C.—4.

Company's ground, on the side next to the Mikonui River; and the granite is again found on the south side of the Waitaha River.

Ross.—This district still continues to support a limited mining population. are working up Donnelly's Creek and around Ross; but the principal workings are confined to the Ross United, Prince of Wales, and Mont d'Or Gold-mining Companies. The great excitement about the discovery of the Cedar Creek reefs has entirely subsided. There are now only four men, employed in driving a deep-level tunnel to try and cut the reef at a lower level. These reefs were first discovered in the bed of Cedar Creek, where rich specimens were found; but the whole of the stone in the creek has been taken out as deep as it was possible to work it for water. Several tunnels have been driven, and the reef cut; but no stone of a payable nature was discovered beyond that in the creek, which may be accounted for in the following manner: The reef is running in an easterly and westerly direction, having a strike easterly of about 1 in 3. The tunnels, being driven on the east side of the creek, only cut the top of the reef, and left it dipping under-foot. In order to show me the reef and the likelihood of it paying, the men sunk a hole in the bottom of the first tunnel, and took out several specimens containing gold; none of which were rich, but they showed that there were good indications of a payable reef being found in the locality. There has really very little prospecting been done here to warrant the great excitement that prevailed at the time the reef was discovered. A low-level tunnel is now being constructed that will test whether the lode continues to go down carrying gold. This low-level tunnel is now driven for 150ft. at a level of about 200ft. below where the reef was discovered in the creek, and will require to be constructed for about twelve chains in length before it cuts the line where the reef is supposed to run; but, even when it is constructed for this distance, it is questionable whether it will be sufficiently low to cut the reef if the strike is going on the same inclination as found on the top. However, this can be determined by a proper survey. The country through which this tunnel is being constructed is very solid, having the strata all dipping uniformly in the same direction, which shows, apparently, that it is not a slip from the main range. The reef is about 2ft. in width on the surface, and should it continue to go down there is every probability

of a good, permanent, payable lode being found.

Ross United Gold-mining Company.—This company holds an area of two hundred acres of Ross Flat, comprising almost the whole of the old workings. In the early days rich deposits of gold were found in this ground on different bottoms, and the gold-bearing layers driven out, leaving the ground standing on timber and the stones that were taken out of the wash-dirt. These different gold-bearing layers were in many instances difficult to follow, owing to the bottom on which they were formed. In some instances the bottom resembled the wash-dirt; and when a poor patch occurred in these layers it was considered that the bottom had not been followed: therefore, in many instances the gold-bearing layer was left sometimes under-foot and sometimes over-head the ground that was blocked out. Although the ground above water-level was then supposed to be worked out, it has since been proved that sufficient gold has been left to work the whole of the old workings in a face. Since the stoppage of the drainage-engine in 1872 private parties have been working in this old ground by carrying an inclined tramway down to water-level, and hauling the whole of the dirt up to the surface by reversible overshot waterwheels, and putting the whole of it through a sluice-box. The large quantity of water in the deep levels prevented any work being carried on here without the aid of heavy pumpingmachinery to drain the ground. About five years ago a large company was formed to work the deep levels, and a lease of a hundred acres was given them on consideration of their erecting heavy machinery to drain the water. The first company expended all their capital without getting any gold. The company was then re-formed under the title of the Ross United Gold-mining Company, with a nominal capital of £150,000. Of this amount £103,500 is declared paid up, leaving the actual capital £46,500, of which £44,148 15s. is paid up. The actual expenditure in working the mine has been £37,370, and the value of gold obtained £10,108 7s. This company has bought out the whole of the private claims on Ross Flat; so that now they hold the whole of the ground where the rich leads of gold have hitherto been found, comprising an area of about two hundred acres. In order to drain as much of the ground as possible they cut a tail-race from the sea-beach, which is about 90ft. below the level of the original surface of ground on the flat. After completing this tail-race they commenced sinking a shaft on the terrace in order to avoid what was then considered the wet ground; their object being, when the shaft was down sufficiently deep, to drive out into the flat, and work the deep levels. It was found when the deep ground was worked formerly that there was scarcely any water below 160ft., and therefore they anticipated to be able to work the solid ground without tapping the water in the old workings; but in sinking the first shaft they met with pug they were unable to cope with, and had finally to abandon it and sink another at the bottom of the terrace on the flat, which is now down to a depth of about 340ft. In sinking this shaft they went through seven different goldbearing layers, but none of these proved profitable to open out on. The company abandoned this deep workings for a time, and turned their attention to the upper levels above the level of their tail-race, and have erected elevators for lifting the tailings to a height of 60ft., and then by an inclined tramway to a further height of 120ft. The inclined tramway runs under a shoot where the elevator's buckets empty, and the door on this shoot is worked by hydraulic gear, which raises and shuts it when the truck is full. They are now working the whole flat on a