

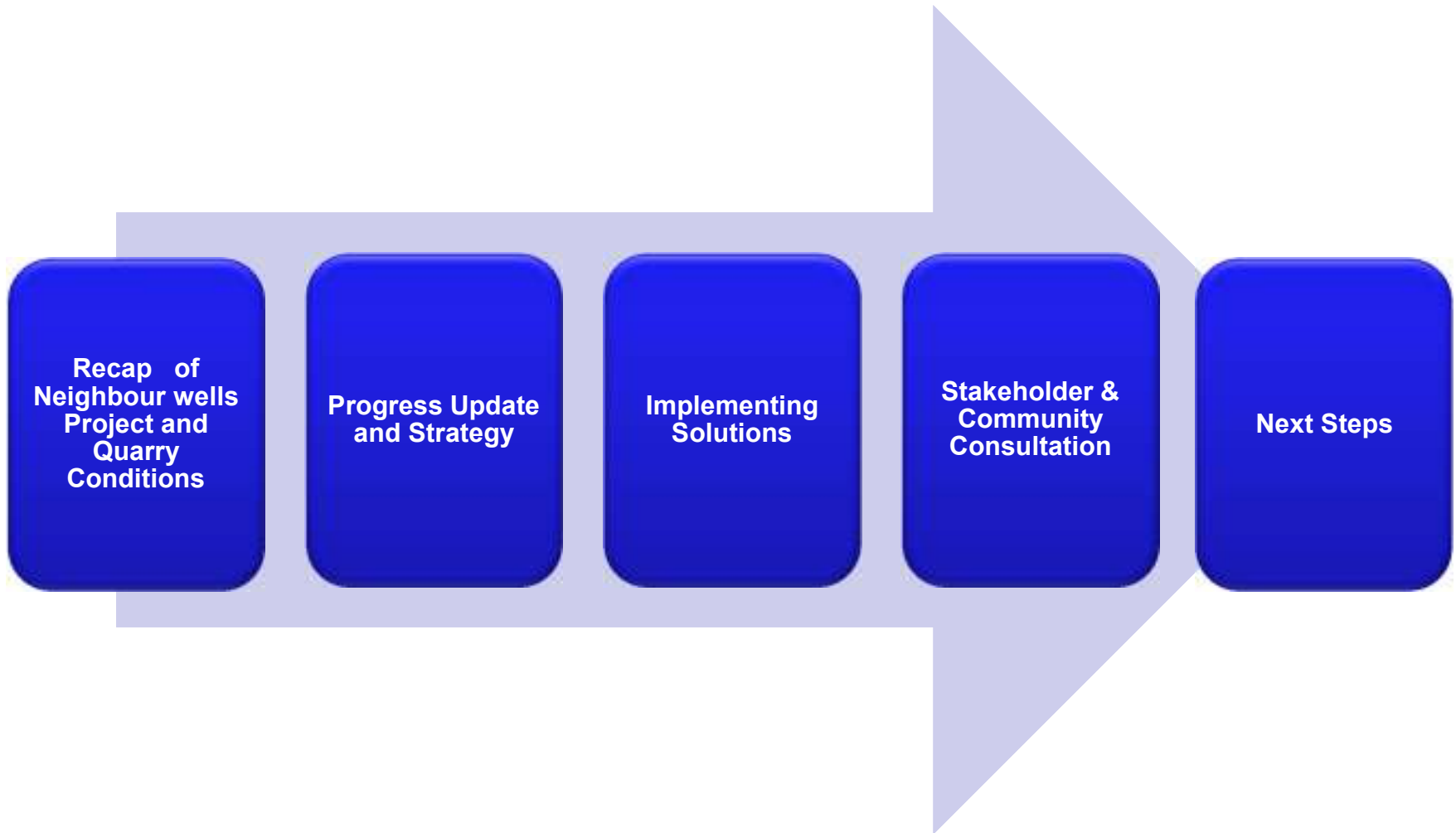
Dufferin Aggregates Flamboro Quarry

Neighbourhood Wells Project



March 2012

Presentation Overview



As a reminder, the Flamboro Quarry Neighbour Wells Project is a proactive initiative undertaken by Dufferin Aggregates in preparation for extraction of a lower depth at the quarry.

