

yielded 95oz. of gold, of a value of £2 10s. per ounce. Five tons was taken from a parallel lode about 12in. thick, and sold to the smelting company, but I could not get at the amount that it fetched. Both these lodes contain sulphide of silver. They were, at the time of my visit, constructing a level from the county road which will give them 70ft. of backs, all other operations being suspended until this level is completed. There were only four men at work. The capital of this company is £20,000, in £1 shares, of which 2d. per share has been paid up.

There are several other mines at work which I did not visit, amongst which is the Sutro Company's mine, who are getting their quartz treated by the new plant recently erected by J. Railey. The large amount of silver in the lodes in this district requires a different mode of treatment from that which has been adopted.

*New Reduction-works.*—A full description, with plans, of these works, is given further on; therefore it is only necessary to show some of the results of the treatment adopted. There can be no doubt that these works have been a great benefit to the mining companies in this district, as by the treatment of the ore a much larger percentage of bullion has been attained than hitherto has been extracted by the battery-process. At the same time these works do not give the percentage of bullion which may be expected from a more complete plant. Mr. Railey estimates that his present mode of treatment gives about 75 per cent. of the bullion; but even this percentage is very questionable. He states, however, that he is certain a much larger percentage would be got if a roasting-furnace was erected in connection with his works. This new plant, however, has been the means of active mining operations being commenced in the whole of the mines in the district, and has done a great deal in showing that they can now be profitably worked. Since this plant was erected in November last about 400 tons of stone has been treated; and the following statement will show the results from some of the ore from various mines:—

Name of Company.	Number of Tons crushed.	Amount of Bullion.	Value of Bullion per Ounce.
		Oz.	
Woodstock ... ..	8	264	...
" ... ..	10	170	8s. 3d. and £1 2s. 5d.*
" ... ..	18	59	£1 3s.
Adeline ... ..	5	85	£2 7s. to £2 14s.†
" ... ..	34	75	...
" ... ..	5	9	...
Diamond ... ..	25	200	...
" ... ..	10	74	...
Sutro ... ..	28½	128	...
" ... ..	16	92	16s. 6d.
Crown ... ..	10	75	19s. 4d.
" ... ..	10	25	18s. 10d.
Comstock ... ..	2	49	4s. 1d.
Tui ... ..	1	8	†
Rose ... ..	14½	63	19s. 7d.
Dubbo ... ..	12	54	19s. 6d.
Monastery ... ..	23	164	£1 4s. 6d.
Kenilworth ... ..	10	44	14s.

\* The bullion from the plates was worth £1 2s. 5d., and from pans 8s. 3d. per ounce.

† From plates the bullion was worth £2 14s., and pans £2 7s. per ounce.

‡ Value of bullion not ascertained.

It will be seen from this that the bullion is of low value, owing to the large percentage of silver in the ore, and so long as ore was treated by the ordinary stamping-battery very little of the silver was obtained.

#### TUI DISTRICT.

This district adjoins Te Aroha. It is about two miles and a half north of the quartz-workings on the watershed of the Waiorongomai Creek.

A large lode of quartz containing gold, silver, and galena was discovered on the top of the saddle between the watersheds of the Thames River and the Waitawheta Creek, at an elevation of about 2,200ft. above the level of the sea. The reef is from 8ft. to 12ft. wide, showing an outcrop on the surface in a southerly direction for a considerable distance. This reef was discovered by Mr. C. A. Cornes about two years ago, but it was not until the La Monte Smelting-furnace Company commenced active operations that any special attention was given to this find. On the top of the saddle the stone contains sulphide of silver, a little gold, and galena, but on following the lode southward it was found to be rich in galena—the ore that was specially required for flux for smelting the quartz at the La Monte Company's furnace at the Thames. The first two tons taken from the galena lode was purchased by the Smelting Company for £22 10s. per ton, after which 25 tons were sold at £12 10s. per ton. Subsequently 150 tons were sent Home to Europe for treatment, which, I have since been informed, gave the value of gold, silver, and other metals contained in the ore as from £11 10s. to £12 10s. per ton.

This is one of the largest quartz lodes on the northern goldfields, and shows, as far as it yet has been prospected, likely to prove a valuable find; but there is really very little work done yet to