

*Waipori.*—The European miners at this place seem to be making fair wages, but I am of opinion, and it seems a general one, that there is a great future for it in the rich reefs already discovered and being prospected for, and other minerals, especially antimony. The dredges placed on the Molyneux, between Tuapeka mouth and Beaumont, have not been a success, and one of them has been removed, after having given the locality what they considered a fair trial. The dredge "Pride of Dunkeld," at the Beaumont, has been on good gravel during the last few weeks, and earning as much as £40 per week.

*Quartz Mining.*—The work done under this head has been confined to little more than prospecting; in fact there is no reef in the district that can be called thoroughly opened out. The Clark Hill Gold-Mining Company, at the head of Gabriel's Gully, hold a prospecting area, and are endeavouring to discover the lost quartz reef formerly worked by the Gabriel's Gully Quartz-Mining Company, though cross drives were put in a considerable distance north and south. The new company have driven one hundred and fifty feet, and hope by following their present course either to strike the reef or connect the two cross drives; but I have every confidence in the undertaking, as the shareholders are men of energy who will not be discouraged by failure at first. At Waipori the Nil Desperandum, which is a continuation of the old O. P. Q. reef, has had a prospect-crushing of about 50 tons, which turned out about 19 dwt. of retorted gold per ton. The proprietors are apparently well satisfied, as they are about increasing their battery to ten heads. The Lammerlaw or Cox's reef is being further prospected, and should be fairly opened out in a short time. They are reported to have got a good deal of gold. Porter's reef has had a prospect-crushing at Cox's battery with good results. It is in these Lammerlaw Ranges that rich reefs will be found. Esson and Co. have a prospecting area on the old line of the Nuggety reef, about 300 yards above the junction of Nuggety Gully and Waipori River, and have had a prospect crushing at Cotton and Robertson's battery of twelve tons of quartz taken from three places in the reef one hundred yards apart each, and obtained 10 oz. 5 dwt., everything brought to grass being crushed, the width of the reef at 50 feet deep is about two feet thick.

*Copper.*—The Copper Company at Waitahuna have their machinery now complete, and, with thirteen men at work, should during the coming year thoroughly test the value of their discovery.

*Antimony.*—This company has kept steadily at work on their lease of 59 acres situate on the Lammerlaw Range, near the head waters of the Waipori River, all through the Summer. They have had 28 men employed up to the present opening up their mine, and have got out a considerable quantity of ore, which they are carting down to Lawrence Railway Station for shipment to London, as their smelting works are not yet ready. They purpose working as long as the weather will permit, but the inhospitable locality in which their works are situate will, I think, cause them to cease work for three months of the Winter. The lode is described to me as inexhaustable and rich.

*Waikaia Subdivision.*—This large area has a limited population; the principal gold finders are the Chinese. The European miners, as a rule, take to rabbit killing during the winter months, and I should say make on an average from 12s. to 20s. per day. The Meat Preserving Company at Woodlands give 8d. per couple for full grown rabbits caught in traps or dug out, and expert trappers get 20 to 50 couples a day. The price, 4d. a rabbit, seems a high price where they are so plentiful, but it must be remembered that the skin is worth more than two pence, and if worth preserving should be cheap at 1½d. or 2d. a piece. Men with families make a handsome income, as boys from ten to fifteen years of age, if smart, can make nearly as much as a man.

*Gold.*—The approximate production for the last year has been: Tuapeka Subdivision, 13,597 oz. of alluvial, 8,112 oz. of cement, 741 oz. of quartz gold; making a total of 22,450 oz., and about 2,000 oz. from Waikaia Subdivision.

*Revenue.*—The total revenue during the year in the Tuapeka Division from rents, &c., amounted to £6,579 1s. 4d.; and the fees and fines, Resident Magistrate's Court, amounted to £264.

*Land Settlement.*—The agricultural-lease system must be considered as having been a great success in this district. Since the system came into force, 1,086 leases have been issued, equal to an area of 66,526 acres. The deferred-payment system has also been very successful, and has been the means of planting on the soil a good class of settlers. During the last two months 6,673 acres were thrown open, and the whole area was taken up, with the exception of two sections containing 432 acres. Sixteen of the sections out of the 25 taken up realized by auction an average of £3 per acre, the upset price being 30s. The farmers are in good spirits, crops good, and prices high, leaving that proverbially discontented class nothing to grumble at but the lateness of their harvest, and that is in a great measure their own fault. If our farmers could be induced to get in their wheat in the autumn, the harvest would be earlier, and the carting of the grain to the railways be done before the roads got bad; or, if that was found impossible, farmers should obtain their seed from Oamaru or Timaru, and they would find their crops ten days or a fortnight earlier than using the seed grown in the district. At Tuapeka West, land, at one time not considered fit for cultivation, has averaged from 35 to 60 bushels to the acre, and oats from 50 to 70 bushels; the wheat grown there being considered by the millers to be only second to Oamaru wheat.

*Gabriel's Gully.*—The Gabriel's Gully Sluicing Company's special claim has made great progress during the last year, and have advanced several hundred feet through a bed of gravel tailings, varying in depth from 20 to 50 feet, the whole of which is, I believe, more or less auriferous. The best gold has, however, been uniformly found near the bottom, and this in spite of the ground having been worked over several times before, it is said both by Europeans and Chinese; taking into consideration the enormous disintegrating power of the large jets of water which even cut up the slate rock, perhaps the result is not so surprising. The main process in working is essentially the same as was so well described by Mr. Carew in his last yearly report, so that I will not repeat a description of it. I must not, however, omit mention of an additional plan for both bringing the stuff forward in greater quantities and also removing all large stones, which will have the effect not only of lessening the wear and tear, but will increase the quantity put through. This consists of a chain harrow revolving in the main ground sluice, with tines about four inches apart, which, assisted by the water and driven by, say, eight or ten horse power, will bring large quantities of gravel and stones to the main elevator, from which, however, the stones are prevented from entering by an endless set of rakes which separate the