

after a few weeks' stay, abandoned the enterprise, not, however, without having landed a party of 15 men, who have thrown up a block house on Nutts' Island, and mounted two small pieces of ordnance, as a protection against the natives.

That party and one American vessel were, by last advices of the 26th instant, still in Gold Harbour. It was expected, from the small quantity of gold found, that the vessel would soon leave the coast; but the party on shore had, it appears, made up their minds to remain for a further time on the island, from a persuasion that gold would be found in considerable quantities by mining, and they were expecting a reinforcement of hands, with supplies, by a ship from California.

With our limited information respecting the auriferous deposits of the island, it is difficult to predict with certainty what may be the issue of their adventure; but it is very certain that success will have the effect of attracting a crowd of adventurers from the American settlements on this coast to Queen Charlotte's Island, and it will be no easy matter to eject them when firmly established.

I had, indeed, hopes, derived from the signal failure of the five first American vessels which visited the island, that the mines would be left to the better directed and firmer enterprise of Her Majesty's subjects, and that this colony would become a depôt and place of refuge to the British ships employed about the mines.

The Hudson's Bay Company's people were working the auriferous rock with great energy, but indifferent success, not having struck any decided vein of gold; a fortunate Indian had, however, picked up near the same spot a beautiful specimen of pure gold, weighing about three pounds troy, which he found among the mud on the beach, a little beyond low-water mark.

It was evidently a travelled lump; but whether thrown up by the waves, or carried down from the neighbouring mountains, could not be ascertained, though plausible arguments were adduced in favour of each of those opinions.

Detachments had been out to explore the interior of the island, who discovered a large fresh-water lake, and many extensive beds of quartz rock; but they saw very little surface gold.

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Her Majesty's ship "Thetis," under the command of Captain Kubar, arrived at the neighbouring port of Esquimalt on the 24th of May, and sailed on the 5th instant for Queen Charlotte's Island and Fort Rupert, the northern settlement of Vancouver's Island.

I communicated to Captain Kubar the substance of the information respecting Queen Charlotte's Island, and the prospects of the American adventurers, which is stated in this and my previous letters to your Lordship, and also procured one of the Hudson's Bay Company's officers, who is well acquainted with the navigation of the coast, to accompany him on that voyage."

— No. 15. —

EXTRACT of a DESPATCH from Governor *Douglas* to the Right Honourable Sir *John S. Pakington*; dated Fort Victoria, Vancouver's Island, 2 August 1852.

No. 15.
Governor Douglas
to the Right Hon.
J. S. Pakington,
2 August 1852.

(Received, 18 October 1852.)

"I OBSERVE with much satisfaction that you have directed the attention of the Lords Commissioners of the Admiralty to the subject of stationing a vessel of war off Queen Charlotte's Island for the support of national rights, and the protection of Her Majesty's subjects trading to that quarter.

We have received no intelligence from Queen Charlotte's Island since the arrival of Her Majesty's ship "Thetis" in the early part of last month. The Americans had all left before the departure of the "Thetis" from Gold Harbour, and I have no doubt the report of her proceedings on the coast will deter many