



# Parsons Creek Resources

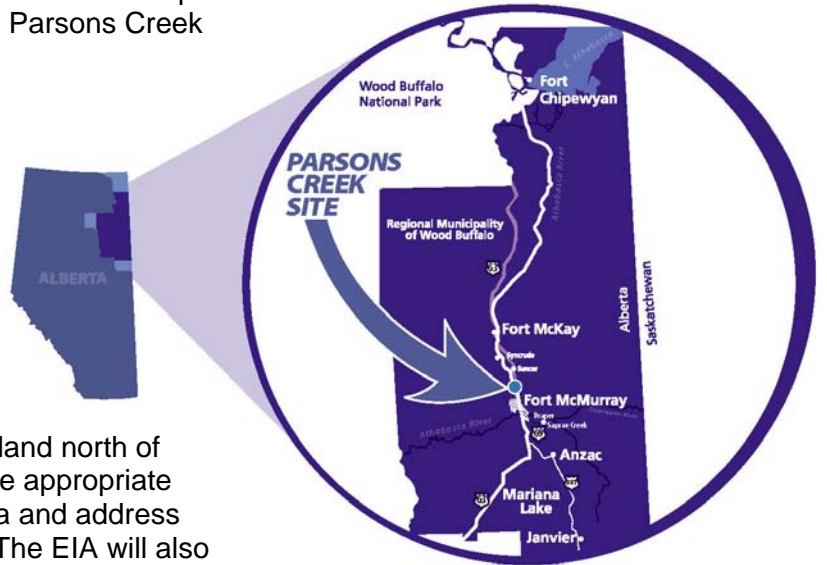
a joint venture of Graymont Western Canada Inc. & Inland Aggregates Limited

## Newsletter #1 / January 2007

This is the first in a series of newsletters intended to keep stakeholders informed about our proposed Parsons Creek Resources joint venture project.

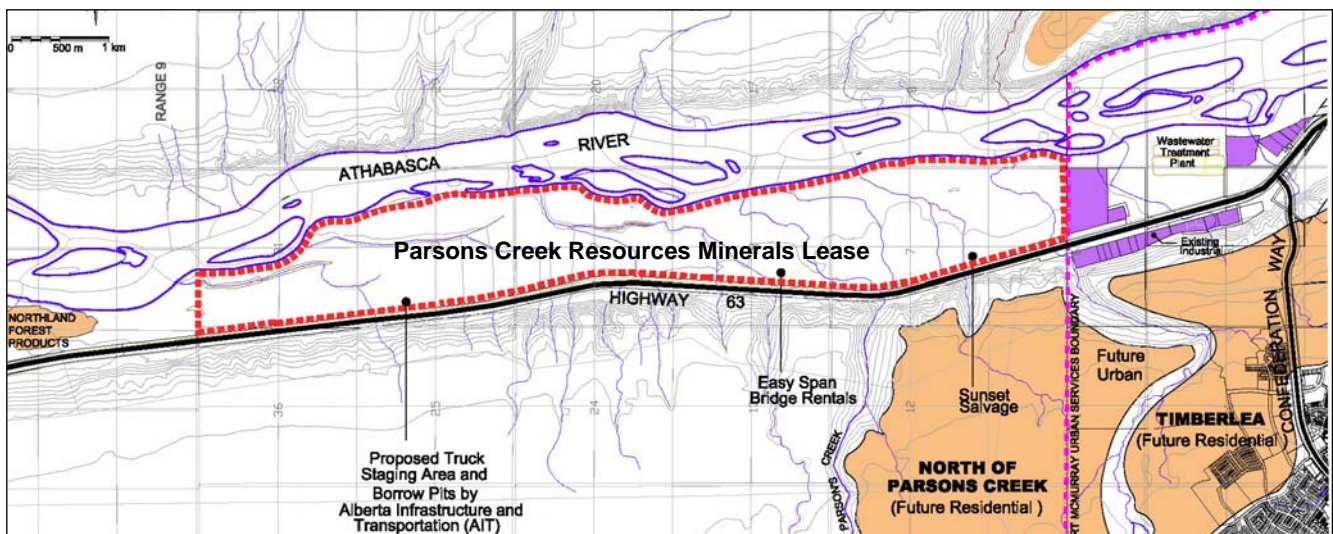
### BACKGROUND

Parsons Creek Resources is pleased to announce that we are commencing an Alberta Environmental Impact Assessment (EIA) process for the proposed Parsons Creek Resources limestone quarry project. The project is located on Provincial Metallic and Industrial Minerals Lease #9404120901 which encompasses about 2,000 acres of land north of Fort McMurray. The EIA will determine the appropriate footprint of the project within the lease area and address environmental concerns of stakeholders. The EIA will also recommend an appropriate end-use reclamation program, to be developed with input from stakeholders, with the goal of enhancing the long-term value of the site to the community.



