

Mr. Warden CRUICKSHANK, Dunedin, to the UNDER-SECRETARY FOR MINES, Wellington.

SIR,—

Warden's Office, Dunedin, 3rd March, 1905.

Herewith I have the honour to enclose my annual returns for the Hindon district, and at the same time to report that no fresh operations have been commenced during the past year. Excepting that of the Deep Stream Amalgamated Hydraulic Sluicing Company (Limited) and the Barewood Gold-mining Company (Limited) there has been little or no work done in this portion of the Otago Mining District.

I have, &c.,

The Under-Secretary, Mines Department, Wellington.

G. CRUICKSHANK, Warden.

Mr. Warden McENNIS, Naseby, to the UNDER-SECRETARY FOR MINES, Wellington.

SIR,—

Warden's Office, Naseby, 17th April, 1905.

I have the honour to forward herewith statistical mining returns for the year ended the 31st December, 1904. I also forward a few notes on the position of this goldfield for the same period.

NASEBY.

At Naseby and immediate surroundings eighteen hydraulic-elevating claims have been working during the year; two of these have been worked out. Hydraulic sluicing and elevating is the chief method of gold-mining in this district, and there are about fifty men employed. Some fifteen parties are ground-sluicing, and about forty Chinese similarly employed. At Idaburn, White Sow Valley, and Hill's Creek a claim is being worked at each place; it is estimated that there are about 140 miners (including Chinese) working in the above-named localities.

ST. BATHAN'S.

The last season proved a fairly good one for many employed in mining. The returns obtained were fully up to the average, while at the close of the year a general improvement all round was noticeable.

In what is known as the town or basin workings—those that discharge their tailings and tail-water into the St. Bathan's Channel and thence into the Dunstan Creek—the only workings of importance carried on during the year were those of the United M. and E. Company. After considerable trouble this company succeeded in getting an elevator in position about the end of March, and operations have been carried on constantly since with the exception of a few weeks in the winter-time, and as a result a large amount of quartz wash has been shifted. It is gratifying to be able to state that fully 600 oz. of gold was obtained. This company intends to deepen their elevator 35 ft. more, making there a total depth of 60 ft. As the company have water at a pressure which can easily lift from depth of 150 ft. it is obvious that even this small portion of the claim will give rich returns for many years to come.

Work on the St. Bathan's Channel has been carried on, and an additional 6 ft. has been sunk during the past year.

The Scandinavian Company has been mostly working its claims known as Surface Hill and Lagoon, the tailings from which are carried into Muddy Creek and from thence into the Manuherikia River. Work was carried on by hydraulic elevating. At Surface Hill Claim, after deepening and shifting the elevator five times, a depth of 104 ft. was reached in March, and two elevators were erected side by side, so that whilst repairs were being effected on one the other could be kept at work. The paddock was washed up in August for a return of 1,300 oz. of gold. The elevator has since been shifted and deepened to a depth of 119 ft., and is working very satisfactorily. It is now in a position where it can work for five years without the necessity for shifting, and it is confidently expected good returns will be obtained. The manager estimates that 643,000 yards of material were removed, the ground thus giving about a grain of gold to the cubic yard. At the Lagoon Claim great difficulties have been encountered; the country (which is of a greasy-clay formation) has slipped for several chains against its own dip, and the manager so far has been unable to touch the wash, but he expects to obtain a good hold of the ground before the coming winter. An elevator is at work to a depth of 35 ft., but has been several times carried away by slips of clay. One of these slips was of such an extent that it took two months to remove. It is to be hoped that when the wash can be got out the company will be recouped for their labour.

The Shamrock Company's Claim is idle at present, but it is expected a start will soon be made to work the quartz drift at what is known as Brennan's, from which good payable yields have already been obtained.

At Vinegar Hill the principal operations have been carried on by the Vinegar Hill Hydraulic Sluicing Company, and have been very successful during the latter part of the year. The clearing of the side of the hill was completed in August last, and a start to work at once made to sink an elevator. This work was much impeded through the presence of a number of large stones which had been packed in by a former party when driving the ground in order to hold it up. At present, despite of all these hindrances, the elevator is now down to a depth of 70 ft., and henceforward will have only virgin ground to operate on. A return of 560 oz. of gold has been obtained since October, and after liquidating all debts on claim a dividend of 2s. per share has been paid to the shareholders. There is little doubt that this claim is a valuable property, and good returns may be expected for many years to come.

Two men named O'Hara and McCarthy are working an adjoining claim, and are said to be obtaining satisfactory results.

At Cambrian's work is being carried on by five parties sluicing, and they seem satisfied with their earnings.