

Alluvial Mining.

Throughout the district this branch of mining has been fairly quiet. A few less men were employed, the figure being 152, as against 167 for the previous year, and the amount and value of the gold won was somewhat less being 2,799 oz. 2 dwt. 15 gr., valued at £10,908 7s. 6d., as against 3,592 oz., valued at £14,267 2s.

Mahakipawa.—The Mahakipawa Goldfields (Limited) has been busy getting plant, &c., on to its holdings on this old field. Many years ago a very rich lead was worked here, but the claims were small and were on private property, and owing to the difficulty of providing, on such small claims, plant of a suitable nature for keeping the water down, and to the gradual deepening of the lead, work had to be abandoned. The present company has secured the whole of the freehold property the lead is likely to pass through. A number of holes were put down with a Keystone drill with a view of testing the ground down the lead from the old workings, and in at least one of these the lead appears to have been struck, good gold having been got in it at a point about 700 ft. below any previous workings. It is intended by the company to sink a shaft near the site of this drill-hole. Poppet-heads are in course of erection, and all the necessary pumping, air-compressing, and winding plant has been secured and brought to the property. As the sinking will be only about 130 ft. it should not be very long before a start is made to once more bring this field to a producing stage.

Howard Diggings.—The returns to hand show that sixteen men were employed, winning 136 oz. 16 dwt. 19 gr. gold, valued at £541 15s. 8d.

Murchison (including Lyell, Matakotaki, Newton Flat, and Ariki).—Thirteen men were employed, winning 84 oz. 17 dwt. 13 gr. gold, valued at £325 2s. 5d.

Grey Valley (including Ahaura, Nelson Creek, Blackball, Totara Flat, Moonlight, Stillwater, &c.).—Some eighteen men were employed. 73 oz. 17 dwt. gold being won, valued at £291 3s. 3d.

Karrytown, Greymouth, Cobden, Rutherford, and Dunganville.—On these various fields some 97 oz. 7 dwt. gold were recovered, valued at £381 10s. 7d.

Collingwood (including Rockville, Slate River, and Parapara).—In these localities eleven men were employed, winning 298 oz. gold, valued at £688.

Kumara (including Stafford, Greenstone, and Callaghan's).—Some thirty-eight men were employed, recovering 1,274 oz. 8 dwt. 11 gr. gold, valued at £4,949 6s. 4d. The Hohonu Gold Sluicing Company at Greenstone was the largest producer, with 468 oz. 12 dwt. 18 gr. gold.

Reefton (including Capleston, Black's Point, Merrijigs, and Waituta).—On these fields 70 oz. 12 dwt. gold were won valued at £283 14s. 5d.

Hokitika (including Rimu, Seddon Terrace, Kanieri, Arahura, and Blue Spur).—Some eighteen men were employed, recovering 313 oz. gold, valued at £1,246.

Ross (including Mikonui).—Gold valued at £88 4s. 7d. was won.

Okarito (including Waiho and Gillespie's Beach).—Some eight men were employed, winning 144 oz. 6 dwt. 9 gr. gold, valued at £564 18s. 9d. Most of this gold was recovered from the beaches.

Westport (including Charleston, Waimangaroa, North Beach, and Wareatea).—On these fields eighteen men were employed, winning 377 oz. 12 dwt. gold, valued at £1,498 7s. 6d. G. M. Powell was by far the largest producer, with 261 oz., valued at £1,045. This gold was won from a cement formation.

Minerals other than Gold.

Iron.—The Onakaka Iron and Steel Company which ceased operations for some months during the year, pending the erection of a tram-line connecting the works with the wharf erected at Onakaka Inlet, resumed active operations about September, and up to the end of the year had treated 2,579 tons of crude ore for a production of approximately 1,290 tons of pig iron of excellent quality. The following are the results of three analyses of the iron made from samples taken by me:—

	(1.)	(2.)	(3.)
Graphitic carbon	3.54	3.01	2.50
Combined carbon	0.14	0.71	0.60
Silicon	2.03	1.63	2.67
Sulphur	0.04	0.05	0.11
Phosphorus	0.32	0.33	0.32
Manganese	0.85	0.71	0.71
Iron by difference	93.08	93.56	93.09
	100.00	100.00	100.00

A number of new coke-ovens were added to the plant, and bins were erected both at the ovens and at the wharf to keep the coal reasonably dry, with the result that coking operations were carried on much more satisfactorily than previously. A mechanical pig-iron bed was also installed, and this, combined with other improvements introduced, enabled a substantial reduction to be effected in the treatment costs, the cost per ton of pig iron produced being more than £ less than in 1924. As operations are now conducted it is said that pig iron can be produced in competition with English makers, but the same cannot be said with regard to the Indian iron of which so much is now coming into the Dominion.

Petroleum.—No boring was done in the district during 1925, but a company which has taken up an area at Murchison for the purpose has been making preparations for drilling on the Mangles River. A rig has been procured, and all the necessary machinery, with the exception of the casing, has been brought to the ground. As a number of oil-seepages occur in the locality, it is hoped that the boring operations which will commence early in the New Year will be productive of good results. At the Mangles River the conglomerates and sandstones which cover the arkose grits to a depth of thousands of feet over a great part of the Murchison district have been completely eroded, so it is expected that the boring to reach the possible oil-sands will not be very deep.

General Remarks.

Mining.—In a general way it may be said that the industry has remained in much the same position as last year. In the alluvial branch gold to the value of £10,908 7s. 6d. was won, as compared with £14,267 in 1924. In quartz-mining 27,586 oz. 11 dwt. 11 gr. gold, valued at £111,219 0s. 9d., were won, as compared with 27,374 oz. 14 dwt. 12 gr., valued at £115,651 18s. 4d., in the previous year. A total of 51,469 tons of quartz was crushed, being an increase of 1,787 tons on the 1924 figures, but the stone was evidently of slightly lower grade than usual. There was a slight falling-off in the number of men engaged in both branches of mining. The collapse of the Wealth of Nations shaft, at Reefton, in October, reduced the output of quartz and consequently of gold. With the restoration of this shaft in the New Year, and the development that may be expected at the Alexander Reefs, the outlook for 1926 should be much brighter as far as gold-production in the district is concerned.

During the year the dividends paid greatly exceeded those for a number of years, the amount disbursed being £12,799 12s. Of this amount the Blackwater mine paid £12,499 12s.

Quarries.—In the various quarries in the district there was a slight increase in the number of men employed, the total being 248, as against 234 for 1924, but the value of the product decreased from £55,121 to £48,773. A good deal of this decrease was attributable to the closing-down of the Kairuru quarries from which the marble for the Parliament House building was obtained.

Prospecting.—Comparatively little work of this kind has been done. The Rimu Dredging Company put a large number of Keystone drill-holes down on an area near Stafford, but the results were not satisfactory. A small amount of field-work was done in several localities, but nothing of a payable nature was discovered. A few applications for assistance were received, but the majority were declined, for one reason or another.