harvesting Participation, and Food Security) (2025 Inuit Employee Survey Results)

Type of Change		Number of Respondents	Percentage of Respondents
Has your total household income been enough to meet your families' needs for transportation, food, housing, clothing, and other necessary expenses since obtaining Mary River Project employment? (Only check one box) (n=81)			
More than enough		8	10%
Enough		22	27%
Not enough		31	38%
Don't know		8	10%
Prefer not to answer		13	16%
Total		**82**	**100%**
How has your employment at the Mary River Project affected you and your family's ability to participate in harvesting or other land-based activities? (Only check one box) (n=78)			
It has greatly improved because of my employment		4	5%
It has improved because of my employment		19	24%
My employment has not affected our ability to participate in harvesting or other land-based activities		21	27%
It has worsened because of my employment		2	3%
It has greatly worsened because of my employment		0	0%
My employment has both positively and negatively affected our ability to participate in or other land-based activities		7	9%
I am unsure if the Project has affected our ability to participate in or other land-based activities		25	32%
Total		**78**	**100%**
Since working for Baffinland, how often have you and other household members worried that food would run out before you got money to buy more? (n=82)			
Often (Almost every month)		28	34%
Sometimes (Some months but not every month)		24	29%
Rarely (Only once or twice a year)		11	13%
Never		19	23%
Total		**82**	**100%**

Note: Some percentages may not add to 100% due to rounding. One respondent selected both "Enough" and "Not enough" on the question regarding adequacy of household income, both responses were included in the table above, which is why the total responses (82) does not equal the number of respondents (n=81). Percentages for these questions indicate percentage of respondents, not responses.
Source: 2025 Inuit Employee Survey (Aglu and ERM, 2026b)

There are positive indications that the Project contributes to improved household income and food security in the LSA. This has occurred by providing LSA residents with meaningful employment opportunities and through related contributions and initiatives. Baffinland also contributes to various community wellbeing initiatives directly (e.g. through the IIBA's Ilagiiktunut Nunalinnullu Pivalliajutisait Kiinaujat (INPK) Fund, school lunch program, in-kind donations of country foods and indirectly (e.g. through the QIA Legacy Fund and QIA Benefits Fund), which may assist individuals not directly benefiting from Project employment (Aglu and ERM, 2026a).

The Nunavut Food Security Coalition has outlined four components of food security (i.e. availability, accessibility, quality, and use) and factors affecting each component. Baffinland has acknowledged it can play a role in each of these food security components. However, the Coalition also highlights food security components "are influenced by many complex factors" and notes "this critical and complex issue is larger than the mandate of any one organization. A collaborative approach is essential." (Nunavut Food Security Coalition, 2014). Baffinland continues to make contributions to the components of food security through initiatives commensurate with its role as a regional mineral developer; Baffinland's role in each of the four food security components identified by the Nunavut Food Security Coalition is described in the Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

TRENDS

Where appropriate, trends have been described for the indicators assessed in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

Updated data on food security and harvesting across the territory has not been available since the 2022 Indigenous Peoples Survey, which was described in the 2024 Socio-Economic Monitoring Report (Aglu and ERM, 2025). This data indicated that a large proportion of Nunavut Inuit experience food insecurity, and that there has been an overall decrease in hunting, fishing and trapping across the territory since 2017 (Aglu and ERM, 2025).

Employment income can facilitate the purchase of food and other family goods, including those needed to participate in harvesting if desired. The 2025 Inuit Employee Survey results had 22 respondents (37%) indicating they had enough or more than enough total household income to meet their families' needs for transportation, food, housing, clothing, and other necessary expenses since obtaining Mary River Project employment.

This is a slightly lower proportion of respondents compared to the 2023 survey (42%). More respondents also indicated that their income was not enough in 2025 compared to 2023; however, many respondents to the 2025 survey indicated the high and rising cost of living (including food and housing) as challenges they experienced.

When asked about effect of Project employment on their and or their family's ability to participate in harvesting or other land-based activities, the majority of respondents (59%) reported that they were unsure (32%) or that there has been no effect on their or their family's ability to participate in harvesting or other land-based activities (27%). Nineteen (19) respondents (24%) reported that their ability to participate in land-based activities has improved, with four (4) respondents indicating a greatly improved ability (5%). This represents an improvement from 2023 where 21% of respondents indicated an improved ability and no respondents indicated a very improved ability. In 2025, two (2) respondents (3%) said their ability had worsened or very worsened, with no respondents indicating that their

ability had greatly worsened, also representing an improvement from 2023. A slightly increased proportion of respondents (9% in 2025, compared to 6% in 2023) reported variable effects. In the 2025 Inuit Employee Survey, the majority of respondents (77%) indicated some degree of food insecurity, with 19 respondents (23%) indicating that they were never worried that food would run out before they got money to buy more. This represents an improvement from 2023, where 89% of respondents indicated some degree of food insecurity, and only 11% of respondents said they were never worried about food running out. While 2025 responses still reflect a high degree of food insecurity, they are generally aligned with territorial levels of food insecurity.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland acknowledges Inuit and stakeholder concerns have historically been raised on this topic. However, relevant mitigation is in place (e.g. Wildlife Compensation Fund, Harvesters Enabling Program) and Baffinland continues to make contributions to the components of food security through initiatives commensurate with its role as a regional mineral developer. In addition, potential effects on wildlife resources continue to be tracked through Baffinland's environmental monitoring programs and the Terrestrial/Marine Environmental Working Groups (TEWG/MEWG) processes. Relevant sections of Baffinland's Annual Report to the NIRB should be consulted for monitoring results and information specific to these topics.

Baffinland will continue to monitor the topic of Project harvesting interactions and food security in its Socio-Economic Monitoring Report. However, appropriate community-level indicator data are currently unavailable for this topic. As such, this topic continues to be tracked through the QSEMC process, community engagement conducted for the Project, and related information. The addition of a specific question regarding food security to the Inuit Employee Survey have supported filling data gaps identified in previous Socio-Economic Monitoring Reports. However, interpretation of this data would be more effective in comparison to community-level data, which remains a significant gap. Baffinland raised the issue of lacking local data on food security at the 2025 QSEMC, and will continue with the QSEMC and MRSEMWG on how to improve monitoring data. Baffinland is open to discussing with the MRSEMWG and QSEMC how improved monitoring data may be obtained, which may include reporting wildlife harvest success under quota's each year for caribou and narwhal. As QIA administers the WCF, it is recommended that the QSEMC further investigate potential trends in data to support understanding accuracy of FEIS predictions on this topic.

Project Certificate Term and Condition No. 149

Category	Economic Development and Self-Reliance, and Contracting and Business Opportunities – Impacts of temporary closure
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To further the understanding of how a temporary closure may impact on the well-being of the residents and businesses of the North Baffin region.
Term or Condition	Prior to the commencement of operations, the Proponent is required to undertake an analysis of the risk of temporary mine closure, giving consideration to how communities in the North Baffin region may be affected by temporary and permanent closure of the mine, including economic, social and cultural effects and taking into consideration the potential drop in employment between the construction and operations phases of the Project.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Not Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Potential Effects of a Mine Closure (FHW Consulting, 2014b) Temporary Closure Planning: Socio-Economic Considerations for the Mary River Project (Jason Prno Consulting Services Ltd. [JPCSL], 2022)
Ref. Document Link	Not applicable

METHODS

Acknowledging the Project has evolved considerably since the 2014 submission of the previous closure planning report (FHW Consulting, 2014b). Baffinland conducted additional planning for socio-economic aspects of temporary closure in 2021. Baffinland engaged with the MRSEMWG and QSEMC community members on potential impacts and community and stakeholder concerns relating to the heightened risk of temporary closure in 2022.

In January 2022, Baffinland submitted the updated report 'Temporary Closure Planning: Socio-Economic Considerations for the Mary River Project' to the Nunavut Impact Review Board which considers risks for temporary mine closure and how communities in the North Baffin region may be affected by it, including economic, social and cultural effects (JPCSL, 2022). The content of the report was informed by community and stakeholder perspectives, and Baffinland engaged QSEMC and MRSEMWG, as well as the north Baffin Community Economic Development Officers (CEDOs), ahead of its submission.

RESULTS

Due to experiencing operational uncertainty and the Project being assessed as being in a 'moderate to high' risk profile for temporary closure in 2022, Baffinland implemented a variety of mitigation measures to promote the well-being employees in the event of temporary closure. These included engaging with Service Canada for support and expedited process of employment insurance claims in the event that termination notices came into effect, provision

of dedicated counselling services to assist employees with concerns related to termination notices, and other mitigation measures.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

In the case of temporary mine closure, Baffinland's socio-economic goal is to mitigate unanticipated losses in Project economic benefits for local communities by addressing adverse effects through relevant employee, family, and community programs and support.

When the Project is approaching closure, Baffinland will work with government and community stakeholders to implement programs to support employee transition. In 2025, within the updated Interim Closure and Reclamation Plan (ICRP), Baffinland has proposed to establish a Mine Closure Technical Advisory Group (MCTAG), which will provide opportunities to integrate feedback from relevant members of ISP committees, obtain input from Inuit on closure considerations and concerns directly from Inuit and will address biophysical and socio-economic issues related to temporary and permanent site closure.

Project Certificate Term and Condition No. 150

Category	Economic Development and Self-Reliance, and Contracting and Business Opportunities – Impacts to visitors of Sirmilik National Park and Tallurutiup Imanga National Marine Conservation Area.
Responsible Parties	The Proponent, Parks Canada
Project Phase(s)	Construction and Operations
Objective	To limit potential of Project impacts upon visitors, researchers and/or beneficiary users of the Sirmilik National Park and Tallurutiup Imanga National Marine Conservation Area.
Term or Condition	The Proponent will ensure the following: c. The Proponent will maintain, where possible, a minimum flying altitude of 2,000 feet over the park, except for approaches to land, take-off or for safety reasons d. The Proponent will ensure that certification of noise compliance is current, where compliance is applicable e. For the purpose of briefing Park visitors, the Proponent will provide Parks Canada (1) prior to commencing the shipping season, with planned daily shipping schedules, and (2) annually, with air traffic information, and (3) to provide updates when significant variations from these are expected f. The Proponent is strongly encouraged to provide due consideration to wilderness experience during its operations in the open water season, especially during the month of August which is typically a time of high use by sea kayakers.
Relevant Baffinland Commitment	34
Reporting Requirement	The Proponent shall provide a summary discussion of its implementation of this term and condition (including the results of monitoring or adaptive management strategies) to the NIRB through the Proponent's annual monitoring report.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Parks Canada, Environment Climate Change Canada, Qikiqtani Inuit Association, Indigenous and Northern Affairs Canada, Nunavut Impact Review Board, Parks Canada
Reference	2025 Terrestrial Environmental Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report (TEAMR) Appendix G.5.1.2 - 2024 Daily Ship Tracks with Ice Imagery – Non-project Vessels

METHODS

In 2025, Baffinland continued to contract Spire Shipview® (previously known as exactEarth®), a global vessel monitoring and tracking service based on AiS (Automatic Identification System) data from polar orbiting satellites to

track and report on vessel movements. The vessel tracking information is available on Baffinland's website to allow any member of the public to check on vessel coordinates, which direction the vessel is moving, and its destination.

Pilots are made aware of the minimum flying altitude in the region, which are included in aviation contracts. Helicopter flight height compliance is monitored annually and is reported on in the 2025 Terrestrial Environment Annual Monitoring Report (TEAMR; EDI, 2026b). Flight paths are also tracked during the implementation of marine mammal aerial surveys, however, in 2025 Baffinland did not conduct marine mammal aerial surveys.

RESULTS

Parks Canada continues to be advised of shipping activity through publicly accessible information posted in Pond Inlet, social media (through Facebook), local public radio announcements and marine VHF radio, Baffinland's Annual Report to the NIRB and through MEWG updates (i.e., presentations, monitoring reports, etc.). Parks Canada can also access vessel tracking information at any time on Baffinland's website to check on vessel coordinates, which direction the vessel is moving, and its destination.

In 2025, no marine mammal aerial surveys were conducted. However, one of Baffinland's contracted helicopters flew over the southernmost section of the Sirmilik National Park for approximately 11 minutes at an altitude of 2,000 feet. All future surveys will take into consideration the recommended flight altitude of 2,000 feet.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

While Baffinland did not run the aerial surveys in 2025 based on the five-year environment monitoring plan Baffinland will continue to make all pilots aware of the cruising altitude of at least 650 magl minimum throughout the PDA, as well as the minimum flying altitude of 2,000 feet over Sirmilik Park and Tallurutiup Imanga National Marine Conservation Area for future aerial surveys.

Baffinland will ensure that pilots are informed of altitude restrictions associated with Tallurutiup Imanga National Marine Conservation Area and Sirmilik National Park. Baffinland will continue to conduct EWI surveys at 1,000 ft above Tallurutiup Imanga National Marine Conservation Area, as needed, which will remain exempt from this Term and Condition.

Baffinland remains open to discussion with Parks Canada if updates to the brochure or other additional information is requested.

Baffinland has found the use of Spire Shipview® to be beneficial in providing information related to ship routing to the public. Baffinland will continue to use this service. Furthermore, it is Baffinland's intent to continue providing live viewing of vessel tracks through the Shipping Monitors based out of the Pond Inlet office, and providing live viewing to the public and any other agencies with an interest in the Project, including Parks Canada, on the Baffinland website in 2026. Baffinland will continue to provide information about its shipping season through MEWG correspondence and/or relevant MEWG meetings. Of note, Baffinland reconfirmed which MEWG members wanted to receive the rolling 10-day schedule at the beginning of the 2025 shipping season.

Project Certificate Term and Condition No. 151

Category	Economic Development and Self-Reliance, and Contracting and Business Opportunities - Access to housing
Responsible Parties	The Proponent
Project Phase(s)	Construction and Operations
Objective	To investigate ways that economic development and self-reliance may improve access to housing by employees.
Term or Condition	The Proponent is encouraged to investigate measures and programs designed to assist Project employees with homeownership or access to affordable housing options.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Igluliuqatigiingniq "Today and Tomorrow" Nunavut 3000. Implementing the National Housing Strategy for Nunavut Housing Action Plan (NHC, 2025) 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) 2025 Mary River Project Inuit Employee Survey Report (Aglu and ERM, 2026b)
Ref. Document Link	Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

Access to affordable housing in Nunavut is the responsibility of the Government of Nunavut and the Nunavut Housing Corporation (NHC). However, with the introduction of paid employment at the Project, some Nunavut-based employees may be introduced to banking activities and programs, including savings and investment accounts and possible access to mortgages and similar opportunities, all of which may help employees with eventual home ownership. Baffinland engages with the Government of Nunavut and NHC on specific issues and supports for Project employees, and the NHC is a member of the QSEMC. Baffinland and the GN have also signed a Memorandum of Understanding (MoU) in 2019 to work on issues of mutual concern.

Baffinland regularly administers an Inuit Employee Survey, which collects data on employee housing status and other topics. Baffinland administered the most recent survey from October 27 to December 8, 2025.

Baffinland occasionally provides additional support to Project employees to support homeownership. In 2025, Baffinland continued to provide basic financial literacy training, which covers topics such as budgeting that considers rent/housing as well as loans, through the Work Ready Program (WRP).

RESULTS

Currently, there is not a clear and direct relationship between Project employment, measures or programs undertaken by Baffinland or others, and improved access to housing by employees. However, Project employment should eventually act to increase the purchasing power of local residents and decrease the number of individuals receiving income support. This is expected to occur primarily through increases in local wealth generated by Project-

related employment and other economic opportunities. While the manner in which Project employees spend their incomes will ultimately be a personal choice, access to adequate housing (including private ownership) may be a goal for some individuals. Incomes generated by the Project may help individuals accomplish this goal should they wish and should adequate housing be available

In the 2025 Inuit Employee Survey, the majority (81%) of respondents' reported that their housing situations have not changed since obtaining Baffinland employment (Aglu and ERM, 2026b). Most respondents reported that they lived in public housing (60%), were renting from a private company or individual (15%), or lived in a privately owned home that was owned by a family member of friend (11%) had purchased a home since obtaining employment. When asked if they have ever considered purchasing a home in their community, responses were evenly split, with 41 respondents (50%) each answering yes and no (Aglu and ERM, 2026b). In 2025, for those who did not want to purchase a home, the reasons varied, including inability to save money for a down payment (selected by 59% of respondents to the question), not knowing how to go about purchasing a home (30%), not wanting to own their own home (20%), the high cost of mortgage payments (18%), and the high costs associated with maintaining a home (18%). Many respondents (69%) were not aware of the Nunavut Down Payment Assistance Program offered by the NHC. Common reasons for intending to move to a different community in 2025 included being closer to family, better access to services, better housing, being closer to work, and cost of living (Aglu and ERM, 2026b).

The NHC continues to make investments in new housing units across the territory and has several existing programs, which support improved access to housing for Nunavut residents. In 2024, the NHC released a 2025-2028 Action Plan for the Igluliuqatigiingniq ("building houses together", also referred to as Nunavut 3000) initiative, which advances priorities and goals related to increasing housing in Nunavut over the next decade through procurement and partnerships (NHC, 2025). The NHC offers a variety of programs to Nunavut residents, including public housing, staff housing, and homeownership programs. The actions outlined in the 2025-2028 Action Plan are expected to lead to improved housing circumstances for individuals, help reduce overcrowding and address public housing deficits in the territory.

TRENDS

Where appropriate, trends have been described for the indicators assessed in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

In the 2025 Inuit Employee Survey, a similar proportion of survey respondents indicated considering purchasing a home in their community (50%), compared to 2023 (52%). Compared to 2023, the proportion of respondents who reported that their housing situations have not changed since obtaining Baffinland employment and the proportion who were not aware of the Nunavut Down Payment Assistance Program were similar. The question asking about change in housing status was revised in the 2025 survey to reduce confusion, and as such, there is no dedicated question asking if respondents have purchased a home since obtaining Project employment. Respondents had opportunities to identify if they had purchased a home in comment boxes, however, none did in 2025. No respondents to the 2023 survey indicated that they had purchased a home. Similar reasons for not purchasing a home have been reported over the last several surveys, largely focused on associated costs and some indication of housing adequacy and availability as a reason for not purchasing a home (Aglu and ERM, 2026a).

RECOMMENDATIONS / LESSONS LEARNED

Results from the Inuit Employee Survey indicate a large proportion of respondents are unaware of how to go about purchasing a house as well as are unaware of housing-related programs. Baffinland recognizes these potential barriers to homeownership by Inuit employees and contractors.

Project Certificate Term and Condition No. 152

Category	Economic Development and Self-Reliance, and Contracting and Business Opportunities – IIBA contract requirements
Responsible Parties	Qikiqtani Inuit Association
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To improve ability of small businesses to access Project contract and sub-contract opportunities.
Term or Condition	The Qikiqtani Inuit Association is encouraged to provide the Board and the Qikiqtaaluk Socio Economic Monitoring Committee with information regarding the effectiveness of any provisions within the Inuit Impact and Benefit Agreement which may require that larger contracts be broken down into smaller size in order that they are reasonably managed by smaller businesses in the North Baffin region, while respecting any confidential or privileged information.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	Not Applicable
Stakeholder Review	Qikiqtani Inuit Association, Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	Not Applicable
Ref. Document Link	Not Applicable

METHODS

This condition is not assigned to Baffinland however the Company can confirm that it continued implementing provisions of the IIBA to support increased access to Inuit firms for contracting opportunities at the Mary River Project. This includes contracting procedures designed to maximize opportunities for Inuit Firm participation in smaller and larger contracts. Implementation is regularly monitored by the IIBA Contracting Committee, and Baffinland provided monthly and quarterly reports to QIA on the number and value of contracts awarded to Inuit Firms.

Baffinland participates in both the Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and the Mary River Socio Economic Monitoring Working Group (SEMWG). These Working Groups provide a discussion forum and information sharing hub that supports impacted communities and interested stakeholders to take part in monitoring efforts to Project specific economic monitoring.

Further Inuit Firm business development efforts will be informed by the Inuit Firm Survey, which was developed in 2019 and released to all Inuit Firms registered with Nunavut Tunngavik Incorporated (NTI) in September. The survey allows Inuit Firms to identify areas in which they require the most business development support, thereby directing Baffinland and QIA efforts, as well as informing the utilization of the Business Capacity and Start-Up Fund. Based on feedback from earlier surveys, Baffinland is in the process of developing a number of business development

workshops for Inuit Firms including, at a minimum: 1) a workshop targeted at Inuit youth and women entrepreneurs looking to establish a business in the North Baffin communities. This workshop was proposed for delivery in 2024; however, it was deferred as the company right-sized to a 4.2Mtpa operation, and further delayed due to on-going execution challenges. Further workshops are to be developed based on responses from the Inuit Firm Business Development Survey and feedback during the Annual Contracting Information Session(s).

RESULTS

The total value of contract dollars spent with Inuit Firms in 2025 totalled approximately $153.4 million. This includes forty-two (42) contracts with Inuit-owned businesses and joint ventures, most of which were based in either the North Baffin communities or Iqaluit. Since Project development, nearly a total of more than $2.5 billion worth of contracts have been awarded to Inuit-owned businesses and joint ventures.

TRENDS

Table 4.42 provides a breakdown of contracts awarded to Inuit Firms. The value of Inuit contracting changes greatly from year to year due to the nature of mine development with large projects being carried out for one to two years at a time. Impacts on contract commitments and expenditure due the reduction in production in 2024, and the high degree of work being self-performed. In 2025, the value of contracts awarded to Inuit Firms saw a minor increase from 2024, however the total number of Inuit contracts remained the same from 2024.

Table 4:42: Annual Breakdown of Contracts Provided to Inuit Firms

Procurement Details	Value of Procurement (dollars paid) with Inuit Owned Businesses and JV's (Millions)	Total Number of Contracts with Inuit
2014	$64 M	19
2015	$103.5 M	12
2016	$64.4 M	9
2017	$387.2 M	18
2018	$104.8 M	9
2019	$288.8 M	8
2020	$91.1 M	10
2021	$195.6 M	24
2022	$162.2 M	26
2023	$173.4 M	42
2024	$150 M	42
2025	$153.4M	42

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to work with the QIA through the Contracting Committee and the Joint Executive Committees to maximize Project-related benefits to Inuit Firms.

4.7.5 Human Health & Wellbeing (PC Terms and Conditions 153 through 157)

Five (5) PC Terms and Conditions relate to the potential impacts of the Project on human health and well-being. These conditions focus on the implementation of measures to support Inuit employed by the Project, including: the provision of employee assistance programs, addressing potential cultural conflicts at site, the provision of services or programs to benefit families in potentially affected communities to mitigate the impact of employees' absence from home, and monitoring of potential indirect effects of the Project on human health and well-being. Commitments to the provision of employee assistance and counselling are contained in the IIBA.

Inuit & Stakeholder Feedback

As noted in Section 4.7.1, the key stakeholders focused on the socio-economic environment include the communities, the QIA, various departments of the GN, and the federal government. There is an inherent relationship between the Project and the GN for managing socio-economic effects from the Project as the GN is responsible for delivering most health and social services programs in Nunavut. Key concerns on human health and wellbeing expressed by stakeholders in relation to the Project include the effects of fly-in/fly-out employment on workers and their families. These concerns were raised during the environmental assessment, and in recent consultation. Through engagement, including at the QSEMC, stakeholders also express concerns about other topics related to health and wellbeing, including crime, food security, availability of health services, and overcrowding; these topics are complex and are often influenced by a variety of factors, both related and unrelated to the Project.

