39 C.—3A.

CROMWELL, ETC.

The past year has been a comparatively moist one, and has had a good effect on mining generally throughout this portion of the Dunstan District. During the winter the Clutha River was at a very low level, and a very considerable amount of gold was obtained from the beaches, principally by Chinese miners. The river is again low for the time of year, and it is predicted that during the incoming winter it will again be in a most favourable condition for beach-working.

Bannockburn.—Mining has been brisker here during the past year than the preceding one. The Carrick Company has completed their new race up to the second creek, by which they have greatly augmented their supply of water, enabling many miners, who previously could only work occasionally for a few hours, to now work nearly full time. The work has not been completed sufficiently long yet for any visible improvement in the yield of gold, but the autumn washings-up are anticipated to be very good.

Carrick.—Matters here show little or no change since last report. There are a few parties scattered about the various gullies apparently doing fairly well. Nothing new has been reported. Several new quartz claims have been taken up, some of which have been yielding fairly well. Messrs. Lawrence Brothers, L. J. Hubert, and A. Blue being, I am informed, all in a fair way,

with reasonably good prospects.

Nevis.—There is a slight improvement here during the past year. Adie and party have got their hydraulic plant at work; also one or two other parties; and I am informed they are all getting payable returns for their outlay. At the Upper Nevis the Pactolus Syndicate have bought out Norris and party's rights, and have acquired control of a large area of ground, as well as an immense water-power, and are reported to be making preparations for hydraulic sluicing on a very extensive scale. One of the party recently visited England, and was successful in raising the necessary capital for the undertaking. No doubt a large amount of work will be undertaken by the company during the coming year.

Roaring Meg, or Kirtle Burn.—There are about the same number of men working in this locality, mostly Chinese. They are believed to be doing moderately well. One party on the hill are known to be doing more than moderately well.

Fraser River.—A good deal of work has been got through by the few parties in this neighbour-

hood during the year. Some of them have, I understand, obtained fair results.

Quartz-reef Point and Five-mile.—At the former place a small rush has occurred, and a considerable area of ground taken up, several claims proving payable, notably Tillman and party and Murrell and party. There are still a considerable number of men on the ground. Most of them are believed to be making good wages. No change has taken place at Five-mile. The few parties at work are not believed to be doing anything at all out of the ordinary way.

Bendigo.—The Cromwell Company are still working, but with a diminished number of hands.

The expectations entertained last year regarding this mine have not been realised, and, as a result, the company has been reluctantly compelled to discharge many of their hands, pending proposals made to the English shareholders with regard to raising sufficient capital to sink the main shaft to the depth originally proposed—namely, 600ft. The men now at work (some twelve to fifteen) are employed taking out the blocks left in the old workings from the days when the claim was giving such grand returns. At the Rise and Shine, work is, and has been, fairly proposed to the proposed on but with what result or proposed. prosecuted. Crushing is now being carried on, but with what result or prospect I have not been informed.

CRIFFEL.

During the past year the miners who have been enabled to get water have again been successful in getting very good returns, more particularly Fox's party, Barker's, Halliday's and Hawthorne, all of whom are reported to have done exceptionally well. If a larger supply of water could be brought on to this place a vast extent of payable ground would be opened up.

OPHIR AND IDA VALLEY.

I cannot report any improvement at either of these localities for the past year. There appears to be about the same number of miners at work, making, I fear, but indifferent wages, eaked out by some of them by rabbiting and station-work.

There is little doubt that this neighbourhood suffers perhaps more than any other mining centre in Otago from a deficient water-supply; but I somewhat question whether very much of the ground is of a very payable nature, unless, indeed, water was particularly plentiful and moderate in price.

MATAKANUI (TINKER'S).

The past season has been a favourable one for water, and the principal companies are still running without washing up this year's work. The Sugar-pot Company did so at Christmas time, obtaining, it is said, 480oz. for about five months' run. The Mountain Race Company at about the same time got 450oz. Simes and Morgan also cleaned up, but the result has not transpired. Ewing and McConnochie had a washing of 320oz., a fourth of which was secured by using a set of gold-washing tables at the tail end of the race. The Undaunted Company are stated to have obtained the very satisfactory return of 1,200oz, for the season and the Matakanui Company 600oz. All of these very satisfactory return of 1,200oz. for the season, and the Matakanui Company 600oz. companies are now engaged in cleaning down, and expect to have the results of this last year secured within a few weeks, and the yields are anticipated to be as follows: Undaunted, 1,200oz.; Matakanui, 800oz.; Ewing and McConnochie, 800oz. The latter company have already obtained for this run over 200oz. off their tables. These figures speak volumes as to the remarkable richness of some of the claims in this locality, and there is little, if any, doubt of a continuance of these splendid results. The Matakanui Company is on exceedingly good gold now; but it has to be elevated, and is very stony. Their progress is therefore necessarily somewhat slow. The ground held by the Undaunted Company is without doubt the richest at Tinker's. They have many difficulties to contend with, notwithstanding which, however, the fortunate shareholders year after year obtain