the beach and on a flat about six chains back from it, making £6 and £8 per week, although they had only a poor way of working. Andrew Williamson, one of the party, was doing very well, until he and five others were drowned returning from Jackson's Bay in an open boat. This accident created a depression amongst the small community, as Andrew Williamson was the leading man amongst them.

I think that the Union Steam Shipping Company could inform the Mines Department what amount of gold was bought at Big Bay, as they bought it and supplied the different parties. gold on this flat and that which has been found on the beach has come from a terrace adjoining the flat. The terrace is about six miles long with no break, and has not yet been prospected. It is the opinion that there is a good "run" or "lead" of gold through it. At the present time there are two settlers from Martin's Bay, who arrived a few weeks before the "Stella" came in, who

obtained gold on this flat, although their manner of working is a poor one.

Leaving Big Bay and coming farther north to the Gorge River, three men are found at work, where it joins the Jerry River, about eight miles from the mouth. They have only started to work recently, and for twelve days with a common sluice-box they have obtained 6oz. of gold and 50lb. of nickel. The question naturally arises, where did this gold come from? The answer is feasible. Standing on the Bald Hills where the Jerry River takes its rise, about 4,000 feet above sea-level, the whole of the country through which the Gorge River runs until joined by the Jerry River is visible, and looks like one large flat. This, however, is not the case, as I found out when travelling through it; but where the Gorge and Jerry Rivers join, and on the north of the former, there are several terraces (I mean made terraces) probably alluvial, and it is doubtless from these that the gold obtained by the working-party referred to has been washed down. I made particular inquiries whilst in Jackson's Bay to find out if at any time these terraces had been prospected, and the answer on all occasions was in the negative; the above party being the only one that has ever prospected in the district.

It can therefore be plainly seen from the foregoing that this part of the country has never been prospected, and that those who still say that there is no gold in the locality, nor minerals, are those who have never tried, or are too lazy to do so. In my opinion, and that of the rest of the party, this is one of the richest districts in the Australasian Colonies, and only requires to be systematically prospected. If this is done, I am perfectly confident that before long, there will be

a bigger rush to it than there is now to the Kimberley Goldfields.

The Hon. W. J. M. Larnach, Minister of Mines.

I have, &c., TIMOTHY CAREY.

No. 2.

Mr. Robert Hyndman to the Hon. the Minister of Mines.

Wellington, 27th July, 1886. SIR,-I have carefully read the above report, and can safely confirm everything therein. I am perfectly confident that the district is a rich one, and only requires prospecting to develop it.

The Hon. W. J. M. Larnach, Minister of Mines,

I have, &c., ROBERT HYNDMAN.

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