Monitoring

Baffinland tracks and reports on several indicators of human health and well-being. This includes reporting on the number of instances that illegal substances or alcohol are identified during security searches at the Project sites, and occupational health and safety statistics. Baffinland has also presented information on the prevalence of substance abuse, gambling issues, family violence, marital problems, rates of sexually transmitted infections and other communicable diseases, rates of teenage pregnancy, high school completion rates, proportion of tax filers with employment income and median employment income, percentage of population receiving social assistance, and other topics (e.g., crime rates) in the 2025 Socio-Economic Monitoring Report ((SEMR; Aglu and ERM, 2026a). Table 4.43 provides an evaluation of the Project's impacts on human health and well-being, based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and FEIS Addendum.

Changes in human health and well-being are often more apparent over a longer term. Human health and well-being can also be influenced by many different socio-economic factors, including those which are external to the Project, and therefore attributing cause can also be challenging. Direct correlations between the Project and human health and well-being can only be drawn with the continued analysis of annual data. Baffinland's socio-economic monitoring program relies on the availability and accuracy of public data, especially on assessing potential effects to community health and well-being. This in itself can create challenges as appropriate community-level data is often not consistently collected, reported or updated.

However, based on available data, there is currently no indication the FEIS predictions are not being met, and it is expected that the Project is improving the health and well-being of some individuals and families in the LSA who participate in the Project. There were no significant injuries and no fatalities at the Project sites in 2025.

Path Forward

Baffinland will continue to deliver and refine its training and employee assistance programs, and monitor indicators of human health and well-being, in consultation with the SEMWG, the QSEMC, and the Project's workforce. Reporting on each PC Term and Condition follows.

Table 4:43: Human Health and Well-being Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Substance Abuse	Increased substance abuses due to the transportation of substances through Project sites Increased substance abuse because Project employment makes substances more affordable Baffinland's focus on health and safety, and employee assistance and counselling programs will increase awareness of employees, reducing substance abuse	Security personnel conduct searches on employees arriving and departing the site. In 2025, 17 drug and alcohol-related contraband infractions occurred at Project sites amongst employees and contractors. This is a decrease from 2024, during which there were 21 infractions. All individuals who do not comply with Baffinland's no drugs/no alcohol policy is immediately removed from site and disciplinary action (up to and including termination) is commenced. Baffinland also notifies the Royal Canadian Mounted Police (RCMP), where appropriate, of search results. Baffinland monitors criminal violations, such as impaired driving and drug violations, to gain insight into whether rates of substance use are changing due to the Project. Generally, where community-level indicators follow territory wide trends, it indicates that the main factors for those trends might be territory-wide, and not necessarily the Project. Drug violations, for example, show similar patterns when comparing North Baffin LSA, Iqaluit and Nunavut. However, impaired driving trends differ for the same three areas, and have increased at a higher rate in the North Baffin LSA, indicating a potential Project effect. Though whether a Project-related negative effect exists, or the extent of contribution, is difficult to discern from other factors. Discussion by the QSEMC and further research may be needed to conclusively determine a possible relationship between the Project and impaired driving violations. In terms of health and well-being of Inuit workers potentially increasing awareness of employees, reducing substance abuse, a question in the 2025 Inuit Employee Survey asked Inuit how employment at the Project has affected their or their family's health and well-being. **42% of respondents stated that the**	Relevant monitoring activities for human health and well-being are longer term and conclusions will be drawn in future years; however, some relevant indicators warrant a need for close monitoring and discussion by the QSEMC.

Component	Effects	Monitoring Program	Impact Evaluation
		project has positively impacted health and well-being, with two respondents' comments on a reduced use of alcohol. From January to December 2025, 1,537 counselling sessions were administered to Baffinland employees and contractors, compared to 1,925 in 2024. There were 974 sessions with Inuit employees in 2025, slightly lower than the number of sessions in 2024 (1,070). These visits give some information about the mental and physical health of Inuit employees, but without more detail it's hard to understand the direction or magnitude of effects.	
Increased Well-being and Community Social Stability	Project employment resulting in increased well-being of children, and increased community social stability	There are positive indications the Project is contributing to the enhanced well-being of children, by providing LSA residents (and parents) with opportunities to obtain meaningful employment and incomes. These opportunities can help reduce the various family stresses and uncertainties associated with un- and under-employment. Baffinland has also implemented an Employee and Family Assistance Program for workers and their family members who may require family-related or other forms of personal assistance. There are also positive indications the Project continues to improve household income and food security in the LSA. This has occurred through contributions to community wellness initiatives and by providing LSA residents with meaningful employment opportunities. Increased employment income facilitates the purchase of store-bought food and other family goods, while also providing an improved means to participate in harvesting.	Relevant monitoring activities for human health and well-being are longer term and conclusions will be drawn in future years

Source: (Aglu and ERM, 2026a; 2026b).

Project Certificate Term and Condition No. 153

Category	Human Health and Well-Being - Employee and family health and well-being
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Closure and Post-Closure Monitoring
Objective	To provide adequate medical services on site, including those that contribute to the mental health and well-being of all employees.
Term or Condition	The Proponent is encouraged to employ a mental health professional to provide counselling to Inuit and non-Inuit employees in order to positively contribute toward employee health and well-being.
Relevant Baffinland Commitment	96
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a)
Ref. Document Link	https://www.baffinland.com/ document-portal/ Appendix G.6.1 - 2025 Socio-Economic Monitoring Report

METHODS

Baffinland's employs onsite mental health counsellors. Additionally, benefit plan includes an Employee and Family Assistance Program (EFAP), which offers all permanent employees and their dependents professional short-term counselling as well as topic-specific life coaching on an as-needed basis. This plan, administered by Homewood Health Solutions is free, confidential and available to employees while they are on- and off-site. The program can be accessed both over the phone and online, with phone service being offered in both English and Inuktitut. Furthermore, on-site Inuit Cultural Advisors are available for the Project's Inuit employees to meet with, and Baffinland provides all employees with regular access to an on-site Project physician assistant.

Baffinland's on-site Mental Health and Wellness counsellors provide both mental health and social support services. They are accessible by all Baffinland employees and contractors, and are available 24 hours a day, 7 days a week. These counsellors work very closely Baffinland's Physician Assistants and other wellness and mental health resources and programs within Nunavut Public Health to provide comprehensive support. In collaboration with the cultural advisors, the counsellors offer regular gatherings that focused on connection, culture and community pride.

RESULTS

In 2025, the EFAP was accessed 5 times by Nunavut-based residents, and 21 times by non-Nunavut based residents. From January to December 2025, 1,537 counselling sessions were conducted with Baffinland employees and contractors. There were 974 sessions with Inuit employees in 2025.

TRENDS

Where appropriate, trends have been described for the indicators assessed in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a)

As seen in Figure 4:16 below, in 2025, EFAP usage decreased for both Nunavut-based residents and other Canadian locations. The EFAP was accessed a total of 26 times, at a rate of an average of 2 accesses per 100 employees. This compares to past years when, other than in 2022, the range was approximately 4 to 5 accesses per 100 employees.

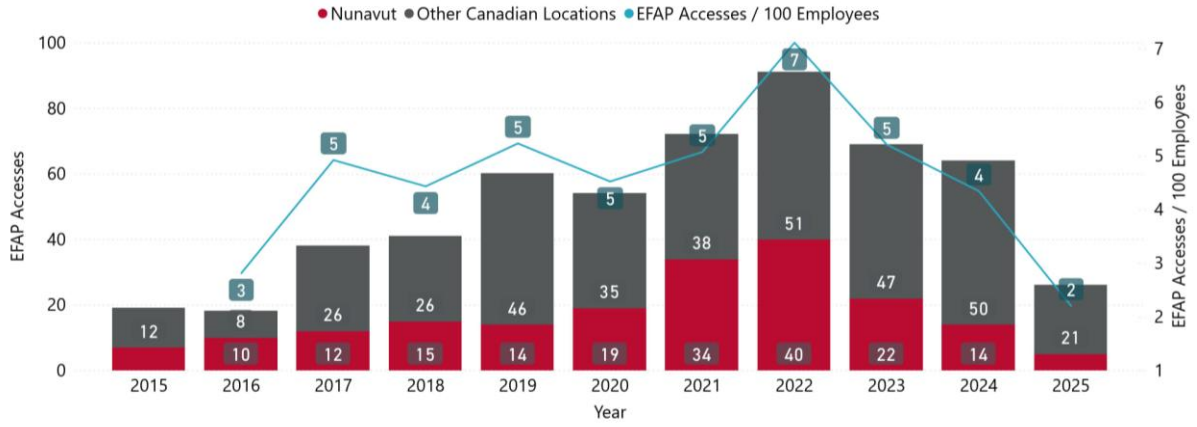


Figure 4:16: Number of times Baffinland's Employee and Family Assistance Plan (EFAP) was accessed

From January to December 2025, 1,537 counselling sessions were conducted with Baffinland employees and contractors, compared to 1,925 in 2024. There were 974 sessions with Inuit employees in 2025, slightly lower than the number of sessions in 2024 (1,070).

RECOMMENDATIONS / LESSONS LEARNED

Baffinland has received positive feedback about the presence of on-site counsellors as part of the overall approach to positively contribute toward employee health and well being.

Project Certificate Term and Condition No. 154

Category	Human Health and Well-being - Indirect impacts to health and well-being
Responsible Parties	The Proponent, Government of Nunavut, members of the QSEMC
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To understand the indirect impacts of the Project upon health and well-being.
Term or Condition	The Proponent shall work with the Government of Nunavut and the Qikiqtaaluk Socio-Economic Monitoring Committee to monitor potential indirect effects of the Project, including indicators such as the prevalence of substance abuse, gambling issues, family violence, marital problems, rates of sexually transmitted infections and other communicable diseases, rates of teenage pregnancy, high school completion rates, and others as deemed appropriate.
Relevant Baffinland Commitment	43, 45
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) Draft Socio-Economic Monitoring Plan (BIM, 2019h)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.6.1 - 2025 Socio-Economic Monitoring Report

METHODS

Baffinland has provided information on potential indirect effects of the Project in the Socio-Economic Monitoring Report. Baffinland's annual Socio-Economic Monitoring Report is based on the Socio-Economic Monitoring Plan (SEMP) (BIM, 2019h), which identifies topics and indicators, based on each Valued Socio-Economic Monitoring Component (VSEC). The SEMP is updated regularly and reviewed by the Project-specific SEMWG.

The SEMP outlines information and indicators (where available) to support monitoring on the prevalence of substance abuse, gambling issues, family violence, marital problems, rates of sexually transmitted infections and other communicable diseases, rates of teenage pregnancy, high school completion rates, and other topics (e.g. crime rates). For some of these topics, no specific indicators are identified in the SEMP. Typically, this indicates a lack of reliable, consistently updated data for the indicator(s). Monitoring is therefore supported through qualitative feedback from the QSEMC and community engagement.

Baffinland monitors the number of drug and alcohol related contraband infractions as an indicator for the presence of illicit substances. All contraband infractions at the Project are of concern and are taken seriously. The infractions that have occurred to date appear to represent a small number of individuals from the Project workforce. All individuals who do not comply with Baffinland's no drugs/no alcohol policy is immediately removed from site and disciplinary action (up to and including termination) is commenced. This management response supports

Baffinland's goal of 'Safety First, Always,' while also preventing further transport of contraband substances through Project sites.

RESULTS

Detailed results are presented in the Socio-Economic Monitoring Report across a range of indicators.

In 2025, 17 drug and alcohol-related contraband infractions occurred at Project sites among Baffinland and contractor employees. This represents a decrease of 4 infractions from 2024.

TRENDS

Detailed trends analysis for updated available data is presented in the 2025 Socio Economic Monitoring Report (Aglu and ERM, 2026a).

Figure 17 below shows estimated attendance rates for Qikiqtani schools, noting that attendance rates for some school years are not available. The average attendance rate for the Qikiqtani region for the 2024-2025 school year was 68.7%, slightly higher than the territorial average of 66.5%.

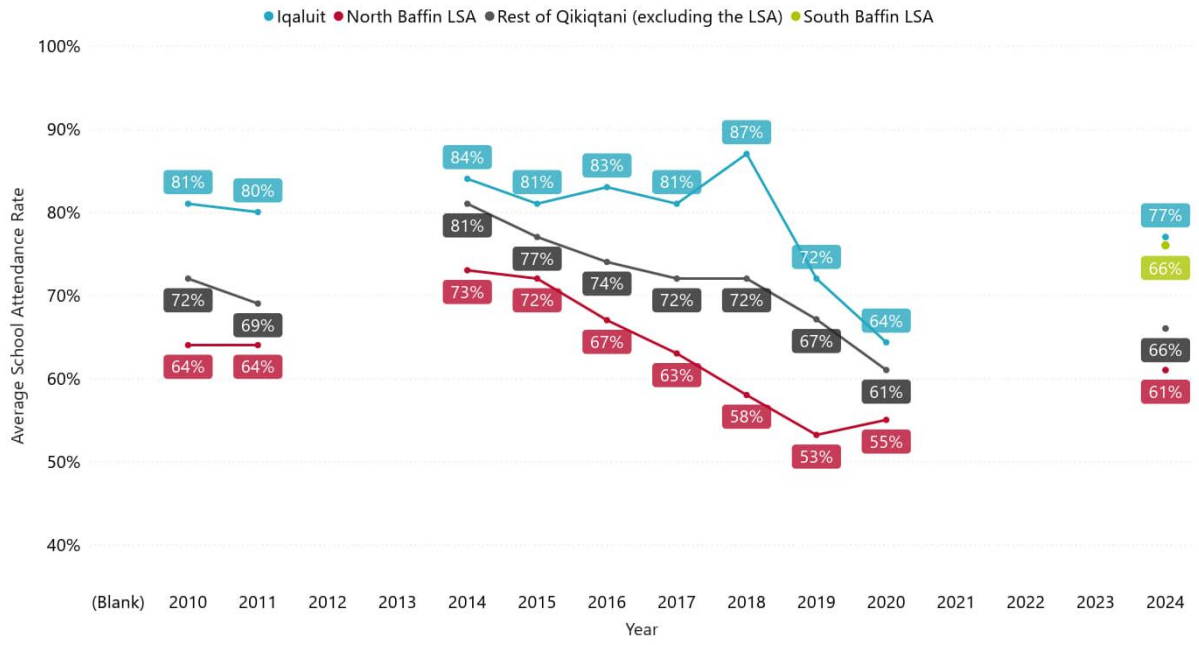


Figure 4:17: Estimated Qikiqtani School Attendance Rates

Attendance rates have been gradually returning to pre-pandemic levels over the 2022/2023 and 2023/2024 school years (at 71.1% and 68.2%, respectively), following a significant dip in attendance in the 2020/2021 and 2021/2022 school years. This was likely influenced by a gradual return to in-person learning as well as other government efforts to improve attendance (Aglu and ERM, 2026a).

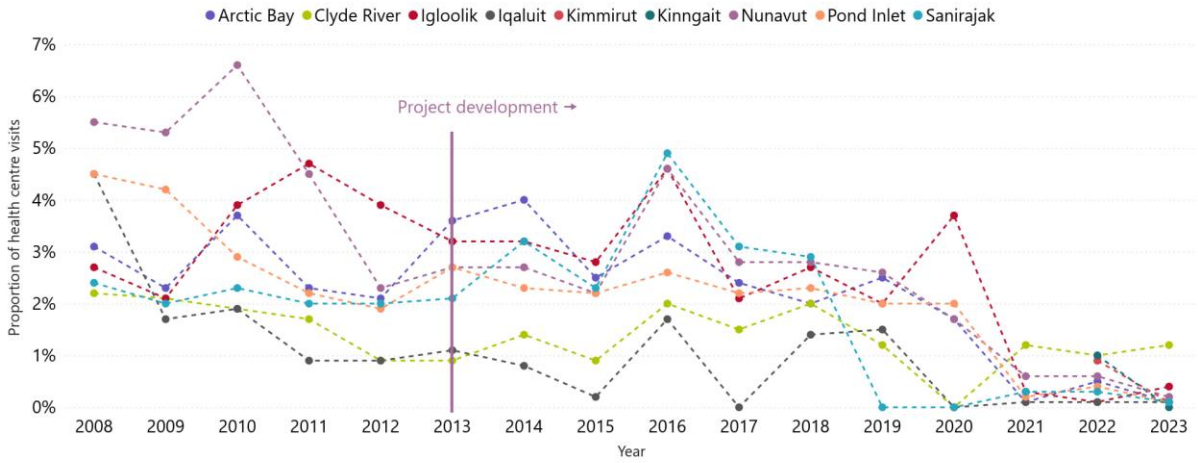
While data on graduation rates have not been made available since 2018, the 2025 SEMR presents data on the number of secondary school graduates for the North Baffin LSA and Iqaluit for pre-development (pre-2012) and post-

development (2013-2024). During the post-development phase, North Baffin LSA experienced a slight decline in its average number of graduates (from an average of 45 to 42), whereas Iqaluit saw a modest rise (from an average of 42 to 49). In 2024, Iqaluit reported 65 graduates, while North Baffin LSA reported 40 graduates (Aglu and ERM, 2026a).

In terms of drug violations, the average annual rate of drug violations per 1,000 people has declined in the LSA and across Nunavut since Project development (from 2013 to 2024). The legalization of cannabis in 2018 has likely contributed to this decrease. Over the past several years, data suggest that drug violations may be slightly increasing in the territory, although levels fluctuate from year to year. Nevertheless, the number of violations remains significantly lower than those recorded at the onset of the post-Mine development period (Aglu and ERM, 2026a).

Figure 18 below shows the proportion of health centre visits related to the diagnosis or treatment of infectious diseases in the communities within the North and South Baffin LSAs, Iqaluit, and Nunavut.

Figure 4:18: Health Care Centre Visits in North and South Baffin LSAs, Iqaluit and Nunavut



Compared to pre-development period averages, there has been a decreasing trend in health centre visits related to infectious diseases in the North Baffin LSA (from 2.6% to 1.7%) and decreasing trends in Iqaluit (from 2.0% to 0.6%) and Nunavut (from 4.5% to 1.1%) in the post-development period. However, changes to the diagnostic group coding in 2021 resulted in a large decrease in the proportion of the diagnostic group “All Other Diagnoses and Factors Influencing Health Status and Contact with Health Services” and a large increase in the proportion of the diagnostic group “General Medical Examination”. As such, the decrease in the proportion of infectious diseases may also have been influenced by changes in coding (how these visits were categorized and captured in the data system). However, without information on the changes made, it is not possible to conclude this definitively. The COVID-19 pandemic may have also affected why people visited health centres over these years, as is also the case with the ransomware attack on the GN described above (Aglu and ERM, 2026a).

Pre- and post-development trends in social assistance levels are generally stable across communities. A notable exception occurs in 2018, when rates increased in both the North Baffin LSA (from 59% to 68%) and Nunavut (from 39% to 45%). In both cases, levels declined after 2018 and returned to slightly decreasing or steady trends. Social

assistance levels have increased slightly in South Baffin LSA since the first monitoring year of 2022, from 37% to 47% in 2024 (Aglu and ERM, 2026a).

RECOMMENDATIONS / LESSONS LEARNED

The intent of the term and condition is to understand the indirect impacts of the Project upon health and well-being. The health and well-being of North Baffin Inuit working at the Project, their families, and of others in their communities is complex and based on many factors. Measuring the impacts of the Project on health and well-being can therefore be challenging.

Baffinland continues to provide and report on available information on potential indirect effects of the Project through its Socio-Economic Monitoring Reports and complies with this Term and Condition. In instances where appropriate community-level indicator data are currently unavailable (e.g. for the topics of prevalence of gambling issues, prevalence of family violence, prevalence of marital problems, and rates of teenage pregnancy), these topics continue to be tracked, as possible, through the QSEMC monitoring and reporting process and community engagement conducted for the Project.

Project Certificate Term and Condition No. 155

Category	Human Health and Well-being - Employee cohesion
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To encourage the on-site cohesion of employees through cultural-awareness and social programs.
Term or Condition	The Proponent is strongly encouraged to provide the NIRB with an updated report on its development of mitigation measures and plans to deal with potential cultural conflicts which may occur at site as these may become needed.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be provided at least 60 days prior to the commencement of any construction activities.
Status of PC Term and Condition	Not Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Baffinland is committed to promoting employee cohesion through cultural awareness and social programs. In 2025, Baffinland continued to provide cultural recognition programs such as cultural awareness, Inuit Cultural Engagement training, promote Inuktitut in the workplace and Inuit Cultural Advisors to support Inuit employees. All of the cultural awareness and promotion activities on site benefit all employees and help to bridge the gap between different cultures to foster an inclusive and culturally safe work environment.

In 2025, Baffinland held its annual celebrations of Nunavut day at the Mine Site. The celebrations included a country food feast, cultural festivities and games, and celebrating history and territory.

Baffinland's on-site cultural advisors lead various cultural engagement activities such as Inuit storytelling, traditional Inuit games, Inuit food and culinary, Inuit arts and crafts. The Cultural Advisors conducted classes for employees who wanted to learn how to sew and make various traditional clothing.

Consistent with the provisions of the IIBA, Baffinland has also instituted measures to reduce and address potential cultural conflicts at site, including:

- Mandatory cultural awareness training provided to all new employees and contractors as part of site orientation;
- Offering the Inuit Cultural Engagement (ICE) Workshop to all Baffinland employees and contractors;
- Providing culturally appropriate working conditions, including the use of Inuktitut in the workplace;
- Maintaining up to two (2) on-site Inuit Cultural Advisors to provide counselling services and support;
- Maintaining up to four (4) on-site Human Resources Advisor - Inuit Relations;

- Maintaining two (2) Inuit Success Facilitators;
- Maintaining one (1) IIBA Employment and Training Specialist;
- Continuing access to the country food kitchen provided for the consumption and sharing of traditional country food and activities; and
- Ongoing translation of signage and policies on site to ensure effective communications to and for the safety of all employees.

Baffinland is committed to continuing to deliver the Inuit Cultural Engagement Workshop to all employees at site. This workshop provides a learning opportunity for non-Inuit to the Inuit culture and traditions.

The Human Resource (HR) Advisor, Inuit Relations and Cultural Advisors continue to work with all employees, Inuit and Non-Inuit to increase engagement and improve communications. This team has been actively involved with reaching out to Inuit employees, discussing concerns, and assisting them to speak with their supervisors or managers. 100% of employees who arrive at the Baffinland site are required to complete an extensive site orientation on their first day at site. One hour of this orientation provides cultural awareness training. This team alongside with the Inuit Success team are working with Inuit employees and their supervisors to implement and follow up on individual Career Development Plans. The HR Advisors, Inuit Relations have regular meetings with Inuit employees to facilitate a greater level of engagement and to identify and resolve issues.

Baffinland has employed two (2) full time Mental Health Counsellors to provide support and assistance to all employees onsite and continues to make the Employee and Family Assistance Program (EFAP) available to all employees who may wish to talk to someone or to get help dealing with any concerns. This is available in both English and Inuktitut.

