

**ADVANCED EXPLORATIONS INC.
ROCHE BAY PROJECT**



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**Advanced Explorations Inc.
2013 Project Summary
2014 Project Plans
Roche Bay Project**

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**AANDC Permit: N2012C0013
QIA Licence: Q13L3C002
NWB Licence: 2BE-RBP1116**

February 2014

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EXECUTIVE SUMMARY

Advanced Explorations Inc.'s ("AEI" or the "Company") Project Summary outlines activities undertaken at the Roche Bay Project, approximately 60 km south of Hall Beach, Nunavut during the latest calendar year. The Company has received the appropriate permits/licenses for the area, as detailed on the cover page of this report.

Advanced Explorations Inc. is currently a 75% owner of the Crown mineral leases under exploration as part of the Roche Bay joint venture with Roche Bay plc owning the remaining 25%. AEI staked mineral claims covering the Peninsula area in late 2007, claims around the mineral leases in late 2008, and additional claims along the strike of the iron formation in 2010 and 2011. All claims are part of the joint venture with Roche Bay plc.

Primary access to Hall Beach is typically by scheduled flights from Iqaluit, and charter flights from Yellowknife, and various other cities in southern Canada, with helicopter or fixed wing aircraft transport to the site. Ground transportation at site in the spring, summer and fall is limited to the minimum required, and is only considered on durable land and tundra when necessary travel has to be undertaken and the weather does not permit helicopter flights. In the winter, snowmobiles and skidded equipment are only used on ground with adequate snow cover.

The Company plans to start the progressive, partial re-location of the exploration camp to Crown lands at the Roche Bay Peninsula during 2014, as the appropriate water and land use permits/licenses have been granted from the NWB and AANDC respectively.

The Company will be conducting its main exploration program on Crown Lease 2953 covering the C Zone ore body. A smaller scale program is also planned to occur on the Roche Bay A/B Zone (Crown Lease 2952). The programs will consist of ongoing environmental baseline studies, geological mapping as well as exploration and geotechnical drilling.

This project summary and projected work plan is submitted as part of AEI's required annual reporting.

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1.0 2013 PROJECT SUMMARY

The following report gives a summary of the activities that occurred at the project area during 2013. The exploration camp was not reopened and no programs were initiated on the Melville Peninsula in 2013. The project area is on Crown lands, permitted under an AANDC Land Use Permit, and on Inuit owned lands, permitted under a QIA Land Use License. There is also a NWB Water Use License. All permits/licenses are documented on the cover page of this report. Project maps are provided in Appendix A, including an updated land disposition map showing all mineral claims making up the current project lands.

1.1 Camp Facilities

The camp consists of temporary Weatherhaven tents. All infrastructure is temporary in nature, and removable upon completion of the exploration program. The camp facilities remained closed for the duration of 2013, accessed only for inspections. The camp layout schematic is shown in Appendix A.

The Job Safety Plan is used for prevention and mitigation of all safety issues at the project. A site orientation for new workers arriving at camp is given promptly upon arrival during an open season. Safety points are addressed as well as general procedures in camp during the orientation. Maps of the camp layout are posted. Helicopter safety orientation is done by the pilots prior to new workers boarding the helicopter. Weekly safety meetings are held to address wildlife sightings, hunting/fishing, archaeological site identification, reporting and avoidance, helicopter safety, as well as general safety and training as required.

Daily activities are documented by the Project Manager and Environmental Specialist, which included daily operations at the camp, drilling operations, fuel inspections, waste monitoring, wildlife sightings, water usage monitoring, flight reports, archaeology site monitoring, ground disturbance monitoring and personnel safety.

All appropriate permits/licenses are displayed on-site and available at the camp

1.2 Drilling

No drilling took place in 2013 on the Roche Bay property.

1.3 Equipment

No new equipment or supplies were flown into site in 2013. An inventory of the equipment and materials that remain on-site is listed in Appendix B

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1.4 Water Use

No water was used for drilling purposes or camp use.

1.5 Waste

No waste was produced, as the camp remained closed for the season.

1.6 Fuel Storage

All fuel is stored in the berms at Roche Bay camp or the Roche Bay beach area. A list of their contents can be found in the equipment inventory list in Appendix B.

