

will now carry fifteen heads. In all, the company's races have at present a carrying-capacity of thirty-six Government heads of water, and further extensions are contemplated in the near future. The reservoir in the Ourawera Gorge will, when completed, have a storage-capacity of 24,000,000 gallons of water. During the year the company manufactured on the spot some 90 chains of 27 in. pipes and 30 chains of 18 in. pipes, the annealed steel plates being imported from England. The whole plant is of a most complete and modern character, and the company is now enabled to work much more efficiently than in former years. During the year 1,238 oz. of gold, valued at about £5,000, was won. Fifty men were employed.

The Ourawera Company have a claim of 20 acres adjacent to the Round Hill Company, and, the difficulties in respect to water-supply, &c., having been overcome, it is hoped that good returns will be made for the next year's working.

At Wilson's River and Preservation Inlet alluvial mining is practically at a standstill, only a few parties of men being engaged, and these are meeting with but indifferent success.

At Orepuki increased activity has been manifested, and the prospects of the district appear to be on the up grade. A lead parallel to the coast, near the Waiau River, has been all pegged off, the indications being of a hopeful character.

General Remarks.

During the year the exceptionally dry weather in a very great measure lessened the water-supply, and many of the water-races supplying water for hydraulic elevating and sluicing purposes were almost dried up. The yield of gold from alluvial claims was, in consequence, much less than was expected. It is, however, to be anticipated that, with the additional area of land taken up and the number of water-races recently completed, a decided increase on last year's yield of gold will be obtained. The activity displayed throughout the Naseby, St. Bathans, Shotover, Lake District, Clutha, Tuapeka, Waikaia, and Round Hill districts gives evidence that those fields are not exhausted, but that with improved appliances and a better water-supply the yield of alluvial gold will continue to be of importance for many years to come.

DREDGING.

The success attending on operations in the direction of the recovery of gold from the beds of rivers by means of dredges is every year adding to the demand for suitable dredges and machinery. Improvements in the construction and adaptation of these machines are leading to their application to work wet ground that up to the present could not be dealt with through want of the power required, and in the absence of necessary water-supply. Should the anticipations of success for this method be borne out after trial in the wet ground, where neither sufficient fall nor water-supply for sluicing is available, large areas of auriferous alluvial ground will be made to yield a profit that have up to this time scarcely been touched.

The skill of the different mining engineers is being shown in the improvements made. Each new dredge now being built is furnished with the latest and most suitable machinery both for elevating the gravel, washing out the gold, and conveying the washed gravel, elevating, and stacking it at a distance from the dredges; thus leaving the vessel free to float, and to be moved to the most suitable place for carrying on the work.

The following is a list of the claims taken up for dredging:—

ABSTRACT of LICENSES for DREDGING-CLAIMS issued from the Wardens' Offices in Otago and Southland, and registered on or before the 31st March, 1897.

Date of License.	Area.	Block.	Survey District.	Name of Claim.	Name of Registered Owner.
14/8/96	A. R. P. 30 3 0	II.	Kawarau ..	..	George Lublin Tacon.
1/12/87	40 3 7	XIX.	Shotover ..	The Sew Hoy Big Beach Gold-mining Co. (Ltd.)	The Sew Hoy Big Beach Gold-mining Co. (Ltd.).
17/1/88	8 0 0	"	" ..	..	The Monte Christo Dredging Gold-mining Co. (Ltd.).
25/4/90	19 2 0	IV., XIX.	" ..	..	The Sew Hoy Big Beach Gold-mining Co. (Ltd.).
12/5/90	7 0 0	XIX.	" ..	..	Ditto.
10/9/94	73 2 0	III., IV.	Skipper's Creek ..	..	The Sawmills Gold-mining Co. (Ltd.).
12/7/95	100 0 0	IV.	Shotover ..	..	The Sew Hoy Big Beach Gold-mining Co. (Ltd.).
14/8/96	55 0 0	II.	" ..	..	James Gore.
14/8/96	97 0 0	"	" ..	..	Peter Duncan.
14/8/96	79 2 20	"	" ..	..	Thomas Callender.
14/8/96	36 0 0	"	" ..	..	Robert Lee.
17/9/96	15 0 0	I.	Nevis ..	..	Robert Ritchie.
12/3/97	9 3 10	II.	Cromwell ..	..	Neil McLellan.
6/8/96	43 0 0	II., VII.	Rock and Pillar ..	Hyde Dredging Co. ..	A. D. Silk.
13/10/96	100 0 0	III.	Maniototo ..	Hogburn Dredging Co. ..	Robert Paisley.
29/9/96	47 0 0	II., V.	Kyeburn ..	Kyeburn Junction Dredging Claim	Phillip Brown.
29/9/96	75 0 0	II.	" ..	Kyeburn Pioneer ..	George M. Barr.
27/10/96	30 0 0	"	" ..	Mount Ida ..	Robert Hosie.
27/10/96	25 0 20	I.	Swinburn ..	Naseby Dredging Co. ..	John Thompson Ferguson.
6/5/96	57 0 27	II.	Tiger Hill ..	Ophir and Ind Gold-dredging Co.	Ophir and Ind Gold-dredging Co.
6/8/96	39 0 24	"	" ..	..	..
19/2/97	52 1 3	"	" ..	Black's Gold-dredging Co.	John T. Ryan and another.