

began about a fortnight ago, but they will not wash up for some time. The prospects obtained give the yield of gold at 5dwt. to 6dwt. to the ton, and the owners are very sanguine of success. Messrs. McLean and Kerr have bought the remains of the old battery and water-wheel erected by a company ten or twelve years ago on this reef, which they intend removing and putting up again in a more suitable form.

On the Clutha River, above the Beaumont, four special claims (265 acres), embracing four miles of the river, have been granted for dredging purposes. It is intended to work these river claims by means of a Wellman dredge, but up to the present time, the Wellman dredge erected at Alexandra has not been so successful as expected, so that the claim-holders are waiting for further results before ordering dredges for their respective claims. The ordinary dredge worked by Cowan and party at the Beaumont has been idle for several months, owing to the continued high-level of the river.

At Waipori the number of miners is estimated at two hundred Europeans and ninety Chinese, distributed over a radius of ten miles. Of these, about forty Europeans are engaged in quartz-mining. Long and party have taken up the old Canton claim, formerly worked by a party of Chinese, and abandoned. Porter and party have taken up the O.P.Q. claim, and crushed from 700 to 800 tons, yielding from 3dwt. to 14dwt. of gold per ton. There are five other parties working on the same line of reef. There are three batteries in this part of the district, one of ten head, and two of five heads each. It is estimated that one thousand tons of quartz have been crushed yielding about 350oz. of gold.

Mr. James Haslett, of Dunedin, has been granted a prospecting claim of 1,500 acres in the Waipori Flat, extending a distance of six miles from the township of Waipori to Post Office Creek, for one year, on condition that £500 be expended in prospecting the area, with a right to take up a special claim of 300 acres at the expiration of the present grant. The Flat is considered very rich, but heretofore, all attempts to thoroughly test the ground have proved abortive. I am informed that Mr. Haslett has just accepted the tender of Messrs. Kincaid and McQueen for sinking three shafts, and that they propose doing so with the aid of large iron cylinders and hydraulic pumps. Mr. Thomas Black has applied for a prospecting license, to search for the lode of scheelite, a short distance from the township of Waipori. A sample of the scheelite from that locality, sent a short time ago to London, gave an assay of 77 per cent. of pure metal.

The antimony reef at Stoney Creek, Lammerlaw, was taken up by Johnston and party, on a mineral license, in August last. They have been prospecting the reef, and proved its existence for a distance of five hundred yards from the original shaft. Two and a half tons of the ore has been sent to London for assay with a view of floating a company in that market. There is a full supply of water on the ground for driving machinery, and also good beds of peat.

TAPANUI SUB-DISTRICT.

This district, which includes Tapanui, Herriot, Greenvale, Glenkenich, Pomohaka, Waipahi, and part of Waikaka, was formed in May last, and a Warden's Court opened at Tapanui, Constable King being appointed Clerk of the Court and Gold Receiver. About forty Europeans and thirty Chinese have been engaged off and on prospecting and mining during the year, the Europeans generally leaving when other work is obtainable. Some Europeans and Chinese are working on the banks and beaches of the Pomahaka River, making ordinary wages. At the Luthen, in the Greenvale District, there are about eight men at work, principally on private lands, for which they have to pay 2s. per man per week for the permission to mine. The ground at Scrubby Flat gives employment to ten Chinese, who are in possession of a water-race four miles in length, which keeps them well supplied. They have been in full work during the year, and appear satisfied with their returns.

At Waikaka, which is an old diggings, there are about twenty Europeans and Chinese working on the terraces and adjoining creeks making fair wages, while some of the Chinese have obtained good yields from the old tailings. Old and experienced miners are of opinion that there are deep leads of gold in and about Waikaka Township and adjoining terraces, but no efforts have been made to trace or open them out. Gold has been found in several places, but not in payable quantities. A great portion of the district being private property, miners are debarred from entering thereon to thoroughly prospect the ground. In the neighbourhood of Chatton there are about a dozen Chinese working on private land, about four miles from Gore, and another party of six Chinese are in full work on the mining reserve near Chatton; these men are making fair wages. The stripping varies from 3ft. to 8ft. or 10ft. The gold obtained is generally of a fine quality, with a few scaly pieces intermixed.

WAIKAIA SUB-DISTRICT.

At Waikaia, which includes Welshman's and Moffatt's Gullies, Mystery Flat, Winding Creek, Frenchman's Hill, Scrubby Terraces, Long Gully, Muddy Dome and Shepherd's Creeks, there has been very little change. Some Europeans and a large number of Chinese hold good claims in the various localities named. There are several good races supplying the various claims, notably the Argyle water-race, held by Chinese. Mystery Flat, containing five hundred acres, situate at the outlet of Welshman's and Moffatt's Gullies, close to the Waikaia Township, is supposed to have been the original bed of the Waikaia River. In October last Mr. H. S. Valentine, the member for the district, gave the Mining Association at Waikaia the use of a set of boring-rods to prospect the flat. They formed themselves into a company, took up an extended claim of six acres, sank two shafts, and bottomed one at 27ft. and the other at 25ft., going through 5ft. of rich looking wash, which yielded good prospects. The company then tried to sink two shafts, but were unable to keep down the flow of water with the appliances at hand. They have suspended operations until the harvesting is completed, and then purpose erecting pumping-machinery, driven by steam, to enable them to bottom the shaft and test the ground.