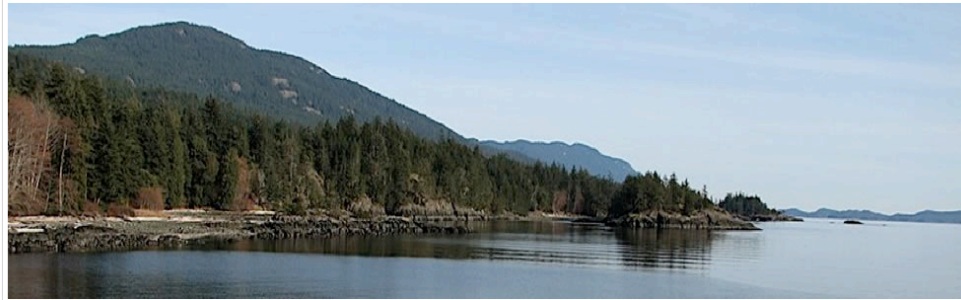


F R I E N D S O F D A V I E B A Y .



BY E-MAIL TO

Hon. Barry Penner, Minister of Environment, BC

Hon. Steve Thomson, Minister of Agriculture and Lands, BC

Hon Blair Lekstrom, Minister of Energy, Mines and Petroleum Resources, BC

Hon John Baird, Minister of Transport, Infrastructure, and Communities.

Hon Jim Prentice, Minister of the Environment.

Hon Gail Shea, Minister of Fisheries and Oceans.

December 22, 2009

Dear Sirs

OBJECTION. Lehigh Hanson Materials. Application for a license of occupation for aggregate quarrying covering DL 573 and 589, Texada Land District, Davie Bay. File reference. 2410273

AND

Barge Loadout and Conveyor, Davie Bay, Texada Island. CEAR reference number 09-01-49595

The application for a license of occupation for aggregate quarrying covering DL 573 and 589 is linked to the application for a barge loading facility in Davie Bay, Texada as it is part of the same project. (Texada South Quarry. Lehigh Materials Ltd. Barge Loadout and Conveyor, Davie Bay, Texada Island. CEAR reference number 09-01-49595)

Friends of Davie Bay ("Friends") request that due process be followed in the review of these applications as required by Federal and BC law and regulation, and that there are substantial grounds to warrant denial of the applications

1 **Hon Barry Penner must by law declare this a reviewable project under BC Law**

Friends have made representation to the BC Minister of the Environment, Barry Penner, that as the CAPACITY of the facility is scaled to extract 5m tonnes of limestone a year, he must under BC law declare this a reviewable project, hence a full environmental assessment must follow.

Lehigh Northwest Minerals Ltd states in its application that the conveyor or belt would be 1.8 metres wide capable of loading 2,500 tonnes per hour. [It is noteworthy that the ramp at Highland Valley Copper, with a belt 1.52 metres wide, is capable of loading at 6,000 tonnes per hour]. At a tonnage loading rate of 2,500 tonnes per hour assuming the operation of one shift of 8 hours per day, 5 days a week, 48 weeks per year = 4.8 million tonnes per year

2 A full karst assessment and the creation of a full map reserve is essential

Friends wrote to Hon Barry Penner on Nov 23-09 on the importance of a cave and karst assessment in the Davie Bay area. The undertaking of a full and proper assessment is supported by the Powell River Regional District, the Texada Action Now Community Association, local politicians, residents, and many interest groups.

Paul Griffiths has written (Dec 13-09) reiterating his position that a full and proper karst assessment is essential. He refers to his letter to the Integrated Land Management Bureau (ILMB) of Nov 20-09, after he learned of the establishment of a "Section 16 reserve" of just 7.8 hectares covering only the area of the known caves. He points out that the karst potential and value in this area is so much greater than this minimum, and there are possibly subsurface geo-hydrological connections between the proposed quarry site and the known caves, a fact he made quite clear in his telephone and email conversations with the ILMB.

We have before us a wonderful opportunity for BC to broadcast to the world the potential of the Davie Bay site, and to champion the protection of sensitive environments. The karst in the Davie Bay area may prove to be of Canadian or international significance, only known however if BC is prepared to authorize a full karst study. Anything less and BC could be exposed scientifically in the global community at this sensitive time. This would occur at the same time the Premier is championing BC's green, environmental and sustainability credentials internationally and the need for knowledge-based industry in BC. And we all understand the significance of the events unfolding in Copenhagen and the attention of the world on BC next month.

