

rocks of this formation ; but further search is now being made to find it in payable quantities. Heavy lodes of antimony and chromic iron have been found ; and others, from which specimens have been brought in and roughly tested, indicate the source of the tin : but until dealt with by Professor Black, to whom they have been forwarded, I will refrain from further comment. The whole range, being intersected by mineral dykes and fissures, will well repay careful and extended search.

The Canterbury prospecting party under the leadership of Mr. Durward and Captain Malcome, who landed in Big Bay some five months ago, are still at work on the south-east side of Red Mountain, engaged in what may be considered a Quixotic search for some fabulous mine known as "The Frenchman's Den." Mr. Fox, who is recently from that quarter, informs me that the efforts of the party are being expended entirely in that direction. This is to be regretted ; for, if they would but turn their attention to the mineral wealth lying undiscovered around them, and give up looking for the mythical cave of the lying Frenchman, they might be repaid for their outlay ; but, so long as they follow this Will-o'-the-wisp, so sure will financial failure follow.

This mineral belt running through Westland to Lake Wakatipu, in Otago, must, from the important discoveries already made, and likely to be made as the country is examined by competent parties, claim the attention of the Government ; and I am glad to say that, when the Hon. the Minister of Mines, accompanied by Professor Black and others, visited this district a short time ago, its great importance was fully recognized. The difficulty lies in the at-present-inaccessible nature of the country ; and this can only be obviated by the construction of a good horse-track from the Cascade River to the head of Lake Wakatipu. This is all that is required to open up a vast field for mining enterprise ; and, recognizing this fact, the Hon. the Minister of Mines has promised to bring this matter under the notice of the Government, so that at least an instalment of this great arterial road may be put in hand during the current year. In the meantime, assured communication by steamer, as heretofore, is absolutely necessary.

I have, &c.,

D. MACFARLANE, Warden.

No. 14.

Mr. Warden REVELL to the UNDER-SECRETARY of MINES.

SIR,—

Warden's Office, Lawrence, 30th April, 1886.

I have the honour to transmit herewith the usual statistical returns and general report on the mining districts under my charge for the past twelve months.

Tuapeka Sub-district.

There have been no new discoveries of gold in this part of the district calling for special notice.

At the Blue Spur the Gabriel's Gully Sluicing Company have mined over about an acre of the tailings in their special claim in the gully, at an average depth of 60ft. or 70ft., with their hydraulic elevator ; the result being sufficient to enable the company to clear off all liabilities, and they hope shortly to be in a position to pay regular dividends.

The Great Extended Company have adopted similar appliances on their lease, which work well. This company are at present working out a narrow strip of ground lying between the Otago and Nelson Companies' leases before they can open out a full face in the claim.

The Otago Company are in full work, having a powerful supply of water, and keep their ten-head battery crushing cement.

The Nelson Company have not done any work on their claim for several months. They have been inquiring for suitable machinery to crush the cement, as they found the battery did not pay.

There are four sluicing-claims at work in the gully between the Spur and Lawrence, and other parties are working and driving out the ground on some of the low spurs alongside of the gully. The Chinese also hold sluicing-claims in this gully, and are making good wages.

In Munro's Gully there are three large claims sluicing into the head of the gully, which is registered as a main tail-race. Varcoe and party and others are working the bed of this gully, having made a by-race along the north-west side of the gully to carry the tailings and sludge past their claim. The mass of tailings and sludge sent down from these claims is being deposited at the junction of the gully with the Tuapeka River, and is thereby gradually blocking up the outlet of that river and forming a lagoon. Some of the Chinese hold good claims in this locality.

At Weatherstone's there are several parties of Chinese working on the flat, turning over the old ground with good results, especially when they have a good supply of water.

The Weatherstone's Gold-mining Company keep fifteen hands employed at their special claim, which is worked by an incline-shaft and driving out below ; but the claim is not yielding more than sufficient to pay expenses.

The Tuapeka Prospecting Company have been in abeyance for some time, and, I believe, purpose surrendering their lease.