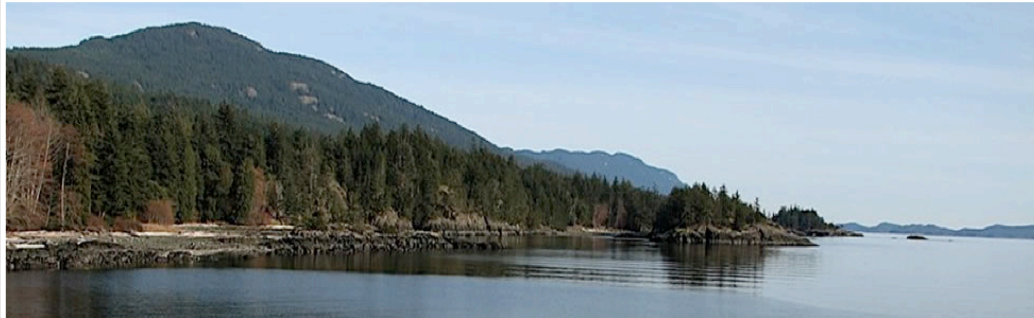


F R I E N D S O F D A V I E B A Y .



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Dear Sirs

Re: Texada South Quarry

I am writing to you to share some deep concerns with Lehigh Northwest Minerals Ltd's ("Lehigh") proposal to operate a new limestone quarry on Texada above Davie Bay and the construction of a ramp and barge loading facility into the bay for the shipment of aggregate material ("Texada South Quarry"). These applications require the Integrated Land Management Bureau ("ILMB") clearance for the use of approximately 4 acres of Crown foreshore and upland facing District Lot 400 on Texada Island, and Energy, Mines and Petroleum Resources ("EMPR") approval of Mining Lease 308820, on Crown Land for District Lot 573. About 60% of Texada South Quarry is proposed to be on Crown land.

May I draw your attention to a document attached "Where Now for Texada?" (see Attachment 1) which addresses some fundamental concerns Texada residents have about this project. These concerns are addressed in the recommendations made by the Powell River Regional District ("PRRD") to the ILMB and EMPR after its own review of the Lehigh applications. (see Attachment 2).

The area in question is highly sensitive. A widely held view is that use of the lands and foreshore for a quarry and loading operation would be highly detrimental to the welfare and utility of Texada residents and those BC citizens and tourists who want to enjoy the splendid beauty of the Georgia Strait.

1 Long-Term Economic, Social and Environmental Costs.

The PRRD have concerns of the project on the long-term economic, social and environmental costs on the Texada community. The Friends of Davie Bay ("Friends") share this view. We have concerns that the opportunity cost of the Texada South Quarry on the community is inordinately high, particularly when there are already 3 operating limestone quarries on Texada and Canada's largest, TQL, is situated just 15 km's up the coast, north of Gillies Bay. In "Where Now for Texada?" we articulate the threat of his new quarry situated in the mid-part of the island on the prospects for our economic development (para 3,4,7 & 8). Judging by demographic trends on Texada in recent years, Texada badly need to diversify its economy away from the cyclical aggregates sector. The Texada South Quarry located in a sensitive part of the island south of the existing quarries, would harm this initiative and jeopardize Texada's economic options for the future.

2 Public Access

The PRRD and Friends invite the Minister to address the threats to; public access to Davie Bay, the UREP on the north side of the bay, the 66ft of Crown land fronting the foreshore, and to the campground at Shingle Beach to the south. Currently the public has the right to enjoy the beach area in the bay because the Crown owns the 66ft of frontage. This would not otherwise have been the case, because the upland owner would have held title to the water's edge. Similarly there is a UREP situated at the north end of the bay, and the public want continued access and ability to enjoy the public amenity of the beach area and the UREP. It is highly questionable that safe use by the public of the beach and the UREP can be achieved --that a quarry and a public amenity area can peacefully co-exist. As far as I am aware, public funds have been expended on the road to Shingle Beach sufficient for this road to be declared a public highway.

3 Fisheries

The barge loading facility is in the middle of a rock fish conservation area ("RCA") as established by the Department of Fisheries and Oceans ("DFO"). The Province created a UREP in Davie Bay mindful of its value as a public shellfish picking reserve, which have sufficient natural stock to withstand public harvesting. It is readily apparent that the conservation area will only function effectively if kept in a pristine condition to ensure the maximum productively from those fish spawning within the closed areas. Anyone familiar with this part of the Georgia Strait will appreciate that prevailing south easterly wind blowing up the strait causes a widespread dispersion of limestone dust in the general and more immediate area.--one can witness this at the TQL quarry north of Gillies Bay--and efforts at mitigation would prove highly ineffective. Eelgrass beds are abundant in the Davie Bay area. We understand the DFO will determine if the proposed project is likely to have adverse impacts on fish or fish habitat, as described in Sections 32 and 35 of the federal Fisheries Act, but as a protected area one would expect the DFO to be particularly vigilant in the protection of this habitat.

