

believe efforts are being made to float a company to take over several of these holdings, together with the attached water-rights, so that the ground may be worked on a larger scale by the adoption of more modern methods, such as the Gabriel's Gully hydraulic-machinery, &c. Should this be brought about, I feel sure that good results will follow, as the means they have now for working the ground are of the most primitive character. What may be termed a rush on a small scale has taken place at the Upper Wakaia, Campbell's, and the Fraser River during last summer, and many claims and other privileges have been taken up. I have been shown several beautiful samples of gold from these localities, and cannot help feeling surprised, in these dull times, that more of the so-called "unemployed" do not try their fortunes there. An outfit would not cost much: a tent, tin dish, pick and shovel, with a month's provisions, would suffice. Of course a little hardship would have to be put up with, but nothing like the privations which the miners of twenty years ago underwent in the same localities.

*Dredging.*—There are five current-wheel dredges upon the river between Roxburgh and the Horse-shoe Bend, but, like those between Alexandra and Clyde, the high state of the river has kept them more or less idle since the beginning of the year.

*Cromwell.*—Mining in this division of my district during the past year has continued in a satisfactory state, and the yields from the various workings are believed to have been quite up to the average of late years, and, in some instances, exceptionally favourable yields are reported. At Bannockburn the only item inviting special comment is the completion of the Pipeclay Channel, which has been satisfactorily accomplished, and has opened the way to work a considerable area of ground, which is known to be highly auriferous. At Kawaru Gorge there are a few very good claims at work, and, judging by the prices at which some of them have changed hands during the year, the miners purchasing must have almost unbounded faith in the future of this locality. The various gullies running from Mount Pisa towards the Clutha River, viz., Lowburn, Five-mile Creek, Gravelly Gully, and others have been fairly remunerative, and a greater amount of activity has been noticeable during the year. Little doubt is entertained by miners acquainted with this part of the district that a very large portion of the eastern slopes of Mount Pisa Range will yet be profitably worked.

*Mount Criffel.*—So far as can be gathered from the reports to hand, the returns from the claims worked have been very good. A great deal of interest is now centred at what has hitherto been known as "Fat Boys," a new lead on a portion of Mount Pisa, and in the immediate vicinity of Mount Criffel; a very large area has already been applied for, both under extended claims and licensed holdings. Prospecting by means of boring-rods is being carried on in the deeper portions of the ground, and already very promising prospects have been secured. If these are borne out on developing the lead, there is no doubt that the field will give work to a large number of miners. Indications are not wanting of greater interest and general activity in mining matters throughout the whole of this portion of the district.

*Wakatipu District, Queenstown Subdivision.*—Mining operations in this district have been very much brisker during the past twelve months than has been the case for some years previously. Although the results are not, up to the present time, equal to what might reasonably have been expected, yet, taking into consideration the several new ventures specially, and the renewed activity all over the district generally, I think it may fairly be presumed that my next annual report will be a much more favourable one. If the annual report was furnished at the close of the season, instead of as at present, whilst both alluvial and quartz-mining is in full working order, a much more authentic and trustworthy one could be given. The amount of gold purchased by the banks for the year ended 31st March, 1888, shows a considerable falling off as compared with the three previous years, owing to the fact of the stoppage of several of the quartz-mills, the quantity of retorted gold purchased being less than one-half for the three years previously, and the alluvial gold 1,000oz. less. At the head of the lake there are several parties working in the various streams running into the lake between Queenstown and Glenorchy, all doing fairly well, more especially those working at the Five-mile Creek.

*Moke Creek.*—There is nothing new to report from this once famous goldfield.

*Upper Shotover.*—A number of licenses to work mines have been granted during the past year, but most of them are under protection, pending the floating of companies in London to work them. Several parties, however, are depending on their own resources, and no doubt there will be good results of these to report in my next. There are many alluvial terraces that only require a good supply of water to be brought on to make them payable ventures, as has been exclusively demonstrated by Aspinall's, Davis's, and Johnston's claims keeping up their past reputation, proving that the resources of the district are not yet exhausted.

*Lower Shotover.*—Several miles of the river-bed have been granted in special claims; three of them are to be worked by the hydraulic jet process, but these ventures are awaiting the formation of companies to work them. The fourth claim is a very extensive one of 180 acres, comprising the sites of most of the famous claims on Big Beach, Arthur's Point. The promoters hope to make good headway with their undertaking this winter. Should these ventures be proceeded with, and the various methods of abstracting the gold prove successful and remunerative, there is, in the beds of the Shotover, Arrow, and Kawaru Rivers, ample scope for the investment of much capital, foreign or otherwise.

*Arrow Subdivision.*—Alluvial mining, especially on the higher levels, has proved generally remunerative. The Arrow River Tunnel Company has pushed on their works with energy and ability, and have now everything in good working order. As yet it has not proved a very payable undertaking, but the shareholders are confident that the final result will warrant the outlay. A company is being floated to work the beaches at the Horse-shoe Bend, about six miles from Arrowtown, in the Kawaru River, by hydraulic jets, the water-power being obtained from sources high up in the Remarkables.