

**IN THE MATTER OF AN ARBITRATION UNDER  
CHAPTER ELEVEN OF THE NORTH AMERICAN FREE TRADE AGREEMENT  
AND THE UNCITRAL RULES OF 1976**

**BETWEEN:**

**WILLIAM RALPH CLAYTON, WILLIAM RICHARD CLAYTON, DOUGLAS  
CLAYTON, DANIEL CLAYTON AND BILCON OF DELAWARE, INC.**

Claimants/Investors

**AND:**

**GOVERNMENT OF CANADA**

Respondent

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**WITNESS STATEMENT OF**

**JOHN WALL**

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December 8, 2016

**I. BACKGROUND****A. INDUSTRY EXPERIENCE**

1. I was born in New York and raised in Vermont and have worked in the construction and aggregate industries for 40 years, including ten years working with the Clayton family (from 2002 to 2012). I am presently the Manager of two aggregate quarries operated by Braen Stone Industries Inc. in New Jersey.
2. My career in the aggregates industry began in 1976 when I was the Manager of Sand and Gravel Operations for Peckham Industries, Inc. From 1978 to 1980 I managed aggregate and asphalt production at two locations for a division of Allied Chemical.
3. From 1981 to 1982, I was Assistant Superintendent of an asphalt plant for Negev Airbase Constructors, building a military airbase in Israel that was part of the Camp David Accord.
4. In 1983 I was hired by Capitol Equipment to set up an aggregate crushing plant for a mine site and then in 1984, I joined Tilcon New York Inc. ("Tilcon"), where I managed Tilcon's limestone quarry at Tomkins Cove, New York, shipping stone to New York City by barge. In my first year as the Manager of the Tomkins Cove Quarry, its production capacity increased from 900,000 to 1.2 million tons per year.
5. In 1986, I was recruited by Mount Hope Rock Products to manage the Mount Hope quarry in Wharton, New Jersey. During my tenure as Manager, the Mount Hope quarry's production capacity increased from 1.1 million tons per year to 5.2 million tons per year and it became the tenth largest hard-rock quarry in the United States.

6. From 1991 to 1995, I was the Chief Operating Officer for Barden Corporation, now Aggregate Industries, with operational responsibility for 14 quarries in four states. In 1996 I was the Vice President of the Riverdale Quarry in New Jersey and from 1997 to 2000 I was the Operations Manager for quarries in New Jersey owned by Braen Stone Industries. Those quarries produced approximately 2 million tons of aggregate annually.
7. Every quarry I was involved in managing or operating was profitable.
8. In 2001, I founded Aggregate Solutions, a company which sold equipment and provided consulting services to the aggregate industries in New York, New Jersey, Delaware and Maryland.

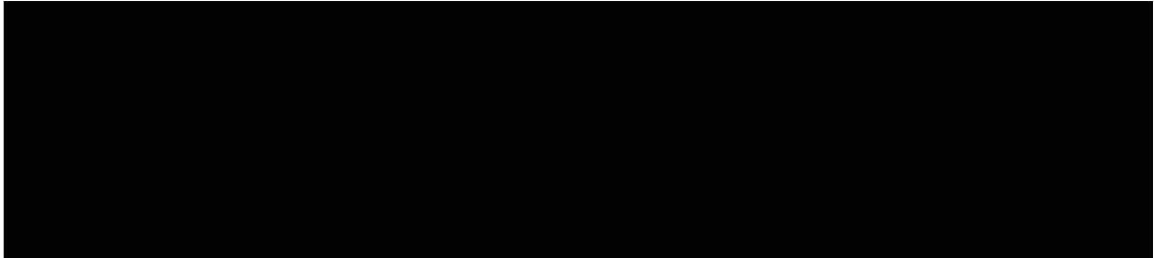
**B. THE CLAYTONS AND THE WHITES POINT SITE**

9. I first met Bill Clayton Sr. and Bill Clayton Jr. in 1996 when the Claytons purchased an interest in the Riverdale Quarry. I met them again in 2002 when Aggregate Solutions sold equipment to the Claytons' company, Clayton Sand. Clayton Sand and its affiliated companies were the largest producers of sand, blocks and concrete in New Jersey. The Claytons also had three dredging operations, a 50% position in Amboy Aggregates, and were a significant supplier of sand and aggregate in New York City (New York Sand & Stone). The Claytons had an excellent reputation in New York and New Jersey.
10. Bill Clayton Jr. told me that the Claytons were planning to construct a quarry in Nova Scotia to secure a long-term reliable supply of quality aggregate for their operations, and asked if I would work with them. I was interested in working with the Claytons and being involved in setting up a new quarry that would be designed and built from scratch.

11. The Claytons planned to build a coastal quarry in Nova Scotia capable of producing initially in the approximate range of 2 million tons of aggregate [REDACTED]  
[REDACTED] They wanted the quarry to have at least a 50 year lifespan [REDACTED]  
[REDACTED]
12. At the time of my early discussions with the Claytons, they had already identified potential quarry locations in Nova Scotia. In April 2002, at Bill Clayton Jr.'s request, I went to Nova Scotia and visited potential quarry sites including the location at Whites Point on Digby Neck.
13. Initial geological investigations confirmed that the Whites Point location contained very high quality rock. In May of 2002, I inspected cores from the boreholes taken from the site and, based on my experience, the rock appeared to be of high quality throughout what was called the "upper flow" section.
14. The Claytons had engaged a geologist, Mr. John Lizak, to advise them on quarry sites in Nova Scotia and to review the cores taken from the boreholes on the Whites Point quarry site. Mr. Lizak examined the cores and advised that the basalt rock was of high and consistent quality. I was advised that previous laboratory testing of surface samples from the site had shown that the crushed rock would [REDACTED]  
[REDACTED]
15. The Whites Point site was a good location for a quarry. [REDACTED]  
[REDACTED]



16.



17. Whites Point was selected as the preferred location for the quarry and the Claytons hired me as the Quarry Manager of the Whites Point Quarry. My responsibilities included designing and overseeing construction of the quarry and, once the quarry was constructed, managing all aspects of its operations.

18.



**C. PAUL BUXTON AND MY EARLY WORK IN NOVA SCOTIA**

19. I met Paul Buxton on my second visit to Nova Scotia in May, 2002. Mr. Buxton became known to me as a very knowledgeable and capable civil engineer from the Digby area, who had been a professional engineer in the region for decades and was very familiar with the area and local conditions.

