

ment, and it was no use entering into other actions for the same purpose. The Government started to take action for revocation, and we have been defending the action. It would have been inadvisable to take action for infringement when this action was at issue.

105. You told us that you charged a royalty of $7\frac{1}{2}$ per cent. on the total bullion won by the process. My calculation makes that out about £56,000?—I said that was the arrangement we made; but you can quite understand that during the last two and a half years that litigation has been going on we cannot come to terms, so have not made our arrangements on that account.

106. I understood you to say that there were several people paying no royalty?—Yes. Our rights have been disputed by the Government, but now that we have got the amendment put through we will proceed.

107. You say your rights were validated by the Courts in the United States? Was that the highest Court?—No.

108. I suppose at the Court of the State?—Yes; no appeal was taken.

109. Is the amendment of the patent all that you require?—That validates it, as it brings it on a level with the Court of Appeal judgment in England.

Dr. Findlay: There had been an appeal in England, but there was a defect in the specification, which was corrected in the amendment, and the patent in England is now perfect. We are moving in New Zealand now to have the same formal amendment made in its place.

110. *Mr. J. Allen*.] Is the patent absolutely perfect in England?—Yes.

111. The life of the patent is four years and a half?—Yes.

112. And you have no absolute right at the expiration of that time to get from the Government a continuation (to *Dr. Findlay*)?

Dr. Findlay: The Government, I understand, would give us leave to apply to the Supreme Court, and the Supreme Court would weigh the merits of the case, and if they thought we had not sufficient time to recover the money they would allow us an extended time.

113. *Mr. J. Allen* (to *Mr. Greenway*).] In this memorandum of agreement there are four mines exempted?—They have another arrangement. They paid us a lump sum instead of paying us a royalty.

114. Do these constitute the chief mines?—They are among the chief mines. The Waihi Union has not a plant up yet, although they have the right to use the process.

115. Is the cyanide used for the extraction of silver?—Yes. It is part of the patent.

116. *Mr. R. McKenzie*.] You say that the patent is perfect in England?—Yes.

Dr. Findlay: The Court of Appeal decided there was a defect, and on that ground they would not enter up judgment in favour of the company. The appeal failed in view of the perfect patent. Of course it is a question of law. There is no question that the patent is perfect in England.

117. *Mr. R. McKenzie*.] You also state that your amendment was granted in the colony about three years ago?—Yes.

118. Will you give the names of the mines you are receiving royalties from, except those in the Bill, and the amounts you receive?—The ones in the bill pay a lump sum, but we have not got our royalty during the last two and a half years, because the other companies have refused to come to terms while the present action with the Government pends.

119. You mention that since you got your amendment your patent is perfect. Have you taken any steps to enforce it?—We were waiting on this agreement with the Government.

Dr. Findlay: The amendment was perfected about three weeks before the agreement was signed.

120. *Mr. R. McKenzie*.] Was not your patent upset in Victoria or New South Wales?—No.

Dr. Findlay: You see the agreement prevents us receiving royalties. Mr. Justice Edwards's judgment was only given a few weeks before that agreement was signed. In view of the agreement we desisted.

121. *Mr. R. McKenzie*.] *Dr. Black* says the patent can be used in Reefton?—It is being used just now in the Big River tailings, and I believe they are getting 80 per cent. of the gold out just now. It is being used for extracting the gold and not for experimenting at all. They have bought the tailings and are working them out rapidly.

122. Any other place at Reefton?—The Cumberland and the Drake and Globe people have tailings there suitable for the same process, but I do not know whether the bargain is settled yet. I think the same people are taking it up.

123. Is it a modern invention?—The knowledge of the fact that cyanide dissolves gold is about seventy or eighty years old, but it is a discovery that a dilute solution of it can dissolve gold on a large scale in the ores.

124. Is it a very expensive process?—No, it is a very cheap process.

125. *Mr. Fraser* (to *Mr. Greenway*).] What amount of arrears should your company recover for patent rights?—Outside the companies mentioned in the agreement there was, up to the end of August, due to us nearly £5,000 for arrears.

126. That is, moneys owing to you which you now claim you could recover?—Yes.

127. *Mr. R. McKenzie*.] The Bill prevents the possible working of another process. It prevents the Siemens people using the process. As a matter of fact, passing in its present form makes that patent useless in the colony so far as the cyanide is concerned?—Yes.

128. This Bill takes away the patent rights altogether. The two patents cannot stand together. Will not the chief clause take away their rights without their having any option?—Yes.

129. The fact of the patent being registered gives them the right till then?—It does give them the right, but their patent is always attackable.

130. *Mr. Carmichael*.] I understand, *Mr. Greenway*, that for the last two years you have been engaged in litigation?—Yes.

131. And during that time you have not been able to collect your royalties?—No.