

NIRB File No.: 08EA041 INAC File No.: N2007C0033 QIA File No.: Q08L3C03 NWB File No. 2BE-RBP0811

July 20, 2011

The Honourable John Duncan Minister of Aboriginal Affairs and Northern Development c/o Jeff Mercer, Manager Land Administration Aboriginal Affairs and Northern Development Canada Iqaluit, NU

Via email: jeff.mercer@inac-ainc.gc.ca and landsmining@inac-ainc.gc.ca

Re: <u>Application Exempt from NIRB Screening Pursuant to Section 12.4.3 of the NLCA:</u>
Advanced Explorations Inc.'s "Roche Bay Magnetite" project

Dear Jeff Mercer:

On July 13, 2011, the Nunavut Impact Review Board (NIRB or Board) received an application from Indian and Northern Affairs Canada (INAC), now Aboriginal Affairs and Northern Development Canada (AAND), for an extension to AAND Land Use Permit N2007C0033; this extension has been applied for in support of Advanced Explorations Inc.'s (AEI; the Proponent) "Roche Bay Magnetite" project.

Please be advised that the original "Roche Bay" project proposal (NIRB File No.: 07EN058) was received by the NIRB from INAC on July 30, 2007 and was screened by the NIRB in accordance with Article 12, Part 4 of the Nunavut Land Claims Agreement (NLCA). On September 6, 2007 the NIRB issued a 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

On February 15, 2008 the NIRB received an application for an amendment to the original project proposal from INAC. The amendment request was screened by the NIRB in accordance with Article 12, Part 4 of the NLCA. On March 3, 2008 the NIRB re-issued the September 6, 2007 Screening Decision Report with additional recommended project-specific terms and conditions to the Minister of INAC.

On April 2, 2008 the NIRB received an application for an amendment to this Land Use Permit from INAC. This amendment request (NIRB File No.: 08EA041) was screened by the NIRB in accordance with Article 12, Part 4 of the NLCA. On May 16, 2008, the NIRB issued the

enclosed 12.4.4(a) screening decision to the Minister of INAC which indicated that the proposed project could proceed subject to the NIRB's recommended project-specific terms and conditions.

On June 23, 2009 the NIRB received an application for an extension to this Land Use Permit from INAC. The NIRB confirmed that the proposed activities had previously been screened and were therefore exempt from further screening pursuant to Section 12.4.3 of the NLCA. On June 24, 2009 the NIRB reissued the May 16, 2008 Screening Decision Report for this project to the Minister of INAC.

On March 17, 2010 the NIRB received another application for an extension to this Land Use Permit from INAC. The NIRB again confirmed that the proposed activities had previously been screened and were therefore exempt from further screening pursuant to Section 12.4.3 of the NLCA. On April 9, 2010, the NIRB reissued the May 16, 2008 Screening Decision Report for this project to the Minister of INAC.

The current AAND application, the original NIRB Screening Decision Reports (07EN058 and 08EA041) and related file information are available from the NIRB's ftp site at the following link: http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/

PREVIOUSLY-SCREENED PROJECT PROPOSAL:

As previously screened by the NIRB (File No.: 08EA041), the "Roche Bay Magnetite" project proposal was located near the community of Hall Beach, Qikiqtani Region.

The activities/components associated with this proposal included:

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

The additional components/activities associated with the February 15, 2008 amendment to INAC Land Use Permit N2007C0033 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)

The activities/components associated with the April 2, 2008 amendment to INAC Land Use Permit N2007C0033 included:

- Drilling of approximately 20 holes, up to 30 m in depth, on sea ice
- Bathymetry surveys during the summer of 2008

CURRENT APPLICATION:

AEI is currently applying for an extension to AAND Land Use Permit N2007C0033 in support of its 2011 field season.

Please note that Section 12.4.3 of the NLCA states that:

"Any application for a component or activity of a project proposal that has been permitted to proceed in accordance with these provisions shall be exempt from the requirement for screening by NIRB unless:

- (a) such component or activity was not part of the original project proposal; or
- (b) its inclusion would significantly modify the project."

After completing a review of the information provided, the NIRB is of the understanding that the application received from INAC does not change the general scope of the original project activities, and the exceptions noted in NLCA 12.4.3(a) and (b) do not apply. Therefore, this application is exempt from screening as per Section 12.4.3 of the NLCA and the activities therein remain subject to the terms and conditions recommended in the original Screening Decision Report dated May 16, 2008 (enclosed).

If you have any questions or concerns, feel free to contact Kofi Boa-Antwi, Assistant Technical Advisor, at 867-983-4609 or kboa-antwi@nirb.ca.

Sincerely,

Stephanie Autut Executive Director

cc: Gary Williams, Advanced Explorations Inc. (gary@advanced-exploration.com)

John Craig, AAND (John.Craig@inac-ainc.gc.ca)

Phyllis Beaulieu, NWB (licensing@nunavutwaterboard.org)

Robert St. Eloi, QIA (<u>landsdirector@qia.ca</u>)

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