20. Constructing and operating a two million ton per year quarry and a marine terminal required authorizations and the completion of an environmental assessment. Mr. Buxton understood the regulatory process and told me that a project description would be required describing conceptually how the quarry would be constructed and operated.

21. Given Mr. Buxton's background and extensive experience, he became the Project Manager and led the regulatory approval process. Mr. Buxton was responsible for dealing with all aspects of the environmental assessments and obtaining the

necessary permits and industrial approvals. From 2002 to approximately 2007, Mr. Buxton and I worked together very closely towards obtaining the necessary authorizations to construct the Whites Point Quarry.

22. In the Spring of 2002 I met with Mr. Gordon Balser, a Cabinet Minister with the Government of Nova Scotia, to discuss the quarry. Mr. Balser personally took me on a tour of the local area and introduced me to other community members making it clear that he and the Government supported the development of the Whites Point Quarry.
23. On June 24th, 2002, Bill Clayton Sr., Bill Clayton Jr., Paul Buxton and I met with Mr. Balser and at that meeting Mr. Balser encouraged the Claytons to invest in the Whites Point Quarry and Marine Terminal. I had many subsequent meetings with Mr Balser who supported the development of the quarry throughout and continued to encourage the Claytons to invest in the quarry.
24. In July 2002, Mr. Buxton established a project office in Conway, Digby County, close to the town of Digby. This office became the headquarters for Bilcon of Nova Scotia, and was my base when I worked in Nova Scotia.
25. During the years 2002 to 2005, I remained resident in New Jersey, but traveled frequently to Nova Scotia, often every other week, to meet with Mr. Buxton and to work on various aspects of the quarry project including the Project Description. I generally worked out of Bilcon's office in Conway.
26. We always expected the Whites Point Quarry project to be approved. In anticipation of its pending construction and operation, in 2006, I moved my family to Digby so that I could spend more time on site and assist Mr. Buxton with the environmental approval process. I also assisted with Bilcon's community relations, attending Community Liaison Committee and public information meetings to explain the activities that would take place on the quarry site, to

describe employment opportunities available to the local community, and to answer any questions forthcoming from the public.

## **II. WHITES POINT QUARRY CONCEPT, DESIGN AND COST**

### **A. DESIGN CONCEPT OF WHITES POINT QUARRY**

27. The operation of a quarry involves extracting and crushing large rocks and sorting the crushed rock for transport and sale. The “crushing plant” is the collection of equipment that reduces the rock and produces different sizes of aggregate. Typically, a crushing plant is comprised of hoppers, feeders, crushers, screens, washing facilities and stockpiles, all of which are interconnected by conveyors.
28. By way of a simple summary of the process, a quarry truck dumps extracted rock into the crushing plant’s “dump hopper”. Mechanical “feeders” then feed the extracted rock through crushers, which break the rock into smaller pieces. Screens separate different sizes of smaller rock which can be further reduced and washed. Belt conveyors located above and below ground connect the crushers, screens and washing facilities and move various sizes of crushed rock through the crushing plant to the stockpiles. Below ground belt conveyors are located inside what are known as “reclaim tunnels”. Stockpiled aggregate is then loaded for transport.
29. The crushing plant’s location on the quarry site is important. A small crushing plant measures approximately 600 feet long by 200 feet wide, and a setback is required between the plant perimeter and the quarry extraction areas. The primary crusher’s hopper must be accessible to dump trucks and the stockpiles need to be properly located to facilitate the loading of the aggregate for transport.

30. 

[REDACTED]

31.

[REDACTED]

32.

[REDACTED]

33.

[REDACTED]

34. Mr. Buxton and I worked together to prepare a project description including the site layout, the crushing plant, the mobile equipment, the marine terminal and ship loader, staff requirements, work schedules, seasonal works and any other important elements of the production process which would take place on the site.

**B. CRUSHING PLANT AND LB&W**

**1. Design of Crushing Plant**

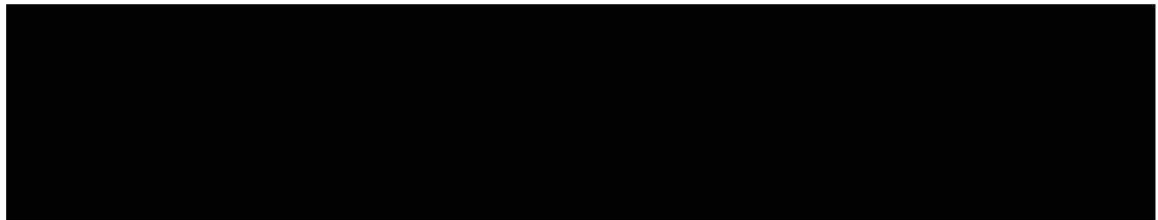
35.



36.



37.



38.



39. Following a meeting with the federal and provincial regulators in early January 2003, it appeared that we would be required to carry out a Comprehensive Study Environmental Assessment and Mr. Buxton and I discussed what was needed to complete an Environmental Impact Statement.



40. For the environmental assessment phase we required a conceptual description of the quarry and marine terminal. The detailed design of the plant was required at the second stage of the process, the Industrial Approval stage. Early on I developed the general parameters of the crushing plant and began to select equipment that would be required to produce the approximately 2,000,000 tons of marketable aggregate, as the Claytons had stipulated. At the same time, I determined where the crushing plant would be located on the quarry site.

