

THE GOLDEN HILL GOLD MINING COMPANY

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Abstract: *Formed in 1883 to rework ground at Te Aroha, the Golden Hill Company's 18 shareholders included several experienced miners. But being under-capitalized and allegedly poorly worked, it was quickly in financial difficulties. The Te Aroha directors were accused of forming a company with the sole purpose of selling their shares, and calls were not paid. Not finding any gold, its existence was brief.*

FORMATION OF THE COMPANY

When the Bonanza, adjacent to the Prospectors' Claim, failed to meet its financial commitments, the warden on 27 February 1883 appointed John Bullock, a storekeeper and mining company director,¹ as receiver. On 31 August, he transferred the claim to the Golden Hill Gold Mining Company.² Two days previously, the company had bought all the shares in Golden Hill Nos. 1, 2, and 3,³ including part of the old Prospectors' along with ground further to the east, towards Stoney Creek. Not till 24 September did the legal manager, Roderick McDonald Scott, a leading Thames mining agent and legal manager,⁴ apply for registration. The nominal capital was £30,000, in 30,000 shares, of which all had been subscribed apart from 5,020 held in trust for the company.⁵

THE SHAREHOLDERS

There were 18 shareholders, the largest holding being that of James Madden, the mine manager, with 5,330 shares.⁶ Madden, who had formerly mined at Thames and Ohinemuri, had participated in the Te Aroha rush

¹ See *Thames Star*, 30 October 1880, p. 3, 10 November 1880, p. 2; *Te Aroha News*, 23 April 1887, p. 2.

² Te Aroha Warden's Court, Register of Te Aroha Claims 1880-1888, folio 265, BBAV 11567/1a, ANZ-A.

³ Te Aroha Warden's Court, Register of Licensed Holdings 1881-1887, folios 122, 126, 129, BBAV 11500/9a, ANZ-A.

⁴ See *Observer*, 3 October 1903, p. 5, 17 June 1905, p. 17.

⁵ *New Zealand Gazette*, 4 October 1883, p. 1437.

⁶ *New Zealand Gazette*, 4 October 1883, p. 1437.

and been an owner of one claim in 1880 and another in 1882.⁷ He was an owner of all the Golden Hill claims.⁸ In September 1882 he was referred to as ‘an old hand on the field, having been here before the opening, and his faith in the auriferous nature of the hill seems never to have left him’. At that time he was prospecting the old Bonanza ground with three other miners, James Purvis, Henry Hughes, and Joseph Wilson.⁹ Purvis, an old soldier rather addicted to drink,¹⁰ had participated in the rush and taken up shares in four claims, in two of them, Golden Hill Nos. 1 and 3, with Madden and Sydney Blackmore.¹¹ Hughes, who formerly mined at Coromandel,¹² first arrived at Te Aroha in September 1882.¹³ He was one of the four owners of Golden Hill Nos. 1 and 2 and of the six of No. 3.¹⁴ Wilson arrived at Te Aroha within days of the rush,¹⁵ becoming an owner of two claims and the three Golden Hill ones.¹⁶

⁷ *Thames Guardian and Mining Record*, 31 October 1871, p. 3; *Thames Advertiser*, 7 June 1873, p. 2, 3 September 1877, p. 3; Te Aroha Warden’s Court, Miner’s Right no. 906, issued 25 November 1880, Miners’ Rights Butt Book 1880, BBAV 11533/1b; Register of Te Aroha Claims, folios 20, 186, 253, 330, BBAV 11567/1a, ANZ-A.

⁸ Te Aroha Warden’s Court, Register of Licensed Holdings 1881-1887, folios 122, 126, 129, BBAV 11500/9a, ANZ-A.

⁹ *Thames Star*, 25 September 1882, p. 3.

¹⁰ See *Thames Advertiser*, 14 August 1894, p. 2; Auckland Old Age Pension Court, 1899, folios 348-349, BADW 10496/1, ANZ-A.

