37 C.—2.

Waipori Claims.-Munro and George, with Rogers and party, were the most successful of

the small parties of miners who are working in the creeks and gullies in this locality.

Waipori Flat.—The work of boring this flat, which was undertaken by the Dunedin City Corporation with the object of proving if it contained payable gold, was completed towards the end of the year. The results of the boring showed that the alluvial deposits which form the flat consist of alternate layers of clay and quartz gravels to a depth of 167 ft. below the surface, and that the area bored does not contain gold in sufficient quantity to enable it to be profitably worked.

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Teviot - Molyneux Gold-mining Company (Roxburgh).—Sluicing and elevating has been carried on throughout the year. It is estimated that 195,000 cubic yards of gravel were treated for a return of gold valued at £1,287, which is equal to 1.58d. per cubic yard of material operated upon. Since the company commenced sluicing an area of about 10 acres has been worked. The results obtained show clearly that the ground does not contain sufficient gold to pay for working.

Ladysmith Gold-mining Company (Roxburgh).—During the year this company was engaged in testing new ground to the north of the old claim. As the results were unsatisfactory the company ceased operations and went into liquidation.

MANIOTOTO COUNTY.

Naseby.—A number of small parties of miners continue to work the alluvial deposits in Enterprise, Main, and Spec Gullies, where water from the Government races is available for sluicing and elevating.

Scandinavian Water-race Company (St. Bathan's).—This company is elevating material from a depth of 110 ft. in the Kildare section of the claim. Operations are hampered by a

scarcity of suitable labour.

United M. and E. (St. Bathan's).—Payable returns are being obtained by this company. The year's operations resulted in the production of gold valued at £1,041, and payment of

dividends amounting to £228.

Morgan Bros. (Cambrian).—This party of three men produced 1,655 oz. of gold, valued at £6,620, from a deposit of quartz drift which they discovered while sluicing in the bed of Cambrian Creek. The discovery of a rich run of gold in this old and almost abandoned field is important, and goes to show that the auriferous deposits which extend along the base of the Dunstan Range from St. Bathan's to Devonshire are by no means exhausted, as is generally supposed.

VINCENT COUNTY.

Devonshire.—Clare and party have taken up a claim on this old abandoned field, and have bought some of the Mount Morgan Company's water-rights, which will be used for sluicing and elevating. A tail-race is being constructed to convey sludge-water from the claim to Tinker's sludge-channel.

Matakanui.—The Undaunted Tinkers Gold-mining Company has worked steadily during the

year. Five men were employed.

Nevis.—Mining in this locality was hampered by a scarcity of labour and the severity of the winter season. Six claims were worked during summer and autumn. In most cases the returns were small.

LAKE COUNTY.

Shotover River.—The number of claims working in this locality has decreased to six. Five of these produced gold. Atley Bros. have been engaged in repairing the water-races and dams used in working their claim near Long Gully. A considerable amount of damage was caused by floods during their absence on active service. Assistance by way of subsidy was granted towards putting the claim in order.

WAITAKI COUNTY.

Macrewhenua and Livingstone.—Returns from these localities show a decline in the yield of gold and number of men employed.

SOUTHLAND COUNTY.

Muddy Terrace Sluicing Company (Waikaia).—Two faces were worked in Maori Gully during the year. Water under a pressure of 100 ft. was used for breaking down the clay and gravel. Sixteen men were employed, and gold to the value of £1,873 produced.

Nokomai Hydraulic Sluicing Company.—This company's two claims in Victoria Gully have been worked steadily. The yield of gold for the year amounted to 1,525 oz., valued at £5,647.

Thirty men were employed.

WALLACE COUNTY.

Round Hill Mining Company.—Owing to the scarcity of suitable labour the company's No. 2 claim could not be worked during the year. Sixteen men were employed at No. 1 claim and attending to water-races. Gold valued at £4,543 was produced.

Ourawera Gold-mining Company (Round Hill).—Sluicing and clevating from a depth of 50 ft. Fifteen sluice-heads of water are available under an hydraulic head of 450 ft. Eight men employed. Yield of gold for the year was valued at £2,392.

Dredge Mining.

Fifteen dredges were in commission and ten were dismantled during the year.

The Kura, a privately owned dredge, working near Freshford, was the most successful, producing gold valued at £6,000.

The Electric No. 1 dredge was purchased by Mr. James Goodger, of Cromwell, and has resumed work on the Kawarau River, near Bannockburn.