

lode, close to the edge of the river ; but as this is on an old slip there will be a considerable amount of excavation to get a solid foundation. There is a considerable body of water in the river in ordinary weather, which can be utilised to drive crushing-machinery, but to lift it and bring it along the steep face of the range will necessitate the water being brought in a flume to the machine-site.

About 500ft. above the bed of the river on the north side there is an outcrop of the lode in a small-creek bed in the face of the range. The lode at this place is only about 2ft. in width, and no gold is visible in the stone. The quartz is also different from what it is at the creek level, and on crushing a piece of it in a mortar no gold was found. On the south side of the river the lode runs for some distance parallel with the river-bed, and close alongside it. There is a large body of quartz along the bank of the river for some distance, but whether this is the lode or a slip from the lode is not easily determined without cutting through it, which has not been done. Indeed, far more prospecting should be done to determine this, and more especially at this particular place there is a wide lode of quartz crosses the bed of the river, and the lode may take a slightly different direction than that anticipated by the holders of the claims to the southward of the prospectors. The prospectors have, to all appearance, a good chance of having a rich claim ; but no one can see underground, and it is possible that they may find that it would be more advantageous to test the lode more before erecting machinery. There were originally eleven shareholders in the prospecting claim, and they have given four shares to other gentlemen, who have agreed to erect crushing-machinery.

There are four licensed holdings applied for to the north of the Prospectors, but the lode is not visible in any of these holdings. The No. 1 North holding is taken up by eleven men, and six were employed in sinking a shaft near the line of reef at the time of my visit ; this shaft was down 35ft. For the first 32ft. from the surface it went through a fine glacial consolidated silt, and then into a cemented quartz gravel ; but they had not reached the rock. They intend sinking some distance in the rock and then driving for the lode.

The No. 2 North is held by two parties of five men in each, but no work had been done at the time of my visit. No. 3 and No. 4 North : the holdings applied for are 30 acres each ; but it is not expected that much work will be done on any of these holdings until the lode is traced further than at present.

On the south end from the Prospectors' there were three licensed holdings applied for of 30 acres each, but there is no lode visible on the surface on any of the ground comprised in these applications of a payable character. Indeed, the holdings both to the north and south of the Prospectors' are simply marked off by taking the direction of the lode visible in the Prospectors' Claim. Whether the lode will continue unbroken in a straight line for a long distance remains to be proved ; but even should this prove to be the case, there will be large portions of the lode that will not carry sufficient gold to pay for working.

Another quartz-lode has been found near Cuttle Cove, on the opposite side of Preservation Inlet, and an application made for a licensed holding ; but as there was no work being carried on here it was not considered important to inspect it. The value of the quartz-lodes in this district will take a considerable time before they can be proved, as it can only be ascertained by crushing a quantity of stone ; and taking into consideration the topographical character of the country, and the boggy nature of the ground between Kisbee Bay where the new Township of Cromarty is surveyed and the Prospectors' Claim, it will take at least twelve months before machinery can be erected and ready for commencing to crush the stone. During this time all the work on the reefs must necessarily be only of a preliminary character ; and, unless by those who can afford to hang on for a long time without getting any returns, there will be very little work done in any of the claims.

The following statement shows the battery returns forwarded from the Otago District :—

Name of Company.	Stone crushed.	Yield.
	Tons.	Ozs.
Croesus Battery, Nenthorn	426	403
Achilles Goldfield Company
Sunrise Gold-mining Company*
W. Walter's Battery, Barewood	1,970	659
Premier Consolidated Gold Company... ..	957	945
Phoenix Mine	5,457	1,920
Crossan and Gray	315	766
Gallant Tipperary	1,170	363
Syme Brothers	130	119
Sheppard and Todd	137	16
Harrison and party	38	8·8
Mathew Begg	37	13·5
	10,637	5,263·3

*Sold to Premier Consolidated Gold Company (Limited).

The following tables give a list of the mining companies who have complied with the provisions of "The Mining Companies Amendment Act, 1890," in publishing a statement of their affairs :—