

escaped being swamped, and all lost, while passing along the open coast from Cartwright's Sound to the mine.

"The canoe not being suitable or safe to examine the access to the harbour, the steamer "Beaver," having returned from the north, was, in conformity to your instructions to Mr. Chief Trader M'Neill, sent off for that purpose with Mr. C. T. M'Neill and five additional hands on board to carry out your instructions. He took the Skiddigat Passage, but when about two-thirds across, the water was found shallow, and the channel narrow and intricate for about two miles, so that it was deemed unsafe and imprudent to proceed; and they returned here the 27th June, being absent 15 days. It was unfortunately neap tides; had it been spring tides they would have got through.

"In order that the access to the harbour might be ascertained, and no delay arise should any vessel with a party be sent there, the "Una," Captain Mitchell, sailed from Fort Simpson for that purpose on the 16th July, with Mr. Chief Trader M'Neill and myself and eight additional hands to strengthen the crew, and passed round the north end of the island. Having unfavourable winds, we only got into the harbour the fourth day, when we remained five days, part of the time detained by calms and head-winds. During this time, Captain Mitchell sounded the harbour, and another one close by it; and I further examined the mine, and ascended about two-thirds the height of the mountain, being then stopped by rocks difficult to ascend. We then towed out of the harbour, passed round the south end of the island with baffling light winds, making slow progress, and returned here 3d instant, being absent 18 days.

"Where the gold is found extends 16 yards along the beach, and six yards from above high-water mark, or rather down into the sea. A black or grey rock all along the shore, and also up on the mountain, with here and there a little quartz; at the mine a vein of quartz, eight to 10 inches thick, runs through a point of the grey rock. From the end of this vein a little ore has been obtained; some has been also found in the grey rock; but the most of what the Indians have got was found among the loose stones, and in the open seams of the grey rock, mixed with loose sand and gravel, and the largest pieces farthest down below high-water mark. I made two blasts, one at each end of it, and two blasts in the grey rock, but found nothing but small specks of gold in either. I send specimens of the rocks; also some pieces of the rock high up in the mountain. The appearance about the mine indicates that a slip from the mountain has taken place at some former period. Most of the gold found appears to be travelled. My belief is, that there is more where that came from; it could not have been thrown up from the sea.

"Sixty and a half ounces of ore are now forwarded; besides which the Indians had two pieces that could not be obtained from them, but at an enormous price; the larger weighed 1 lb. 11 oz., the other being about 6 oz., both nearly pure. These, with what were sent formerly, 6 oz. or 7 oz., will make altogether 99 oz., found in the small place above stated.

"The country is covered with wood, very rugged; the hills, estimated at 700 to 800 feet in height, rise abruptly from the water-side all round the harbour. A suitable site for an establishment would be difficult to find.

"The harbour is easy of access; but the swell, depth of water, and scarcity of anchorage require a free wind to go in. A sketch of the harbour by Mr. Nutt, second officer of the "Una," and a sketch of Skiddigat's Passage by Captain Stuart, will give you a good idea of these places; and Mr. Chief Trader M'Neill will be able to explain it.

"This is all the information we could collect. Should the company decide on forming an establishment to profit by the gold, which it is firmly believed is to be found in that region, a well-manned vessel, together with a sufficient strong exploring party, say not fewer than 15 or 20 men, would be required, the vessel to remain at the most suitable points for the land party to fall back on. It might probably require two or three months, perhaps more time, to effect the object.

"In the event of an establishment being formed, some potatoes and supplies of fish might be obtained from the Indians; there are no other resources, so that all supplies will have to be imported.

"The Indians of Kith Kait village, entrance of Cartwright's Sound, and of Cassuwan village, north side of Englefield Bay, I think are not over from 100 to 150 men in number. They are savage marauders, constantly committing depredations