No fuel was used in 2013. In 2012 visual inspections of all fuel drums were conducted whenever the fuel was being used. A more formal inspection was done by one of the site managers on a regular basis.

All fuel containers were marked with "AEI". Fuel storage areas were a minimum of 31 metres from all waterbodies.

Spill kits were on-site and accessible at all times. There were spill kits at the camp, berms, and helicopter pads (wherever refueling would take place). No refueling of camp facilities was required as the camp was not operational.

1.7 Wildlife/Fisheries

There was no impact to wildlife nor were there any sightings

1.8 Ground Disturbance

The use of overland vehicles was closely monitored to minimize ground rutting or gouging during winter inspection/s conducted by local Inuit hired by Advanced Explorations Inc. People were advised to stay on the snow and avoid any patches of vegetation. Use of overland vehicles was not permitted until sufficient snow had fallen to protect the tundra from damage.

1.9 Archaeological Sites

All archaeological/paleontological/burial sites were avoided by a minimum of 50 metres (a minimum of 30 metres is required in the permits/licenses terms and conditions).

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1.10 Discharges/Spills

No spills or discharges occurred in 2013.

1.11 Inspections/Site Visits

The Company conducts inspections as necessary to ensure compliance with the permits/licenses terms and conditions over the duration of the project. With the camp and related facilities properly secured and no exploration program being conducted in 2013, no inspections were reported by regulators or stakeholders.

1.12 Flights

No flights were conducted in 2013

1.13 Environmental Baseline Studies

No studies were conducted in 2013. A summary of the water quality monitoring program from previous seasons is in Appendix C.

1.14 Reclamation

No reclamation was necessary as no work took place within the Roche Bay project area in 2013.

All future reclamation work at the camp and drill sites will be completed according to the reclamation plans outlined in the Abandonment & Restoration Plan.

1.15 Community Consultations and Local Employment

Open dialogue is ongoing between AEI and the communities of Hall Beach and Igloolik, with the Hamlet Councils, the Hunters & Trappers Associations, CLARC, the Mayors, QIA representative, the public, the schools and other community members.

During the field season, the Project Manager will live on-site at the camp and the Site Supervisor will live in the Company house in Hall Beach. Both of them will be available to receive and address any concerns.

The process of 'securing' the Roche Bay Camp for winter includes leaving an obviously unlocked, and open tent to accommodate hunters and other members of the community as they travel through the area.

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As the Roche Bay and Tuktuk projects expand in the future, more employment opportunities will be created for local communities. Local employment opportunities related to Roche Bay field work and Tuktuk camp in past seasons are listed below:

- Core Cutters
- Camp Support Staff
- Bear Monitors
- Drill Helpers
- Kitchen Support Staff
- Ground Support for the Helicopters
- Laboratory Technicians
- Assistant Cooks
- Labourers

Local economic benefits from 2012 (open Tuktuk camp) and 2013 (inactive season, monitoring only) for all the Advanced Explorations Inc. projects are summarized in Appendix D.

1.16 Conclusion

Future plans for the project are underway and we hope to continue to work effectively and amicably with the communities in the region. We are eager to see the communities benefit further from AEI's activities there.

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2.0 2013 PROJECT PLANS

The Company continues to hold its land and water permits/licenses from the previous season to allow for drilling, camp operations, environmental baseline studies and geological modeling. The Company intends to use results from its previous seasons of drilling to refine its resource definition. An environmental program and geological mapping program will also be included.

AEI is also investigating the potential of including clean, alternative wind energy in its project development plans.

During the 2014 field season, the Company intends to begin to relocate its exploration camp from its current location to crown lands. Project activities would continue for the season from April to October, operating out of Hall Beach or an alternative camp site as necessary. Inuit workers will be employed and supplies and services purchases locally as part of the program. All activities for the season will be contingent on the level of financing acquired for the project.

A handwritten signature in black ink, appearing to read 'John Gingerich', is written over a horizontal line.

John Gingerich
Chief Executive Officer
Advanced Explorations Inc.

Feb 17/14

Date

A handwritten signature in blue ink, appearing to read 'Eric Guo', is written over a horizontal line.

Eric Guo
Director
Advanced Explorations Inc.

