

the ground, but it is as yet too early to form an opinion as to the success of the field. The ground being prospected is a considerable distance back from the banks of the Molyneux, and it is by no means clear as to the possibility of getting a fair amount of water for sluicing purposes in the locality. The sinking is said to be about 5ft. to the gravel wash-dirt, which is said to be from 1ft. to 1ft. 6in. deep, carrying fine gold all through it. If water cannot be obtained within a reasonable distance, or if cradling has to be resorted to, involving cartage of the stuff necessary, the prospects of the new field are somewhat doubtful. However, it is yet, as stated before, too soon to speak positively. It is understood that Mr. Smith has made an arrangement with the men to deposit a small sum while prospecting the land, and a further sum after taking up a claim. These deposits will be held as security for the restoration of the surface of the ground prospected or taken up. A royalty of 10 per cent. is said to be asked for by Mr. Smith on the value of gold obtained.

WAITAHUNA.

The mining population in this locality is estimated at 100, of whom thirty-five are Chinese. The mining here has not varied much for some time. The principal claims are those of the Norwegian party, who employ six men; Ferris and party, four men; Kearney and party, four men; O'Kane and party, five men; Quigley and party, five men; and Mr. Perry, six men. There are a number of others having small holdings. All the workings are alluvial. The Norwegian party are working the old tailings in the gully with satisfactory results.

Mr. Perry is working the bed of the Waitahuna River by means of a dredge. As stated before, he employs six men, and evidently has faith in the venture, as he has now applied for a licensed holding a short distance below his present workings. The area applied for is 20 acres, to be also worked by means of a dredge.

At Manuka Creek, Glenore, and Adam's Flat there are about fifty miners employed, of whom fourteen are Chinese. As stated in last report, there is nothing special to relate as to these. Most of them do not devote their whole time to mining, but are engaged in agricultural and other labouring pursuits during some portions of the year. Messrs. Nelson and party are busily engaged with their dredge at Glenore in working the old bed of the river with most satisfactory results.

WAIPORI.

The estimated gold-mining population at Waipori is 154, including fifty-four Chinese. Although high hopes were entertained for some time as to the prospects of quartz-mining here, and as the existence of reefs has been amply demonstrated, yet, at present, quartz-mining is in complete abeyance. There are about twenty alluvial claims being worked, the principle of these being that of the Amalgamated Deep Lead Company, which now employs about eight men, and works by means of an elevator plant. The Amalgamated Company have gone to considerable expense in developing their mine, but as yet have not paid any dividends.

The claim of James Parker, which has been worked by means of tunneling for twenty years, has always paid very well. Most of the other claims, employing about two men each, are doing fairly well.

The two dredging companies—the Jutland Flat Company and the Upper Waipori Company—have been compelled to cease working for the greater part of the year, owing to an injunction obtained by the farmers at Berwick against the former company for polluting the stream of the Waipori River. Both these companies, since the injunction, have spent considerable sums in damming back the river, and have recommenced work, I am informed, in such a manner as not to allow sludge or *débris* to go down the river. The Jutland Flat Company have gone to the Court of Appeal to have the decision given in their case reversed.

WAIKAIA.

Mining in this district seems to have revived a little during the last year, although the return of gold is not so great as during the previous year, owing to the flooding of the Scrubby Terrace Water-race, and also to the fact of the Argyle Water-race fluming having been destroyed by a severe gale of wind. These accidents entailed a serious loss to a number of miners, as no work has since been done on Scrubby Terrace. Within the last few weeks the Argyle Company have repaired their race, and the owners of Scrubby Terrace are now having the race put in order. This work will be completed in a few weeks.

A new dredge has been placed on Dome Creek Special Claim by Messrs. Munro and Company. It is understood that they have obtained very good prospects.

At Nokomai mining seems to be improving. A number of extended claims have been applied for during the last few months, and a large number of miners seem determined to give this portion of the district a fresh trial. Twelve miners have taken up some 1,200ft. of quartz reef in Commissioner's Gully; they have obtained the right to construct three water-races in Victoria and Commissioner's Gullies, with the intention of thoroughly testing the Nokomai as a quartz-reefing district. There is also a good deal of activity in the direction of Paddy's Alley; a good few miners are taking up claims there.

Sue Hoy and Company have been actively at work bringing a water-race from Garston to the Nokomai Creek, and they have erected a very expensive sluicing plant on the said creek, near Victoria Gully, but they now find that they will not have sufficient water until they bring in their other race from Donkey Flat, the Nokomai Saddle.

There are in the Waikaia district at present about 180 miners, of whom 100 are Chinese. The local bank has purchased about four thousand six hundred pounds' worth of gold during the year, and it is believed that a considerable quantity of gold is sold elsewhere. It is estimated that gold has been obtained altogether of the value of £7,500.