

# **ADVANCED EXPLORATIONS INC.**



## **Advanced Explorations Inc. 2013 Project Summary 2014 Project Plans Tuktu Project**

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**AANDC Permit:** N2013C004  
**QIA License:** Q12L3C009  
**NWB License:** 2BE-TUK1015

Revised February 2014



## **EXECUTIVE SUMMARY**

Advanced Explorations Inc.'s ("AEI" or the "Company") Project Summary outlines activities undertaken at the Tuktu Project, approximately 70 km west 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.

The project consists of 16 mineral claims (HABS 1 to 11, staked in September and October 2009; HABS 12 to 15 staked in September 2011 and the JP claim staked August 2010). The claims are beneficially owned by Advanced Explorations Inc. (75%) and Roche Bay plc (25%), and are part of the Roche Bay joint venture with Roche Bay East Limited.

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 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 project consists of a mineral exploration program undertaken on recently acquired iron mineralization, as part of the larger Roche Bay exploration initiative. The exploration program was initiated and camp established in 2011. The program continuation and timelines for 2014 will be contingent on the level of financing that can be achieved.

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

## Table of Contents

1.0	2013 PROJECT SUMMARY .....	5
1.1	Camp Facilities .....	5
1.2	Drilling .....	5
1.3	Equipment .....	6
1.4	Water Use .....	6
1.5	Waste .....	6
1.6	Fuel Storage .....	6
1.7	Wildlife/Fisheries .....	6
1.8	Ground Disturbance .....	6
1.9	Archaeological Sites .....	6
1.10	Discharges/Spills .....	7
1.11	Inspections/Site Visits .....	7
1.12	Flights .....	7
1.13	Environmental Baseline Studies .....	7
1.14	Reclamation .....	7
1.15	Community Consultations and Local Employment .....	7
1.16	Conclusion .....	8
2.0	2014 PROJECT PLANS .....	9
3.0	Appendix A: Maps .....	10
3.1	Location Map .....	10
3.2	Site Map .....	11
3.3	Camp Layout Schematic (not to scale) .....	12
4.0	Appendix B: Inventories .....	13
4.1	Equipment Inventory List (as of September, 2012) .....	13
5.0	Appendix C: Water Quality Summary .....	14
6.0	Appendix D: Local Economic Benefits .....	15
6.1	2012 .....	15
6.2	2013 .....	16

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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 under the AANDC Land Use Permit and NWB Water Use License documented on the cover page of this report in 2013. 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 and could hold up to 42 people. All infrastructure is temporary in nature, and removable upon completion of the exploration program.

At the end of the 2012 field season, all camp facilities were closed and secured for the winter months and remained closed for the entirety of 2013. 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 Tuktu 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.

### **1.4 Water Use**

No water was used in 2013

### **1.5 Waste**

No waste was produced

### **1.6 Fuel Storage**

In 2012 drip trays were placed under drums used for heating tents, and absorbent material wrapped around connection points. Portable hand pumps were used to pump rain/melt water out of the drip trays and into empty fuel drums. These were stored in the berm on-site. At the end of the season, all fuel was stored in the berm on-site and a list of its contents is in the equipment inventory list in Appendix B.

### **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**

No sites were discovered on visited in 2013.

### **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 done in 2013 as camp remained closed.

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, local QIA representative, the Mayors, 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.

As the Tuktu project expands, more employment opportunities will be created for local communities.

Local employment opportunities 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 Cook
- Labourers

Local economic benefits from 2012 (open camp) and 2013 (inactive season, monitoring only) for all of 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.



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## **2.0 2014 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 season of drilling to refine its resource definition. An environmental program and geological mapping program are also planned. Should an exploration program be conducted, the camp will re-open and operations continue during the season from April to October. Inuit workers will be employed and supplies and services purchased locally as part of the program. All activities for the season will be contingent on the level of financing acquired for the project.