Feb 17/14

Date

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3.0 Appendix A: Maps

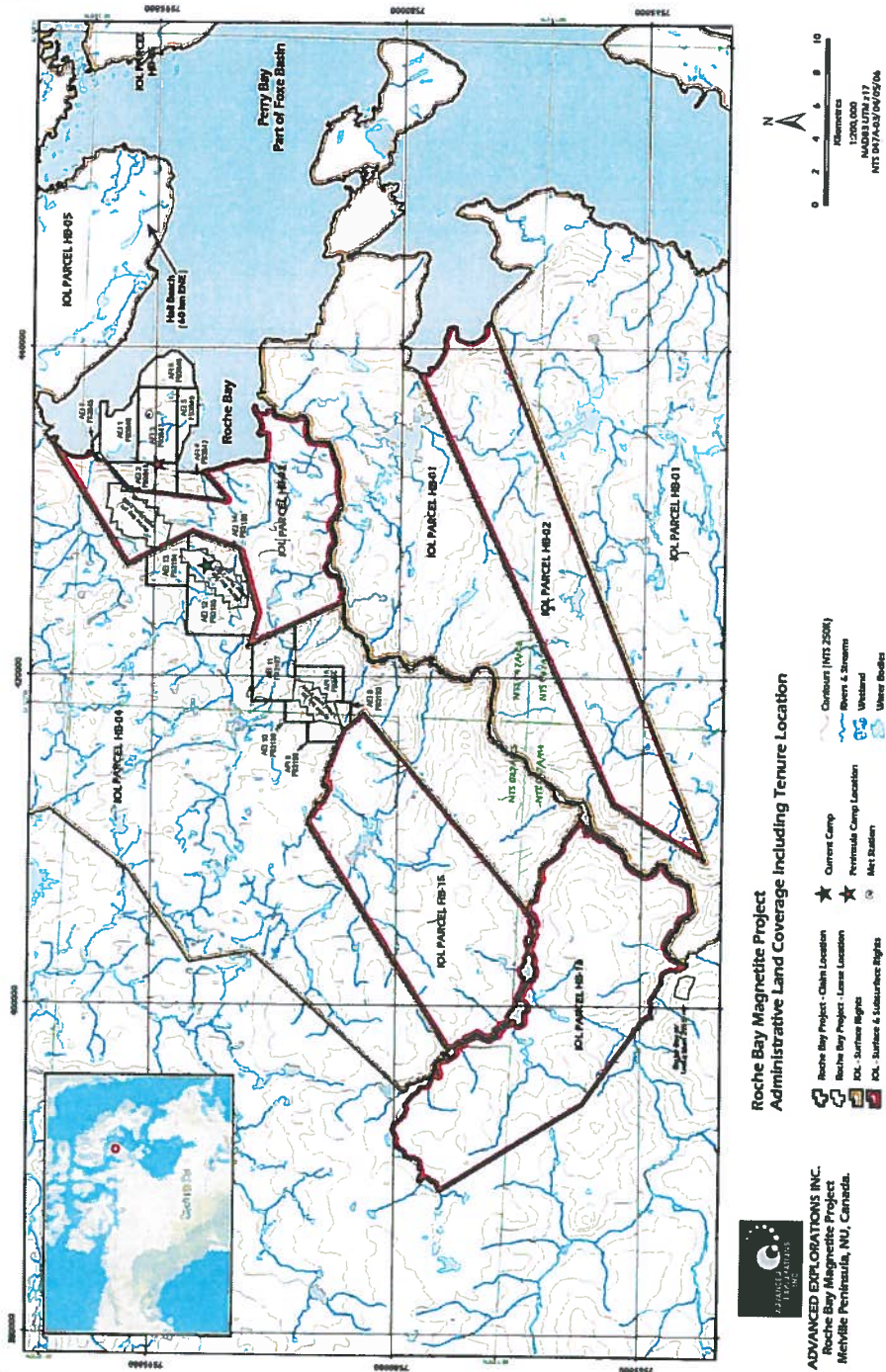
3.1 Location Map



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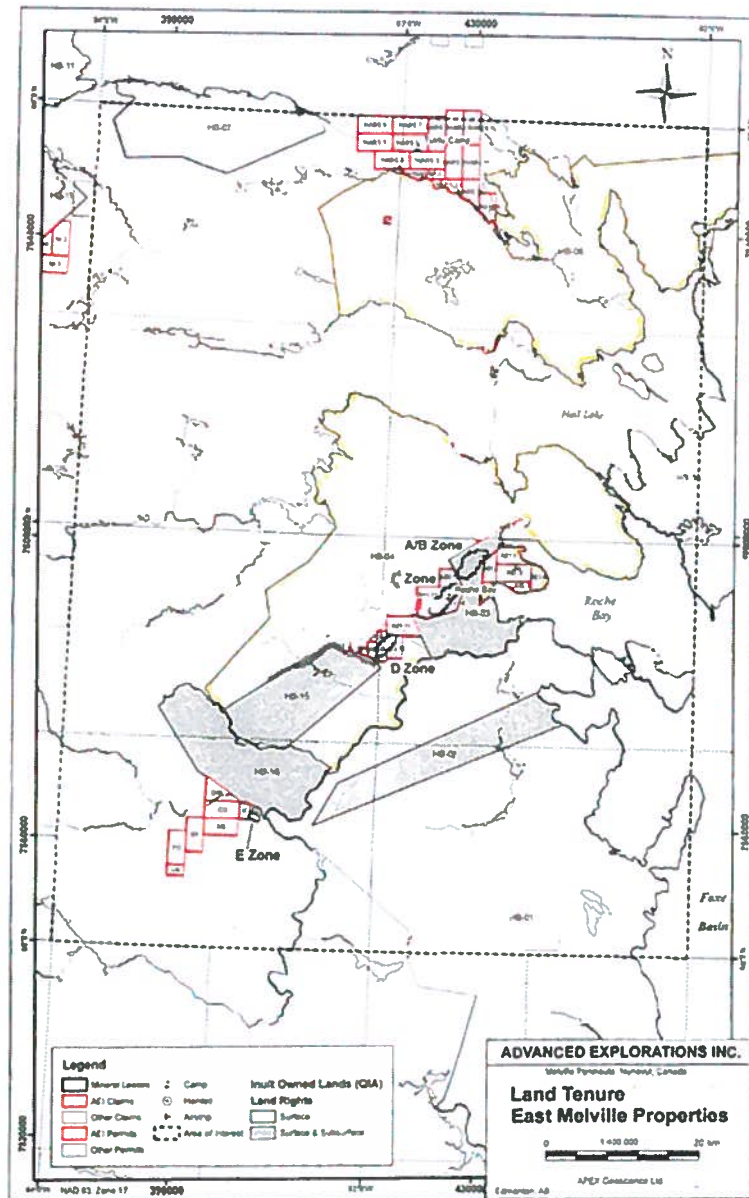


3.2 Site Map



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3.3 Land Tenure Map



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4.0 Appendix B: Inventories

4.1 Equipment Inventory List (as of October, 2012)

Roche Bay Camp

- 28 Weatherhaven tents
- 1 dual chamber, forced-air Incinerator; 1 old incinerator
- 1 generator shack and 1 industrial diesel generator
- General workshop equipment
- Kitchen equipment
- Fire extinguishers
- Tent stoves
- Core, core boxes, and core racks
- 2 silos containing tools and misc. equipment
- Camp supplies, cots, chairs and tables
- 3 Argos
- Empty propane tanks on wood pallets
- 44 Propane tanks
- 1 berm containing 39 Jet B, 38 Diesel
- 1 D6 Dozer
- 1 Skidder
- 1 Snowcat
- 2 ski-doo toboggans
- 2 ATV trailers
- Miscellaneous drill shelters and equipment

Roche Bay Beach Area

- 12 Seacans:
 - Salt (CaCl), chiller, 12' boat, motors
 - Fuel berms
 - Ranger, gasoline, cattle troughs
 - Kubota cab
 - Salt (CaCl)
 - Kubota
 - Skidoo and parts
 - Spare pump engines
 - Hose line, peat moss
 - Core boxes, rods, tubes
 - Drill equipment
- 3 berms containing:
 - 10 drums of Jet B

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- 170 drums of Diesel
- 100 bags of Salt (CaCl) (1 ton bags)
- 60 drums of gasoline
- 6 empty fuel tanks (50,000 L)
- Kumatsu

5.0 Appendix C: Water Quality Sampling

Advanced Explorations Inc. (AEI) is planning the development of the Roche Bay magnetite project, believed to be one of the world's largest undeveloped magnetite deposits. The Roche Bay project is located at 68°26' north latitude and 82°46' west longitude, approximately 65 km southwest of Hall Beach on the Melville Peninsula. In February 2007, AEI signed a joint venture agreement with Roche Bay plc. to undertake the required work to develop Roche Bay's extensive magnetite iron deposits in this area.

