111 C.—3.

foot of this last and highest terrace of the Grey River. Again, there is a small gully about 15 chains south from the bridge over Snowy on the main Grey Valley Road, running in an easterly direction, where gold-workings have been carried on, the gold here being derived from river gravels, due to the action of the Grey River. The front and lower terraces of the Grey River are gold-bearing, and are at present being worked on the opposite side of the river from Mackley's station, and they are known to be gold-bearing as far as the bridge crossing the river on the main Grey Valley Road. These lands are partially freehold, which prevents their being worked at present.

In the valley of the Snowy River, for about two miles above the junction of Mossy Creek, there

In the valley of the Snowy River, for about two miles above the junction of Mossy Creek, there have not been any gold-workings; but at about one mile and a quarter above Mossy Creek there have been considerable workings in a tributary coming in from the south. Shortly above this point the valley of the Snowy has been worked for a distance of about nine miles from the Grey Valley Road, and many small tributary streams coming from the south have been worked. The most extensive workings are near the junction of the "Old man bottom" with the "Matai" slates. For the last mile or so the gold is of a rugged description, evidently derived directly from quartz reefs which are known to exist in this locality. A trial crushing was taken from one of these quartz lodes, which yielded 5dwt. of gold to the ton. Near the junction of the "Old man bottom" with the slates the river divides into two branches, the principal one coming from the northwards from a point east of the source of the Blackwater or Big River. The hills on the north side of Snowy, opposite the goldworkings and west of slate junction, are exclusively "Old man bottom."

Noble's.

Under this head are included the gold-workings on the immediate banks of Waipuna Creek. The lower part of this stream flows through a deep gorge with precipitous sides. Consequently the gold is confined to the bed of the stream, and therefore difficult to reach. About a mile below the junction of Noble's Creek the Waipuna Gold-mining Company drove a tunnel through the terrace from the Waipuna to the bed of the Grey River with the object of lowering the bed of the Waipuna Creek and reaching the gold which is supposed to exist; but the work was a failure, inasmuch as the tunnel was not constructed at a sufficiently low level. Gold-workings extend up the Waipuna Creek for fully a mile above the junction with Noble's, and along Mosquito and Carriboo Creeks to their source.

Mosquito Creek takes its rise on the eastern side of Napoleon Hill, and flows in a semicircular course to Waipuna Creek. The upper part of this creek contained rich auriferous deposits, evidently derived from the old gravel-beds on Napoleon Hill, and also from a convergent lead on the ridge between Mosquito and the upper part of Orwell Creek, the present workings being situate

near the junction of Carriboo Creek, which comes in from the south side.

There are considerable workings in Noble's Creek, near its junction with the Waipuna. These workings rise on the spur between Noble's and Mosquito to a height of fully 100ft. above the level of the creek. The wash-drift is composed of ordinary creek shingle and the older gravels from the "Old man bottom" mixed with many large boulders, apparently derived from a different source. The creek divides into two branches about 20 chains above its junction with the Waipuna, the main branch going towards Napoleon Hill and the other branch towards the head of Duffers' Creek. The principal workings in the main branch lie along its eastern side, on the terrace and the foot of the hills. This part was remarkably rich, and continued so up to the foot of Napoleon Hill. The creek-channel itself is a narrow, deep gut, with precipitous sides, and, as there is a considerable quantity of water flowing in it, the ground could never be bottomed. In all probability there are rich deposits of gold in this creek-bed which some day may, with the aid of machinery, be obtained. There are at least three points where the workings are carried on at present. These are situate at a considerable level above the creek, with a great depth of wash-drift. At the foot of Napoleon Hill the creek divides into two branches, one of which comes from the south and the other from the southwest, the northern part of Napoleon Hill lying between. At the foot of this hill lies Wellington Terrace, the workings of which run parallel with the course of the south-west stream and extend from the forks about 8 chains. The richest auriferous deposits were found adhering to the "Old man bottom," sloping northwards at a considerable angle. This terrace is popularly supposed to be a break or slide from the Napoleon lead, but such does not seem to have been the case. It is more probably a continuation of the rich terrace previously referred to, and which has been cut through by the eastern branch of the creek.

In Delagana and party's claim at Napoleon the depth of wash-drift is fully 100ft. This claim is situated on the so-called lead. The workings extend in a semicircular form for a distance of about 240ft., and into the hill for about 100ft. The wash-drift here in every way resembles the "Old man bottom," with the exception that it is not quite so solid and compact; the wash is stratified in a synclinal form, and dipping towards Orwell Creek. It may be remarked that Napoleon Hill is the greatest elevation in the immediate locality, and is covered with a great depth of auriferous gravels; and every creek or gully which cut through this deposit was found to contain rich auriferous wash-drift, while those small creeks which did not cut through the old auriferous gravel did not contain much gold. It seems that there is a large area covered with these old gravels on the high lands. It cannot be termed one lead, but more a series of auriferous leads extending for a great width. On the lower terraces the gravels are from a more modern formation, and are more a rewash of river-gravels. A great many adits have been driven from the creek-bed below the junction of Duffer's with Half-ounce Creek, and many claims were formerly worked which gave payable results. If water could be brought on to the high land in this locality a large quantity of gold would be obtained, as it is very well suited for sluicing; but there would be a difficulty as regards dump for tailings from the low terrace lands. The more one examines this line of gold-bearing gravels the more it becomes evident that the line of auriferous country runs almost parallel with the Little Grey and main Grey River on the south-east side, and consequently parallel with the main Grey Valley Road from Still-

water to Reefton.