

NIRB File No.: 08EA041

AANDC File Nos.: N2007C0033, N2012C0013

OIA File No.: O08L3C03 NWB File No. 2BE-RBP0811

May 2, 2012

Gary Williams Advanced Explorations Inc. Suite 2828-401 Bay Street, Simpson Tower P.O. Box 100 Toronto, ON M5H 2Y4

Via email: gary@advanced-exploration.com

Re: Application Acknowledgement and Comment Request for Advanced Exploration Inc.'s New AANDC Land Use Permit Application for the "Roche Bay Magnetite" project

Dear Gary Williams:

On April 13, 2012 the Nunavut Impact Review Board (NIRB or Board) received an application from Aboriginal Affairs and Northern Development Canada (AANDC) for a new Land Use Permit (No. N2012C0013) and additional project activities for Advanced Exploration Inc.'s (AEI) "Roche Bay Magnetite" project.

Original Project:

Please be advised that on July 30, 2007 the NIRB received the original project proposal (NIRB File No. 07EN058) from Indian and Northern Affairs Canada (INAC; now Aboriginal Affairs and Northern Development Canada; AANDC). The NIRB proceeded to screen the proposal in accordance with Part 4, Article 12 of the Nunavut Land Claims Agreement (NLCA) and on September 6, 2007 the NIRB issued a 12.4.4 (a) screening decision to the Minister of INAC indicating the proposed project could proceed subject to the NIRB's recommended projectspecific terms and conditions.

On February 15, 2008 the NIRB received an application for an amendment from INAC to the Land Use Permit (No. N2007C0033) for the above mentioned project. After a thorough assessment of the amendment request, the NIRB determined that the application was exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA, and reissued the enclosed screening decision report on March 3, 2008.

On April 2, 2008 the NIRB received an additional application to amend the Land Use Permit (No. 2007C0033) associated with AEI's "Roche Bay Magnetite" project to include additional components and activities. On April 7, 2008 the NIRB received an application for access to Inuit Owned Lands from the Qikiqtani Inuit Association (QIA). As the activities were significantly beyond the scope of what had originally been assessed, the NIRB consolidated these new applications under NIRB file **08EA041** and on May 16, 2008 the NIRB issued a 12.4.4(a) screening decision to INAC, allowing the proposed project to proceed subject to additional recommended project-specific terms and conditions.

Additional extension requests for the Land Use Permit (No. N2007C0033) associated with this project have also been reviewed by the NIRB. In each instance the NIRB confirmed that the applications were exempt from the requirement for further screening pursuant to Section 12.4.3 of the NLCA and the activities therein remained subject to the terms and conditions recommended in the original May 16, 2008 Screening Decision Report.

	Application			Campagnandanaa
Authorization	Date Received by NIRB	Туре	Reason for Application	Correspondence Issued by NIRB
Land Use Permit	June 30, 2008	Amendment	Geotechnical drilling	May 16, 2008
QIA/RIA permit to access IOL	April 28, 2009	QIA land access permit	Work on IOL land	May 14, 2009
Land Use Permit	June 23, 2009	Extension	Work for an additional year	June 24, 2009
Land Use Permit	March 17, 2010	Extension and Amendment	Work for an additional year	April 9, 2010
Land Use Permit	July 13, 2011	Extension	Work for an additional year	July 20, 2011

The NIRB's original and subsequent screenings of this project have considered mineral exploration activities as specifically listed in Appendix A to this letter. As these activities have been previously screened by the NIRB, they are **not** being considered by the NIRB as part of its assessment of the current application.

Current Amendment:

AEI is applying for a *new* Land Use Permit (No. N2012C0013) for its "Roche Bay Magnetite" project, and has included the following additional components and activities with the application:

- Gravel airstrip maintenance;
- Create an additional temporary barge offloading and laydown area; and
- Grading of terrain/cobbles for select ATV trails to allow light trucks to travel along the existing trails throughout the project area.

