

MATAKANUI.

The Undaunted and Tinkers Gold-mining Companies amalgamated during the year. The whole of the water from the company's races can now be used on one face, and should result in increased returns.

UPPER TAIERI.

Lammermoor Mining Party.—This party purchased the Lammermoor Company's mine and plant, and sluicing operations are carried on when water is available.

Carr and Wilson (Patearou).—Three men employed. Sluicing and elevating from a depth of 30 ft. for satisfactory returns.

MAEREWHENUA.

Sluicing is still being carried on in this locality. Eight parties of miners were engaged in the industry during the year.

LAKE DISTRICT.

Alluvial mining in this district is gradually declining. Three claims were worked within the Arrow watershed during the year, and eight on the Shotover River. The returns in all cases were small.

NEVIS.

A mild winter and absence of heavy falls of snow resulted in a short sluicing season in this district, consequently there was a falling-off in returns. Seven claims were in operation when water was available.

NOKOMAI.

Nokomai Hydraulic Sluicing Company.—This company's No. 3 elevator was shifted from Nokomai Creek to the lower end of Victoria Gully, where it is operating on payable ground. No. 2 elevator, also operating in Victoria Gully, has been worked steadily throughout the year for satisfactory results.

WAIKAIKA.

Muddy Terrace Sluicing Company.—Payable wash 25 ft. in depth was opened up in that part of the terrace known as Short's Hill. Two faces were worked when water was available. Sluicing was also carried on in shallow ground in Maori Gully. Operations were considerably hampered by shortage of water. The yield of gold for the year amounted to 658 oz., valued at £2,649.

ROUND HILL AND OREPUKI.

Round Hill Mining Company.—No. 1 Claim: Sluicing and elevating plant was moved to new ground above the Ourawera Company's claim. New gold-saving tables were erected, water-race extended 65 chains, pipe-line 18 in. diameter and 35 chains in length laid down from race to claim, and a small dam for water-storage erected behind the penstock. No. 2 Claim: An area of about 25 acres has been worked to an average depth of 45 ft. on the west side of the claim. As the faces were getting too far away from the elevator to be worked to advantage the plant was dismantled, and preparations made to open out a new paddock on the east side.

Ourawera Gold-mining Company.—This company's elevating plant in Italian Gully has been in continuous operation during the year, with satisfactory results. Gold to the value of £2,200 was produced, and dividends amounting to £600 paid.

Orepuki Claims.—Fortune and Son, Dawson and Turnbull, and J. H. Sorenson are sluicing away small blocks of ground that had been driven out by miners in the early days of the field. The returns obtained are small.

Dredge-mining.

Twenty-eight dredges were in commission in Otago and Southland during 1917, a decrease in number of seventeen as compared with 1916. Six were dismantled and scrapped—viz., Kohinor, at Roxburgh; Golden Treasure, and Golden Gate Nos. 1 and 2, at Miller's Flat; Paterson's Freehold No. 1, at Waikaka Valley; Muddy Creek, at Waikaka. The Duke of Gordon at Waikaka Valley was dismantled for removal to Auckland, where it is to be used for dredging kauri-gum.

The Electric Dredging Company had an unprofitable year. No. 2 dredge is to be dismantled, and parts of the machinery used for repairs and renewals to No. 1, which will continue to work in the Kawarau River.

The Rise-and-Shine Company has purchased 50 acres of the Athenæum endowment, on the west side of the Clutha River, above Cromwell. The area if payable throughout will keep the company's two dredges employed for several years.

The rapid decline of the dredging industry during the past two years has been caused chiefly by the high prices ruling for material required for renewal and repairs, increased cost of fuel, and difficulty in obtaining suitable labour. Machines that were profitably worked before the war are unable to pay working-costs under present conditions. The value of gold has remained stationary, while everything employed in its production has increased considerably, in some cases 200 and 300 per cent. Those who are engaged in the industry are finding it exceedingly difficult to continue operations.

Minerals other than Gold.

Tungsten-ore.—The output of scheelite for the year amounted to 168 tons, valued at £32,356. This is a decrease in quantity of 23 tons, and in value of £3,168, as compared with the output for 1916, which was caused by the exhaustion of the ore in the upper levels of the Golden Point Mine, Macrae's, and a decrease in the number of small parties of miners engaged in scheelite-mining throughout the district.

Fatal Accident.

14th July: William Ritchie, dredgemaster on the Rise-and-Shine No. 1 dredge, was killed by a blow on the head from an eye-bolt which broke under a heavy strain.