

MR. CAMERON, EXAM. BY MR. MERRICK

1 So then it was 800,000. So it was rather unusual to tell
2 a company that you have to have signed contracts for --
3 if you had signed contracts for 800,000, it would be
4 rather unusual to say, "Well, now we want to have signed
5 contracts remaining." They certainly didn't do that with
6 DEVCO when they were drilling mines. They didn't know
7 where they were going to sell the coal. So it was
8 another way to delay the project. So they said, "Well,
9 unless you can get a signed contract for the 700,000 up,
10 and the fact that the Power Corporation will take more
11 down the road, well, that's -- that's -- you know, that's
12 down the road."

13 So that's where the take-or-pay came from. And,
14 again, it was enforced by this position of the Federal
15 Government.

16 And the take-or-pay was simply a very simple --
17 everyone has tried to make it very complicated and make
18 it something it's not. What we said to them was, "Okay,
19 to help put your financing in place, with a clear
20 understanding that you will never get one red cent out of
21 this. You have to understand that." And I think they
22 under -- at least, Gerald Phillips and Marvin Pelley
23 understood it very clearly, believe me.

24 I'm not sure if Mr. Frame was ever told this, but
25 that's for them to discuss.