

bushes bolted to the ladder, the upper and lower tumbler-shafts being 3in. by 3½in. respectively. Mr. Cutten, of Dunedin, was the designer of the elevator, Messrs. Stevenson and Postlewaite of the same city were the contractors, and Mr. Steel, of Alexandra, supervised the fitting-up. The total cost was something under £300.

Spencer and party have also enjoyed a prosperous year, their returns being really little less than Hyde and party. Although they are working into the beach at Sandy Point, they have not as yet been blocked by their tailings. Very shortly, however, the necessity must arise for the elevation of their tailings.

Since my last report, Mr. Gards has disposed of his two dredges and special claim at Sandy Point to Messrs. Finlay and others. The price, I am given to understand, was £5,000. Mr. Finlay, on taking possession, immediately took steps to overhaul the steam dredge, and, after effecting many necessary repairs, has started working steadily with good results.

The Enterprise Dredge, a little lower down, and on the opposite side of the river, has been working pretty steadily, and with fair results. No large washings have been got, but the returns, I believe, have left a little surplus after paying working-expenses. This dredge is also assisted by an elevator, which was designed and erected by Mr. Cutten, of Dunedin, and is working very smoothly.

Leijon and party are still occupying the same claim as last year, about a mile above the Alexandra Bridge, and, although their returns are not made public, it is generally supposed that they are doing remarkably well.

Magnus and party, with their current-wheel dredge, are working steadily in their claim, about a mile below the Alexandra Bridge. The ground applied for by them having been the subject of considerable litigation, and not yet finally granted, leads them to keep their earnings to themselves; now and again, however, reports are heard of handsome washings-up, and their steady working, without breakage, is a proof that dredges of the bucket type can be used in the Gorge for procuring the precious metal, thereby practically opening many miles of the river which hitherto was considered unworkable by any present known method.

BALD HILL FLAT.

The past season has been the most unfavourable one experienced here for many years, water having been exceptionally scarce. Despite this drawback, however, mining has been prosecuted with considerable vigour, and most of the claims have returned a fair margin of profit after wages and other expenses have been deducted.

The Bald Hill Sluicing Company has been engaged sluicing and elevating some ground at the foot of the Flat, but, not having the command of a permanent supply of water, their operations have been much retarded, and probably the result of their labours has not more than covered expenses.

Hesson and party, who possess about the best supply of water in these parts, have been working continuously since the frost broke up in the spring with most satisfactory results. The amount of ground got over by the party is really a credit to Mr. McNiesh, their manager. At the same time, they have made every effort to straighten and improve their water-race, which is seventeen miles in length, and upon which three men are continuously employed. The party, consisting of all working-men, deserve great credit for the energy displayed by them during the past five or six years, and it is pleasing to be able now to report that they are being substantially rewarded for their perseverance.

Carroll and Lynch, who only succeeded in getting their new elevating plant in position last October, have already had two very satisfactory washings, and, as they have six or seven acres of similar ground to get over, it is safe to predict for them a few years of well-earned prosperity.

Mitchell Brothers (2) are working steadily and making fair wages.

George Wilkinson, whose claim is at the upper end of the Flat, has lost very little time during the year, his returns keeping up to the average of past years, and, although work has been continuously carried on for twenty years, the claim is far from being worked out.

Mee Sing and others, a party of Chinese, finding from the workings of Mr. Wilkinson that a run of gold entered their orchard adjoining, determined to devote their energies to mining instead of fruit-growing. About eight of them are employed, but with what result I cannot say.

The usual number are working about the gullies in a small way, and apparently making fair living wages.

Quartz.

There are three claims in active work on the slope of the Old Man Range, employing about twelve men, but during the past year no large yields have been reported.

The once famous White's Reef, now owned by Mr. Robert Symes, is still being worked. A large amount of dead-work has been carried out during the year, and it is only just now that the proprietor is reaping the benefit.

The claim known as "The Exhibition," owned by Mr. Henry Symes, has not yielded the quantity of gold that was anticipated from it, but the owner is still hopeful.

The Excelsior, owned by Messrs. Crossan and Gray, has not been much heard of during the last year, the proprietors having been engaged trying to open up the mine from a lower level. The country met with, however, was very difficult to get through, and operations in that direction have been stayed for the time.

Mr. Crossan, having left the district, has sold his interest to his partner, who intends to return and work from where Golden Stone was left, and is very hopeful of again bringing the mine into notoriety.

The revenue collected during the year amounted to £705, which exceeds that of the previous year by £162.