

MR. CAMERON, EXAM. BY MR. MERRICK

1 Q. And your --

2 A. -- Natural Resources people, I think. I think they  
3 went to get some advice from them.

4 Q. Your officials appear to be clearly under the  
5 understanding that Curragh might be in a position to come  
6 against the Province for any differential in price?

7 A. Well, I don't agree with it.

8 Q. All right.

9 A. I told you before they weren't going to get any  
10 money. There's a clear understanding to the company they  
11 weren't going to get any money. The \$73, I don't know  
12 how they arrived at that figure. But, clearly, that  
13 formula has to come from world price. I doubt if world  
14 price was \$73 a tonne. That sounds a little high to me.  
15 So I don't know where they got the figure of \$73 a tonne.  
16 But it sure doesn't sound like world price to me.

17 Q. Were you ever aware of the discussion going on in  
18 your Department about this possible scenario developing  
19 and the valuations that were being put on the potential  
20 liability under the take-or-pay agreement?

21 A. Yes. Mr. MacNeil, who ran the Resources Board -- I  
22 can't remember the -- he was concerned by what liability  
23 he would have to attach to his financial statements and  
24 wanted to abide by the law and say, "Well, it may not be  
25 used, but for accounting procedures, we have to have a