In addition, Baffinland has developed an Annual Cultural Activity plan that celebrates the heritage of the region and aims to promote a deeper understanding of traditional activities. The plan is designed based on the Inuit Calendar, which is rooted in the seasonal cycles and traditional practices of the community. Activities are to align with the changing seasons, offering a range of experiences that reflect the cultural landscape of Nunavut. The Annual Cultural Activity Plan is fully funded by Baffinland and through these initiatives, we aim to foster cultural pride and strengthen community bonds with the workforce.

RESULTS

Cultural activities in 2025, included events such as Inukshuk making, spring parka making etc., the Cultural Advisors at site often do smaller events such as bannock making or sewing with both Inuit and Non-Inuit together, which helps to build understanding and bridge cultural differences between Inuit and Non-Inuit employees.

Baffinland continues to work on delivering culturally responsive workplace programs working with on-site Cultural Advisors and counsellors to help remove barriers to care by providing a safe space where Inuit employees can share coping strategies, speak Inuktitut language, and access to employee wellness services. Baffinland aims to provide employee wellness programs that foster a sense of belonging and well-being while addressing conventional mental health support gaps. Beyond benefiting Inuit employees, the initiative strengthens the workforce by promoting resilience, reducing absenteeism, and increasing productivity. By fostering mutual understanding and inclusivity, it also enhances workplace relationships, creating amore collaborative and supportive environment for all employees.

TRENDS

The Human Resources Advisors, Cultural Advisors, Inuit Success team and on-site counsellors continues to engage with site management and employees and offers ongoing training and support.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland is committed to supporting Inuit employees at site and continuing to build cultural awareness and understanding amongst the entire Baffinland team. A number of initiatives were planned for 2026 to increase cultural awareness.

- Measures to promote the use of Inuktitut (ongoing efforts to translate signs/manuals – will continue in 2026, also incorporating Inuktitut translation and support in training.);
- Continue providing language lessons on-site for interested employees;
- Continued review and enhancement of cross-cultural training programs and on-boarding orientation programs;
- Delivery of presentations (on-site and at corporate head office) relating to Inuit culture and the IIBA;
- Conducting an Ulu Making Workshop with Site Employees (Inuit and Non-Inuit);
- Conducting an Inuit Drum Making Workshop at site with Site Employees (Inuit and Non-Inuit);
- Conducting a Workshop to allow site employees to sew sealskin ornaments; and
- Celebration of Inuit Societal Days including Nunavut Day, Indigenous Peoples Day, and Inuit Day.

Project Certificate Term and Condition No. 156

Category	Human Health and Well-Being - Support Initiatives
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To assist with fostering well-being within point-of-hire communities.
Term or Condition	The Proponent is encouraged to assist with the provision and/or support of recreation programs and opportunities within the potentially affected communities in order to mitigate potential impacts of employees' absences from home and community life
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

The following is a summary of programs aimed at the provision and/or support of recreation programs and other opportunities to mitigate potential impacts of employees' absences from those who remain at home and in the communities.

An Ilagiiktunut Nunalinnullu Pivalliajutisait Kiinaujat Fund (the Fund) has been established under Article 12 of the IIBA (Support for Communities). The objectives of the fund include:

- Creation of opportunities for community capacity building;
- The fair distribution of impacts and benefits between communities and across generations;
- Maintenance of consistency with community development objectives; and
- Promotion of mutual understanding and learning.

The Fund is intended to support a wide range of activities including participation in community projects, youth and Elder programs, hunter support activities, cultural learning and revitalization, social support programs for families and individuals and counseling and healing programs. Baffinland and QIA each contributed $375,000 annually to the Fund which is administered by QIA. Through successful IIBA renegotiations in 2018, the Company and QIA further agreed that commencing in 2019, maximum annual matching contributions to the Fund by the Company will be increased but shall not exceed $550,000 annually.

Baffinland's Donations and Sponsorship Committee regularly reviews requests from community members and organizations to determine alignment with our Mission, Vision, and Values. Our focus is on supporting initiatives that promote community wellbeing and enrich cultural traditions, with particular emphasis on Elders, Youth, Women, Culture, and Wellness in the communities closest to the Mary River Mine Site – Arctic Bay, Clyde River, Igloolik, Pond

Inlet, and Sanirajak.

In 2025, due to operational and financial constraints, Baffinland had to put the Donations and Sponsorship Program on pause, and reviews requests on a case-by-case basis.

Donations and sponsorships in 2025 included the following:

- $5,000 each to Arctic Bay, Clyde River, Igloolik, Pond Inlet, and Sanirajak to support their Christmas community activities, at their own discretions
- $1,000 in prizes to each of the above communities to be distributed at their Christmas Games
- 115 lbs. of caribou meat donated to Arctic Bay
- Honoraria paid to youth facilitators, who facilitated Christmas games for youth in the absence of a BCLO
- $5,000 was donated to the Hamlet of Pond Inlet in July of 2025 to support the response to the local youth crisis.
- Donation to support the bereavement of a site-based employee
- Sponsorships included the Nunavut Mining Symposium, Nunavut Night at AME Roundup, and the Nunavut Sivuniksavut NS@40 Conference

In addition to the above donations, Baffinland also donated 84 totes of dust suppressant, called DUST/BLOKR®, to Pond Inlet. This included 6 Sea-cans. The total value of the donation was approximately $170,000.

In total, Baffinland provided over $225,000 in donations and sponsorships in 2025 and more than $2.8 million through the Donations and Sponsorship Program since 2016.

RESULTS

For more information, see Section 2.3.3.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 157

Category	Human Health and Well-Being - Counseling and treatment programs
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To make available, necessary treatment and counseling services for employee and family well-being.
Term or Condition	The Proponent should consider providing counseling and access to treatment programs for substance and gambling addictions as well as which address domestic, parenting, and marital issues that affect employees and/or their families.
Relevant Baffinland Commitment	96
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	n/a
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Methods to maintain compliance with this Project Certificate Term and Condition are addressed in reporting related to PC Term and Condition No. 153.

RESULTS

Refer to Term and Condition No. 153.

TRENDS

Refer to Term and Condition No. 153.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to provide employee access to the EFAP and on-site mental health counsellors, on-site Inuit Cultural Advisors, and site physician assistants.

4.7.6 Community Infrastructure and Public Services (PC Terms and Conditions 158 through 161)

Four (4) PC Terms and Conditions relate to the potential impacts of the Project on community infrastructure and public services. All four conditions name the Government of Nunavut (GN) as the responsible party for implementation of these conditions. NIRB encourages Baffinland to work with the GN to address public service issues, particularly those that may be adversely affected by the Project.

Inuit & Stakeholder Feedback

Key stakeholders focused on community infrastructure and public services include community members, Hamlet administrations, the QIA, the GN, and CIRNAC. The GN is the primary stakeholder, since it is responsible for the delivery of many public services. Hamlets expressed concern that skilled workers may leave their workforce to work for the Project, resulting in a skills gap, at least temporarily. Some Project employees and contractors have left positions in their communities to pursue employment at the Project. However, the Mary River Experience – The First Three Years report (BDSI, 2016) describes a lack of full-time hamlet work in many communities and the important role the Project plays in filling this gap. Potential opportunities for the community to realize new community infrastructure as a result of the Project continue to be expressed.

Monitoring

Baffinland conducted Inuit Employee Surveys in 2017, 2018, 2019, 2020, 2022, 2023, and 2025. Results are provided in the annual socio-economic monitoring reports. Baffinland also reports on indicators pertaining to competition for skilled workers, labour force capacity, pressures on existing health and social services provided by the GN that may be impacted by Project-related in-migration of employees, and on Project-related pressures on community infrastructure. Table 4.44 provides an evaluation of the Project's impacts on community infrastructure and public services, based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and the FEIS addendum.

Table 4:44: Community Infrastructure and Public Services Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Recruitment and Retention of Hamlet Employees	Competition for skilled workers may lead to temporary effects on municipal services	Inuit Employee Survey results from 2025, indicated the Project may be having some negative effects by increasing competition for workers in local communities. The survey results showed that 52% of respondents left a previous job to join Baffinland. Out of the 12 respondents who left a previous job, none specified that a Hamlet was their previous employer, though one specified working for the federal government (Aglu and ERM, 2026b). This effect will continue to be monitored to determine if the Project has a sustained negative effect on Hamlet staff retention. Continued engagement with Hamlet governments through their attendance at the QSEMC supports monitoring of this effect. Currently no data is collected on whether and how Hamlets are benefitting from any labour force capacity created by the Project. In voluntary exit surveys conducted in 2025, one Inuk contractor employee reported resigning to take a job with a local hamlet, and several other Baffinland and contractor employees reported resigning because they had found jobs closer to home. Therefore, it is anticipated that community-based employers, such as Hamlet governments, will continue to have opportunities to hire former Project employees. Further, Baffinland does not offer conditional training. Individuals that receive training from Baffinland are free to use the skills gained from training to seek employment from an employer of their choosing.	Effect within FEIS predictions
Education and Skills	Long term improvement in labour force capacity		Long-term effect may be realized over time

It is also expected that ongoing training and experience generated by the Project, in addition to regular employee turnover, will continue to increase the pool of skilled workers in the local labour force and negate any short-term, negative Project effects. Effects to community infrastructure and public services as a result of Project employment are consistent with FEIS predictions. An overall improvement in the capacity of the local labour force will occur and become apparent over time.

Path Forward

Baffinland will continue to monitor this aspect of the socio-economic environment and will discuss monitoring results with the SEMWG. Reporting on each PC Term and Condition follows.

Project Certificate Term and Condition No. 158

Category	Community Infrastructure and Public Services – Impacts to health services
Responsible Parties	The Proponent, Government of Nunavut
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To monitor indirect Project impacts to health and social services provided by the Government of Nunavut.
Term or Condition	The Proponent is encouraged to work with the Government of Nunavut and other parties as deemed relevant in order to develop a Human Health Working Group which addresses and establishes monitoring functions relating to pressures upon existing services and costs to the health and social services provided by the Government of Nunavut as such may be impacted by Project-related in-migration of employees, to both the North Baffin region in general, and to the City of Iqaluit in particular.
Relevant Baffinland Commitment	43
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) Draft 2019 Socio-Economic Monitoring Plan (Baffinland, 2019h)
Ref. Document Link	Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

Baffinland actively engages with the Government of Nunavut (GN) on its socio-economic monitoring program and other general socio-economic issues through the QSEMC, the MRSEMWG and general socio-economic Baffinland GN MoU. Baffinland also signed a MoU directly relate to health care services with the GN Department of Health in 2017 regarding site health services and medevac procedures. More specifically, this MoU describes the health care staff and services Baffinland will provide on-site, including procedures Baffinland will follow during medevac situations, for pre-employment medical examinations, and for the reporting and management of communicable diseases, amongst other topics.

Baffinland monitors potential socio-economic effects of the Project through its annual Socio-Economic Monitoring Plan and annual report. This includes monitoring indicators that related to pressures on existing health and social services provided by the GN that may be impacted by Project-related in-migration of employees (e.g. percentage of the population receiving social assistance, percent of health centre visits related to infectious diseases, total and per capita number of health centre visits, number of visits to Project site physician assistant).

RESULTS

Summary results and trends in socio-economic monitoring data are presented in Table 4.45. Detailed results are presented in the 2025 Socio-Economic Monitoring Reports (Aglu and ERM, 2026a).

Table 4:45: Selected Human Health and Well-Being Indicators and Trends in 2025

Indicator / Topic	Summary and Trends
Percentage of population receiving social assistance	The portion of the population receiving social assistance in the North Baffin LSA has remained relatively consistent, if not slightly decreasing, during the post-development period.
Percent of health centre visits related to infectious diseases	Compared to pre-development period averages, there has been a mixed but somewhat decreasing trend in health centre visits related to infectious diseases in the North Baffin LSA and across the territory. However, since 2020, there has been a significant drop in the proportion of health centre visits for infectious diseases. It is not possible to characterize the relationship between the Project and this decrease, given the confounding factors of the COVID-19 pandemic, 2019 ransomware attack on the GN, and changes made in 2021 to how health data is coded by the GN.
Number of health centre visits (total)	When comparing the average visits to health centres across communities for the pre-development (2008 – 2012) and post-development (2013 – 2023) periods, there is a decrease in both per capita and total visits to community health centres. The average number of health centre visits per capita decreased by 22% in the North Baffin and by 42% in Iqaluit between the pre-development and the post-development period. Per capita health centre visits in North Baffin LSA communities have always been much higher than the rate in Iqaluit. Based on the available data and considering the confounding factors of the COVID-19 pandemic and widespread shortages of healthcare professionals, the Project is not considered to have had a significant effect on the use of public health services and infrastructure in the LSA.
Number of health centre visits (per capita)	
Number of visits to Project physician assistant	The Project continues to provide all workers with regular access to a physician's assistant, with whom they can confidentially address health-related issues (including those unrelated to the workplace). The number of visits per Inuit employee increased to 4.4 visits per employee, following a rate of 3.9 visits per employee in both 2023 and 2024. This increase follows a predictable drop in 2020 and 2021 with Nunavummiut demobilized for parts of those years, with 2025 representing a return to pre-pandemic levels. A trip to the physician's assistance could be an indicator of either positive, negative, or neutral effects.

In-migration of workers is one way the Project could negatively affect health and social service provision in the LSA. Company monitoring data suggest North Baffin Local Study Area in-migration is not occurring in any significant manner (see Section 4 of the 2025 Socio-Economic Monitoring Report; Appendix G.6.1; (Aglu and ERM, 2026a).

A net of +1 individuals are known to have moved from the North Baffin LSA into Iqaluit since 2015, with no 2025 migrations data for employees available at the time of publication for the 2025 Socio-Economic Monitoring Reports (Aglu and ERM, 2026a). More generally, the 2025 Socio-Economic Monitoring Report indicates an average of 73 Inuit and 3 non-Inuit employees/contractors (by headcount) with known origins lived in Iqaluit in 2025 (Aglu and ERM, 2026a). Appropriate government-sourced migration data for the LSA are otherwise unavailable. However, the Project may also be contributing positively to LSA health service provision, by providing employees with regular access to an on-site Project physician assistant(s) and by providing various counselling and support services (e.g. EFAP, on-site Cultural Advisors, on-site mental health counsellors).

TRENDS

Given the various confounding factors impacting visits to health centres in the territory over the past decade, it is not possible to determine the exact relationship between the Project and visits to health centres. However, it is likely that some Inuit employees are able to obtain healthcare at the Project that they would otherwise have limited access to in their communities, given the widespread issues with healthcare staffing shortages described in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

RECOMMENDATIONS / LESSONS LEARNED

The GN is responsible for health reporting and Baffinland would expect that if additional collaboration with the GN was desired in this area it would be raised through the MRSEMWG, QSEMC, engagement under the 2019 MOU, or through other engagement platforms. Baffinland will continue to monitor and report on functions relating to pressure on existing services provided by the Government of Nunavut as such may be impacted by Project-related in-migration of employees. The Company will continue to engage the MRSEMWG and QSEMC on this topic as well.

Project Certificate Term and Condition No. 159

Category	Community Infrastructure and Public Services – Impacts to infrastructure
Responsible Parties	The Proponent, Government of Nunavut
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To monitor Project-related impacts to infrastructure within the Local Study Area communities.
Term or Condition	The Proponent is encouraged to work with the Government of Nunavut to develop an effects monitoring program that captures increased Project- related pressures to community infrastructure in the Local Study Area communities, and to airport infrastructure in all point-of-hire communities and in Iqaluit.
Relevant Baffinland Commitment	43
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) Draft 2019 Socio-Economic Monitoring Plan (Baffinland, 2019h)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.6.1 – 2025 Socio-Economic Monitoring Report

METHODS

Baffinland continues to engage the GN directly, and through the MRSEMWG and QSEMC, on the Project Socio-Economic Monitoring Program. Baffinland also provides information on potential socio-economic effects of the Project in the annual Socio-Economic Monitoring Report. This includes indicator data related to increased project-related pressures to community and airport infrastructure in the Local Study Area (LSA) communities (i.e. Arctic Bay, Clyde River, Igloolik, Iqaluit, Pond Inlet, and Sanirajak).

Further, following the 2019 fuel shortage at the Iqaluit Airport, Baffinland committed to ensuring that each year Baffinland's airline partner would provide a fuel usage estimate report to the GN in advance of the annual fuel sealift to Iqaluit.

RESULTS

To support the movement of workers, freight, and other materials to and from the Project, Baffinland uses community airport infrastructure in the LSA. This is due to the remote location of the Project and lack of viable alternative transportation methods (aside from seasonal marine re-supply).

In 2025, Baffinland's utilization of community infrastructure, particularly airports, continued to be lower than pre-pandemic levels. In 2025, there were 1,122 Project aircraft movements at LSA community airports. This includes

fixed-wing aircraft (e.g. passenger, cargo, and 'combi' type) and rotary-wing aircraft (e.g. helicopters used for site activities).

Project-related aircraft movements add some incremental pressure on LSA community airport facilities. However, LSA community airports regularly accommodate various non-Project passenger, cargo, and other aircraft, and Project-related aircraft movements at LSA community airports in 2018 (the latest year data is available) represented a small portion (8.4%) of this total. In 2025, Project-related aircraft movements only accounted for a small portion (3.4%) of all aircraft movements at the Iqaluit airport (Aglu and ERM, 2026a).

TRENDS

Where appropriate, trends have been described for the indicators assessed in the 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

Since 2020 and 2021, when COVID-19 impacts led to flight scheduling changes and decreased use of facilities, aircraft movements at LSA community airports were relatively stable from 2022 to 2024. These levels were also influenced by the change from a two-week-in/two-week-out to a three-week-in/three-week-out rotation. However, decreased production in 2025 led to a decrease in aircraft movements, although the number of movements in 2025 remained above 2020 and 2021 levels (Aglu and ERM, 2026a).

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to engage with the GN through the MRSEMWG and the QSEMC on the Project's Socio-Economic Monitoring Program. As this is an area that is already monitored by the GN, Baffinland would expect that if additional collaboration was desired in this area, it would be raised and/or responded to through these forums.

Baffinland will continue to provide information related to increased Project-related pressures to community infrastructure in the LSA communities, and to airport infrastructure in all point-of-hire communities and in Iqaluit, in the Socio-Economic Monitoring Report.

Project Certificate Term and Condition No. 160

Category	Community Infrastructure and Public Services – Distribution of benefits
Responsible Parties	Qikiqtani Inuit Association, Government of Nunavut
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure the distribution of benefits is done in a way that offsets Project-related impacts to infrastructure or services.
Term or Condition	The Government of Nunavut and the Qikiqtani Inuit Association are encouraged to cooperate to ensure in a broad sense, that Project benefits are distributed across impacted communities and across various demographic groups within these communities in a manner, which best offsets any Project-related impacts to infrastructure or services.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In progress
Stakeholder Review	Qikiqtani Inuit Association (QIA) and Government of Nunavut (GN)
Reference	Not Applicable
Ref. Document Link	Not Applicable

METHODS

This PC Term and Condition is not aimed at Baffinland. See Baffinland's reporting under PC Term and Condition No. 167 for an understanding of the benefits, royalties and taxation that was paid to the GN and QIA for 2025.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 161

Category	Community Infrastructure and Public Services – Policing
Responsible Parties	Government of Nunavut, Royal Canadian Mounted Police
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure the territorial government and its policing service are adequately prepared to handle any Project-related increases to the need for service and associated impacts.
Term or Condition	The Government of Nunavut should be prepared for any potential increased need for policing, and ensure that the Royal Canadian Mounted Police is prepared to handle ongoing Project-related demographic changes and subsequent crime prevention that may be needed as a result of the development, operation, and closure of the Project.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Government of Nunavut (GN)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.6.1 - 2025 Socio-Economic Monitoring Report

METHODS

This PC Term and Condition is not aimed at Baffinland.

Baffinland regularly engages the Government of Nunavut (GN) on the Project's Socio-Economic Monitoring Program. For example, Baffinland produces an annual Socio-Economic Monitoring Report (which includes demographic and crime-related information) and regularly engages the QSEMC and SEMWG to discuss socio-economic impacts and benefits of the Project. The RCMP is an invited member of the QSEMC, and participated and presented results of the 2025 QSEMC.

Baffinland also directly engages local Royal Canadian Mounted Police (RCMP) detachments in the North Baffin communities on an as-needed basis.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to cooperate with the GN regarding Project-related socio-economic monitoring (including monitoring of demographic and crime-related information). Baffinland will continue to engage the GN through the QSEMC and MRSEMWG on these topics.

4.7.7 Culture, Resources & Land Use (PC Terms and Conditions 162 through 166)

Five (5) PC Terms and Conditions relate to the potential impacts of the Project on culture, resources and land use. The conditions request Baffinland notify communities regarding Project activities and particularly shipping and that Baffinland engage communities in monitoring programs and the establishment of mitigation measures to ensure that both consider traditional activities.

Inuit & Stakeholder Feedback

In addition to the Inuit of the five (5) North Baffin communities, key stakeholders focused on culture, resources and land use include the QIA, the GN Department of Culture and Heritage, and the Inuit Heritage Trust. The latter two (2) organizations are responsible for the management of cultural heritage including archaeological sites. The potential for the Project to affect current land uses and the availability of wildlife resources were key concerns of the communities and the QIA. The GN departments expressed concern regarding the potential for adverse effects to archaeological sites and ensuring proper planning and procedures took place. Concerns regarding potential impacts to resources and land use continue to be a theme of community engagement.

Monitoring

Baffinland conducts annual monitoring and when required mitigation work under an Archaeological Permit issued by the GN. Baffinland also monitors the number of land use visitor person-days at Project sites, and the number of Wildlife Compensation Fund claims recorded annually. Table 4.46 provides an evaluation of the Project's impacts on culture, resources and land use, based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and FEIS Addendum.

Baffinland's monitoring data suggests Inuit land use and harvesting coexists with the Project to some degree. However, Baffinland respects that individual experiences with the Project can be unique and varied.

Baffinland acknowledges the potential for wildlife-related impacts from the Project that can affect harvesting and has accordingly contributed $750,000.00 to a Wildlife Compensation Fund (administered by the QIA under the terms of the IIBA) to address this issue.

Baffinland will continue to provide maintenance services to the MHTO Cabins in the Project Area. This work is on-going and repairs will be addressed in time. Additionally, Inuit travelling through the site will continue to be provided escorted over the Tote Road, and Baffinland will continue to conduct repairs to identified land use crossing areas as needed and provide food, fuel and equipment repairs as requested by land users.

Path Forward

Baffinland will continue to monitor this aspect of the socio-economic environment and will discuss monitoring results with the SMWG and QSEMC, as well as with HTOs in each of the impacted communities, either directly or through their participation in environmental working groups, or ad hoc initiatives to better understand specific project and land use interactions. Reporting on each PC Term and Condition follows.

