

of stone did not continue to any depth. A shaft was sunk to a depth of 80ft., but the lode was too poor for working, and the ground has been abandoned.

The Victoria Company worked a lode running parallel with the Cræsus, and only about five chains apart. Some of the stone near the surface in a trial test yielded over 3oz. of gold to the ton, but on sinking down the stone became poorer. This company and the Consolidated Company erected one of the best small crushing-plants there is in the Middle Island, which is said to have cost over £6,000; but the Consolidated Company never found any lode in the ground that would pay for working, and, consequently, the greater portion of the cost of the plant fell on the Victoria Company, as they were jointly responsible for the liabilities. After this plant was erected the latter company crushed 600 tons of stone, which gave very small returns. The liabilities being heavy the creditors put the company into liquidation. The property was sold to Messrs. Inder and Mitchell, of Naseby, for about £600, who intend crushing all the stone which is now lying on the surface.

The Break-of-Day, Prospectors', and other claims, of which great expectations were entertained and almost realised, are now things of the past. The Break-of-Day Company had about 250 tons of quartz on the surface ready to send to the battery, but as this company was involved with the Victoria when the crash came it had to be put into liquidation, and, consequently, never had a chance to test the stone to ascertain whether it was of a payable character or not. The Prospectors' had a small crushing-plant, and treated about 800 tons of stone, but the lode as it went down got too poor to pay for working, and they sold the plant to another company.

The Eureka Company is the only one successful so far. A shaft has been sunk to a depth of 200ft., and a level constructed at this depth for 300ft. on the lode. About 300 tons of quartz has been crushed, which has yielded about 1½oz. of gold per ton. The company have recently purchased the public crushing-plant, and now expect to get fair returns from the mine.

The prospects of the Nenthorn field look gloomy at present, but some good reefs may yet be discovered. The lodes here in general do not carry gold to any depth, at the same time they have not been sufficiently prospected. The whole field is a mass of parallel leaders or gash-veins of quartz—they cannot properly be termed lodes—a short distance apart; these may be found at some depth to join together and form a good lode; but the fact of the gold getting gradually less as these leaders go down does not hold out much inducement to incur a large outlay in prospecting at deep levels. However, there are now plenty of crushing-plants on the field, and every facility to test parcels from different places, which could not be done at a small cost in the early days of the field.

The quartz-workings at Deepdell Creek have not turned out according to expectations. The crushing-battery erected by the Golden Point Company has been sold, and the purchaser intends giving the reef another trial. Between Macrae's and Nenthorn a large lode is being worked by the Bonanza Company, who purchased the Prospectors' crushing-plant at Nenthorn and erected it on their claim at the side of a tributary of the Stoneburn Creek. About 600 tons of quartz is said to have been crushed for a yield of 638oz. of gold, which enabled the company to pay £900 in dividends. The stone is heavily impregnated with iron pyrites, and is said to be rich in gold.

CROMWELL.

There is very little quartz-mining in this district. The Carrick Range, from which some rich stone was got in the early days, is now nearly deserted; only two parties are said to be getting gold. Eighty tons has recently been taken from the ground formerly held by the Elizabeth Company, which is said to have yielded about 1oz. of gold per ton. Mr. E. Lawrence is carrying on constant operations in his mine; but the quartz is stated to be of low grade, requiring a cheap method of crushing to make it pay.

Cromwell Company.—This company has been for several years sinking a new shaft, which is now down to a depth of 520ft., where a chamber is opened out, and a cross-cut level constructed for 197ft. to cut through the country and prospect the ground. At 132ft. from the shaft a small gold-bearing leader was cut, and followed for a distance of 51ft. to the westward, where it has widened out to about 18in. thick. A very large amount of gold was taken from this mine in the early days, and it was worked down to a depth of 420ft. But the manner in which the workings were formerly carried on and blocks of stone left, together with reports that rich gold-bearing quartz was left under foot in the bottom level, induced the present company to take up the ground and sink a new shaft; but so far they have not been successful in finding anything likely to pay them for the large outlay. The ground is extremely hard, and there is a good deal of water at the low levels, requiring the pump, which is 9in. in diameter, to be kept constantly going.

WAKATIPU.

The quartz-mines in this district have been more vigorously worked than in the previous year. A good deal of prospecting has been done and works of a preparatory character constructed to admit of the mines being worked and the quartz crushed and treated at a minimum cost. The lodes are not what may be termed rich in gold, but, with improved labour-saving appliances, systematic working, and economy, many of the quartz-mines will become valuable properties. Nothing like the same amount of prospecting for auriferous lodes has been done in this district as has been carried on at Reef-ton and the Thames. Although the quartz-reefs at Skipper's were the first worked in the colony, comparatively little prospecting has been done, excepting by the Phoenix Company; both Skipper's Creek and the Shotover River have contributed a large quantity of gold from the drift-wash, and a great deal of the gold found in the drift is intermixed with quartz. Whether it came originally from quartz-lodes which have been denuded from the tops of the mountains, or merely from the quartzose schist rocks of which this part of the country is formed cannot be determined, but the inference is that the gold came both from the denudation of the mountains and from the scooping-out of the valleys, river-beds, and gullies by the action of water. Be that as it may, the apparent reason of the country not being prospected for auriferous lodes is that a large area of the rich alluvial drifts in Otago were easily and cheaply worked, and attracted the attention of miners and others more than quartz-workings.

Phoenix Company.—This company's mine is situate near the junction of Skipper's and Murdoch's Creek, at the base of Mount Aurum. The workings in this mine date from 1863, when it