



Qikiqtani Region
P.O Box 2200
Iqaluit, NU
X0A 0H0

Advanced Exploration Inc.
Suite 300-50
Richmond St. East
Toronto On
M5C 1N7
Atten: Msr. Steve Roebuck & Gary Williams

October 7, 2009

RE: Field Inspection LUP N2007C0033 Roche Bay Nunavut Beach & Main Campsite.

On August 27th 2009, I conducted a field inspection at the above mentioned locations.

A copy of the Inspection Report is attached. After reading the report please sign and return a signed photocopy to my office. If you have any comments or suggestions please feel free to attach them to the copy of this report.

I apologize for the delay in forwarding this report to you.

Issues Identified during the inspection:

Campsite: There are over 30 tents and buildings at this site. It is well laid out and even though it is situated in a rocky area, access throughout has been improved through the use of smaller sized gravel spread on the main walkways. Tents are heated using 45 gallon drums of heating fuel which are placed in wood stands. Any fuel leakage can be contained by the drip trays located under the fuel stands. The barrel spigots are wrapped with absorbal material and spill pads have been placed under the extra heating drums which helps to absorb fuel if there in a leak.

Fuel Storage: At both the beach lay-down area and the main campsite area there were numerous fuel caches. The two biggest problems were the location of the caches (within 30m of a water source) and the poor nature of the berms that had been put into place last year. If you read page #2 of my field report, you'll see how I addressed these issues. I was pleased to see and hear how these "problems" would be corrected and with the aid of the photos sent to me it appears that progress was being made.

Water: The lake (spring fed or accumulated snow/rain) seems to be adequate in amount. It is essential that accurate figures of amounts used are kept all season and produced upon demand either by our Department or the Water Board.

Waste: The sump for the kitchen, laundry and shower facilities is more than adequate for this camp. No small pieces of foodstuffs should be allowed to filter out of through the system, a small screen can be placed over the end of the pipe. Non-combustible waste should be sorted and then backhauled to an approved location.

Incineration: There is a SmartAsh incinerator located on a small hill at one end of the camp which would be capable of handling small amounts of combustible waste for a camp size of 2 to 10 workers. Any more workers and a larger dual chambered, forced-air, fuel-fired incinerator would be better able to handle the increased load. At one site inspected this summer (with a larger incinerator at hand), two motors (priced at \$500.00 each) were burnt out due to improper burning techniques. It's essential that proper training and supervision be part of the operations.

Combustible waste must be sorted before being burned. The ash should be packed into a barrel and backhauled to the nearest approved disposal site. At the present incineration site there was evidence of burning of waste in 45 gallon drums, this method of "incineration" is not allowed.

Drilling activities: I was able to see four drill sites situated close to the main camp site (see page 4 of my field report) and the biggest problem I saw was that the drill muds were not contained as well as they could have. The second problem was that the casings were not cut off at ground level. Other than that I'll withhold any more comments until I see more drill sites next year.

Please do not hesitate to contact me should you have any questions or comments.

Sincerely,



Kevin L Robertson
Resource Management Officer
Qikiqtani Region
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X0A 0H0
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cc: Land Administrator, INAC

ENVIRONMENTAL INSPECTION REPORT

Permittee: (complete name and address) Advanced Exploration Inc. Suite 300-50
Richmond St. East. Toronto (On. M5C 1W7

		Permit Expiry Date	Last Previous Inspection
Land Use Permit No.	N2007C0033		July 19, 2009.
Quarrying Permit No.			
Contractor: <u>Steve Raebuck</u>	416-203-0057	<u>Dave Young</u>	
Subcontractor: <u>Gary Williams</u>	416-203-0057 416-520-0623	Subcontractor: <u>867-928-8030 Camp Mgt.</u>	

Location(s) Inspected: Beach Lay Down, Bulk Fuel Storage, Drill Sites
Main Camp Site, Drill Storage Area (drill shacks)

Current Stage of Operation: In the process of moving fuel drums et al further
away from beach (30m), cleaning beach lay down area.

Program Modifications Approved: _____

Condition of Operation "A" - Acceptable "U" - Unacceptable "N/A" - Not Applicable

Operating Condition		Aspect Inspected	
A	Location as Permitted	A	as permitted in accepted application.
B	Timing as Permitted	A	as required by regulations
	Equipment as Approved	A	as set out in inventory list (up date if necessary)
D	Methods & Techniques	U	drill holes to be plugged, pipes cut ground level.
E	Facilities	U	beach lay down require cleaning (wood etc)
F	Erosion	N/A	
G	Chemicals, Waste	N/A	no chemicals on site, nor waste (human).
H	Wildlife & Fisheries Habitat	N/A	
I	Ecological Resource	-	unknown if archaeological sites in the area
K	Fuel Storage	U.	within 30m boundary
L	Brush Disposal	N/A	
M	Matters Not Inconsistent	N/A	No copies of permits at location.
N	Water Engineering	N/A	
O	Water Supply	N/A	
P	Restoration	-	site to be restored at a later date.
Q	Quarrying Methods	N/A	none in the area.
R	Sections 12 to 19 T.L.U.R.	-	restoration of site, trails, Archaeological
S			sites protected.
T			

Surveillance Network Program Biweekly inspection as scheduled by Licence Holder.

Explanatory Remarks (attach page 2, if required)
Previous inspection showed fuel storage too close to 30m limit.
Beach area needs to be cleaned of garbage. Soil remediation if
required. Progress reports to be forthcoming from Lic. Holder Page 2 attached ☐ Yes ☐ No

Representative's Signature _____ RMO Initials ELR Inspector's Signature K. Robertson
Representative's Title _____ District Mgr. Initials PH



Date Aug 24/2009.

