HIKUTAIA DISTRICT.

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A discovery of rich silver ore was made in this district last year on the northern watershed of the dividing-range between Hikutaia and Waitekauri. Mr. Richard McBrinn, an experienced prospector, followed up the traces of gold for about three miles on the Marototo Creek, a branch of the Hikutaia River. On reaching a branch creek (afterwards named McBinn's Creek) he continued to trace the gold for about two miles up this creek, and finally discovered the Marototo reef a quarter of a mile up a branch leading into McBrinn's Creek. This reef has been traced for about two miles, chiefly to the southward. A number of claims and licensed holdings have been taken up on the line of reef.

Marototo Mine (licensed holding, 30 acres).—At the place where the reef was first discovered a drive has been put in for 90ft, and a winze sunk 45ft. A portion of the reef has been stoped out over the drive, and about thirty-five tons of ore broken out. Thirty tons were purchased by Mr. H. C. Wick for £420, sundry small lots realised £10, and $1\frac{1}{2}$ tons sent to Sydney were worth £380. The proportion of gold and silver in this last parcel was 41oz. of gold and 600oz. of silver per ton. The reef has also been opened and driven on about 80ft. in a spur opposite where the first discovery was made, and the manager, Mr. J. H. Moore, informs me "that grand stuff has been carried all the way." The portion of the reef which contains the rich quartz is about 2ft. in thickness, and of a rubbly nature; the remainder consists of hard quartz; the reef is from 6ft. to 8ft. in thickness. The mine has been purchased by a Sydney company, and steps are being taken to ascertain the best process of treating the quartz. The return already received and the appearance of the reef promise that this mine is to become a very valuable property when a plant for the reduction and treatment of the quartz is obtained and erected convenient to the mine.

Goldworthy's Claim.—This claim lies to the southward of Marototo; a reef 7ft. wide has been

driven on for 30ft.; the quartz appears to be of low grade, but free milling ore.

Kowhai Claim (ten men's ground).—This claim lies about a mile to the southward of the Maritoto. A large reef, 10ft. in thickness, was discovered near a small creek. A drive on the reef has been put in for 60ft. to the northward, and another 70ft. to the southward. About 3ft. of loose quartz in the middle of the reef yields the best prospects. A second level, about 40ft. deeper, has been opened; the reef was cut after 75ft. of a cross-cut had been driven; 50ft. of driving has been done to the northward, and the same distance to the southward on the reef, which, in this low-level, is split into two branches, each about 5ft. through. The reef has also been cut about one hundred yards south from the low-level, and also at the southern boundary of the claim, where it is 15ft. in thickness. This claim has been disposed of to Christchurch capitalists, who agree to erect machinery for the treatment of the quartz and retain a certain number of shares in a company to be formed; the remainder of the shares to be divided amongst the original shareholders; no money to be paid for the mine. The reef, as opened, will produce a large quantity of free milling ore, and the gold appears to be of a character which will be easily saved by amalgamation.

Tawa Claim (three men's ground).—The reef in this claim, which adjoins the Kowhai, has

been driven on 60ft., and is about 20ft. thick, a portion of which is of the same character as found

in the Kowhai claim.

Arizona Claim (six men's ground).—This claim adjoins the southern end of the Tawa. cut has been put in for a 100ft. and the reef cut 6ft. in thickness. The quartz resembles that found in the Kowhai, but yields a better prospect. On the reef 75ft. have been driven. There are 90ft. of backs over this level. A ton of quartz was crushed and yielded about 1oz. 8dwt. of gold. The owners of this claim are in treaty with capitalists to erect machinery to crush the quartz.

About thirty miners have been employed in this district since the discovery was made. A publi-

can's license has been granted for a house situated at the junction of McBrin's Creek with the Marototo; this house is about eight miles from the main road at Hikutaia, the most of the distance being only a bush track, which must be greatly improved before machinery can be conveyed to the mines. The reef, which was discovered about two years ago at Parakawai, has been again taken up and a licensed holding applied for. There has been very little work done other than testing quartz

and surface prospecting.

The future outlook for mining in Ohinemuri County and Te Aroha is very promising; one of the chief difficulties encountered, viz., the treatment of the ores, is in a fair way of being overcome. The extensive machinery, with the latest improvements, which the Union Gold-mining Company are erecting at Waihi, is deemed by experts to be adapted for the silver ores found at Karangahake, Waihi, and Marototo, whilst for the treatment of complex ores such as are found at Tui Creek, and Waiorongomai, the water-jacket smelting-furnace will be resorted to in addition to milling and chemical treatment; again, at the Thames, the Molloy-pan and the Newberry-Vautin process are each about to receive a fair trial; the School of Mines testing-plant will also soon be erected. The treatment of all ores in a manner such as science has pointed out appears now to be only a matter of time; true, disappointments will happen in some instances, as the vexed problem of extracting the highest percentage of gold and silver from different kinds of ore is not to be solved without experience in the practical part of the work. This matter is now taken up by men who are not likely to be daunted by first failure, and one need not hesitate in asserting that the difficulty experienced in the treatment of ores will soon be a thing of the past. Another difficulty which has to be mastered is to provide for the cheapest manner of transporting the ores from those mines which are at present almost inaccessible to places where machinery is erected for their treatment.

At Waihi the country is of such a nature that roads can easily be made fit for any traffic. Waiorongomai a splendid tramway is convenient to the whole line of reef; but at Tui Creek, Karangahake, and Marototo, where the country is broken and rugged, and where roads could only be made at very great expense, the question of transport of ores is a most serious one, and the adoption of wire tramways would appear to be the most economical and effectual way to overcome this difficulty. The formation of roads and tracks is of the utmost importance in opening up the country