

HORN ISLAND AND POSSESSION ISLAND GOLDFIELDS.

There is but little to report for the year 1904 in reference to the Horn Island and Possession Island Goldfields. Mr. Embley is still at work on the latter with a small battery, but is doing little more than paying expenses.

On Horn Island a Mr. Cockburn took up a prospecting area, and apparently is sufficiently satisfied with the prospects, as he is erecting a small battery, and shortly intends, I believe, applying for a lease.

On the old company's ground nothing is doing. Eleven miners' rights have been applied for during the year, and I hear of one or two prospectors fossicking on some of the small islands near Bada and Moa. I have not heard of any prospecting being done on this end of the Cape York Peninsula.

HUGH MILLMAN, Warden.

JORDAN GOLDFIELD.

I have the honour to forward you my report on the Jordan Goldfield for the year 1904.

During last year the only operations in reefing on the Jordan Goldfield have been carried on by the Jordan Creek Gold Mining Company, Limited, on their leases Nos. 2 and 8. This company are only just commencing to sink their shaft. All crushing material extracted to date has been obtained from tunnel levels. The company have crushed during

the year 3,705 tons of stone, which has yielded 1,018 oz.

A few fossickers have been getting a little gold in Henrietta Creek, but have been gradually decreasing in number.

No accidents have been reported.

P. MACARTHUR, Warden.

JUNDAH AND OPALTON OPAL FIELDS.

In reply to your memo., dated the 10th October last, I have the honour to report having made inquiries concerning the operations respecting the opal industry on the Jundah and Opalton Opalfields, and I find that it is a very difficult matter to ascertain the correct amount of opal raised on these fields, as the majority of miners who have found small quantities are scattered over a very large area of country; some at the Jundah fields, others at Horse Creek, and the remainder about Opalton. Most of the miners also dispose of the opal they find locally, both "cut" and in the "rough," without saying anything about it, or keeping any record of the amount they have sold.

As far as I can ascertain, there has been about £800 or £1,000 worth of opal raised on these fields during the year, most of which has been sold to local buyers or sent away to different towns in the States for sale. I cannot hear of any being sent outside the States for sale.

There has been an abundant supply of grass and water on the fields throughout the year, but the miners do not appear to be in a financial position to do much prospecting since the late drought, which disheartened and ruined a great many of them.

Most of the miners only work occasionally on the fields now, doing work on the surrounding stations, such as shearing, kangaroo shooting, &c., and go back prospecting in "between times." There is every prospect of the fields being prospected more thoroughly at an early date, as many of the old miners are only waiting until they earn sufficient money to obtain a supply of rations to enable them to carry out the work of prospecting. There have been about thirty men, on an average, working on these fields during the year, and the average depth of the workings is about 30 feet.

There have only been ten miners' rights issued here during the year. There were no mining accidents reported during the year.

In addition to the opal obtained, I might mention that there was about £500 worth of matrix raised during the year on these fields, which is disposed of in a similar manner as the opal; but there does not appear to be any standard value for this "gem," as the quality is not quite equal to what is required; therefore, the demand is not so good as it has been for the better class which has hitherto been got on these fields.

P. HANDLIN, Acting Mining Registrar.

KANGAROO HILLS MINERAL FIELD.

In my report for the year 1903 I predicted that, with an average rainfall, a greatly increased output from the mines, and an appreciable increase in revenue and population, might be looked for in 1904. That year, however, I regret to say, proved an unusually dry one. In the early part of the season there were good rains, which filled the creeks and waterholes, and advantage was taken by miners of the opportunity to treat large accumulations of washdirt, with satisfactory results. Then came a long spell of dry weather, during which alluvial miners could do little but raise further stacks of washdirt in anticipation of the rain, which did not again fall in quantity until towards the end of the year.

Notwithstanding this great drawback, and another unfortunate circumstance to which reference will be made later on, there has been a marked increase in the value of ores raised as compared with

pervious years. Revenue, unfortunately, shows a decrease, and the population remains stationary.

TIN-MINING.

