

NEWFOUND-
LAND.
MINERAL
RESOURCES.

No. 7.

Sir H. MURRAY to Mr. CHAMBERLAIN.
(Received February 5, 1896.)

Government House, St. John's, Newfoundland,

SIR, January 15, 1896.

WITH reference to my report of the 8th instant,* in which I enclosed a specimen of brown hematite ore (limonite), I have to state that since that date I have ascertained that a large quantity of that ore is imported from Spain by Sir W. Armstrong's Company.

2. I stated in that report on the authority of the head of the Geological Department in this Colony (who, however, has no means at his disposal of testing ore) that that ore would produce 65 per cent. or more of iron.

3. I find that there is a very large deposit of this iron ore on the south side of the Bay of Islands, close to the coast, which, if the Treaty Shore question caused no difficulty, could be easily worked and shipped at York Harbour in the Bay of Islands.

4. I was informed this morning by a man who is interested in getting this mine worked, and who has had, he stated, considerable mining experience both at the mines at Lake Superior, and at Marquette in Michigan, that at Lake Superior the ore of the quality which I now forward, which is the same as that sent with my report of 8th instant,* yielded 75 per cent.

5. As the cost of freight to England must decide whether it is possible for the minerals of this island to compete with the ore now imported from Spain and from Sweden, I have inquired as to the rate per ton paid for freight on copper ore sent to Swansea. Of this there has been considerable experience.

6. Mr. Smith, formerly agent for Messrs. Bennett, who were the owners of the Union Mine in Tilt Cove, Notre Dame Bay (on the east coast of the island), informs me that when he was agent for the mine some years ago, the rate per ton of the copper ore to England was between 6s. and 7s., but that he believes it is less now; this is probably the case, as freight at present is low.

7. This agrees with the statement made to me this morning by the man above-mentioned, that the iron ore from the Bay of Islands on the west coast could be shipped to England at the rate of $\$1\frac{1}{2}=6s. 3d.$

8. It also agrees with a statement made to me by Mr. Reid, that sand for moulding purposes (minerals) could be shipped from the west coast at 6s. a ton.

9. I hope that this information may be of use in case you should think it worth while to communicate with the Crown Agents respecting the mineral resources of this Island.

I am, &c.

H. MURRAY.

* No. 5.