Enclosure in No. 4.

Enclie No. 4.

Copy of an Instrument, under the Royal Sign Manual, revoking so much of the Crown Grant of 30th May 1838, to the Hudson's Bay Company, for exclusive trading with the Indians, as relates to the territories comprised within the Colony of British Columbia, dated 2d September 1858.

Victoria, by the grace of God of the United Kingdom of Great Britain and Ireland Queen, Defender of the Faith, to all to whom these presents shall come, greeting:

Whereas by an instrument under the hand and seal of the Right Honourable Lord Glenelg, then one of Our Principal Secretaries of State, and dated the 30th day of May 1838, We did, for the reasons and considerations therein recited, grant and give our licence to the Governor and Company of Adventurers trading to Hudson's Bay, and their successors, for the exclusive privilege of trading with the Indians in all such parts of North America to the northward and to the westward of the lands and territories belonging to the United States of America as should not form part of any of Our provinces in North America, or of any lands or territories belonging to the said United States of America, or to any European Government, State, or Power, but subject, nevertheless, as therein-after mentioned; and did give, grant, and secure to the said Governor and Company, and their successors, the sole and exclusive privilege, for the full period of twenty-one years from the date of Our said grant, of trading with the Indians in all such parts of North America as aforesaid (except as therein-after mentioned): Provided nevertheless, and We did thereby declare Our pleasure to be, that nothing therein contained should extend or be construed to prevent the establishment by Us, Our heirs or successors, within the territories aforesaid or any of them, of any colony or colonies, province or provinces, or the annexing any part of the aforesaid territories to any existing colony or colonies to Us, in right of Our meet, within any such colony or colonies, province or provinces; and We did thereby reserve to Us, Our heirs and successors, full power and authority to revoke Our said grant, or any part thereof, in so far as the same might embrace or extend to any of the territories aforesaid, which might thereafter be comprised within any colony or colonies, province or provinces as aforesaid:

And whereas We have by Our Commission under the Great Seal of Our United Kingdom of Great Britain and Ireland, bearing date at Westminster, this second day of September 1858, in the twenty-second year of Our reign, and in virtue as well of the powers vested in Us by an Act entitled "An Act to provide for the Government of British Columbia," as of all other powers and authorities belonging to Us in that behalf, established within the territories aforesaid a colony, under the title of "British Columbia," bounded, as in the said recited Act is mentioned, to the south by the frontier of the United States of America, to the east by the main chain of the Rocky Mountains, to the north by Simpson's River and the Finlay branch of the Peace River, and to the west by the Pacific Ocean; and including Queen Charlotte's Island, and all other islands adjacent to the said territories, except as therein-after

excepted:

And whereas it has appeared to Us expedient that the right of exclusive trade with the Indians, given by Us in manner aforesaid to the Governor and Company of Adventurers trading to Hudson's Bay, and their successors, within the territories in the said instrument described, should no longer be exercised by them within so much of those territories as is comprised within the said Colony of British Columbia:

Now know ye, that We do hereby revoke Our said Grant contained in the herein-before recited instrument of the 30th May 1888, in so far as the same embraces or extends to the territories comprised

within the said Colony of British Columbia:

And We do hereby declare, that this present revocation of Our said grant shall take effect within the said colony as soon as it shall have been proclaimed there by the Officer Administering the Government thereof.

No. 5.

No. 5.

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Copy of a LETTER from the Earl of Carnarvon to H. H. Berens Esq.

Downing Street, November 3, 1858.

I Am directed by Secretary Sir E. B. Lytton to acknowledge the receipt of your

letter of the 12th October.*

Sir E. B. Lytton will not conceal the disappointment and regret with which he has received that communication, containing, if he understands its tenor correctly, a distinct refusal on the part of the Hudson's Bay Company to entertain any proposal with a view to adjusting the conflicting claims of Great Britain, of Canada, and of the Company, or to join with Her Majesty's Government in affording reasonable facilities for the settlement of questions in which Imperial no less than Colonial interests are involved.

It is Sir E. B. Lytton's anxious desire to come to some equitable and conciliatory arrangement by which all legitimate claims of the Hudson's Bay Company should be fairly considered, in reference to the territories or the privileges they may be required to surrender; but if the decision, as conveyed in your letter, be regarded as final, all power to

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