

Henley Capital wins again - Cable Atlantic and Premier Williams lose at Ontario Court of Appeal

TORONTO, Aug. 10 /CNW/ - On Thursday, June 29, 2006 Justices Robert A. Blair, John I. Laskin and Edward A. Then of the Ontario Court of Appeal unanimously dismissed the appeal by Cable Atlantic and its controlling shareholder, Premier Danny Williams and former President, Mr. Dean MacDonald. The appeal judges ruled from the bench that Madam Justice M. A. Sanderson did not err in her May 5, 2004 decision and confirmed that there was a valid and enforceable agreement to pay a success fee.

Mr. Henley said "we are extremely pleased with the Justices' unanimous decision from the bench to dismiss Cable Atlantic's appeal, it was great to see the appeal dispensed with so quickly." He further commented that "this case was simply about telling the truth - and the truth prevailed - that is especially rewarding for me". Mr. Henley further commented that "while it is regrettable that Cable Atlantic's actions have cost a two-decade old friendship (with Mr. MacDonald) it is quite revealing that the fundamental premise of Cable Atlantic's Statement of Defense was undercut by the Premier himself during intense cross-examination by my counsel at the trial".

He also noted "while this matter should never have gone to trial it is gratifying after almost six years of litigation to be completely vindicated both at the Superior Court and now the Ontario Court of Appeal".

Henley Capital Corporation is an independent investment banking firm advising and financing both public and private companies in Canada. Henley Capital specializes in assisting companies in the information technology, communications and media, biotechnology, applied technology and emerging growth sectors.

Backgrounder

Henley Capital Corporation ("Henley Capital") received an initial judgment from Madam Justice M. A. Sanderson of the Ontario Superior Court of Justice on May 5, 2004. Among other things Madam Justice Sanderson found that the advice provided throughout Henley Capital's two mandates - the sale of Cable Atlantic's telecommunications assets to Group Telecom Inc. and the sale of the cable and other operations to Rogers Communications Inc. which at the time aggregated approximately \$290,000,000 - was "excellent advice", that Henley Capital "brought considerable skills to bear in providing the services and advice" and that the investment banking services Henley Capital was asked to provide were "provided with competence and timeliness".

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