



20 June, 2006

Margaret McCarthy
City Councillor, Ward 15
City Hall – 2nd Floor
71 Main St. W.
Hamilton, ON L8P 4Y3

Canada Building Materials Company
A division of St. Marys Cement Inc. (Canada)
55 Industrial Street
Toronto, Ontario
M4G 3W9
Tel.: 416-423-1300

Dear Councillor McCarthy, **Re: St Marys Cement Group acquisition of Lowndes' Quarry**

I am writing to let you know that St Marys Cement Group today announced the purchase of Lowndes Holding Corp., which owns the site of a proposed quarry located at 11th Concession Road East, in the former Township of Flamborough.

St Marys Cement Group is a leading manufacturer of cement and related construction products in Canada and the United States. The company operates two cement plants in Ontario, one in St Marys, where the company was founded in 1912, and one in Bowmanville. We operate over 40 ready-mix concrete plants and 12 aggregate pits and quarries across the province.

Over the next several months, St Marys will develop detailed plans for this site that will include proposed hours of operation, industry leading controls on noise and dust, the depth of extraction, and minimizing the impact of traffic on the community. An immediate priority is a hydrogeological study that will determine the best ways to avoid impacting water quality and supply. St Marys will also set out a comprehensive plan to rehabilitate and monitor the site, once the quarrying operation is complete, and return it to a pristine state. We will also be working closely with City of Hamilton officials to seek approval of the applications that have previously been submitted by Lowndes Holding Corp for this site.

As plans take shape, St Marys will host community information sessions to update the community and address any issues. We also look forward to meeting with you and fellow members of council to outline our plans for this site in greater detail. Our Project Manager for this site is Mr. Bill Marquardt. His number is (519) 823-4450 or you may contact him through email at bemarquardt@vcsmc.com should you wish to reach him.

I look forward to speaking with you about this issue and will ask my office to arrange a mutually convenient time to meet. In the meantime, if you have any questions, please do not hesitate to contact me at (416) 696-4430 or through email at jwmoroz@vcsmc.com

Yours truly,

A handwritten signature in black ink, appearing to read "John Moroz", written over a white background.

John Moroz, P.Eng.
Vice President and General Manager
St Marys CBM Aggregates