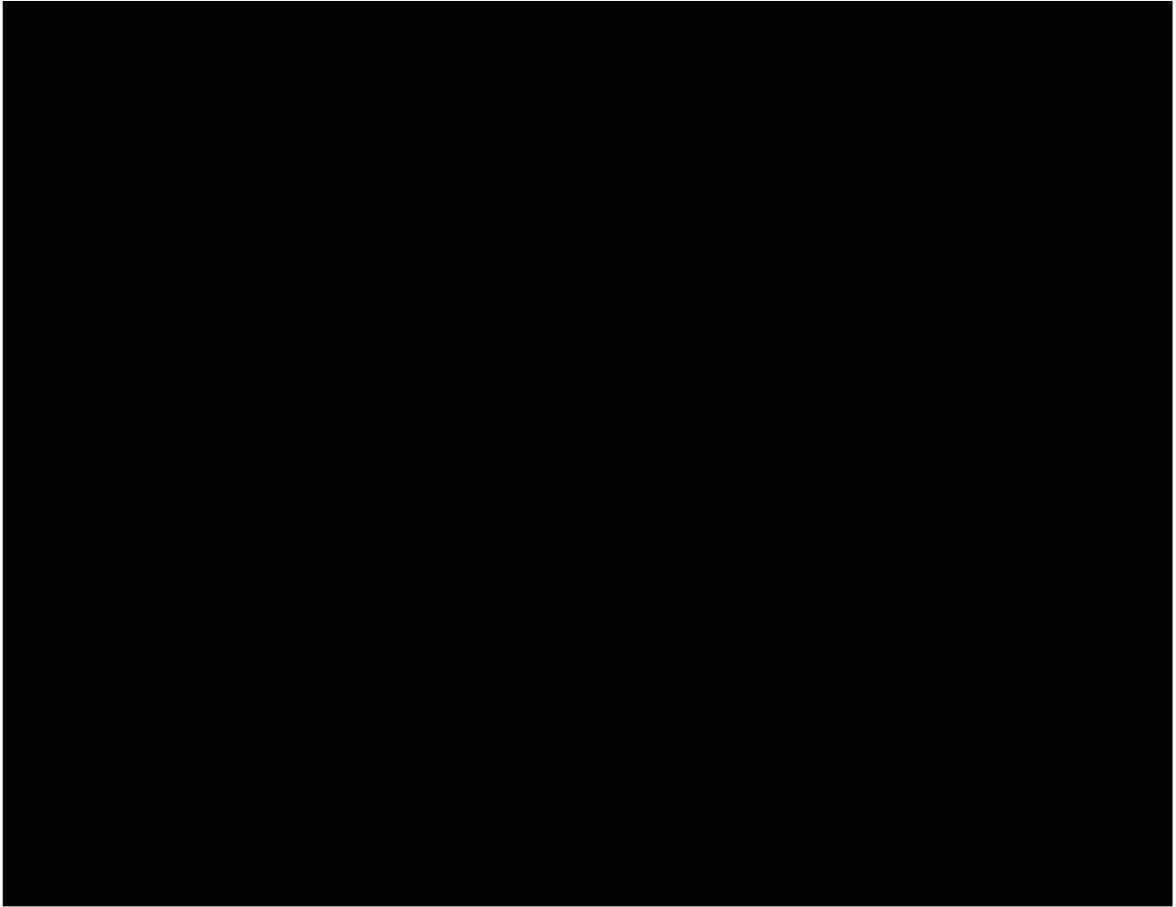
41. In preparation for the development of the expected Comprehensive Study, Mr. Buxton and I discussed in considerable detail the environmental mitigation methodology to deal with issues such as dust, noise and the treatment of fines. Elements of the processing plant design were accordingly modified to ensure that environmental mitigation measures were taken into account in all aspects of the plant operation. [REDACTED]

[REDACTED]

42. For the permanent crushing plant, I relied on my background, experience, knowledge and reference to equipment manufacturers' information to identify the types and sizes of crushing and screening equipment necessary to produce approximately 2 million tons of marketable aggregate per year of [REDACTED]

[REDACTED]

[REDACTED] I also estimated the number and size of required conveyors and planned the general locations for the conveyors. I planned to incorporate design features that would enhance the crushing plant's reliability and efficiency, [REDACTED]



43. I decided to engage an engineering firm to assist with developing the plan for the crushing plant and to prepare engineered design drawings for construction. I wanted to hire a firm that was not tied to a manufacturer or supplier in order to avoid being confined to a particular make of equipment.
44. One of my former colleagues at Mount Hope Rock Products spoke very highly of LB&W Engineering Inc. ("LB&W"), an engineering firm based in Allentown, Pennsylvania. I learned that LB&W had designed numerous crushing plants, including plants with elevated conveyors and structures, and that LB&W was not affiliated with an equipment manufacturer or supplier.

45. I contacted LB&W and travelled to Allentown to discuss having them assist me with the design of the Whites Point crushing plant. I met with LB&W's president, George Bickford, [REDACTED]

46. [REDACTED]

47. [REDACTED]

48. In December, 2004, LB&W provided me with its initial design [REDACTED]

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<sup>1</sup> Letter of Transmittal dated [REDACTED] from LB&W to John Wall with Attached [REDACTED] Sheet (*Investors' Schedule of Documents, Tab C0999*).

49. Shortly after I received the Initial Design, I received a document from LB&W

[REDACTED]

50. Through 2005 and into 2006, I communicated with LB&W with respect to the design and suggested revisions or changes. Among other things, I specified that

[REDACTED]

51. By March 2006, LB&W had

[REDACTED]

52. Around the same time, LB&W prepared a proposed construction schedule for the quarry. Having the construction schedule assisted with planning and allowed for site preparation, materials procurement, and construction to start as soon as possible upon receipt of regulatory approval.<sup>4</sup>

53. As the elements of the project were developed and as LB&W's work progressed, I investigated the capability of local companies to assist with the fabrication and erection of the crushing plant. I was pleasantly surprised to find more than

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<sup>2</sup> [REDACTED] (Wall Exhibit 1; *Investors' Schedule of Documents, Tab C1000, p. 9*).

<sup>3</sup> LB&W Engineering Inc., Bilcon of Nova Scotia Corp. Whites Point Quarry [REDACTED] Sheet, [REDACTED] Wall Exhibit 2; *Investors' Schedule of Documents, Tab C1001, p. 1*).

<sup>4</sup> LB&W Engineering Inc., [REDACTED] 'Bilcon of Nova Scotia Corp. White Point Quarry' [REDACTED] (*Investors' Schedule of Documents, Tab C1001, pp. 8-12*).

adequate capability and capacity in [REDACTED]

[REDACTED] Due to this local fabrication and erection capacity, I determined that [REDACTED]

[REDACTED] and hence save substantially on the cost.

