gold of a payable character, but no work of any consequence was done until a commencement was made to sink the shaft conjointly with the other companies. According to the statement of affairs published by the manager in the *New Zealand Gazette* No. 10, of the 9th February last, the company is formed in 24,000 shares, with a nominal capital of £12,000, and the value of scrip given to shareholders on which no cash was paid was 10s. This represents the whole nominal capital of the company is declared paid up. The statement is, to say the least of it, confused and misleading, and appears to be unreliable, inasmuch that the same statement shows in another place that the paid-up value of scrip given to shareholders is nil. "The Mining Companies Act, 1886," section 32, has evidently not been strictly complied with in this instance; and although the prospects of the mine look very promising, statements of this description have a bad effect on the mining industry, and tend to cause mining companies to be held in disrepute.

Inkerman Company.—This company was formed in 1876, and since that date has paid up £13,633 of its capital, which is £20,000. They erected a battery of thirty heads of stamps and several berdans to work a large auriferous-quartz lode, which was over 20ft. wide in places; but the stone proved of too low grade to pay. During last year prospecting operations were carried on, and now they have come on what is considered a payable lode, which is taken to be the same line of reef as that on which the Happy Valley, Sir Francis Drake, and Scotia Companies are working.

Globe Company.—This company was formed in 1882 with a capital of £18,000, of which £14,775 has been actually paid up. The company continued mining operations for about three years, but the reef they were then working was of too low grade to pay. Shares were offered for nothing to any one who would take them; but in September, 1886, a new lode was discovered, which promised to recoup the shareholders for the whole of the money they had invested. Since this discovery dividends to the amount of £9,450 have been paid.

This company have sunk a new shaft on the face of the hill to a depth of 117ft. below the level that has recently been stoped out, and the reef cut at this level, which looks very promising. The average thickness of the lode above the adit-level was about 10ft., and the stone averaged about 14dwt. of gold per ton. There is an aeriel tramway which conveys the quartz from the mine to the crushing-battery at the Inangahua River, a distance of 90 chains. The winding in the shaft is done from an overshot-wheel erected alongside the crushing-battery, the power being communicated by a steel-wire rope to the winding-gear at the shaft, which is about one mile and a half distant from the place where the water-wheel is erected. The winding-rope passes over a pulley about 12ft. in diameter, fixed on to an intermediate shaft, which works the winding-gear by means of pinions, clutches, and brakes.

Progress Company.—This company is working on the continuation of the new reef which the Globe Company discovered. Stoping out is being carried on from No. 1 Level, and another level is in course of construction from Devil's Creek. This company was formed in November, 1886, and since that date the capital actually paid up is £839, while dividends to the extent of £2,400 have been declared. This mine promises to be dividend paying for a considerable time.

Sir Francis Drake Company.—This company is working on what is considered as the continuation of the Inkerman Reef. The reef was found on the surface, and an adit-level has been driven in from the face of the hill for 60ft., and cut the reef, which was about 8ft. in thickness. At this place a winze was sunk for some distance on the reef, which showed a fair amount of gold in the stone. A lower level was then constructed, and the reef intersected at 250ft. from the mouth, showing fair prospects of gold. This company are so satisfied with the prospects of their mine that they are erecting a battery of ten heads of stamps to crush the stone. The company was formed in July last; but the statement of affairs published by the manager in the *Gazette* of the 9th February last is so confusing and misleading that it becomes a question whether this company has any available capital or not. The statement is certainly not strictly made in accordance with section 32 of "The Mining Companies Act, 1886."

Happy Valley Company.—This company was formed in 1882, and has been from time to time prospecting the ground adjoining the Sir Francis Drake Company's claim. They obtained some rich specimens from quartz leaders in a portion of the ground, but never found a payable reef until recently, when they commenced to sink on a large quartz lode, which was cropping out of the side of the creek, and in this reef they have got what is believed to be payable stone. The amount of capital paid up to the end of December last was £1,435.

Gallant Company.—This company is only recently formed, and has taken up ground on the north side of the Sir Francis Drake Company's boundary. The reef is exposed on the surface almost across this company's ground. It is 3ft. in thickness, and shows a fair prospect of gold in many places.

Scotia Company.—This company's ground is on the northern boundary of the Gallant claim. The company has only recently been formed, and the only work yet done is of a prospecting character. Adit-levels are being constructed into the face of the range, and I have recently been informed that they have cut the reef, which shows a little gold distributed through the stone.

Big River Extended Company.—This company was formed in 1882, and has principally been prospecting the ground ever since. The prospects of this mine heretofore have been of a variable character. Before the road from Reefton to this mine was completed it was looked on as one of the mos tpromising mines in the field, but as soon as a crushing-battery was erected it told a different tale. The reef that they had been prospecting and working on did not prove payable; but recently a shot of gold has been discovered which is likely to give good returns. This company has a nominal capital of £24,000, of which £12,000 is declared paid up, and £7,115 actually paid up in cash.

Venus Extended.—This company was formed in 1885 with a nominal capital of £24,000, of which £12,000 was declared paid up, £2,485 being actually paid up in cash. The total amount of dividends paid has been £2,100. The ground that this company holds was one of the first