The greatest progress made was in connection with the properties at Kwan, held by the *Mount Brown Tin Mining Company, Limited*. This company, in addition to its mineral holdings, has an up-to-date five-stamp battery, with some of the latest tin-dressing appliances; and, in addition to treating ores raised from the company's mines, also treats ores for the public at a fairly reasonable cost. The result has been that many previously abandoned shows in the vicinity have been retaken up, and a good deal of development is apparent in connection with new ventures. Some of these latter have proved highly remunerative, and the Benham Brothers, old residents of the field, are known to have done well of

late; in fact, to have made a substantial "rise." Of the company's mines, most development work has been done in connection with the Metropolitan, which in one of its drives shows 2 feet 6 inches of good ore. A considerable amount of sinking and driving has also taken place on the Empire, Cleopatra, and Achilles leases. Of these latter the Cleopatra appears the most promising. The battery has been working wellnigh continuously, and during the year its crushings have been (approximately) as follow:—For the company: 1,546 tons of ore, yielding some 66 tons tin. For the public: 590 tons of ore, yielding 52 tons tin. It has also treated some 6½ tons of copper ore, for a result of 1 ton 5 cwt. concentrates.

Useful as the little battery has been, the time has now come for increased crushing power, "to avoid," as the energetic manager, Mr. Lloyd S. Goringe, remarks, "the loss, amounting to about one-tenth of the tin, and reducing the crushing costs." This matter is now engaging the attention of the directors. The cost of crushing, it would appear, has averaged about 17s. per ton.

For some years past the premier property on the field was the group of mines known as the *Waverley Tin Mines*, started by the old Waverley Company in June, 1899. In developing the mines, and in the erection of machinery, this property must have cost its several proprietors between £30,000 and £40,000. The latest manager (Mr. Frank Fraser), who is also a large shareholder, in his review of the work of the past twelve months, states:—"There is no doubt but that tin abounds in the country, but the chutes are so patchy and changeable that, so far, it has proved unprofitable to work the mines by the employment of wages men; the chutes are too small and uncertain. During my term of office as manager, since February last year, the company have been allowing working miners to raise stone on the company's leases free of royalty; have also advanced explosives, and crushed the ore at very reasonable rates; and it has been very gratifying to me to see that some of the tributors have done fairly well during the year; and I believe that so long as the price of tin keeps at over £100 per ton, and the miners get more accustomed to the nature of the lodes and of the country, the output of tin from this locality will continue. The majority of the men seem to be satisfied with the results, and I think they deserve all they get from their industry."

The Waverley Company's mines from 1899 to the close of 1903 produced about £10,000 worth of tin. Whether they will produce more under the new departure remains to be seen; but it is certain the working miner has now a much better chance to benefit himself than he had in times past.

The machinery consists of a ten-head crushing battery and concentrating plants, and the company are prepared to treat all ore offering, so long as it is rich enough to pay the expense of treatment.

The Prospector battery at Onkey Creek, owned by Mr. Paul Poppendorff, is also doing good work; it, too, crushes for the public at a reasonable cost, and a good quantity of ore from mines in the vicinity is treated there.

The property known as the *Mount Ruby Tin Mines*, situated some 8 miles south of Cardwell, on the Five-mile Creek, has not turned out as well as was anticipated, and there are rumours of its probable abandonment. To the adjoining lease, held by Cumming and Johnstone, the same applies.

Alluvial tin miners, although sorely handicapped by a continuance of dry weather, may be said to have had a fairly good time, as the plentiful rains in the early part of the year enabled them to successfully treat the large reserves of washdirt raised during the dry months of the preceding year.

While on this subject, I may state that I have at no time seen reason to alter my first-expressed

opinion that the Kangaroo Hills Mineral Field is a good field for the ordinary working miner. Anyone in good health and possessing a rudimentary knowledge of mining, who is willing to work, can keep steady, and takes a few pounds in his pocket as a "stand-by" for a possible dry season, is certain to make a good living, and possibly a competence. Moreover, he will live in a delightful climate, and be able, at reasonable prices, to procure all the necessaries and not a few of the luxuries of life.