54. In 2006, LB&W and I [REDACTED]

[REDACTED]

55. [REDACTED]

[REDACTED] In consultation with Mr. Buxton, I planned [REDACTED]

[REDACTED]

[REDACTED] Given the size and type of equipment, [REDACTED]

[REDACTED]



- [REDACTED]
56. As I have discussed above, Bilcon planned to ship the aggregate produced at Whites Point to New York City and New Jersey. Bilcon planned to sell the aggregate to [REDACTED]
- [REDACTED]

## 2. Cost of Crushing Plant

57. I planned to hire Nova Scotia contractors for the construction of the Whites Point Quarry to the greatest extent possible, which would both create employment in the area and save costs.
58. In late 2004, I prepared an estimate of the expected cost of the crushing plant and associated infrastructure. I used costing information from my company, Aggregate Solutions, from contacts in the industry, and from Mr. Bickford. My initial estimate was approximately [REDACTED] which was necessarily preliminary.
59. In 2016, in preparation for this arbitration, Bilcon engaged LB&W to prepare detailed costing reflecting the Revision D plant design, along with the agreed modifications. I have reviewed LB&W's Plant/Infrastructure Costing in 2008 USD<sup>6</sup> which I consider to be reasonable. If Bilcon had received regulatory approval, the crushing plant depicted in Revision D, with the modifications that I have described above, would have been constructed in accordance with LB&W's detailed costing.

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<sup>5</sup> Revenue Matrix Summary, 2011-2015 (Wall Exhibit 3; *Investors' Schedule of Documents, Tab C1002*).

<sup>6</sup> Plant/Infrastructure Costing 2008 USD (*Investors' Schedule of Documents, Tab C1011*).

### 3. Cost of Mobile Equipment

60. Quarry operations require a range of mobile equipment. For the Whites Point Quarry, I identified the type and quantity of mobile equipment which would be necessary to produce in the range of 2 million tons of aggregate annually. The equipment included [REDACTED]

61. In late 2004, I prepared a list of the mobile equipment that I believed would be required for the project. I obtained pricing for the equipment from Aggregate Solutions and my industry contacts, and estimated the total cost of the mobile equipment to be [REDACTED]<sup>7</sup>

62. In 2016, in preparation for this arbitration, Bilcon asked LB&W to prepare an updated costing estimate of mobile equipment, taking into account the Revision D plant design and my revised list of the mobile equipment I planned to use at the Whites Point Quarry. I have reviewed the Quarry Mobile Equipment Costing in 2008 USD<sup>8</sup> that LB&W prepared and agree with the type and quantity of the equipment on the list. LB&W's cost estimate for the mobile equipment is [REDACTED]

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<sup>7</sup> Costings dated October 18, 2004 – Nov. 5, 2004 (*Investors' Schedule of Documents, Tab C1003*).

<sup>8</sup> Quarry Mobile Equipment Costing in 2008 USD (*Investors' Schedule of Documents, Tab C1012*).

**III. WHITES POINT MARINE TERMINAL CONCEPT DESIGN AND COST**

63. The location and design of the marine terminal was a very important factor in my consideration of the Whites Point Quarry. The marine terminal needed to receive aggregate from the crushing plant and load it onto a berthed vessel [REDACTED]

[REDACTED]

**A. DESIGN OF MARINE TERMINAL**

64. In early 2002, consulting engineers conducted a survey of the nearshore and foreshore areas adjacent to Whites Point. [REDACTED]

[REDACTED]

65. [REDACTED]

66. [REDACTED]

67. Although I had very extensive experience in the operation and management of quarries, I did not have direct experience with marine construction. I therefore

decided to engage a company [REDACTED]

[REDACTED] I identified a British Columbia firm, Seabulk Systems Inc. (“Seabulk”), that specialized in the design and construction of bulk terminals.

68.

[REDACTED]

69.

[REDACTED]

70.

[REDACTED]

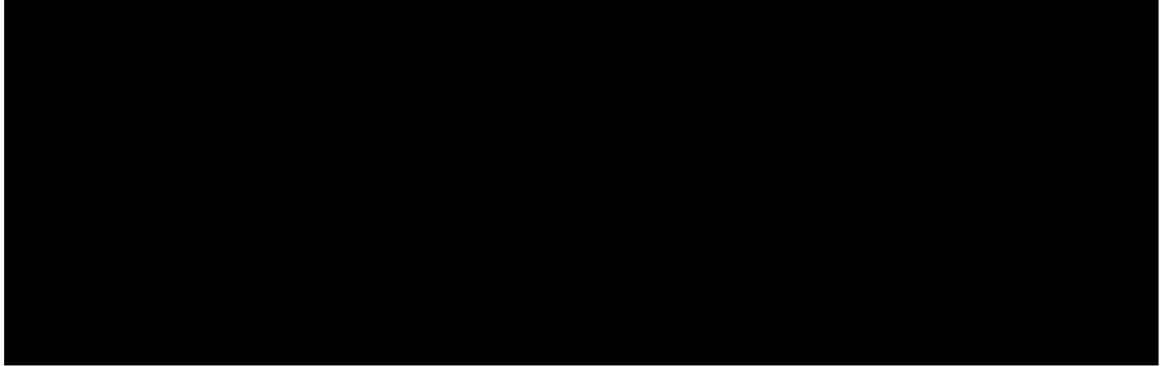
**B. COSTING OF MARINE TERMINAL**

71. Seabulk delivered a “Construction Cost Estimate” dated March 2006, which estimated the total construction cost for the ship loading facility at [REDACTED]

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<sup>10</sup> Bilcon of Nova Scotia/Seabulk Systems Inc. Ship Loading Facility Construction Cost Estimate (**Wall Exhibit 4; Investors’ Schedule of Documents, Tab C1005**).

72.



73.



**IV. OPERATING COSTS**

74. In 2002, Mr. Buxton and I began identifying the required personnel and wages for the quarry which were published and discussed at numerous public meetings.

75. In 2004, Mr. Buxton and I prepared a “Quarry Employment Schedule”, which identified the positions needed to operate the Whites Point Quarry with two shifts, along with the hourly rates for each position.<sup>13</sup>

76. In 2007, Mr. Buxton and I prepared detailed personnel requirements and wage rates for the Society for the Development of Prosperity Along the 217, a local not-

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<sup>11</sup> [REDACTED] (Wall Exhibit 5; *Investors’ Schedule of Documents, Tab C1006*).

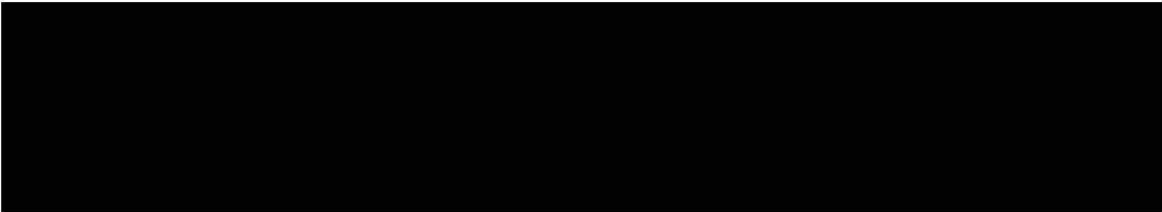
<sup>12</sup> [REDACTED] (*Investors’ Schedule of Documents, Tab C1007*).

