

IN THE MATTER OF THE SECURITIES ACT
R.S.N.S. 1989, CHAPTER 418, AS AMENDED ("Act")

- AND -

IN THE MATTER OF ATLANTIC INDUSTRIAL MINERALS INCORPORATED
("Atlantic"), and MUNICIPAL CAPITAL INC., DAVID MACKENNA, GARY MACKENZIE,
BARRY MARTIN, GLEN DEXTER, BARCLAY CUNNINGHAM,
and BEV MACKENNA ("Respondents")

NOTICE OF DISCONTINUANCE

WHEREAS on August 18, 2006, the Nova Scotia Securities Commission ("Commission") issued a Notice of Hearing to Atlantic and the Respondents pursuant to section 134(1)(b)(ii) and 135A of the Act, the hearing for which was held on August 23, 2006 at the Commission offices;

AND WHEREAS on August 23, 2006, the Commission granted an order requiring the Respondents to cease all trading in the securities of Atlantic until two full business days following the receipt by the Commission of all filings Atlantic is required to make pursuant to the Act or fifteen days after the date of the order, whichever occurred first;

AND WHEREAS on August 25, 2006, the Commission issued a Notice of Hearing to Atlantic and the Respondents pursuant to section 134 of the Act, the hearing for which was held on September 6, 2006;

AND WHEREAS Atlantic filed its financial statements for the year ending February 28, 2006 as required by section 4.2(b) of National Instrument 51-102 and section 84(1) of the Act on September 5, 2006;

AND WHEREAS the Order dated August 25, 2006 expires on September 8, 2006;

TAKE NOTICE THAT this matter has been discontinued by Staff of the Commission.

DATED at Halifax, Nova Scotia, this 6th day of September, 2006.

"R. Scott Peacock"

R. Scott Peacock
Deputy Director, Compliance and Enforcement
Nova Scotia Securities Commission