

The property consists of three sections of 20 acres each, and held as prospecting claims. Mining operations are confined to the centre one of these three sections. at a point about seven chains from the western, and three chains from the northern boundaries there is a shallow trench. The cap of a reef has been exposed carrying a little gold. To further test this reef, a shaft has been sunk to a depth of 47 feet. The reef continued in this shaft to a depth of about 20 feet with improving prospects of gold, and from that depth to the bottom of the shaft, the sinking has been through disturbed country, with occasional veins of quartz carrying gold. At 43 feet a crosscut has been driven west about 22 feet from the shaft. The country passed through up to footwall of reef was of the same character as that met with in sinking, and it is just possible it may be reef formation. The foot wall was met with at 17 feet 6 inches from shaft; it was well defined, and carried from 4 inches to 12 inches solid quartz, heavily charged with pyrites, and showing gold freely. The full width of reef at this point is 2 feet, with both walls well defined. The hanging wall portion of reef is composed of lode slate and quartz carrying a little gold. The hanging wall country is fairly hard slate with clay seams at intervals running parallel with the reef, or approximately north and south; underlie of reef westerly about 4 feet in 6 feet vertical. On the north side of crosscut, a small vein of pyrites is showing. This is carrying gold; and, as it is lying very flat, will probably junction with the reef at 5 or 6 feet below the level of cross cut. Samples of stone broken out were assayed with the following results:- No. 1, from back of cross-cut, 19 grains 14 dw per ton (stone about 5 inches wide) No. 2, from centre of cross-cut 4ozs. 11dwts. 11grns. per ton (stone about 12 inches wide) No. 3, from bottom of cross cut, 12ozs. 5dwts. gold per ton (stone about 9 inches).

These assays were all from the foot wall portion of the reef; samples from hanging wall carried a little gold by washing.

With such results as these, it is needless for me to say that you

have an excellent prospecting show, and the only question now is that of development.

The present shaft is not in a good position for sinking to a further depth, owing to the fact of the reef going so rapidly to the westward and, even if it were more vertical, I think it would be advisable to drive along the course of the reef to prove its continuity north and south of the shaft before spending any more money on deepening the present, or sinking a new shaft.

I may say that the water is somewhat troublesome, and it is questionable if an extra 20 feet could be managed with a windlass.

If driving is resorted to as suggested, and the reef continues of the same size and value as at present, it will not only pay for the work being done, but also provide portion of the necessary capital for future work. The question of a site for a main shaft, and the best method of treatment of the stone, will necessarily depend upon the development of the mine, and the class of stone met with. I would recommend a trial sample, of, say 10 tons, being sent to Mt. Lyell Smelting Co., and, if obtainable, a similar sample for battery treatment.

As the amount of work done is very limited, there is very little room for conjecture, but there can be no doubt the prospects are decidedly good, and quite sufficient to warrant much more systematic and energetic prospecting; and there seems no reason why it should not eventually prove to be a good payable mine.