

248. The railway runs through that, I see?—Yes; through the upper portions. There are no gold-workings in that portion; the railway runs through it.

249. And it is closely adjacent to Reefton?—Yes. No payable gold has ever been discovered in it.

250. Do you think that payable gold is likely to be discovered in it?—No.

251. There is a little corner there, 1,300 acres, on the Inangahua River—Yorkey's Creek?—If you take all that strip along 59 and 61, there has been no payable gold discovered on it. No miners have worked on it. All along that boundary is the Inangahua River.

252. From your experience of that country, is it likely that payable gold will be discovered there?—There is no likelihood of payable gold being discovered on it. The rest of that country you see, that we have allowed, has a belt of gold-bearing slate running through it.

253. Hon. E. BLAKE.] Where?—Witness (correcting himself) that part we have disallowed, the hatched portion? That [indicating] is where we have allowed. There is a lot of slate country, about half a mile to a mile wide, and that belt is payable, a belt that runs in the Reefton district. This portion that we have disallowed is more of a Devonian formation—the coal measures come in there.

254. Then, that is not a proper line at all; it is a line you consider follows the geological formation of the ground?—Yes.

255. I think you spoke as to that portion coming down the eastern side of 61 and 59 divided by what you call the same formation?—Yes, the western portion, which is not hatched, that is the slate portion. On the eastern portion of reserve no payable gold discovered. One portion is partly coal formation, partly granite, and partly limestone; it is partly to the east of the coal formation.

256. Now, with reference to these blocks, would there have been any difficulty in the Government exercising any care reserving the portions that you say were only necessary for mining purposes?—There could not be any difficulty at all. No necessity in reserving that portion, for there is no gold in it.

257. You think reserves could have been made covering these gold-workings, or possible future gold-workings—could be made in the manner you suggest without any difficulty at all?—Without any difficulty; and there are other portions in the centre of Block 59, not hatched, where you could cut out 100 acres here and there not required for gold-mining. There is coal again to the west of that country, a belt of coal formation with a belt of very fair coal.

258. Did you proceed in this as you did in the others, on the block system, treating them as blocks?—Yes.

259. You say that in the centre of 59 there are coal formations?—Yes.

260. Do they interfere with the gold-workings at all?—No, the gold-workings are to the east of them, and not to the west.

261. Is the coal formation on that western portion of this hatched piece?—Yes.

262. Hon. E. BLAKE.] You said the eastern part is partly granity, and that there is no gold?—Yes.

Hon. E. BLAKE: We want number 94 now. [Exhibit 94 put in, comprising 51, 53, and 54.]

Mr. Cooper: In reference to 54, Nelson District, we say that the company does not dispute that the greater portion of this block is required for gold-mining purposes, but that the small portion of the block containing 338 acres is improperly included, and the eastern block. These are those allotments running there [indicating on map].

Hon. E. BLAKE: 72, 69, and so on, hatched.

Mr. Cooper: Yes; a block containing 338 acres.

Hon. E. BLAKE: You take these out because—

Mr. Cooper: Because they have coal, and should never have been surveyed by the Crown, and they could with the slightest care on the part of the Crown have been kept from reservation. They are not necessary at all for mining purposes.

Hon. E. BLAKE: Are you taking 54 by itself?

263. Mr. Cooper.] I will deal with the 380 acres at the present time. Mr. Fenton, do you think they are properly included in that reserve?—No; I think they are improperly included: they are not required for gold-mining purposes.

264. They are a portion of sections that were surveyed by the Government outside Reefton?—Yes.

265. Is there any probability of there being gold on this Section No. 4, in your opinion?—No; I do not think so.

266. Are there any gold-workings that you have been able to discover upon these sections?—No.

267. And you say that they contain valuable coal deposits?—The upper portion, along the boundary of 72 and 69, there are coal measures along there—Nos. 72, 69, 67, 64—that is to the west of the slate country.

268. So far as the balance of that section is concerned they are coal-workings?—Yes; on the east portion again it gets into the coal country.

269. Mr. Cooper.] You say that, although you have hatched it, there are considerable portions of that which should have been reserved?—There are coal-mines, and supply Reefton with coal.

270. Hon. E. BLAKE.] Are you going on the theory that because there is coal there is no gold?—There is coal there; they are getting coal from there.

271. But do you state it as a fact that there is coal. There may be both gold and coal too?—A little gold may be washed on the top of the coal.

272. Mr. Cooper.] We come to Block 54: there would be no difficulty in cutting out these allotments?—No; there is fine timber on them.