Table 4:46: Culture, Resources and Land Use Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Archaeological Sites	Unauthorized removal of artifacts from known archaeological sites	Worker site orientation training includes rules regarding archaeological sites, with dismissal a consequence of offence. Baffinland's consulting archaeologist visits sites most years. Sites are successfully mitigated or protected, as applicable.	Effects did not occur
	Disturbance to archaeological sites due to ground disturbance activities without mitigation		
	Potential for chance finds	Reporting of chance finds as per Cultural and Heritage Resource Protection Plan: no chance finds located in 2025.	Effects did not occur
Inuit Harvesting of Wildlife	Mine operations affecting the harvesting of caribou, marine mammals and fish	Land user visits to the Mine Site and Milne Port are recorded. The QIA administers the Wildlife Compensation Fund where if harvesting was impacted by the project, individuals can apply for compensation. For more details see TC 148.	Effect within FEIS predictions
Travel and Camps	Potential for reduced safety travelling around Eclipse Sound and Pond Inlet and through Milne Port. Emissions and noise disruption during travel and/or camping	Site observations suggest Inuit land use coexists with the Project's activities. In 2025 a total of 576 land use visitor person-days were recorded at Project sites, a 42.2% increase from 2024 levels. Baffinland continued to supply food, fuel and reasonable mechanic services for Inuit travelling through the Project Area in 2025. Baffinland continued to provide financial support for harvesting to Inuit in Pond Inlet through the Harvesters enabling Program.	Effect within FEIS predictions
	Sensory disturbance and safety along Milne Inlet Tote Road		Effect within FEIS predictions
	Detour around Mine Site		
	HTO cabin closure	No closures were experienced in 2025. Hunter and visitor support are provided on an as-needed basis.	Effect within FEIS predictions

Project Certificate Term and Condition No. 162

Category	Culture, Resources and Land Use - Public consultation
Responsible Parties	The Proponent, Elders and community members of the North Baffin communities
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure the ongoing and consistent involvement of Elders and community members in developing and revising monitoring and mitigation plans.
Term or Condition	The Proponent should make all reasonable efforts to engage Elders and community members of the North Baffin communities in order to have community level input into its monitoring programs and mitigative measures, to ensure that these programs and measures have been informed by traditional activities, cultural resources, and land use as such may be implicated or impacted by ongoing Project activities.
Relevant Baffinland Commitment	97
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtani Inuit Association (QIA), North Baffin Communities
Reference	2025 MEWG Meeting Records 2025 TEWG Meeting Records 2025 Engagement Records
Ref. Document Link	Appendix C.1 – MEWG Meeting Records Appendix C.2 – TEWG Meeting Records Appendix B.1 – 2025 Engagement Records

METHODS

Baffinland is committed to meaningful engagement with individuals and organizations potentially affected by the Project, including the five (5) North Baffin communities (Arctic Bay, Clyde River, Igloolik, Pond Inlet, and Sanirajak). 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 interested parties and that the creation of enhanced opportunities for dialogue and input are executed.

Baffinland meets and/or shares Project-related information including monitoring programs implemented annually with various community groups on a regular basis to discuss aspects of the Project and any concerns or recommendations community representatives may have. Baffinland directly funds the participation of the Hunters and Trappers Organization's (HTO) from the five (5) North Baffin communities at both the Terrestrial and Marine Environment Working Groups. In 2025, Baffinland extended invites to Kinngait and Kimmirut to join the Environmental Working Groups.

Baffinland holds annual pre-shipping and end-of-shipping season meetings with representatives of the Hamlet of Pond Inlet, the MHTO (including Elders) and QIA. During these meetings, various topics are discussed including, though not exclusively, shipping activity levels, relevant mitigation measures, shipping communications, monitoring goals and timing. Information is also shared in writing through email correspondence throughout the year, and more regularly during the shipping season.

Baffinland has Inuit Knowledge Holders and Community Relation Guides in each of the five North Baffin communities: Pond Inlet, Sanirajak, Clyde River, Igloolik, and Arctic Bay, as well as, Kinngait and Kimmirut. These positions were created to deepen our understanding of community perspectives and priorities for the communities of the North Baffin. The Inuit Knowledge Holders are grounded in Inuit ways, customs, traditions, and ceremonies. They share their knowledge with Baffinland teams to ensure the Company provides tailored, relevant and culturally appropriate services in their communities. They also contribute to the review and development Inuit Qaujimajatuqangit (IQ) documentation and will support a continuous integration of IQ in our operations and interactions.

The Community Relations Guides are skilled in hunting and harvesting and have deep understanding of local wildlife, in addition to having knowledge and perspective on the socioeconomic state of their community. They provide advice to Baffinland leaders to enhance effective community relations, liaising directly with residents of their community to discuss any concerns, and responding to questions about Company operations. In 2025, Baffinland's IKH and CRGs met frequently via teleconference to discuss many topics and provide valuable insights, feedback and advice. They also interact with their communities to help collect information.

RESULTS

In 2025, Baffinland focused its community engagement efforts on the Steensby Component of the Project.

Like previous years, the five (5) North Baffin HTO's were invited to and participated in, both MEWG (Appendix C.1) and TEWG (Appendix C.2) in 2025. As part of these meetings, past results and future planned studies were discussed for input. In addition, Baffinland held both pre-shipping season meeting and post-shipping season meeting with MTHO and the Hamlet of Pond Inlet. More information can be found in Section 2 of this report. During this meeting, Baffinland shared its 2025 shipping activities, reviewed implemented mitigation and management measures such as use of convoys. To ensure the community is informed about shipping activities, call in radio shows occurred twice in the community of Pond Inlet, related to shipping and a community drop-in was held post shipping at the co-op.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to provide the results of the key monitoring programs of interest to the communities. Baffinland will continue to seek formal feedback from the HTO's through their involvement as members of both the MEWG and TEWG, through Baffinland-led annual pre-shipping and end-of-shipping season meetings and/or periodic information exchanges. Baffinland will also engage Inuit directly on programs on an ad hoc basis as needed.

Project Certificate Term and Condition No. 163

Category	Culture, Resources and Land Use - Public consultation
Responsible Parties	The Proponent, North Baffin communities
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To involve communities in the development and evolution of management and monitoring plans.
Term or Condition	The Proponent shall continue to engage and consult with the communities of the North Baffin region in order to ensure that Nunavummiut are kept informed about the Project activities, and more importantly, in order that the Proponent's management and monitoring plans continue to evolve in an informed manner.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	North Baffin Communities
Reference	2025 Engagement Records 2025 MEWG Meeting Minutes 2025 TEWG Meeting Minutes 2025 Steensby Component Engagement Records
Ref. Document Link	Appendix B.1 – 2025 Engagement Records Appendix B.3 – Steensby Component Engagement Records Appendix C.1 – MEWG Meeting Records Appendix C.2 – TEWG Meeting Records

METHODS

The methods Baffinland employs to satisfy this term and condition are consistent with those outlined in response to PC Term and Condition No. 162. In addition to those mechanisms, and of specific relevance to this PC Term and Condition relates to various types of engagement methods including more regular public radio shows and individual one-on-one meetings and open houses. This format has continued to reach Nunavummiut from the affected communities to keep the communities broadly informed of the Projects current activities, inclusive of its environmental monitoring and mitigation plans.

Baffinland also further broadened its local 'boots on the ground' in each of the five (5) North Baffin communities by hiring Inuit Knowledge Holders and Community Relations Guides towards the end of 2022. These roles are seen as critical to guiding Baffinland's senior management in its decision making, facilitating knowledge transfer within and between community members and Baffinland staff, and guiding the collection and use of Inuit Qaujimajatuqangit (IQ).

As Baffinland revises and develops management plans, engagements and consultations will continue not only in the 5 North Baffin communities but with Kinngait and Kimmirut as well. Management plans and monitoring programs are continually brought to the working groups for review and discussion.

RESULTS

Community consultations on the Steensby Component of the Project in Arctic Bay, Clyde River, Igloolik, Kinngait, Kimmirut, Pond Inlet and Sanirajak were led by the Federal Government in December 2024 and in April and June 2025. These consultations focused on the regulatory authorizations for construction of the Steensby Railway and Port. Baffinland participated in these meetings as an observer and provided responses to questions where required.

Throughout the Spring and Summer, Baffinland held a meeting in Igloolik with the Igloolik Working Group to discuss the regulatory authorizations for the Steensby Component. Baffinland also met virtually with the Sanirajak HTO to discuss shipping plans for the Southern Shipping Route. Engagements continued in-person in these communities in November, focusing on marine environmental monitoring and mitigation measures associated with future shipping along the Southern Shipping Route (Appendix B.3).

In the fall, Baffinland continued its engagement through in-community meetings and discussions with community leadership, including Mayors and the Qikiqtaaluk Wildlife Board, which included representatives from Baffin Island HTOs. These meetings focused on the SOP2 suspension and provided updates on Steensby Component permitting and environmental studies. Details on Baffinland's community engagements can be found in section two (2) of the NIRB annual report.

Additionally, Baffinland hosted seven (4) radio shows (Table 4.47) and held various meetings in each of the five (5) North Baffin communities. A list of all meetings held with the public and with community groups such as the MHTO in 2025 is provided in Section 2.3 and 2.4 and Appendix B.1. Baffinland continued to provide relevant operational updates to the communities, including widespread engagement on the Steensby Component of the approved Mary River Project.

For details on Baffinland's engagement and communications related to shipping please see PC Terms and Conditions 102, 166, and 183.

Table 4:47: Summary of Call-In Radio Shows in 2025

Date	Community	Primary Topic
10-Feb-25	Kinngait	Steensby Component
12-Feb-25	Kimmirut	Steensby Component
7-Mar-25	Igloolik	Steensby Component
30-Jul-25	Pond Inlet	2025 Start of Shipping Season

Project Certificate Term and Condition No. 164

Category	Socio-Economic Impacts – Shipping notification
Responsible Parties	The Proponent, Elders and community members of the North Baffin communities
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	In order to inform members of North Baffin communities of planned Project shipping transits such that community members' planned travel routing may be adjusted to avoid interaction with Project ships and/or ship tracks.
Term or Condition	The Proponent is required to provide notification to communities regarding scheduled ship transits throughout the regional study area including Eclipse Sound and Milne Inlet, real-time data regarding ships in transit and any changes to the proposed shipping schedule to the MEWG and agencies within Pond Inlet on a weekly basis during open water shipping, and to the RSA communities on a monthly basis.
Relevant Baffinland Commitment	30, 34
Reporting Requirement	The information required shall be provided on a monthly basis at a minimum or more often as the Proponent determines necessary and is to be provided to the Proponent's community liaison officers and those of the Qikiqtani Inuit Association as well as the Hunters and Trappers Organizations and Hamlet organizations of the North Baffin communities, Coral Harbour, and the NIRB's Monitoring Officer. Where deviations from the proposed schedule or routing are required, this information shall be provided as soon as possible.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG) and Mittimatalik Hunter and Trappers Organization (MHTO)
Reference	Marine Shipping and Vessel Management Report (Baffinland, 2025f)
Ref. Document Link	https://www.baffinland.com/operation/shipping-and-monitoring/

METHODS

Baffinland continues to partner with Spire Shipview®, a global vessel monitoring and tracking service based on Automatic Identification System (AiS) data from polar orbiting satellites to track and report on vessel movements. The vessel tracking information is available on Baffinland's website to allow communities to check on vessel coordinates, which direction the vessel is moving, and its destination.

As first initiated in 2019, Baffinland continued with its implementation of the Pond Inlet Shipping Monitor Program in 2025. This program consists of employing a minimum of two (2) full-time Shipping Monitors from the community of Pond Inlet to actively track daily Project vessel movements in the RSA in real-time, posting daily updates on a dedicated Facebook page and using VHF to communicate with hunters. In 2025, fourteen (14) Shipping Monitors were hired over the course of the shipping season. Shipping Monitors track any feedback they receive over the shipping season, answer questions as needed, and act as a direct liaison between the community of Pond Inlet, Hunters and Baffinland's headquarters, including the Shipping and Sustainable Development departments.

Following the direction of the NIRB outlined in the Production Increase Proposal Extension Recommendation Report, Baffinland has submitted a Marine Shipping and Vessel Management Report in advance of each shipping season since 2020. The Report outlines Baffinland's plans for the shipping season in terms of operations (number of vessels, types of vessels, anchorage locations, approximate timing, commencement conditions, etc.), consultation and engagement activities that have occurred with relevant Parties prior to the start of the shipping season and planned monitoring. As in all years, in 2025, the shipping season did not commence until the MHTO confirmed the closure of the floe edge for harvesting, which is a direct indicator of the safety of ice for travel. Confirmation was received via email.

In addition to the regular communications about daily shipping activity via marine VHF radio and Facebook, Baffinland initiated the weekly sharing of an anticipated 10-day rolling schedule, which is shared with interested MEWG members, the Hamlet and the MHTO. This schedule outlines upcoming Baffinland vessel activity in the Regional Study Area (RSA). Rolling schedules were shared throughout the 2025 shipping season and will continue to be shared in 2026.

RESULTS

The programs described above continued to be actively implemented in 2025.

Since the start of operations, Baffinland has clearly demonstrated its commitment to successfully implementing the various shipping-related mitigation and management measures (e.g., tight adherence to the defined shipping route and vessel speed restrictions) and by adopting new procedures over the years to improve performance based on previous' years results. This includes expanding upon the types of communication methods being employed over the years to inform residents about its activities (e.g., hiring of shipping monitors to communicate vessel locations through use of marine VHF radio, public radio, Facebook) and also by providing updated rolling schedules on anticipated shipping activities on a regular basis in addition to the live online tracking available 24 h/day.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland has found the use of Spire Shipview® to be beneficial in providing information related to ship routing to the public. Baffinland will continue to communicate changes to the proposed shipping schedule in weekly emails to rolling 10-day schedules, and will notify the community of deviations be made by vessels on the dedicated Facebook page. Furthermore, Baffinland will continue to hire Shipping Monitors based out of Baffinland's office in Pond Inlet in order to maintain communications in the community of Pond Inlet on the presence of vessels along the Northern Shipping Route over the duration of the shipping season and to provide a direct liaison with the community of Pond Inlet, including the MHTO. Baffinland will also remain open to updating its communications methods as informed by community needs.

Project Certificate Term and Condition No. 165

Category	Socio-Economic Impacts - Emergency shelters
Responsible Parties	The Proponent, Elders and community members of the North Baffin communities
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	In order to provide for human safety precautions in the event of adverse weather or other emergency situations along segments of linear transportation infrastructure.
Term or Condition	The Proponent is strongly encouraged to provide buildings along the rail line and Milne Inlet Tote Road for emergency shelter purposes, and shall make these available for all employees and any land users travelling through the Project area. In the event that these buildings cannot, for safety or other reasons be open to the public, the Proponent is encouraged to set up another form of emergency shelters (e.g. Seacans outfitted for survival purposes) every 1 kilometre along the rail line and Milne Inlet Tote Road. These shelters must be placed along Tote Road and rail routing prior to operation of either piece of infrastructure, and must be maintained for the duration of project activities, including the closure phase.
Relevant Baffinland Commitment	14
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Steensby Rail Corridor – Not Active Milne Inlet Tote Road – Active
Status of Compliance	Steensby Rail Corridor – Not Applicable Milne Inlet Tote Road – In Compliance
Stakeholder Review	Qikiqtani Inuit Association, Nunavut Water Board, Crown-Indigenous Relations and Northern Affairs Canada, Nunavut Impact Review Board
Reference	Tote Road Travel Procedure (Baffinland, 2019i)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland has constructed four (4) refuge stations at KM 32, 40, 60 and 69 along the Tote Road. Each station is available for emergency shelter purposes to employees and land users travelling through the Project Area. The stations are heated and outfitted with beds and bedding, water, an Automatic External Defibrillator (AED), food and a digital radio that provides direct contact with Baffinland security or dispatch. In addition to the four (4) refuge stations, there are eleven (11) heated seacans located at communication towers along the Tote Road, equipped with a fire extinguisher and first aid kits. The communication tower seacans are intended for emergency and temporary use only and do not house radios, food or water.

Baffinland has a trained Emergency Response Team (ERT) at both ends of the Tote Road with emergency vehicles to rapidly respond to any concerns. The ERT also has access to snowmobiles, , a SHERP All-Terrain Utility Vehicle, and a Sno-Cat® that are capable of moving through snowdrifts and effecting a rescue as required. The Tote Road Travel Procedure is publicly available and outlines the emergency response procedure (Baffinland, 2019i).

Ensuring the health and safety of local hunters on-site is of utmost importance to Baffinland. If travel across or along the Tote Road is required, local hunters are continued to be advised to report to security and request a transport for

their equipment and personnel. To prevent potential transfer of infectious diseases including Tuberculosis to Nunavummiut, all camps and accommodations facilities remained closed to non-Project staff, however, the HTO Cabins and Visitor Communication Centers remained available for use by hunters/visitors.

In 2025, Baffinland assisted in three (3) separate Search-and-Rescue incidents (June 5, 2025; August 10 and 11, 2025; and August 19, 2025) involving people in distress and supported search efforts. One incident involved a medical emergency, during which Baffinland provided helicopter transport. On a separate occasion, Search and Rescue supported efforts to help locate a youth who went missing in October 2024. In most cases, Baffinland provided aircraft support, staging, fuel, food, and accommodations. The Steensby rail line has not yet been constructed and is therefore not applicable at this time.

RESULTS

No Project related safety incidents occurred in 2025 along the Tote Road for visiting hunters which required the use of the emergency shelters, and all emergency shelters were available for use. In a non-project related incident, two snowmobiles used by hunters were involved in an accident near the Tote Road. Three hunters were transported to the KM 60 emergency shelter to stay warm while waiting for further assistance from Baffinland teams. No medical assistance was required, and one snowmobile and one person were transported to Milne Port while the rest of the group travelled on the remaining functioning snowmobiles.

TRENDS

Emergency shelters remain available, and no Project related health and safety incidents involving hunters and visitors occurred along the Tote Road in 2025 which required the use of the emergency shelters.

RECOMMENDATIONS / LESSONS LEARNED

PC Term and Condition No. 165 was originally intended for the development of the southern railway to Steensby Inlet. For the Emergency Response Plan, use of the Tote Road means that there are multiple types of vehicles readily available to access a person in need of assistance. Construction of emergency shelters along the railway to Steensby Port will be planned in concert with other interested Parties when this phase of the Project becomes active.

Project Certificate Term and Condition No. 166

Category	Socio-Economic Impacts - Public Consultation
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To ensure members of the public are able to access shipping information on an as-required basis in order to inform potential users of the scheduled Project activities, which could require deviations to land users' schedules or routing.
Term or Condition	The Proponent should ensure through its consultation efforts and public awareness campaigns that the public have access to shipping operations personnel for transits into and out of both Steensby Inlet port and Milne Inlet port either via telephone or internet contact, in order that any questions regarding ice conditions or ship movements that could assist ice users in preparing for travel may be answered by Project staff in a timely fashion.
Relevant Baffinland Commitment	30
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Not applicable
Reference	2025 Shipping Fact Sheet
Ref. Document Link	https://www.baffinland.com/operation/shipping-and-monitoring/ Appendix B.2.1 2025 Shipping Fact Sheet

METHODS

Baffinland continues to implement a shipping communications protocol with the community of Pond Inlet. Information regarding the communications protocol is shared with the MHTO during the pre-shipping and end of shipping season meetings where feedback is requested for improvements, as needed. Baffinland also made available a Shipping and Marine Monitoring Program brochure (Appendix B.2.1) that is updated annually, which contains relevant Baffinland staff contact information should community members have any concerns throughout the season. Shipping monitors are available 24-7 during shipping season. They are located in Pond Inlet and are community liaisons for all shipping related matters. Additionally, Baffinland has a dedicated Facebook page that provides vessel movements and updates related to shipping.

RESULTS

The public has access to shipping operations personnel via telephone (corporate direct land-line and cell-based, and local cell phone number), and internet contact via a dedicated shipping email address (shipping@baffinland.com) that is monitored by Baffinland staff including Shipping Monitors and other Sustainable Development Department representatives, in addition to having in-person access to Pond Inlet-based Shipping monitors during daily office

hours from a dedicated Baffinland office. For additional information on the role of Shipping Monitors, refer to summary sheet for PC Term and Condition No. 102 and 164.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Shipping and Marine Monitoring Summary brochure and large maps showing the Northern Shipping Route will continue to be posted in Pond Inlet, and will include staff contact information should community members have any concerns throughout the shipping season. Shipping monitors located in Pond Inlet are available 24/7 throughout the shipping season to answer questions and provide information on ship movements. The communications protocol proved to be an effective method for addressing ongoing community concerns related to shipping throughout the season. Baffinland will continue to make community members aware of how they can obtain information from Facebook, our website, and the Shipping Monitors during the pre and post shipping radio shows in 2025

4.7.8 Benefits, Royalties and Taxation (PC Term and Condition 167)

One (1) PC Term and Condition relates to the potential impacts of the Project on benefits, royalties and taxation: that Baffinland negotiates a Development Partnership Agreement with the GN. The GN, however, allowed the DPA Policy to expire and no longer negotiates such agreements.

Inuit & Stakeholder Feedback

- Key Inuit organizations and other stakeholders focused on the benefits, royalties and taxation include:
    - QIA – On behalf of Qikiqtani Inuit, receives IIBA benefits (including a royalty), rent payment for the lease of Inuit Owned Land (IOL), royalties on aggregate from IOL, tipping fees for waste deposited on IOL, water consumption payments, and a portion of royalties paid to NTI under the grandfathered mining lease;
    - Qikiqtani Inuit - Beneficiaries of benefits and royalties that accrue to the QIA, as well as a portion of mineral royalties paid to NTI and then dispensed to the QIA and other regional Inuit organizations; also, recipients of royalties or dividends from Regional Inuit Corporations and Co-Operatives; NTI - recipient of mineral royalties first payable to the Government of Canada, since Inuit hold sub-surface rights to Deposit No. 1 covered by a grandfathered federal mining lease;
- GN - Recipient of territorial taxes (corporate, fuel, income and payroll taxes);
- Government of Canada – Recipient of corporate, payroll and carbon taxes;
- Other Nunavut Inuit - Beneficiaries of mineral royalties' payable to NTI and distributed to the Kivalliq and Kitikmeot Regional Inuit Associations; and
- Communities – The five (5) North Baffin communities are recipients of donations under Baffinland's Community Donation Program; the community of Pond Inlet also receives direct payments under the Tasiuqtiit Agreement as well as the Harvesters Enabling Program.

Communities continue to express a desire to maximize benefits of the Project.

Monitoring

Baffinland tracks payments made as benefits, royalties and taxes, and this information is presented in annual monitoring reports. Table 4.48 provides an evaluation of the Project's impacts on benefits, royalties and taxes, based on monitoring activities completed in 2025, relative to predictions presented in the FEIS and FEIS Addendum.

Significant positive benefits have been realized by the stakeholders listed above, as a result of benefits, royalties and taxes paid by the Project in 2025.

Path Forward

Baffinland will continue to meet its commitments with respect to benefits, royalties and taxes. Reporting on PC Term and Condition No. 167 follows.

