

in each year. Without going into details, the approximate cost of this machinery would be £1,500. A further sum of £1,500 is required to sink an incline-shaft below the bottom of the low-level adit. Previous to work in the mine being suspended, an opening was being made, on the line where a shaft should be, by rising from the stopes east of No. 3 shaft to the bottom of the low-level adit. This opening is too small to become the substitute for a machine-shaft if it is intended to develop the mine to any considerable depth; and the strength, size, and value of the reef indicates the desirability of laying out the work sufficiently large to have a working-shaft 2,000ft. beyond the point of commencement.

"An incline-shaft as above, sunk a distance of 2,000ft., would open up 27,000 tons of auriferous ore, if the shoot of ore now visible should continue to live and maintain its size of, say, 55ft. long and 4ft. wide. At the present time it is much larger, and the chances are in favour of its increasing length and size as it goes down, judging from its behaviour whilst it was exploited from the outcrop to its intersection in the low-level adit, a distance of over 1,550ft. This 27,000 tons, reckoning a yield so small as 15dwt. to the ton, and gold value £3 10s. per ounce, would total to £60,000 gold, out of which a large sum would be available for dividends.

"In the high-level adit, which has been driven a distance of 1,559ft. from its mouth, the reef on the face of the drift is about a foot wide, and unproductive; but the country-rock is here of a soft and kindly nature, which indicates close proximity to another shoot of auriferous ore, and as it is known that other quartz formations are ahead of this drive it is advisable to push the drive forward as far as possible.

"In this drive the possibilities are very great, as, should another shoot of stone be found, it will be in virgin ground from where it is discovered to the surface. It can be operated on from the high-level adit, low-level adit, and from the bottom of the incline-shaft simultaneously, thereby ensuring a very large output of auriferous ore. Should a parallel shoot of auriferous ore be met only equal value to No. 1 the property would be immensely increased in value, as all dead-works such as drives and shafts, will have been already constructed to work the No. 1 shoot.

"To prosecute this drive a sum of £1,000 should be available, although little of it may be spent before the expected shoots of ore are met with. It is, however, highly important that this drive should be extended to the boundary of the lease, so as to ascertain the number of shoots of gold there are existing in the property at this level, besides driving the high-level adit, and prospecting the western part of the property, where, if payable gold be found, the dividends would be largely increased."

There are sometimes statements in reports that are misleading, and distances and quantities somewhat exaggerated. Mr. Hoskings may be correct in what he says in reference to the lode in this mine being worked for 1,550ft. from the outcrop; but this is entirely a new feature to me. It is possible that he refers to the length of the lode on the strike; and even then the distance mentioned appears to be great, and does not coincide with the plans of the workings shown me by the manager, Mr. Stanford, from which my notes were taken.

In regard to the cost of breaking out the quartz, the price seems extremely low. Taking the average size of the lode at his own figures—namely, 4ft., then in every fathom of length and depth there would be 11 tons of quartz, which, at £2 per fathom, would be equal to about 3s. 7½d. a ton. It is questionable whether the stone will ever be taken out at this figure.

The report shows that the company has a valuable property, and only requires £5,000 to open it up so as to insure regular dividends, and that only nine months are required to complete all the works. In my last report reference was made to the manner in which the mine had been worked in the early days, and the sinuous course of the low level, but this did not refer to the works laid out by the present manager, Mr. Stanford. The system on which the early workings were executed was due more to the financial position of the company in not making calls to do the necessary work, always relying on the mine paying sufficiently by working it in a makeshift manner to do everything necessary to put it in working-order. It is to be hoped, however, that the report given in this property will be fully borne out when the necessary works as enumerated are completed, and that in the near future it will become a dividend-paying concern.

Skipper's and Shotover.

The whole of the quartz-mining operations at Skipper's have, for a considerable number of years, been carried on by the Phoenix Company, which, in reality, meant Mr. Bullen. About two years ago the late manager of the Phoenix went Home with the intention of floating a company in London to take over Mr. Bullen's property at Skipper's, and about twelve months ago word was sent out that a company with a capital of £100,000 had been floated; but up to the time of my visit to the mine towards the end of March last no money had been sent out from Home to develop the mine or to pay off the company's liabilities.

All the information which the present manager could give me was to the effect that a company termed the Achilles, had been registered, with a capital of £100,000 in 800,000 shares of 2s. 6d. each, of which £80,000 was to be given for the property in paid-up shares; and, so far as the manager knew, 642,960 shares were allotted, which means a value of £80,370, or a working capital of only £370. With the property changing hands and no funds forthcoming, the manager has for some time past, to do the best he could to provide money for the payment of the workmen. Mr. Bullen has had to advance money to the extent of about £700 during the last two years towards the payment of wages, &c. At the date of my visit about £3,600 was said to be due for wages alone.

According to a statement of affairs published in the *Gazette* No. 23, of March last, the actual liabilities of the company amount to £11,837 12s. 10d. During the year ending the 31st March last there has been an average of eighty men employed in the mine, and 3,943 tons of quartz were