

TCG MATERIALS LIMITED ("TCG")
and
THE CORPORATION OF THE TOWN OF PELHAM ("Town")
LAND EXCHANGE

LAND EXCHANGE AGREEMENT
December 2, 1992

TRANSFER OF LANDS

1. TCG shall convey to the Town, at no additional charge, unencumbered title to the existing landfill site, as outlined in red on Schedule "A" ("Landfill Site").
2. The Town shall convey to TCG, at no additional charge, the portion of Park Street within the boundary of the TCG retained lands, as outlined in blue on Schedule "A" ("Park Street") for continued use by TCG as its main entrance to its sand and gravel pit.

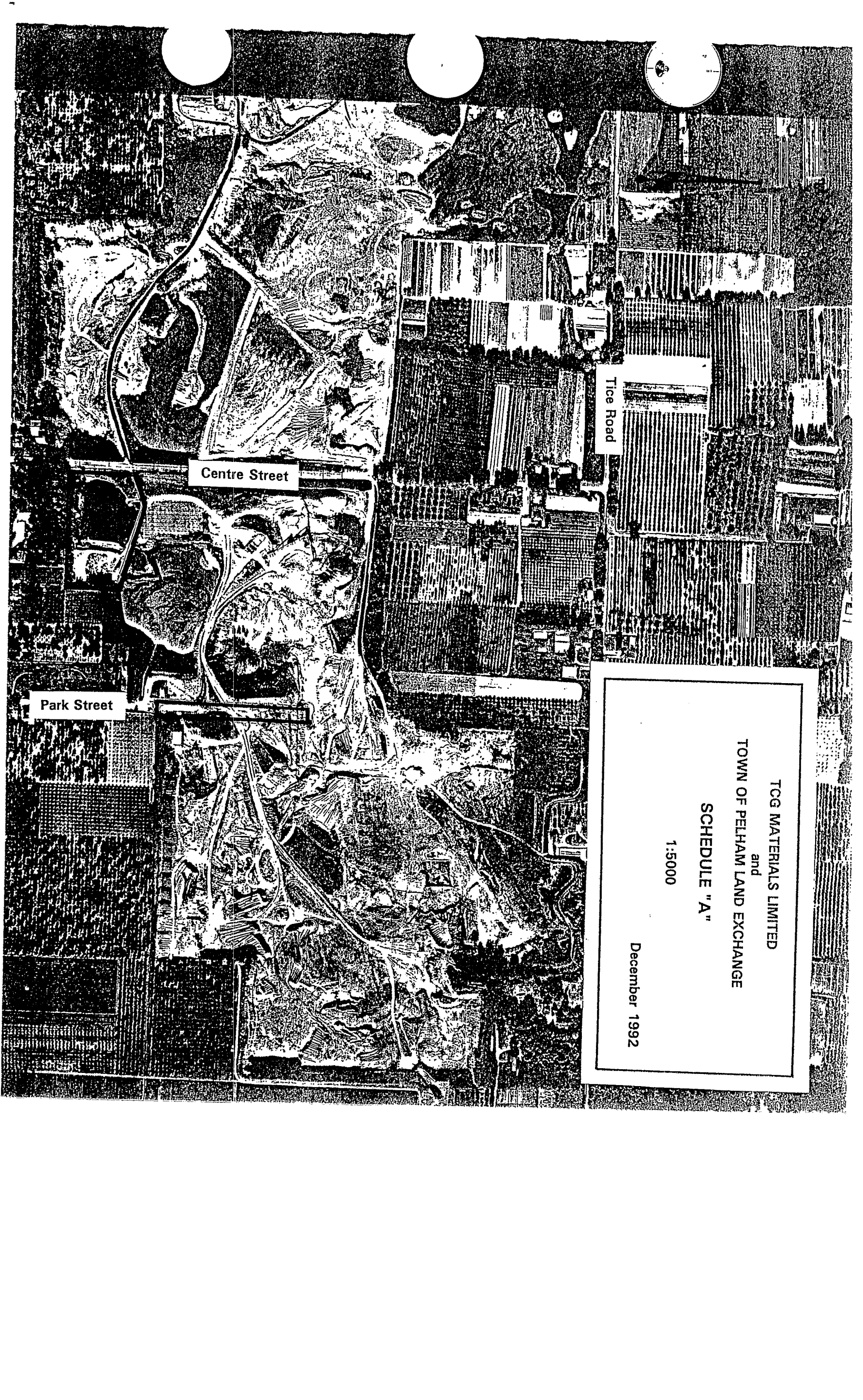
TCG RESPONSIBILITIES

3. TCG, at its expense, shall be responsible for the construction of a new access road to the TCG retained lands from Centre Street, if required by TCG.
4. TCG, at its expense, shall be responsible for the construction of a new drainage ditch to be utilized by the existing farm drain currently outletting into the Landfill Site. The new drainage ditch shall consist of an open trench from the farm tile to the Centre Street road allowance ditch and shall be seeded and maintained by TCG as necessary.
5. TCG, at its expense, shall obtain the surrender of the existing Licence under the Aggregate Resources Act as it pertains to the Landfill Site.
6. TCG shall not object to any future applications of the Town for Certificates of Approval for putrescible or non-putrescible waste, for a municipal waste transfer station for such waste, for a composting area on the Landfill Site, or for use as a storage site for municipal vehicles and equipment or public park.
7. TCG shall be responsible for all of its own legal costs.
8. TCG, at its expense, shall be responsible for all surveying (reference plan) for the Landfill Site.

TOWN OF PELHAM RESPONSIBILITIES

9. The Town, at its expense, shall be responsible for all surveying (reference plan) for the Park Street lands.

10. The Town shall permit the relocation of a new entrance for TCG onto Centre Street, if required by TCG.
11. The Town, at its expense, shall be responsible for the closure of the portion of Park Street to be conveyed to TCG.
12. The Town, at its expense, shall completely fence the Landfill Site with a minimum 1.2 metre high fence within 120 days after closing.
