

Greenstone.—Nothing of any importance has occurred during the year. The hydraulic sluicing claims have been steadily worked when water was available, but the long drought militated greatly against successful work during the past quarter. About fifty Chinese continue working here, for the most part in the bed of the Greenstone Creek; they appear to be contented with the result.

At *Dunganville* the same claims as last year, with little or no difference, have been working, and some fair results obtained.

No Town.—Two unimportant rushes took place in this locality since last report, but they were disappointing in effect, and had no permanency.

Arnold.—Very little mining has been done in this (Maori) Gully, and that principally by Chinese. The New Zealand Steam Sluicing Company venture, if successful, may improve mining prospects. The proposed workings of the company have already been described in last report. Since then the special claim of ten acres has been granted by His Excellency the Governor, and machinery, two steam-engines and other plant have been erected, and have commenced work. It would be premature to pronounce on the probabilities of success or otherwise. If successful the undertaking will prove most profitable to the projectors, and will be followed in this locality, and in other so-supposed worked-out creeks, whose beds have been covered with tailings in some instances 100ft. in depth.

At *Nelson Creek* mining has looked up during the past year, and a very fair rush took place a few months ago, but the excitement was evanescent, and has long subsided. There are still a great many claims worked along this and neighbouring creeks towards Ahaura. *German's* and *Callaghan's*, and *Try-Again Terrace*, which may be said to be a part of Nelson Creek, still support a good many men, who, with their families, appear to have settled with something like comfort in this place.

At *Ahaura* itself mining is duller than ever before, but the surrounding places—*Moonlight*, *Blackball*, *Orwell Creek*, *Granville*, and *Noble's*—are fairly populated with miners, who make steady work at remunerative wages; but no fresh discoveries and no yields worthy of mention have occurred.

The other matters of information as to revenue, and Court returns, will be found in the special returns made under the various heads.

I have, &c.,

JACKSON KEDDELL,
Warden.

The Under-Secretary for Gold Fields, Wellington.

No. 10.

Mr. Warden GILES to the UNDER-SECRETARY for GOLD FIELDS.

SIR,—

Hokitika, 27th April, 1885.

With the usual goldfields' statistics and returns I have the honour also to report as follows upon the state of this district:—

Kumara.—There is nothing new to report in connection with mining matters in this district. There has been a good deal of dry weather during the year, which has somewhat obstructed sluicing operations, but the yield of gold for the time during which work has been carried on has been good. No new ground has been opened up during the year.

The old-standing difficulty of the sludge channel remains, but a project is now on foot for affording relief by an auxiliary channel which, if it takes effect will, it is to be hoped, enable work to be carried on with far fewer interruptions than hitherto.

The whole subject of the Kumara sludge channel has formed the subject of such copious correspondence that it seems superfluous to say more about it now, especially when, with the exception of a proposal to form a second channel, the whole business stands practically much in the same position as it did at the date of my last report.

Waimea.—The Kelly's Terrace Company continues its operations, which have been somewhat retarded by the character of the ground met with in making the tunnel. The first section of the tunnel is now completed, and tenders are invited for the second, so that it may be hoped that in a few months this company may be in a position to begin sluicing.

There is little else to record in this part of the district. During the past year the services of a resident clerk of courts has been dispensed with, and the business at Stafford is now done by the resident constable at that place, and at Goldsborough by the clerk of the Kumara Courts, who attends there and opens the office one day in the week. Quite lately the business at Stafford has greatly fallen off, but how far this may be due to temporary and fluctuating causes cannot yet be determined.

Hokitika.—In my last report I gave some account of the large water-race being brought in by the Humphrey's Gully Company and of the difficulties caused by the "pug" met with in the tunnel. These difficulties turned out to be even more formidable than they appeared at that time, but they have at length been overcome, and the "pug" has now been successfully penetrated by the tunnel. The long difficulty with this intractable material has, of course, postponed the time when profitable working can be commenced, but I do not know of any reasons for modifying in other respects the sanguine expectations that have generally been indulged in respect of this company's property.

Kanieri.—No particular change has taken place in this division of the district. The Rimu diggings continue much the same, and now and then a new claim is announced to have bottomed upon gold in one direction or another, and I think the general tendency is to extension of the diggings. The coal at the Kanieri River mentioned in my last report has not yet proved capable of being successfully worked.

Totara.—I am sorry to report in this part of the district considerable collapse of active operations and of sanguine hopes. The large claim of the Ross United Gold-Mining Company is not at present working. The rich gold alleged to exist on what was known as the Cassius bottom has not yet been discovered at the 300ft. level, and I believe some difficulty is apprehended in approaching the old