Table 4:48: Benefits, Royalties and Taxation Impact Evaluation

Component	Effects	Monitoring Program	Impact Evaluation
Benefits and Royalty Payments to Inuit Organizations	Increased revenues that can be dispensed to Inuit beneficiaries	Baffinland paid a total $3,937,963 in royalties to QIA in 2025, as well as an additional $3,969,761 in land leases and fees payments and a $29,393 Water Compensation Agreement payment. Residents of Pond Inlet also received $400,000 (2018 dollars) plus annual inflation adjustment in support through the Harvesters Enabling Program. In 2025, $516,658 was provided to the Hamlet of Pond Inlet, which accounts for inflation in 2018 dollars, plus an additional $60,000 in administrative fees.	Within FEIS predictions
Territorial Own-source Revenues	Increased taxes and revenues; Payments of payroll and corporate taxes to territorial government	The Project's effect on revenues flowing to the territorial government is largely established by the value of its payroll and fuel taxes. In 2025, Baffinland paid a total of approximately $12,815,013 million in taxes to the Government of Nunavut.	Within FEIS predictions

Project Certificate Term and Condition No. 167

Category	Benefits, Royalty and Taxation – Partnership Agreements
Responsible Parties	The Proponent, Government of Nunavut
Project Phase(s)	Construction
Objective	The Proponent and the Government of Nunavut develop a formalized partnership agreement.
Term or Condition	The Proponent and the Government of Nunavut are strongly encouraged to, as soon as practical following the issuance of the Project Certificate, enter into discussions to negotiate a Development Partnership Agreement.
Relevant Baffinland Commitment	43
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Not Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Baffinland issued an invitation letter to the Government of Nunavut (GN) in September 2013 regarding the negotiation of a Development Partnership Agreement (DPA). However, a DPA between the GN and Baffinland has not yet been formalized. The GN DPA Policy expired on March 31, 2016 and was never extended or replaced. Baffinland and the Government of Nunavut cannot negotiate a Development Partnership Agreement as instructed by PC Term and Condition No. 167 as the program no longer exists.

In lieu of a Development Partnership Agreement, Baffinland and the GN signed a Memorandum of Understanding (MoU) in 2019 on the basis that "Nunavummiut should benefit from resource development within the territory of Nunavut and that, therefore, maximizing their capacity to engage in such development is important". Through this MoU, GN and Baffinland identified four (4) priority areas for continued collaboration, "Barriers to Employment, Education and Training, Community Wellness, and Infrastructure and Transportation." The GN and Baffinland continue to engage frequently on many aspects of the Mary River Project to continue collaboration that supports responsible resource development.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

4.7.9 Governance & Leadership (PC Terms and Conditions 168 through 169)

Two (2) PC Terms and Conditions relate to the potential impacts of the Project on governance and leadership, both of which relate to the collection of socio-economic data and annual reporting to NIRB.

Inuit & Stakeholder Feedback

Members of the SEMWG include: Baffinland, the QIA, the GN, and CIRNAC. Each organization has an interest and a role in improving socio-economic conditions within the Qikiqtani Region and Nunavut as a whole. Baffinland administers the Mary River SEMWG, including holding one annual meeting, and actively engaging the group on matters related to socio-economic monitoring. Baffinland regularly revises its Socio-Economic Monitoring Program based on feedback from this group. In 2025, the QSEMC and SEMWG were held in-person in Iqaluit, with the QSEMC held on October 7 and 8 and the SEMWG held on October 9. At these meetings, Baffinland engaged with the QSEMC and SEMWG on 2024 socio-economic monitoring results.

In 2025, Baffinland received input from MRSEMWG members on the Inuit Employee Survey, and the survey was updated accordingly. Suggested edits included minor revision to wording of questions, increasing and/or adjusting answer options respondents can select from, edits to support understanding of multi-part questions, and inclusion of an additional question regarding country foods consumption (in the Baffinland in your Community) section of the survey. The survey was administered from October 27 to December 8, 2025 (Aglu and ERM, 2026b).

Acknowledging the Project has evolved considerably since the 2014 submission of the previous closure planning report (FHW Consulting, 2014b), Baffinland conducted additional planning for socio-economic aspects of temporary closure in 2021. These works are captured in 2022 report *Temporary Closure Planning: Socio-Economic Considerations for the Mary River Project* (JPCSL, 2022).

Monitoring

Baffinland completes a Socio-Economic Monitoring Report annually, which presents monitoring results for aspects of the socio-economic environment that interacts with the Project. No negative regional or cumulative economic effects associated with the Project were identified in 2025, although some indicators will continue to be closely monitored and discussed with the QSEMC, including crime rates and impaired driving violations (Aglu and ERM, 2026a). As such, no mitigation measures have been proposed to manage negative effects. The Socio-Economic Monitoring Program has been developed in consultation with the SEMWG, and monitoring results are also reviewed by this group and QSEMC annually.

Events that have taken place over recent years, including the COVID-19 pandemic amendment applications, and operational changes to the Mary River Project have had impacts on both the Mary River Project and socio-economic monitoring activities, and are considered in analysis and interpretation of monitoring results.

Path Forward

Baffinland will continue to undertake the collection of socio-economic monitoring data in consultation with the SEMWG and QSEMC and report this monitoring data annually through its Socio-Economic Monitoring Report. Reporting on each PC Term and Condition follows.

Project Certificate Term and Condition No. 168

Category	Governance and Leadership - Monitoring program
Responsible Parties	The Proponent, members of the QSEMC
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	Outline variables that are relevant to the Project and which should be adopted by the QSEMC's monitoring program.
Term or Condition	The specific socio-economic variables as set out in Section 8 of the Board's Report, including data regarding population movement into and out of the North Baffin Communities and Nunavut as a whole, barriers to employment for women, project harvesting interactions and food security, and indirect Project effects such as substance abuse, gambling, rates of domestic violence, and education rates that are relevant to the Project, be included in the monitoring program adopted by the Qikiqtani Socio-Economic Monitoring Committee.
Relevant Baffinland Commitment	45
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a) 2025 Mary River Project Inuit Employee Survey Report (Aglu and ERM, 2026b) Draft 2019 Socio-Economic Monitoring Plan (Baffinland, 2019h)
Ref. Document Link	https://www.baffinland.com/media-centre/document-portal/ Appendix G.6.1 - 2025 Socio-Economic Monitoring Report

METHODS

This Project Certificate Term and Condition is addressed in reporting related to PC Terms and Conditions No. 131, 140, 144, 145, 148, 157, and 154. Additional reporting is provided here; however, those additional PC Terms and Conditions should be reviewed as well when assessing compliance. Socio-economic data collection and analysis methods are described in the Socio-Economic Monitoring Plan and annual Socio-Economic Monitoring Report. Government data are collected from the Nunavut Bureau of Statistics and Statistics Canada. Change of address information is collected by Baffinland's Community Liaison Officers and through voluntary employee surveys. Other Project-specific information is also presented by Baffinland, as appropriate.

RESULTS

Summary results and trends for relevant socio-economic monitoring data are presented in Table 4.49. Detailed results are presented in the 2025 Socio-Economic Monitoring Report, including additional information where appropriate community level indicator data are currently unavailable (e.g. for the topics of childcare availability and costs, Project harvesting interactions and food security, prevalence of gambling issues, prevalence of family violence).

Table 4:49: 2025 Monitoring Results and Trends for Selected Socio-Economic Indicators

Indicator / Topic	Summary and Trend
Known in-migrations of non-Inuit Project employees and contractors	Cumulative Baffinland data (i.e. Baffinland Human Resources data and BCLO survey) since 2015 indicates a net of one non-Inuit employee/contractor is known to have in-migrated to the North Baffin LSA.
In-migration of non-Inuit to the North Baffin LSA	While LSA-level migration data is not available, the proportion of Inuit to non-Inuit in LSA communities has remained relatively similar to pre-development levels.
Known out-migrations of Inuit Project employees and contractors	Cumulative Baffinland data (i.e. Baffinland Human Resources data and BCLO migration survey) since 2015 indicates a net negative migration (out-migration) of 31 Inuit workers from the North Baffin LSA, which includes no migrations reported in 2024. No updated data was available for 2025 at the time of reporting.
Out-migration of Inuit from the North Baffin LSA	While LSA-level migration data is not available, the proportion of Inuit to non-Inuit in LSA communities has remained relatively similar to pre-development levels.
Nunavut annual net migration	Nunavut net migration was -114 people in 2025. Net migration in the territory has been negative since 2013, although year-to-year trends have been mixed., continuing a negative trend over the previous 5 years. **No updated data has been made available since 2019.**
Employee and contractor changes of address, housing status, and migration intentions	Based on 2025 Inuit Employee Survey results, declared migration intentions for 2023 align with the past several years of movement, with eight (8) respondents expressing an intention to move from one community within Nunavut to another in the next year.
Project female employment	The project had 153 female FTEs in 2025, representing 12.2% of the total workforce, a decrease in number (48 less female FTEs) from 2024, however the same proportion as 2024.
Childcare availability and costs	Comments on the lack of childcare in LSA communities have been made previously by Project stakeholders. For instance, during the 2025 QSEMC it was noted that there is a lack of daycare availability, particularly for students. 2025 Inuit turnover exit interviews included reasons related to family and working closer to home, as well as one specific rationale related to the stress of being away from children, but none specified childcare as a reason for resigning. The proportion of Nunavut-based Inuit employee survey respondents who felt that there were sufficient (50%) and/or affordable (56%) options and access to childcare in their communities continued to increase in 2025 from previous years. In 2023, only 33% reported sufficient options and only 39% reported affordable options, and only 11% reported sufficient/affordable options in 2022. This topic continues to be tracked through the QSEMC process and community engagement conducted for the Project.
Project harvesting interactions and food security	In the 2025 Inuit Employee Survey, the majority of respondents (77%) indicated some degree of food insecurity, with 19 respondents (23%) indicating that they were never worried that food would run out before they got money to buy more. This represents an improvement from 2023. While rates of food insecurity remain

Indicator / Topic	Summary and Trend
	high among the Project Inuit workforce, levels are generally aligned with territorial data from 2022. However, since LSA-level data is not available, it is difficult to conclude whether Baffinland's Inuit employees experience a higher or lower level of food security compared to the general population of the LSA. This topic will continue to be tracked through the QSEMC process, community engagement conducted for the Project, and related information.
Number of drug and alcohol related contraband infractions at Project sites	Seventeen (17) drug and alcohol-related contraband infractions occurred at Project sites among Baffinland and contractor employees in 2025, representing decrease from 2024 (21). Aside from 2021 (5 infractions), infractions have ranged from a low of 11 (in 2016) to a high of 28 (in 2018) since 2016.
Number of impaired driving violations	Impaired driving violations have increased in the North Baffin LSA during the post-development period. at a greater rate than Iqaluit and Nunavut. This topic will continue to be closely monitored by Baffinland and the QSEMC, including the RCMP.
Number of drug violations	The North Baffin LSA, Iqaluit, and Nunavut have seen decreases in drug violations during the post-development period, although decreases in the North Baffin LSA are slightly smaller in magnitude.
Prevalence of gambling issues	These topics continue to be tracked through the QSEMC process and community engagement conducted for the Project.
Prevalence of family violence	
Number of secondary school graduates	Graduation rates steadily declined in the Qikiqtani region from 2009 to 2014 but have risen quickly since then, although updated data for the region has not been available since 2019.
Secondary school graduation rate	

Source: (Aglu and ERM, 2026a) (Aglu and ERM, 2026b).

TRENDS

Trends in the monitoring data are presented in the 'Results' section above with additional detail in the 2025 Socio-Economic Monitoring Report.

RECOMMENDATIONS / LESSONS LEARNED

In response to feedback received from the NIRB and Pond Inlet, Baffinland previously updated its Inuit Employee Survey to explore motivations for completed or planned moves to different communities and the extent to which they may or may not be connected to Project activities.

Baffinland continues to provide information on socio-economic effects of the Project through its annual Socio-Economic Monitoring Report. In instances where appropriate community-level indicator data are currently unavailable (e.g. for the topics of childcare availability and costs, Project harvesting interactions and food security,

prevalence of gambling issues, prevalence of family violence), these topics continue to be tracked through the QSEMC process and community engagement conducted for the Project.

Baffinland is open to discussing with the MRSEMWG and QSEMC how improved monitoring data may be obtained, understanding that some data is outside of industry's ability or responsibility to collect. The MRSEMWG Terms of References acknowledged this point as it outlines each member's (Baffinland, Government of Canada, GN, and QIA) roles and responsibilities, including what type of data is most appropriate for each organization to provide.

Project Certificate Term and Condition No. 169

Category	Governance and Leadership – Monitoring economic effects
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To maintain transparency, inform communities in relation to economic benefits associated with the Project.
Term or Condition	The Proponent provide an annual monitoring summary to the NIRB on the monitoring data related to the regional and cumulative economic effects (positive and negative) associated with the Project and any proposed mitigation measures being considered necessary to mitigate the negative effects identified.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Qikiqtaaluk Socio-Economic Monitoring Committee (QSEMC) and Mary River Socio-Economic Monitoring Working Group (SEMWG)
Reference	2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a)
Ref. Document Link	https://www.baffinland.com/ document-portal/ Appendix G.6.1 - 2025 Socio-Economic Monitoring Report

METHODS

Baffinland has provided a summary of monitoring data related to regional and cumulative economic effects associated with the Project in its annual 2025 Socio-Economic Monitoring Report (Aglu and ERM, 2026a).

RESULTS

The Project continues to make positive contributions to Nunavut's economy. Some highlights include that 218 Inuit FTEs were employed by the Project in 2025, earning a combined total (contractor and Baffinland employees) of $27,698,701. A total of $66.1 million in contracts was awarded to Inuit Firms in 2025. Since Project development, a total of $2.5 billion dollars in contracts has been awarded to Inuit Firms.

Mining remains an important contributor to the Nunavut economy. In 2024, Nunavut's real gross domestic product (GDP)[5] for all industries was $4,117.3 million; of this amount, 'iron ore mining' was responsible for contributing $377.2 million (or 9%). Iron ore mining may also make economic contributions to supporting industries such as 'construction' ($403.6 million contribution to the Nunavut economy in 2024), 'transportation and warehousing' ($81.1 million), and 'accommodation and food services' ($95.0 million), among others (Aglu and ERM, 2026a)

[2] All GDP statistics represent chained (2017) dollars; current dollars for 2025 are not available. Updated GDP data for 2025 was not available at the time of reporting, however, the GN's latest forecast is that the GDP will grow in 2025 to nearly $5,900 million.

TRENDS

The Project continues to provide positive regional and cumulative economic effects.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland continues to provide information on regional and cumulative economic effects of the Project through its annual Socio-Economic Monitoring Report. No negative regional or cumulative socio-economic effects directly associated with the Project were identified in 2025, although a few indicators will continue to be closely monitored and discussed with the QSEMC, including crime rates and impaired driving violations.

4.8 PERFORMANCE ON OTHER TERMS AND CONDITIONS

4.8.1 Accidents & Malfunctions (PC Terms and Conditions 170 through 177)

Eight (8) PC Terms and Conditions relate to accidents and malfunctions. Two (2) of these Terms and Conditions relate to the TEMMP, four (4) relate to spill response planning, one (1) relates to implementing adaptive management measures for hunter safety around ice tracks (not applicable to Northern Shipping Route), and one (1) relates to the use of foreign flagged vessels. Baffinland's updates to these PC Terms and Conditions are provided in the pages that follow.

Project Certificate Term and Condition No. 170

Category	Accidents and Malfunctions - Terrestrial Wildlife Management and Monitoring Plan
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	Updates to plan in order to better understand the potential for, and to minimize possible caribou-railway interactions.
Term or Condition	The Proponent shall include in an updated Terrestrial Wildlife Management and Monitoring Plan, plans for increased caribou monitoring efforts including weekly winter track surveying and summer and fall surveys undertaken on foot twice per month.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Responsible Party	Baffinland
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable
Stakeholder Review	Terrestrial Environment Working Group (TEWG), Nunavut Impact Review Board
Reference	Draft Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2023e) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report

METHODS

The purpose of snow track surveys is to monitor the patterns of movement and response of caribou and other wildlife to Project-related activities based on their observable tracks in proximity to roadways. As such, the ability to perform a snow track survey is linked to the conditions being present that allow for the observation of tracks. Snow track surveys were conducted on February 22, March 16, April 23, April 30, May 4, October 8, 19 and 29, and November 6 in 2025, within 48 hrs following a fresh snowfall. Two or three Baffinland personnel led the surveys, which were conducted along the Tote Road from a light truck at a speed of ~30 km/hr. If/when wildlife tracks were suspected, personnel would further investigate on-foot to confirm the identity of the species and follow the tracks (to or from the roadway) to document the patterns of movement, behaviour, and habitat use (if/where possible). The following information was recorded:

- geo-referencing (latitude and longitude) at the location of the tracks/wildlife crossing;
- species identity;
- number of distinct sets of tracks (i.e., group size);
- description of the pattern of movement (e.g., deflected, travelled along, or crossing the road);
- height of the snowbank measured at either the crossing point or likely point of deflection (i.e., the point where the animal redirected its path away from the road); and,
- site photo-documentation and other miscellaneous survey observations (if/where applicable).

Snow track surveys generally occur in early winter and late spring; they are dependent on light availability and snow conditions, so they are somewhat unpredictable in frequency. Based on a commitment resulting from the SOP application regarding snow track frequency, Baffinland agreed to implement snow track surveys and made best efforts to conduct them at a frequency of once per week along the Tote Road during the 2023/2024 and 2024/2025 snow cover seasons when environmental conditions permitted the surveys to be conducted effectively and safely. The conditions criteria included fresh snowfall (within the previous 48 hours to the survey) and suitable light conditions. Survey condition criteria were the ultimate driver of the number of surveys conducted each month which was less than the frequency of once per week and due to darkness in December, January, and February. The draft Terrestrial Environment Mitigation and Monitoring Plan (TEMMP; Baffinland, 2023e) includes a plan to increase the frequency of the snow track surveys when caribou populations increase to a level that supports robust statistical analysis.

RESULTS

No caribou tracks were observed during snow track surveys in 2025. Results of the snow track surveys are presented in the 2025 Terrestrial Environment Annual Monitoring Report (TEAMR; EDI, 2026b; Appendix G.4.1).

TRENDS

While caribou numbers have started increasing, caribou density is still too low and observations too infrequent to warrant increased survey frequency.

RECOMMENDATIONS / LESSONS LEARNED

Project Certificate Term and Condition No. 170 refers to better understanding and minimizing caribou interactions with the Railway. Construction for the Railway for the Steensby Port phase of the Project has not begun. Therefore, this monitoring activities have not been triggered. Rail specific monitoring programs will be re-evaluated once plans for railway construction and operation are determined and associated construction activities begin. Caribou density remains too low and observations too infrequent to warrant increased survey frequency.

Project Certificate Term and Condition No. 171

Category	Accidents and Malfunctions - Terrestrial Wildlife Management and Monitoring Plan
Responsible Parties	The Proponent
Project Phase(s)	Pre-Construction
Objective	Updates to plan in order to minimize potential for caribou-railway interactions.
Term or Condition	The Proponent shall include within its updated Terrestrial Wildlife Management and Monitoring Plan, a commitment to establish deterrents along the railway and Tote Road embankments at any areas where it is determined that caribou are utilizing the embankments or transportation corridors to facilitate movement and where such movement presents a likelihood of caribou mortality to occur.
Relevant Baffinland Commitments	Not applicable
Reporting Requirement	To be included in the Annual Report submitted to the NIRB.
Responsible Party	Baffinland
Status of PC Term and Condition	Steensby Rail Corridor – Not Active Milne Inlet Tote Road – Active
Status of Compliance	Steensby Rail Corridor – Not Applicable Milne Inlet Tote Road – In Compliance
Stakeholder Review	Terrestrial Environment Working Group (TEWG)
Reference	Terrestrial Environment Mitigation and Monitoring Plan (TEMMP; Baffinland, 2016a) Draft Terrestrial Environment Mitigation and Monitoring Plan (Baffinland, 2023e) FEIS Terrestrial Wildlife Baseline Report (EDI, 2012) 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2025b)
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix G.4.1 - 2025 Terrestrial Environment Annual Monitoring Report

METHODS

Areas along the Tote Road that may be used for caribou movement were identified in the FEIS Terrestrial Wildlife Baseline Report (EDI, 2012). Successive Height of Land (HOL) surveys and driver observations have continued to provide information on potential areas of use by caribou along the Tote Road. Results of terrestrial monitoring programs that support the protection of caribou are included in the 2025 Terrestrial Environment Annual Monitoring Report (EDI, 2026b).

Section 3.3 of the draft Terrestrial Environment Mitigation and Monitoring Plan (TEMMP; Baffinland, 2023e) outlines specific mitigation and management measures concerning caribou movement and mitigating mortalities. Any new trail crossings will be identified and reviewed with QIA, Elders and hunters, such that any adjustments to the embankments facilitate the desired wildlife movement. Refer to the TEMMP for further discussion on management measures and adaptive management. An update to the TEMMP will be circulated to the TEWG for review in 2026.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

To date, the implementation of deterrents along the Tote Road has not been required given the relatively low abundance of caribou. Existing mitigation and monitoring as outlined in the TEMMP is considered adequate to meet the Project Certificate Terms and Conditions (Baffinland, 2016a).

Project Certificate Term and Condition No. 172

Category	Accidents and Malfunctions – Overwintered fuel vessel
Responsible Parties	The Proponent
Project Phase(s)	Construction
Objective	To provide evidence that vessel to be used is fit and insured for proposed use.
Term or Condition	The Proponent is encouraged to provide the Government of Nunavut with evidence that the vessel that it intends to use for the overwintering of fuel has been designed and certified for use under the conditions which it is expected to operate, and that it be required to provide copies of the vessel owners' insurance policies.
Relevant Baffinland Commitment	8
Reporting Requirement	The required information is to be provided to the Government of Nunavut as soon as possible, and at a minimum, at least 60 days prior to the commencement of any construction related shipping.
Status of PC Term and Condition	Not Active
Status	Not applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not applicable in 2025.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

If overwintering of fuel is required, Baffinland will provide the Government of Nunavut with the requested information.

Project Certificate Term and Condition No. 173

Category	Accidents and Malfunctions - Use of best practices
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Closure
Objective	To provide additional spill contingency measures for spills in marine areas.
Term or Condition	The Proponent shall employ best practices and meet all regulatory requirements during all ship-to-shore and other marine-based fuel transfer events.
Relevant Baffinland Commitment	9
Reporting Requirement	To be determined following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Environment and Climate Change Canada, Qikiqtani Inuit Association, Nunavut Water Board, Crown-Indigenous Relations and Northern Affairs Canada, Nunavut Impact Review Board.
Reference	Oil Pollution Emergency Plan – Milne Inlet (OPEP; Baffinland, 2025l) Oil Pollution Prevention Plan (OPPP; Baffinland, 2025k) Spill at Sea Response Plan (SSRP; Baffinland, 2015)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Baffinland maintains a Transport Canada approved Oil Pollution Emergency Plan (OPEP) for ship to shore fuel transfers at Milne Port, which is currently a Class 2 Oil Handling Facility. The OPEP was updated in 2025 (Baffinland, 2025l). Training of Baffinland staff on the Milne Inlet OPEP was conducted by qualified marine spill response contractor Navenco Marine between July 11 and 13, 2025. Baffinland is committed to undertaking fuel transfer from vessels under good weather conditions. Baffinland also maintains a Transport Canada approved Oil Pollution Prevention Plan (OPPP) (Baffinland, 2025k), which is specifically designed to prevent the discharge of oil during bulk fuel transfers at Milne Port.

Baffinland also maintains the Spill at Sea Response Plan (SSRP; Baffinland, 2015) that outlines procedures for dealing with the unlikely event of a spill at sea, including during ship-to-ship fuel transfers. Each vessel under contract to Baffinland also maintains its own Shipboard Oil Pollution Emergency Plan (SOPEP), which outlines the vessel's protocol for dealing with a spill event, and includes an inventory of spill response equipment onboard the vessel.

OPEP training occurred in 2025. A mock spill exercise was performed to ensure spill readiness. Required equipment for a Class 2 Oil Handling Facility was met. No spills occurred during fuel transfers.