All documents received and pertaining to this project proposal can be obtained from the NIRB's ftp site at:

http://ftp.nirb.ca/01-SCREENINGS/COMPLETED%20SCREENINGS/2008/08EA041-Advanced%20Explorations%20Inc/ including:

- *AANDC Land Use Permit Application*,
- Proposed 2012 Work Plan,
- **■** *Map*,
- *Updated Job Safety Plan*,
- Updated Closure and Reclamation Plan, and
- *Updated Spill Plan.*

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."

The NIRB is of the opinion that the request for the amendment is not likely to *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, along with any new terms and conditions the NIRB considers appropriate. The NIRB may request additional information at any time during its assessment of the amendment application. Be advised that the NIRB is copying parties and municipalities potentially affected by this project proposal. Interested parties are encouraged to comment directly to the NIRB by **May 14, 2012**.

The NIRB would like parties to provide comments regarding the *additional* activities listed as part of the current **amendment** application, and in doing so, to give consideration to the following:

- Whether the project proposal is likely to arouse significant public concern; and if so, why;
- Whether the project proposal is likely to cause significant adverse eco-systemic and socio-economic effects; and if so, why;
- Whether the project is of a type where the potential adverse effects are highly predictable and mitigable with known technology, (please provide any recommended mitigation measures); and
- Any matter of importance to the Party related to the project proposal.

Please send your comments to the NIRB at info@nirb.ca or via fax at (867) 983-2594.

If you have any questions or concerns, feel free to contact me directly at (867) 983-4619 or kgillard@nirb.ca.

Sincerely,

Juli Gillard.

Kelli Gillard B.Sc., P.Ag. Technical Advisor Nunavut Impact Review Board

cc: Distribution List

Jeff Mercer, AANDC Tracy McCaie, AANDC Phyllis Beaulieu, NWB Bernie McIsaac, QIA

Attached: Appendix A: Previously Screened Project Activities

Enclosures (3): Comment Forms (English and Inuktitut)

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

APPENDIX A: PREVIOUSLY SCREENED PROJECT ACTIVITIES

The following activities have been previously screened and were allowed to proceed subject to the terms and conditions recommended by the NIRB within its September 6, 2007 Screening Decision Report, issued pursuant to Article 12 of the Nunavut Land Claims Agreement (NIRB File No. 07EN058).

As these activities have been previously assessed, they are not being considered by the Board in its current assessment, but are included here for the information of parties:

- Fuel storage (to a maximum of 700,000 Litres);
- Calcium chloride storage (200 tonnes);
- Landing sites for two sealifts;
- Increase in the amount of fuel storage (additional 300,000 Litres);
- Increase in the amount of calcium chloride storage (additional 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); and.
- Addition of the storage facility and ore storage (previously permitted per AANDC Land Use Permit No. N2006J0018).

The following activities have been previously screened and were allowed to proceed subject to the terms and conditions recommended by the NIRB within its May 16, 2008 Screening Decision Report, issued pursuant to Article 12 of the Nunavut Land Claims Agreement (NIRB File No. 08EA041).

As these activities have also been previously assessed, they are not being considered by the Board in its current assessment, but are included here for the information of parties:

- Drilling of approximately 20 holes of up to 30 metres each in depth, on sea ice;
- Bathymetry surveys during the summer of 2008;
- Camp facilities for 60 people;
- Drilling of 25,000 30,000 metres of core and chip samples;
 - o 5 Boart Longyear LF-70 Drills
 - o Approximately 120 holes
- Use of 2 Polaris Ranger utility vehicles, 5 Honda All-Terrain Vehicles, 3 Argos, and 8 snowmobiles;
- Use of 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 Litres diesel; 50,000 Litres gasoline; 240,000 Litres aviation fuel; and 10,000 pounds of propane;
- Storage of 500 tonnes calcium chloride; and,
- Geotechnical on-land drilling within the project area of roughly 20 holes up to 30 metres in depth.