PRODUCE OF TIN.

For the year ended 31st December, 1904, the produce has been approximately:—

Tin (black)	15 tons, at say £70 per ton	£1,050
"	149 " " £75 "	11,175
Tin (stream)	185 " " £80 "	14,800
Total ...		£27,025

This return shows an increase of £5,122, as compared with that of the previous twelve months.

COPPER, SILVER, AND WOLFRAM.

The most disappointing feature during the year just closed has been the collapse (practically) of the venture known as the *Kangaroo Hills Mining and Smelting Company, Limited*, at Ewan. Credited with possessing some of the most valuable mines on the field, notably the Theckla, and commencing with a capital which at the time was considered amply sufficient for all requirements, the whole thing, as far as most of the original shareholders are concerned, has tumbled down "like a house of cards." Two rearrangements or reconstructions have ended in one of the largest holders (Mr. John Moffatt) taking over the properties on tribute. The sad example of the Waverley Tin Mining Company seems to have had no effect as an object lesson on the gentlemen who controlled the destinies of this latest promising mining venture. Summed up briefly, it may be said that the whole of the subscribed capital (at any rate the greatest portion of it) has gone in surface improvements, leaving nothing with which to carry on the development of the properties or to provide for a temporary check; and the main property, the Theckla Mine, has been proved, and is looking better than ever.

The manager of the works, under date January, 1905, writes:—"Owing to drought and financial difficulties, the company has been repeatedly blocked in its operations, and work entirely suspended, both at the smelting works and at the mines." The secretary says:—"Operations have been suspended for several months now, owing to the exhaustion of capital."

Practical miners attribute the failure to—(a) the unnecessarily large expenditure on furnaces and plant; (b) the great distances from the mines to the furnaces, which entails the cost of 10s. per ton for cartage, and at certain dry seasons and wet seasons renders cartage of one ore impossible; (c) the absence of suitable fluxes in the ores, and consequent difficulties in treating the ores.

Viewed from any standpoint, the failure is greatly to be regretted. The Theckla, I am assured, has never looked so well at as present; so there is still a chance of Mr. Moffatt succeeding where the company has failed. That he may do so is the wish of everyone interested in the future of the field. But it is indeed hard for the earlier shareholders, who thought their troubles were over when the company was formed, and woke up to find they had but commenced.

The furnace products during the time the smelters were working are valued at £1,864 4s. They comprise copper, silver, and lead.

A parcel of ore from the True Blue lease, owned by Messrs. Lennox and Rennie, was treated at the

Mount Brown works, and realised 15 tons concentrates from 93 tons 10 cwt. of ore. This mine is looking well, and the work of development is proceeding satisfactorily. The same may be said of several other properties in the near neighbourhood.

There is not much wolfram mining on the field, but some few parcels have come to hand, and are included in returns for the year, which are as under—

Copper (smelted), say 18 tons at £50	...	£900
Copper (matte), say 16 tons at £14	...	224
Silver, say 7,805 oz. at 2s. 3d.	...	878
Lead, say 8 tons at £10	...	80
Wolfram, say 7 tons at £100	...	700
		£2,782

The above, added to the £27,025 tin production, gives a total of £29,807 as the value of minerals won—an increase of £7,904 as compared with the returns for the preceding year, which, under all circumstances, must be regarded as satisfactory.

Decrease in revenue is due to the fact that rents remain unpaid on a number of leases still nominally held but really unworked, and which during the present year will probably be declared forfeited or abandoned.

The lesson to be learned from this is apparently that, while generously rewarding individual effort or the efforts of small parties of working miners, the mines will not pay large companies to exploit with small actual, but relatively large nominal, capital. The field is, to all intents and purposes, a working-man's field, and as such it will remain, at all events until further discoveries have located more permanent lodes. The manager of Waverley, referring to tin, hits the nail on the head when he says "the chutes are so patchy and changeable."

