

MR. CAMERON, EXAM. BY MR. MERRICK

1 Q. All right. Let me take you to that next document
2 that we were looking at a few moments ago. This is a
3 later memorandum from Mr. Robar --

4 A. And what page is --

5 Q. -- to Elizabeth Cuddihy. This is at page 91. And
6 do you have it?

7 A. Yes.

8 Q. Third paragraph down. Again, they're talking about
9 the take-or-pay contract. In the second paragraph they
10 make the statement that you referred us to. Then in the
11 third paragraph he says, "You will note that C.R.I.," and
12 I assume that's Curragh Resources Inc., "has the option,"
13 if the bank agrees, I would presume, "of selecting a
14 price less than the take-or-pay price, if reasonable. If
15 the terms and conditions of the take-or-pay were public
16 knowledge, the Province would literally be held to ransom
17 by a prospective purchaser.

18 The following example will illustrate, an
19 independent party estimated that \$66 a tonne would be a
20 reasonable price for New Brunswick to pay for the coal at
21 their new power," station, I assume. "The current take
22 price for coal under the take-or-pay is about \$73 a
23 tonne. As the only knowledge New Brunswick now has of
24 the take-or-pay is that some sort of contract exists, it
25 will probably negotiate in good faith at around the fair