

The sketch map attached will show the location of the respective areas.

The agreements between the Aotea Maori Land Board and the Tongariro Timber Co. covering the bush on all three areas are three in number, dated 1908, 1910, and 1913 respectively. The royalties set out in those agreements as payable to the Natives are calculated on an area basis, but are said to work out on survey at approximately 1s. per 100 ft. sawn measurement.

In the year 1914 the Tongariro Co. entered into an agreement with the Egmont Box Co., Ltd., by which the latter company acquired the bush growing upon the Western A Division on a royalty basis of 3s. per 100 ft.

The agreement of 1913 between the Aotea Maori Land Board and the Tongariro Co., and the agreement of 1914 between the Tongariro Co. and the Egmont Box Co. are recited and confirmed by section 5 of the Native Land Claims Adjustment Act, 1914. By subsection (3) of that section it is declared that default by the Tongariro Co. under its main agreement with the Aotea Board shall not prejudice or affect the rights intended to be conferred upon the Egmont Box Co. by the sale agreement of 1914. It is further declared by the subsection that in the event of the loss, forfeiture, surrender, or abandonment by the Tongariro Co. of its railway or timber rights the following provision shall take effect:—

“(a) So far as the said agreement of the ninth day of September, nineteen hundred and fourteen, shall at the time of such loss, forfeiture, surrender, or abandonment be unperformed the Egmont Box Company, Limited, shall continue to be under the obligations on its part expressed and implied therein, and such obligations shall be enforceable against the Egmont Box Company, Limited, by the Aotea District Maori Land Board in the same manner and to the same extent as if such agreement had been entered into by the Egmont Box Company, Limited, with the Aotea District Maori Land Board instead of with the Tongariro Timber Company, Limited; and the Egmont Box Company, Limited, shall against such Board, and against every person claiming title thereunder, and against the Native owners of the lands comprised in the Fifth Schedule to the said modifying agreement dated the twenty-fourth day of October, nineteen hundred and thirteen, and all persons claiming under them have all the rights conferred or intended to be conferred on the Egmont Box Company, Limited, by the agreement of the ninth day of September, nineteen hundred and fourteen; and the Aotea District Maori Land Board is hereby empowered and directed to do all acts and to execute all documents necessary to give effect to the said agreement of the ninth day of September, nineteen hundred and fourteen, and to the provisions herein contained.

“(b) In respect of all moneys which shall be or become payable to the Egmont Box Company, Limited, under the said agreement of the ninth day of September, nineteen hundred and fourteen, such company shall, in addition to the security agreed to be given by the Tongariro Timber Company, Limited, over the lands on which the said railway is to be constructed, be entitled to a legal charge on the lands specified in the Fifth Schedule to the said modifying agreement dated the twenty-fourth day of October, nineteen hundred and thirteen, but only to the extent of the rights and interests expressed to be given to the Tongariro Timber Company, Limited, therein by the agreement referred to in section thirty-seven of the Maori Land Laws Amendment Act, 1908, and any agreements modifying the same; and such moneys shall be payable by the Aotea District Maori Land Board to the Egmont Box Company, Limited, out of the net proceeds received by the Aotea District Maori Land Board in respect of the sale and disposal of timber or timber-rights therefrom.”

Further provisions from the statute referred to affecting or securing the Egmont Box Company's rights are quoted as follows:—

“(4) The rights and securities given or agreed to be given by the Tongariro Timber Company, Limited, to the Egmont Box Company, Limited, under or in pursuance of the said agreement of the ninth day of September, nineteen hundred and fourteen, and under this Act shall have priority over all debentures issued by the Tongariro Timber Company, Limited, so that such debentures shall be postponed and be subject to the same to the extent defined by the terms of an agreement dated the twenty-third day of October, nineteen hundred and fourteen, between the trustees for the respective sets of debenture-holders and the Egmont Box Company, Limited.

“(5) Nothing herein or in the said agreement of the ninth day of September, nineteen hundred and fourteen, shall be construed as imposing on the Egmont Box Company, Limited, any liability to perform any obligations of the Tongariro Timber Company, Limited, under the agreement referred to in section thirty-seven of the Maori Land Laws Amendment Act, 1908, or under any agreement modifying the same other than as expressly set forth in the said agreement of the ninth day of September, nineteen hundred and fourteen.”

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“(7) With the consent of the Native Minister, the agreement of the ninth day of September, nineteen hundred and fourteen, may at any time and from time to time hereafter be modified by mutual agreement between the parties thereto in such manner as they may think fit, and all the provisions of this section with respect to the said agreement of the ninth day of September, nineteen hundred and fourteen, shall extend and apply to any such modification.”

In the year 1919 the Tongariro Co. and the Egmont Box Co. entered into another agreement, abrogating or modifying that of 1914, but to the same tenor so far as the purchase of Western A timber and royalty of 3s. per 100 ft. are concerned. The substituted agreement between the two companies (subject to the obtaining of certain consents, which were duly obtained) is confirmed by section 32 of the Native Land Amendment and Native Land Claims Adjustment Act, 1919. By the said statute section 5 of the Act of 1914 is declared to apply to the agreement of 1919 in the following terms:—

“... the provisions of subsection three of section five of the Native Land Claims Adjustment Act, 1914 (and the other provisions of that section so far as the same are applicable), shall apply