<sup>13</sup> [REDACTED] (Wall Exhibit 6; *Investors’ Schedule of Documents, Tab C1003, p. 1*).



for-profit organization. This document was circulated to members of the local community.<sup>14</sup>

77.



78. Bilcon's intent was to provide industry standard rates or better and to provide a competitive benefits program. My approach, supported by the Claytons, was for Bilcon to hire people from the local area, to train them to a very high standard in my operational methodologies and to provide continuing training as necessary. My experience over many years in the aggregates industry had led me to believe that the most productive workforce is one that is well paid and well trained. A stable workforce with replacement personnel by retirement only was my hope and intent. From my long experience in staffing quarry operations, I was satisfied that the staffing levels Mr. Buxton and I developed were totally adequate to efficiently operate the Whites Point Quarry and Marine Terminal under my direction.

79. These positions and their respective hourly wage rates for the years 2011-2015 are reflected in the table attached to this witness statement.<sup>15</sup>

80. The operation of a quarry also involves other operating costs. The tables attached to this witness statement set out projected operating costs for the Whites Point Quarry.<sup>16</sup> Based on my knowledge of and extensive experience in quarry operations, the costs reflected in these tables are a reasonable projection of the

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<sup>14</sup> Bilcon Personnel Requirements and Wage Rates (**Wall Exhibit 7; Investors' Schedule of Documents, Tab C1008**).

<sup>15</sup> Shift Staff (**Wall Exhibit 8; Investors' Schedule of Documents, Tab C1009**).

<sup>16</sup> Whites Point Operating Costs, 2011-2015 (**Wall Exhibit 9; Investors' Schedule of Documents, Tab C1010**).

actual costs which would have been incurred in the operation of the Whites Point Quarry as designed.

81. During my time in Nova Scotia I served as a Director of the Nova Scotia Chamber of Mineral Resources which later became the Mining Association of Nova Scotia (MANS). This enabled me to brief my counterparts in the industry as to the progress of the Whites Point Quarry and Marine Terminal and to keep in touch with public servants and politicians at the various social gatherings.
82. I attended meetings of the Chamber of Mineral Resources or MANS in March of 2006, May of 2006, August of 2006, February 2007, March 2007, May 2007 and April of 2008. Bilcon of Nova Scotia was an active supporter of both the Chamber of Mineral Resources and the MANS. Both the Chamber of Mineral Resources and MANS met with government officials, including the Minister of the Environment and the Minister of Natural Resources and both organizations sent letters in support of the Whites Point project.
83. Under my direction, Bilcon of Nova Scotia supported many local charities and was a major supporter of the Society for the Development of Prosperity along the 217.
84. From my years of experience in the quarry industry, in my view there is no question that the Whites Point Quarry and Marine Terminal would have been a highly efficient and profitable operation which would have conferred significant benefits on the local community and the Province of Nova Scotia.

