

P.O. Box 119 Gjoa Haven, NU X0B 1J0 Tel: (867) 360-6338 Fax: (867) 360-6369 ຼຼວວ° ΔL፦ሲԻ° Ы∩LትΥ NUNAVUT WATER BOARD NUNAVUT IMALIRIYIN KATIMAYINGI OFFICE DES EAUX DU NUNAVUT

File: 2BE-TUK1015

July 4, 2011

Mr. Gary Williams Environmental Manager Advanced Explorations Inc. Suite 300 - 50 Richmond St. East Toronto, ON M5C 1N7

Email: john@advanced-exploration.com gary@advanced-exploration.com

RE: 2BE-TUK1015 Type "B" – Amendment No.1

Dear Mr. Gingerich and Mr. Williams:

Please find attached, Amendment No.1 to Licence No. 2BE-TUK1015 Type "B" issued to Advanced Explorations Inc., by the Nunavut Water Board (NWB) (Motion 2011-11-L02) pursuant to its authority under Article 13 of the Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada and the Nunavut Waters and Nunavut Surface Rights Tribunal Act. The terms and conditions of the original Licence related to water use and waste disposal remain an integral part of this approval.

The NWB strongly recommends that the Licensee consult the comments received from interested persons on issues identified. Indian and Northern Affairs Canada (INAC) recommends that information pertaining to the capacity of Tuktu camp and number of drills utilized during a particular operating period be included as supporting information with the annual report. This information is attached for your consideration 1. Pretty quiet

Sincerely,

Thomas Kabloona

Nunavut Water Board, Chair

TK/sj/pb

Enclosure: Licence No. 2BE-TUK1015 – <u>Amendment No.1</u>

Comments - INAC, EC, GN-CLEY

Cc: Distribution – Qikiqtani

T I ACC C

¹ Indian and Northern Affairs Canada (INAC), May 30, 2011; Environment Canada (EC) June 17, 2011and Government of Nunavut – Department of Culture, Language, Elders and Youth, June 2, 2011.

LICENCE AMENDMENT No. 1

Licensee: Advanced Explorations Inc. Licence No: 2BE-TUK1015 Type "B"

Licence Issued: June 17, 2010 Effective Date: June 29, 2011

Pursuant to its authority under Article 13 of the Agreement between the Inuit of the Nunavut Settlement Area and Her Majesty the Queen in Right of Canada and the Nunavut Waters and the Nunavut Surface Rights Tribunal Act, with respect to the application for amendment dated May 13, 2011, made by Advanced Explorations Inc., the Nunavut Water Board hereby grants the following Licence amendment.

The Licence issued June 17, 2010 with an expiry date of May 31, 2015 shall be amended to include the following terms and conditions, with respect to the use of water and deposit of waste during camp and drilling operations, to allow Advance Exploration Inc. to adjust water used for drilling and domestic purposes at the Tuktu Project located within the Qikiqtani Region, Nunavut at the following general coordinates:

Latitude: 68° 51' 11" N to Latitude: 69° 02' 38" N

Longitude: 82° 30' 12" W to Longitude: 83° 29' 03" W (Project Extents)

Latitude: 62° 8' 8" N and Longitude: 101° 15'10" W (Camp)

The Licence shall be amended to indicate the following:

PART C: CONDITIONS APPLYING TO WATER USE

Amend Item 1 The Licensee shall obtain all water for domestic camp use from a lake or stream proximal to camp, not exceeding ten (10) cubic metres per day. Drill water shall be obtained from lakes proximal to drilling targets as outlined in the Application, not exceeding one hundred and seventy-three (173) cubic metres per day. Total water use for all purposes shall not exceed one hundred and eight-three (183) cubic metres per day.

All remaining terms and conditions of the Licence 2BE-TUK1015 Type 'B" dated June 17, 2010 still apply.

This Licence Amendment issued and recorded at Gjoa Haven, NU on June 29, 2011.

Approved by,

Thomas Kabloona

Nunavut Water Board Chair