

Tuapeka Company also erected a battery, but, although highly satisfactory prospects were at first obtained from the ground, it could not be made to pay when worked in quantity, and consequently work has been suspended at the mine for at least a time.

*Waitahuna*.—The Richmond Hill Company has a fine battery of ten heads erected on their cement claim, and give employment to from 20 to 30 miners. About £4,000 has been invested in getting this company's land in good working order, but at present the returns are not adequate to such a large outlay. The Great Extended Company, also working a battery of ten heads, is reported to be paying good dividends. Quilter and party, who erected a battery of five heads, found the ground to be operated on to be of too stiff a nature to be worked by their machine, and are now again sluicing with profitable results.

*Havelock Flat* is a favourite locality with Chinese miners, and a large number are doing well, paddocking rather deep ground.

*Gabriel's Gully*.—The company holding a large special claim in this gully has kept a number of men employed in preparing to work what is believed to be their valuable area. The appliances for working the land are so novel and interesting that I propose to describe them in a supplement to this report.

*Dredging*.—Two steamboats, the "Ino" and the "Jane," each of about 35 tons, and 10-horse power, are now in the Clutha River, a few miles above Tuapeka Mouth, and are being fitted up for dredging the river bottom. This enterprising undertaking is well thought of, as vessels working with steam-power will have great advantages over the usual current wheel dredges. They can be moved about and their positions changed with greater ease, work in eddies where current-wheels would be useless, and put through a very much larger quantity of drift. It is generally admitted that, even with the ordinary boats, dredging would yield highly profitable results but for one great impediment—that the smallest flood in the river now brings down by the force of the current immense quantities of tailings and other debris, which fills up the dredging buckets to the exclusion of the gravel from the older deposits, which contain gold in much greater quantity.

*Quartz Mining*.—Very little has been done in this branch of mining. Cox and party erected a small battery of five stamp-heads, and obtained one good crushing from their new reef at Waipori; the stone then ran thin, and the party is now prospecting a lower level. There are several reefs in the district known to be auriferous, and it is a matter of surprise that more attention is not given to quartz mining.

*Copper*.—The copper lode at Reedy Creek, a branch of the Waitahuna River, has been prospected with much spirit. Six or eight men have been employed for months in sinking and tunnelling. A shaft has been put down a depth of fifty feet on the underlie of the reef, exposing a lode from 10 to 30 inches and upwards in thickness. Tunnels have also been driven with satisfactory report. A parcel of ore from this mine was sent to New South Wales, and is reported to have yielded 11 per cent. of copper, which is considered a very high percentage for undressed ore. A company is now being formed to work the mine.

*Antimony*.—The company that was working the lode in the Waipori Ranges, after raising and exporting a quantity of ore, has suspended work. The position of the mine made carriage and rail fare for the ore to Port Chalmers very costly, and latterly a further difficulty was found in the having to contend against a heavy drainage of water into the works. The lode can be traced for a long distance, and I believe an attempt is to be made to work it in some more favourable position.

*Waikaia*.—This gold field, considering its very large extent, is very quiet, there being now only 374 miners employed there, two-thirds of the number being Chinese. The Switzers Freehold Gold-Mining Company is carrying on an enterprise of some magnitude in the Otama Gorge. The company owns a section of land, portions of which have been proved to be highly auriferous, but most difficult to work. The company has lately completed the construction of a tail-race by tunnelling several hundred feet through rock, a costly undertaking, and it is reported that rich ground is being now worked. Several of the claims on this gold field have been in work for many years; but, with the exception of a few solitary instances, there has been very little enterprise shown in the way of prospecting, although a large area of auriferous country is open to miners.

*Waikaka*.—There are about thirty miners engaged here, one-half of the number being Chinese. Some enterprising miners are trying the deep ground, and their shaft is now over 200 feet in depth. Since passing through a false-bottom, strata of favourable description has been met with, and the bottoming of the shaft is looked forward to with much hope.

*Population*.—The number of miners in the Tuapeka District is: Europeans, 463; Chinese, 450. In the Waikaia District: Europeans, 121; Chinese, 253. The Chinese manage to evade payment of the Miners'-right tax to a large extent, for I find the number of miners' rights issued to them during the year to be as follows: Tuapeka District, 230; Waikaia District, 47.

*Gold*.—The approximate produce for the year has been as follows: Tuapeka District, 28,476 oz.; Waikaia District, 2,472 oz.

*Land*.—The land transactions are represented as follows:—Tuapeka District: Agricultural leases—6 leases for 342 acres have been granted; 33 leaseholds, area 3,113 acres, have been purchased; 14 leases, area 1,703 acres, have been exchanged for licenses on deferred payments; 3 leases, area 522 acres, have been cancelled; 3 leases, area 184 acres, have expired. Exchange leases—51 leaseholds, held under leases exchanged from leases under the Gold Fields Acts for leases on deferred payments, covering an area of 2,015 acres, have been purchased. Deferred-payment licenses—Issued: 14 licenses, area 2,330 acres; 14 suburban licenses, area 62 acres; 5 pastoral licenses, area 7,734 acres. Waikaia District: The transactions are too small to be worth enumerating. The greater portion of the land in this district is locked up as an education reserve, which retards settlement. Thirteen sections of the reserve, averaging about 320 acres each, were offered at auction in August of last year, but, although the land was acknowledged to be of excellent quality, the lease of only one section was disposed of. Had there been any right of purchase the land would have been eagerly competed for. Should it be considered desirable to hasten on the settlement of this part of the country, some fresh legislation giving a right of purchase will be necessary.