This is worthy of note, as it will be remembered that a very capable dredge failed to work this ground to advantage.

Last Chance Hydraulic Sluicing and Elevating Company (J. McNeish, manager).—Operations are now being conducted some distance up the flat. An area of new ground has been acquired, and the worked-out ground thrown up. The water-race gives considerable trouble owing to its being constructed through "slip" country for a considerable distance. A dam built at the head of the pressure-line has proved of great service.

Stringer and Party, Fourteen-mile Beach.—Prospecting a terrace at the Fourteen-mile Beach by

shaft-sinking and driving.

NASEBY.

Little Kyeburn Hydraulic Sluicing Company, Kyeburn (R. T. Stewart and party).—Two water-races have been acquired; six sluice-heads of water are generally available on the claim. The material is elevated under a vertical pressure of 95 ft., while the water is discharged from the break-down nozzle under a vertical pressure of 90 ft. The ground is shallow but extremely rough.

The numerous sluicing-claims in the Naseby District have worked steadily during the year. There

is nothing of importance to add to the complete report of last year.

Hamilton's.

There are now only about five men employed on this field, sluicing with the small supply of water available.

PATEAROA.

Patearoa Hydraulic Sluicing Claim.—Highly successful results have been obtained from this claim, which is the property of a small syndicate. Operations have been carried on for some time in terrace-ground, but the plant is now operating in the bed of the creek. Included in the property is an area of ground about 80 acres, proved suitable for dredging by prospecting with boring-rods. A suitable dredge has been purchased for removal to and re-erection on the claim.

Johnston Bros.' Sluicing Claim (Taieri River).—This property is situated five miles above Patearoa, on Taieri River. The owners have erected a hydraulic sluicing and elevating plant, and are reported

to be doing well.

Hambly Bros.—Party ground-sluicing on Taieri River, above Patearoa

Alluvial mining in this district affords employment to several parties, chief of whom are Lusher and party, and Owen, Cambridge, and others.

UPPER TAIERI RIVER.

Canadian Flat Hydraulic Sluicing and Elevating Company.—The company went into liquidation for want of funds. The property has lain idle for some time. Considerable expenditure was incurred in carrying operations to the point at which they now stand, but further expenditure is necessary to complete the water-race. Area of claim, 130 acres; holding valuable water-rights from the Taieri Falls. The water-rights are valuable as a source not only of hydraulic power, but also of electrical power.

Messrs. McColl Bros. are working a sluicing claim on the Upper Taieri, which is said to yield fair

returns. An hydraulic elevating plant is now being erected.

Fortification Hydraulic Sluicing Company, Red Swamp, Lammerlaw Ranges.—Mr. J. T. Johnson, mine-manager, Bakery Flat, supplies the following information regarding this claim: "During the outgoing season the elevating plant was operating on Swede's Gully. Some good gold was taken out, but the whole area was not payable. We are now erecting the hydraulic plant formerly on Gow's Creek, Waikaia, and expect to have a good season's sluicing next year. The work of taking the plant on to the ground has proved a difficult one. It has been carted across the high ranges to within twelve miles of the claim. From that point it will be sledged to the claim. Alan McColl is in charge of operations. Three men are employed.

SERPENTINE.

Messrs. Gunton Bros.' Sluicing Claim.—A party of working shareholders working a sluicing claim

which was purchased from the Enterprise Hydraulic Sluicing Company.

Mining on the Serpentine and Lammerlaw Heights is chiefly confined to diggers holding miners' rights. Although difficult of access, and lying at high altitude, in bleak country, these districts afford employment for nearly seven months in the year to diggers, who return to their claims year after year when the winter months are past. The gold obtained is generally of a heavy nature, much of it being specimen quartz. The country is usually entered from Roxburgh, Miller's Flat, Patearoa, or Deep Stream.

DEEP STREAM.

Deep Stream Amalgamated Hydraulic Sluicing Company (Limited), Deep Stream (A. C Buckland, manager).—Area of claim, 106 acres. Operations during the year were successful, and the work is being pushed on up the flat. About fifteen men were employed during the year. When the season is favourable, two elevators are kept steadily at work, but the ground is becoming shallow towards the head of the flat. At the time of my visit the claim was shut down owing to shortage of water during a long spell of dry weather.

SUTTON.

Hibernia Sluicing Company, Matarae (Donald Ross and party).—Area, 21 acres. This claim, which is worked by ground-sluicing, is situated on terrace-ground adjacent to Taieri River, at Matarae. Four men are employed.