

usual means adopted can satisfy one, there is every reason to believe this undertaking will show satisfactory results.

At *Nelson Creek*, mining matters have been very quiet. At the lower end of the Try Again Terrace there are only three or four sluicing-claims at work, and the two principal ones have been the subject of litigation ever since November, and a suit is now pending between their owners, to be heard at the next sittings of the District Court.

The New Bendigo Company, of which much was expected, and many thousand pounds spent on, has exhausted its capital, and is, I learn, about to be reconstructed, but the mode of working has not yet been definitely settled. The Midland, another company formed to work part of Try Again by means of elevators, was formed some months since, and may deserve mention in the next report.

Dredging-claims.—It is a melancholy fact that dredging-claims have one and all proved a failure in Westland. It appears that the making a dredging-machine that can simultaneously cope with fine sand and stones, or small boulders, is an impossibility, or at any rate has hitherto been found an insuperable difficulty. There is good reason to believe in the existence of rich auriferous deposits in the beaches above and between high- and low-water mark, and no doubt if the fine sand in which the gold is generally to be found existed in large quantities it would be an easy matter to construct a machine that would lift and put through many tons in a day, and give large profits to the investor; but I do not think that in any part of this coast there is to be found any depth or extent of sand, nor that in any part it is possible to take out a cubic yard of sand without disturbing boulders, varying in size, but all large enough to impede the working, if not injure any machine constructed to dredge sand only. The Greymouth Dredging Company's machine has been completed some time, and, allowing a very wide margin for the delays attending the starting of newly-invented machinery, it ought to have shown some returns ere this. Captain Parker, its late energetic manager, has given way to a Mr. Simpson, who arrived lately from England, and who has taken charge. If unceasing industry and indomitable pluck could have insured success, Captain Parker's efforts should have been successful. There are many in Greymouth who are sanguine yet of its future, but with the majority it is a case of "hope deferred."

At *Kumara*, very little change has taken place. One thing it is desirable to mention: that is, the formation of an association amongst the miners for the purpose of prospecting for a deeper lead below the large extent of worked ground which exists. For this purpose this body sank a shaft, but had to abandon the work for a time in consequence of meeting with water in large quantities. They are now engaged in driving a tunnel, which will have the effect of draining the shaft and allowing them to proceed. Should their efforts be rewarded by the discovery of a new lead, it will give a wonderful impetus to mining here. It will be some little time, however, before the result is definitely known. Such prospecting should be thorough and exhaustive, and the existence of a lower level, or otherwise, ascertained. Mining matters have gone on very steadily, and very few disputes of importance have been brought to the Court. There is no perceptible decrease in the population, and, so far as I can learn, mining operations have been fairly successful.

At *Greenstone* there is no alteration. Miners there continue quietly as they have for years past.

Waimea Valley.—To judge from the amount of business done in the Warden's Court and Office, I think mining has continued unchanged during the year. Kelly's Terrace is lying unworked at present, the miners declining to give the percentage asked from the tributers. Recently, rich gold has been found on the boundaries of this claim and the Wheel of Fortune Special Claim. This may lead to the resumption of work in Kelly's Terrace. Mr Batchelor, the present owner of the Wheel of Fortune, is erecting machinery (elevators) to raise and wash the auriferous dirt. But he has lost some time in the Warden's Court prosecuting ill-prepared applications for dams, &c., which were opposed by his neighbours. I learn he has spent considerable sums of money on this claim, and, up to the present, with poor results. A great many of the special claims and licensed holdings that were granted a few years ago are now relinquished or cancelled.

Paroa and South Beach.—All the beach-claims that were taken up so hopefully three years ago are now virtually abandoned. The older claims between Greymouth and Marsden are still occupied, and give steady employment.

Dunganville and Arnold.—Judging from the applications from these places, little change has taken place.

The Under-Secretary, Mines Department, Wellington.

I have, &c.,

JACKSON KEDDELL, Warden

No. 11.

Mr. Warden MACFARLANE to the UNDER-SECRETARY of MINES, Wellington.

SIR,—

Warden's Office, Hokitika, 23rd May, 1892.

I have the honour to forward herewith the statistical returns for the year ending 31st March, 1892, together with annual report on mining matters, in the district under my charge.

HOKITIKA.

The ordinary gold-workings on the Arahura, Bluespur, and Hauhau present no new features of interest. About the same number of men are employed, and, as far as I can learn, their returns have been up to the average. In hydraulic mining the returns from the Humphrey's Gully Company have been steadily improving. The returns of gold for the twelve months ending 31st March—437oz. 18dwt. 9gr., value £1,708—show that the wash is improving as the work is carried into the terrace; but the uncertain and intermittent supply of water the company have at command at present still bars the way to the payment of dividends: however, I am informed that arrangements are all but concluded whereby the company will be enabled to complete their original