

thickness, which, with the facility there is for conveying the stone to the battery and crushing it, low-grade stone pays for working. There has been 555 tons of stone crushed from this company's mine during the year, which yielded 353oz. of gold. This company was formed in 1882, with a subscribed capital of £16,800, of which £1,977 has been paid in calls; but no dividends have yet been declared.

PURIRI DISTRICT.

Auriferous-quartz reefs were discovered and worked in this district sixteen years ago, and some of them were worked for a time and afterwards abandoned. During last year prospecting has been carried on, and auriferous quartz in two different localities discovered, which are deemed to be payable for working.

Ngawhakapoupu Claim.—An auriferous-quartz lode going through this claim was recently discovered by a party of Natives. About sixteen years ago a shaft had been sunk in the lode to a depth of about 25ft., and the lode on the hill or eastern side of this shaft partially worked. The Natives went down this shaft and commenced opening out the lode on the other side, and discovered some very rich stone: 28cwt. of which was forwarded to the Thames to be crushed, and yielded 11½oz. of gold, the value of which was £2 17s. per ounce. The lode is about 2ft. in thickness, but the best portions of it is in a seam about 3in. thick, next the hanging-wall. A low level is being constructed, which will cut the reef at about 50ft. below the bottom of the shaft. This claim is situated on the western slope of the range facing the Puriri Flat, about two miles from the Thames Valley Road. There is a small gully leading up from the flat to the shaft where the gold was discovered, and in the bed of this gully several tons of loose quartz have been taken out and crushed, which yielded 12dwt. of gold per ton.

Bedford and Party's Claim.—This claim is situate on the western side of the Puriri Creek, about three miles and a half up from the Thames Valley Road. A leader of auriferous quartz 6in. in thickness was found cropping out on the surface, close to the side of the creek. This has been opened out on and an adit constructed for some distance into the hill. From what I could see of this leader, and from the prospects washed, it is questionable if it can be worked with profit. The shareholders are, however, sanguine of it proving payable, and are erecting a battery of six heads of stamps and two berdans, which is to be driven by a Pelton hurdy-gurdy water-wheel. As this claim is a long way distant from any crushing-plant the expense of erecting a small plant of their own will possibly be the cheapest way of properly prospecting the ground, and with such a plant being erected in the locality, it will be an inducement for others to prospect the country in this vicinity, as they will be able to get the stone tested without going to any large expense for conveyance. Stone is now being taken out from adit, which is constructed and stacked on the ground waiting the erection of the battery.

MAROTOTO DISTRICT.

This is entirely a new district for mining. About ten months ago R. McBrin discovered a large quartz lode cropping out on the surface at the side of a steep gully leading down to McBrin's Creek. At the time the discovery was made several specimens of the ore, forwarded to me by Mr. McLaren, were assayed at the Colonial Laboratory, and found to contain bullion at the rate of 2,226oz. to the ton, about 80oz. of this being gold and the rest silver; and some assays made at the Thames School of Mines gave higher results. After these rich samples, and the great excitement that so rich a discovery caused at the time, any one visiting the workings after the mine came to be opened out a little would no doubt feel disappointed. It is true that there is a thin seam at the outcrop of the reef, which is very rich in chlorides of silver as well as gold; but as the adit-level goes into the hill this seam gradually becomes poorer in quality; also in sinking a winze on the lode the ore became of much less value. At the time of my visit in January last an adit-level was constructed into the face of the hill for about 50ft., and a winze sunk down near the mouth of the adit for 35ft. The lode is about from 6ft. to 8ft. in thickness, and has a narrow seam running through it of very rich lode stuff. This seam, as previously stated, becomes of less value as the lode goes into the hill, and also as it goes down. An adit-level was commenced on the opposite side of the gully, but at the time of my visit this level had just been started, so that I could not form a definite opinion respecting it. I have since learned, however, that this adit is constructed for 80ft., and very good stone has been got on one side of the reef for about 2ft. in thickness.

With regard to the prospects of this mine, there is every appearance of getting a quantity of good ore, but its richness has been greatly over-estimated; yet, I think, there is little doubt but it will prove eventually a valuable discovery. At the time of my visit 25 tons of the ore had been sold at the mine to Mr. H. C. Wicks in several parcels, the first bringing £20 per ton, the second £17 10s., the third £15, and the fourth parcel, which was being put in bags while I was there, brought £4 per ton. Since then several lots have realised £10 per ton. Mr. Wicks purchased last year altogether 30 tons for £420. One and a half tons of ore which were sent to Sydney realised £380. In this last parcel there was 41oz. of gold and 600oz. of silver per ton. It has to be borne in mind that all these parcels consisted of picked ore taken from narrow seams in the lode.

The reef can be traced over two miles in a southerly direction, and wherever it has been cut—especially in the Prospectors' claim—it shows gold and silver; but far more prospecting will yet have to be done, and the lode tested at deep levels, before it can be ascertained whether there is a large auriferous and argentiferous deposit here or not. This requires to be done before any steps are taken towards the erection of a plant for treating the ore. The bullion, being principally silver, requires a different mode of treatment than that which is at present adopted at the Thames. Out of a parcel of ore that Mr. Wicks forwarded to Freiberg for treatment, 6cwt. was given to Price and Sons, at the Thames, to test, which they did by crushing the ore dry, afterwards roasting it in a reverberatory furnace, and then amalgamating it with mercury in berdans. By this method, bullion was extracted to the value of £17 13s.