

tailings into Stanton's Creek, and thence into the Aorere River, instead of as formerly into the Parapara. Prior to completion of the drainage-tunnel the Hit or Miss working became exhausted and abandoned, while the pipe-line connections were relieved and reinstalled to develop the virgin flat before mentioned. In the meantime, operations are confined to sluice off the surface layers to free level; but, as mentioned in previous report, the future propositions of the company are to elevate the deeper deposits.

Quartz Ranges (owner, C. Y. Fell, Nelson).—Diamond and party of six men continue to work this property on tribute, the operations being chiefly confined to the Debtors' Terrace. Referring to the working-conditions, there is nothing of special interest to note, both parties being alike satisfied with the results obtained. All works are in a safe condition. Yield of gold for the year, 307 oz., valued at £1,074 10s.

Rocky River.—There is only one man working in the locality.

Slate River Sluicing Company.—Under authority, Mines 1906/879, a subsidy of £150, at the rate of £1 for £1, has been authorised to assist the Slate River Sluicing Company to drive a low-level tunnel to prospect the deep ground in its claim near Collingwood. This tunnel has been driven a completed distance of 100 ft. (dimensions, 7 ft. by 7 ft.) on a rising gradient of 12 in. in 7 ft., and raised 50 ft. (7 ft. by 7 ft.) on a gradient of 1 in 4, to connect with the deepest part of the present face. Formation is hard slate. The limited water-supply in dry weather continues to be a drag on this property, even though various streams have from time to time been directed into the Toitoti Dam. Yield of gold for the year was 203 oz. 3 dwt. 17 gr., valued at £763 10s. 3d. Value per ounce, £3 17s. 10d. Average number of men employed, 7.

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On the German Creek and its tributaries mining has practically become a subject of the past. Probably the head of the Caledonian Gully is the most active centre of alluvial mining, which comprises two small parties driving out. A few pennyweights are still being raked from the creek-beds and gullies.

Cook's Terrace, Fairdown.—This subsidised tunnel continues to maintain very comfortable work at fair average wages. The ground is very nicely worked and securely timbered.

Christmas Terrace.—This subsidised tunnel intersected the auriferous lead at a distance of 600 ft., driven directly from the face of the Fairdown old sluicing claim. Water has been efficiently laid on both for sluicing and ventilation purposes, ventilation being assisted by water-blast, and conveyed through a continuous pipe-line direct on to the face. The wages earned are satisfactory, and may be considered above the average.

Rochfort Terrace.—Under authority, Mines 1904/922, Young and McKay were authorised to expend £150 to drive 1,500 ft. Driven 1,324 ft. Several leads have been cut and washed, but are not considered payable. Driving is still continued on the back lead.

Giles's Terrace.—Under authority, Mines 1905/643, Hooper and party have driven their subsidised tunnel the authorised distance, 700 ft. from the 1,200 ft. peg. Several uprisings were raised, but the values obtained were not considered payable.

North Terrace, Mokihinui.—Under authority, Mines 1905/524, subsidy was approved to enable Charles Stewart to drive 300 ft., at 3s. a foot. Driven 240 ft. Paid £36. As driving is extended the country continues to show more favourable prospects as the auriferous wash is intersected eastward.

Welshman's Terrace.—Under authority, Mines 1905/422, subsidy of £75 was approved to enable Martin Conradson to drive 500 ft., at rates prescribed by (e) of Regulation 97. Driven 290 ft., at 3s. per foot. Paid £43 10s. The auriferous lead has not yet been intersected.

Genie Annie.—Joseph Hawkins, now prospecting in the locality of Half-moon Bay, about three miles north of the Mokihinui River, has failed to obtain the prospects anticipated, but he considers that values will improve as prospecting is extended into the terrace lands.

Five resident parties make a comfortable living washing the black sands on the sea-beach between Jones's Creek and the Waimangaroa River.

St. John's Terrace, Addison's (Brady and party—four men).—The subsidised track recently constructed on this elevated property has supplied not only a long-felt want, but working-conditions are likewise facilitated. The conservation of water has been further supplemented with additional storage-capacity, so that sluicing and other operations are practically assured against loss of time under all conditions of weather. The working-conditions and general equipment, including the gold-saving appliances, are in good order, while the auriferous values continue to give a satisfactory remuneration for labour and capital expended.

Carmody and Party (eight partners).—Sluicing and elevating operations are directed on a face 30 ft. in depth, which contains two auriferous leads, the upper of which was driven out in the early days. Presently, the auriferous values are chiefly dependent on the bottom layer, which maintains an average depth of 6 ft., directly overlying the blue marine bottom. The washed gravels are run into trucks and elevated on a double tram-line by water balance, and the auriferous sands distributed over a large surface of plush-laid open tables. Payable results are steadily maintained.

McKnight and Party, Addison's, continue to work their sluicing and elevating claim with very successful results.

Long Tunnel, Addison's.—Outside the ordinary routine of operations there is nothing of special interest to note. Yield of gold for 1906 was 242 oz. 14 dwt. 13 gr., valued at £958 15s. Value per ounce, £3 19s. Dividends paid during 1906 amounted to £103 16s., and since commencing work, £827 10s.

Venture Claim.—This party suspended all work in connection with mining and crushing the cemented auriferous sands, and have opened a sluicing and elevating alluvial area on a southern section of their mining privilege. Since this section was opened the party is well satisfied with the results obtained.