

place long known as Cameron's Flat, about thirty to forty miners have found payable ground, the deposits being in deep ground and worked through tunnels.

*Marsden.*—The new ground I reported on last year in this district has been set into, but the dead work is very slowly progressing. The tunnels are very lengthy, but the work progresses and the owners are hopeful, and I have reason to believe the results will be satisfactory and soon ascertained.

*Irishman's* is the name under which this locality is known. It is within a short distance of Marsden. A number of extended claims have been applied for. They are held by men determined to give the place a thorough trial; and the "prospects" obtained by the pioneer claim were sufficient to induce the present claim-holders to persevere.

*Dunganville.*—It is from this office that the affairs of the locality above noted are dealt with. Around Dunganville proper mining matters remain as last year—nothing has occurred deserving of remark.

*Arnold.*—In this sub-district a small rush took place in December. Between Arnold and the Stillwater Bridge, on the Grey Valley main road, a number of claims have been taken up and are continuing to be worked. The sinking is shallow at present—between 5ft. and 7ft.—but the ground is very wet, and working in consequence expensive. The classes of claims are double-area and extended. This ground has been prospected and occupied in early time, and deserted then for richer portions of the district.

The New Zealand Steam Sluicing Company (Victoria) have now on their claim (a special claim of the bed of the creek running through the Arnold diggings) a valuable plant, and now in full working order. The prospects of the deep ground have been found to be very rich, but the working is very expensive—the pumps have to be kept going night and day, and the fuel (coal) has to be carted from Brunnerton. The bottom has not yet been reached, and the results will have to be handsome to repay the large outlay and to induce other parties to follow in their wake.

*No Town.*—In this sub-district mining matters have not made any change. I consider the population has not lessened, and about the same number of miners as during last year are making small but steady returns.

*Ahaura.*—In this sub-district there has been little change, no diminution of population, and a great deal of work done by the principal sluicing-claims. At German Gully, the Brian Boru Company washed up at Christmas, and the shareholders divided a large parcel of gold; which, however, on deduction of working expenses and cost of the heavy dead work, which had to be done, left but a small balance as the net proceeds of nearly two years' work. Since then they have brought up a large tail-race, and from this time they can go to work with comparatively small working expenses. In the old Hochstetter claim, in the same locality, sluicing has been carried on on a large scale, and the preliminary work has been costly in labour and money.

*Orwell Creek.*—The Napoleon Hill and the Waimate are the leading claims. They have been in full work, and very successful.

*Nelson Creek.*—The Band of Hope has sunk a large sum of money developing their claim, and by this time should be reaping the fruits of their enterprise; but a miscalculation or bad judgment in selection of their machinery which is intended to raise their wash-dirt to the surface has brought them to a standstill. The plant in use is of an obsolete kind; and it is to be regretted they did not go further afield and gain by the experience of our Australian neighbours before committing themselves to the purchase of machinery that has exhausted their capital without advancing their work at all. In fact, all has to be done again. Mr. Roche, of this place, has again started another hydraulic sluicing-claim, higher up Nelson Creek than the former; and, I have heard, with success. A slight rush took place here last November, on the success attending the efforts of Sinnett and party at the foot of Try Again Terrace, on Nelson Creek. A number of claims have been taken up; but the work is costly, and the returns should be large to be profitable.

*Greenstone.*—There is no change in this sub-district worthy of mention. At Duke Terrace two parties have been working some time, and are apparently satisfied with their earnings, to judge by the determined spirit they urged and resisted litigation in the Warden's Court and Appeal Court over portions of the ground claimed by them. The population is about the same, and the workings as last year. No fresh ground opened.

I have forwarded, under another cover, the statistical returns called for; and the figures shown there evidence no falling-off in the past year compared with the preceding.

I have, &c.,

The Under-Secretary of Mines, Wellington.

JACKSON KEDDELL, Warden.

## No. 11.

Mr. Warden GILES to the UNDER-SECRETARY of MINES.

SIR,—

Hokitika, 15th April, 1886.

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