TRENDS

As in previous years, Transport Canada's Guidelines for Baffinland's Class 2 Oil Handling Facility were adhered to.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to conduct routine training exercises and strategically place resources and equipment on site for spill response during ship-to-shore fuel transfer events.

Project Certificate Term and Condition No. 174

Category	Accidents and Malfunctions - Community level spill response
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Closure
Objective	To improve community ability to assist in spill response
Term or Condition	The Proponent and the Canadian Coast Guard are required to provide spill response equipment and annual training to Nunavut communities along the shipping route to potentially improve response times in the event of a spill.
Relevant Baffinland Commitment	108,110
Reporting Requirement	To be determined following approval of the Project by the Minister.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Environment Climate Change Canada (ECCC), Qikiqtani Inuit Association (QIA), Nunavut Water Board (NWB), Crown-Indigenous Relations and Northern Affairs Canada, Nunavut Impact Review Board (NIRB).
Reference	N/A
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

In a January 29, 2015 letter from the Canadian Coast Guard (CCG) to the NIRB, the CCG noted that the provision of spill response equipment and training to communities was the responsibility of CCG.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 175

Category	Accidents and Malfunctions – Ship track markers in ice cover
Responsible Parties	The Proponent, Qikiqtani Inuit Association, Hunters and Trappers Organizations of the North Baffin region and Coral Harbour
Project Phase(s)	Construction, Operations, Closure and Post-Closure Monitoring
Objective	To ensure that measures taken to mark the shipping track(s) during periods of ice cover are effective in advising ice-based travelers, and that, where necessary, revisions to this practice can be made to ensure public safety.
Term or Condition	The Proponent shall, in coordination and consultation with the Qikiqtani Inuit Association and the Hunters and Trappers Organizations of the North Baffin communities and Coral Harbour, provide updates to its Shipping and Marine Wildlife Management Plan to include adaptive management measures it proposes to take should the placement of reflective markers along the ship track in winter months not prove to be a feasible method of marking the track to ensure the safety of ice-based travelers.
Relevant Baffinland Commitment	34, 57
Reporting Requirement	To be determined following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not applicable in 2025. There is no winter shipping associated with the current active phase of the Project.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 176

Category	Accidents and Malfunctions - Revised spill modeling
Responsible Parties	The Proponent
Project Phase(s)	Pre-Construction, Construction Operations, Closure
Objective	To improve community ability to assist in spill response.
Term or Condition	The Proponent is required to revise its spill planning to include additional trajectory modeling for areas of Hudson Strait, such as Mill Island, where walrus concentrate, as well as for mid-Hudson Strait during winter conditions as well as for the northern shipping route, including Milne Inlet, Eclipse Sound and Pond Inlet.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	The updated modeling shall be provided to the NIRB, Fisheries and Oceans Canada, and Environment Canada for review at least 3 months prior shipment of bulk fuel to Steensby Inlet or Milne Inlet.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Transport Canada, Canadian Coast Guard, Fisheries and Oceans Canada, Environment and Climate Change Canada
Reference	Milne Inlet Spill Modelling Report Fuel Spill Modelling: Northern Shipping Route Open Water Season - Milne Inlet, Eclipse Sound, Pond Inlet (AMEC Foster Wheeler, 2015) Spill at Sea Response Plan (Baffinland, 2015) Emergency Response Plan (Baffinland, 2020f) Oil Pollution Emergency Plan – Milne Inlet (OPEP; Baffinland, 2025l) Spill Contingency Plan (Baffinland, 2021h) Diesel Environnemental Emergency (E2) Plan – Mine Site (Baffinland, 2020j). Diesel Environnemental Emergency (E2) Plan - Milne Port (Baffinland, 2020g). Exploration Spill Contingency Plan (Baffinland, 2014e)
Ref. Document Link	https://www.baffinland.com/document-portal/

METHODS

Revised oil spill modelling was conducted for shipping from Milne Port in 2015 that satisfies this condition. Please refer to Term and Condition No. 97 for further details on methods.

RESULTS

The spill modelling results highlight the importance of spill prevention and fuel spill response plan preparedness to minimize any adverse effects in the unlikely event of a fuel release of any size during vessel traffic into Milne Inlet. The 2015 spill model informed the development of Baffinland's Spill at Sea Response Plan (Baffinland, 2015).

The supplemental spill modelling for the Steensby Component is currently ongoing and included proposed modelling locations in the areas of Steensby Inlet, Foxe Basin, Mill Island and Mid-Hudson Strait. The spill scenarios include

open water and ice covered conditions, where applicable. The outcomes of this modelling will be used to inform impact predictions for the marine environment and spill response and emergency preparedness plans for the Steensby Component.

See also PC Term and Conditions No. 97 and 98.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

The spill modelling results highlight the importance of spill prevention, the OPPP and the Spill at Sea Response Plan preparedness to minimize any adverse effects in the unlikely event of a fuel release of any size during vessel traffic into Milne Inlet.

The Spill at Sea Response Plan was updated to append the results of additional fuel spill modelling carried out in 2018. The OPPP and OPEP for ship to shore fuel transfers at Milne Port are updated on an annual basis and approved by Transport Canada.

The supplemental spill modelling for the Southern Shipping route is ongoing and results will be presented in the NIRB Annual Report when they are available.

Project Certificate Term and Condition No. 177

Category	Accidents and Malfunctions - Foreign flagged vessels
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Closure and Post-Closure Monitoring
Objective	To ensure foreign flagged ships operating in Canadian waters are held to the same standard as domestic ships with regard to emergency response planning.
Term or Condition	The Proponent shall enroll any foreign flagged vessels commissioned for Project-related shipping within Canadian waters into the relevant foreign program equivalent to Transport Canada's Marine Safety Delegated Statutory Inspection Program.
Relevant Baffinland Commitment	13, 37
Reporting Requirement	To be determined following approval of the Project by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Transport Canada
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Ship owners / operators are responsible for enrolling their foreign flagged vessel with the appropriate program. Baffinland incorporates this requirement into contract terms and conditions with all vessels contracted directly by Baffinland.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

4.8.2 Alternatives Analysis (PC Term and Condition 178)

One (1) PC Term and Condition relates to alternatives analysis. Baffinland's updates to this PC Term and Condition are provided in the pages that follow.

Project Certificate Term and Condition No. 178

Category	Alternatives Analysis - Mill Island shipping route consideration
Responsible Parties	The Proponent, Qikiqtani Inuit Association, Nunavut Impact Review Board, Marine Environment Working Group
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance
Objective	To prevent disturbance to walrus and walrus habitat on the northern shore of Mill Island.
Term or Condition	Subject to safety considerations and the potential for conditions, as determined by the crew of transiting vessels; to result in route deviations, the Proponent shall require project vessels to maintain a route to the south of Mill Island to prevent disturbance to walrus and walrus habitat on the northern shore of Mill Island.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	Where project vessels are required to transit to the north of Mill Island owing to environmental or other conditions, an incident report is to be provided to the Marine Environment Working Group and the NIRB within 30 days, noting all wildlife sightings and interactions as recorded by shipboard monitors. The Proponent shall summarize all incidences of deviations from the nominal shipping route as presented in the FEIS to the NIRB annually, with corresponding discussion regarding justification for deviations and any observed environmental impacts.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) - Not Applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not applicable in 2025. Shipping iron ore through Steensby Inlet is not active and has yet to be part of the Project's operations.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

4.8.3 Operational Variability (PC Term and Condition 179)

Three (3) PC Terms and Conditions relate to Baffinland's production and transportation limits. One (1) PC Term and Condition relates to auditing of project commitments and terms by a third party to confirm compliance against the relevant topic areas. Baffinland's updates to these PC Term and Conditions are provided in the pages that follow.

Project Certificate Term and Condition No. 179

Category	Operational Variability
Responsible Parties	The Proponent
Project Phase(s)	Operations
Objective	To apply the precautionary principle in respect of potential effects on marine wildlife and marine habitat from changes to shipping frequency that may result from a significant increase in mine production for an extended period of time.
Term or Condition	Baffinland shall not exceed 20 ore carrier transits to Steensby Port per month during the open water season and 242 transits per year in total.
Relevant Baffinland Commitment	4
Reporting Requirement	To be developed following approval by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active
Status	Southern Transportation Corridor (Steensby Port) – Not Applicable
Stakeholder Review	Not applicable
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Not applicable in 2025. Shipping iron ore through Steensby Inlet is not active.

RESULTS

Not applicable.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 179 (a)

Category	Operational Variability/Flexibility
Responsible Parties	The Proponent
Project Phase(s)	Operations
Objective	To ensure that there are appropriate limits on the Milne Inlet marine shipping component in order to limit and manage likely project effects, while balancing the need for operational flexibility.
Revised Term or Condition	Until December 31, 2024, the Proponent is approved to ship up to six (6) Mtpa of iron ore through Milne Port during the open water season. In the 2023 and 2024 shipping seasons the Proponent is also approved to ship up to 0.9 Mtpa of "stranded ore." The Board defines "stranded ore" to be iron ore that was delivered in the previous year to Milne Port but that was not shipped in that year's shipping season due to weather or other shipping constraints. In each of the 2023 and 2024 shipping seasons the Proponent will use no more than 84 ore carriers per year. After December 31, 2024, the maximum total volume of all ore shipped via Milne Inlet in a calendar year returns to 4.2 million tonnes per year, unless this condition has been further modified under Section 112 of *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2.
Relevant Baffinland Commitment	4
Reporting Requirement	For each year after the Proponent commences shipping ore via Milne Inlet under the Early Revenue Phase Proposal, the Proponent shall include in the Annual Report to the NIRB, a summary of the total amount of ore shipped via Milne Inlet for the previous calendar year.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

The total volume of ore shipped via Milne Inlet is tracked annually by Baffinland.

RESULTS

In 2025 Baffinland decreased ore transportation compared to previous years' operations under the Production Increase Proposal and Sustaining Operations Proposal Approvals. In 2025 Baffinland returned to the Early Revenue Phase. Mining and hauling activities from the Mine Site to Milne Port continued throughout 2025, with 4.2 Mt of iron ore hauled between the Mine Site and Milne Port via haul trucks using the Tote Road. This year also marked the eleventh shipping season with a total of 4.34 Mt of iron ore shipped from July 29, 2025 to October 9, 2025 on a total of 49 ore carriers, with a total of 12 convoys further reducing the number of effective or individual transits contributing to an overall decrease in underwater noise. The transportation activities required to transport the

stated volumes remained within those presented, assessed in the ERP FEIS Addendum and approved in the NIRB's Recommendation Report.

In 2025 Baffinland implemented an update to it's on site system for measuring, recording and reporting ore shipping transportation volumes to more accurately match the true weight of our end use product and the metric used to price, sell and deliver our ore to customers. This alignment requires a conversion of on site measurement and reporting of ore in dry tonnes versus wet tonnes. Typically, Baffinland has reported it's ore transportation rates in wet tonnes based on truck scale readings and pile surveys on-site, both of which are subject to standard accounting errors. In addition to those potential errors, based on historical records of our final wet and dry measured tonnes as confirmed by offsite and accurate measurements, a dry tonne of ore measured at the Project end point equals approximately 0.965 of a wet tonne measured on site, for a correction factor of 3.5%.

Baffinland previously identified the difference between reporting dry and wet tonnes, and associated difficulties with reporting tonnage limits based on available measurement tools in our 2020 NIRB Annual Report as an update to Term and Condition 179(b). This modified approach to measuring and reporting ore transportation volumes addresses historical issues with measurement errors, aligns with the metrics that are used to price, sell and deliver our ore to customers, and does not cause any changes to any Project activities previously defined and assessed under FEIS, the Early Revenue Phase or subsequent amendments.

TRENDS

No trends to report.

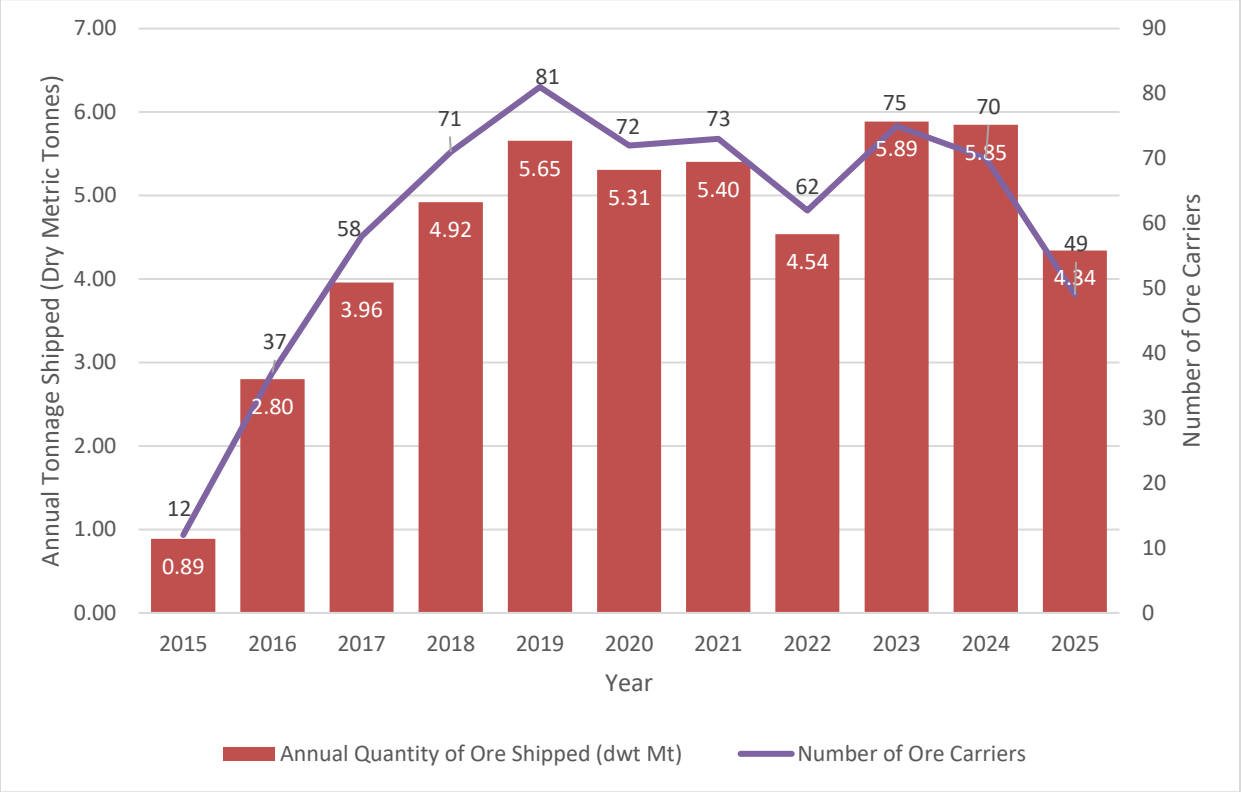


Figure 4:19: Comparison of Tonnage Shipped by Year and Number of Ore Carriers between 2015-2025

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to track ore volumes shipped on a yearly basis.

Project Certificate Term and Condition No. 179 (b)

Category	Operational Variability/Flexibility
Responsible Parties	The Proponent
Project Phase(s)	Operations
Objective	To ensure that there are appropriate limits on the Milne Inlet Tote Road land transportation component in order to limit and manage likely project effects, while balancing the need for operation flexibility.
Revised Term or Condition	Until December 31, 2024, the total volume of ore transported by truck on the Milne Inlet Tote Road may exceed 4.2 million tonnes per year, but must not exceed 6.0 million tonnes in any calendar year. After December 31, 2024, the maximum total volume of ore transported by truck on the Milne Inlet Tote Road in a calendar year returns to 4.2 million tonnes per year, unless this condition has been further modified under Section 112 of *Nunavut Planning and Project Assessment Act*, S.C. 2013, c. 14, s. 2.
Relevant Baffinland Commitment	
Reporting Requirement	For each year after the Proponent commences shipping ore via Milne Inlet under the Early Revenue Phase Proposal, the Proponent shall include in the Annual Report to the NIRB, a summary of the total amount of ore shipped via Milne Inlet for the previous calendar year.
Relevant Baffinland Commitment	4
Status of PC Term and Condition	Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Nunavut Impact Review Board (NIRB)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

The total volume of ore transported by truck on the Tote Road is tracked annually by Baffinland.

RESULTS

Please see TC 179a for details.

TRENDS

There are no trends.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to track ore volumes transported by truck on the Tote Road on a yearly basis.

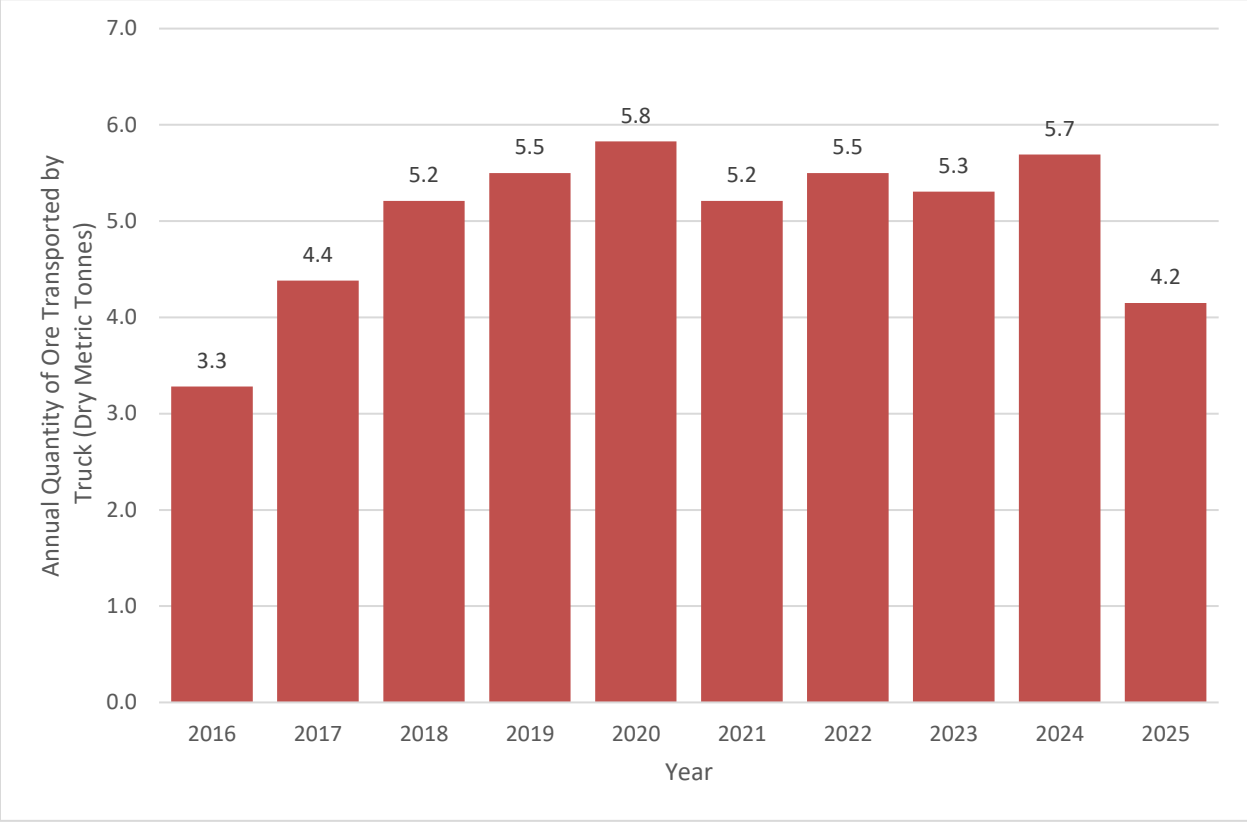


Figure 4:20: Annual Quantities of Ore Transported Via the Tote Road in 2016-2025

Project Certificate Term and Condition No. 179 (c)

Category	Operational Variability/Flexibility
Responsible Parties	The Proponent
Project Phase(s)	Operations
Objective	To ensure commitments made by the Proponent with respect to the 2018 production increase and delivery of benefits to Inuit are adhered to, and can be determined through a body of evidence.
Revised Term or Condition	The Proponent shall be required to resource and support a third party to conduct bi-annual performance audits of commitments made by the proponent in relation to both the IIBA and every proponent commitment and every term or condition of the Project Certificate relating to environmental management of the Tote Road component or environmental management related to shipping. The Proponent shall file Performance Audit Reports with the NIRB on or before March 31 and September 30 of each calendar year.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	On a bi-annual basis, the Proponent shall file a Performance Audit Report with the NIRB on or before March 31 and September 30 of each calendar year. This report shall include the findings of the third-party auditor, and Baffinland's commitment to addressing findings of the auditor. This term and condition will remain in force for the duration of the Mary River Project, unless it is modified under the *Nunavut Planning and Project Assessment Act.*
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Not applicable
Reference	Agree-Upon Procedures on the Commitments Audit Protocol Report to the Nunavut Impact Review Board for the period ending June 30, 2025. (BDO, 2025; NIRB Registry No. 357823) Agree-Upon Procedures on the Commitments Audit Protocol Report to the Nunavut Impact Review Board for the period ending December 31, 2025. (BDO, 2026, NIRB Registry No. 360124)
Ref. Document Link	Not applicable

METHODS

Since 2018, Baffinland has retained a consultant to complete an audit that would meet the specific objectives of the terms and conditions of Project Certificate Term and Condition No. 179 (c). Prior to its implementation, the audit template was shared with the Qikiqtani Inuit Association (QIA) to confirm the scope. A contract was established with BDO Canada LLP (BDO) to conduct two (2) audits in 2024 in relation to both the IIBA, Project Commitments, and the Terms and Conditions of the Project Certificate relating to the operation of the Tote Road and shipping activities.

RESULTS

The first Performance Audit Report for the 2025 year, was submitted to the NIRB in September 2025, for the period between January 1, 2025 and June 30, 2025 (BDO, 2025; NIRB Registry No. 357823). For the IIBA section of the audit

report, Baffinland had a 100% completion rate, 2% increase. For the PC No. 005 Terms and Conditions section, Baffinland had a 100% completion rate, a slight increase from previous period. The second Performance Audit Report for the 2025 year, which covers the period of July 1, 2025 to December 31, 2025, was submitted on March 31, 2026 (BDO, 2025; NIRB Registry No. 360124). For the IIBA section of the audit report, Baffinland maintains a 100% completion rate, in line with previous period. For the PC No. 005 Terms and Conditions section, Baffinland achieved 99% completion rate, a slight decrease from 100% completion rate in the previous period. This is attributed to the current hold on the Ship Board Observer Program. Baffinland is reviewing feasibility and options for future ship-based monitoring.

TRENDS

In 2025, Baffinland's completion rate for the Project Certificate Commitments during the first period was 100% with a slight decrease to 99% in the second period of 2025. The IIBA Commitments remained consistent at 100% (Figure 4.21).

