

An allowance of from 1,000 to 2,000 ounces is made each month for sundries from the different establishments on the field for the treatment of specimens and tailings, it being impossible to obtain precise returns as to the gold obtained from these sources.

I may here mention the principal facts in reference to the wonderful shot of gold which has yielded such large results in the Caledonian mine during the last year. This rich run skirts diagonally through the reef, which lies at an angle of about 45° from the horizon. It was first met with in the Manakau claim, about 200 feet above the level of the sea, and was worked by the shareholders of that claim as far as the point where it dipped in to the Golden Crown Company's mine. Its general average yield on this section may be estimated at about four ounces per ton.

The Golden Crown Company met this rich shot at a depth of about 100 feet from the top of the hill, or about 100 feet above high water mark. The first crushings taken out yielded an average of fifty-four ounces per ton. The run of gold in this mine assumed a more definite appearance, and the richest portion of the reef lay in a block of seventy feet in depth by about forty feet in width. The average yield of this portion would be about fifty ounces to the ton if it had been worked separately. At about fifty feet below high water mark this shot of gold broke, and all traces of it were lost for a time. Further development, however, discovered that the gold had not run out, but from some cause it had jumped forty feet to the northward. From this level it was followed on the underlie a further depth of forty-five feet to the boundary of the Caledonian Company, and carried gold throughout; the average at this point being from eleven to twelve ounces to the ton.

In the end of 1869, it was discovered in the Caledonian mine at a distance of about fifteen feet from the Golden Crown boundary, and at a greater depth of about thirty feet, or at a level of about eighty feet under high water mark. The first crushings were not so good as those which followed, although they were very rich, and the golden belt was only about fifteen feet in width. At about ninety feet below high water the shot widened out, and covered a face thirty feet in width, and it was here the richest golden ore ever known was found. At about 170 feet below the sea, the quartz again became poor, and all traces of the rich deposit which had been so long followed were lost. The greatest depth of the Caledonian Company's shaft at present is 300 feet from the surface, or about 210 feet below the level of the sea. It is not considered probable that the gold run will be again found in this level, but men of the greatest experience are satisfied that in the next level it will be met with, and past experience favors the idea that it will prove as rich as ever. The breaks in the run of gold have hitherto had the effect of increasing the richness of the shot when again discovered. All its breaks, hitherto, have thrown it in a northerly direction. The machinery of the Caledonian mine, consisting of a forty-five horse power pumping engine and a fourteen horse power winding engine, is ineffectual in keeping the water reduced so far as to permit of the shaft being sunk to a greater depth at present, even with the assistance rendered by the pumping engine of the Tookey Gold Mining Company. Effectual measures have, however, been adopted to drain this reef by the formation of a Pumping Association. The association consists of the Caledonian, Tookey, Imperial Crown, and Golden Crown Companies. The design was to sink the shaft of the Imperial Crown mine, as this would cut the reef at the greatest depth, and so draw off the water from the other mines. To pump off the water, a large and powerful steam engine is in course of erection, capable of being worked up to 300 horse power. It is a direct acting one, with a cylinder eighty-one and a half inches in diameter, and the pumps will be twenty-five inches in diameter. Massive stone foundations have been laid for this engine. The stone has been procured in large blocks from a valuable quarry discovered on the Hape Creek, within the gold field. The comparatively light machinery which had previously been erected and worked on this claim, has been found sufficient to sink the shaft to its present depth, 300 feet, or 292 feet below high water mark. The reef has not yet been cut, but there has been a great increase in the quantity of water, and the company are now proceeding to get the large pumps and pumping engine into working order as soon as possible.

The Albion Company, whose ground is immediately adjoining to the N.W., are sinking a shaft which will require to reach even a greater depth than that of the Imperial Crown before the reef is met with. This shaft is now down 194 feet, and the Company have erected in connection therewith a winding engine of forty horse power. It has been estimated that to work out the whole of the main reef which underlies into this Company's ground, the shaft must be sunk 800 feet below the level of the sea.

Another work of great importance is the Kuranui Hill main tunnel. This has been carried on for mutual advantage by a number of well known gold mining companies. The tunnel is of sufficient width to accommodate two lines of tramway, and is laid throughout with good plates. It extends in a straight line from the beach through the Long Drive, Junction, All Nations, Inverness, and Don Pedro mines, and has now reached to the ground of the Moanataiari Company. It has already proved of great advantage to all the claims through which it passes, affording deep levels on the reefs, and ready means of transit to the crushing mills. To the Moanataiari Company, who possess a very large area of ground, it will prove of particular advantage. This company purposes to erect a powerful crushing plant on the beach from 60 to 100 head of stampers. The Kuranui Hill tunnel opens this mine at a greater depth than has ever been reached before, and the number and extent of reefs thus developed would permit of even a greater and more powerful crushing plant than that just mentioned, being usefully and permanently employed. I may here mention that this mine has recently produced many rich returns. In the beginning of March a yield of 750 ounces was obtained from 626 tons of quartz, and since then 2,890 tons of stuff have been crushed for a total yield of 6,750 ounces of gold. It has been continuously worked since the opening of the field, and notwithstanding the constant expenditure and the purchase for cash of a great many of the adjoining mines, now amalgamated with the company's original property, no call has been made on the capital of the company. It is but recently they have commenced to pay dividends, but within a very short period £1 per scrip share has been paid on the 13,500 shares into which the company's stock has been divided.

At the Upper Tararu, about four miles from the beach, several reefs have been opened, which promise to pay well, but as it is impossible to bring quartz from thence to the lower part of the creek,