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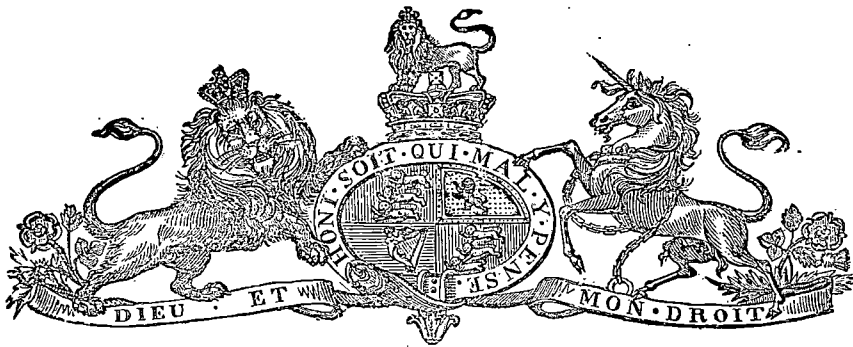
TASMANIA.

LEGISLATIVE COUNCIL.

GOLD FIELDS.

REPORT OF THE COMMISSIONERS.

Laid upon the Table by Mr. Wilson, and ordered by the Council to be printed,
November 22, 1871.



*Gold Commissioner's Office,
Nine Mile Springs, 1st November, 1871.*

SIR,

I HAVE the honor, in compliance with your instructions, to report upon the state and progress of Mining upon the several Gold Fields within the district under my charge.

NINE MILE SPRINGS.

There are several reefs known to be auriferous in the neighbourhood, and gold has been found in alluvial deposit, principally in the gullies, over a considerable extent of country. The Shamrock Company's claim on the reef of the same name, in connection with which a powerful crushing machine and other substantial works have been erected, has not proved productive, and operations have ceased for some time. The Excelsior reef gives promise of a profitable undertaking, and the company holding the principal claim thereon is actively prosecuting the works, with extensive machinery and appliances worked by steam. A considerable quantity of gold has been obtained from this mine. The Specimen Hill Company's claim, containing auriferous veins of quartz and some gold in alluvial deposit, is being worked by a party of miners paying tribute, whose operations on the whole have been successful. The Industry Company has a small steam battery, and has obtained a small quantity of gold from auriferous lodes. Mining operations have, however, been temporarily suspended, but are, I understand, to be resumed almost immediately. Several other claims are held under lease, upon some of which mining has been attempted, but not with very satisfactory results, whilst in the majority of cases no effort has been made to work them. Several parties of miners, including one of Chinamen, are obtaining gold from alluvial deposits; and although I have no means of ascertaining the quantity thus procured, the fact that the men continue their labour is evidence that it is remunerative. The superior attractions, however, of the recently discovered deposits of gold at the Black Boy in the Fingal District have proved irresistible, and the large majority of the miners who were employed here have recently moved to that place.

BACK CREEK.

Gold exists over a considerable extent of ground in alluvial deposit. At one time this place had a population of several hundreds, but owing to the greater part of the most valuable ground being held in large blocks under lease the miners abandoned it; and now the only persons engaged in mining pursuits are a few Chinese—who, I have every reason to believe, are working their claims at a considerable profit,—and also a limited number of miners prospecting in the neighbourhood, one of whom recently reported to me the discovery of gold. The leases having now been abandoned, I look with confidence to the return at no distant date of a body of miners to this ground, the whole of which is now open to selection under Miners' Rights. Its value has never been properly tested. An auriferous quartz reef has recently been discovered upon private property within three or four miles of the Back Creek, and not more than a few yards from crown land, towards which it appears to run.

THE DEN.

The several claims at one time taken upon this ground have been abandoned, and I am not aware that any miners are engaged in the neighbourhood.

BRIDPORT.

Gold has been found in shallow alluvial deposit in the vicinity of Bridport and the Little Forester River. Several miners are engaged prospecting, and some hold unregistered claims under Section 17 of the Regulations. Quartz reefs have also been found in the same localities, but none have been sufficiently examined to ascertain their value.

GREAT MUSCLE ROE.

Several claims are held under lease. Upon one only an effort was made some twelve months since to develop a mine, but as it was not followed up with sufficient vigour, no satisfactory result ensued. Gold has not been found in alluvial deposit.

