

ing about six men, the Victoria, where some eight men are working, and the Eureka six men have kept at it until quite recently. The stone raised by them was found to run about 15dw. to the ton, which, with the appliances at their disposal, was not found sufficiently payable.

A small party are again giving the Jacob a trial. Mr. Mills has been carrying on operations with praiseworthy assiduity at the Cræsus, but I regret to hear the result has not been favourable.

#### MACRAE'S.

Mining generally has not altered in the neighbourhood, although a little more animation is observable with regard to quartz. A number of areas have been applied for, and prospecting the various lodes is being carried out. Several companies are being projected, some on extensive lines.

The Bonanza is stated to have had a good year, but the actual yield has not reached me. The Messrs. Donaldson, at Golden Point, have treated successfully a considerable quantity of stone. They have applied for an increased area, and are, I understand, very sanguine as to their future operations. If careful manipulation will insure success I think they will acquire it. Altogether I am of opinion that Macrae's and its surroundings will be much improved within the next year or two; the indications of capital being invested are promising.

I am informed that some Chinese miners about Horse Flat have again had a most profitable year—indeed, if the returns are as good as reported to me it is not a little surprising that much greater attention is not being bestowed on that locality.

#### HYDE, ETC.

On the Taieri River quite a number of dredging-claims have been applied for, and a good deal of animation is shown on the subject. So far as I am informed, really good dredging prospects are obtainable on many of the beaches. Up till the present only one dredge has actually been placed in position and started work, and it is too recent in its initiation for a fair opinion to be given as to results. Quite a number of new men have been taking up claims, water-races, &c., along the banks of the river, not a few of them being men who have been working on the railway-works. Practical miners who appear to think, in many instances, that they have very payable prospects in front of them, if they are reasonably successful it will be the means of inducing many more to take up claims along the river, for there is plenty of apparently similar ground available. At Fullarton's there are somewhere about forty miners, working principally in what is known as the Deep Sinking. I have not heard of any very rich finds having yet been secured, but it is well known there is some particularly good ground about there. I am inclined to think, however, it will require a good deal of money invested in water-races, &c., to work it properly. Some Chinese miners, I believe, are doing well towards the Mareburn. And at Capburn, near the railway-works, there has recently been a good deal of activity shown by some newcomers who have taken up claims, water-races, &c. Some of the prospects have been very promising. Further down the Taieri, towards Sutton Creek and Barewood, increased activity is shown, and I am given to understand that not only are the prospects favourable, but that a large amount of capital is more than likely to be invested in mining in that part of the district at an early date.

#### ROUGH RIDGE, BLACKSTONE HILL, AND IDA VALLEY.

No changes of any importance have taken place at any of these places during the past year, excepting at the quartz lodes at Rough Ridge, where some special claims have been taken up, comprising some of formerly worked ground known as the Progress, Central, &c. According to the statement of the applicants, it is intended to form a company—indeed, the initiatory steps have already been taken in that direction—with a large capital to be floated on the London market, and, if successful in doing so, the best and most modern plant will be introduced. My previous remarks, as to the loss of gold in quartz treatment, are particularly applicable to this place. I am informed by one of those now working there that from recent tests made it would appear that only about one-third of the gold had been originally saved by the battery process. The Great Eastern, another of the old claims now included in the special claims alluded to, is another instance, according to my informant. The yield in 1888 and 1889 showed an average of something over 1oz. to the ton, yet samples of the stone submitted to exhaustive treatment at Home gave returns up to 9oz. to the ton. If this is correct, and I have no reason at present to doubt its accuracy, there should be a great future in store for the quartz lodes at Rough Ridge. About the same number of men are scattered about the gullies and creek-beds, working in a desultory way, not, I am afraid, as a rule being well paid for their labour. On Idaburn, at the upper portion, Wheeler and party have continued to get good results; and I am inclined to think some fairly good ground will be developed on the upper portions of the Wedderburn. I have been informed of fair prospects being secured there.

#### OPHIR, MATAKANUI, ETC.

Nothing of much importance has been reported from these localities. The supply of water was very favourable during the earlier part of the year, and the yield of gold has increased correspondingly. This applies more particularly in the neighbourhood of Matakauui, where the most important claims are situated. At Ophir the supply has been, as ever, very limited, and mining is certainly not advancing at that place—the hopes of the mining population there are now centred on the results of the dredging company, which is now engaged building what promises to be a really good steam dredge. The company has a claim on the Manuherikia River, in close proximity to the township. Judging from prospects obtained, to which I have alluded in previous reports, it seems almost a certainty that it contains very payable ground. A number of other claims have been applied for further up the river, and, if the efforts of the first-mentioned one are successful, I fully anticipate a period of great activity along the whole course of the Manuherikia. As to sluicing