

543. Then you drew the inference that it was abandoned?—Yes.

544. Do you know of any other blocks besides 6 and 1 that should not have been reserved?—There is Block 11, Jackson's.

545. What have you to say about that?—I have been over Block 11, near Jackson's Railway-station, and near the Teremakau. There are about 600 acres of flat land or gently-undulating land in which there are no gold-workings of any kind. There has never been any gold found in it. About a mile back from the river the hill rises perpendicularly, and there has been a battery erected there, with which there has been only one trial of stone, from a reef higher up the hill. I tested the stone from the reef myself, and found it was not payable. There were several tons of stone lying in the battery when I was there last. I tried a prospect from that stone, and found it was not payable. It would not pay for crushing, so they left it behind.

546. Do you think any portion of that block ought to have been reserved?—I saw only the portion facing the river—that is about a mile and a half back—and I consider that portion should not be reserved.

547. You did not examine the other portion?—No.

548. What other blocks can you speak to on this plan?—Block 8A, 1,700 acres.

549. What have you to say about that?—I went over that block in all directions. The only gold-workings upon it are on the banks of the Arnold River, near the Kaimata Railway-station. There were two men working within 20ft. or 30ft. of the river. That is the only work on the whole block. It is fairly flat country, with very good bush upon it. I am certain they will never get any payable gold on the back portion of the block. The gold there was evidently deposited by the Arnold River. The country rises 200ft. or 300ft. at the back.

550. Is it your opinion that 1,500 acres of that 1,700 acres has been improperly reserved?—My opinion is that there are 1,690 acres improperly reserved.

551. Do you think that 10 acres would be sufficient to reserve for mining?—Yes, a few chains along the banks of the Arnold.

552. Did you examine Block 9 and Block 11?—I examined Block 9, and in the northern portion of it there were no gold-workings.

553. Hon. E. BLAKE.] Did you examine it all?—Yes; in the same way as I examined the others. In the southern portion I found there was gold-working, but not in the north. They are ranges at the back of the Greymouth Township, and there is no gold-wash upon them. They are limestone hills, and I am certain they are not required for gold-mining purposes, and gold is not likely to be found there. It is about 3,000 acres in extent. The northerly 1,500 acres should not be reserved.

554. You have now gone over all the blocks on this map that you have examined, Mr. Fenton. Now, do you know anything about Westport Harbour?—I have lived in Westport for months at a time.

555. What kind of harbour is it?—It is a very fair *bár* harbour.

[Mr. Gully objected to cross-examining this witness at this stage, as he had not been supplied earlier with particulars of the company's objections to parts of the reserves.]

PETER FRANCIS DANIEL sworn and examined.

556. Mr. Jones.] You are?—A mining engineer.

557. Do you hold any other qualifications?—I hold a mine-manager's seven years' certificate from the New Zealand Government.

558. Are you a member of any Institute?—I am a member of the Federated Institute of Mining Engineers of England.

559. Did you study at the University of Otago?—Yes.

560. What?—I was there about five years, and studied all subjects relating to mining, assaying, chemistry, mineralogy, and other subjects, under Professors Ulrich and Black.

561. Have you had any practical gold-mining experience in New Zealand?—Yes; considerable mining experience in New Zealand.

562. Can you tell me when you made an inspection of the ground in Block 81 [see Exhibit 91] for the purpose of the Midland Railway arbitration case?—The ground has been familiar to me for the last six or seven years. I examined it about May last, and latterly in September. I spent five or six days in it.

563. Who were in your company when you examined it in May?—Messrs. Fenton and Perotti.

564. And on the last occasion, in September?—Several. Messrs. Fenton and Perotti were with me over a portion of the block.

565. Who accompanied you on the second occasion?—Messrs. Fenton and Perotti, a considerable way.

566. Anybody else?—Messrs. Dowling, Kane, Harper, Kyle.

567. Anybody else?—Mr. Pavitt and others were there, but I was not with them.

568. Would you recollect any of the other names: Mr. Harper?—Yes, he was one.

569. We will confine ourselves to the September examination, if you like?—Yes.

570. Can you tell me what portion of Block 81 you examined?—Practically the whole of the block. The part hatched here [indicated on the map] I went over in a variety of directions. I went along the tramways through both the sawmills of Fairy Brothers, and went up the tramways, branch tramways, and snigging-tracks leading to the sawmills.

571. You had better say where those tramways are: on what portion of the block are they situated?—There is one on leasehold and one on freehold sections about the southern end of the block.

572. All around about the reserve?—About that portion.

573. Which direction do they go in from there?—About three miles into the block.

574. What sort of country did you find there?—It is all heavily timbered country.