

178. The man was refused, and I would like to know why he was refused, if he had no protection over the area?—Of course, that is a question I cannot answer, because I do not believe he ever was refused. I cannot tell you why he was refused if I do not know that he was refused. He may have applied for the little lake only, and then have had an idea to apply for more, and did so. If he had applied for the whole his application would have had to be received and then reported upon, and decided ultimately by the Minister.

*Mr. J. Allen:* May I ask whether this file of papers produced by Mr. Kensington is to be put in?

*Mr. Kensington:* It is the Lands Departmental file. I have brought it up myself so as to be able to give any information that may be wanted; but it is not put in in evidence.

179. *Mr. Leather:* The recommendation as to the division of the lake-area was stated to be in the report of Mr. Hayes, the Inspector of Mines. Are you aware that Mr. Hayes mentioned that the Mines Department intended subdividing the area before he reported on the matter?—I cannot say that. I do not remember that he ever told me anything of the sort.

180. But you state here that it is the recommendation of the Inspector, after reporting on the property, that a division be made?—That is very different from the way you put it last.

181. It looks very inconsistent that he should say the Department intended to subdivide the area before ever he went over the lake with Mr. Rossenbeck and myself in order to inspect it?—I never heard him say that. We were to examine into the whole affair, take all the evidence that was necessary, and then report to the Minister. Those were the instructions. As to division, or anything of that sort, the matter was not considered until about a week or a fortnight after we had obtained all the information we required.

182. Did we give all the information you required concerning our boring operations, &c.?—I do not know, but you gave us a lot of information.

183. Is it possible that such information could leak out of your office and become public property?—It is quite possible, but I do not know that anybody except myself and the Board knew about these things.

184. But you said that probably the Taupiri Company got to know of what we had found, and that they sent in a prior application?—It looks like that on the face of it, because it appears that the same men who had been boring for the Taupiri Company had been boring for you, and so on—so you told me. There was evidently a looseness on your part and on that of the prospecting company, and you could scarcely be surprised at the information leaking out.

185. Do you believe me when I tell you that I know of the Taupiri Company's boreholes?—I quite believe that. There is no reason why you should not.

186. How do you expect anything to be kept secret that has to go into the Land Board Office?—I have scarcely ever formed any opinion about it.

187. Then, our protection really was no protection?—How do you mean?

188. You simply mean to say that our protection, as mentioned in this letter, was no protection?—It simply amounted to this: we told you that we would not proceed with your application for a coal-mining lease and saddle you with rental until your boreholes were put down.

189. You considered that we were doing legitimate work—we were not simply trying to hang on and do nothing?—I am sure of it. You did legitimate work, and nobody was more sorry for it than I when things turned out so badly. I told you over and over again that I was quite annoyed about your not coming in and making application.

190. But you gave us six months' extension of time?—Not an extension of time to make an application. We merely adjourned consideration of the affair for six months.

191. It says in this letter "six months' extension of time"?—You understood it quite well.

192. Our letter said, "We therefore request you to grant us a further extension of protection over lake-area." There is no 100 acres mentioned—no anything. We knew what we were applying for and we got it?—No protection over the lake-area was given—it was merely that consideration of your application was postponed.

193. The letter of the 3rd December, 1902, reads, "In reference to your letter of the 22nd November asking for six months' extension of time to enable you to extend your prospecting operations, I have to inform you that the matter has been considered by the Land Board, and they have resolved to grant you the six months' extension for which you ask."?—Six months' extension for your prospecting operations; that was all. It did not mean the right of making an application for the whole of Lake Wahi within six months. Certainly not. Absurd.

194. Our letter, to which that was the reply, said, "We therefore request you to grant us a further extension of protection over lake-area"?—You may put it in that way, but the answer does not convey that.

195. I wish to ask you a question or two about this report of Mr. Alison's speech at a meeting of the Taupiri Company—the report that appeared in the newspaper: "The decision to acquire the rights under Lake Wahi was made after it became known that the Huntly Exploring and Boring Syndicate had carried on operations on Lot 48, adjoining the lake. After much pressure the Government granted 250 acres of the lake"?—Who said that?

196. *Mr. Alison:* He refers to the 250 acres over there [Place indicated on plan].

197. Yes; he was refused, but "after much pressure"—bear that in mind—you granted him 250 acres?—I did not grant it to him.

198. How did he bring the pressure to bear?—You had better ask him; he is here.

199. Why did you refuse the Taupiri Company in the first instance and not give the area to him?—In which way? The company applied for 500 acres, and the application was received. Beyond that we could not do anything.

200. Prior to that. The Taupiri Company's representatives were in on two occasions prior to the 500 acres being applied for?—They may have been in the office on half a dozen occasions as