

Original dated March 17, 2008

Ms. Bonnie L. Miles-Dunn, P.Eng. Engineer CGC Inc.- Fundy Gypsum Plant P.O. Box 400 Windsor, NS B0N 2T0

Dear Ms. Miles-Dunn:

The environmental assessment (EA) of the proposed Miller's Creek Mine Extension Project has been completed.

This letter is to advise that, pursuant to Section 13 (1)(c) of the *Environmental Assessment Regulations*, I have determined that a review of the information indicates that to better understand the potential for adverse effects or significant environmental effects a focus report is required.

During the EA review concerns were raised regarding the potential impact of the proposed mine extension on: surface water; groundwater; species-at-risk; and wetlands. These concerns were raised through numerous public submissions as well as submissions by Nova Scotia Environment and Labour's (NSEL) Water and Waste Water Branch and Protected Areas Branch, and Nova Scotia Department of Natural Resources' Wildlife Division. In addition, Fisheries and Oceans Canada indicated that an electrofishing survey needs to be completed to determine the presence or absence of fish in Shaw Brook. If fish habitat is present this could potentially trigger a federal EA under the *Canadian Environmental Assessment Act*.

The focus report shall examine potential impacts of the proposed Miller's Creek Mine Extension Project on: surface water; groundwater; species-at-risk; wetlands; and, fish and fish habitat. The EA Administrator will provide you with a written terms of reference for the preparation of the focus report within 25 days. CGC Inc. will have up to one year to submit the required number of hard copies, for distribution by NSEL, and an electronic copy of the focus report. The EA Branch will notify the public of the release of the focus report and as a result a 30 day public review period will commence.

Sincerely,

Original Signed By

Mark Parent Minister