

Scherp and party, working within a couple of miles of Sowburn, recently came on a very nice patch of gold in a small rock-bound basin of a gully at the foot of the ranges. The extent of the basin is described as only being of the capacity of about three ordinary claims, full of sandy drifts, and about 60ft. deep. It is dipping in towards the hill, and the east reef overlays the wash, so that they cannot yet say how far the wash may extend. The prospects are remarkably good, so far, but their water has run short for the present. One of the party has also found very payable ground further down the spur; and good prospects are stated to have been obtained a quarter of a mile away. I am in hopes of being in a position to report favourably on this place in a short time, when the ground has been further developed. It is possible that this small find will lead to a little more prospecting being accomplished in this place.

HYDE, MACRAE'S, NENTHORN.

There is nothing of any importance to report from Hyde. Mining matters are in even a quieter state than when last reported on. The number of men employed in gold-mining is gradually becoming less every year in this locality. The opening-up of the Otago Central Railway, by giving easier access from the sea-board, will lead to further prospecting. At Macrae's, also, mining is quiet, but there has been a plentiful supply of water, and it is stated that, for the number of men working, the yield has been up to the average. At Horse Flat there are a few parties of both European and Chinese miners doing fairly well. Attention is still directed to the quartz workings in this neighbourhood; also at Nenthorn. The Golden Point battery has put through some 1,600 tons, the result being fairly profitable. The Bonanza Company has been occupied putting in a low-level drive: the work has been both difficult and costly. No information has been given me concerning the prospects or the amount of gold produced during the year from Nenthorn. During the year there has been a little activity displayed by a number of small parties operating on the old abandoned leads, and a number of small crushings have taken place. The Surprise proprietors have not been doing quite so well lately, not having had a crushing for some months; but they are about to have one at the Eureka battery. At the old Cræsus a little work has been accomplished by Mr. Wicks, who has erected a windmill for pumping purposes. He is sanguine as to the success of its application, and believes that low grade of stone will pay him, working with such an economical motive-power. He has had four small crushings, averaging about 1oz. per ton. Holden, working on the old Consolidated ground, has met with considerable success, the result of three crushings being really very good—viz.: 26 tons, 80oz.; 17 tons, 22½oz.; and 46 tons, 44oz. Other items of the yields supplied to me from various of the old claims, aggregating about 230 tons, show an average of nearly 15dw. per ton. Probably, if the working had been more systematic, the yield would show a higher average. Even the result given shows that there is quartz which would, with modern appliances, pay well for extraction.

In conclusion, the settlement of the land generally throughout the district has, thanks to the Government for opening up such large blocks, been most encouraging. The crops for the year have been, as a rule, good, and the present state of the district is satisfactory, with every prospect of improvement in the future as closer settlement increases and greater facilities are afforded for the transit of the products of the land to the sea-board by the railway.

I attach a return of the business transacted at the Courts in the district during the past year.

I have, &c.,

S. MEAD DALGLEISH, Warden.

Warden's Court: Complaints, 44; general applications, 359; miners' rights issued, 537; water-race licenses, 278; general registrations, 436. Magistrate's Court: Civil, 220; criminal, 125. Approximate estimate yield of gold for the district for year ended 31st March, 1894, 16,520oz.

No. 14.

Mr. Warden WOOD to the UNDER-SECRETARY of MINES, Wellington.

SIR,—

Warden's Office, Clyde, 2nd May, 1894.

I have the honour to enclose herewith the annual statistical returns, and to submit the following report on mining matters in the sub-districts under my supervision, for the year ended 31st March, 1894:—

CLYDE AND ALEXANDRA.

During the past summer the rainfall in this locality has been greater than for many years past, and, as a consequence, the water-races have kept up a continuous supply. The ground along the banks of the river is year by year getting poorer, and greater difficulties are experienced in getting the heavy gravel away. The Fraser River is an excellent watershed, however, and the operators, with few exceptions, being owners of the races—about fifty—with the assistance of a little agriculture, manage to make a fair living, with a little to spare.

The *Molyneux Hydraulic Company*, whose claim is situated within the boundaries of the Town of Alexandra, have not had the prosperous year that was anticipated. In February last year the outlook of the company appeared very promising, but the prospects did not continue, and since then, with the assistance of various experienced managers, the ground has been tested at different points, with disappointing results, the gross proceeds being only 115oz.

Jackson and party have succeeded in completing their water-race from Gibraltar Creek to Tucker Hill, near Alexandra, and have commenced operations, but with what result I cannot say, sufficient time not having elapsed to form an opinion.

Since my last report, Mr. John Allan has disposed of his property at Springvale, and removed to his farm at Frankton. The amount realised was £1,400, the purchasers being Messrs. Gartley