¹¹ Te Aroha Warden’s Court, Miner’s Right no. 502, issued 25 November 1880, Miners’ Rights Butt Book 1880, BBAV 11533/1d; Register of Te Aroha Claims 1880-1888, folios 194, 229, BBAV 11567/1a; Register of Licensed Holdings 1881-1887, folios 122, 129, BBAV 11500/9a, ANZ-A.

¹² See *New Zealand Gazette*, 25 August 1881, p. 1124.

¹³ Te Aroha Warden’s Court, Miner’s Right no. 2240, issued 19 September 1882, Miners’ Rights Butt Book 1882, BBAV 11533/1j, ANZ-A.

¹⁴ Te Aroha Warden’s Court, Register of Licensed Holdings 1881-1887, folios 122, 126, 129, BBAV 11500/9a, ANZ-A.

¹⁵ Te Aroha Warden’s Court, Miner’s Right no. 671, issued 4 December 1880, Miners’ Rights Butt Book 1880, BBAV 11533/1e, ANZ-A.

¹⁶ Te Aroha Warden’s Court, Register of Te Aroha Claims 1880-1888, folios 190, 229, BBAV 11567/1a; Register of Licensed Holdings 1881-1887, folios 122, 126, 129, BBAV 11500/9a, ANZ-A.

Robert ‘Mitchell’, a semi-literate miner whose surname was correctly Michael,¹⁷ had the smallest holding, 166.¹⁸ He had prospected at Te Aroha and Waihi in 1881,¹⁹ and in 1882 and 1883 acquired shares in three Te Aroha claims and one at Stoney Creek.²⁰ Later in the 1880s he was a mining contractor.²¹ The other local miner was Blackmore, who had arrived shortly after the rush and had shares in one claim before becoming an owner of Golden Hill No. 1.²² He may have been the same Sydney Blackmore who was married in Auckland in 1886, when he was a gardener aged 25.²³

All the shareholders lived at Te Aroha apart from three residents of Auckland, one of whom, William Wilkinson, had until recently been the owner of the *Thames Advertiser*.²⁴ Ann Hotchin, wife of Moses, later a publican,²⁵ was recorded as a ‘householder’; this was her only shareholding. The others were one each of plumber, farmer, blacksmith, ironmonger, journalist, hotelkeeper, cordial manufacturer, bottler, mine owner, and mine manager, plus two drapers, and the five miners who were working the ground (Hughes, Wilson, Purvis, Blackmore, and Michael).²⁶ The directors were William Wilkinson, William Olliff, bottler of Auckland, Joseph Stacey, of Auckland, who gave his occupation as mine owner but was really a confectioner,²⁷ and four local men: William Wilson and John Frederick Cocks, both drapers, John Allwood, a hotelkeeper, and William Findlay, an ironmonger.²⁸ Wilkinson had been a shareholder in the Bonanza and two

¹⁷ See paper on his life.

¹⁸ *New Zealand Gazette*, 4 October 1883, p. 1437.

¹⁹ *Te Aroha News*, 3 October 1927, Supplement, p. 3.

²⁰ Te Aroha Warden’s Court, Register of Te Aroha Claims 1880-1888, folios 270, 292, 305, BBAV 11567/1a, ANZ-A.

²¹ *Te Aroha News*, 21 March 1885, p. 2, 9 March 1889, p. 2.

²² Te Aroha Warden’s Court, Miner’s Right no. 1705, issued 8 January 1881, Miners’ Rights Butt Book 1881, BBAV 11533/1h; Register of Te Aroha Claims 1880-1888, folio 157, BBAV 11567/1a; Register of Licensed Holdings 1881-1887, folio 122, BBAV 11500/9a, ANZ-A.

²³ Marriage Certificate of Sydney Blackmore, 28 January 1886, 1886/307, BDM.

²⁴ *Thames Star*, 28 April 1882, p. 2, 9 March 1883, p. 2, 15 September 1883, p. 2.

²⁵ See section on publicans in paper on the drink problem in the Te Aroha district.

²⁶ *New Zealand Gazette*, 4 October 1883, p. 1437.

²⁷ See Bankruptcy Files, BBAE 5628/4, 91/23, ANZ-A.