  
**John Gingerich**  
Chief Executive Officer  
Advanced Explorations Inc.

Feb 17 / 14  
Date

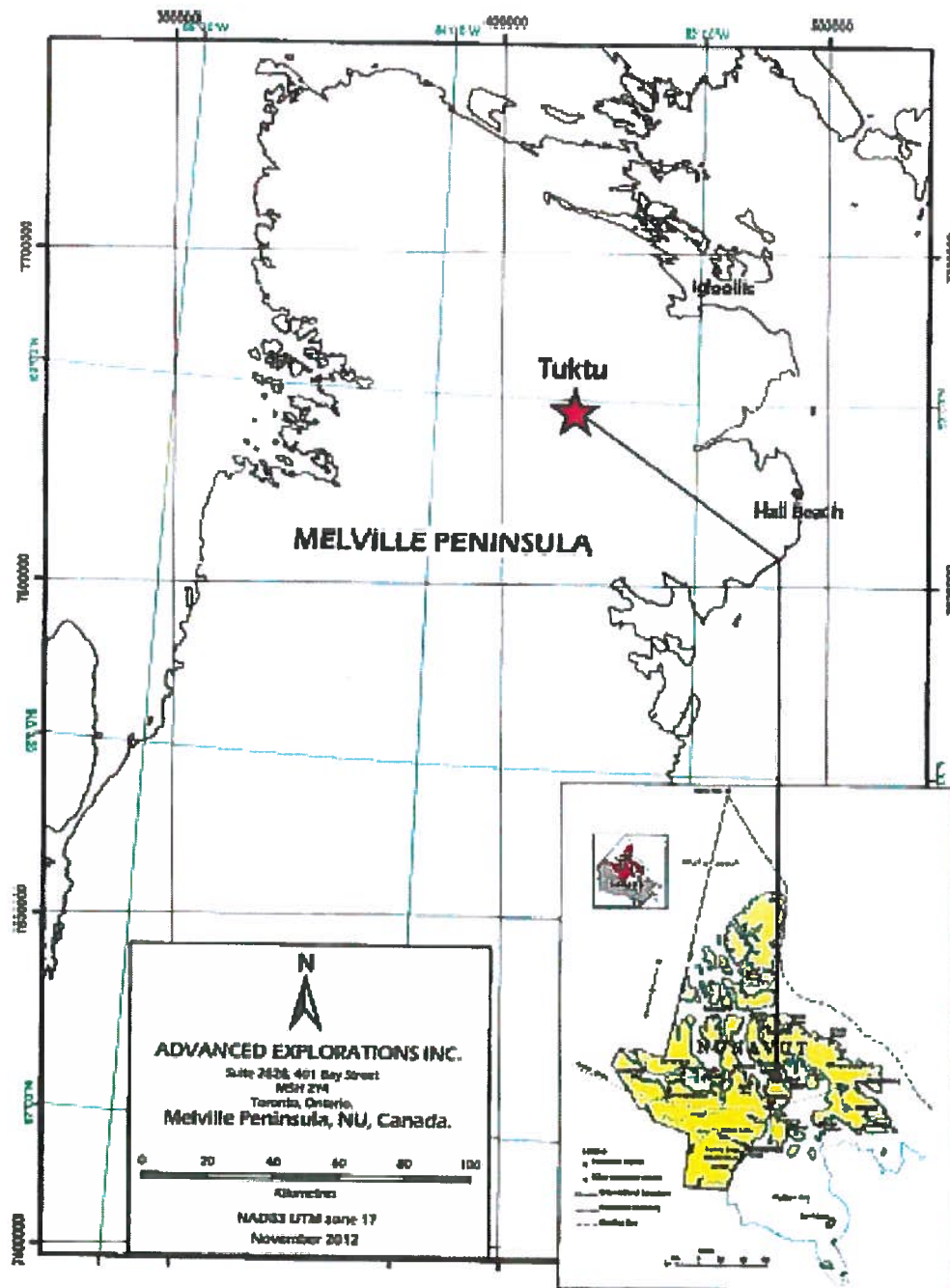
  
