17 C.—3A.

The Addison's Gold-sluicing Company (Limited).—The above company was formed to work two leases, comprising 66 acres of virgin ground, north of and adjoining Gould and party's claim. About a mile of the lead has been tested by shafts, with payable prospects. The mode of working will be the usual method adopted at Addison's—by a tail-race tunnel and water-balance lift. The tunnel line has been surveyed, and a contract let for its completion at a cost of about £1,000. Its length is 1 mile 18 chains, and has an average fall of 7in. to the 100ft. With the exception of one or two short tunnels, it will be on a lower level than any other race of the same description at Addison's. About 2,000ft have already been driven, and it is anticipated that this portion of the work necessary to open up the claim will be completed during the present year.

The Piper's Flat Auriferous Cement Claim.—Since my last report this claim was let on tribute, the result of which proved so satisfactory that the owners decided to erect five more stamps, making a battery of ten. The paddock was also altered to permit the use of self-feeders. These are of the simple percussion type, and are found to act remarkably well, permitting from 65 to 70 cubic yards of cement broken to 4in. to be put through the ten stamps in twenty-four hours. Without such self-feeders it would be difficult to find a man able to shovel 22 cubic yards properly into two separate boxes in eight hours, and attend to the plates, cloths, &c., at the same time. Another innovation on this field was the use of muntz-metal plates in place of copper. This was also a success. They are much cheaper, the amalgam much more easily removed, and often gave a higher return than the copper. The tramways were laid with iron rails, and yet, in spite of all these improvements, the operations of the party have not been financially a success. The cause is attributed to the fact that the work has been in old worked out ground for the last five months. The future workings will be all in new ground.

The Venture Gold-mining Company.—This company has kept steadily at work with a twelve-head stamper battery crushing cement. They have a constant supply of water, drawn principally from the Totara River, a distance of seven miles. Twelve men are kept constantly employed. The company has decided to register under "The Mining Company's Act, 1882." During the last twelve months considerable delay has been caused by laying down new roads to open out ground in three different places, and still further proving the ground for future operations. For the past twelve months 10,008 yards of cement have been crushed, which has averaged 1dwt. per yard, with the satisfactory result of 25 per cent. on the original outlay. Now that the ground is proved beyond doubt, and steady and permanent work provided, even better results may be confidently

expected in the future.

Westport Prospecting Association.—The object of this association in the main is to prove whether any payable auriferous leads exist in what is known as the "Fairdown" district. With this in view, some of the inhabitants of Westport and adjoining districts have subscribed to cover the cost, and the Government have subsidised the same by grant under the regulations of the Mining Act for that purpose. So far, 1,410ft. have been driven, colours of gold have been found, but as yet nothing payable. It is proposed to continue the drive to the foot of the terrace, where a shaft, known as "Gardner's shaft," bottomed on payable gold, but there was too much water to allow of the ground being worked. Should no fresh leads be found, the tunnel will serve as a drainage-tunnel to Gardner's lead; but to reach that spot nearly 5,000ft. more will have to be driven. Of this, 600ft. is let by contract. The driving costs 4s. 11d. per foot.

Mokihinui.

I have very little to say about this district relative to gold-mining. The Swanston Gold-mining Company are erecting a battery to test the stone on their claim, and will probably commence crushing next month. Should the stone prove payable, other ground in the neighbourhood will no doubt be worked, and the result of the crushing is therefore being anxiously waited for.

CHARLESTON.

I have nothing to add to my last report as to gold-mining in this district beyond the fact that the Four-mile Water-race has now been completed and connected with the Argyle Dam. It has cost about £5,000. It is about seven miles long—one mile of which is tunneling, one and a quarter miles iron fluming—and the race is capable of supplying twenty Government heads of water. This should prove a great boon to the district, and it is to be hoped the revenue derived from it may be sufficient to relieve the ratepayers from the heavy tax levied on them for its construction, which, up to the present time, has been severly felt by many who have a hard struggle to make a living.

LYELL.

The United Alpine.—This mine has been steadily worked throughout the year, and the battery has been kept pretty steadily at work also; but, owing to the poorness of the stone and the quantity of water to contend with, only two dividends of 9d. and 6d. have been paid. Fifty-two men are employed, and the gold obtained amounted to 3,781oz., against 8,255oz. obtained last year. It is intended to sink on the incline-shaft a distance of 300ft., with the view of striking the reef recently struck in the Lyell Creek Extended Mine, and known as the North Block. Should they strike this

reef the prospects will be more favourable.

The Lyell Creek Extended Mine.—The owners of this mine, which adjoins the Alpine, have driven a tunnel 3,700ft., which has taken them about thirteen years to drive, and has cost, up to now, £11,800. About three months ago a reef was struck, 10ft. wide, showing good gold, which raised the value of the shares. Six men are now employed straightening the main tunnel, which will be finished shortly, when a number of men will be employed taking out stone. The reef struck is situate about 200ft. perpendicular from the lower workings in the Alpine, and a few months' operations will prove the permanency and value of the mine, the prospects of which may be said to be very good.

3-C. 3A.