²⁸ *Auckland Weekly News*, 22 September 1883, p. 20.

other claims and companies.²⁹ Olliff was an owner of Golden Hill No. 1 and 11 other claims, and was a shareholder in ten companies.³⁰ Stacey was a shareholder in one other claim and six other companies.³¹ Wilson had shares in nine claims in addition to Golden Hill No. 3 and in three other companies.³² Cocks was formerly an owner of the Bonanza and Golden Hill No. 3, along with ten other claims and two other companies.³³ Allwood was another part owner of Golden Hill No. 1, along with one other claim and two other companies.³⁴ Findlay was also an owner of Golden Hill No. 1, three other claims, and another company.³⁵

STRUGGLING TO PAY FOR WORKING ITS GROUND

²⁹ Te Aroha Warden's Court, Register of Te Aroha Claims 1880-1888, folio 254, BBAV 11567/1a; Register of Licensed Holdings 1881-1887, folios 64, 84, BBAV 11500/9a, ANZ-A; *New Zealand Gazette*, 31 May 1883, p. 722, 20 September 1883, p. 1345.

³⁰ Te Aroha Warden's Court, Register of Licensed Holdings 1881-1887, folios 2, 4, 8, 10, 16, 19, 21, 25, 26, 56, 84, 84, 122, BBAV 11500/9a, ANZ-A; *New Zealand Gazette*, 18 May 1882, p. 728, 1 June 1882, p. 800, 22 June 1882, p. 895, 10 August 1882, p. 1101, 17 August 1882, p. 1131, 16 November 1882, p. 1733, 14 December 1882, pp. 1884, 1885, 20 September 1883, p. 1345, 29 November 1883, p. 1705.

³¹ Te Aroha Warden's Court, Register of Te Aroha Claims 1880-1888, folio 276, BBAV 11567/1a, ANZ-A; *New Zealand Gazette*, 14 September 1882, p. 1264, 19 October 1882, p. 1522, 6 September 1883, p. 1266, 20 September 1883, p. 1345, 29 November 1883, p. 1705.

³² Te Aroha Warden's Court, Register of Te Aroha Claims 1880-1888, folio 276, BBAV 11567/1a; Register of Licensed Holdings 1881-1887, folios 8, 13, 55, 88, 112, 129, 147, 148, 154, BBAV 11500/9a, ANZ-A; *New Zealand Gazette*, 16 November 1882, p. 1733, 23 August 1883, p. 1214, 6 September 1883, p. 1266.

³³ Te Aroha Warden's Court, Register of Te Aroha Claims 1880-1888, folios 252, 254, 284, BBAV 11567/1a; Register of Licensed Holdings 1881-1887, folios 55, 57, 62, 111, 129, 147, 148, 154, BBAV 11500/9a, ANZ-A; *New Zealand Gazette*, 23 August 1883, p. 1214, 6 September 1883, p. 1266.

³⁴ Te Aroha Warden's Court, Register of Te Aroha Claims 1880-1888, folio 189, BBAV 11567/1a; Register of Licensed Holdings 1881-1887, folios 64, 122, BBAV 11500/9a, ANZ-A; *New Zealand Gazette*, 1 June 1882, p. 800, 31 May 1883, p. 722.

³⁵ Te Aroha Warden's Court, Register of Te Aroha Claims 1880-1888, folio 184, BBAV 11567/1a; Register of Licensed Holdings 1881-1887, folios 29, 122, 133, BBAV 11500/9a, ANZ-A; *New Zealand Gazette*, 29 November 1883, p. 1705.

The company was under-capitalized. Although the nominal capital was £30,000 in £1 shares, it was reported that 20,980 of these went to the owners of the Golden Hill claims and 4,000 to the Bonanza, leaving 3,000 to be sold immediately to the public and 5,020 retained for future sale.³⁶ (As these reports gave a total number of shares of 33,000, some of the information published was incorrect.) As the company started work with a working capital of approximately £150, within two months it made its first call, of 1 1/2d per share.³⁷ In January 1884, when payment of the rents for the Golden Hill claims was required, the legal manager revealed its financial circumstances. After expressing thanks for the indulgence already given, Scott gave the following reasons why this should be extended:

