

MR. CAMERON, EXAM. BY MR. MERRICK

1 we should try to do one thing at a time. He said that
2 once we have the Federal funding in place, discussions
3 would commence with respect to potential sales to Point
4 Tupper. There may be only one opportunity to sell coal
5 to Point Tupper if we go along with our Federal funding."

6 And then over on the next page, he says, "I would
7 like to suggest we make two commitments to Don Cameron
8 (1) the 400,000 tonnes coal sale to Point Tupper would
9 eliminate the need for the 275,000 take or pay; (2) we
10 could guarantee to Don that we would have a cheque for \$8
11 million available at the end of the month. However, I
12 did tell Tom Merriam that the cheque could not be
13 available at month end. If everything is finalized and
14 we have agreed on certain things by month end, there may
15 be a way for Don Cameron to save face with respect to his
16 financial year end, the end of March. He could show on
17 accounts receivable that they do have an amount of \$8
18 million outstanding..." et cetera, et cetera.

19 And in paragraph 9 where Merriam, apparently, was
20 going to speak to officials about this repayment.

21 The fiscal year end was the end of March, I take it,
22 1990?

23 A. Uh-huh. Yes.

24 Q. And the interim loan had originally been anticipated
25 that it would be paid back by year end?