Waikaka.

Twenty-two dredges were at work in this valley during the year, all securing payable returns. The Argyle dredge was destroyed by fire, and Graham and party's dredge was removed to the Charlton district. Attention is now being given to the gravel lead which traverses the head of the valley near the Waikaka Township. A grant for water is now being applied for from the Glendinning Burn, and another application is being made for a large grant of water from the Pomahaka River.

Chatton.

One dredge continues at work on this mining reserve, but operations are dependent on a poor water-supply.

Waimumu.

This is pre-eminently a dredging-field. Of the five dredges in operation at the beginning of the year, three were at work at the end of the year. One was dismantled, and one was destroyed by fire.

Round Hill.

The continued dry season had a disastrous effect upon this district, and led to the closing-down of the Smith and Jewett's Gully Gold-mining Claims. The former claim was surrendered, but the property and privileges of the Jewett's Gully Company were acquired by Harrison and party. The Ourawera and Round Hill Gold-mining Companies continued in operation throughout the year. The latter company employed twenty-six men, and won gold to the value of £6,239 13s. 5d. Six ounces of platinum was also recovered. It may be said that there is unlimited gold-bearing ground existing in the Longwood Ranges, but the gradual decrease in the quantity of water available, due to diminishing rainfall, is a drawback to its immediate development. About forty men are employed in these claims when they are in full work.

Orepuki.

The usual number of claimholders continued operations according to water-supply. The most noteworthy feature in the locality is the introduction of plants to treat the beach sands. The system is by hydraulic elevating the material and running the sands over large spreads of tables. A percentage of plantinum is also obtained by the beachcombers.

Preservation Inlet.

Coal Island.—A few parties continue sluicing operations on this island, but the claims are not so

productive as in former years.

Gulche's Head Sluicing Claim, Gulche's Head.—At present this is the most important sluicing claim in this locality, but the extent of its operations is limited by a totally inadequate water-supply. The minor scheme in operation at present partakes of the nature of prospecting, while the major or proposed working scheme involves a large outlay to bring in ten heads of water from Lee Stream, a distance of three miles over rough country. The deposit is a large one, and believed to be more than payable with a proper water-supply. Nine men employed.

ACCIDENTS: HYDRAULIC AND ALLUVIAL MINES.

Non-fatal.

18/2/1907: Louis Johnson, nozzleman, Criffel Lead Sluicing Claim, Cardrona, was knocked down by the force of water from the nozzle, and had several ribs broken.

GOLD-DREDGING.

Throughout the year 1906 the total number of dredges in various stages of activity was 161. Ten of these were dismantled, and 151 entered upon the year 1907. One new dredge was brought into the district, making a total of 152 dredges in various stages during the year. Of this number, ten were dismantled or destroyed and four were removed to Victoria, leaving a total of 138 dredges in Otago and Southland at the 31st December, 1907.

Four serious losses were sustained by dredging companies during the year—the Roxburgh Jubilee, Wakatipu and New Alpine Consols dr dges, Otago, were wrecked, and the Argyle dredge, Southland,

was destroyed by fire.

The installation of electric power in connection with the Earnscleugh No. 5 dredge, Alexandra, and the application of water-power to the Olrig dredge, Alexandra, form the most interesting improvement for the year.

It was expected that the shaking-box would rapidly replace revolving screens. This was not so, and the tendency now is to replace the revolving screen and elevator wherever pr cticable by the stationary sluice-box.

SUMMARY OF DREDGES IN SOUTHERN MINING DISTRICT AT 31ST DECEMBER, 1907.

Working: In Otago, 72: in Southland, 52: total, 124. Standing: In Otago, 11; in Southland, nil: total, 11. Removing: In Otago, 7; in outhland, nil: total, 7. Dismantled: In Otago, 9; in Southland, 1 total, 10.

Total, 152.

Increase of working dredges: Southland, 2. Decrease of working dredges: Otago, 14.