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To Mr. Leslie Jolly,  
Launceston.

Dear Sir, -

At your request I have twice visited the property at Mathinna known as the "October" gold mine, on the first occasion the shaft was down some 50 ft., and the prospects encouraging enough to warrant the work you subsequently performed. On my second visit the shaft had been sunk to 100 ft. and the lode driven upon some 40 ft. each way. I was especially pleased to see the marked improvement gained in depth and noted that the footwall was remarkably clean and well defined, indicating permanency. The quartz was solid and of payable quality. I am in favour of putting in an adit because it would prospect likely looking lode country all the distance, and after the "October" lode was cut you could select a point in your adit for your Main Shaft, haul all mullock to surface, and your quartz only to adit level, trucking direct to battery.

The permanent work could be carried on whilst stoping and crushing the stone obtained above adit level, and if required could be paid for out of the proceeds of the gold so won. I have read the various reports that you have obtained upon the property and quite agree with them that the mine is a good one, has great possibilities, and can quite advise the proposed investment of capital for the proper development of the Mine, for I really think that under careful and skilful management the property should become a dividend paying concern.

I remain,

Yours respectfully,

(Sgd.) J. G. Payne,

Mining Manager.

Volunteer G. M. Co. Lefroy.

October 6th, 1898.

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Launceston,

September 8th, 1898.

Leslie Jolly, Esq.,

Launceston.

Dear Sir, -

In accordance with your instructions I have visited and carefully examined the gold mine known as the "October" situated near Mathinna and beg to submit the following report.

Situation and Area. The property consists of thirty acres held under lease from the Crown in three ten acre blocks numbered officially 1192/93, 1084/93, 1083/93 and is distant four miles in a straight line north west of Mathinna.

Nature of Country rock and work done. The country rock consists of lower silurian slates, schists and sandstones and is a portion of the auriferous belt of country extending from Lefroy to Mt. Victoria. The outcrop of main lode can be traced through section 1083 and 1084 a distance of nearly 1,300 feet, and it has a general bearing of N.20 W. Trenches have been cut across the lode at intervals, exposing a strong body of stone of low grade. The most important development was on section 1083 about 200 ft. from the boundary of 1084, good stone was cut through at this point and it proved to be 20 ft. long at surface. A shaft was started in the centre of this shoot and carried down upon the stone, which proved to be of variable width, from 6" to 20". The shaft is small and crooked and will be of no use for future work. The first 60 ft. was sunk by the original prospectors and the present owners have done quite right in not wasting money on the attempt to make a working shaft of it. The stone obtained from sinking to a depth of 75 ft. viz. 23 tons was crushed at the O'Brien's battery and gave a return of 25½ ozs. of retorted gold. I have seen the mint returns of the gold obtained and find that it realized £3/10/6 per oz. The stone was crushed under the supervision of the late battery manager of the Volunteer Gold Mining Coy. The tailings were carefully sampled during the progress of the crushing and the following assays were made by the chemist in charge of the Volunteer Cyanide Works viz :-

	Ozs.	dwt.s.	grs.	
Tailings	0	6	14	per ton
Blanket Sand	7	16	0	" "
Concentrate	21	13	0	" "

The battery returns plus tailings show that the stone contained 1 oz 9 dwts. 8 grs. per ton having a cash value of £5/3/2 and was equal to an extraction of 76%. The concentrates contained in the blanket sand were equal to 75 per cent of the stone crushed, and hence with proper application there should be no difficulty in extracting from 90 to 95 per cent of the gold.

At the present time the shaft is down 84 ft. and is opened out north and south at 80 feet. Levels have been driven 40ft. each way proving the lode to have the same course as at surface of width varying from 6 ft. to 6". with an average of 2½ft. and of fairly good quality. Stone is still showing at both ends but small, and it will be noted that the shoot of stone which at surface was only 20 ft. long is now 80 ft., it has lengthened both ways from the shaft, proving that this make of stone is anticlinal, the stone in bottom of shaft and level is strong and of average width.

I estimate that there is 100 tons of stone at surface from shaft and level and that it prospects worth from 17 to 20 dwts. per ton, also, that there is approximately 400 tons in sight of presumably similar quality.

Future operation and prospects. The property is splendidly situated for economical working in as much as a tunnel could be driven to cut the line of lode which would give approximately 240 feet of backs for nearly 1,300 ft. in length, and would also intersect two other known gold bearing lodes. The distance to be driven to intersect main lode would be from 290 to 300 ft. and I estimate it would be done on contract for 15/- per foot. I strongly recommend the construction of this tunnel as the most economical way of developing the property. An air shaft would be necessary at say 200 ft. along course of proposed tunnel. The underlay of all lodes is towards the point at which this work would be started and hence the question of site for main shaft should be left in abeyance pending exploitation from this level, when if

developments were satisfactory the shaft could be started from tunnel level. The debris from level could be utilized to form an embankment across the gully from which it would be driven and so form a reservoir for the conservation of water for battery purposes.

Water Right. This is a water-right of 5 Tasmanian sluiceheads, upon a tributary of the "Dan" Rivulet distant three miles from the proposed reservoir and to which the water could be brought by open race.

Timber and firewood. There is abundance of splendid mining timber and firewood on the sections and in close proximity thereto.

Conclusion. Taking into consideration the following facts viz:- that from surface to 80 ft. the length of payable stone has increased from 20 to 80 feet; that the stone crushed from shaft was worth £5/3/2 per ton; that so far as can be judged the stone at surface and in sight (approximately 500 tons) is of similar value; that by driving 300 feet at a total cost of say £400 two other lodes can be intersected and 160 feet additional backs obtained on present one; that there is abundance of timber and firewood available and that a valuable water right has been secured, I think we may safely say that this property has very great possibilities and gives promise of becoming a valuable mine and if the future operation are carried out on the lines I have suggested, I strongly recommend the property as a legitimate mining venture possessing more than ordinary facilities for economical development and consequent success.

I am,

Yours faithfully,

(Sgd.) J. M. Potter.