

important work completed, but without success; and it is now a question whether a cheaper power is not obtainable. The unfinished portion of the Mikonui Race, about  $10\frac{1}{2}$  miles, of which a mile and a half is tunnelling through very hard country, and the construction of headworks, &c., where the water is lifted, is estimated to cost £25,000 before the water can be brought on to the company's claims, and I am informed that motive-power more than equal to that obtainable from this race could be supplied for half the money. The steady advance in electrical science in the production of power, and the improvements in the machinery and the appliances for the transmission of power, points to this as the best and most economical method of working the deep leads on Ross Flat. There are several sources of water-supply within reasonable distance available for the purpose. Out of the 350 acres held by the company only about 8 acres have been worked, and a great portion of this only as far as the water would allow. I am certain the property will bear the most exhaustive examination, and the result will fully confirm all that has been said about the gold that has been and yet remains to be won by well-directed effort.

Having only recently taken charge of the Kumara, Goldsborough, and Stafford districts, I am unable from direct personal knowledge to say much in connection with the districts mentioned; but I am indebted to Mr. Aitken, water-race manager, Kumara, for his very interesting and valuable report on Kumara, Waimea, and a portion of the Stafford district, which I have embodied in my own. As regards Stafford, I have been furnished with the following particulars by Mr. Hennah, the Mining Registrar for the district, as also notes on the Taipo goldfield.

*Stafford.*—The most noteworthy feature in this part of the district is the claim, held by Mr. Batchelor, formerly known as the Wheel of Fortune. The present owner is said to have expended in purchasing and improvements some £4,000, but I have not been able to ascertain the returns of gold won during the time he has been at work—some two years. I understand he is now in England endeavouring to raise more capital, so as to enable him to carry on operations in a more wholesale manner. On the old back lead, at Auckland Beach, Black and party are opening up a new run of payable ground that may lead to more important results. Unfortunately, this lead is likely to run into private property, the whole of the terraces at the back of the beach having been parted with by the Crown.

*The Taipo.*—Active operations are being carried on at the Seven-mile Creek, where there are from forty to fifty men employed by a Christchurch syndicate in constructing a large water-race and other works in connection with a large hydraulic-sluicing claim held by them near the junction of the Seven-mile with the Taipo. I understand sufficient prospects were obtained before the company undertook the works they are now constructing to warrant them in going to this expense. Seeing this creek takes the drainage of Kelly's Range, where numerous outcrops of auriferous quartz are met with, there is every prospect of this venture paying well. A number of special claims have been applied for, and some granted, on Kelly's Range, as also a number of extended prospecting areas. Considerable prospecting has been done by Mr. Ziman's men and others, and it is reported that gold has been found in several of the outcrops showing on this range. Nothing payable has as yet been reported to the Warden from any of the prospecting areas, and the winter having now set in work will probably cease for a time unless stone has been found that would warrant tunnelling. From Kelly's Range in the north to Mount Harman at the head of Browning's Pass, near the Wilberforce, where there is an outcrop of payable stone, the country is practically unknown, only that the auriferous belt is unbroken between the two points. Next summer this block should command the careful attention of prospectors.

#### OKARITO AND JACKSON'S BAY.

Mining in the above-named districts show very little signs of improvement. On the sea-beaches some rich patches of surfacing have been worked during the year, one party netting over £300 for about a month's work. The wholesale working of the inner beach leads is still a matter awaiting the advent of capital, and improved methods of mining the gold that the individual miner cannot reach, but that would well repay properly-directed effort. A rush to the terraces above the forks of the Okarito River promised to open up an extensive field, but, so far, only two claims are on payable gold. The amount of prospecting done has been trifling. The most of those visiting the ground having claims on the Kellery—that can be worked only during the winter months when the river is low—returned to them, and, if the weather proves favourable, they expect to take out a considerable amount of gold during the winter months, and return to the terraces—which are a continuation of the Lake Mapourika terraces—in summer. On the north banks of the Waiho and Kellery two special claims have been granted to the Waiho Hydraulic Sluicing Company. They intend to work the terraces, commencing immediately below the mouth of the gorge of the Kellery. An ample supply of water—forty heads—has been secured by the company for hydraulic sluicing, and, as there will be no difficulty with the disposal of tailings, and seeing that they will have 200 ft. of pressure for the nozzles, and that fairly good prospects have been obtained in the terrace at various levels, there is every likelihood of this undertaking proving a success. If the company succeed in bringing in a larger supply of water than they require for their own use, they can easily dispose of it, as there is a large area on the Waiho River-flats that will pay handsomely for working as extended claims, and would mean a large increase to the population, and a distinct renewal of mining prosperity in the district. Some prospecting for quartz reefs has been done during the latter part of the year on the head-waters of the Kellery, but the party (McKay and Watson) have been driven back by the snow. They report crossing the mica-schist country forming the foot hills and the spurs of the main range, and passing into a good-looking slate-country, showing quartz reefs. In their explorations they appear to have reached a considerable altitude, but the lateness of the season did not admit of more than noting the outcrop and position of the reefs seen by them, and other natural features that will be of use to them in their further explora-