Dated: December 8, 2016

  
\_\_\_\_\_  
JOHN WALL

# EXHIBIT 1

## WITNESS STATEMENT OF JOHN WALL

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# EXHIBIT 2

## WITNESS STATEMENT OF JOHN WALL

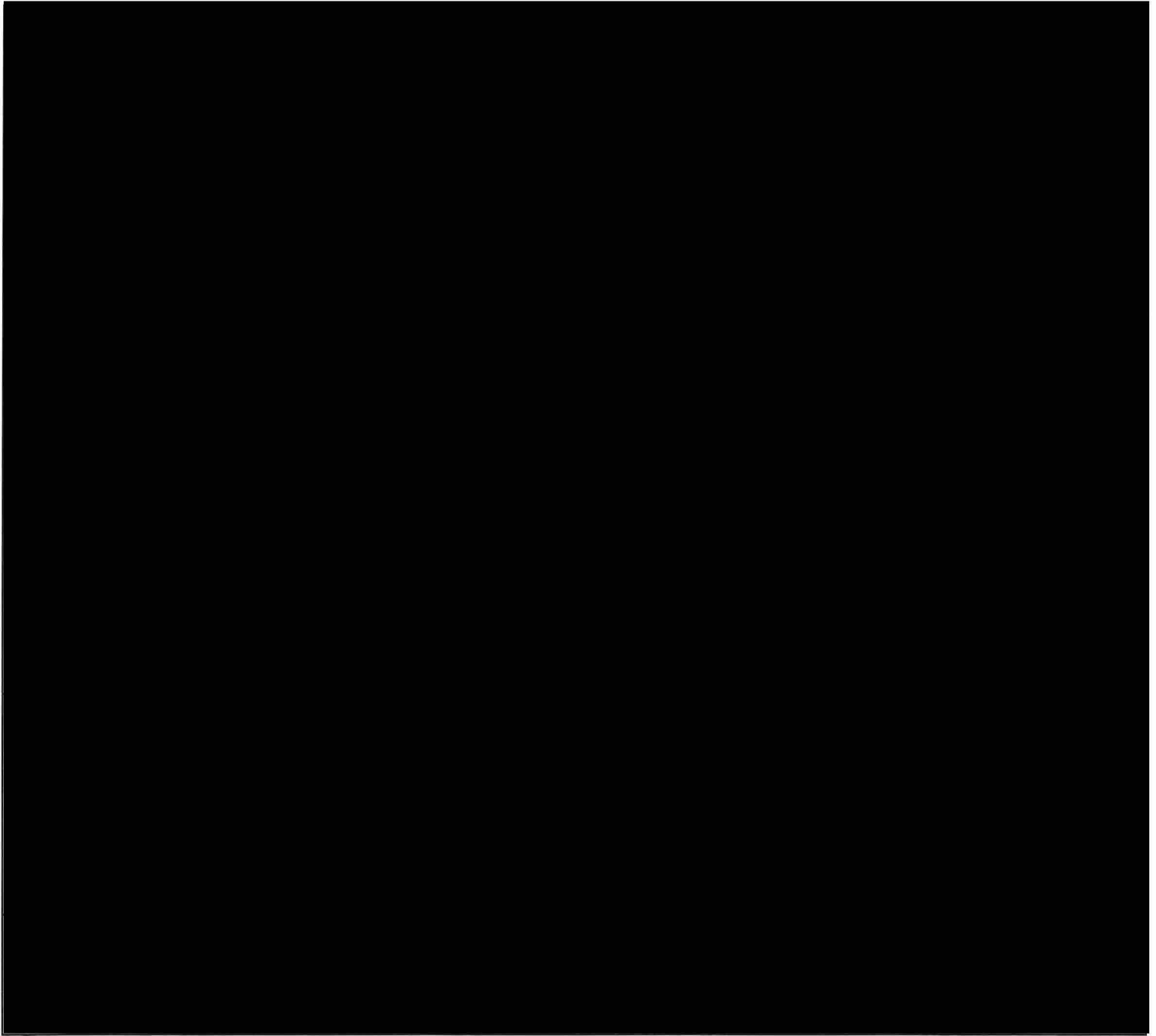




# EXHIBIT 3

## WITNESS STATEMENT OF JOHN WALL

**Revenue Matrix Summary, 2011-2015**



# EXHIBIT 4

## WITNESS STATEMENT OF JOHN WALL

**BILCON OF NOVA SCOTIA/ SEABULK SYSTEMS INC.  
WHITE'S POINT QUARRY  
SHIP LOADING FACILITY  
CONSTRUCTION COST ESTIMATE**

**March 2006**



**BILCON/ SEABULK  
WHITE'S POINT QUARRY SHIP LOADING FACILITIES  
MARINE INFRASTRUCTURE CONSTRUCTION COST ESTIMATE**



**BILCON/ SEABULK  
WHITE'S POINT QUARRY SHIP LOADING FACILITIES  
MATERIALS HANDLING CONSTRUCTION COST ESTIMATE**



<b>BILCON/ SEABULK WHITE'S POINT QUARRY SHIP LOADING FACILITIES MATERIALS HANDLING CONSTRUCTION COST ESTIMATE</b>
[REDACTED]