EBA Engineering Consultants Ltd. (EBA) was retained originally by Roche Bay plc in 2006 (project operator now Advanced Explorations Inc.) to conduct baseline studies of the water quality at the Roche Bay Magnetite Project. This summary describes the results from the 2008 to 2012 water quality sampling program, which is a continuation of the 2006 and 2007 program. To-date, EBA has completed four full (2006, 2007, 2008, and 2011), and three reduced seasons (2009, 2010 and 2012) of baseline water quality sampling within the project area. The 2006 and 2007 water quality and hydrology data was written up in 2007 (EBA 2007).

During 2008, three water sampling events were conducted, one each in June, July and September, which included 29 sampling stations across the project area. In 2009, one sampling event occurred in August and included 12 water quality stations. In 2010, one sampling event occurred in August and included 11 water quality stations. In 2011, two water sampling events occurred in July and August and included 12 water quality stations. In 2012, one water sampling event occurred on September 16 and included six water quality stations.

In general, the water quality in the Roche Bay area (Roche Bay) is pristine. The physical and chemical water quality parameters in this region are typical of Canadian arctic freshwater systems, characterized as having an average pH slightly above neutral with low electrical conductivity. Nutrient parameters such as nitrate and phosphorus tended to be either below the detection limits or very low. Ammonia was generally found to be low during the majority of water sampling events, except during low water flow and late summer. Ammonia levels increased gradually over the ice-free season through the natural process of ammonification, bacterial mineralization of dead plants, and animal excrement inputs (primarily waterfowl) resulting in levels that exceeded the CCME guidelines late in the season, but declined to below detection levels in September (2012). In 2008, 2009 and 2010 a number of stations experienced

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abnormal levels of ions and nutrients consistent with the introduction of saline marine water into the water quality station's sampling area (WS7, 10, 11, 16, 17, and 18). These elevated levels of ions and nutrients were caused by storm events. The occasional isolated instance of elevated total or dissolved metals were also observed and are attributed to the natural occurrence of metal in the bedrock and/ or contamination during sampling or bottle preparation. The latest sampling season of 2012 produced results showing the majority of the parameters to be below detection levels or within the acceptable range, only cadmium was marginally above the Canadian Council of Ministers of the Environment (CCME) guidelines for the Protection of Freshwater Aquatic Life (FAL) guidelines.

No hydrology work was conducted between 2008 and 2011. However the hydrology program at Roche Bay was expanded in 2011 with the installation of four data loggers on larger rivers draining the Roche Bay project area. Data from these loggers was downloaded in 2011 and 2012. Animal damage to one of the data loggers resulted in the loss of a partial season of stream data. Data loggers were repaired in early September and measures were taken to protect against future damage. Stream data has yet to be analyzed.

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6.0 Appendix D: Local Economic Benefits

6.1 2012

Item	Estimated local impact for all Melville Peninsula projects	Comments
Food	\$72,470.25	<i>Travel expenses include all travel for the season, regardless of the community.</i>
Travel and Accommodation (local suppliers)	\$385,868.06	
Hall Beach Housing, Communications & Utilities	\$62,164.76	
Fuel	\$250,171.29	
Local Consultants, Associations, Community Meetings & Donations	\$26,461.71	
Nunavut Permitting & Payments (including QIA)	\$97,546.97	
Wages to Local Employees	\$99,979.07	
Camp Supplies & Freight	\$129,382.48	
Total	\$1,124,044.59	

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6.2 2013 (Unaudited)

Item	Estimated local impact for all Melville Peninsula projects	Comments
Food	\$328.68	Monitoring
Travel and Accommodation	\$252.55	
Hall Beach Housing, Communications & Utilities	\$10,283.13	For two houses in Hall Beach
Fuel	\$845.01	
Nunavut Permitting & Payments (including QIA)	\$55,905.30	
Wages to Local Employees	\$1,800.00	Monitoring
Camp Supplies & Freight	\$1,020.15	Monitoring Supplies
Total	\$70,434.81	