WATERHOUSE.

The whole of the ground at this place known to be auriferous has, until quite recently, been held under lease. No practical attempt has been made,—with two marked exceptions, the United Victorian and Tasmanian Quartz Crushing Company, and the Alliance Gold Mining Company,—to prospect or work the large areas thus held. During the last six months, however, several applications have been made to me by practical working miners to move for the forfeiture of several of the leases for non-compliance by the lessees with the terms and conditions, principally the labour covenants. These applications I have felt it my duty, in what I conceive to be the interest of the genuine mining industry, to encourage, and to recommend to the favourable consideration of yourself as Commissioner of Crown Lands; and the result is that several co-operative parties of miners, assisted pecuniarily in most instances by other persons who have joined them as partners in the claims, are industriously prosecuting the search for gold, in several instances raising considerable quantities of quartz to the surface, and in all thoroughly prospecting the ground. The United Victorian and Tasmanian Quartz Crushing Company hold the claim known as the Prospect Claim on the Pioneer Reef, the spot where gold was first discovered at Waterhouse. For some months in 1870 the raising and crushing of quartz from the reef was vigorously proceeded with, and a considerable quantity of gold obtained; but the Company having apparently become financially embarrassed, owing I believe to other causes than the want of sufficient wealth in the mine, (for the average yield was said to be more than I find many paying mines in the other Colonies produce,) operations were suspended towards the close of 1870. The machinery has now been removed to a more convenient position, other necessary works are on the eve of completion, and mining operations are about to be resumed. The Alliance Gold Mining Company, holding a claim upon the Railway Reef, has erected a small crushing machine, and superior winding and pumping apparatus worked by steam, in connection with the shaft. The Company, however, was apparently unable to carry on the works for want, I presume, of funds, and sometime since, before any satisfactory result had been attained, suspended operations. No quantity of gold has yet been obtained from the claim.

The removal of the substantial battery and appliances of the United Victorian and Tasmanian Company to a more central and convenient position has given encouragement to the holders of claims under Miners' Rights to proceed with the raising of quartz, in the hope that the Company will afford them an opportunity of testing the value of the stone by extracting the gold at a fixed charge, or a per-centage upon the yield. In addition to several parties holding claims registered under the 19th and two following Sections of the Regulations, there are many engaged in prospecting, and some working claims under Section 17, of which of course I have no record.

There are no indications of the existence of gold in alluvial deposit at or near Waterhouse.

I have availed myself to the fullest extent of the power conferred upon me by the 86th Clause of the Regulations; and, without an exception, have refused permission to applicants to mark off claims under lease. Had I not done so, the several claims now being worked under Miners' Rights would undoubtedly have still remained unexplored. I still firmly adhere to the opinion I have frequently expressed, that the leasing system has been highly injurious in its effects.

On the whole, the mining industry in the district is unquestionably steadily progressing, but still is on a comparatively small scale, and in a very depressed condition. Within the district lie many quartz reefs, which I am satisfied are auriferous, as well as alluvial deposits of gold, and several parties are in almost all parts exploring and prospecting; and when the reaction caused by the very questionable operations of certain speculators from Victoria has in its turn given place to a more healthy spirit of enterprise than at one time prevailed, a large mining population will, I believe, find a profitable field for the exercise of their calling.

I have the honor to be,
Sir,

Your most obedient Servant,

BERNARD SHAW.

*The Hon. HENRY BUTLER, Esquire,
Minister of Lands and Works, Hobart Town.*

DISTRICT OF FINGAL.

Commissioner's Office, Reedy Marsh, 6th November, 1871.

SIR,

I HAVE the honor to enclose a Report upon the Gold Fields of this District for the year ending 31st July, 1871; and will now add a few remarks for the purpose of bringing down the information contained therein to the close of the month of October.

Five leases have been executed during the past quarter, representing nearly 120 acres of land, at a rental of £120 per annum or thereabouts.

In my former report I did not reckon two leases at Tower Hill applied for by Messrs. Webster and Goodall under the old Regulations. These leases have since been issued.

