



ST MARYS PLEDGES TO FOLLOWING BEST PRACTICES FOR FLAMBOROUGH QUARRY

Toronto, ON, February 20, 2006 – St Marys CBM is taking steps to ensure that all contractors hired by the Company are operating with the proper permits in place after a series of road borehole tests, conducted by consulting engineers, Shaheen & Peaker Limited, occurred without a permit.

The Company, which has applied to develop a quarry on the 158-hectare property on 11th Concession Road East at Milborough Line, in the former Township of East Flamborough, is in the process of completing studies in support of an application to the City of Hamilton. A comprehensive transportation analysis is one of the required studies.

According to the terms of reference from the work program provided to St Marys by the City of Hamilton, St Marys must conduct a transportation analysis which requires coring certain roadways to investigate pavement conditions. These tests are part of the application process.

On January 2, 3 and 4, 2007 a preliminary roadway investigation was conducted at multiple locations surrounding the proposed quarry site. These tests occurred before the necessary street cut permits were received from the City of Hamilton.

St Marys was recently informed that a miscommunication between the City of Hamilton, the Town of Milton and consulting engineers, Shaheen & Peaker Limited, who were responsible for conducting the preliminary roadway investigation, was the reason testing began before the proper permits were in place. Shaheen & Parker have accepted responsibility for this miscommunication.

“It is not, nor will it ever be, the practice of St Marys to operate without approvals in place,” said Richard Olsen, President St Marys CBM. “We are taking this incident very seriously. Moving forward St Marys will exercise extra caution to ensure all of our contractors are operating with the proper permits in place. We regret this incident occurred and maintain our commitment to operating in an open environment and working with local residents to resolve issues.”

Coring of existing roadways is standard practice and a necessary component of the application process. Any superficial damage done during the testing phase is repaired immediately and all measures are taken to reinstate the pavement structure to its original state. In this instance, coring consisted of augering a small 150mm(6") borehole to a depth of up to 1.5m(5') with each borehole spaced ½ km apart. All holes were then backfilled and compacted with the auger cuttings and the pavement surface patched and compacted with asphalt, as is the generally acceptable practice.

“On behalf of Shaheen & Peaker Limited, I would like to apologize to the community and to St Marys for proceeding with the pavement investigation before receiving cut permits from the City of Hamilton,” said Manjinder Gill, Pavement Services Manager, Shaheen & Peaker Limited. “We regret conducting tests before receiving our permit, but assure the community that all tests were

carried out according to the highest standards and did not in any way affect the integrity of the roads where testing occurred.”

St Marys is working with the Town of Milton and the City of Hamilton to ensure the issue is resolved.

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. It operates over 40 ready-mix concrete plants and 22 aggregate pits and quarries across the province.

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