

however, continue to maintain their former numerical strength, and if mention may be made of "John's" personal sincerity, he is satisfied with the results earned.

Dredging on the Blackwater continues to be a profitable investment. Dividends for 1906, £1,421 5s., and since work was commenced, £7,816 17s. 6d.

Orwell Creek and Napoleon Hill.—New development is practically nil, mining being confined to about twenty resident miners.

Moonlight continues to maintain about forty resident miners.

Nelson Creek.—Making mention of the gold-dredging industry on the Nelson Creek, Nelson Creek and Pactolus Companies may be considered to have been the most fortunate on the West Coast. Nelson Creek dredge: Dividends paid since registration, £23,375. Pactolus Gold-dredging Company: Dividends paid for 1906, £16,875; and since registration, £37,812 10s.

Callaghan's Creek.—With the exception of dredge employees, alluvial mining is confined to a few residents.

Half-ounce Creek, Totara Flat.—Baybot has provided a very efficient water-supply, and commenced sluicing operations near the close of the year. At time of visit a clean-up had not been made, but the owner was satisfied with the prospects so far obtained. Further up the creek a few old fossickers get an occasional pennyweight.

Fiji Terrace, Brunnerton.—Griffiths and Williams have cleared and timbered through broken ground a distance of 112 ft., and driven 116 ft., at a cost of £64 11s.

Brandy Jack's Creek.—Duncan Steel's prospecting-tunnel has been driven 902 ft., at a cost of £90 4s.

MAORI GULLY.

There are nine parties, comprising ten men, ground-sluing, and two parties hydraulic-sluing when water is available.

Saunders and Party (twelve men) are now sluing with a limited water-supply. Confident, however, of the auriferous values of the claim, extensive works are now in progress towards the construction of water-races, tunnels, &c., capable of maintaining a twelve-head supply. In connection with the scheme, one of the chief items is the construction of a siphon 21 chains in length. Preparatory to laying the siphon in position, all timber and other preliminary works are completed. Including the varied sections of work in this scheme, the completed length from intake to penstock will be seven miles and a half, comprising 1,800 ft. of tunnelling.

HOKITIKA.

Humphrey's Gully.—As stated in previous report, the whole distributing pipe-line system was rearranged to open out fresh ground at the beginning of 1906. During the year operations in this district have not only failed to maintain the former output of gold, but the values for 1906 show a decrease of £2,157 9s. 8d. as against the year 1905.

Craig's Freehold is again in the possession of the original owner, and, as a mining concern, is worked on tribute by three parties of two men each. The workings are securely timbered and well ventilated throughout, but the wages earned may be considered as a minimum. Peter Goudie and party (two men) make a bare living in rewashing the old tailings.

Back Creek.—Brooks and party (three men) are driving a tunnel to intersect some washdirt that was previously left in the old workings. The ground is securely timbered.

Harrington and Party (two men) are blocking out on a wash 7 ft. thick. Workings well ventilated and securely timbered.

Cooper and Party (four men) are blocking out on a washdirt varying in thickness from 5 ft. to 7 ft. This wash has been proved payable for a distance of 400 ft.

Webletz and Party (seven men) are blocking out on a wash varying in thickness from 5 ft. to 7 ft. Results highly payable.

Irwin and Party (four men).—This mining privilege, formerly driven out, is now operated as a hydraulic-sluing concern.

Johnston and Party (four men).—This subsidised party is still continuing to work on good payable gold. All workings are in good order and condition.

Upjohn and Party.—To effect ventilation, connection with Johnston and party's working was recently completed, with the result that ventilation is not only restored, but a section of highly payable wash has been developed.

Hartridgen and Party (three men) continue to drive out with payable results on a wash varying from 6 ft. to 8 ft. in thickness. Ventilation and timbering receive special attention.

Knight and Party (four men) continue to drive out with payable results. Ventilation and timbering satisfactory.

Boyd and Party (six men).—The results from this hydraulic claim are satisfactory, and, according to their own words, they only hope that the adjoining claims are doing as well. During the first six months of 1906 the weekly wages earned by the parties above named averaged from £6 to £7 per man.

Minerals Company.—To obtain the maximum of economy in connection with the future working of the deep-lead deposits, the drainage-tunnel has been extended a further distance of 400 ft. Thus, with efficiency of working-conditions, plant, &c., the future prospects of the company may be regarded with promise.

SUBSIDISED WORKS.

Larrikin's.—Jamieson and Garvin have driven their prospecting-tunnel 433 ft., at a cost of £22 17s. 9d.