



Scotia Capital,
Investor Products Group,
68th Floor – 40 King Street West,
Toronto, Ontario,
M5W2X6

Date: December 9, 2010

Re: Notice of Substitution Event – The Bank of Nova Scotia – Callable Global Infrastructure Deposit Notes, Series 1 (the “Notes”)

This notice is to advise holders of Notes that a “Substitution Event”, as defined in the Information Statement dated January 8, 2008 (the “Information Statement”), has occurred in respect of Intoll Group (“Intoll”), the Shares of which are included in the Basket. As of the market close on November 30, 2010, the Shares of Intoll were suspended from trading on the ASX, as the Canadian Pension Plan Investment Board completed the purchase of the outstanding stapled securities of Intoll.

In accordance with the terms and conditions of the Notes, Scotia Capital, in its capacity as Calculation Agent for the Notes, has replaced Intoll in the Basket with Asciano Ltd, (“Asciano”). In order to properly reflect the performance of Asciano in the Basket from the Issue Date to November 30, 2010, the Calculation Agent has deemed the Initial Price of the Shares of Asciano, for all purposes associated with the Notes, to be AUD 1.62.

Asciano owns and operates transportation infrastructure such as container terminals, bulk export facilities, stevedoring equipment and rail assets. Asciano operates in Australia and New Zealand. Asciano trades on the ASX under the symbol AIO. Investors may obtain additional information concerning Asciano at www.asciano.com.au

Capitalized terms used but not defined herein have the meanings ascribed thereto in the Information Statement.

If you have any questions please contact your Investment Advisor or call 416-863-7891 or 1-866-416-7891.

Regards,
Scotia Capital
on behalf of The Bank of Nova Scotia.