

in this locality to justify this extension is a question that has to be carefully considered before undertaking it. The manager of the race has been instructed to carefully examine this locality, and report on the area, depth, and nature of the ground that is likely to be payable for working; and until this report comes to hand nothing definite can be said respecting it.

*Kumara.*—This is the largest payable alluvial goldfield that there is at the present time in the colony, and a field that bears every appearance of being able to support a large mining population for many years; but the tailings difficulty will soon crop up here. The bed of the Teremakau River will in a few years be raised to a considerable extent by the large quantity of tailings continually going into it. However, there is not much freehold land held near the banks of the Teremakau between Kumara and the ocean-beach that is likely to be affected. The whole of the working on this field is carried on by hydraulic sluicing, and the miners are carrying on this style of working in a very systematic manner. Every claim uses iron piping, and mostly the whole of them have Giant nozzles. The great depth of wash-drift, and the large amount of stones and boulders there are to contend with, which have to be hauled up to the surface in many instances, there being no room to stack them in the worked ground, will always make the working of the claims a slow process. The ground on this field, with few exceptions, is held by private individuals; and from the returns of gold the miners are making better wages generally than on any other alluvial field in the colony at the present time. This is owing principally to the works that have been constructed by the Government in connection with the water-supply, and by the Okuka Water-race Company, owned chiefly, if not solely, by one person.

*Nelson Creek.*—This district continues to maintain about the same population as formerly, but the amount of gold obtained is getting gradually less. Most of the ground that the Government water-race commands is getting pretty well worked out, with the exception of that in the vicinity of Brian Bora and on Nelson Creek flat, where a rush has recently taken place. If this latter ground proves payable for working it will be able to support a good population for some time; but the large amount of tailings now on the flat will increase the cost of working considerably, so that the ground has to be rich to pay. On the opposite side of Nelson Creek to that on which the Government water-race is constructed the Band of Hope Company has constructed a water-race from the right branch of Nelson Creek, which is capable of carrying about twenty sluice-heads of water; but this quantity is not always available in the creek where they get their supply. They have commenced to work what is known as the deep lead, and have erected a description of elevators, which they intended to use in lifting the tailings from the end of their sluice-boxes, as the Ross United Gold-mining Company does at Ross in working the upper levels; but the plant that they have at the present time is not at all suitable for this system of working, and has proved a complete failure. This is one of those cases which may be termed "penny wise and pound foolish." The first cost was but small; but, the construction being intrusted to persons who could have had no knowledge of this system of working, the result now is that, although they know that the ground is payable for working on a systematic principle, they have spent the whole of their capital, and have not even what may be termed a decent makeshift. At the request of Mr. Guinness, M.H.R., I gave this company a description of a suitable elevating-plant when in the district.

*Reefton.*—This is a district where quartz-mining is progressing slowly; but it is a district where, no doubt, mining will be carried on for many years after the alluvial fields are worked out. The large area of country here where auriferous-quartz reefs have been discovered, some of which pay handsomely for working, fully justifies the belief that this will yet become one of the largest permanent mining districts in the colony; but the country is so rough and broken, covered as it is with heavy timber and dense undergrowth, it makes prospecting a very costly operation. Although a large amount of money has been spent in making roads and tracks to open up the country and enable machinery to be brought to several mines, a great deal yet requires to be done in making tracks to enable prospecting to be systematically conducted. On alluvial fields water can almost everywhere be obtained to prospect the wash-drift; but before it is known whether many quartz lodes will pay for working, winzes have to be sunk following the underlie of the lode, and the stone taken to crushing-batteries before it is definitely known whether it is payable or not; and this can only be done by having a network of roads in a rough mountainous country. Many of the failures in quartz companies are attributable to the want of systematic prospecting before getting machinery on the ground; and too much reliance has been placed in the opinions of men regarding the quality of the stone from its appearance, which, in many instances, is very deceiving. The quartz companies that are in active operation in this district present a healthier appearance than they have done for some time past. Amongst the principal are the Welcome, Keep It Dark, United Inglewood and North Star, the Inglewood Extended, the Reform, Eureka, Globe, Nil Desperandum, Specimen Hill, the Hopeful Extended, Homeward Bound, Venus, Big River, the Inkerman, the Fiery Cross, Just in Time, Golden Fleece, and the United Alpine, at Lyell.

*Welcome Company, Boatman's.*—This is one of the most prosperous quartz companies in the district. Up to the 31st of December last gold to the value of £206,030 19s. has been obtained from the mine, and £103,500 paid in dividends, while the paid-up capital is only £3,750. They have recently opened out a deeper level, and struck the reef at 210ft. from the shaft, which looks equally as promising, if not more so, than the stone on the upper levels. The reef here is about 2ft. thick, and is expected to average from 2½oz. to 3oz. to the ton. The quantity of stone crushed