

the one the veins from the hill came in upon. In the place they are now working—east of the Undaunted Company—they have had fair returns when working in the bed of the stream, but the ground is very rough, and not regular. Seven men employed.

The Sugar-pot Company's return was 220oz. The quantity of ground got away was small. Water was scarce, and work irregular. This company has probably the best ground on Tinker's, but its water-supply at no time is sufficient, and its water-race gives insufficient pressure. The above return paid all expenses, and gave a small profit. Six men employed.

Simes and Morgan have had excellent returns from the shallow ground on terrace south of Scotchman's Gully; they were spoken of in last report as shifting. Notwithstanding the poor water-supply they have got over 300oz., and have another large paddock ready to wash up, from which 250oz. is expected. Three to four men employed.

Ewing and McConochie, in the early part of the year, finished the shallow ground south of Smokers' Gully, and are now working a run of known good ground, known locally as Plen's Claim, having purchased a half-interest from the Mountain-race Company in a tail-race which commands it. They have obtained 461oz. during the year, only a fortnight's work having been done from Christmas to end of May, through scarcity of water.

Only one small party—Shannon and Barron—works now at Tinker's, making about wages; but a considerable amount of fossicking is done in dry weather by men out of work, and those who know the run of the ground sometimes do fairly well.

Devonshire.—A number of small parties work here, and one or two of them have done fairly well during this year, particularly Clare and party, who are driving, and pulling the stuff up an incline with a horse.

Drybread.—The Matakanui Company are still trying the granite here. They have not been able to spare enough water from their Tinker's claim this dry season to advance their work very much, or to arrive at any conclusion as to the value of the deposit they are working. A number of small parties here are doing fairly well when water is plentiful—most of them on the granite-wash; but with them, as others, the dry season has made the year a poor one.

Cromwell.

There is a number of men engaged in alluvial mining on the banks and terraces of the Clutha River between Clyde and Cromwell, and also for a considerable distance up the river above the latter place. Some of the claims are said to be giving fair returns, but the largest population in this locality is situate at Bannockburn, where some of the present residents have been engaged in mining since the field was first opened in 1862. Both Smith's Gully and Pipe-clay Gully have yielded large quantities of gold. Of late years, the principal workings have been in the vicinity of the latter place, in which there is a tailings channel constructed to the Kawarau River. Had it not been for this channel, towards the construction of which the Government gave a subsidy, this part of the field would have been abandoned many years ago. There has been some very good ground here, but the best of it has now been worked out, and it cannot be said that miners who are at present carrying on sluicing operations in the locality are making more than small wages.

There is a considerable amount of ground which can be worked from Smith's Gully if a channel was constructed up the bed of it, as was originally intended by the company, towards which a subsidy was authorised by the Government some eleven years ago for that purpose. This company, however, met with so much hard rock, and had such a quantity of loose tailings to go through, that the work seemed, at that time, too formidable for them to complete with the limited means at their command. The tail-race was only constructed for a short distance and then abandoned, nothing having been done in the matter since. Recently, however, some attention has been given to the construction of a channel up this gully, and, although no doubt the best of the ground here is worked out, there is still a considerable area of auriferous drifts on the terraces that could be sluiced into the gully if there was a get-away for the tailings, which would pay small wages. The men who have been working for years in the same place, and acquired comfortable homes, are loth to leave if they can make a livelihood.

At Lowburn there is still a number of miners at work, but the ground here is remarkably poor, and very few of the men can be said to be making more than wages, some only getting a mere living. It may be stated that the day is past when men make large competencies by alluvial mining, unless they have a good water-supply to carry on hydraulic-sluicing operations on an extensive scale.

Cardrona and Criffel.

There is still a considerable population about the Cardrona scattered over the different gullies and places. The lead referred to in my last report on the face of the range, at a height of about 1,200ft. above the level of the valley, is still being worked in a few claims, but in none of them have very rich deposits of wash-drift been found, although the ground has proved payable for working. There is a good prospect of the same lead being traced along the face of the range for a long distance down towards Mount Barker; but from the manner in which it is lying against the face of the rock slips from the range take place before the auriferous portion of the material can be washed away by hydraulic sluicing, and, these having to be washed away with the gold-bearing drift, it reduces the earnings of these claimholders considerably.

Messrs. Fryer and Scott, who have been sluicing the ground in this lead, were at the time of my visit sinking a paddock and lifting the wash-drift in the bottom of their previous workings, as their tail-race was not deep enough to run it away by sluicing. This party stated they had obtained 140oz. gold out of their claim, and Fleming and party, who hold the next claim to Fryer, got 170oz. gold out of theirs.

There are a few months in winter when sluicing operations cannot be carried on at this elevation, and during that time the miners contemplate driving an adit-level from the face of the hill to test the depth of this material, and to see whether they could get to the place where the quartz wash-