

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
("Issuer"), and MUNICIPAL CAPITAL INC., DAVID MACKENNA, GARY MACKENZIE,
BARRY MARTIN, GLEN DEXTER, BARCLAY CUNNINGHAM,
and BEV MACKENNA ("Respondents")

NOTICE OF HEARING
(Sections 134 and 135A)

TAKE NOTICE that the Nova Scotia Securities Commission ("Commission") will hold a hearing pursuant to sections 134 and 135A of the Act at the offices of the Commission located at 1690 Hollis Street, 2nd floor, Halifax, Nova Scotia, or such other place as the Commission may designate on notice to the parties, on the 23rd day of August, 2006 at 9:30 o'clock in the forenoon, or so soon thereafter as the hearing can be held;

AND TAKE NOTICE that the purpose of the hearing will be for the Commission to consider whether it is in the public interest for the Commission to:

1. Grant a management cease trade order in respect of all trading, whether direct or indirect, by the Respondents in the securities of the Issuer pursuant to section 134(1)(b)(ii) of the Act; and
2. Order costs in respect of the hearing of this matter against the Issuer pursuant to section 135A of the Act;

BY REASON OF the allegations set out in the Statement of Allegations of Staff of the Commission attached to this notice and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE NOTICE that any party to the proceeding may be represented by counsel if that party attends or submits evidence at the hearing;

AND FURTHER TAKE NOTICE that upon failure of any party to attend at the hearing, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding.

DATED at Halifax, Nova Scotia, this 18th day of August, 2006.

NOVA SCOTIA SECURITIES COMMISSION

"Shirley Lee"
Shirley Lee, Secretary