

109. Is the company's dredge working?—The machinery is ready to ship down to the claim. Some of it, I think, has been shipped.

110. *Mr. Cook.*] With reference to the Ross Day Dawn Company, will you please turn up the transfer of the 150 vendors' shares?—Yes; I have it.

111. Who were the shares transferred to?—William Howes.

112. What was the consideration?—10s.

113. You said that I sold 150 vendors' shares; I want to prove that I gave them away?—Yes, that is so.

114. Mr. Easton mentioned that I had owed £590 to the company, Mr. Howes £60, and Mr. Mace £388, and stated that he made charges about those amounts being due at a meeting held on the 7th May; will you tell the Committee whether I owed anything on the 7th May?—You had paid up in full then.

*Mr. Easton:* I did not say that.

115. *Mr. Cook.*] In reference to the Dobson No. 2 Company, Mr. Easton asked you whether I had sold any shares (vendors') in that company; the company was in operation for some months?—Yes; six months, I think.

116. How long was it after the contributing shares were called up in full, and all shares on an equality, before I sold any vendors' shares?—A considerable number of months after; the capital was called up some time before the dredge was completed.

117. Was it twelve months?—From nine to twelve, I should say.

118. All shares were on the market then?—Undoubtedly.

119. Have you got the share register?—No, not of this company.

120. Can you tell us what Mr. Easton's holding was in the Dobson Company?—No; I cannot say from memory what his holding was; but he only became a shareholder very shortly before the dredge stopped working.

121. The shares in the Dobson No. 2 Company went to a considerable premium?—Yes; up to 14s, I think.

122. To your knowledge, I never sold a share when the dredge was working?—As far as my memory serves me, that is so; at all events, you did not till after the contributing capital was called up.

123. To your knowledge, I never sold vendors' shares in any company until every one had paid £1 per share, and all shares were on an equality?—That is so.

124. I never sold a vendors' share in any of these other companies?—No, with the exception of the Ross Day Dawn Company.

125. In that case the consideration was 10s.—the shares were given away?—Yes.

126. In the Tucker Flat Company I applied for 500 shares originally?—I think so.

127. You have said that I sold 250; but I also bought, and to-day I hold 650?—That is so.

128. Outside of Benjamin's?—Yes.

129. Apparently I did not sell in order to get out of my liabilities?—No; after selling you bought in again.

130. The shares were at a premium?—Yes.

131. And there were considerable operations?—Yes.

132. In reference to the deed of option in connection with the Lees Ferry Company, was that deed in Cook and Gray's office, until the company was floated, for inspection?—It was there for inspection till flotation.

133. And it was then handed over to the solicitor?—Yes, in order to complete the documents.

134. The proper deed of agreement between the company and myself as vendor was prepared?—Yes.

135. And signed by the company?—Yes.

136. The deed of option was between the owners of the claim and myself, and had nothing to do with the company afterwards?—No; it was placed in the solicitor's hands, and no inquiry was made for it till Mr. Easton asked.

137. Mr. Easton asked you whether you gave me notice of payments of secretarial fees. I want to place before the Committee the mode of conducting Cook and Gray's business in Dunedin. You prepared half-yearly balance-sheets?—Yes.

138. The accounts were audited by an auditor?—Yes; by Cook and Gray's auditor.

139. And the balance-sheet was submitted to Mr. Gray and myself?—Yes.

140. It was signed by the auditor and yourself?—Yes.

141. That balance-sheet contained the gross receipts and the gross expenditure?—Yes.

142. The payments of secretarial fees were not shown as separate items?—They came under the heading of commissions.

143. In the balance-sheet an amount would be shown for "Commissions for the year," so much?—Yes.

144. Did you ever at any time send me any statement about particular receipts?—No.

145. There was no reason for doing so?—No.

146. *Mr. Easton.*] I did not catch what you said as to how many shares Mr. Cook had transferred in the No Town No. 2 Company?—He has not transferred any shares in that company.

147. You heard what Mr. Cook said about the Ross Day Dawn Company—that I charged him with owing sums of money in May?—Yes, I heard what he said.

148. The meeting I referred to was in April—I never made charges as to Mr. Cook owing sums of money to the Ross Day Dawn Company in May?—Yes; you referred to a meeting held in May.

149. On what date did Mr. Cook pay the sums of money which have been mentioned?—On the 30th April and 4th May.