The prospects of both quartz and alluvial mining in the Reedy Marsh or Black Boy division of this District have greatly improved since my Report of 8th August, 1871. The population at Reedy Marsh amounted last week, when the Police made their last enumeration, to 432 (four hundred and thirty-two) persons all told, and there have been a few arrivals since.

The scarcity of water for mining purposes is beginning to be seriously felt, and the City of Hobart Company's battery (the only battery on the Black Boy) is stopped for want of water. The last two crushings from this battery have yielded some 386 ounces of gold, valued at over £1500. This has been obtained from a quantity of quartz estimated at 250 tons, or a yield of about 386 ounces, 1½ to the ton. An expenditure of from £1500 to £2000 on this claim would put the mine, which appears to be a valuable property, in first-class working order. This expenditure would include a new engine and battery, and a substantial dam, and a low-level tunnel.

Several new reefs have lately been discovered, and the prospects of the District are good as far as quartz mining is concerned.

The great drawback to the progress of the District is the scarcity of capital. Many of the leaseholders are unable or unwilling to work their claims on their own account, and prefer to sell small shares which are utterly useless to the purchaser unless he possesses large command of capital.

The alluvial diggings are giving larger returns than at any previous period. Many miners are earning from £2 to £3 per week, and I have heard of some men dividing upwards of £6 per head for their week's work after paying expenses.

The opinion has been expressed by several experienced Miners that the alluvial diggings at the Black Boy afford remunerative employment to a larger number of persons than most diggings of equal extent in Victoria; and men who have gone away to other fields have returned with the same story. The alluvial deposit of gold in Reedy Marsh, though by no means rich as far as is at present known, is so diffused through the ground as to give a chance to all who properly work their claims, and though the area is at present limited, yet I hope further discoveries will shortly be made.

I am making arrangements for residing permanently at Reedy Marsh in order to avoid the delay and expense incurred in travelling backwards and forwards from Fingal. The distance travelled by me on the public service during the last fifteen months exceeds five thousand miles, and I have lately purchased a third horse, but I shall be able to manage my work with one horse when resident at Reedy Marsh.

I have the honor to be,
Sir,

Yours obediently,

A. K. CHAPMAN, *Commissioner.*

The Hon. the Minister of Lands and Works.

Gold Commissioner's Office, Fingal, 8th August, 1871.

SIR,

IN compliance with my intention expressed to you in my letter of a few days back, I purpose, as well as the materials at my command will allow, to furnish you with a sketch of the progress of the Fingal Gold Fields during the past year, and their condition and prospects at the present time.

Leases.

I find that during the twelve months ending August 1st, 1871, 22 gold-mining leases have been applied for in this district, having a total area of about 520 acres.

From various causes several of these applications have not been carried out; but some 10 leases have been granted, 6 of which have been executed by the applicants, representing an area of about 117 acres, and an annual rental of £117 or thereabouts.

The completion of several more of these applications is a matter of little doubt.

Six leases applied for prior to August 1st, 1870, have also been executed during the past year, comprising about 150 acres, and bearing a total annual rent of £150 or thereabouts.

All the gold-mining leases executed prior to my appointment (August 1st, 1870) are, I believe, void, with the exception of that of the Union Company's claim. As this claim comprises 320 acres of crown land held at a peppercorn rent, I would recommend that, as operations have long been suspended, an examination be made of the terms of the lease to ascertain whether it is voidable, as the land remains locked up from applicants who would pay rent for it; and there is a large amount of valuable plant on the ground which I doubt the power of the lessees to remove.

The record of leases applied for in this district to which I have access does not extend further back than 5th October, 1869: an application made on that date being numbered 30, and the first enquiry held by me was on number 38, dated March 17th, 1870. I should be glad, therefore, to receive from your Department a Return of the applications (29 in number) made prior to 5th October, 1869, stating in what cases leases were granted; and also a memorandum of what leases, if any, were granted to persons applying between that date and March 17th, 1870.

Quartz Mining.

The prospects of this industry are, in my opinion, highly favourable in this district; and although little has been done during the past year to test the productiveness of the numerous reefs that are known to exist, yet I anticipate much greater activity during the coming year.

