

Notwithstanding that this field proved a failure in the first instance, there is still reason to believe that a number of individual miners will find a competent livelihood by working the reef so long as there is a crushing-battery on the field to treat parcels of stone. Were this to be removed it would mean entirely shutting down all the small claims, and no prospecting operations would be carried on.

Mount Highlay.

A commencement is again being made to prospect the quartz lodes at Mount Highlay. It is said by some of the men working in this locality that there is a fair possibility of getting payable stone from the quartz lodes, which are very large, and low-grade ore could be made to pay for working. The gold in the quartz being in a very finely-divided state, the proprietors of the mine intend to have all the modern appliances for saving the gold, and when a proper trial crushing from the mine is made, and the assay-value of the ore correctly ascertained, to see what percentage is recovered, it will then be known if such value will admit of the cyanide process being used, and if so, it is intended to erect a plant to carry this into effect.

LAKE DISTRICT.

This is the first district in Otago where quartz-workings were commenced. The reefs were discovered about the year 1863. Some rich stone was obtained on the outcrop of what was then called the Skipper Reef, but which has been more recently known as the Phoenix. This was some time worked by a small party of miners, who eventually sold it to Messrs. G. and F. Bullock, and the latter have been carrying on quartz-mining operations here ever since. Some years after the discovery of the above reefs, others were found in the Macetown district, and a considerable quantity of gold obtained therefrom. Reefs on the Upper Shotover have also been worked, and have given payable returns.

There is no doubt that, had the mines which were worked in the early days been possessed of the improved appliances which are now used in connection with quartz-mining and gold-saving, more gold would have been obtained than has been done. There were a considerable number of lodes opened out in the Macetown district, but, with the exception of being worked near the surface, very little work has been done in any of them with the exception of the Tipperary and the Premier Mines.

Some three or four years ago the work of quartz-mining in this district came almost to a standstill, and an endeavour was made to get foreign capital invested in the mines in this locality. Mr. W. J. Farrell, of Dunedin, proceeded to England for this purpose, and was the means of floating companies there to take up the Premier and Tipperary Mines. Since his return he has applied for and taken up several other claims which had been worked in former years, Mr. Farrell's object being to place these properties on the English market later on. In the meantime, he has let one of the claims on tribute to a party of four tributers in order to prospect and develop the property. This claim is known as—

The Victor Emmanuel Claim.—It is now being worked on tribute by Messrs. Grinstead, Fox, Elliott, and Pitt, who took over the mine from Mr. Farrell early in November last. This party had at the time of my visit, constructed an adit-level for a distance of 180ft. A leader showing good stone was met with at 135ft. from the mouth of the adit, and upon driving on this leader it widened out to a well-defined lode of quartz in the face, showing all the characteristics of permanence and of a paying quality. The course of the lode is easterly and westerly, and dips only a few degrees from the vertical, having well-defined walls, with the foot-wall casing carrying gold. The quartz is of that mottled appearance which characterizes the gold-bearing stone at Macetown. This lode is entirely a new discovery, and is about 100ft. away from the old workings, and in a different line of country.

During the early workings of this mine a small crushing-battery was erected alongside the stream, in Bush Creek, consisting of four heads of stamps. It had, however, not been used for many years, as it was covered up by *débris* from a slip which had taken place from the side of the range. At the time of my visit to this mine the tributers were busily engaged in clearing away the *débris* from the battery, and had got it pretty well in working-order. It is to be hoped that the new discovery of the lode will repay these men for the energy and perseverance they have displayed in opening out a mine which had for so many years lain idle, and which was generally considered to be valueless.

The Tipperary.—This mine for many years gave the proprietors good returns for working; but after the lode in the upper levels was stoped out the expense of working it became considerably greater, and it did not prove so remunerative as formerly. An incline shaft was sunk for a considerable distance following the lode; but the quartz became of a very low grade, and the quantity of water to contend with was such as to add considerably to the expense of working; as consequence operations in the mine were suspended for a considerable period pending a re-organization of the company.

After being closed for two or three years the mine was purchased by an English company, and early in 1894, mining operations were again commenced. A great deal of stone which in the early days was considered not payable was left in the upper levels, so the company made arrangements to work this in the meantime. After having their battery repaired, a tramway was laid down to connect the battery with the mine, and a commencement made to take out the stone referred to.

After putting 600 tons of quartz through the battery, it was found that it only returned a yield of 36oz. of gold. In consequence of this small return, mining operations on the upper levels were suspended, and a commencement made to construct a low-level adit in order to test the mine on deeper levels. This adit will require to be driven for about 1,900ft. in length; and at the date of my recent visit to the district it was already constructed for a distance of 1,204ft. The adit is 5ft. wide and 7ft. high in the clear inside. It is perfectly straight, and to all appearances it has a uniform grade. Indeed, it is one of the best-constructed adit-levels that one will see in inspection.