

splendid gold. Everything is in good working order, and the battery should be crushing in a month's time, and it is confidently expected it will have a prosperous career, good stone showing throughout the mine. It is estimated there will be fully two years' work on this level.

Progress.—This claim, at the end of March, 1887, had been crushing for about a month, and had declared dividends to the extent of £1,200. Since that date crushing was continued for a considerable time, at first with success, giving further dividends to the amount of £1,200; but afterwards, on rising on the stone, it was found that, as it neared the surface, it became blocky and of poorer quality, and finally crushing operations were suspended. A winze was sunk on stone—showing very good gold the whole distance—to a depth of 86ft., the stone averaging about 9ft. A new level is now being driven from the battery. This tunnel will be 1,200ft. in length, of which 700ft. have now been driven. It is estimated this will give 240ft. of backs. Recently, in prospecting west from the old workings, a body of stone about 17ft. in thickness was met with—portions of this reef show very fair stone, and it has now been driven on 70ft. A crushing from a portion of the reef has been taken out, and has yielded a good return. This mine, when properly opened up, should take a prominent place.

BIG RIVER DISTRICT.

Big River Company.—After many vexatious delays the erection of the battery was completed and crushing commenced. During the year 510 tons of stone were crushed for a yield of 645oz. of gold, which, although apparently a good return, did not leave a profit, the cost of raising the stone being heavy, owing to the small and broken nature of the reef. The affairs of the company looked anything but promising. A reef has very recently been discovered 400ft. to the west of the old reef running north and south with an easterly underlay. This reef, on the surface, is said to be from 20ft. to 30ft. wide, and of good quality. A crushing of 112lb. of stone yielded at the rate of over 5oz. to the ton. A winze will be sunk on the stone, and a level put in at 40ft. This will take about a month to complete, when a crushing will be taken out, and the value of the find proved. A winze is now being sunk on the old reef from the 120ft. level; this is to be carried down 150ft. In this winze, which is now down about 10ft., the stone is very good indeed. It is to be hoped that this new find will prove payable, as it will attract attention to a large tract of country almost untried.

MERRIJIG'S DISTRICT.

Sir Francis Drake Company.—This is a new claim. After some little prospecting the outcrop of a reef 5ft. thick was discovered. It has been traced on the surface some 250ft. In order to prove the reef a tunnel was driven to intersect it at a depth of 35ft. from the outcrop. This work was successfully carried out, and the stone at that depth was found to be 8ft. wide. A winze was then sunk on stone from this level to a depth of 60ft. Thus encouraged, the company opened a second level by a tunnel 260ft. in length, and struck the reef 55ft. vertically below the bottom of the winze, and, where struck, the stone showed a width of 9ft. The next work to be done is to put in an uprise from No. 2 Level to connect with the winze. The company being satisfied as to the permanent and payable character of the reef, have decided to erect a battery of fifteen heads, to be worked by steam. The machinery is now being conveyed to the machine-site, and under ordinary circumstances, it should be erected and crushing in three or four months.

Gallant.—This is situated north and adjoining the Sir Francis Drake. Stone varying from 2ft. to 8ft. has been traced on the surface nearly 1,000ft. A winze is now being sunk on the stone about 300ft. from the north boundary, and is now down 20ft. The stone shows good payable gold.

Happy Valley.—Work has been resumed and a winze sunk 60ft. on stone showing fair gold. This is supposed to be on the Sir Francis Drake line of reef.

The Merrijig, Hudson, Scotia, Exchange, and other companies in this locality are prospecting their claims, and gold-bearing stone has, I believe, been found in each, but no discovery of any importance has yet been made. Should the Sir Francis Drake prove a payable claim this portion of the district will attract attention, and will be an incentive to other companies to vigorously prospect their mines.

MURRAY CREEK DISTRICT.

Keep It Dark Company.—The reef was intersected in the No. 3 Level in July last, when the stone looked remarkably well; indeed, the first crushing of 300 tons from the level averaged 14dwts. to the ton. At intervals from that date crushings have been taken out from this block, which is of large dimensions, but have proved poor, sufficing only to pay working-expenses. The best portion of the lode, commonly called the north block, and from which good stone has always been obtained, was not found where expected on this level; it was, however, recently struck, and it is now confidently hoped that this grand old claim, which has declared dividends regularly for years, will, in a couple or three months, return again to a season of prosperity. Gold to the value of £189,976 has been obtained from the mine, out of which shareholders have received £90,083. The dividends declared during the year amounted to £3,000.

Nil Desperandum Company.—When I last wrote the company were taking out stone which they found on prospecting from the shaft near the old workings. The stone, however, was not payable, and consequently crushing was discontinued. Since then the main shaft has been sunk a depth of 100ft. below No. 5 Level. A cross-cut of about 40ft. was then put in from the bottom of the shaft to the line of reef, and where the track of a reef was found. This track, on being followed 70ft. north led to the discovery of stone. The reef, which averages about 3ft., and carrying fair gold, has been followed 90ft. A winze was sunk from No. 5 Level to a depth of 60ft. on good stone. A distance of 40ft. yet remains to be driven to reach the perpendicular of the winze, to connect with which an uprise of 40ft. will be put in. This should not take more than two months, when crushing will commence.

Pandora.—This company, in conjunction with the No. 2 South Keep It Dark and South Wealth of Nations Companies, erected winding-machinery, and sunk a main-shaft to a depth of 293ft.