Needless to say, BC would extract maximum benefit to international investors if terms of reference for the karst assessment are released in the public domain, and such details as; the duration of the assessment, the timing of the assessment report, the qualifications and competency of the professional for karst, and the report itself. These could be exciting times for BC.

3 Serious and substantial issues with the application.

Friends have identified serious and material shortcomings in this application which must be acted on by BC and Federal authorities, see REQUEST FOR EXPLANATIONS AND INFORMATION November 18, 2009 (attached)—this document is also filed on <http://www.daviebay.com/submissions/submissions.htm>

This document lists issues as follows

- **Environmental obligations and credit quality of the applicant.**
- **Economic viability of the Texada South Quarry.**
- **Production rate and economies of scale**
- **Capacity of facilities and equipment**
- **Energy costs and carbon dioxide emissions**
- **Sustainability and economic demand to Texada**
- **Crown Land Allocation Principles.**

3-1 Poor credit quality of the applicant

The parent of the applicant HeidelbergCement AG has a low corporate sub-investment grade credit rating of B-/B1 from S&P and Moody's. Given the long life of the project, and the tail of environmental liabilities, if BC is minded to approve the project, it is essential that performance guarantees be given by way of cash collateral.

3-2 Poor economics for the aggregate sector in the future

BC should appreciate that the economics of the cement and aggregate industry will change dramatically for the worse, as governments globally are forced to recognize the full environmental cost of these activities and to levy heavy emission taxes on these CO2 creating activities. This will force the global aggregates companies to be more efficient and force economic co-operation between the companies in the exploitation of reserves. It is entirely ludicrous for BC to approve a new aggregate quarry just a short distance away from the TQL quarry at Gillies Bay, which is the largest aggregate quarry in Canada, and working at just 60% of capacity. The quarry at Blubber Bay with many years of reserves is scheduled to close in Feb 2010.

3-3 Heavy economic loss for Texada

The quarries on Texada are to the north of the island. To the south Texada is still largely a natural wilderness area, with the most stunning rugged natural beauty of all the Gulf Islands. Davie Bay is by many accounts, the single most stunning part of Texada. The lands in and around Davie Bay have a high public amenity value. Preservation of this area would be a key to preserving Texada's huge potential for recreation, nature tourism, wilderness activities, as a holiday destination and as a retirement community. These activities create their own economic opportunities offering sustainable economic base. Indeed, abuse of Texada's environment could affect the decisions of people wanting to move or stay here, and threaten economic options for the future. Hence the opportunity cost of the Davie Bay project or economic opportunity loss to Texada is judged to be very high.

3-4 Davie Bay lands have high amenity use

About 60% of the proposed Texada Quarry South would exist in Crown land, and additionally Lehigh requires a provincial tenure for the barge loading facility. The Province of BC follows a strategic policy and strict principles in the allocation of Crown land. Essentially the Province has stewardship obligation on behalf of the public to allocate land based on "highest and best use". In valuing Crown land and resources, consideration is given to their degree of scarcity, and the associated economic, social and environmental benefits.

Friends have proposed a "best use" to the Powell River Regional District and others which is superior to the Lehigh proposal to extract limestone aggregate from the lands in and around Davie Bay. Due to the high social, economic and environmental value of the Davie Bay lands we propose that these lands be preserved for the use and enjoyment of the public in perpetuity. Others have informed the media of the investment potential on a community basis. (Future Vision <http://www.prpeak.com/articles/2009/11/04/opinion/letters/doc4af0e94bcbccc312255028.txt>)

Attachments:

REQUEST FOR EXPLANATIONS AND INFORMATION
November 18, 2009

cc by e-mail

Randy Hawes	BC Minister of State for Mining
Karen Christie,	Project Assessment Director, Ministry of Environment
Eddy Taje	EMPR
Ross Douglas.	ILMB
Andrea Cowgill	ILMB

Rebecca Reid,	Regional Director, Oceans, Habitat and Enhancement Branch Pacific Region
Robert Sisler,	Regional Manager, Environmental Services, Transport Canada.
Linda Sullivan	TC
Scott Northrup	DFO

John Weston	MP
Nicholas Simons	MLA
Scott Fraser	MLA

Paul Griffiths	
Laura Walz.	Powell River Peak