

353 Talbot Street West
Aylmer West, Ontario
N5H 2S8
(519) 773-4720

May 15, 2003

Nichols Gravel Limited
P.O. Box 172,
Delhi, Ontario, N4B 2W9

Attention: Mr. Gary Nichols

Dear Mr. Nichols,

**Re: Aggregate Licence # 103717 Suspension for Property
Pt. Lots 10-12, Conc. 12, (Walpole) Haldimand County**

This letter is in response to your letter of May 13, 2003, regarding your company's participation in discussing the terms and conditions of the Licence Suspension Order for the subject licenced property.

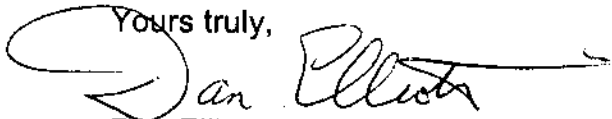
We confirm that under condition 53 of the suspension order, your company will be required to obtain permission from the County of Haldimand in order to release any pumped drainage water into the Harrop Municipal Drain. This drainage permission will be required in conjunction with Conditions 51 and 52, which involve the establishment of an on-site drainage system.

In respect to your written expressions involving the farm irrigation pond, our Ministry's position requires the subject property within the site plan to have a licence under the Aggregate Resources Act.

As stated in our letter of May 6, 2003 the Aylmer District would be pleased to meet with you to discuss the terms and conditions of the Suspension order at your earliest convenience.

If you have any questions on this matter please call myself at the above number or Paul Cutmore at (519) 773-4747.

Yours truly,

A handwritten signature in black ink that reads "Dan Elliott". The signature is written in a cursive style with a long horizontal flourish extending to the right.

Dan Elliott

Area Supervisor, Aylmer District

c.c Minister of Natural Resources, Hon. Jerry Ouellette

c.c. Ministry of Attorney General Crown Law Office