

*The Chairman:* I think the Committee understands Dr. Findlay's opinion. It is very explicit.

2. *Mr Herries.*] I would ask if the litigation at Home is quite conclusive, in case the Pielsticker Company appealed?—Yes. The patent has been perfected, and the Pielsticker people have desisted from their infringement. It is the same in America, where our patent is perfect.

Mr. FRANK WALDEGRAVE, Registrar of Patents, examined.

3. *The Chairman.*] Would you give a list of the patent rights which have been taken out in New Zealand which this Bill may affect?—I ought to explain that, some little time ago, Mr. Cadman asked me to give him certain information with regard to patents taken out in New Zealand in which cyanide was an ingredient. I had a rough search made in the indices of the office, and the list I have here does not pretend to be in any way a complete list of letters patent in which cyanide is an ingredient. I will hand this list in. [List handed in.]

4. I think we should have a complete list?—It would take some little time, because every specification would have to be examined.

5. I think it is the wish of the Committee that a complete list should be furnished as quickly as possible?—I will furnish such a list; perhaps I ought to show all the patents which have been granted subsequent to the Cassel Company's patent, because if the Cassel Company's patent is held to be valid, they must necessarily be subject to that patent; nobody else could use cyanide without the leave of the company. Whatever rights there may be under those letters patent must be subject, of course, to the preceding valid patent.

6. *Mr. McGowan.*] Does that mean that between the time of the application to amend and subsequently, if a fresh patent is granted, that patent would not be affected?—That would be a question, of course, for the Courts to decide.

7. *Mr. Herries.*] It would only date from the amendment?—From the original patent; the amendment would date back if the amendment is made.

8. *Mr. McGowan.*] If the patent is granted subsequent to the application for amendment or even subsequent to the first issue would that patent be null if the amendment is allowed?—Yes, I think so. I do not think they could use cyanide of potassium without the leave of the company. But, of course, you will understand that this question of infringement can only be settled by the Courts. Any opinion I express is only my own opinion.

9. *Mr. Herries.*] Has the amendment been registered?—No; the appeal is still pending. The amendment has not been made yet.

10. *The Chairman.*] But the amendment has been allowed?—Yes, by the Supreme Court; but an appeal is pending, and, therefore, the amendment has not been made in the Register of the Patent-office.

11. *Mr. Duncan.*] According to Dr. Findlay it will be four years before that is decided?—There are two distinct and separate questions involved. There is first of all the question of the amendment of the patent, and then there is the question of the revocation of the patent. I think Dr. Findlay was talking of the revocation of the patent having to go to the Privy Council, not the question of amendment.

Mr. WILSON, Inspecting Engineer of Mines, examined.

12. *Hon. Mr. Cadman.*] Will you tell the Committee the number of claims using the cyanide, number of stamps in the batteries, number of tons put through annually, new plants being erected which intend to use the cyanide, so as to give the Committee some idea of what the companies will pay on the royalty in order to recoup this £15,000 (and costs) which the colony will pay for these patent rights?—The figures I will give are taken from the annual report of the Inspecting Engineer of Mines. I will give in as short a way as possible the results from the cyanide process ending on 31st March last.

13. *The Chairman.*] You will state the number of companies using it and the result?—Yes. During the past year, that is 1897, the Kapai-Vermont, Mariposa, Monowai, Tararua, Talisman, Waihi-Vermont: about six companies outside of the Waihi, Waitekauri, Union, and Crown, the four companies mentioned in the Bill. The Great Mercury did not work last year. I may say in round numbers that about 110 stamps were employed by the mines mentioned in crushing quartz during that period.

14. *Mr. R. McKenzie.*] Constantly?—No, but as a basis you may take it as constantly. I have allowed for that in the average. That is the average number, though they were not all working constantly. From 100 to 110 stamps were used.

15. *Mr. Duncan.*] Would they be working all night?—Most of them would be working twenty-four hours a day. Some would not. The value of the gold obtained by the cyanide process from the mines using the 110 stamps would amount, in round numbers, to £26,500. This does not include the four mines mentioned in the Bill. I anticipate a large increase in the use of the cyanide process in the near future.

16. *Mr. O'Regan.*] Do you think it will come into use on the West Coast—in the Reefton district?—So far as I can learn they are at present using it. The value includes silver and everything—the bullion value. The batteries that are at present erected and are being erected in the Hauraki district will number seven, outside the six companies I have already mentioned, and the number of stamps that these companies have already erected, or are in process of erection, and which I anticipate will be erected shortly is two hundred, the greater number in the Ohinemuri district. I may say that in that district the quartz is very suitable for treatment by the cyanide process, and I have no doubt that they will all more or less adopt the process in the Ohinemuri district. In addition to these two hundred stamps in the Ohinemuri district, there will be seventy to eighty stamps erected in the Coromandel and Thames districts which may partly use the cyanide. It will not be in such general use there as in the Ohinemuri district.