

SERPENTINE.

There are eight miners in this locality sluicing. There are two parties working claims by means of elevators at the head of Taieri River, and one party at German Jack's. A company has been formed to work Canadian Flat by hydraulic elevators. This company have thirteen men employed constructing a water-race from Taieri River. The Pile-up Company are said to intend placing a dredge on ground in this locality.

MIDDLEMARCH.

Very little mining is going on in this locality. A number of dredging claims have been taken up on the Taieri River, and a dredge—the First Taieri—was placed on a claim, but after working some time turned out a failure—chiefly, I think, because the dredge was too small and not powerful enough.

HYDE.

In the immediate vicinity of the township there are only a few parties sluicing, and some others treating the ground by the primitive way of cradling. At Rock and Pillar there are some miners who have been working for years. The ground must be fairly rich, as they cannot work for months every year in the winter-time, being prevented by the severe frosts and snow; but with these drawbacks the men stick to the place, and seem quite contented with their lot.

There are some Europeans and Chinese working on the banks of the Taieri River, between Wardling's Crossing and Taieri Lake Station, who are reported to be doing well. Some of these are sluicing and others cradling. There are a few Europeans and about ten Chinese mining at Four-mile Diggings, making a fair living.

The quartz claim at Mount Highlay is still in operation, and from sixteen to twenty generally employed. Several crushings have paid well, but others have not, there not being an even run of stone in the mine.

A Chinese party are constructing a tail-race for the purpose of working ground in the Fillyburn Creek, and hopes are entertained that the venture will pay.

MACRAE'S.

Dredging here, too, has been a failure so far. The Macrae's dredge has been sold and removed from the district. Alluvial-ground sluicing is a small industry here. Only about five Europeans and ten Chinese are paddocking and sluicing on Horse Flat, they, however, are making good wages.

Golden Point: Donaldson Brothers in their quartz-mine employ seven men to raise stone, scheelite, and to work battery and mill. The plant consists of five head of stampers and a Huntingdon mill. The stone is conveyed to the battery by means of an aerial tramway about half a mile long. The company have, I understand, taken out about 80 tons of scheelite ready for the market, and the gold obtained, I have been informed, more than pays all working-expenses.

The Golden Bell Claim, which is owned by Messrs. H. Mills and Sons, is worked by a battery of five heads of stampers driven by steam-power. The claim is being worked as an open face—no tunnelling or driving. The stone has to be carted half a mile to the mill. Six men are employed. During the past year 2,290 tons of stone has been brought to grass and crushed, giving a yield of over 431 oz. of gold.

Cunningham, Griffen, and Spear's Mine: This company has expended nearly £700 during the year in constructing water-race, dam, roadway, and battery to work this mine. 447 tons of quartz has been crushed, yielding 188½ oz. of gold, besides 70 tons more of stone ready to crush. The battery consists of eight heads of stampers driven by water-power.

DUNBACK.

Golden Bar Quartz Claim.—This mine has been taken up by a company of working-men, with one exception, and this shareholder employs a wages-man. The company are now erecting a ten-head stamper battery to be driven by steam-power. This mine has hitherto been tried by several parties and by a Dunedin company, and abandoned as not being payable. The reef is a large hill of quartz. Several crushings have been taken from the reef and treated at different batteries, and have yielded from 5 dwt. to 15 dwt. to the ton; the last test by the present company gave 5 dwt., which will, I am informed, pay good wages at all events.

Bonanza Quartz-mine.—During the past year this mine has been continuously worked, though only a small staff of men has been employed. The high-level adit (in which there are two distinct lodes) has been pushed ahead towards the western boundary, and considerable bodies of ore have been met with, of varying size and quality. It is satisfactory to note that these newly opened lodes have a tendency to make strongly underfoot, and are therefore accessible from the intermediate levels, some 60 ft. below. In the intermediate levels, as far as they have been opened up, the reefs have all a downward tendency. Stopping has been actively carried on from the intermediate to the higher levels, and many tons of stone taken out and sent to the mill, the result of the crushing being satisfactory. The low-level adit, some 230 ft. below the present workings, has been driven a distance of 1,550 ft., and is connected with the higher levels by an uprise, through which all the ore mined is passed to the lower level, and conveyed in trucks to the aerial tramway at the surface, where it is deposited in readiness for transmission to the battery. It is the intention of the management, I understand, at an early date to expend more capital in driving the low and intermediate levels further ahead, so as to command larger bodies of ore known to exist overhead. Crushing operations have been somewhat retarded owing to shortage of water during the last few months. The quantity of stone crushed is not yet ascertained, but the approximate yield of gold has been 15 dwt. to the ton.