WAIPORI.

The fleet of dredges in this locality has been increased by two during the year, making now a total number of ten. The public companies that publish returns have all been doing very well, and I have every reason to think that the private companies do well also.

Mr. W. J. Farrell's hydraulic-sluicing claim on Mr. Cotton's freehold has been working all the

year, with very good returns.

The Bakery Flat Sluicing Company (Limited) has had some very good returns during the

year, and has paid several dividends to the shareholders.

One of the new dredges that started working during the last year is O'Brien's. It belongs to a private syndicate, and is driven by water-power; it takes two Government heads of water to drive the machinery, with a pressure of 45 ft.; 3 oz. of gold per week will pay the cost of working. It is now dredging to a depth of from 12 ft. to 14 ft., and does the work well, to the general satisfaction of the owners. Mr. O'Brien has patented the system throughout the Australasian Colonies—in fact, the greater part of the world. The dredge is, I understand, the only one yet known to be worked by hydraulic pressure direct.

The Golden Key Mining Company sold out to Messrs. Gare Brothers the whole of the company's property at Waipori, consisting of water-races, dams, &c., and now that the claim is to be worked as a private concern on a smaller scale, the owners being miners with a good deal of

experience, it may turn out a success.

The Lammerlaw Flat Hydraulic-elevating Claim, one of the latest to start, is doing well.

The O.P.Q. Gold-mines (Limited), (Mr. A. E. Inder, general manager): This company has done a lot of work in opening up and working the quartz-mine during the year, and constantly

employs from seventy-five to eighty men. It is now yielding good returns.

There are two dredges in course of erection—viz., the Big Flat and the Lower Enfield; the former will probably be worked by O'Brien's hydraulic system.

On the whole, mining may be said to be flourishing at Waipori.

TAPANUI.

Very little mining is being carried on in this sub-district now. One dredge belonging to a private syndicate has been at work during the year, but the returns are not made public. claim is on the Pomahaka River, and known as the Ardmore Dredging Company.

Adjoining this on the same river is the Greenvale Dredging Company's claim, on which a large dredge is now being constructed. The results of this one are anxiously awaited, as no powerful dredge has ever worked in the locality before.

I have very little to add to my report of twelve months ago, except that there does not seem

to be the same eagerness to acquire claims as there was then.

Dredging is the principal method of mining around this district. In the Waikaka Valley there are at present eleven dredges at work, and two in course of construction; at Waimumu there are four at work, and five in course of construction; and at Charlton Creek there are at work, and one is being constructed.

Messrs. Graham Brothers have sold their dredge, which was on the Mataura River near Gore, to the Central Mataura Company, and no doubt, if satisfactory returns are obtained, extensive dredging operations will in the near future be carried on in the Mataura River.

WAIKAIA (INCLUDING NOKOMAI).

Mining in this sub-district keeps about the same even tenor. It is estimated that about eleven Mining in this sub-district keeps about the same even tenor. It is common that thousand pounds' worth of gold has been won in the Waikaia and Nokomai districts during the last thousand pounds' worth of gold has been won in the Waikaia and Nokomai districts during the last thousand pounds' worth of gold has been obtained by hydraulic sluicing. The principal claims in this twelve months, most of it has been obtained by hydraulic sluicing. The principal claims in this district are: the Argyle Hydraulic Sluicing Company, the Winding Creek Hydraulic Sluicing Company, the Nokomai Hydraulic Sluicing Company, and the Lion Gold-mining Company.

The Piano Flat Sluicing Company (Limited) is another claim which is expected to yield good

returns, but has not got properly to work yet on account of the recently constructed water-race not

carrying the water very well.

The Lion Gold-mining Company (Limited) have now completed their water-race at the Nokomai, after three years' work, at a cost of about £11,000, and it is reported they have struck

payable gold.

A new company (which has been registered), called "The Gow's Creek Gold-mining Company," have obtained a right to bring in two large water-races from near the head of Gow's Creek to their claims lower down on the same creek. Only one race is being constructed in the meantime, the length of the race to the company's first claim being about four miles and a half, and the probable cost about £3,500. The company hope to have the race completed and the claim opened up about

Two dredges have been built in this district during the last twelve months—viz., the Nugget and the Dome Creek—but neither of them has turned out a success as yet; in fact, the Dome

Creek Company have gone into liquidation.

There are about two hundred European miners at work on this field, and about fifty Chinese. One hundred and seventy mine applications were lodged for mining privileges at Warden's Court, and the revenue collected during the year amounted to £374. I have, &c.,
H. A. STRATFORD, Warden.

The Under-Secretary, Mines Department, Wellington.