

October 26, 2004

Mr. Paul Buxton, P. Eng.
Bilcon of Nova Scotia, Corporation
P.O. Box 98
Annapolis Royal, N.S.
BoS 1A0

**Re.: Nova Stone Exporters, Inc. Quarry at Little River, Digby County, NS
Industrial Approval No. 2002-026397**

Further to your letter of August 23, 2004, this will acknowledge the notification that the lease for the area referred to in this Approval is now held by Bilcon of Nova Scotia, Corporation, and that Nova Stone Exporters Inc. no longer holds any authority over the site. This automatically renders Nova Stone Exporters Inc. in breach of the approval, specifically Condition 3 (b) which states:

No authority is granted by this Approval to enable the Approval Holder to construct the Facility on lands which are not in the control or ownership of the Approval Holder. It is the responsibility of the Approval Holder to ensure that such a contravention does not occur. The Approval Holder shall provide, to the Department, proof of such control or ownership upon expiry of any relevant lease or agreement. Failure to retain said authorization will result in this Approval being null and void.

Section 58 (2) (b) of the *Environment Act* states:

The minister may cancel or suspend an approval for breach or default of the approval, or if new or corrected information respecting an adverse effect has been brought to the attention of the Minister;

This will confirm that, in accordance with Section 58 (2) (b) of the *Environment Act*, the approval to Nova Stone Exporters Inc. to construct and operate a quarry at Little River, Digby County, Nova Scotia has been cancelled. This letter is directed to you as you are still listed in our records as the official contact person for this approval. Please ensure that the appropriate information is forwarded to Nova Stone Exporters Inc.

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It is now our understanding that Bilcon is assuming ongoing responsibility for on site maintenance including pollution controls, water management and erosion and siltation controls. Your cooperation in maintaining these features is appreciated.

Please contact myself or Ms. Jacqueline Cook, Inspector Specialist at (902) 742-8985 should you have any questions regarding this matter.

Yours truly,



Bob Petrie
District Manager

cc: B. Arthur
J. Cook
H. MacPhail