

extremely rich band of stone on the hanging-wall side of the lode, about 12in. in width, which assays at a rate of from £337 to £487 per ton; but taking the assay-value of the general ore stuff it goes from £11 7s. to £14 10s. per ton. The rich band referred to does not extend far back in the level, but in general the stone assays better close to the hanging-wall than in other portions of the lode. Any one visiting this mine cannot fail to be impressed with its value. The quantity of ore that is now in sight will give the shareholders handsome returns for working. The shot of gold in this mine has been proved to have a length of 700ft., and it is still continuing on the south end, but on the upper level they have come to a cross course, which may have the effect of cutting out the gold, although there is no appearance of this taking place yet. It may be said this is the longest shot of gold that has been proved to run continuous in any lode in New Zealand, and the lode is richer in the bottom level than it is on the upper one, which holds out a great hope that the gold will continue to go down to a considerable depth. The bottom level is at least 600ft. below the surface, and shows rich ore under-foot, and the lode getting wider. On the upper levels some very hard bands of rock were gone through; but on the lower levels, strange to say, the hard rock cuts out, and a soft tufaceous sandstone takes its place, having small leaders and veins of quartz here and there through it. The lode is also better defined on the lower levels, and the quartz more compact. There is none of the loose rubbly stone found in the lode that was in the upper levels. The present appearance of the lode shows that it is likely to go down carrying gold to a considerable depth.

Taking the manager's report to the directors of the 22nd November last, he states that No. 4 adit is 124ft. above the creek level, and had at that time been driven on the reef 314ft. After the first 80ft. the lode pinched very small for 60ft., but made again, and has continued intact up to the present time, averaging 3ft. in thickness, with an approximate value of from £5 to £7 per ton. He gives the assay-value of samples taken from the lode at the end of this level on the date of his report as follows: From foot-wall—Gold, 1oz. 11dwt; silver, 1oz. 7dwt. 18gr.: value, £6 7s. per ton; from across the face of the lode—Gold, 1oz. 4dwt. 12gr.; silver, 2oz. 16dwt. 4gr.: value, £5 2s. per ton.

The No. 5 adit is 72ft. below No. 4, and the thickness of the lode in this level averages about 6ft.; and the assay-value of the ore broken out ranged from £8 to £12 per ton.

The No. 6 adit level, on the south side of the creek, is on a level with the gorge tramway, and therefore will be used as the main adit to work the stopes above this level. The lode in this level averages from 7ft. to 8ft. in thickness, and the assay-value of the ore broken out is given at from £15 to £20. The manager gave the directors the result of the assay samples taken from the face of the adit on the date of his report, as follows: From centre of lode—Gold, 3oz. 6dwt. 23gr.; silver, 1oz. 19dwt. 4gr.: value, £13 7s. per ton. Hanging-wall—Gold, 3oz. 16dwt. 18gr.; silver, 2oz. 10dwt. 15gr.: value, £15 10s. per ton. Foot-wall No. 1—Gold, 2oz. 15dwt. 22gr.; silver, 1oz. 15dwt. 22gr.: value, £10 15s. per ton. Foot-wall No. 2—Gold, 13oz. 19dwt. 7gr.; silver, 10oz. 2dwt. 12gr.: value, £57 6s. per ton.

The No. 6 adit, on the north side of the creek, has been driven on for 115ft. For the first 70ft. the lode averaged 7ft. in thickness, and the assay-value of the ore varied from £4 to £30 per ton. For the remaining distance driven the thickness of the lode varied from 2ft. to 5ft., and towards the end of this adit the lode broke into several branches.

In reference to the assay-value of the ore, Mr. McConnell takes promiscuous samples at short intervals from the different faces, and crushes up each sample before making any halving or quartering for assay, and he states that by taking samples in this manner during the time that the stone was being crushed at the old mill he got, in treating 614 tons, 94 per cent. of the assay-value; which shows that average samples of the ore must have been taken, and also that by careful assaying the value of a lode is accurately ascertained. It is gratifying to learn that other companies are now beginning to see the value of having their ore carefully assayed, and, although the result shows that they are losing a large percentage of gold and silver, it will eventually have the effect of their adopting a different method of treatment. This is specially referred to in my remarks on the Thames field.

The balance-sheet of the Crown Company for the year ending the 31st May, 1892, shows the capital of the company to be £65,000, in shares of £1 each, of which 47,673 shares have been issued, with 18s. per share called up, and 200 shares fully paid up; making the total number of shares issued 45,873, and the amount due for patent-rights acquired from the Cassel Gold Extracting Company, payable in fully paid-up shares, £11,468, and to sundry creditors £712 19s. 9d. Their assets are set down as follows:—

	£	s.	d.
Purchase of property from the old company	35,000	0	0
Patent rights acquired from Cassel's Company	11,468	0	0
Value of plant, &c., acquired from old company	666	16	0
Expended to the 31st May on new operations, and re-erection of plant, &c.	3,650	15	4
Stock of materials on hand	194	18	11
Funds in bank	1,762	14	4
Sundry debtors	81	5	0
Reconstruction expenses	227	10	8
Making a total of	£53,052	0	3

It is gratifying to find that in the case of this company, unlike many of the English companies, there does not appear to have been a large proportion of the capital absorbed in promoters' shares, and that the cost of management in the Glasgow office is small in comparison to some of the London offices, as, for instance, the Blue Spur, and Round Hill Company, in Otago. The receipts and expenditure for the year ending the 31st March, 1892, were as follows:—