4 Conservation

Texada South Quarry is situated in a unique area of outstanding natural beauty. Davie Bay and islands are part of the Coastal Douglas-Fir ("CDF") zone. Just 1% of the CDF zone in the lower mainland is relatively untouched, and preservation of the zone is a conservation challenge due to the limited size of the zone and the unique flora and fauna that inhabit it. The coastline shelters many species of waterfowl, and the offshore islets are havens for colony-nesting species such as the glaucous-winged gull and Brandt's cormorant. This zone is home to the greatest diversity of wintering birds found anywhere in Canada.

5 Social License

The Texada South Quarry does not meet the Texada Official Community Plan (“OCP”) standards with respect to environmental, economic, social and heritage objectives; the protection against coastal development, and the protection of recreation and UREP designated areas. The OCP supports as a general principle the expansion of limestone quarrying operations (OCP B.5.c.) however “ the community would like the opportunity to review mining and quarrying development plans”. The community and the PRRD have done such a review as far as we are able at this stage. Correspondence indicates a high level of concern, and some of these concerns are addressed in the PRRD recommendations to you. Given the level of public concern on Texada it is evident that the Texada South Quarry does not have a social license to proceed. The PRRD want you to weigh the long term economic, social and environmental cost of this project on the community, to assess the karst and caves, and to ensure continued public access is assured. There is a strong prima-facie case that the Texada South Quarry is incompatible with these community rights and objectives.

6 Environmental Assessment

Paul Griffiths has written to you by letter dated September 15, 2009 with the observation that even the documented caves in the vicinity of the project are the most extensive and well-decorated of all known karst caves along the BC Mainland coast between Washington and Alaska. He argues that given the exceptional values of these cave resources and the usual degree of surface-subsurface connectivity in karst that the Texada South Quarry Project be accorded “reviewable” status in the public interest, and that a karst assessment be done by qualified and competent resource professionals, a view shared by the PRRD.

Furthermore, we understand our legal counsel has made representations to you by letter dated September 24, 2009 on the inconsistency between the stated capacity of the Texada South Quarry (of 240,000 tonnes) and the capacity of the infrastructure the applicant intends to install as documented in the application. Our counsel makes the observation that Lehigh could meet its stated production in only 96 hours of operation a year. Since the capacity of the infrastructure is above the threshold to trigger an Environmental Assessment under part 3 of the regulation, there is a legal duty under the Environmental Act to do so.

7 Government Policy.

There is strong prima-facie evidence on a number of counts to suggest that the Texada South Quarry does not meet the tests required under government policy in the allocation of Crown Land. (see Attachment 3, Strategic Policy. Crown Land Allocation Principles Dated June 2, 2008).

In para 3, Considerations for the Decision-Maker, Crown land is to be valued given degree of scarcity and the associated economic, social and environmental benefits. There is clearly no scarcity for there are 3 operating quarries on Texada, and the largest in Canada operates just 15 km up the coast north of Gillies Bay. All of these facilities are operating at low production rates owing to the glut of global capacity. As for economic benefits, a cost-benefit analysis would show a high opportunity cost to Texada in economic, social, environmental and heritage terms. A barge facility at Davie Bay is not the highest and best use of Crown land.

Friends of Davie Bay support the Premier’s Green Energy Policy and the goal of self-sufficiency in electrical generation by 2016. This is an extremely tough challenge. In the recent BC Hydro LTAP decision the BC Utilities Commission indicated that BC Hydro was planning to rely on Demand Side Management to fill 78% of the load/resource gap of 14,000 Gwh to the year 2020. If the Premier is to be successful in the GHG goals for the Province and meet the self-sufficiency test by 2016 it is imperative that the Province be highly selective in the industrial projects it is prepared to support. Frivolous projects must be rejected. Furthermore, the Lehigh-

Hanson cement plant in Delta is BC's 3rd largest GHG emitter. New carbon taxes and GHG caps will put solvency pressure on the industry affecting behavioural and investment decisions, and this warrants particular government caution with respect to new facilities.

There is a full discussion of government policy issues in Where Now For Texada?, Section 12 (Attachment 1)

8 Summary

Government policy guidelines indicate that the Texada Quarry South proposal fails Government policy by a wide margin, thus you have a duty to reject the project. If the government is mindful in the first instance to review the project it has a legal duty under part 3 of the regulation to authorize an Environmental Assessment. Terms of reference for this assessment must include reference to the BC policy guidelines and those recommendations made to you by the Power River Regional District, including an assessment of the long-term economic, social and environmental cost on the Island community. Friends of Davie Bay would like to be part of the Assessment process pointing out how the Texada South Quarry fails government policy.

We look forward to your response.

Yours truly,

Richard Fletcher
Friends of Davie Bay.

September 28, 2009

fletch@hughes.net

Attachments:

- 1 Where now for Texada Island? Sept 1, 2009
- 2 Powell River Regional District. Motions. September 24, 2009
- 3 BC. Strategic Policy. Crown Land Allocation Principles. June 2, 2008

cc by e-mail

Doug Sweeney. Inspector of Mines, EMPR
Karen Christie, Project Assessment Director, Ministry of Environment
Andrea Cowgill. ILMB
Frances Ladret. Administrator PRRD
Scott Northrup DFO
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