

MR. CAMERON, EXAM. BY MR. MERRICK

1 company was challenged on that?

2 A. The Federal Government made it very clear to our
3 officials that that was a requirement. So there was no
4 mistake about it; the Federal Government wanted us in
5 this deal.

6 Q. So am I now understanding that the \$12 million loan
7 was put in because the Feds required the Province to loan
8 the money?

9 A. The Federal Government wanted us to be in it
10 financially. That comment was made to me by someone.

11 Q. Can you direct me to anything specific on that?

12 A. No, I just remember them saying they want our necks
13 in here. They want us involved financially in this too;
14 they're not going to go with us buying the contract and
15 providing the leases and then the money. They're going
16 to make sure that we have some money on the line too.
17 That's why I think that's very consistent, was when the
18 company wanted to go and make the private placement, it
19 was agreed to by the bank, agreed to everyone, and they
20 were going to pay us off, the Federal Government just sat
21 on their hands and said, "No, we're going to keep them in
22 there. We're not going -- even though it was going to
23 help the project, we're not going to do it." They wanted
24 us in this too.

25 Q. Let me come back to when the loan was made. Do you