any one who is interested in the mining industry to refrain from advocating or sanctioning any scheme that will tend to develop mining unless there are strong reasons to believe that the undertaking proposed will become an investment which will at least repay small interest on the outlay. And if it could be shown to English capitalists that mining ventures in this colony would give them a fair return for their money, mining would soon become in a more flourishing state.

Capital has been obtained from England to open up and develop the mines at Macetown, and it is to be hoped that the shareholders in these mines will realise their expectations. The advertisement inviting people to take up shares in the West Argentine Company, which is a reorganization or reconstruction of the Tipperary Company, as published in the *Financial Daily News*, of London, states in glowing colours what people may expect by investing in shares in this company; but some of the investments which appear well on paper are never realised, and, if not, this has a very bad effect in causing really good ventures to be looked on with distrust. Without making any comment on the mine referred to, the following prospectus or advertisement will speak for itself:—

"*Prospectus of the West Argentine Gold Company (Limited).*"—The *Financial News* of the 28th December, 1893 (the leading London daily financial paper), states,—

"The *Otago Daily Times*, one of the most important daily papers in New Zealand, may be taken as most valuable testimony as to the character of local opinion on the subject.

"'The new find in Tipperary Mine,' says the Otago *Times*, 'although only recently made, is of such a nature as will greatly enhance the value of the property, to what extent it is at present quite impossible to say; but the sequel will show what a few feet of cross-cutting may do. About 60ft. or 70ft. from the mouth of the old main adit of the mine a cross-cut had been put in for about 14ft., in a northerly direction. The same cross-cut was being extended by the new management, when, before 4ft. had been driven, a shoot of stone was struck that fairly glittered with specks of the precious metal. The lode, which at this point is very friable, was found to be between 4ft. and 5ft. wide, carrying gold throughout the whole width. A portion of the lode, estimated at about 2ft. wide, ranks with, if it does not excel, anything of the kind ever seen at Macetown. Miners whose judgment of the yielding capabilities of quartz is entitled to respect, fix its value at from 2oz. to 3oz. per ton. However, if the whole width of the lode is taken, and, say, it averages 1oz. per ton, the new find will in itself mean a fortune to the shareholders. Mr. W. Stanford is now opening the lode by a rise, and driving upon its course in a horizontal direction going east—that is, into the hill. There is every sign that the lode lives down. The lode carries good solid walls, and shows all the signs which generally, and at Macetown especially, indicate the permanency of lodes. The loose and friable nature of the quartz is accounted for by its nearness to the surface; and as the lode is followed further into the hill, or in a vertical direction, it will no doubt change into more solid stone.'"

As regards the opinion in City circles of West Argentine shares, the following, also from the *Financial News*, is important:—

"The tendency of speculation in the mining market is clearly towards the cheap shares—preferably those selling at rubbish prices, in which the risk of loss is infinitesimal, while the margin of possible profit is considerable. In several instances their experience has already justified the predilection of the public for cheap stuff, and in other cases there is a fair prospect of similarly good results. West Argentines, for example, are now selling at about 2s., at which price the property of the company, situated in New Zealand, and including a lode which is said to average 4oz. of gold to the ton, stands at £15,000. Assuming that the yield is only one-fourth of that figure, the property is certainly worth more than that, without taking into account a second lode, of which the manager reports in glowing terms. It is in these cheap shares of reconstructed properties that small investors find their best opportunities of quick returns.

"The mine is fully equipped with machinery, and the battery of stamps is capable of crushing 400 tons per month, and, as 1oz. per ton of quartz should yield a profit of £2 10s. per ton, it follows that at this low rate the mine should again shortly be in a position to make profits, and this time at the rate of £1,000 per month, equal to £12,000 per annum, calculated on 1oz. of gold per ton of quartz; but, in view of the recent discovery, estimated to yield 4oz. per ton, the cost being the same—namely, £1 5s. per ton—a profit of £4,000 monthly would be realised, equal to £48,000 per annum; and West Argentine shares may rise from their present low value to £1. West Argentine shares should accordingly be bought. On the above calculation, an investment of £10 may become £100, and so on in proportion."

The advertisement, or prospectus, or by whatever name one would term this document, which appeared under the head of advertisements in the *Financial News*, of London, of the 28th December last, was certainly a most ingenious composition. The actual result of working this new discovery referred to was that a large expenditure was made in laying down a ground-tramway from the adit-level to the crushing battery, and after crushing 600 tons of quartz a yield of 36oz. of gold was obtained, which is equal to about 1dwt. 5gr. of gold per ton, having a value of 4s. 4d. per ton, which shows, instead of making a profit on the working of the mine, there is a considerable loss. At the time of my visit a low-level adit was in course of construction, and was in for about 320ft. The total length of adit required to be constructed before it will reach under the old workings is about 1,800ft., when it will be about 15ft. under them. All work on the upper levels was suspended at the time of my visit. Only seven men were employed.

Premier Company.—This is one of the Glenrock Company's properties. This company has recently been reconstructed, with a nominal capital of £225,000, which is divided into 225,000 shares of £1 each, each shareholder in the original company to have the option of taking up shares in the new company within fourteen days from the date of the notice calling on them to do so. They were to be credited with 19s. as being paid. They had to pay 6d. per share on application, and the other 6d. per share was not to be called up within twelve months. Although the original company were part proprietors of the Premier Mine, it had not sufficient capital to develop