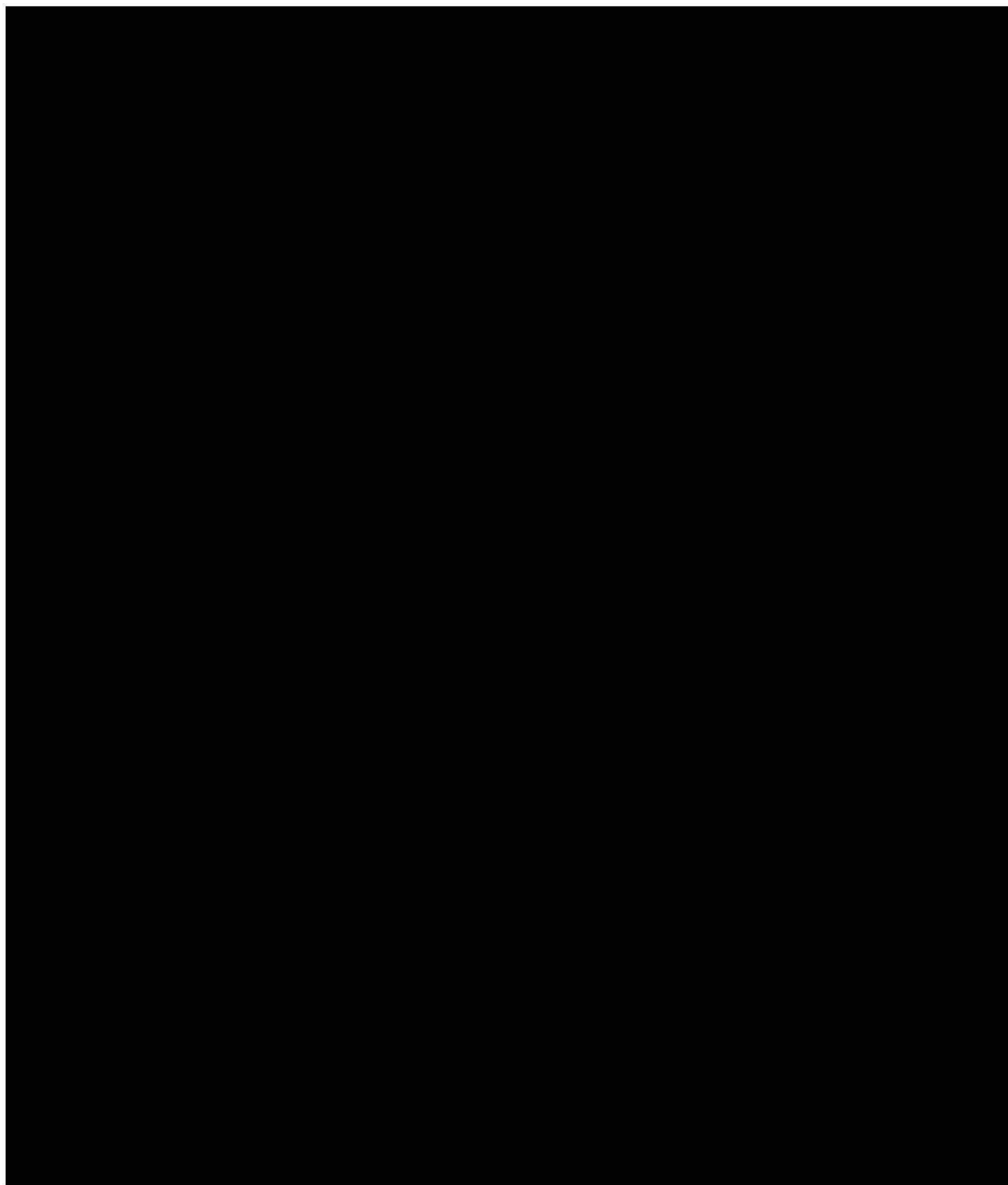
# EXHIBIT 5

## WITNESS STATEMENT OF JOHN WALL



20 June, 2007.

To Whom It May Concern

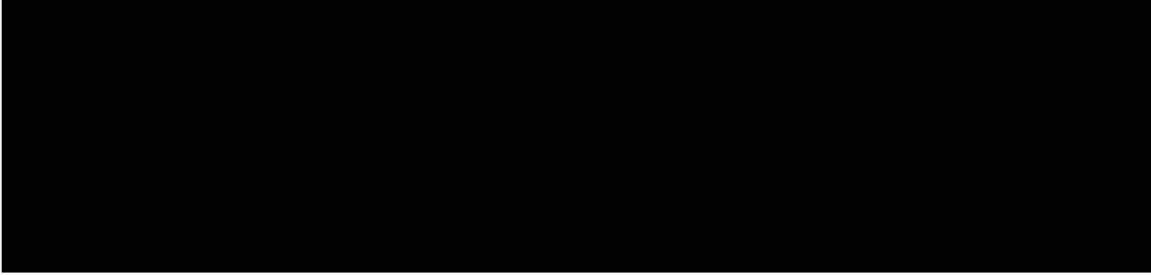




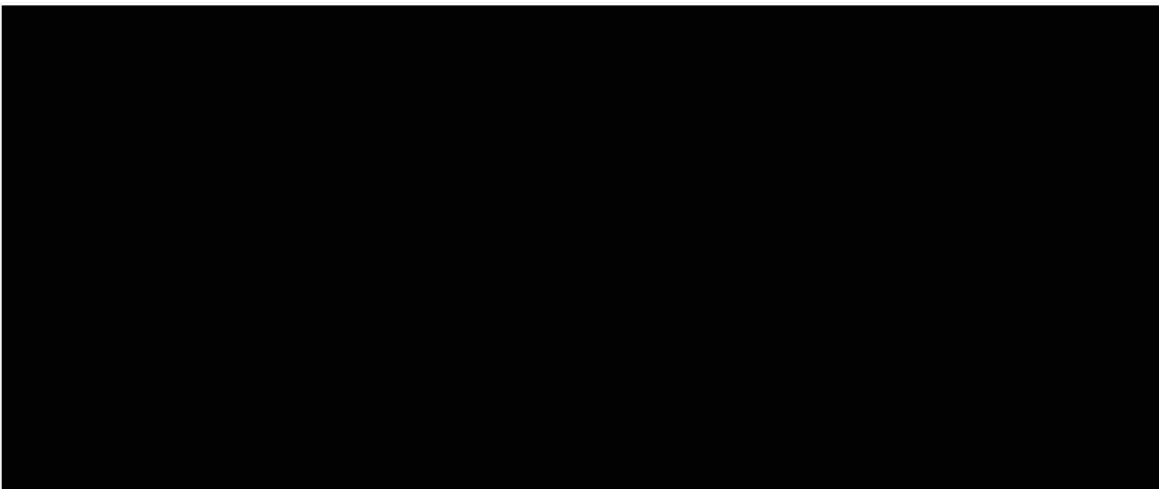
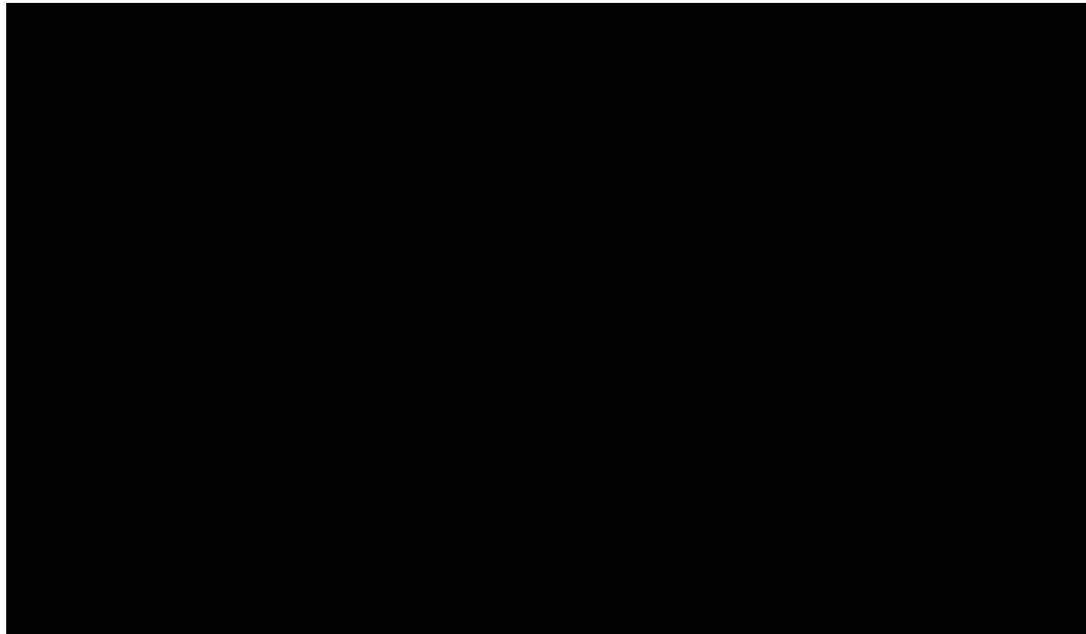
# EXHIBIT 6

## WITNESS STATEMENT OF JOHN WALL

October 18, 2004, rev. Oct. 26, 2004, rev. Nov. 5, 2004  
**Bilcon of Nova Scotia Corporation**  
**Quarry Employment Schedule – Whites Point Quarry**



**Production Employment and Wage Schedule**



# EXHIBIT 7

## WITNESS STATEMENT OF JOHN WALL



**Total commitment to safety is a requirement of all positions at the Whites Cove Quarry. Bilcon will provide safety training, equipment and inspections on an on-going basis. All employees will actively participate in creating a safe work environment.**

#### **Ground Men / Labourers**

These are entry level jobs. Experience in construction / quarrying is desirable but not required. These positions will be filled during the construction phase and continue on into the operational phase. Ground Men / Labourers must be physically capable of doing manual labour. As skill and experience builds, individuals can advance to higher-paying positions, when qualified, and when available, such as Welder / Repairman, Mechanic B, Fueler Greaser, or Truck Driver. Training will be available both on site and away for interested individuals who want to advance.

#### **Water Truck Drivers**

These positions are entry level jobs that require only some truck driving experience. Individuals must be capable of climbing in and out of the truck and doing manual labour when it is raining or other times when the water truck is not required. These positions will be filled during the construction phase and continue on into the operational phase. Training will be available on site.

#### **Fueler Greaser / Mechanic B**

This position is an entry level job for a person with some truck driving experience and mechanical aptitude. Training will be available on site as to how to service and fuel the equipment. This person must be physically capable of climbing on and servicing the heavy equipment. As skill and experience builds, individuals can move to better-paying positions, when qualified, and when positions become available. This position will be filled during the construction phase and continue on into the operational phase.