**Eric Guo**  
Director  
Advanced Explorations Inc.

Feb 17 / 14  
Date

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TUKTU PROJECT

### 3.0 Appendix A: Maps

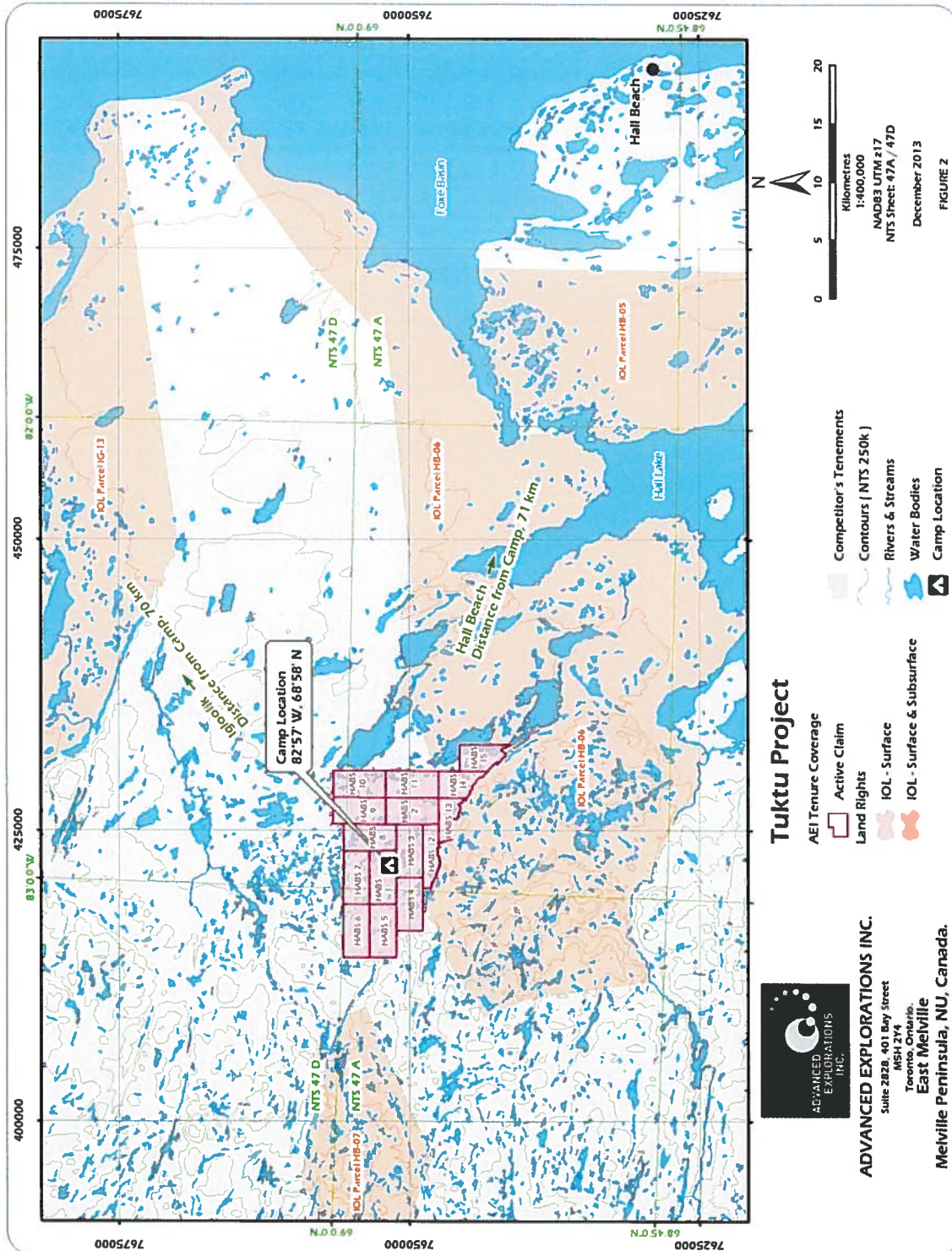
#### 3.1 Location Map



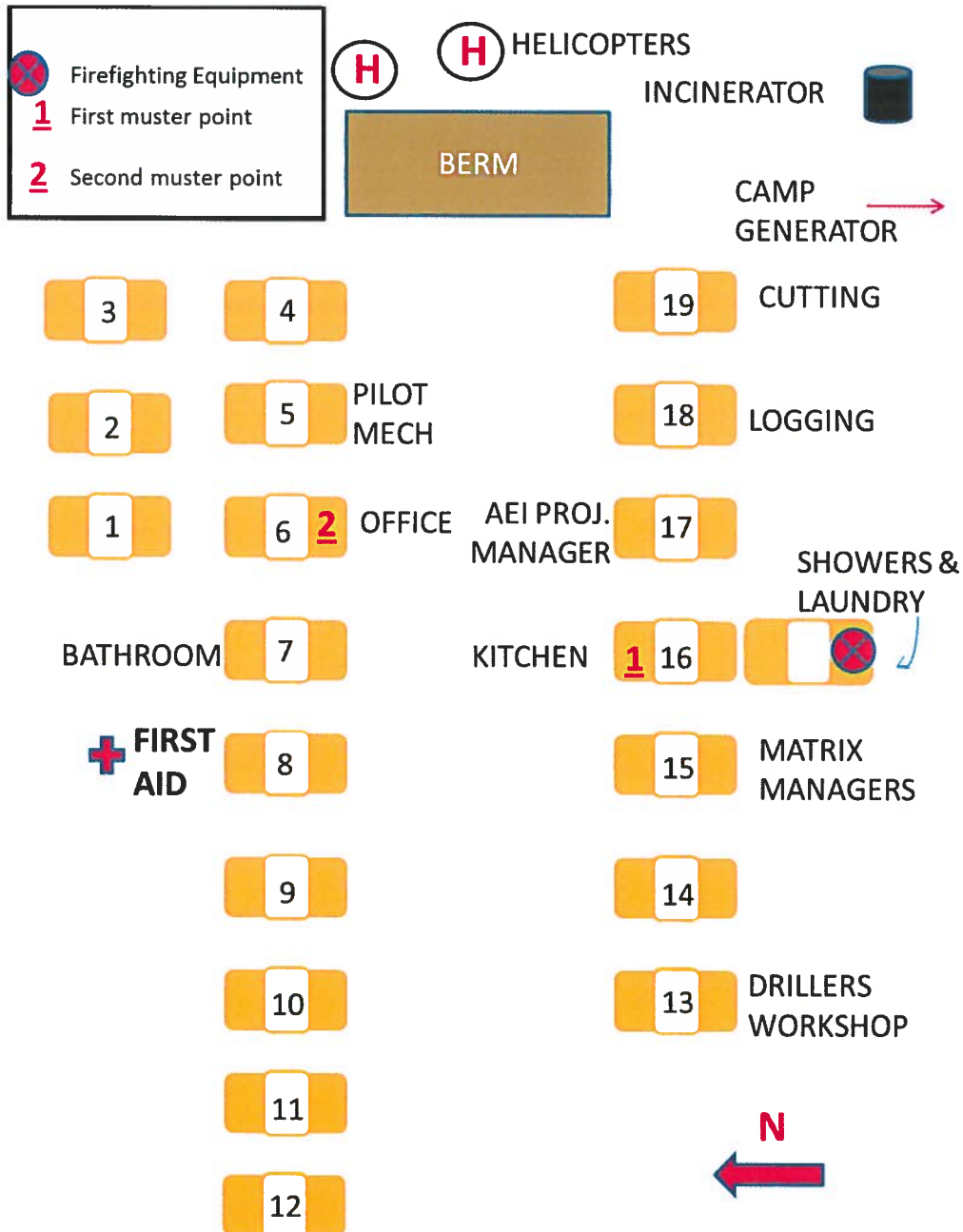
# ADVANCED EXPLORATIONS INC. TUKTU PROJECT



