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By Licensing Administrative Assistant at 1:08 pm, Aug 11, 2011

**ADVANCED
EXPLORATIONS
INC.**



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July 6, 2011

Phyllis Beaulieu
Manager of Licensing
Nunavut Water Board
Gjoa Haven, Nunavut
XOE 1J0

**RE: TYPE 'B' WATER LICENCE NO. 2BE-TUK1015 – TUKTU PROJECT – ADVANCED
EXPLORATIONS INC. – AMENDMENT CLARIFICATION**

Dear Mrs. Beaulieu,

On May 30, 2011, the Nunavut Water Board approved the amendment requested for the Tuktu Project. The amendment included the daily water allowance provisions for domestic and drilling purposes be redistributed, changing the domestic water allowance from 3 m³ per day to 10 m³ per day and changing the drilling water allowance from 180 m³ per day to 173 m³ per day. The total water allowance did not change at 183 m³ per day.

The Water Resources Regional Coordinator, INAC recommended that we clarify some inconsistencies within the overall company documentation. To clarify the statement that the domestic water is estimated to be a maximum of 7.5 m³ per day, the anticipated number of people at camp has increased since that estimate was calculated. The additional people at camp increase the amount of domestic water used for cooking and general hygiene. To clarify the statement that only two (2) drills are planned, each using approximately 90 m³ of water per day, there are still only two (2) drills. However, each drill is using less water than we originally anticipated. Each drill is using an estimated 54.5 m³ of water per day including both day and night shifts when the drill is drilling for the full shifts. This would make the total for two (2) drills an estimated 109 m³ per day.

I hope this helps clarify these inconsistencies.

Sincerely,

Gary Williams
VP Environment
Advanced Explorations Inc.
gary@advanced-exploration.com