

16 CORRESPONDENCE *relative to the DISCOVERY of GOLD in the*

risen so much, that the auriferous 'Bars' were flooded, and they could not consequently employ themselves to advantage. They, however, think that the country is decidedly auriferous, and will yield large returns of gold.

"About 150 white miners had already arrived at the Forks of Thompson's River, when they left that place, and they met about as many more on the river travelling towards that point."

No. 12.

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COPY of a LETTER from the SECRETARY of the ADMIRALTY to HERMAN MERIVALE, Esq.

SIR,

Admiralty, June 26, 1858.

I AM commanded by my Lords Commissioners of the Admiralty to send you herewith, for the information of Secretary Sir E. Bulwer Lytton, a copy of a letter from Captain Prevost, of H.M. Ship "Satellite," dated at Vancouver's Island, 7th May 1858, respecting the discovery of gold on Fraser's and Thompson's Rivers, near to the 51st parallel of north latitude, in North America.

The newspaper and specimen of the gold dust referred to in Captain Prevost's letter are also enclosed.

Herman Merivale, Esq.,
Colonial Office.

I am, &c.
(Signed) H. CORRY.

Encl. in No. 12.

Enclosure in No. 12.

(Extract.)

H. M. S. "Satellite," Esquimalt,
Vancouver's Island, May 7, 1858.

I HAVE the honour to report to you that considerable excitement has been occasioned recently in this neighbourhood by the discovery of gold on Fraser's and Thompson's Rivers, at about the position of the juncture of the latter with the former river, near to 51st parallel of north latitude.

The reports concerning these new gold diggings are so contradictory that I am unable to furnish you with any information upon which I can depend. That gold exists is certain, and that it will be found in abundance seems to be the opinion of all those who are capable of forming a judgment upon the subject; but it is so obviously to the advantage of the surrounding community to circulate exaggerated, if not altogether false reports, for the purpose of stimulating trade, or creating monopolies, that it is most difficult to arrive at any correct conclusion, or to obtain any reliable information. I have every reason to believe that the Indians have traded some quantity of gold with the officers of the Hudson's Bay Company, and I am satisfied that individuals from this immediate neighbourhood who started off to the diggings upon the first intelligence of their existence, have come back with gold dust in their possession, and which they assert was washed by themselves; but whether such be really the case, or whether it was traded from the Indians I am unable to determine. These persons all declare that at the present moment, although the yield is good, yet that there is too much water in the rivers to admit of digging and washing to be carried on with facility; but that when the water falls somewhat, as the summer advances, that the yield will be abundant. I am inclined myself to think that this information is not far from the truth, for these persons, after obtaining a fresh stock of provisions, have all returned to the diggings.

The excitement in Vancouver's Island itself is quite insignificant compared to that in Washington and Oregon territories, and in California, and which, of course, is increased by every possible means by interested parties. The result has been that several hundred persons from American territory have already flocked to the newly reported auriferous regions, and by the last accounts fresh steamers, and even sailing vessels, were being chartered to convey passengers to Puget Sound, or to Vancouver's Island, whence they have to find their way to the diggings principally by canoes.

I have heard that all the crews of the ships in Puget Sound have deserted, and have gone to the diggings; I am happy to say that as yet I have not lost a single man from the "Satellite" since the information was received, and I have every reason to hope that I may not be unfortunate in this respect, although, doubtless, soon the temptations to desert will be of no ordinary character.