

mile up from the Maruia River. Some of the outcrops showed a fair quantity of visible gold, and there were all the indications of good reefs being opened up in this locality. The prospectors made arrangements with the Anglo-Continental Gold Syndicate (Limited) to develop the property, but after prospecting it for about nine months by adits, shafts, and winzes it proved that the gold did not go down; the only place where prospects were obtained of the quartz being payable for working was on and near the surface. The syndicate therefore abandoned the option over the property. These reefs are in the same formation as those recently found on the top of the Victoria Range, being a metamorphosed clay slate, having in places a semi-schistose structure. The general impression is that reefs payable for working will be found in this locality yet, but it may take a considerable time to discover them, as the district is very sparsely populated.

The Warwick Gold-mining Company applied for a lease of 100 acres of ground, and have already put in a drive of 100 ft. on the reef, which is from 2 ft. to 4 ft. thick. Six men are employed.

The Grassmere lease, of 100 acres, and Maruia lease, of 16 acres, are also being surface prospected.

The Zealand lease, of 30 acres, is also being prospected, and a winze being sunk on the reef from the top of a hill 700 ft. above the river.

Britannia Mine (Area, 99 acres 3 roods).—This mine is situated at Stony Creek, Republic Range, Waimangaroa. Prospecting has been carried on continuously, with from two to four men, in opening up the outcrop, driving levels, and testing reef. The quartz averages from 2 oz. to 3 oz., and the recent discovery of quartz in a lode about 20 chains west of No. 1 reef has proved to contain rich ore. An English syndicate has had the property under option for the past five months.

REEFTON DISTRICT.

Victoria Range.—A very rich discovery of auriferous quartz was made by Mr. Kerwan on the Victoria Range in December last. The locality is situated about eight miles from Capleston, near the summit of the Victoria Range, at an elevation of about 3,500 ft. above sea-level. There are about 10 acres of ground covered with a loose surface deposit of quartz, which has come from some reef in the immediate vicinity, but so far this has not been found. The ground on which the quartz is lying is a portion of a slip of considerable magnitude. This has been proved by an adit, which was driven into a low spur about 40 ft. below the surface on the summit of the spur. This adit is on loose disturbed ground, the rock being greatly disjointed and tossed about.

The ground where the deposit of quartz is lying now forms a portion of the Lord Brassey Special Claim, comprising an area of 100 acres, which was granted to the prospector. On the northern boundary of this claim there are three other claims—namely, the Lady Brassey, Mark Twain, and Earl Brassey—each comprising an area of 30 acres, and on the eastern boundary there is another claim of 30 acres, known as Kerwan's Reward.

On the Mark Twain, Earl Brassey, and Kerwan's Reward Claims there are large reefs outcropping from 3 ft. to 6 ft. in width, but the quartz is far more crystalline in these reefs than in the surface deposit on the Lord Brassey Claim, and, as far as has been tested by assays, only contains a very small percentage of gold, some samples only giving a trace of gold, while others vary from $2\frac{1}{2}$ dwt. to a few grains to the ton.

The formation where the reefs occur on this range is a metamorphosed clay slate, having in places a schistose structure of Devonian age, and older than the Maitai rocks in the locality of Reefton, which belong to the Carboniferous period. It is a formation where one would expect to find rich auriferous lodes.

The surface deposit of quartz on the Lord Brassey Claim must have come from a large lode, as some of the boulders are 2 tons in weight, but the general character of the loose quartz is in pieces varying from a few pounds to two or three hundredweight, all of which contain gold; indeed, it is a rare instance to break up one of the boulders in which gold is not seen, and, even if it cannot be discerned by the naked eye, by pounding up the stone in a mortar and washing the pulverised material in a dish a very good tail of gold can be got.

From the quantity of timber that is growing on the ground where the deposit of quartz is lying it shows that ages must have passed away since any slip took place in the vicinity, and there is no surface indication to show from what direction the slip came, other than from the wavy surface of the ground. One would suppose it came from the direction of the Lady Brassey and Mark Twain Claims. There is a high sharp ridge running across these claims, having a very steep slope down into a deep ravine facing the Lord Brassey Claim, which bears some indications of a slip having taken place, but whether it is from this direction the slip has come is a question at present unsolved. There is no doubt that the large quantity of quartz that is strewn over the surface has come from some reef in the vicinity, and one at no great distance from where the deposit is lying, as from the physical features of the country, and being on an isolated high range, it could never have been laid down in the position it is lying in from glacier action. It may take a considerable amount of time and money to find the reef where this deposit came from, but when it is discovered it is likely to prove one of the richest reefs ever opened out in the colony.

Progress Mines of New Zealand (Limited).—This group of properties, formerly worked as two separate mines, has since its acquisition from the local owners been in process of development and equipment. The old equipment is entirely inadequate for the requirements in the future, the shafts being small and at too great a distance from the ore-bodies, and the hoisting machinery practically useless for handling the tonnage the mines are now in a position to turn out. The mill was of an ancient type, and is being replaced by one of a more economical pattern and greater capacity. The ore reserve when the mines were purchased amounted to but a few months' run for the mill, owing to the backwardness of development work. The present condition of the property, with its large ore reserve, has been brought about by devoting all attention to opening up fresh ground and