

MR. ROGERS, EXAM. BY MR. MERRICK

1 light and the subordinated loan. And I think the next
2 paragraph makes that clear. "Westray has stated the
3 Province will now buy one million tonnes of coal from the
4 new mine." That's the 975,000 that I made reference to.
5 And the sentence later on says, "Westray has also
6 indicated that Nova Scotia will provide Westray the
7 subordinated loan." So both decisions occurred at the
8 same time.

9 Although, you would now see why I had to seek
10 confirmation from Nova Scotia about the commitment to buy
11 the coal because it was Westray who was telling us that
12 the Province had said so, and we hadn't heard from the
13 Province directly.

14 Q. But this document also confirms that the
15 subordinated loan may well have been in order for Westray
16 to achieve the A.E.P. program equity requirements?

17 A. Oh, yes.

18 Q. All right.

19 A. I don't think that's ever been in doubt.

20 Q. Okay. Can I just flip you to the third page of that
21 memorandum, stamped page 23, and your recommendation
22 there. Now you are taking a definite position on it.
23 You say that you reject Westray's application for
24 assistance. Why would you now be making that
25 recommendation about a month after you had put two