The principal claim that attracts notice in the district during the period under review is that known as the Tower Hill, or Goodall's Claim. This claim comprises 157½ acres of land purchased from the crown by Mr. William Gellibrand, and rented by him to the Tower Hill Gold Mining Company at a royalty of £6 per cent. upon the gross amount of gold raised. The Company have erected a substantial plant upon their claim, including a battery of 10 head of stampers worked by a steam engine of 22 horse-power. The total expenditure of the Company has been nearly as follows:—

	£	s.	d.
Purchase and erection of plant	4500	0	0
Water supply	1100	0	0
Wages, charges, and sundries	2050	0	0
	£7650	0	0

The Company commenced crushing during the last week in October, 1870, their first washing up, on 12th November, giving 137 ozs. 8 dwts. retorted gold from 244 tons of quartz, or at the rate of 11 dwts. 6 grs. of gold to the ton of quartz. During the nine months that have elapsed since the machinery was started the Company have raised about £2500 worth of gold. In spite of all that has been said about this Company, I consider that the above figures, which though not fractionally accurate are sufficiently reliable for my purpose, show a fairly satisfactory result. Should the claim continue to yield at the same rate for the next four years,—and the claim is by no means fully prospected,—and allowing £1500 a year for working expenses, the receipts would exceed the working expenses by some £4700, giving a return of upwards of 16 per cent. upon £6000, the working capital of the Company. It should be borne in mind that the battery on the above claim has not been by any means fully employed since it was first started.

The only other Company that has been crushing quartz in this district during the past year has been the City of Hobart Company, which is working a block of some 20 acres of crown land at Reedy Marsh, or "The Black Boy" as it is commonly called, under a gold-mining lease. I am unable to give the expenditure of this Company, but the expenses must have been heavy as compared with the work accomplished in consequence of the very slow manner in which the work has been carried on. The Company erected a small battery of four stamp heads on a supposed improved principle, but this has proved a failure, being utterly inadequate to the requirements of the mine. In the past four or five months about 66 tons of quartz have been crushed by the Company, yielding 80 ozs. of gold, or about 1 oz. 4 dwts. 6 grs. to the ton. The present battery is almost constantly breaking down, and the proprietors of the claim are now erecting a substantial battery of five heads of stamps, which, with their present staff and steam power, will enable them to reduce between 20 and 30 tons of quartz per week, provided they work full hours and have no stoppages. Should the present yield be maintained and the supply of quartz continue, this Company should give fair returns. The value of gold obtained during the last twelve months has been about £312.

Work on the Derby and Caledonian Reefs is being energetically proceeded with, and the prospects of both these claims are good.

A good deal of work has been done by the holders of the Independent Claim, but the reef sought for has not yet been struck.

A small amount of work has been done upon the Golden Gate, Garibaldi, Scandinavian, and other claims; and should the projected Public Crushing Company be fairly carried out and properly conducted, the mining community will have an opportunity of testing the value of their claims before incurring the expense of machinery.

On the whole, I consider that quartz mining in this District, if legitimately carried on, presents a very fair opportunity of success; but investors must exercise the strictest caution and economy in the purchase of plant and the general management of their mining property.

Alluvial Diggings.

Very small returns have been obtained from the Mangana Gold Field during the past year, and very few miners are now at work on the ground. All the Companies that were stated about this time last year to have such brilliant prospects have come to a stand-still, and in most cases before doing any actual work.

The Band of Hope Company has expended a large sum on the erection of an absurdly extensive plant, and has now suspended operations without having tried to prove its ground.

Arabin's Alluvial Company started its machinery early in August last, and after working principally at pumping for something under three weeks operations were suspended, and have never since been resumed.

Carter's Alluvial Company, after being worked unsuccessfully for some short time, fell into the hands of a party of Chinese tributors, who in their turn abandoned it to a party of Europeans. These last obtained a parcel of six or seven ounces of rough gold at the commencement of their tribute, but the gold obtained since has failed to remunerate them, and work is now suspended.

At Tullochgorum the Company, after incurring needless expense in sinking a shaft, abandoned their enterprise just as they had ascertained by boring the existence of a bed of wash-dirt five feet in thickness, and which, in all probability, contained gold in remunerative quantities. This Company, by continuing its operations for a short period, might have determined the existence of a deep alluvial lead containing large deposits of gold and extending for miles along the valley of the South Esk. I believe that such a lead exists, and will eventually be struck in this District.

