

MR. ROGERS, EXAM. BY MR. MERRICK

1 A. Well, let me explain that having had the point
2 raised as a threat, I was strategically also threatening
3 by saying, "If you really feel that way, this may bring
4 the whole project down." So this response is totally a
5 nothing response, but I believe that I had made my point,
6 and that this point would not surface further in
7 discussions with the Nova Scotia Government.

8 Q. Finally, over on the last page, in the last main
9 paragraph that starts with the words, "Finally, there has
10 been much discussion and correspondence on the topic of
11 financial returns." He then goes on to, basically, I
12 take it, take the Company's position on that, that the
13 Federal assistance being sought was, in fact, justified
14 and required?

15 A. What he's really saying in this paragraph is, "Don't
16 look to us to help you with your problem of negotiation
17 with Westray. That's -- that negotiation is between you
18 and the company." I think he was -- although this was
19 not canvassed in my letter, my opinion that it was in
20 here in order to make clear that we would not be able to
21 enlist the support of the Nova Scotia Department of
22 Industry in our arguments -- in the Federal Government's
23 arguments with Curragh Resources over the level of
24 requested assistance.

25 Q. Did that position strike you as odd? And the reason