

properly secured; also the second cage-road put in. The shafting and poppet-legs, cage- and ladder-roads, are now completed; also the necessary pitwork. From the top of the poppet-legs to the bottom of the shaft the distance measures 1,075 ft. At this level we started a cross-cut south-east, and during the first 18 ft. we intersected a small reef 6 in. wide, composed of solid quartz heavily charged with mineral and arsenic, slightly deviating from the direction of the cross-cut; in fact, the deviation was so little that we continued on the line of reef, which has now advanced 125 ft. This is, in all probability, a "dropper" from the reef cut in the shaft at the 940 ft. By continuing this drive we shall test the character of the reef, and ere long intersect the main portion of the reef. During the progress of this drive the reef has varied considerably, sometimes opening out to 14 in., but the average width would not be more than 6 in. It has carried good quartz for the whole distance, and is highly charged with arsenical pyrites. At about 96 ft. from the shaft we intersected another reef, bearing north-east and south-west, about 12 in. thick. This has been driven on for a distance of 17 ft. It is encased in a splendid class of sandstone, and is of such a character as should produce gold in quantity, though at present the ore obtained is not payable. At the same level we started a cross-cut south-west, which has been carried for 290 ft. A small leader about 5 in. wide was cut in the first 18 ft., which, though fine in quality and highly mineralised, showed no gold. At a further distance of 170 ft. two small veins were cut, both of which, though small, were excellent in character. We have here a much larger body of water to contend with than in the upper levels. Of course, the main object in advancing this cross-cut is to intersect our two old and tried reefs—Kapanga and Scotty. At the 940 ft. level, after cutting a chamber, we drove in an eastern direction on the line of reef, which has been continued both east and west for a distance of 89 ft. and 99 ft. respectively. The reef has varied in width from 2 ft. to 20 in., and in both directions has carried small deposits of gold for the whole distance, and occasionally very rich pieces have been taken out. A bar or band of iron-pyrites, 2 ft. thick, has very much interfered with the extraction of the gold. At the junction of the bar with the reef gold was made. In relation to this mineral band, we were prompted to forward a sample to the local assayer, with the following results: Nos. 1 and 2, from the west drive, assayed—No. 1, traces of gold; No. 2, 6 oz. 8 dwt. 13 gr. of gold and 1 oz. 17 dwt. 20 gr. of silver; value per ton, £25 17s. 9d. Nos. 3 and 4, from the east drive, assayed—No. 3, traces of gold; No. 4, 1 oz. 2 dwt. 16 gr. of gold and 10 dwt. 2 gr. of silver; value per ton, £4 11s. 8d. This band has accompanied the reef for the whole distance driven, and is 12 in. to 18 in. thick, of almost solid mineral. In the rise mentioned below another similar band has been met with, 8 in. thick, and has run with the reef right up to the rise. This band is a medium for the gold, and wherever it junctions with a reef rich deposits are found. We have put up a rise on the reef in the east drive for a distance of 42 ft., which is looking well, and showing strong blotches of gold. It was imperative that this rise should be put up to the 900 ft., in order to secure ventilation; besides which, by so doing, a large block for stoping was at our command. A certain amount of stoping has been done. The reef is 20 in. thick, carrying a little gold, but it is heavily charged with mineral. Having completed the rise, we continued the east drive, but a slide coming in disordered the reef, and for a time we lost it; but by further driving we recovered it in an improved condition, but still accompanied by the band of iron-pyrites, which we consider an excellent indication. In the 900 ft. level a cross-cut east has been driven 42 ft. About 20 ft. in we cut a small vein, 4 in. thick, carrying a good class of quartz, and in 20 ft. more we intersected a 4 in. leader showing payable ore. This leader we have driven on for 42 ft.; it soon increased to 6 in., and subsequently to 10 in., gold having been seen for the whole distance; and there is every indication to warrant favourable expectations. During this driving we intersected a reef running at right angles to the former one, which, though presenting a fine body of stone, did not betray payable ore. At this level we have initiated a cross-cut north-east, with the intention of picking up the reef cut through 16 ft. below the level, and which, where intersected, was found to be gold-bearing, a few specimens being taken out at the time. This cross-cut has advanced 36 ft. There is every encouragement to hasten and develop work at this level—in fact, from this point to the 1,000 ft. level every foot of ground should be prospected, as the country is one network of reefs, leaders, and veins, mostly gold-bearing, though in small quantities. The rise at the 800 ft. level has been stopped, and we have started to cross-cut west from the 700 ft. level to intersect this rise. We shall thereby obtain additional ventilation, and from the point of intersection continue the rise through to the 600 ft. This cross-cut has been advanced 110 ft. In the first 15 ft. we intersected a leader, 8 in. thick, carrying a body of highly-mineralised quartz. The next few feet of driving led us into the dyke, which we encountered in the shaft below the 600 ft. This somewhat retarded progress, but in the following 15 ft. we got clear, and cut into a composition of pug and mullock, which gave place to a more congenial class of country, with a good stream of water running from the face—probably owing to the nearness of a reef. Driving north above the 500 ft. level on Kapanga reef has been extended a further distance of 132 ft. The reef has averaged 8 in., composed of favourable quartz and pug, while the country-rock has considerably improved, and is carrying streaks of jasper, which is considered a good indication. This drive will lead us under the runs of gold to the north of the present face, and we are endeavouring to hasten this work as much as possible. The stope at the back of the drive has produced ore of low grade. The 420 ft. level (main drive south on Kapanga) has been advanced 115 ft. and repaired for 87 ft. The reef has varied during the drivage from 6 in. to 18 in. and at times has been much disturbed, owing, no doubt, to the broken and mixed character of the country-rock. An increased body of water has been encountered, and, from indications at the 300 ft. level, we are of opinion that this increase is coming from that level. The ore from the reef has been of low grade; but with a better class of country coming in, and a more uniform reef, we are anticipating an improvement in the quality of the ore. The rising above 420 ft., on Scotty's reef, has been holed through to the intermediate proper. The reef has been from 8 in. to 18 in.