

265. Are those seams visible there or not?—I have not been up there. I was only up twenty-five miles. That was enough for me.

266. You say that you were in the south-east corner?—I was in four corners and up the middle.

267. You say you were in the south-east corner?—Yes, of the Mokau-Mohakatino Block.

268. In that corner did you see a valuable seam of coal from the top of the hill?—How far up above the water?

269. Considerably?—I want to know approximately.

270. Did you see a seam at all?—I cannot say.—

The Chairman: I will ask the Committee to decide about this business that is going on. It is altogether irregular.

Mr. Seddon: What is the object in Mr. Jones asking this question?

Hon. Sir J. Carroll: He is representing Mr. Massey.

Mr. Massey: Oh, no. I must deny that there is any one representing me. I am here to represent myself.

Mr. Jones: Mr. Hardy's contention is that there is no coal there.

The Chairman: You can come and give evidence if you like in connection with that when you are cross-examined.

271. *Mr. Jones:* He could say Yes or No. Did you see coal at all on the south-east corner?—No, I did not see it.

272. You heard the Chairman say that from that corner to Mungaroa is sixteen miles—

The Chairman: I must rule that entirely out of order. I cannot allow you to go any further. You will have a chance of giving this in cross-examination.

Witness: I can answer his question in a moment. Even if there is coal there, the Mohakatino River is not navigable in the same way that the other river is.

Mr. Jones: You said—

The Chairman: I cannot allow you to go any further. You will have an opportunity later on.

ROBERT McNAB sworn and examined. (No. 11.)

1. *The Chairman:* Have you seen this document that has been published in connection with the Mokau-Mohakatino Block?—No.

2. Have you seen anything in the newspapers that was published in connection with this?—Not about that paper.

3. I understand you wish to give evidence?—Yes, I wish to give evidence in connection with a statement that was made by Mr. Massey in his speech at Auckland when he dealt with the Mokau Block and mentioned my name. An inference has been drawn from his remarks that I acted with Sir John Findlay and Sir James Carroll to bring about the purchase of the block by a company of which I am now the chairman. I want to give evidence of my connection with the purchase in order to negative that suggestion.

4. Will you proceed, please?—The first knowledge I obtained of the sale of the Mokau Block was, I think, on the 9th January, 1911. I was in Palmerston North, and met Mr. Whyte, a land agent of Hawke's Bay, who was in company with Mr. Mason Chambers. Speaking of the purchase of the Mangapapa Block, on the other side of the Mokau River from the Mokau-Mohakatino Block, Mr. Whyte stated that Mr. Mason Chambers had secured an option over what is known as the Mokau Jones Block. About an hour afterwards, when I reached my own home, an agent called on me—a Captain Preece, a land agent in Palmerston North—who introduced himself as being the agent of an option-holder of the Mokau-Mohakatino Block, and asked me if I would take up shares in it. I told him he must be under some misapprehension, as I understood a gentleman in Hawke's Bay had the option. He said, "In view of what you say I will see you again when I get definite instructions in regard to it." I then went south, and my next communication with respect to this block was a telegram which I received from a land agent in Palmerston, Mr. J. M. Johnston.

5. *Mr. Herries:* What date was this?—It was either the 18th or 19th January, 1911. He stated in the telegram that Mr. Mason Chambers had secured an option over the Mokau-Mohakatino Block, and was putting that option in with another from a Mr. Fraser over what are known as the Mokau coal-mines, situated in the Mangapapa Block, across the river; and they were going to float a company to take over that property. When I came back to Palmerston—and that would be about the 24th or 25th January of this year—Mr. Johnston spoke to me about it. Mr. Whyte was also there, and he spoke to me and asked me to take up shares in the company. They had then drawn up a rough prospectus; and I agreed, either on that day or a day or two after, to take up a thousand shares in the company, which was to be a company of £100,000—

6. Were they £1 shares?—£10 shares—formed with the object of purchasing these two properties, if considered satisfactory. A document was made out by Mr. Loughnan, wherein Mr. Mason Chambers and Mr. Fraser entered into a contract with Mr. J. M. Johnston and Mr. David Whyte to bring about the flotation of a company to take over their interests.

7. What was the date of the document?—The 27th January, 1911. I can hand the document in. This document provided for the price of the Mokau-Mohakatino Block. If it was freehold it was to be £81,000.

8. *Mr. Massey:* That is, the 53,000 acres?—46,000 acres; 46,000 acres is the area we bought.

9. You bought from Mr. Herrman Lewis?—The company bought from Mr. Mason Chambers. The option over the leasehold was £56,000. If he could not, on the day of completion, provide the title to the freehold, it was to be £56,000 for the leasehold interest. In the document also there is the purchase-price of the mine, £45,000. That is on the other side of the river.