

prospecting, and causing a considerable increase in the mining population, I cannot say that much has been done to develop the reefs. The Cresus claim is the most favourably spoken of. This property has recently been taken over by a limited liability company, with a capital of £37,500, in 60,000 shares of 12s. 6d. each. The work done at present consists of a winze sunk to a depth of 90 ft. from the surface, on a reef 3 ft. in width, which is reported to show gold freely. The reef has been trenched upon for 600 ft., and a low-level has been started to strike it at a greater depth. Arrangements have been made to provide capital to equip a battery of ten heads, and to erect an aerial tram a mile and a half in length, to convey the quartz from the mine to the battery. Eight men are at present employed, and the company expect shortly to increase that number to thirty.

With regard to "alluvial," this portion of the district maintains about its usual average.

*Moonlight.*—The population of this subdivision, which includes Healey's Gully, has also considerably increased. Along the slope of the Paparoa Mountains, from the head of Moonlight to Blackball, a large area of alluvial ground is known to exist, but, unfortunately, the difficulty of obtaining and carrying a supply of water at a sufficiently high level to command the ground is a great drawback. At Healey's Gully the Republic Company hold a special claim of 35 acres, and, at considerable expense, has brought in a race capable of carrying 40 Government heads of water. I understand the prospects of this claim are favourable, but it is not yet sufficiently developed to enable me to give an authoritative opinion. About forty men are employed on the field.

*Granville, Duffer's, and Noble's Creeks.*—There have been no new finds during the past twelve months, and the mining population remains stationary. Judging from appearances, the miners seem contented and satisfied with their earnings. Some are engaged tunnelling and others sluicing.

*Orwell Creek.*—Here also the population remains about the same, most of the miners being engaged tunnelling. The scarcity of water precludes sluicing to any extent, although it is well known that large areas of payable ground exist.

*Ahaura.*—The claims on the north bank of the Ahaura River prove to be remunerative, and are now in full work—*i.e.*, so far as the limited supply of water from Orwell Creek will permit. Great hopes were entertained that the construction of the Randall Creek Water-race to Napoleon Hill would put a considerable body of water into Orwell Creek, and thus enable the river-banks to be worked; but the scheme has for the present been abandoned, owing, it is said, to the depression on the London market and the very large sum required.

*Nelson Creek.*—This subdivision continues to support about ninety miners, who seem to be as well off as in any other portion of my district. A small rush set in on a terrace north of Try Again, and some of the claims opened are giving fair wages. The sluicing claims of Donnellan and Larkin are still in operation, and appear likely to last for a number of years.

*No Town.*—This place, like Nelson Creek, employs more miners sluicing than tunnelling. The creeks carry a fair supply of available water. The claims opened out at Cronin's Terrace, Sunday Creek, are still in work. The terrace, however, shows signs of exhaustion, and unless new ground is opened to the northward will soon be worked out. The terraces in this locality and towards Nelson Creek offer strong inducement to miners for prospecting.

Revenue received at Ahaura for the period ending 31st March, 1897:—

	£	s.	d.
Miners' rights ... ..	322	0	0
Water-races ... ..	30	5	0
Registrations ... ..	43	10	0
Fees and fines ... ..	7	5	0
Rents ... ..	766	11	0
Miscellaneous ... ..	121	8	6

£1,290 19 6

During the year there were lodged six hundred and sixty ordinary applications, fifty-three applications for special claims, two applications for licensed holdings, and nineteen residence site licenses were issued.

I have, &c.,

H. A. STRATFORD, Warden.

## No. 8.

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

SIR,—

Hokitika, Westland, 21st May, 1897.

I have the honour to forward herewith the mining statistics for the year ending 31st March, 1897, together with the annual report on mining matters in the portion of the mining district of Westland, at present in my charge.

HOKITIKA.

No new discoveries of importance have been made during the year, but the gold won from the various claims at work has given about the same returns as the previous year, the increase being so small as to very slightly affect the general returns. A considerable number of men are at work in the back gullies, whose earnings it is not easy to ascertain, but I presume they manage to make something more than a living. Many of our old miners, although only making a bare living, prefer their independence to working for wages. A number of the claims in Back Creek and Seddon's Terrace continue to give handsome returns, and the same may be said of Craig's and the University Reserve Claim, as also claims in the same line to the north. A considerable