

ANTIMONY.

During last year a license was granted to Messrs. McQueen and party for an area of 200 acres, including within its boundaries the antimony lode known for some years to exist in the vicinity of Alexandra. A good deal of prospecting on the lode was done, and the owners are satisfied that they possess a property worth developing. Steps are being taken to form a company and secure the necessary capital to open up and develop the mine. So far nothing beyond prospecting has been done.

Several prospecting licenses were granted in the same vicinity to parties who intend to prospect the country in the endeavour to discover further lodes of this mineral. Up to the present time no fresh discoveries have been reported.

I have, &c.,

F. J. BURGESS, Warden.

Mr. Warden McCARTHY, Invercargill, to the UNDER-SECRETARY, Mines Department, Wellington.
SIR,—

Warden's Office, Invercargill, 31st March, 1908.

I submit herewith my annual report for that part of the Otago Mining District under my care.

WYNDHAM.

The mining in this district during the year has been merely nominal, as only two persons can be said to be making a living out of it. A few others occasionally engage themselves in mining when nothing better presents itself. The operations are all confined to alluvial mining on the beaches or on the sand-hills adjacent to the beach between Fortrose and Waikawa.

ROUND HILL.

Individual mining in this district is gradually becoming an industry of the past, and the operations are now chiefly confined to the Round Hill and Ourawera Companies. Two companies—viz., the Smith Gold-mining Company and the Jewett's Gully Gold-mining Company—went into liquidation during the year. Some of the ground formerly worked by the Jewett's Gully Company has been taken up by Messrs. Harrison, Jones, and Petchell, who intend to recommence operations on a smaller scale.

Round Hill Mining Company.—It has been a great struggle for this company to return something to the shareholders, who have invested money in starting and keeping the workings going. On account of the loss of fall for *débris* and tailings the company's ground became more and more difficult to treat, and it was found necessary to use up the profits in developing the water-supply and hydraulic machinery to carry on the works. The main pipe-line extends for a distance of twenty-six miles, and the upkeep of this and of the reservoirs connected therewith entails considerable expense, and it is on this account, as well as on account of the scarcity of rain, that the past year has not been so profitable to the company.

Ourawera Gold-mining Company.—This company also experienced difficulties which caused an unprofitable year. Owing to the exceptionally dry weather, less ground has been worked than usual, and most of it was high reef bottom with shallow wash. As a consequence, only 430 oz. of gold, valued at £1,774, was won during the year, while the expenses for the same period amounted to £2,560.

OREPUKI.

In this district the operations by the individual miner have been going on as usual, and payable results are being obtained in most cases. The Tewaewae Gold-mining Company have been engaging in hydraulic sluicing on the sea-beach. Adjoining this company's claim is that of Messrs. Mouat and Cassells, but work could not be commenced in their claim owing to the extreme difficulty experienced in obtaining water. The Chun Wah Tong Company, at Taunoa Flat, have ceased operations for the present.

PRESERVATION.

There appears to be much increased activity shown in connection with the mining industry in this district, and numerous grants of water have been made for the development of the work.

The Gulches Head Sluicing Company hold a claim of 90 acres at Gulches Head. Construction-work in connection therewith was commenced in July last, the object being to conserve the water available there and to put on a prospecting plant. A dam has been raised to a height of about 15 ft. and about 2 chains wide, from which a race has been cut to the penstock situated in a position to command the whole claim, and a line of pipes has been laid on to the claim, with the necessary bends, nozzles, boxes, &c., to constitute a small ground-sluicing plant. Unfortunately, since the plant has been ready for work the rainfall has been very slight, and the company has been only able to do sixty hours' work in opening out. Sufficient work has, however, been done to prove that the claim is a valuable one. Notwithstanding the fact that the bottom has not been reached, the gold saved out of the overburden and prospects taken out of the face point to a good future for the claim, and should give the company confidence in bringing in the larger and permanent supply of water.

The Crown Gold-mining Company hold a claim of 90 acres, upon which ten men are employed driving. The lower drive is in 254 ft., but the main reef has not yet been struck. The machinery consists of a five-head-stamper battery driven by water-power and Pelton wheel, and the workings are in first-class order. As soon as there is sufficient water-power, crushing will be commenced on the claim.

The Morning Star Company hold a claim of 97 acres at Te Oneroa. Work has been retarded during the year on account of the want of men. From 12s. to 16s. per day has been offered, but the men cannot be obtained.

I have, &c.,

S. E. McCARTHY, Warden.