- Dufferin Aggregates purchased the Flamboro Quarry in 2003 from the Gray Family
 - The current extraction depth is approx. 240mASL, and the current license allows extraction to a depth of 230 mASL
- In 2012, Dufferin will begin extraction of the 2nd bench as approved in our existing license
- The purpose of extracting the lower bench is NOT to increase the quarry annual tonnage, which is approx. 1,000,000te; but rather we are accessing the next phase of extraction as per our operational plans
 - The current license allows 3,000,000te / yr.



Approved Extraction Limit shown in yellow

The Neighbour Wells Project was initiated because Dufferin recognized that groundwater levels around the quarry could be affected when extraction proceeds to a lower level and we want to ensure minimal impact

- As a reminder, Dufferin has implemented an action plan to ensure there is no impact to our neighbours.
- Before we modify our operations to accommodate lower bench extraction, we will ensure that every neighbour will have an adequate water supply when we do so
- Dufferin's action plan has involved a proactive strategy to evaluate our neighbours water supplies and provide solutions where necessary to anyone potentially affected. This is still in progress and is summarized as follows:



Dufferin began implementing solutions for neighbour water supplies in September 2011. Solutions are being prioritized based on the state of current water supply and potential impact from future quarry operations

- The results of the hydrogeological assessment and well measurements indicated that several of the neighbours surrounding the Flamboro Quarry will require new or upgraded water supplies
 - All solutions will be implemented at no cost to the landowners, prior to modifying quarry operations
- To date, Dufferin has completed 8 new water supply installations, including well drilling and treatment systems. Five more installations are ongoing.
 - Response to date on new water supplies has been very positive
 - Follow up calls to all residents not requiring modifications are being completed
 - Once installations are complete Dufferin is conducting follow up visits with landowners to ensure their satisfaction with the new water supply
- As we progress, recommendations from CRA may be modified to accommodate landowner's needs

Dufferin is continuing to consult with Stakeholders and the Community on the progress of the Neighbour Wells Project

- Dufferin has implemented a proactive consultation program including:
 - ▶ Communication letters
 - ▶ Meetings
 - ▶ Onsite investigations
 - ▶ Follow up calls
- The following stakeholders and community members have been included in Dufferin's consultation program:
 - ▶ Landowners in vicinity of the Flamboro Quarry
 - ▶ Community Advisory Panel for the Flamboro Quarry
 - ▶ Ministry of Environment
 - ▶ Ministry of Natural Resources
 - ▶ City of Hamilton Councilor, Ward 14
 - ▶ MP & MPP for Ancaster/Dundas/Flamborough/Westdale
 - ▶ City of Hamilton Public Works Department
 - ▶ City of Hamilton Planning & Economic Development Department
 - ▶ City of Hamilton Source Water Protection Planning
- The final hydrogeological assessment report will be provided to the Ministry of Environment for their records once the project is complete

The Next Steps for the Flamboro Wells Project in 2012:

- Several properties still require well replacement and full treatment systems, or smaller scale improvements to their systems.
- Every resident who filled out a survey will receive the data collected for their home and any modifications needed to their systems **prior to extraction of the 2nd bench : anticipated date to lower extraction is late summer 2012.**
 - The final date will be confirmed with a communication letter to our neighbours.
- The action plan to prepare for extraction of the second bench includes:
 - Communication with our neighbours when we prepare to accommodate the second bench extraction, so that they can ensure their water supply remains unaffected and they are aware of any changes.
 - Ongoing monitoring of the drawdown effect when extraction of the lower bench proceeds, with immediate attention given to any issues that arise
 - Immediate temporary supplies will be on hand should any unforeseen shortages occur
 - Active communication with our neighbours and stakeholders to evaluate their satisfaction with our actions as part of this project



Holcim