

NIRB File No. 08EA041_Amendment INAC No. N2007C0033, N2006J0018 QIA No. Q07L3C04, Q06L3C07 NWB No. 2BE-RBP0608

July 4, 2008

Mr. Dirk Swartz Advanced Explorations Inc. 50 Richmond Street, Suite 300 Toronto, ON M5C 1N7

Via email: <u>dirk@advanced-exploration.com</u>

Re: Application acknowledgement for Advanced Explorations Inc.'s amendment request with INAC for the Roche Bay Mining project

Dear Dirk Swartz:

On June 30, 2008 the Nunavut Impact Review Board (NIRB or Board) received a land use application from Indian and Northern Affairs Canada (INAC) for an amendment to Advanced Explorations Inc.'s (AEI) Roche Bay Mining project. AEI is currently undertaking a magnetite exploration program in the Qikiqtani Region, near the community of Hall Beach. The exploration camp and drilling activities are located on Inuit Owned Lands administered by the Qikiqtani Inuit Association (QIA), while a parcel of land on a nearby peninsula is being used for sealift landings and fuel/salt storage and is administered by INAC. The NIRB has previously assigned this file number **08EA041**.

Previous File History

The original application for the above project was received by the NIRB on July 30, 2007 from INAC. The project proposal was assigned NIRB File No. 07EN058 and screened in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA). On September 06, 2007 the NIRB issued a 12.4.4(a) screening decision to INAC, allowing the proposed project to proceed subject to recommended project-specific terms and conditions. Project components/activities included the following:

- Fuel storage (max. 700,000 L)
- Calcium chloride storage (200 tonnes)
- Landing sites for two sealifts

On February 15, 2008 the NIRB received an application from INAC for an amendment to the project activities listed above. The amendment request was screened, and on March 03, 2008 the NIRB re-issued the September 06, 2007 12.4.4(a) screening decision to INAC, allowing the proposed project to proceed subject to additional recommended project-specific terms and conditions. The amended project activities included:

- Increase in the amount of fuel storage (+ 300,000 L)
- Increase in the amount of calcium chloride storage (+ 300 tonnes)
- New location for fuel and calcium chloride storage

- Inclusion of a location for on-ice airplane landing (30 flights, mid-March to mid-April)
- Addition of the storage facility and ore storage (former camp buildings, INAC LUP N2006J0018)

On April 2, 2008 the NIRB received a second amendment from INAC for AEI's INAC Land Use Permit to include additional components/activities. Also, on April 07, 2008 NIRB received an additional application from the Qikiqtani Inuit Association (QIA) for an amendment to AEI's Land Use Permit for activities on Inuit Owned Lands. The NIRB screened these new applications under NIRB file # **08EA041**. On May 16, 2008 the NIRB issued a 12.4.4(a) screening decision to INAC and QIA, allowing the proposed project to proceed subject to additional recommended project-specific terms and conditions. The amended project components/activities included:

- Drilling of approximately 20 holes, up to 30 m in depth, on sea ice
- Bathymetry surveys during the summer of 2008
- Camp facilities for 60 people
- Drilling of 25,000 30,000 m of core and chip samples
 - o 5 Boart Longyear LF-70 Drills
 - o Approximately 120 holes
- 2 Polaris Ranger utility vehicles, 5 Honda ATVs, 3 Argos, and 8 snowmobiles
- 2 Helicopters and 2 fixed wing aircraft
- Transport of fuel from Hall Beach to camp site via skid and bulldozer
- Storage of fuel to include: 550,000 L diesel; 50,000 L gasoline; 240,000 L aviation fuel; and 10,000 lbs propane
- Storage of 500 tonnes calcium chloride

Current Amendment Request

AEI is proposing to amend their INAC land use permit (N2007C003) to include geotechnical drilling on the peninsula of roughly 20 holes up to 30 m in depth, with the following objectives:

- Determine and evaluate foundation conditions underlying the proposed plant site facilities;
- Evaluate the general quality of the limestone bedrock for possible quarrying/crushing to provide materials for plant site and airstrip development;
- Obtain limestone samples for chemical analysis to evaluate suitability for use in the magnetite processing operations; and
- Save excess sample material for future testing for non-geotechnical purposes.

The current INAC application and the original NIRB screening file, 08EA041, are available from NIRB's ftp site at the following link:

http://ftp.nirb.ca/SCREENINGS/ACTIVE%20SCREENINGS/2008_AMENDMENTS_RENEWALS/

The NIRB is of the opinion that the request for the amendment does not *significantly* change the general scope of the original project activities. Therefore the NIRB is *proposing* to re-issue the same terms and conditions as those in the attached May 16, 2008 Screening Decision Report, along with any new terms and conditions the NIRB feels are appropriate. The NIRB is copying interested Parties and municipalities most affected by this project, and we invite interested persons to comment directly to the NIRB by **July 14, 2008**.

The NIRB would like Parties to provide comments regarding:

- whether the proposed components or activities are part of the original proposal;
- whether its inclusion would significantly modify the project;
- any additional mitigation measures that are appropriate; and

any other matter of importance to the Party related to the project proposal.

Please send your comments to the attention of the NIRB's Manager of Environmental Administration Leslie Payette at lpayette@nirb.ca or via fax to (867) 983-2594.

If you have any questions or concerns, please do not hesitate to contact the NIRB's Technical Advisor Ryan Barry at <u>rbarry@nirb.ca</u> or by phone (867) 983-4608.

Sincerely,

Ryan Barry – Technical Advisor

Nunavut Impact Review Board

cc: Distribution List

 $Candace\ Ramcharan-AEI\ (\underline{Candace@advanced-exploration.com})$

Jeff Holwell – INAC (holwellj@inac-ainc.gc.ca)
Steven Bathory – QIA (envirotech@qia.ca)

Phyllis Beaulieu – NWB (<u>licensing@nunavutwaterboard.org</u>)

Attachment: NIRB Screening Decision Report, File No. 08EA041 (May 16, 2008)