The only real difficulty the alluvial tin worker has to face is the uncertainty of the rainfall, which

emphasises the necessity for him to come to the field with the few pounds in his pocket as a "stand-by" to which I have previously referred. If he does that he is fairly certain of a profitable return for his labour.

REVENUE AND POPULATION.

The revenue for the year was as follows:—Miners' rights, £46 15s.; rents of mineral leases, &c., £362 11s. 3d.; total, £409 6s. 3d.—a falling-off of £51 17s. 9d., as compared with 1903.

The revenue of the field for the past seven years is as under:—

REVENUE FOR PAST SEVEN YEARS.

	£	s.	d.
1898	872 4 8
1899	1,732 11 7
1900	1,133 10 4
1901	818 11 5
1902	584 5 8
1903	461 4 8
1904	409 6 3

£6,011 14 7

The estimated population of the district may be set down at 350, of which number some 250 are miners.

Mineral leases in force on the 31st December last and applications therefor numbered 42, with a gross area of 613 acres. Miners' homestead leases and applications show a total of 11, with a gross area of 184 acres. During the year 10 new mineral leases were applied for, as against 16 in 1903.

One mining accident was reported. A small stone fell on one of the contractors at the Waverley Mine, when he was working in the main shaft, and the blow rendered him unconscious; he, however, speedily recovered, and was soon none the worse for the mishap.

G. H. NEWMAN, Warden.

MOUNT MORGAN.

Considered apart from the Mount Morgan Mine, it must be admitted that this field has shown retrogression during the year 1904, but the total returns for the year compare favourably with those for 1903. The chief falling-off occurred at the Mount Usher centre, at which place the Mount Usher Mine alone shows a decrease in the year's output of 2,298 tons of stone treated, and of 1,266 oz. of gold won, when compared with the returns for the previous twelve months. The Lamington Mine at this centre, however, has shown improvement, and there is some prospect of this property yielding fair returns during the current year. The last crushing for the year just closed yielded 132 oz. of gold, in addition to a parcel of concentrates, which makes the crushing worth upwards of 25 dwt. per ton, from 132 tons of stone. This crushing may be taken as an indication of what the mine, when more fully opened out at the eastern end, is capable of producing. During August last the eastern drive in this property passed into much bigger stone than any hitherto penetrated, but the ore for some distance was of lower grade than that previously mined. The last crushing, however, taken from the extreme end of the level, where the stone is upwards of a foot in thickness, proves that the quality is again improving. The present working shaft, which was sunk towards the western end of the property, is now about 500 feet from the face of the level which passes right under the battery site; and, as this necessitates a considerable amount of trucking, both below and above ground, the manager intends to sink a new shaft near the end of the eastern workings, which, when completed, should

materially lessen the cost of mining. The yield of gold from this property for the year amounts to 366 oz. from 355 tons of stone treated, as against 91 tons for a yield of 125 oz. during 1903.

The *Mount Usher* Mine, which had begun to fall off about the middle of 1903, practically ceased during the year under review to be a gold producer. Two or three small crushings from this property were put through the battery, but the work carried on was mainly prospecting. A good deal of country below and on No. 8 level has been explored, and a good deal of attention has been paid to the Egan reef, but results have been far from satisfactory. Parts of the property are, however, still being prospected, and it is to be hoped that the current year will prove more propitious than 1904. The output from this mine for the year was only 272½ oz. from 444 tons of stone treated, as against 1,538½ oz. won from 2,742 tons of stone during 1903. Mr. William Usher made strenuous efforts to develop the Mount Usher North into a payable mine, but he has met with disappointment. The stone in this property occurs in large irregular bunches, but when mined in bulk the ore is of too low grade to pay when treated at a small crushing plant. During the year Mr. Usher picked 586 tons of the better-grade ore, which yielded 214½ oz. of gold.

The proprietors of the *Victor* Mine, after a spell under exemption, resumed work in the latter part of the year. Since then they have raised 26 tons of ore, which yielded 43 oz. of gold.

During the year the old *New Clunricard* Mine was retaken up by a small local syndicate, who, aft-