



March 21, 2012

DELIVERED BY REGULAR MAIL

The Highland Companies
477476 Third Line, R.R. #2
Shelburne, Ontario L0N 1S6

The Highland Companies
P.O. Box 377
Shelburne, Ontario L0N 1S0

Attention: John Lowndes

Dear Mr. Lowndes,

Re: Highland Companies site alteration and related activities.
Our File L1003

We represent the North Dufferin Agricultural and Community Taskforce, Inc. (NDACT) on the application of Highland Companies to build a quarry in Melancthon Township, Ontario.

In our letter to you dated March 1, 2012 we requested that you to cease site alteration activities. We acknowledge receipt of your letter dated March 9, 2012, for which we thank you, but unfortunately it did not offer an adequate response to the concerns raised in our March 1 correspondence.

Your response does not commit to ceasing site alteration activities that are proceeding with the undertaking or identify what site alteration activities you have planned for 2012. You also did not provide any details of how your site-alteration activities are "consistent with normal farming practices" as you allege. Our client advises us that you are conducting numerous activities on the site that are inconsistent with *bona fide* agricultural operation. These activities include but are not limited to:

- Cutting, mowing and clearing grasslands, brush and other vegetation from areas that are not suitable for agricultural production.
- Cutting and clearing of virgin lands including lands on road allowances.
- Extensive mulching in areas that are too wet for agricultural production and from which no crops are harvested.
- Cutting of swales, ditches, and edges.
- Watercourse alterations.
- Removal of heritage buildings on areas not used for farming.

Your site-alteration activities are extensive and include areas that may contain Bobolink and other bird nesting habitat. These activities are likely to have significant adverse environmental effects and are potentially threatening to indigenous species at risk.

Our client had anticipated that your response would be less generic and would contain full disclosure of all areas you intend to disturb or have already disturbed, including but not limited to grading,

cutting and the alteration of structures and watercourses during this year along with a site inventory of natural features in these areas. Please provide us with an up-to-date list and copies of all site inventories and evaluations, including of aquatic habitat, bird habitat and vegetative features on the site. We are advised that you conducted further fisheries evaluations on the site in the fall and summer of 2011 but you have not disclosed the results. You also conducted or planned to conduct further evaluations of bird data but have not disclosed these results to our client. Our client would also find maps of all areas currently used for growing potato crops or other agricultural production, including identification of borders around bush lots and swales, and wet areas along with a site management plan for 2012 helpful in our discussions.

After our client has received and had an opportunity to review the requested material, we would be pleased to arrange a meeting with you to discuss our client's concerns in more detail.

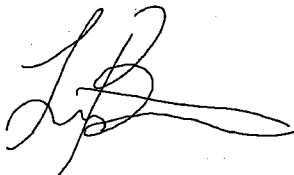
We remind you that proceeding with the undertaking, including related site alterations on the designated and adjacent properties is prohibited.

Moreover, in your March 9 letter, you advised that you have not taken any steps in respect of the environmental assessment that was prescribed pursuant to the designation regulation. Our client believes that your stated plans of seeking approval through other means is prohibited by subsection 5(3) of the *Environmental Assessment Act*, and our client reserves all of its rights in this regard.

We ask that you provide a response that deals directly with the questions and concerns raised by our client. If you have any questions please do not hesitate to contact us.

Yours truly,

ILER CAMPBELL LLP



Laura Bowman

E-mail: lbowman@ilercampbell.com

/lb

cc: North Dufferin Agricultural and Community Task Force

info@ndact.com

Citizens Alliance for a Sustainable Environment

info@citizensalliance.ca

Agatha Garcia-Wright,

Director

Ministry of Environment

Environmental Assessment and Approvals Branch

2 St. Clair Avenue West

Floor 12A

Toronto, Ontario M4V 1L5

ILER CAMPBELL LLP

- 3 -

John Kus
Area Supervisor,
Ministry of Natural Resources
Midhurst District Office
2284 Nursery Road
Midhurst, Ontario L0L1X0