The Evercreech Freehold Company never was floated, in consequence of the promoters being unable to come to terms with the owner of the land.

The Reedy Marsh or Black Boy Gold Field has yielded well during the past year, and has been what may be called the backbone of gold mining in the District.

The population now amounts to about 310, who may be thus divided:—

Men employed upon the reefs.....	50
Ditto alluvial	120
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Total mining.....	170
Storekeepers, Publicans, and Servants.....	20
Carpenters, Splitters, Blacksmiths, &c.....	20
Loafers and sundries	20
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Total male population (adults).....	230
Women	40
Children	40
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Grand Total.....	310
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The Government have one officer, the Mining Surveyor and Registrar, stationed upon the ground, and the Municipality is represented by one Constable in charge of the lock-up. Another Constable, who is stationed some 4 or 5 miles distant at Fonthill, also does duty at Reedy Marsh. All the alluvial miners who understand their work appear to be doing well. The ground is limited and would not sustain a large population, but there is a good deal of promising ground untouched in the adjoining gully (Long Gully); and I estimate that the ground at present known will sustain the present population for another year, by which time we may look for some returns from the

reefs. It is impossible to obtain an exact return of the weekly yield of gold, but the Police report a yield of 95 ounces for the past week, (ending Sunday, 6th August, 1871), and doubtless much is unreported.

The returns for the next few weeks will doubtless be above the average, as for some time past, in consequence of the scarcity of water, a great deal of wash-dirt has been stacked, and will now be rapidly puddled, the supply of water being abundant since the late rains. I think I may fairly estimate the yield of alluvial gold from Reedy Marsh during the past year at 45 ounces per week, or a total of 2340 ounces of gold, valued at £3 18s. per ounce, equal to £9126. This will give about £12,000 as the yield from these Gold Fields for the year ending August 1st, 1871, from quartz and alluvial mines in the Fingal District, and I believe I have considerably understated the actual yield.

The total revenue directly derived from all sources by this Department and credited to the Government during the past year amounts to—

	£	s.	d.
Fees and Rents.....	662	2	2
To which add Printing Fees, say.....	9	0	0
And Stamps on Leases, say.....	3	0	0
And the Total will be.....	£674	2	2

The working expenses have been—

Commissioner's salary and allowances.....	300	0	0
Mining Registrar, salary from 18th April, 1871.....	28	11	8
Mining Surveyor's Fees for the year.....	138	7	0
Office Rent at Reedy Marsh.....	10	12	0
Furniture, stationery, repayments, and sundry expenses, say	46	11	6
Total expenses, say.....	524	2	2
Balance in favour of Department.....	150	0	0
Total.....	£674	2	2

The indirect revenue derived by the Government from the consumption of dutiable articles, and the direct revenue from Publicans' Licences, &c. should not be lost sight of, but against this must be set the grant in aid to the Fingal Municipality for additional Police.

I am happy to be able to report that the mining population are, as a rule, a well-conducted quiet set of people, and that any difficulties and disputes which arise are usually caused by ignorance on the part of persons unused to mining.

The complaints as to the regulations may also be traced in general to men of no practical knowledge, and I frequently find persons recommending the adoption of Victorian regulations in cases where the existing regulations of this Colony are identical with those in force in Victoria; while in other cases a reference to the Victorian regulations prove that the recommended improvements are not in force in the Colony of Victoria at all.

I am certainly not of opinion that the existing Tasmanian Gold Fields Act and Regulations are perfect: on the contrary, I believe they are faulty in many ways; but an annual revision of the Regulations would enable the compilers to keep pace easily with the development of the Tasmanian Gold Fields, more especially if a fair discretion is left to the Commissioners in the enactment of local rules.

In concluding these remarks upon the gold fields under my charge, I would respectfully draw the attention of the Government to the desirability of placing the Mining Surveyors upon a salary adequate to maintaining them in a respectable position; and I would also direct attention to the questions of police control and water supply.

I would not recommend any large expenditure upon Government buildings upon these gold fields for the present.

I have the honor to be,
Sir,

Yours obediently,

A. K. CHAPMAN,
Commissioner of Gold Fields for Fingal.

The Hon. the Minister of Lands and Works.