Permit No. N2007C0033
No de permis Advanced
Exploration
Roche Bay Nu.Explanation and Remarks (Continued)
Explications et remarques (suite)

- ⑤ Fuel caches: Beach lay down areas. There are +2000 empty fuel barrels that are within 30m limitation. There were to have been crushed & transported out during 2008 season. This was never done. Rather than leave these drums at their present location they will be moved back from the water edge back up the sloping beach at least 14 rows or more if more workers are hired. There is a possibility that the majority of these drums could be moved back to 30 m away from water edge. Next season they will be crushed & shipped out. By Saturday Aug 29/09 a "lined" trench will be dug on the sides & the front row of these barrels in order to capture any leaks.
- ⑥ There are two smaller caches containing 38 barrels of contaminated water already burned which will have the sides increased in height (using sand). They will be flown out to a secure location in Hall Beach.
- ⑦ There are 4500 drums of Jet A in a lined berm, again increasing the height of the walls using sand will help stabilize the sides of the berm. There may be enough berm material & time to place a secure top over these barrels to keep out rain & snow. This berm is more than 30m from the O.H.W. mark.
- ⑧ The six (6) white double walled fuel containers which can hold 50,000 ltrs @ are empty and are + 30m O.H.W. mark. They will be filled next year.
- ⑨ There are 63 barrels (coloured Gray & Black) which hold diesel fuel in a berm. Sides to be increased in height.
- ⑩ Another cache of +20 barrels (Gray & Green; Black & Yellow) again above the O.H.W. mark, on pallets contains contaminated water & fuel. These will be burned.
- ⑪ A cache of +2000 barrels (Black & Yellow) was being burned. These barrels are + 30m O.H.W. mark.
- ⑫ The Hapag Lloyd sea lift container has 180 Jet B + 180 gasoline secured inside the locked container.
- ⑬ A small cache of gasoline will remain free standing for use by hunters who may require fuel.

Land Use Inspector - Inspecteur de l'utilisation des terres

Note: This form is to be used as necessary in conjunction with the Land Use Inspection Report Territorial Land Use Regulations, LAND 52-221 (10-72).

Au besoin, annexer la présente feuille au rapport d'inspection de l'utilisation des terres, Règlements sur l'utilisation des terres territoriales, MAINC 52-221 (10-72).



Date Aug 27/09

Permit No. N2007C0033
No de permis Advanced Exploration
Rocha Tsay NuExplanation and Remarks (Continued)
Explications et remarques (suite)

- * Area around fuel caches will be kept clean of debris ie pieces of timber etc. There was a large number of wood pallets that will have to be moved to a location + 30 m OHLW mark.
- * 200 bags of salt (Calcium Chloride) have been placed on pallets + covered with plastic tarps.
- * Main camp location:
 - * Incineration. There was evidence of the burning of waste in 45g barrels. The Smart Ash incinerator is too small to handle the waste of +40 workers. If the camp is to be downsized to 10-12 workers then it should be adequate. The next incinerator will have to be a dual chambered, forced air one capable of burning the waste of +30 workers.
 - * Waste Sump appears to have been capable of moving the grey water from the camp to the present disposal site.
 - * Heating fuel barrels: All the tents had a 45g drum of heating oil located on a stand with a drip tray beneath. The trays must be cleared. They also had some absorbent wrapped around nozzle/hose. There were several full + 1/2 full fuel barrels beside some of the tents. Intent unknown.
 - * There were 3 heli pads constructed & at the time of inspection did not have spill kits (I was informed that they were stored for the season). Secondary fuel containment is required at all fuel transfer sites (such as the heli pads).
 - * The large fuel cache adjacent the heli pads, has a beam & also a top covering tarp that blew off probably during this past winter. Plans are being made to re-cover the beam to protect the product.
 - * Next to the camp is a storage area for (4) four drills + their related equipment (pump etc). There are numerous empty fuel barrels that will have to be burned.

Land Use Inspector - Inspecteur de l'utilisation des terres

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Date Aug 27/09

Permit No. N2007C0033
No de permis Advanced
Exploration
Rock Bay, NuExplanation and Remarks (Continued)
Explications et remarques (suite)

* Of the ⁽⁴⁾ four drill sites inspected (3) three were not as "clean" as others I've seen. The pipes were showing above the level of ground & were not (in some cases) identified through the use of wood stakes. I was informed that a surveyor needs to be able to locate the drill holes. After that, the pipes must be cut as close to the level of the tundra as possible.

It was noted that the drill muds, produced by the mixture of water & salt, were not contained within an area close to the drill. Even though the drill muds are dirt & sand etc & will in time revert to a consistency that will make it virtually impossible to be seen, it's the fact that the muds can be seen with the naked eye & that can cause concern to some residents. In other words, stop the flow before it gets out of hand.

I've been assured by staff members Steve Ruebeck & David Young that all possible efforts will be made to "clean up" the sites inspected before shut down of the site on Saturday Aug 29, 2009. Photographs will be taken & compared with those taken by inspect site July. This will enable me to "see" the extent of their activities.

Should you have any concerns please feel free to contact me.

K. Robertson
Tel # 867-975-4296
email Robertson.KI@INAC.gc.ca

X.P.S. a more formal letter will follow.

KR

K. Robertson
Land Use Inspector - Inspecteur de l'utilisation des terres

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