

MR. ROGERS, EXAM. BY MR. MERRICK

1 project on October the 13th, '88, and concluded the
2 project has normal technical and geological risks." Was
3 that that preliminary study that Dr. Brown did?

4 A. Yes.

5 Q. All right. And at that point I'm assuming there was
6 no suggestion then that there was anything that could not
7 be done technically in relation to this project?

8 A. Right.

9 Q. If you go over to the second page, second paragraph,
10 this is now Mr. Frame's input. He notes geological
11 faults. "Experts are convinced we can cope with these.
12 The faults may affect productivity. Roof was not a
13 problem in previous mining, although the Allan Mine did
14 not mine as steep coal or as deep." His sentence, "The
15 faults may affect productivity," did he elaborate on that
16 at all or can you recall any elaboration?

17 A. There is an elaboration in the October -- the
18 attachment to the October letter, October 28th letter.
19 In which he says that it might increase labour costs.
20 And one of the sensitivity analyses that was done in a
21 chart that was attached to that letter showed several
22 scenarios of lower prices because of lower quality coal,
23 problems of productivity minus 20 percent compared to
24 what was expected, and another of other what you'd
25 describe as scenarios that might lead to different