### LIMESTONE QUARRY PROJECT DESCRIPTION

The quarry project will provide high-quality limestone products for use in environmental and construction applications. We expect that limestone will be required by the heavy oil industry to remove sulphur dioxide from flu-gas streams. This process is known as a limestone “scrubbing” which is effective for reducing acid rain. In addition, limestone is a rock that can be crushed to provide high quality aggregate products that substitute for sand and gravel products in the construction industry.





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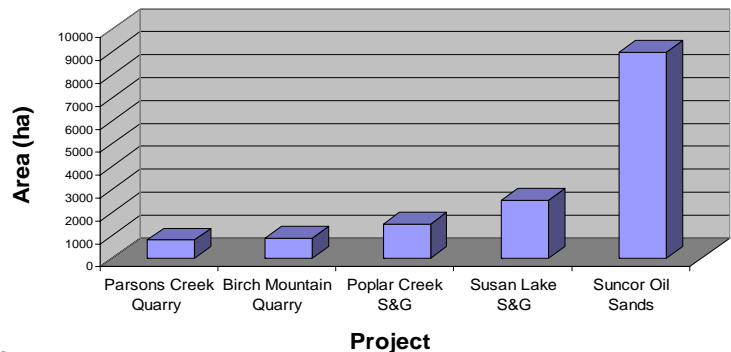
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## Scale and Timing of Operations

The market for aggregate products from the site will be in the order of 500,000 tonnes per year. This equates to about 80 smaller truckloads per operating day. In the longer term future, with potential growth in demand for environmental and industrial limestone products, the operation could produce up to 2.5 million tonnes per year. This would equate to 150-275 truckloads per day. At this rate of depletion the operations at the site could last up to 40 years. The actual timing for completion will depend on the market, and the actual amount of recoverable reserves within the approved footprint of the operation.

*The total land area of the Parsons Creek Resources project is not large by regional standards. Carefully phased operations and continuous reclamation will further reduce the footprint of the project at any point in time. Water use and permanent facilities on the site will be minimal. Water, likely from on-site ponds, will only be needed for "topping up" wash ponds from time to time. Since there is no bitumen involved, reclamation can be continuous throughout the life of the project, using proven reclamation methods. There will be no permanent industrial buildings or plants as part of the operation. Equipment will be limited to equipment that is typically associated with aggregate operations (e.g., scalehouse, crushers, conveyors, wash plant, temporary asphalt plant).*

## Size Comparisons



## Potential Impacts

The Parsons Creek Resources project team has identified a number of potential project impacts that will need to be carefully addressed by the mining plan and the EIA process. Key impact issues include:

- Sequential reclamation of the site for a multiple end land uses which could include diverse habitats, recreational uses, and possible urban expansion adjacent to Fort McMurray.
- Potential impact on the Athabasca River.
- Potential impact on traditional lifestyles.
- Potential impact on existing and future land uses within the City of Fort McMurray.
- Potential impact on wildlife habitat and movement corridors.
- Potential impact on air quality.
- Access to careers and business opportunities.
- Potential impact of trucks on Highway 63.

## STAKEHOLDER CONSULTATION

The Parsons Creek Resources project team will be engaging stakeholder groups throughout 2007 to seek input regarding this project. An official Public Notice inviting public review of the Draft Terms of Reference for the EIA was published in Fort McMurray and Edmonton newspapers and in the Alberta Sweetgrass newspaper in January 2007. Digital copies of our Public Disclosure Document and EIA Draft Terms of Reference are posted at [www.parsonscreekresources.com](http://www.parsonscreekresources.com). To request further information, or to provide initial feedback about the proposed project, please call our toll-free phone line at 1-866-404-4763 and ask to speak to Ron Wrigley of Brown and Associates Planning Group. Ron will be pleased to provide additional information or put you in touch with the appropriate people from the Parsons Creek Resources project team.