

this spring will receive such a soaking from the melting snow as it has not received for many years, and there can be no scarcity of water for even the most inferior rights before Christmas. It has been a terrible winter for stock, as over all the country 2,000ft. above the level the snow has lain unmelted for weeks, and many of the runs have hardly any country under that level. It is a pity that what helps the one industry so much should injure the other to such a degree.

A small rush took place during the year to German Gully, a small gully running up into the Raggedy Ridge, opposite Chatto Creek. The ground was shallow, and the best of it has already been worked out. The bed of the gully had been worked in places years ago. The present rush was to the low terraces on either side. This ground has afforded work at more or less remunerative rates for from thirty to sixty men for several months. As high as £10 per week was made, but the average would not be more than £1 10s. A great deal of ground in the vicinity has been proved poorly auriferous, and would pay with water for sluicing purposes. At Springvale, about six miles from Alexandra on the Naseby Road, Nicolson and party have prospected an extensive area of payable ground above the level of that worked for many years past with good results by Mr. John Allen. They have leased the Golden Gate Water-race and cut channels to carry its water to the new ground, which would have been proved during the summer had the water-supply—usually constant and large—not become too small to travel so far by newly-cut races in dry shingly ground. There is no doubt but this venture will prove remunerative, notwithstanding the bad start. The party employed a large number of men last spring and summer, and had plant fixed and everything in order by Christmas, but were able to do nothing until after the heavy fall of snow in the end of May.

Mount Ida.

The principal mining population in this locality is in the vicinity of Naseby. In the Main Hogburn Gully there is somewhere about fifty men employed in claims in the bed and on the sloping terraces. There are two elevating plants here, one of which belongs to Messrs. Guffie and party, and the other to the Extended Company, both of which are said to be getting good returns. The ground on the terraces in many places is very shallow, and a large area is quickly washed away, but as a rule the ground is very poor.

At Enterprise Terrace there is 50ft. in depth of alluvial drift, and a number of men at work here; but the most of the gold is got in the wash-drift near the bottom, and as this terrace is a considerable distance from the Mount Ida Water-race, the men have to go to a good deal of expense in bringing the water on to their claims. Many of the miners in this locality are getting better plants to work the ground, and this is the only way to make it remunerative. The old method of leading the water in a small cut or ditch, and let it fall over the face with perhaps a few yards of canvas hose, which a few years ago was generally adopted in the Mount Ida district, is not a system to make poor ground pay for working.

At Spec Gully a good number of men are at work, and in some of the claims there is a fair depth of wash-drift, but there are very few who are working them with a modern hydraulic plant. One of the best plants there belongs to Messrs. Mason and Donnelly, who manage to get over a considerable area during the season. This party a few years ago erected an elevating-plant in the bed of the Spec Gully, where they said there is ground to pay for working by this method, but not having visited this locality last year my remarks are from information received from other sources.

There is a large number of Chinese working on this field, especially in the vicinity of Home and Wet Gullies, some of them have purchased claims from the owners of the freehold land about Home Gully, and are said to be doing fairly well.

The most of the ground worked in the Mount Ida district is on a "Maori" or false bottom. The schistose-rock appears some distance from the township of Naseby up the bed of the Hogburn, but it dips suddenly, and the "Maori" bottom takes its place. This bottom was gone through in a prospecting-shaft which was sunk some years ago in the bed of the gully, and at 200ft. from the surface quartz drift was found. Very good ground was found on the schistose bottom, and it is said that below where the "Maori" bottom makes its appearance the gold was not of the same character. There was very little water met with in sinking the prospecting-shaft, and a trial should be made in this vicinity to test whether an auriferous bed of wash-drift would not be found below the quartz drift which underlies this "Maori" bottom. The shaft should be a little higher up the gully than the place where the last one was sunk, in order to get as near the junction of the schist and "Maori" bottom as possible. Were gold found here of a payable nature it would give a new life to the field, and open up a very large area for deep alluvial mining.

At the place where the bore was put down between the Eweburn and the Hogburn at the side of the main road leading to Dunedin, gold was found in a quartz-drift formation underlying the "Maori" bottom at a depth of over 500ft. The ground above the township could be tested by a large bore, a similar plant to that used for boring for petroleum, where the upper portion of the bore is generally over a foot in diameter. If such a plant was in the district a number of bores could be put down cheaply, as they work at a very quick rate. Either boring appliances of this description or a water auger would test the value of ground cheaper than by any other method.

The quartz drifts underlying the "Maori" bottom in many places contain very rich deposits of gold, as, for instance, at St. Bathans, and but very little is yet known of whether or not there is another stratum of older gold-bearing material lying between the quartz drifts and the schistose rock. These quartz drifts are of a very great extent, and their accumulation must have been the work of many ages. The immense areas this drift covers in Otago point out that the denudation of the quartzose schist rocks, from which this material is derived, has been enormous, and that climatic conditions have undergone great changes, and the topographical features of the country considerably altered since this took place. At that time the mountains had a much greater elevation, and the rivers flowed in different directions to those of the present time, while numerous lakes abounded all through Central Otago. Abundant proof of lakes having existed can be seen at Vinegar Hill, in Mr.