

settle the matter, and give you 250 scrip and £100 in cash." We demurred, when Mr. O'Halloran said, if we would take it, we might make money as he had done, and that he had made £400 out of some of his shares already. *Mr. W. H. Grace.*
7th Sept., 1875.

431. How many scrip was the whole share divided into?—Into 1,000 scrip shares.

432. What did they sell for each?—Some time before the lawsuit, some time after the Company was formed, the scrip were sold at from £2. They went up to about £3 just before the lawsuit; then they went down a little, and directly after the lawsuit was settled they went to £4. Just before the lawsuit, I believe Crippen transferred all his shares away, transferred them into the name of another person. They had a meeting of the shareholders of the Tairua Company to appoint directors, and at that time Crippen was not registered. He had transferred all his shares. I believe he still holds shares.

433. Did you write a letter to me as Superintendent of Auckland, giving information about Guilding and O'Halloran's lease?—I did write that letter to you.

434. Do you remember my writing a letter to you, or sending a telegram to you?—You sent a telegram.

435. In point of fact your letter was written to me as a public officer, and I asked you whether I could make use of it?—Yes, I telegraphed back that I thought it would be rather premature. After that, I saw one of the Natives connected with the block, and I asked him what had been done about the Tairua reserve, and he said that O'Halloran and Guilding had been at Mercury Bay trying to lease the reserve for Mr. Mackay. I asked if he was sure it was for Mr. Mackay, and not for Guilding, and he said he thought it was for Mr. Mackay. I said, "What is the rent?" and he said "£100 a year;" but we want more, and that is why I am here now. That occurred in Shortland.

(Questions put by Mr. Mackay through the Chairman.)

436. I wish to ask you if you have not told people at Shortland—told Mr. Guilding—that you were an agent of Sir George Grey's?—Never. Guilding came to me one day—when Mr. Fryer, I think, and two or three others were present—and said that his firm was no good, that he had not got anything out of Ohinemuri, Tairua, or Hikutaia, but that he had got them this time, and was going to stick to the reserve at Tairua.

437. His firm! What did he mean by "his firm"?—He meant your office.

438. Afterwards he came to Mr. Tookey and myself, and said, "If you like I will join you, and give you all the information you want about the purchases in the district of Hauraki. I will join you, but I would like a guarantee of a certain sum of money." I called Mr. Tookey aside, and said, "We cannot trust him, for if he would throw Mr. Mackay overboard, who has been his best friend, I think he will throw us over." We decided not to have anything more to do with him.

439. You are certain that what you are saying is correct, and that the overtures did not come from Tookey to Guilding (Mr. Mackay read a telegram from Mr. Guilding to him of the 6th of July)?—Witness produced and read a letter he had just received from Mr. Tookey, dated the 31st of August.

440. Did not that conversation which O'Halloran had with you respecting scrip refer to scrip to be given to the Natives?—I may say that most of the conversation was with Tookey. There was not much with me. O'Halloran did not tell us whom the scrip were from. Tookey said, "Well, I think we can come to some arrangement if you give us a transfer of the shares now, and the cash." O'Halloran went away, saying he would see us by-and-by, and when he came back he said he could not do it.

441. Are you not aware that the Company transferred scrip to O'Halloran, that 1,000 scrip was to be given to the Natives, and that 500 were held by O'Halloran?—I am not aware of that.

442. To hold them in trust until the questions between the Natives were settled?—I was not aware of that.

443. Are you aware that the Natives were at that time disputing as to the division of that scrip?—I never knew of any dispute about that scrip. What the Natives were making a noise about was that they had not been dealt fairly with, and had not got the interests they were entitled to in the Prospectors' Claim.

444. *Hon. Sir D. McLean.* What Natives were these?—Te Moananui, Tanumeha, Riwai te Kiore, Hohepa Paraone, Matiu Poone, and Tautoru Tawa.

445. *Mr. Mackay.* You have not heard that 500 scrip were set aside for Nikorima and 500 for Taipari?—I have heard that. I have a letter from Nikorima about that matter.

446. Are you aware that when the Tairua Company did not get the claim reserved as promised, that they then refused to give the Natives the scrip?—I recollect speaking to Mr. Graham about it. He said they had not been treated fairly by the Government, and by all means for the Natives to go it and make their claim; that the Natives had not been dealt with fairly either.

447. Is it within your knowledge that the Company objected to giving the scrip because they had not got what was promised?—I am not aware of that. I think I spoke to Mr. Graham, and he told me to go to you.

448. Are you aware that the scrip for Taipari has not yet been handed over by the Company?—I am aware that Nikorima stopped the transfer, saying Taipari had no right to have any.

449. Are you sure that the transfer was not made to O'Halloran?—I do not know; I should have thought that the person to hold a transfer of that description would be the Manager or Secretary of the Company. I do not know whether O'Halloran had it or not. Nikorima told me it had been done in your office, and that he had been deceived in the matter.

450. What had been done in my office?—The transfer of those 500 shares.

451. You have heard that there was a transfer?—I heard there was a transfer.

452. You did not hear that was a transfer from Nikorima of 500 shares to O'Halloran in trust until the question was settled?—I heard it was a transfer from Nikorima to Taipari of 500 shares.

453. You were acting, I believe, as agent for Te Moananui and Tautoru in this matter?—Yes.