1st. The Te Aroha Directors of the Company - who evidently got up the Company to enable them to clear out of their shares - over ruled us here [Auckland] by at once and without intimation - starting work in a reckless manner - and dissipated the funds - which were intended to pay the rent - and it is only now that we have been able to clear off all wages and tradesmen's bills -

2nd. A call was made and the Te Aroha Shareholders have not paid it. It is now the intention to sell their shares and get new shareholders in their room - there is a requisite time required to do this - The Auckland shareholders mean to support the Company, if breathing time is afforded -

3rd. I would respectfully point out the doubtful policy of smashing the Company for rent when it was so difficult to organise one to prospect the older portion of the Te Aroha Goldfield and the bad effect it would have in Auckland on the public in Auckland who have supplied the money to so far develop the field.

If granted time I have no doubt these arrears of rent will be paid and it would encourage the Company to put forward the necessary exertion not only to enable the rent to be paid but to make the Company a success if we were informed that no distraint will be made for rent - on a portion of the Gold field - without a battery and hard Country to drive through - which I venture to think should be subsidised by the Government for the general weal - rather than dealt with as an ordinary case of Landlord and tenant.³⁸

³⁶ *Auckland Weekly News*, 22 September 1883, p. 20.

³⁷ *Te Aroha News*, 8 September 1883, p. 2, 3 November 1883, p. 3.

³⁸ R. McDonald Scott to Receiver of Gold Revenue, 31 January 1884, Te Aroha Warden's Court, Plaints 1884, BBAV 11572/1a, ANZ-A.

As the company's records have not survived, the share transactions of the local directors cannot be traced, but for directors to set up a company so they could sell their shares was hardly unique. When forfeiture of the ground was threatened if rent was not paid, the directors replied that 'in the circumstances of the Company' they could not give a definite answer until after forfeited shares had been sold on 9 March.³⁹ On 1 March, 12 named and other unnamed shareholders were warned their shares would be forfeited if they did not pay the call. Two of those being sued were sharebrokers who between them had bought 4,002 shares since the company was floated. Six of the others still retained the same interest they had first held; of the remaining four, one retained 498 out of his initial 1,332, the second 818 out of 2,330, the third 60 out of 1,500, and the last 260 out of 1,000. Joseph Wilson had not paid the call on his 2,330 shares, not had Blackmore on his 60.⁴⁰ It is not known whether any of those sued did pay; but for those who remained or became shareholders, one month later a call of 9d was made.⁴¹ Presumably some of this went to pay amounts owing, but in September the mining inspector demanded payment of £45 arrears of rent on the three Golden Hill claims, which on 28 October it was ordered to pay.⁴² As it did not, these were forfeited on 25 February 1885.⁴³ The Bonanza had already been forfeited, on 24 November 1884.⁴⁴ No longer owning any ground, the company was no more.

CONCLUSION

This company, formed to work mostly abandoned ground near Te Aroha, was undercapitalized, and its shareholders were unwilling to meet

³⁹ R. McDonald Scott to George Wilson, 23 February 1884, Te Aroha Warden's Court, Plaints 1884, BBAV 11572/1a, ANZ-A.

⁴⁰ *Te Aroha News*, 1 March 1884, p. 7, compared with *New Zealand Gazette*, 4 October 1883, p. 1437.

⁴¹ R. McDonald Scott to George Wilson, 3 April 1884, Te Aroha Warden's Court, Notices of Forfeiture 1884, BBAV 11583/1a, ANZ-A.

⁴² Te Aroha Warden's Court, *Plaint Book 1880-1898*, 59/1884, 9 September 1884, BBAV 11547/1a, ANZ-A.

⁴³ Te Aroha Warden's Court, *Letterbook 1883-1900*, p. 62, BBAV 11534/1a; see also *Register of Te Aroha Claims 1880-1888*, folios 122, 126, 129, BBAV 11567/1a, ANZ-A.

⁴⁴ Te Aroha Warden's Court, *Letterbook 1883-1900*, p. 57, BBAV 11534/1a, ANZ-A.

the calls without which it could not continue working. Quite apart from this problem, as no gold would be found it was doomed from the start.