

WAIMEA.

The Waimea district still continues to give employment to a large number of miners, and although it has seen its best days, there is a fair hope of a considerable revival when the Waimea main tail-race and the Kelly's Terrace drainage tunnel are completed and working. The number of miners in the district has not decreased during the past year, and the yield of gold will compare favourably with recent years.

The driving of the Waimea Main Tail-race has been completed throughout its whole length—about 2,100 ft.—and the trustees are about to sink a shaft at the upper end of work to connect it with the surface in the large flat in the middle branch of the Waimea Creek, where highly-payable sluicing-ground is known to exist. When this communication is made, the tail-race will be paved with wood blocks, the material for which is now ready. Several parties are ready to drive branch tail-races to connect their claims with the main tail-race, when sluicing operations will be proceeded with. The large area of ground proposed to be sluiced through the main tail-race has nearly all been taken up in claims, several of which have recently been the subject of expensive litigation in the Warden's Court, and some of the cases are still unsettled. This has been the cause of considerable delay in the completion of the main tail-race. The completion of this work, and the starting of extensive sluicing operations in connection therewith, should give a great impetus to mining in the district, as all the old residents have no doubt as to the payable character of the extensive flat commanded by this main tail-race.

The Kelly's Terrace Drainage Tunnel, which, when completed, will be 6,600 ft. in length, is being proceeded with in a satisfactory manner. Before the end of March a distance of 1,200 ft. had been driven by the contractors, and they are now engaged in driving a tunnel for an incline tramway to a gully some 70 ft. from the present face, as they consider it will be more economical to discharge the material produced in driving by that outlet instead of running it to the present tip, a distance of about 1,500 ft. As the country through which this tunnel passes is all auriferous, it is probable that payable gold may be struck long before the intended termination of the tunnel is reached. Some very good ground has been worked in the neighbourhood of Kelly's Terrace, and the tunnel now in course of construction will thoroughly drain the whole of the ground in that locality.

The miners of the Waimea district are satisfied that the new portion of the Waimea Race at Kawhaka, which entirely does away with about a mile of high and expensive fluming that would otherwise require renewing, is a great improvement, as the chance of a breakdown, and consequent stoppage of the supply of water for sluicing, perhaps for months, is now reduced to a minimum.

The branch race to Callaghan's is now completed, and several parties are now sluicing there with water from the race. The probability is that this portion of the district will also have a revival, as there are large areas of auriferous ground at Italian's and Callaghan's hitherto untouched on account of insufficient water-supply.

I have, &c.,

D. MACFARLANE, Warden.

The Under-Secretary, Mines Department, Wellington.

ADDENDUM.

IN addition to the report on the Kumara Goldfield, Mr. McEnnis, Mining Registrar for the district, furnished me with the following particulars: "Nothing of an unusual character transpired in mining matters in the Kumara portion of the district during the past year, and the results obtained from mining operations have been fairly satisfactory. The population is about the same as when last reported on—viz., 2,500 souls. There are about a hundred Chinese in the district, most of whom are at work along the line of the Greenstone Road. They are a very inoffensive body of men, eminently industrious and well behaved, and giving no trouble to their neighbours or the police. There are several parties of Europeans working sluicing claims at Cape Terrace, Hayes's Terrace, Darkies' Terrace, Quin's Terrace, and Maori Point, Greenstone, and they all seem to be doing fairly well. The Greenstone Gold-mining Company, owning the best and largest water-supply in the district (forty heads), has had great difficulties to contend with in opening out, &c. Some few dividends have been paid, but so far the venture has been only a qualified success. It would be well for this company to consider whether an extension of their race would not be advantageous to them, seeing that to the west and north this water commands a very large area of auriferous ground with better facilities for working; but a further extension of the race in either direction means a further expenditure of capital, and at present the company are not in a position to enter upon such a large undertaking, although the outlook in that direction is very promising, and there is the only water available. This is a district that might court inquiry from parties looking for investments that would give a fair return for capital."

No. 9.

Mr. Warden KEDDELL to the UNDER-SECRETARY for MINES, Wellington.

SIR,—

Warden's Office, Oamaru, 3rd July, 1897.

I have the honour to report, with respect to the Maerewhenua subdivision of the Otago Mining District, that gold-mining has been prosecuted very fairly and evenly, taking into consideration the scarcity of water during the year ending 31st March last.

There have been no discoveries during that period, and nothing has occurred deserving special notice.

The claims are, with few exceptions, worked by the hydraulic-sluicing process, and the water-supply in the best—that is, the wettest—seasons is inadequate for the area of auriferous deposit.

In nearly all instances the wash lies deep, and large quantities of earth and *débris* have to be sluiced away.