



**Suite 400,
365 Bay Street,
Toronto, Ontario, M5H 2V1**

Mouse Lake Project

Executive Summary to Accompany Application for Renewal of Licence 2BE-MOU0914

Hornby Bay Mineral Exploration Ltd. (“HBME” or the “Company”) has been engaged in exploration for uranium in the Hornby Bay Basin in the Kitikmeot region of Nunavut since 1996, when the initial mineral claims were staked in the area of the Coppermine River, approximately 90 kilometers south of Kugluktuk. Since 2003, the Company has been conducting systematic ground exploration activities, such as geophysical surveys, geological mapping, rock and soil sampling, and drilling, for the definition of key target areas on its properties. At present, HBME owns a total of 53,545 hectares in the Hornby Bay Basin, divided between the Company’s 100% owned Coppermine River Property (47,279 hectares) and a Joint Venture Project with Mie Metals Corporation (6,266 hectares).

HBME operates from a 40-man base camp situated on the southern shore of Mouse Lake at latitude 67°05’58”N and longitude 115°44’12”W. The camp is located approximately 550 kilometers north of Yellowknife and about 80 kilometers south of Kugluktuk. The Mouse Lake camp is used seasonally and is comprised of wooden-frame tent structures that provide facilities for core logging, office work, storage, power generation, first aid, food preparation and sleeping. In addition, the camp is equipped with a refuse burner, helicopter pad, fuel storage and refueling facilities, a retractable dock, and a small boat.

The Company uses water for camp and for drilling. For camp, water is obtained from the Mouse Lake in an amount that does not exceed five (5) cubic meters per day. Drill water is obtained from lakes and ponds, proximal to the drilling targets, in an amount that does not exceed sixty (60) cubic meters per day. The camp grey water is discharged into a monitored sump (depression) located at more than 30 metres from the lake shore. The camp sewage is managed by lime-treated pit toilets and new ecological toilets. Drill sludge is captured in natural depressions (sumps) that are reclaimed upon hole completion and which are located at more than 30 metres from the high-water level of any water body. Combustible solid waste is burned in the incinerator at the Mouse Lake camp. The ash residue and the solid waste that is non-combustible or hazardous (used oil, used batteries, paint cans, etc.) is backhauled to Kugluktuk or Yellowknife for proper disposal or recycling in authorized disposal sites.

The project activities do not affect the quality, quantity, and flow of water flowing through Inuit Owned Lands. The project has no effect on traditional water use and no adverse impact on the local fish/ wildlife habitats. The Company has a very firm commitment to the preservation of the environment.

The exploration program in 2014 will concentrate on drilling deep targets on the Coppermine River Property, as well as on ground geophysical surveys to define new targets for drilling, depending upon the level of funding available. The program is expected to start in April and end in September.

HBME has a policy of maximizing the employment of local people from Kugluktuk in the running of the camp at Mouse Lake and in the field activities. In addition, the company will continue to support the Grizzly Bear and other surveys being conducted by the Nunavut Wildlife Management Division in the area south of Kugluktuk.

For further information please contact:

Bogdan Nitescu, PhD, PGeo

Geologist & Geophysicist

Tel (416) 368 0114; Fax (416) 368 0115; Email bnitescu@hornbybay.com