### **Quarry Truck Drivers**

These positions are entry level positions that require only some truck driving experience. Drivers must be physically able to climb in and out of the trucks and do occasional physical labour if the plant or the trucks are not operating. These positions will be filled during the construction phase and continue on into the operational phase. Training will be available on site to instruct individuals in correct driving and maintenance procedures of trucks.

### **Quality Control Technician**

Educational requirement is High School and some college. No prior experience is required. Strong commitment to long-term residence and the Company is required, because of the length and cost of training. Bilcon will train the Quality Control Technician either on or off site. This position will be filled during the construction phase and continue on into the operational phase. The Technician will be required to monitor the quality of the product being manufactured, take water samples, monitor noise levels, monitor the blast vibrations, take dusts samples, and keep accurate records.

### **Office Clerk**

The Office Clerk must have a valid driver's license. The individual needs experience in accounting and record keeping. The Office Clerk must be able to maintain a smooth-running office operation. Computer skills required. This position will be filled during the construction phase and continue on into the operational phase.

### **Welder / Repairmen**

These positions will require individuals who can weld and have experience in plant repair. All welder / repairmen must pass a welding test before starting work. Individuals must be physically able to work as a welder / repairman. Training will be available on site on an on-going basis to update and enhance the individual's skill and knowledge. These positions will be filled during the construction phase and continue on into the operational phase.



### **Heavy Equipment Operators B**

These positions require some equipment experience. These pieces include skid steer loaders, small 3 yd loader, 6 yd loader, 8 yd loader, small dozers and excavators, and other equipment on site. Operators must be physically capable of climbing on the equipment and doing occasional manual labour if their piece of equipment is not operating. These positions will be filled during the construction phase and continue on into the operational phase. Training will be available on site to update and enhance operator ability.

### **Heavy Equipment Operators A**

These positions require heavy equipment experience (12 yd front-end loader, D9R size dozer, crane, and 90 ton excavator) on the type of equipment they will operate. Heavy Equipment Operators must have any licenses that are required. Operators must be physically capable of climbing on the equipment and doing occasional manual labour if their piece of equipment is not operating. These positions will be filled during the construction phase and continue on into the operational phase. Training will be available on site to update and enhance operator ability.

### **Plant Operators**

These positions will require quarry experience. Plant Operators must understand the plant material flow. These positions will be filled during the construction phase and continue on into the operational phase. Individuals must be experienced working with the computer controls. Training will be available on site. Plant Operators must be physically able to climb on the crushing plant and do occasional physical labour when the plant is not operating.

### **Electrician**

This position will require a licensed individual with experience in heavy industrial electrical work. The Electrician will be responsible for keeping operational and well maintained, all electrical systems on site. The Electrician must be able to trouble shoot and repair all electrical equipment on the plant. The Electrician will be hired during the construction phase of the project and continue on into the operational phase.

### **Heavy Equipment Mechanic A**

This position will require an individual who is experienced and capable of maintaining and repairing late model heavy equipment. The Heavy Equipment Mechanic must have own tools for work and must be able to do some rebuilding on site. Knowledge of electronics is a plus. Recent training and certifications are desirable. This position will be filled during the construction phase and continue on into the operational phase.

### **Shift Foremen**

These positions will require quarry experience. Shift Foremen will be required to be able to backup the Plant Operators and operate the ship loader. Foremen must also be physically capable of doing occasional manual labour. These positions will be filled during the construction phase and continue on into the operational phase. Training will be available on site. Individuals must be knowledgeable in heavy equipment, crushing, and maintenance.

*Other issues not covered:*

*Bilcon will supply uniforms at Bilcon's cost. Uniforms must be returned upon termination of employment before receiving last paycheque.*

*Bilcon will reimburse each employee for two pairs of steel-toed safety shoes, up to 250.00 (two hundred and fifty dollars) per year.*



<b>Position</b>	<b>Hourly Rate</b>
Ground Man / Labourer	\$13.75
Water Truck Driver	\$14.00
Fueler Greaser/Mechanic B	\$15.00
Quarry Truck Driver	\$15.00
Quality Control Technician	\$15.25
Office Clerk	\$15.25
Welder / Repairman	\$17.15
Heavy Equipment Operator B	\$17.35
Heavy Equipment Operator A	\$18.15
Plant Operator	\$18.50
Licensed Electrician	\$19.30
Heavy Equipment Mechanic A	\$19.30
Shift Foreman	\$20.00
 <b>Second Shift Premium</b>	 <b>\$ .50 / hour</b>

*Positions include medical and dental benefits, retirement plan, and paid vacation.*

# EXHIBIT 8

## WITNESS STATEMENT OF JOHN WALL





# EXHIBIT 9

## WITNESS STATEMENT OF JOHN WALL

## Whites Point Operating Costs, 2011-2015

All costs in the tables below are in Canadian dollars.

PERSONNEL COSTS					
	2011	2012	2013	2014	2015
<b>Hourly Employees</b>					
Production					
Maintenance					
<b>Hours per Year per Employee - Regular</b>					
Production					
Maintenance					
Hours per Year per Employee – Overtime (Production Only)					
Paid Hours					
Tons per Paid Hour					
<b>Average Hourly Wage</b>					
Production					
Maintenance					
Payroll – Straight Time					
Payroll - Overtime					
Total Payroll					
Benefits <span style="background-color: black; color: black;">██████████</span>					
Management					
<b>Total Personnel Cost</b>					
<b>Personnel Cost/ Ton</b>					

ENERGY COSTS					
Prices per Ton					
	2011	2012	2013	2014	2015
Diesel					
Electricity					
Gasoline/ Acetylene/ Propane					
<b>Total</b>					

SUPPLIES AND RAW MATERIALS COSTS					
Prices per Ton					
	2011	2012	2013	2014	2015
Explosives					
Drill Steel					
Tires					
Welding and Cutting					
Oils and Lubricants					
Manganese					
Conveyor Belts					
Screen Cloth					
<b>Total</b>					

CONTRACT SERVICES COSTS					
Prices per Ton					
	2011	2012	2013	2014	2015
Waste Removal					
Other					
<b>Total</b>					

OTHER EXPENSES					
Prices per Ton					
	2011	2012	2013	2014	2015
Property Related					
Professional Services					
Demurrage					
Environmental					
Insurance					
Taxes and Licences					
Equipment Rental					
Incoming Freight					
Royalties					
Reclamation					
Miscellaneous					
<b>Total</b>					