

amount of work is being done on what may be termed the southern extension of this old beach deposit by McBeth and party on the Shanghai Lead, and by Phillips and party near the entrance to Lake Mahinapua, where they purpose putting on a powerful steam dredge to work the ground near the outlet of the lake, where fairly good prospects have been obtained, and if the lead can be picked up no doubt success will attend the venture. To the south and east of Ogilvie's the Rimu Miners' Association have a party out prospecting on the terraces, but nothing payable has so far been found.

At Blue Spur and neighbourhood fairly good returns are being obtained, especially in the Arahura Fall, but considerable expense has to be incurred in bringing up drainage tunnels to drain the ground before the drifts can be profitably worked. In cases such as Dwyer and party, where such tunnel will be a public benefit, the Government are assisting by subsidy.

Humphrey's Gully Company: The operations of this company have for the last year been merely tentative, but now having possibly satisfied themselves by careful and exhaustive prospecting of the value of their various claims, they are, in addition to other work, proceeding vigorously with the survey of a new race, as well as an extension of the old one, and no doubt a large number of men will be employed in race-construction at an early date. Everything points to extensive mining operations being initiated during the coming spring and summer by this company.

The Kanieri Lake Water-race Company are gradually extending their operations, and they anticipate being able shortly to have water running in the whole of the old race, when a much-needed water-supply would be available for Constitution, Tucker, and Kanieri Flats.

Some time ago Messrs. Grimmond, McKay, and Davey secured a second valuable water-right out of Lake Kanieri, with the intention of supplying a long-felt want on Back Creek and Seddon's Terrace. In the early part of the year the Mining League had a reconnaissance survey made, to determine whether the water in the lake was high enough for Back Creek and Seddon's Terrace. The report was adverse to the undertaking, and so the scheme was dropped by the League. Later on the matter was taken up by Grimmond and party, who, after securing the water-rights, had a careful survey made, shortening the line by some two miles. The levels have been carefully checked by Mr. Lord, C.E., of Greymouth, as also the estimated cost, and the whole scheme appears to be a practical solution of a water-supply for Back Creek and Seddon's Terrace. The estimated cost is considerable (£55,000 to £60,000), owing to the fact that the valley of the Hokitika will require to be crossed by an inverted siphon and the river by a substantial bridge. The promoters are quite satisfied that this water will command the terraces referred to, and have no doubt whatever about the payable nature of the ground, its extent, and the natural facilities for working it, seeing that there is over 160 ft. of fall for tailings into the Hokitika River, and a pressure of 140 ft. at the nozzle to work with. There can be no doubt as to the benefits that would accrue to those already on the field, and to others who are prepared to open up new claims whenever water is available. This goldfield is only one of many all along the west coast of the Middle Island that, with a plentiful supply of water, would carry thousands of men, who, by their labour, would enormously increase the output of gold and bring renewed prosperity to this part of the colony.

It is vain to expect that the enormous deposits of auriferous drifts that bulk so largely on the West Coast can ever be worked except by large combination and a large outlay of capital; so that where the Government is not prepared, or think it inadvisable, to undertake such works as water-supply to the goldfields, every encouragement should be given to parties willing to undertake the work.

Ross.

Mining matters in this district show no signs of revival. The excitement in connection with Cedar Creek reefs has all but died out, there being only one claim—the Alpha—doing any work, and that is merely of a prospecting character. I am informed this company purpose putting up a five-stamp battery, to practically test the reef in their claim. The reefing country about Constitution Hill and Donnelly's Creek gives sufficient indications of payable reefs to warrant further exploration expenditure. Mr. Antonio Zala and others deserve success for their persistent efforts to find payable reefs in this district. Some time ago an outcrop of mineral ore was uncovered on the northern face of Mount Rangitoto, and a number of claims were marked off and applied for. However, although the ore looked promising, the laboratory test showed only traces of gold, a few ounces of silver, combined with galena, iron, and gangue matter. Sinking on this lode might lead to better results. In hydraulic mining the Mont d'Or claim stands first, and continues to pay fair dividends; but for the purpose of enlarging their operations the company placed their property under option to an English syndicate, but, so far, nothing definite has been done.

The Ross United Gold-mining Company, one of the largest and most valuable mining properties on the Coast, is still endeavouring to raise additional capital to further develop their mine, and are sanguine of the result. The company has a number of men at work on tribute on Ross Flat, at the Prince of Wales, Donoughue's, where they have struck good gold under the level of the present workings, but they have a difficulty in keeping the water down. This company's property is on one of the few deep leads of the colony, the depth of the main shaft being 380ft., with doubtful bottom. In this shaft there are eight distinct layers of auriferous drifts, that, with proper appliances, will pay to work. The contents of the shaft taken out in sinking measured 1,620 cubic yards, and when washed gave 15cz. of gold, or equal to 8.4d. per yard. The chief difficulty the company has to contend with is the water met with from the old workings, and that met with at the different levels; and to enable them to overcome this additional capital is required, the company having expended the whole of their capital in endeavouring to develop and work their mine with defective and inadequate machinery—to provide a cheap motive-power for pumping, hoisting, haulage, and other purposes connected with the working of a mine of such magnitude. The Mikonui Water-race, commenced and partly constructed by the Government, was at the time looked upon as the cheapest and most reliable power to work Ross Flat with, and efforts have from time to time been made to get this