## 3.2 Site Map



### 3.3 Camp Layout Schematic (not to scale)



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## 4.0 Appendix B: Inventories

### 4.1 Equipment Inventory List (as of September, 2012)

- Tuktu Camp
  - 20 Weatherhaven tents
  - 1 dual chamber, forced-air Incinerator
  - 1 generator shack and 1 industrial diesel generator
  - General workshop equipment
  - Safety gear
  - Kitchen equipment, 2 freezers
  - Office supplies
  - 23 fire extinguishers, 20 smoke alarms, 3 CO detectors
  - 2 geostoves, 12 oil miser toyotomi stoves, 19 laser 73 toyostoves
  - 1 snowblower
  - Core and core boxes
  - 1 sled
  - 1 drill on high ground
- 1 berm containing:
  - Partially full bags of Salt
  - 15 drums of Jet B
  - 40 drums of Diesel
  - Five 100 lb tanks of Propane



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## 5.0 Appendix C: Water Quality Summary

Advanced Explorations Inc. (AEI) is planning the development of the Tuktu magnetite project, a satellite program to the AEI flagship Roche Bay Project. The Tuktu project is located at 68°57'56.81" north latitude and 82°56'58.78" west longitude, approximately 70 km northwest of Hall Beach on the Melville Peninsula, NU.

In 2011 EBA Engineering Consultants Ltd. (EBA) expanded its work for AEI by taking on the Tuktu project in addition to their work on the near-by Roche Bay project. The 2011 program included baseline water quality studies at the Tuktu Magnetite Project. A reduced sampling program took place in 2012.

Two sampling events occurred in 2011; July 31 and August 28. A total of six water quality stations were sampled in the 2011 program. A reduced sampling program was implemented in 2012 which occurred on September 16. Three water quality stations were sampled; one which was established in 2011, and two new water quality stations established in 2012. Samples were submitted to SGS Environmental Services, a laboratory accredited by the Canadian Association for Environmental Analytical Laboratories (CAEAL).

In general, the water quality of the Tuktu environment is pristine. The physical and chemical water quality parameters of the waters in this region are typical of Canadian arctic freshwater systems, characterized as having a pH slightly above neutral with low electrical conductivity. Nutrient parameters such as nitrate and phosphorus were either below the detection limits or very low. Levels of ammonia were elevated above the Canadian Council of Ministers of the Environment (CCME) guidelines for the Protection of Freshwater Aquatic Life (FAL) across a number of water stations during both sampling events in 2011 and can be attributed to a number of natural causes (based on similar patterns observed within the Roche Bay Magnetite Project area) such as ammonification (the gradual accumulation of ammonia from decomposition) and low water levels. Ammonia levels were below detection level or very low in 2012. Fluoride was marginally elevated on isolated occasions during the July and August sampling events in 2011 and the September sampling event in 2012. Levels of total iron were also slightly elevated above CCME in July 2011 at two water quality sites. Both fluoride and iron elevations can be attributed to a combination of local geology and potential contaminants introduced through laboratory or sampling error.

Additional sampling in future seasons will allow for more in-depth analysis of the natural state of water quality in the Tuktu region.

For more information regarding the initial sampling at the Tuktu Magnetite project; the 2011 Tuktu Water Quality Report is available upon request.

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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	
<b>Total</b>	<b>\$1,124,044.59</b>	

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TUKTU PROJECT**



**6.2 2013 (Unaudited)**

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