established the legitimacy of the source of your mineral wealth. I must proceed next to the

AURIFEROUS DEPOSITS.

These, as found in what are called Placer Diggings, can only have their extent and richness determined by the mineral formation. Hence, if we find the one correct we may safely have confidence in the other. I admit, however, there must always be more uncertainty in finding and following such lodes than in working mineral veins, because their distribution through rivers, gulches, and hills being governed by the action of water, is necessarily eccentric, accidental, and arbitrary. Indeed, there is only safe theory by which to judge them, and that is, to determine the primitive water courses, as far as possible, by the evidences of the present configuration of the country. Some people deem this process little more than mere speculative observation; to a certain extent it is so, but when a man understands the business, possesses the requisite knowledge and experience, and will take the trouble to perform it properly, for it is very laborious, it is astonishing what a degree of accuracy can be given to that observation. In examining the different creeks at present under operations, and the enormous territory hitherto neglected. I fully reglized the responsibility of this uncertainty, feeling the nec painfully for a corresponding circumspection and care betwee I adopted any conclusion as to their future. I believe, I omitted nothing that could guide and mature my judgment. I took all this special trouble, because for some time past, a general belief has been growing up at home and abroad that the auriferous deposits of this country are nearly exhausted. Looking at the condition of things as I found them in the mines, I confess, I am not much astonished at the prevalence of such a belief. A greater mistake, however, was never made in the world. In no single case, that I could see, has any ground been worked, within a distance of three hundred miles in length and one hundred in width, but the beds of a few streams, while the sources of gold feeding those streams, as for many years in California, have been entirely neglected. I think it safe to say, there is not a legitimate hill tunnel in the upper country. How, then, can the deposits of gold be exhausted? They are really not yet touched. To-day they are as thoroughly unknown as they were six years ago. But with the experience of California, in this respect, before the miners, such a thing ought not to be, and had they devoted a tithe of their early wealth to the discovery of hill-diggings, which all admit could have been done without inconvenience at the time, such a thing would not have been. But the mistake as to the exhaustion of the auriferous deposits gees farther even than this; for in the stream-beds, throughout every locality, where the lodes have been longest and most successfully worked, so far from being exhausted are now