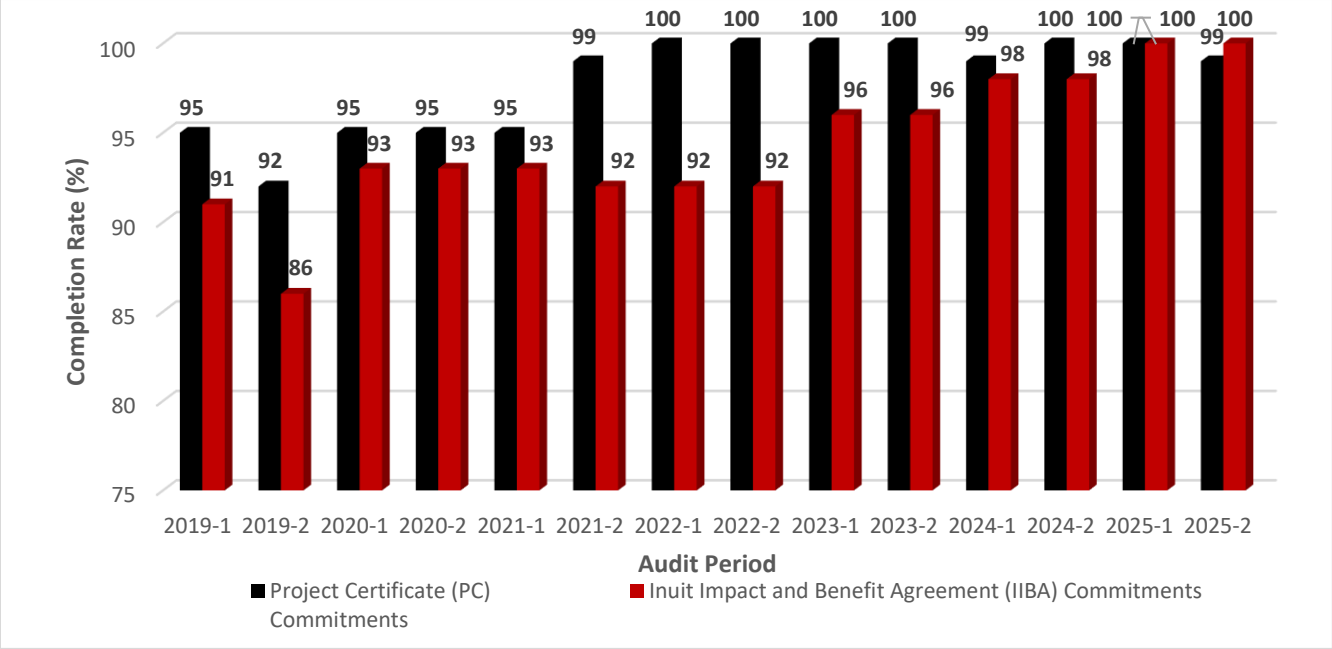


Figure 4:21: Baffinland's Audit Performance Year over Year (2019-2025)

Note:
Audit period is defined by '-1' January 1 to June 30, or '-2' July 1 to December 31.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to execute the bi-annual audits required under Project Certificate Term and Condition No. 179(c) in 2026.

4.8.4 Transboundary Effects (PC Terms and Conditions 180 through 182)

Three (3) PC Terms and Conditions are related to the potential for transboundary effects. Baffinland's updates to these conditions are found below.

Project Certificate Term and Condition No. 180

Category	Transboundary Effects - Makivvik Corporation involvement in the Marine Environment Working Group (MEWG)
Responsible Parties	The Proponent, members of the Marine Environment Working Group
Project Phase(s)	Construction, Operations, Temporary Closure/Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To enable Makivvik Corporation and Nunavik communities near shipping lanes to remain informed and involved in those shipping activities which could affect the marine environment and marine mammals.
Term or Condition	The Marine Environment Working Group established for this Project shall invite a representative from Makivvik Corporation to be a member of the Group.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	N/A
Ref. Document Link	N/A

METHODS

Makivvik is an active member of the Marine Environment Working Group (MEWG), which was established in 2013.

RESULTS

Makivvik is an active member of the MEWG.

TRENDS

Not applicable

RECOMMENDATIONS/LESSONS LEARNED

Baffinland will continue to update Makivvik on Project activities through the MEWG meetings and distribution of technical documentation.

Project Certificate Term and Condition No. 181

Category	Transboundary Effects - Marine Environment Working Group (MEWG) reporting
Responsible Parties	The Proponent, members of Marine Environment Working Group
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To enable Makivvik Corporation and Nunavik communities near shipping lanes to remain informed and involved in those shipping activities which could affect the marine environment and marine mammals.
Term or Condition	Regardless of whether Makivvik Corporation participates as a member of the Marine Environment Working Group, the Marine Environment Working Group will provide Makivvik Corporation with regular updates regarding the activities of the Marine Environment Working Group throughout the Project life cycle.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	2025 MEWG Meeting Records
Ref. Document Link	Appendix C.1 – MEWG Meeting Records

METHODS

Makivvik is an active member of the Marine Environment Working Group (MEWG), which was established in 2013. Presentation materials and meeting minutes for MEWG engagements are distributed to all members and observers, regardless of whether the organization is able to actively participate in the meetings. If a representative of Makivvik is unable to attend a meeting, they are informed of Project plans through the sharing of meeting presentation slides [Inuktitut and English] and meeting records (draft and final versions [Inuktitut and English]) via email.

RESULTS

Makivvik is an active member of the MEWG. They had representation throughout the 2025 year attending most MEWG meetings.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to update Makivvik on Project activities through the MEWG meetings and distribution of technical documentation via email.

Project Certificate Term and Condition No. 182

Category	Transboundary Effects - Reporting to Marine Environment Working Group (MEWG)
Responsible Parties	The Proponent, Makivvik Corporation
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To enable Makivvik Corporation and Nunavik communities near shipping lanes to remain informed and involved in those shipping activities which could affect the marine environment and marine mammals.
Term or Condition	Baffinland shall make available to Makivvik Corporation any ship route deviation reports provided to the NIRB in accordance with the terms and conditions set out in Section 4.12.4 of the Final Hearing Report.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	To be developed following approval by the Minister.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG)
Reference	Register of Consultation With Makivvik Corporation
Ref. Document Link	https://www.baffinland.com/operation/shipping-and-monitoring/

METHODS

This condition is focused on shipping through the shared waters of Hudson Strait from Steensby Port. The Project has not utilized the Southern Shipping Route to transport ore to date. However, vessel transit information for all vessels (non-Baffinland and Baffinland-procured vessels) with Automatic Identification System (AiS) tracking data and travelling within the RSA along the active Northern Shipping Route is publicly available on a 24-hour basis on the Baffinland website over the entire shipping season. Accordingly, online tracking is available prior to start of shipping and remains in place until after shipping has ended (typically set to provide data from July to October, inclusively). Baffinland will provide relevant ship route deviation reports to Makivvik when required.

Baffinland met with Makivvik Corporation five times in 2025 to discuss the Steensby Component of the Mary River Project. The meetings were four virtual meetings held in February, March, June and September 2025 and an in-person meeting held in November 2025.

RESULTS

There were no changes to the ship route in 2025 that would be relevant to the Southern Shipping Route since the portion of the Project is not active.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to make ship route information publicly available through its online website and will provide Makivvik with any ship route deviation reports when relevant to the Southern Shipping Route when the Steensby Component becomes active.

4.8.5 Verification of Project Monitoring and Mitigation for Potential Effects on Marine Mammals (PC Terms and Condition 183 through 189)

Seven (7) PC Terms and Conditions relate to project monitoring and mitigation of impacts specific to marine mammals. Four (4) of these Terms and Conditions were added to the Project Certificate No. 005 in 2022 (Term and Condition No. 185 to 189) as a result of approval of Baffinland's production increase proposal renewal to allow for shipment of 6 Mtpa of ore through Milne Inlet until December 31, 2024. Baffinland's updates to these PC Terms and Conditions are provided in the pages that follow.

Project Certificate Term and Condition No. 183

Category	Project monitoring of impacts to marine mammals
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To address concerns associated with the potential for impacts to marine mammals, and compliance and enforcement of terms and conditions in Project Certificate No. 005 relating to ship-based observer programs, noise exposure assessment, and the identification of other mitigation measures that have the potential to further reduce potential impacts to marine mammals.
Term or Condition	The Proponent shall collaborate with the Marine Environment Working Group (MEWG) to develop impact avoidance or mitigation strategies for the protection of the marine environment, and shall implement these strategies. The Proponent shall implement any direction from the Department of Fisheries and Oceans (DFO), issued in furtherance of their mandate, for any avoidance or mitigation measures, including cessation of any activity, for the protection of the marine environment. The Proponent shall, every six months, provide to DFO a tracking table of (i) collective recommendation of the other members of the working group, and (ii) any directions from DFO. For each, the table must show the Proponent's means of implementation. Where any direction or recommendations are not fully implemented, the Proponent shall include the rationale.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	Results of the observer program shall be provided in the Annual Report to the Board. Further, Baffinland shall report all data it generates from the implementation of monitoring of marine impacts it is required to implement pursuant to the Terms and Conditions of the Project Certificate. Baffinland shall provide the tracking table referenced above to Fisheries and Oceans Canada and the other members of the Marine Environment Working Group within six months following the NIRB's issuance of Amendment No. 04 to the Project Certificate No. 005 and shall provide subsequent updates to the table every 6 months thereafter.
Status of PC Term and Condition	Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Northern Transportation Corridor (Milne Port) - In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG), Department of Fisheries and Oceans (DFO)
Reference	2022 Shipping and Marine Wildlife Management Plan (Baffinland, 2022d) 2025 Marine Shipping and Vessel Management Report (Baffinland, 2025f) 2025 MEWG Meeting Minutes
Ref. Document Link	https://www.baffinland.com/document-portal/ Appendix C.1 – MEWG Meeting Records

METHODS

Baffinland has regularly consulted with the DFO, MEWG and Inuit stakeholders when developing or enhancing impact avoidance and mitigation strategies for the protection of the marine environment.

The MEWG provides a valuable forum for ongoing Project communication and reporting between Baffinland and other interested parties. The MEWG also serves as an advisory group to provide recommendations on appropriate management approaches and actions related to the Project. Any recommendations received by the MEWG are recorded in meeting minutes as action items, which Baffinland must respond to. These meeting minutes are provided to the MEWG following each meeting.

Any new or modified/enhanced mitigation measures related to shipping or port operations are documented in Baffinland's Shipping and Marine Wildlife Management Plan (SMWMP; Baffinland, 2022d) and the Annual Marine Shipping and Vessel Management Report (Baffinland, 2025f).

Baffinland conducted engagements with several Parties throughout 2025, most of which are provided in Section 4.3 and Table 4.2 of Baffinland's 2025 Marine Shipping and Vessel Management Report (Baffinland, 2025f). Below is a list of primary engagements with the MEWG that occurred throughout 2025.

MEWG Communications (including DFO)

1. January 9th, 2025, Baffinland presented the summary of the 2024 marine monitoring program
2. to the Marine Environment Working Group. Members asked that the rationale for five-year monitoring plan be reviewed again.
3. March 20th, 2025, Baffinland presented the five-year marine monitoring plan to the MEWG. This plan was initially presented and discussed at the MEWG meetings held in May and June 2024.
4. March 20th, 2025, Baffinland held a MEWG and TEWG meeting focused on the Terms of Reference and the Independent Chair nomination process.
5. July 8th and 11th, 2025, Baffinland organized a MEWG meeting where the results of the 2024 marine
6. monitoring programs, and 2025 marine monitoring plans were discussed. This meeting also had presentations from DFO on the 2024 ballast water study at Milne Port, as well as DFO's beluga and walrus
7. studies near the southern shipping route. Baffinland also presented an overview of the 2024 shipping
8. season and the plans for 2025.
9. Baffinland submitted its 2024 Annual Monitoring Report to the Nunavut Impact Revenue Board (NIRB) on June 1 2025, which included all monitoring reports.
10. July 16, 2025 Baffinland was verbally informed by NIRB of intervenor comments on the 2024 NIRB Annual Reports. Comments were submitted from various MEWG members and observers, including QIA, GN, CIRNAC, ECCC, Parks Canada, Transport Canada, Health Canada, Oceans North and DFO.
11. August 12, 2024, Baffinland provided responses to the NIRB for all intervenor comments that were submitted in relation to the 2024 NIRB Annual Report.
12. November 17 and 18, 2025, Baffinland organized a MEWG meeting during which a summary of the 2025 marine monitoring programs and the end of shipping season were discussed. The meeting also included updates on Baffinland's Steensby Component Spill Modelling, future Management Plan updates, and the rationale for further proposed changes to the 2026 monitoring programs. In addition, members received a presentation from ECCC on their research "Arctic Seabirds and Ecosystems" 2025 Field Season Research Report.

Other Communications

13. January 20, 2025 Baffinland and DFO met virtually to review the 2024 Ballast Water Program results. The outcome of this meeting informed recommendations to ship owners included in the 2025 Standing Instruction to Masters, which Baffinland issues annually to vessels calling at Milne Port regarding maintenance of onboard ballast water neutralization systems.
14. On April 24, 2025, Baffinland and DFO met virtually to commence planning for the 2025 Ballast Water Sampling Program at Milne Port. These bi-lateral discussions were held bi-weekly from April to September, this years' program was for a 2-weeks duration as was discussed at the November meeting.
15. July 30, 2025, Baffinland held pre-shipping meetings in Pond Inlet with the Hamlet Council where they delivered a presentation on the 2025 shipping season. The team later went on the radio to inform the community on the start of the 2025 shipping season.
16. August 6, 2025, Baffinland submitted the 2025 Shipping and Vessel Management Report (Baffinland, 2025f) to the NIRB.
17. As a mark of respect and based on Mittimatalik Hunters and Trappers Organization's request the pre-shipping meeting was held with the MHTO after shipping began on August 13th, 2025.
18. Baffinland held the 2025 post-shipping season meeting and radio show in Pond Inlet on October 27, 2025 with representatives from the MHTO and Hamlet.
19. DFO completed an action item to connect Baffinland with a technical expert on tidal gauge monitoring by organizing a meeting between Baffinland and Canadian Hydrographic Service (CHS) to discuss opportunities and options for measuring tidal levels at Milne and Steensby Ports. Discussions are currently ongoing between Baffinland and CHS, including the development of a collaborative agreement to formalize this partnership.

RESULTS

DFO has not issued any direction to Baffinland via the MEWG recommendation process in furtherance of their mandate, including recommendations related to mitigation measures, the cessation of any activity, or for the protection of the marine environment. DFO has submitted various technical comments through the NIRB public registry during production increase applications and reporting periods, but these are separate submissions from MEWG recommendations.

Comments were received on Baffinland's 5-year monitoring plan from DFO, QIA, Parks Canada and Oceans North. Baffinland addressed all comments at the MEWG meeting of Mar 20, 2025 through Baffinland's technical experts, who provided verbal response and rationale.

Baffinland presented an amended 5-year monitoring plan in November 17 and 18, 2025 and addressed all comments from members during the meeting.

Baffinland maintains an action tracker as part of the meeting minutes that captures all outstanding actions assigned to members of the group from previous meetings. It is reviewed at the beginning of each MEWG meeting, during which members are asked to provide updates on the status of their respective action items.

Baffinland shared hard copies of the Annual Report Popular Summary, as well as, executive summaries of all monitoring reports, and soft copies of the complete versions of these reports on USB keys with each of the five (5) Hunter and Trapper Organizations. Baffinland will share the same in 2025.

Baffinland received the following feedback regarding marine mammal mitigations from the MEWG and other interested Parties (Table 4:50)

Table 4:50: Summary of Engagement Outcomes Related to the MEWG

Summary of Comment/Recommendation	Baffinland Response/Outcome
Parks Canada and DFO requested Baffinland to provide the duration of vessels staging at Ragged Island in the 2024 shipping season, to evaluate the risk of hull fouling at Ragged Island	Baffinland confirmed that 70 ore carriers called at Milne Port in 2024, 37 vessels anchored at Ragged Island for an average duration of 33.52 h each. This included three vessels that anchored for extended durations in September due to a weather event, and a conveyor breakdown at Milne Port. Excluding these three vessels, the average duration of anchoring at Ragged Island for the remaining 34 vessels was 25.29 h/vessel.
Following challenges with tidal gauge monitoring at Milne Port, the MEWG sought advice from DFO, who was able to connect Baffinland with Canadian Hydrological Services (CHS).	Conversations are currently ongoing with CHS on developing and installing a tidal gauge system at both Milne and Steensby Ports. This includes developing a collaborative agreement and Scope of Work for this project.
QIA requested for the number of convoy transits before and during the Bruce head program.	Baffinland confirmed the convoy numbers.
In order to follow the shipping schedule for 2025, QIA and WWF asked to be included in the list to receive the 10-day rolling schedule.	Baffinland added the individuals that requested to be included in the rolling ship schedule for the 2025 shipping season.
Observers have suggested the installation of sediment traps to monitor sedimentation from Philips Creek.	Baffinland is exploring the suitability of this option especially in Arctic conditions.
On the 2021 and 2024 Ringed Seal baseline report presented at November 17 and 18 MEWG meeting, DFO has requested a comparison of the 5-years (2006, 2007, 2008, 2021 and 2024) of baseline data.	Being that 2006, 2007 and 2008 are several years ago and Baffinland has changed consultants within that period. Baffinland would confirm the availability of these data to do the comparison.

Similar to previous years, the 2025 shipping season did not commence until a continuous path of 3/10ths or less ice concentration was available along the Northern Shipping Route. The 2025 shipping season started on July 29th until October 9th lasting 73 days with 49 ore carriers and continued with the opportunistic use of vessel convoys as a method to reduce total sound exposure. Baffinland also continued to implement all other existing mitigation measures as described in Section 6 of the Shipping and Marine Wildlife Management Plan (Baffinland, 2022d) and summarized below in Table 4.51.

Table 4:51: 2025 Mitigation Measures for Marine Mammals

Project Activity	Mitigation Measure(s)	Species
Vessel traffic to/from Milne Port	• Maintain constant speed and course when possible. • Reduce vessel speed to 9 knots. • Reduce vessel idling. • No more than 3 ore carriers anchoring at Ragged Island and/or drifting in Eclipse Sound. Drifting to be avoided unless warranted for safety reasons. • No icebreaking required to commence the 2025 shipping season. Ore carriers will not begin their transit to Milne Port until 3/10ths or less ice is present along the entire shipping route through the Nunavut Settlement Area (NSA) from the entrance of Eclipse Sound and Milne Port. • No breaking of landfast ice will occur. • When marine mammals appear to be trapped or disturbed by Project vessel movements, the vessel will implement appropriate measures to mitigate disturbance, including stoppage of movement until wildlife move away from the immediate area (as safe navigation allows). • All Project vessels will be provided with standard instructions to operate their vessel in a manner that avoids separating an individual member(s) of a group of marine mammals from other members of the group. • All Project vessels will be provided with standard instructions to not approach within 300 m of a walrus, polar bear, or large aggregations of sea birds observed on sea ice; • Vessels awaiting instructions from the Port Captain to enter the RSA will be instructed to wait in Baffin Bay at least 40 Km east of the NSA. • Use of convoys throughout the 2025 season to further reduce total sound exposure. • Continued implementation of established “no-go zones” along the western shore of Milne Inlet and Koluktoo Bay. • Limiting the number of vessels anchored or drifting at Ragged Island to a maximum of three vessels at any time throughout the shipping season, unless there is a need for safety reasons. • Continued restriction of drifting within Eclipse Sound. • Establishment of voluntary speed restrictions (9 knots) for all Project vessels travelling along the Northern Shipping Route to minimize ship wake and disturbance to marine mammal harvesting activities.	Ringed Seal, Bearded Seal, Walrus, Beluga, Narwhal, Bowhead Whale, Polar Bear, Sea birds

Project Activity	Mitigation Measure(s)	Species
	• Restricting the discharge of grey water by ore carriers or the MSV *Botnica* and MSV *Fennica* anywhere in the RSA; no disposal of waste overboard. • Establishment of a nominal shipping route for all Project-vessels to follow to increase predictability and safe passage for hunters while Project-vessels are present in the Northern shipping corridor. • Zero tolerance for ship origin pollution of any kind and, in particular, the pumping of cargo hold bilges, the use of Open and Closed loop scrubber, the disposal of residual cargoes and cargo hold sweepings, slops and treated sewage overboard is strictly prohibited. • Instructing vessels to power off main engines and rely on auxiliary power at anchorage, unless warranted for safety purposes.	

Note:
All vessels ranging in size from Capesize to Newcastle will be collectively referred to as Capesize*, equivalent to vessel sizes of Deadweight Tonnage (DWT) range of 200,000 – 220,000, and carrying capacity range of approximately 200,000 to 215,000 metric tonnes.

TRENDS

The MEWG, including DFO, has successfully provided input into the Baffinland annual marine monitoring programs and shipping related mitigation measures.

DFO has not provided any directions to Baffinland with respect to Terms and Conditions No. 183. However, DFO has continued to provide technical and intervener comments on Baffinland's annual monitoring reports through the MEWG and NIRB processes.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to work with the MEWG to review and guide marine monitoring programs and shipping mitigation and management strategies on an annual basis. These will be reported through MEWG meetings, the annual Marine Shipping and Vessel Management Report to the NIRB, and annual year end reporting to the NIRB. Where monitoring indicates the need for adaptive management, Baffinland will provide additional reporting to remain transparent and accountable. These venues more than satisfy the twice per year requirement of the Term and Condition, as written.

Project Certificate Term and Condition No. 184

Category	Project monitoring of impacts to marine mammals
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To address concerns associated with the potential for impacts to marine mammals, and compliance and enforcement of Terms and Conditions in Project Certificate No. 005 relating to ship-based observer programs, noise exposure assessments, and the identification of other mitigation methods that have the potential to further reduce potential impacts to marine mammals.
Term or Condition	The proponent shall collaborate with the Marine Environmental Working Group to review the status of compliance with, and implementation of, all of the Terms and Conditions in Project Certificate No. 005 related to marine environmental protection.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	Results of the observer program shall be provided in the Annual Report to the Board. Further, Baffinland shall report annually all data it generates from the implementation of monitoring of marine impacts it is required to implement pursuant to the Terms and Conditions of the Project Certificate.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	Marine Environment Working Group (MEWG), Department of Fisheries and Oceans (DFO)
Reference	Not applicable
Ref. Document Link	Not applicable

METHODS

Refer to summary for PC Term and Condition No. 77, 179(c) and 183.

RESULTS

Refer to summary for PC Term and Condition No. 77, 179(c) and 183.

TRENDS

Refer to summary for PC Term and Condition No. 77, 179(c) and 183.

RECOMMENDATIONS / LESSONS LEARNED

Refer to summary for PC Term and Condition No. 77, 179(c) and 183.