13. The Town, at its expense, shall be responsible for the continuation, renewal or reapplication of the Certificate of Approval from the Ministry of the Environment, testing, monitoring, installation of monitoring wells, consultants' costs, and continuation and closure of the Landfill Site. The Town shall fulfill all monitoring requirements of both the Ministry of the Environment and the Ministry of Natural Resources, if any, with respect to the Landfill Site and the TCG retained lands.
14. The Town shall design the closure plan to co-ordinate with the existing grades of the TCG retained lands and to ensure that no surface water will drain onto the TCG retained lands.
15. The Town shall provide to TCG, in a timely fashion both before and after closing, at no additional charge, copies of all reports, data or other reasonable and relevant documentation pertaining to the testing and monitoring of the Landfill Site and the TCG retained lands, including without limitation hydrogeology, geotechnical, hydrology or other reports required by the Ministry of the Environment.
16. The Town shall practice good housekeeping and reasonably maintain the Landfill Site, both before and after closing, in order to minimize nuisance and the negative aesthetic effect of the Landfill Site upon the TCG retained lands and occupants thereof.
17. The Town shall provide agreement in writing to eliminate any requirements for setback from the new property line of the Landfill Site for the benefit of the TCG existing Licence. Such relief would pertain only to Section 20(1)(a) of the Aggregate Resources Act to allow stockpiling and a processing plant, Section 20(3) for potential future berm, and Section 17(2) for location of scrap material.
18. The Town accepts the Landfill Site in an "as is" condition and shall indemnify TCG from all environmental damage caused by or resulting from the Landfill Site and the operations carried out thereon, save and except any environmental damage which the Town can establish on a balance of probabilities, was caused by any act or omission of TCG, its servants or agents. The parties hereto represent and warrant to each other that they have no knowledge, information or belief at the time of execution of this Agreement of any matter or circumstance that would result in



Tice Road

Centre Street

Park Street

TCG MATERIALS LIMITED
and
TOWN OF PELHAM LAND EXCHANGE
SCHEDULE "A"

1:5000

December 1992