Project Certificate Term and Condition No. 185

Category	General
Responsible Parties	The Proponent, Nunavut Impact Review Board, Qikiqtani Inuit Association, Mittimatalik Hunters and Trappers Organization, Hamlet of Pond Inlet
Project Phase(s)	Construction, Operations, Temporary Closure / Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To provide certainty and predictable timelines for shipping for the project, and to better define criteria for the commencement and closing of the shipping season. Certainty and predictability will increase safety for traditional use of sea ice, and mitigate impacts to marine wildlife.
Term or Condition	All project related shipping associated with the Northern Shipping Route shall observe the following conditions, subject to the variances and/or exceptions below: a. The Proponent must avoid breaking landfast ice at all times during the shipping season. b. The Proponent shall confirm a continuous path of 3/10th ice concentrations along the Northern Shipping route is available prior to commencement of the shipping season. c. The Proponent is required to plan for and cease all shipping from Milne Port by October 31. The Proponent may proceed with a variance to condition (b) above, or under exceptional circumstances that may occur from time to time seek an exception to condition (c). Variances and exceptional circumstances require the direct engagement of Qikiqtani Inuit Association (QIA), as well as the written confirmations obtained from the Hamlet of Pond Inlet, the Mittimatalik HTO (MHTO) and QIA as described below. Examples of a variance may include: sea ice coverage changing from 3/10th or less to greater than 3/10th due to changes in environmental conditions such as wind, or a generally later forecast for ice break up. Exceptional circumstances include events that are unforeseen and occur outside of Baffinland's control but will not include contingencies that the Proponent should reasonably have planned for. Examples of unforeseen events may include: a breakdown in loading equipment, weather disruptions to shipping schedules, or a later than expected ice break up past July 15. In the event a need for variance or an exceptional circumstance arises, the Proponent is required to provide a detailed written description to the NIRB, QIA, Hamlet of Pond Inlet and MHTO clearly demonstrating how it will meet each of the following criteria before continuing with operations: 1. a description of the rationale for variation or exceptional circumstances and anticipated duration of the extended shipping season; • a description as to whether the anticipated ice conditions during the shipping period are consistent with Appendix B commitments and the Shipping and Marine Wildlife Management Plan; • a description confirming that shipping will proceed in full compliance with all Project Certificate Terms and Conditions and Appendix B commitments (including but not limited to the 6 Mtpa limits described in PC Terms and Conditions No. 179(a) and (b) and the requirement not to break landfast ice);

	• a description of any additional mitigation or monitoring efforts being undertaken as a result of the variation or exceptional circumstance; 2. a description of how the Proponent has made best efforts to meet with the Hamlet, MHTO and the QIA to discuss and consider the variation or exceptional circumstance; 3. copies of all public communications relating to the variation or exceptional circumstance; and 4. written confirmation (or evidence of verbal confirmation) from the Hamlet and the MHTO that sea ice overlapping the shipping route is not being used for travel or harvesting by harvesters or community members, and that the proposed shipping activity will not result in additional safety risks to hunters or the community that cannot be mitigated, for instance, by transiting through a path of less consolidated ice in Eclipse Sound and Milne Inlet The Qikiqtani Inuit Association, Hamlet of Pond Inlet and Mittimatalik Hunters and Trappers (MHTO) agree to review and respond to requests of the Proponent within a reasonable timeframe that will not unduly delay shipping activities. The Proponent is required to review and respond to items raised by QIA, Hamlet of Pond Inlet and MHTO including requested changes to monitoring, mitigation and compensation associated with the variance or exceptional circumstance. All determinations related to variances and exceptional circumstances will be communicated to NIRB. For greater clarity, this condition applies to all ships supporting the Mary River Project including ore carriers and supply ships.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	Proponent to report annually on commencement and closing of shipping season. Proponent will include conditions leading to decisions to commence and cease shipping for the year.
Status of PC Term and Condition	Southern Transportation Corridor (Steensby Port) – Not Active Northern Transportation Corridor (Milne Port) – Active
Status of Compliance	Southern Transportation Corridor (Steensby Port) – Not Applicable Northern Transportation Corridor (Milne Port) – In Compliance
Stakeholder Review	Mittimatalik Hunters and Trappers Organization, Qikiqtani Inuit Association, Hamlet of Pond Inlet
Reference	2022 Shipping and Marine Wildlife Management Plan (Baffinland, 2022d)
Ref. Document Link	Not Applicable

METHODS

Several mitigation measures, including those relevant to shipping operations and icebreaking activities associated with the current Project committed to by Baffinland to avoid and/or minimize adverse effects from shipping on marine mammals along the Northern Shipping Route, are adhered to by Baffinland and are identified in Baffinland's Shipping and Marine Wildlife Management Plan (Baffinland, 2022d). This includes:

- Avoidance of breaking landfast ice at all times during the shipping season.
- Confirmation of a continuous path of 3/10th ice concentrations along the Northern Shipping route is available prior to commencement of the shipping season.

- Plan for and cease all shipping from Milne Port by October 31.

Baffinland has also developed an internal communications protocol that summarizes the need for a confirmation by the Mittimatalik Hunters and Trappers Organization (MHTO) or the Hamlet of Pond Inlet that the floe edge has been closed to hunters. Note that no floe edge remains when ice concentrations have degraded to 3/10ths or less this is no longer a necessity.

RESULTS

Baffinland's shipping season commenced on July 29, 2025 and ended on October 9th when the last vessel exited the Regional Study Area. The duration of the 2025 shipping season was 73 days and consisted of 49 ore carriers. Baffinland hosted a call in radio show on July 30th outlining plans for the 2025 shipping season. Additionally, Baffinland held two (2) pre-season shipping meetings, one with the Hamlet July 30th, and the other virtually with MHTO on August 13th. Delays in pre-shipping meetings were a result of availability of both the Hamlet and MHTO and were originally scheduled in June. The end of season radio show occurred October 25th, a community information session was hosted at the co-op in Pond Inlet on October 26th, meetings occurred on October 27th with the MHTO at their office in Pond Inlet and with the Hamlet Council in their Chamber.

Confirmation was received via email that hunters were off the ice and that the floe edge was closed on June 28, 2025. Baffinland commenced shipping on July 29, 2025 in full open water conditions. The first convoy was two (2) tugs and three (3) ore carriers that passed Pond Inlet around 11:50 pm. The twenty-four (24) hour notice was sent to the Hamlet and MHTO on July 29th and the 72-hour notice was sent July 24th. Open water prevailed throughout the fall and the last convoy left the RSA on October 9th, which was two ore carriers. For more information, please see Section 2 of the NIRB annual report.

TRENDS

Not applicable

RECOMMENDATIONS / LESSONS LEARNED

Baffinland will continue to implement its Shipping and Marine Wildlife Management Plan which is consistent with this Term and Condition and which stipulates that start of shipping be delayed until a continuous path of no greater than 3/10ths ice exists along the Northern Shipping Route, that it will cease its shipping activities no later than October 31 on every calendar year, and at all times shipping through landfast ice will be avoided.

Project Certificate Term and Condition No. 186

Category	Terrestrial Environment – Hunters' Access Route(s)
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To establish a safe access route for hunters to travel within the project area thereby reducing the shared use of the Milne Inlet Tote Road.
Term or Condition	The proponent is required to construct and maintain hunters' access route(s) in and around the Milne Inlet Tote Road. The specific location of hunters' access route(s) shall be confirmed based upon input from the Mittimatalik Hunters and Trappers Organization and the Qikiqtani Inuit Association. The responsible parties shall also develop and jointly approve an Access Route Operations and Maintenance Procedure and/or Plan.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	All hunters' access route(s) developed under this section and a summary of related engagement activities are to be reported in the proponent's annual monitoring report.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	QIA, MHTO
Reference	2024 NIRB Annual Report (Baffinland 2025g)
Ref. Document Link	Not applicable

METHODS

Please see last year's annual report for details.

RESULTS

Baffinland will continue to work with the QIA and MHTO to finalize the Access Route Operations and Maintenance Procedure and will provide updates to the NIRB as they become available.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Not applicable.

Project Certificate Term and Condition No. 187

Category	Terrestrial Environment – Dust Audit
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To consistently assess and monitor impacts of dust from project activities for the purpose of assessing the efficacy of project mitigation measures and to examine alternative mitigation and management options.
Term or Condition	The Proponent is required to resource an annual audit of dust impacts and mitigations associated with project activities to be completed by a third party acceptable to the responsible parties. The dust audit shall evaluate effectiveness of current measures and if necessary, contain recommendations and options to reduce the spread and impacts of dust from project activities.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	Each year a dust audit shall be completed and shared with NIRB by the Proponent not later than January 31st.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	North Baffin Hamlets and HTO's; Qikiqtani Inuit Association
Reference	Baffinland Dust Audit – 2025 Annual Report (Nunami Stantec, 2026)
Ref. Document Link	Appendix G.4.4 – Baffinland Dust Audit – 2025 Annual Report

METHODS

In June 2021, Baffinland submitted a Notice and Request to five (5) North Baffin communities of Arctic Bay, Clyde River, Igloolik, Pond Inlet, and Sanirajak regarding a commitment to the NIRB to resolve outstanding issues with the Phase 2 Proposal identified by the Pond Inlet Hamlet Council, including dust-related issues. The Dust Audit Committee was formed in response to a commitment outlined in Appendix C – Final Table of Post Phase 2 Approval/Regulatory Phase Commitments for the Mary River Project Phase 2 Proposal issued on January 24, 2022. This commitment was later integrated into Amendment No. 04 to Project Certificate No. 005 as Term and Condition No. 187, which allowed for the operation to continue at a transportation rate of 6 Mtpa for 2022 (NIRB, 2022a).

Baffinland contracted Nunami Stantec to conduct a third-party audit involving the five (5) Inuit communities on North Baffin to identify the greatest sources of fugitive dust at the Mary River Project and any modifications or controls that could effectively reduce the generation or spread of dust.

The Dust Audit Committee is comprised of nominated representatives from the hamlets and their Hunter and Trappers' associations including Arctic Bay, Clyde River, Igloolik, Pond Inlet, and Sanirajak, as well as representatives from the QIA, and facilitators and engineering subject matter experts from Nunami Stantec and CWA Engineers Inc. (CWA).

The objectives and deliverables of the Dust Audit were established in alignment with the commitment from Baffinland and through collaborative discussions with the Dust Audit Committee. The study was facilitated by

Nunami Stantec, involving engagement specialists and engineers and supported by CWA. The methodology used to develop recommendations included discussions on key components of dust and dust sources, such as:

- Known current sources of dust.
- Known and current mitigations for dust suppression at the Mine Site, Milne Port, and the Tote Road on which ore is hauled from the mine to the port.
- Potential future sources of dust.
- Harvested species or resources impacted by dust.
- Timing or seasons for harvesting that are impacted by dust (if applicable).
- Changes to land access due to perceived impacts of dust.

The methodology considers Baffinland's commitment to identify present and future sources of dust and mitigations, to ensure proper dust controls are in place, and the approach to include Inuit Qaujimajatuqangit (IQ) in understanding and recording recommendations of the Dust Audit Committee.

In April 2024, Nunami Stantec facilitated a Dust Audit Committee site visit to Baffinland Mary River Mine. Members toured many aspects of Baffinland's operations to witness dust mitigations in action including a visit to the crusher, airport and pit. Members also met with technical experts on site and had a presentation by Baffinland updating the committee on how the Company implemented their recommendations. The Committee continues to meet and review recommendation implementations for the next report.

RESULTS

The Dust Audit Committee submitted the 2025 annual report (Nunami Stantec, 2026) to the NIRB in January, 2026. This report presents an update on the status of the Committee's recommendations provided to Baffinland in 2023 (Nunami Stantec, 2023) as well as follow-ups received from Baffinland to date on the implementation of the recommendations and what was observed and discussed during the field trip to the Mary River Mine site in April 2024. Baffinland met with the Dust Audit Committee and provided updates to the committees' recommendations via three (3) virtual meetings in September, October and December, 2025. Topics discussed at these meetings covered dust suppression, blasting and air quality monitoring. The 2025 report (Nunami Stantec, 2026), provides a status update on the committees' recommendations on blasting, materials handling, dust fall monitoring and suppression, as well as feedback from the committee. Baffinland will continue to provide updates on the progress of mitigations for the committee's review.

Baffinland has also committed to provide sufficient funding for the Dust Audit Committee to continue to support the annual dust audit and associated reporting for the life of the Project, and for any other work of the Dust Audit Committee where it supports other areas of the project (QIA TC# AE-4 – Appendix B Project Certificate No. 005). Nunami Stantec continues to facilitate the Dust Audit Committee and will provide a fourth annual dust audit report to be submitted to the NIRB in 2026.

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland intends to continue to maintain the Dust Audit Committee in support of the annual dust audit required of Term and Condition No. 187. Updates with respect to the implementation of recommendations contained within

the annual Recommendations Report will be provided to the NIRB annually and on an as needed basis. Baffinland will encourage community participants to the Dust Audit Committee to communicate what they contribute to and learn from these engagements. Baffinland will include frequent updates on dust mitigation and monitoring, inclusive of the progress towards meetings the recommendations of the Dust Audit Committee in public engagements, working group meetings, and other regulatory processes. The Dust Audit Committee will continue to discuss dust mitigation measures at the Mary River Mine in 2026.

Project Certificate Term and Condition No. 188

Category	Terrestrial Environment – High Risk Conditions for Dust Dispersion
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	To establish a program to identify high risk conditions for dust dispersal, and a plan for additional measures to be taken at the times the conditions are present, which may include the use of additional dust suppression and operational staged decreases in dust generating site activities. Baffinland, working with the TEWG will establish site specific thresholds for conditions that may increase dust dispersion (i.e., wind speed), and corresponding mitigations to implement when thresholds are met.
Term or Condition	The Proponent working with the TEWG is required to develop a program for identification of conditions with high risk for dust dispersal and plan for additional mitigation measures that shall be applied at the times the conditions are present. The program shall also include the use of dust suppressants.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	The program shall be developed and implemented with the advice of the TEWG not later than December 31, 2022 with annual reports on implementation and any modifications to this plan presented through annual reporting.
Status of PC Term and Condition	Active
Status of Compliance	In Progress
Stakeholder Review	Not applicable
Reference	2023 Baffinland Annual Report (Baffinland, 2024b) Baffinland Dust Audit – 2025 Annual Report (Nunami Stantec, 2026)
Ref. Document Link	Appendix G.4.4 – 2025 BIM Dust Audit Annual Report

METHODS

The methods for identifying conditions with high risk for dust dispersion was shared with the 2023 Annual Report to NIRB (Baffinland, 2024b). In 2025, Baffinland presented dust mitigation measures to the Dust Audit Committee in September, October and December and to the TEWG in November 2025.

RESULTS

Baffinland is updating the Air Quality and Noise Abatement Management Plan (AQNAMP) to support the planned construction of Steensby Component. Baffinland is committed to include feedback and recommendations from the TEWG for inclusion in the plan as part of the review of the AQNAMP (as discussed in QIA Technical Comment # AE-4 and as accepted as part of Term and Condition 187).

TRENDS

Not applicable

RECOMMENDATIONS / LESSONS LEARNED

Baffinland recommended to the TEWG and Dust Audit Committee that the PurpleAir monitors be replaced by Aeroqual AQS-1 and Passive Air Sampling System (PASS) due to ongoing technical challenges from operating in the Arctic Environment. The replacements were installed in Q4 of 2025, for full implementation and testing in 2026. Baffinland will also continue to provide updates on the progress for this program development to the NIRB, QIA and the TEWG.

Project Certificate Term and Condition No. 189

Category	General
Responsible Parties	The Proponent
Project Phase(s)	Construction, Operations, Temporary Closure /Care and Maintenance, Closure and Post-Closure Monitoring
Objective	There is a need to ensure that Proponent commitments which are made on the public record but not recorded in Project Certificate Terms and Conditions are carried out as agreed to. An interim Project Monitor, appointed on agreement of the Responsible Parties, will review and report on a bi-annual (twice yearly) basis regarding the Proponent's performance of Project Certificate Terms and Conditions and the Proponent commitments listed in Appendix B to this Project Certificate No. 005.
Term or Condition	The Proponent is to carry out all commitments listed in Appendix B to this Project Certificate No. 005. Performance of these commitments will be evaluated by an interim Project Monitor appointed on agreement of the Responsible Parties. Where the Proponent has not carried out a commitment the Proponent is required to provide a detailed written description to the NIRB, clearly explaining why they were unable to carry out the condition and how it will meet the condition going forward.
Relevant Baffinland Commitment	Not applicable
Reporting Requirement	Reports including the findings of the interim Project Monitor shall be provided to NIRB no later than March 31st and September 30th of each calendar year.
Status of PC Term and Condition	Active
Status of Compliance	In Compliance
Stakeholder Review	QIA; Government of Canada
Reference	Mary River Project Certificate 005 Appendix B Commitments, Interim Status Update
Ref. Document Link	Appendix F.2 - Mary River Project Certificate No. 005 Appendix B Commitments, Interim Status Update (Appendix F.2 Baffinland, 2024b)

METHODS

No changes have been made from last year's annual report. Baffinland continues to work with QIA on a joint update on Appendix B commitment implementation, which was jointly developed and submitted to the NIRB on March 31, 2024 (Baffinland and QIA, 2024; Appendix F.2 Baffinland, 2024b). The status update submitted in 2024 included additional commitments agreed to through the Sustaining Operations Proposal reconsideration process and reflected in Table 2 of Appendix B in Project Certificate No. 005, Amendment No. 05 (NIRB, 2023a).

The report included a summary table that provides a current status update for each commitment, a designation of compliance (In Compliance or Not) and a qualifier (Complete, In Progress).

RESULTS

There are no updates to the results reported in the 2024 Annual Report (Baffinland, 2025g).

TRENDS

Not applicable.

RECOMMENDATIONS / LESSONS LEARNED

Baffinland and QIA will continue to report regularly to the NIRB to support transparency and understanding that commitments made during the PIP Renewal and the SOP NIRB Reconsideration Processes held in 2022 and 2023, respectively, are being implemented by Baffinland and QIA.

5 NIRB CORRESPONDENCE

5.1 NIRB SITE VISITS AND INSPECTIONS

The objective of the NIRB's site visits to the Mary River and Milne Port sites is to determine whether, and to what extent, the land or resource use in question is being carried out within the predetermined PC Terms and Conditions as set out in the amended Project Certificate issued for the Mary River Project, in accordance with Section 12.7.2(b) of the Nunavut Agreement. As described by the NIRB, the observations resulting from the site visits shall, wherever possible, be incorporated into the measurement of the relevant effects of the Project, provide the information necessary for agencies to enforce PC Terms and Conditions of land or resource use approvals, and will be further used to assess the accuracy of the predictions contained in the project impact statements in accordance with Section 12.7.2 of the Nunavut Agreement, and s. 135 (3) of the Nunavut Planning and Project Assessment Act (NuPPAA); NIRB, 2023d;).

In 2025, the NIRB's Manager, Project Monitoring and Monitoring Officer conducted an in-person site inspections at the Project, which took place July 16-18, 2025 .

The July inspection covered the Mary River Mine Site, the Tote Road, and Milne Port Site.

It was noted by the NIRB during the July 2025 that the site appeared well-maintained, with adequate environmental protection measures and procedures in place consistent with the Project Certificate and approved Management Plans. Active air monitoring and the dust suppressant trial at the Crusher Facility were discussed. In the July 2025 Site Visits Report, the following items were identified and subsequently addressed by Baffinland staff.

- Totes containing hazardous waste was observed stored outside of secondary containment. Baffinland staff acknowledged the issue and committed to corrective action. NIRB expects this to be closely monitored moving forward.
- Collapsed culverts at KM 80 of the Tote Road, which were not known at the time of the visit, require urgent, and long-term repair. This, along with ongoing road maintenance challenges following the 2024 rainfall event and soft road conditions north of the mine site, raises concerns about the long-term viability of the road for heavy ore transport.
- Silt curtains were found deteriorated at multiple locations along the Tote Road, and in some cases were full of sediment, reducing their effectiveness in controlling runoff and protecting nearby water bodies.
- Seacans containing potentially hazardous materials were observed with doors open at the Milne Port site, with ravens flying in and out. This poses both environmental and wildlife risks and indicates a need for improved seacan management.
- Exposed liners were noted at surface water management ponds, which may compromise containment integrity and should be addressed.

A summary of the conclusions from these monitoring inspections, in addition to general performance related to the PC No. 005 is also provided in the Nunavut Impact Review Board's 2025 Site Visit Report for Baffinland Iron Mines Corporation's Mary River Iron Ore Mine Project (NIRB Registry No. 08MN053; NIRB Public Registry Document ID: 357398).

5.2 COMMENTS ON THE 2024 ANNUAL REPORT TO THE NIRB

Baffinland submitted its 2024 Annual Monitoring Report (the 2024 NIRB Annual Report; Baffinland, 2025g) NIRB Registry No. 355641) to the NIRB on June 1, 2025. The NIRB subsequently sent a notification to its Mary River Distribution List on June 4, 2025 indicating that the report was now accessible on NIRB's online public registry and requested comments from all interested parties with respect to their jurisdiction and/or area of expertise by July 4, 2025. On July 7 and 8, 2025, the NIRB sent notifications to Baffinland with all comments submissions received related to the 2024 NIRB Annual Report. However, due to an administrative error within the NIRB system, these notifications were not received by Baffinland until July 16th when this was communicated verbally, at which point Baffinland flagged that an extension would be needed for adequate response time, to which NIRB issued a verbal extension for the Proponent to provide responses to all comments by August 12, 2025.

Comments were submitted by Qikiqtani Inuit Association (QIA; NIRB Registry No. 356352), Government of Nunavut (GN; NIRB Registry No. 356353), Crown Indigenous Relations and Northern Affairs Canada (CIRNAC; NIRB Registry No. 356406), Fisheries and Oceans Canada (DFO; NIRB Registry No. 356407), Environment and Climate Change Canada (ECCC; NIRB Registry No. 356320), Parks Canada (PCa; NIRB Registry No. 356293), Transport Canada (TC; NIRB Registry No. 356321), Health Canada (HC; NIRB Registry No. 356322) and Ocean's North (ON: NIRB Registry No. 356292) on Baffinland's 2024 NIRB Annual Report. Baffinland provided itemized responses (Appendix E.1) NIRB Registry No. 357081 to 150 comments received. Comments were received from QIA (92), GN (7), CIRNAC (17), ECCC (15), DFO (4), PC (3), HC (3), TC (8) and ON (1).

Baffinland appreciates the NIRB and all parties for providing comments on the 2024 Annual Report.

5.3 NIRB'S ANNUAL MONITORING REPORT AND BOARD RECOMMENDATIONS

On November 26, 2025 the NIRB issued its 2024 to 2025 Annual Monitoring Report for Baffinland Iron Mines Corporation's Mary River Project and the Board's Recommendation (NIRB, 2025b; NIRB Registry No. 353538). The report included three (3) recommendations on page 85 that states:

Recommendation 1: Baffinland shall provide an update within 30 days of receiving the NIRB Monitoring Officers' 2025 Report, on the development of a publicly-accessible Project-specific web portal or web page to make available in a central location all significant non-confidential monitoring and reporting information submitted to Regulatory Authorities pursuant to the Project Certificate and other territorial or federal permits issued for the Project.

Recommendation 2: Baffinland shall have a publicly-accessible Project-specific web portal or web page to make available in a central location all significant non-confidential monitoring and reporting information submitted to Regulatory Authorities pursuant to the Project Certificate and other territorial or federal permits issued for the Project in place for the 2026-2027 reporting year. .

Recommendation 3: Baffinland is required to provide an update of the reasonable measures that are being, or could be, taken for Baffinland to meet the requirements of Term and Condition 106 requiring shipboard observers to be onboard when shipping occurs. If Baffinland determines that the shipboard observer program is no longer practicable, the Proponent shall submit for Board consideration an amended term and condition outlining alternative measures to fulfill the objective of Term and Condition 106.

Baffinland provided a response including the required updates on December 8, 2025, NIRB Registry No. 359551.

6 MANAGEMENT PLAN UPDATES

Appendix G.7 provides a list of the Management Plans for the Project.

Baffinland's Environmental Management Plans relevant to the Annual Report are available on the document web portal: https://www.baffinland.com/media-centre/document-portal/

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