

and then the Colonial Bank closed on the mortgage. It then stood in liquidation for over twelve months, and was bought by Mrs. Jessie Miller in May, 1897, for the sum of £100, and, after an outlay of another £100, got on to payable gold. Now it is formed into a company of twenty thousand shares paid up to £1 a share, and has every prospect of being a good property.

Anderson and party are working their alluvial claim, situated at Eight-mile Hill, junction of Eight-mile Creek and Arrow River, being the highest terrace workings on the Arrow. The workings are from a tunnel 350 ft. in length. The wash-gravel is intermixed with ironsand and Maori stones. This is conveyed through the tunnel in trucks, and afterwards sluiced through a rock tail-race. The returns of gold are satisfactory.

Arrowtown.

Work in hydraulic elevating and sluicing is about to be carried on in the bed of the Arrow River, near Arrowtown, by an Invercargill company, which has secured extensive water-rights. Mr. Robert Hay, of Dunedin, was on the ground for the purpose of reporting on the property at the time of my visit, on the 24th February last.

Macetown.

Mr. Lester is sluicing his claim. At the Eight-mile Hill Reid and party have a race a quarter of a mile in length, and 2,000 ft. of 7 in. piping to supply the nozzle. The stripping here is 60 ft. thick, and the washdirt from 4 ft. to 10 ft. in thickness.

Waikaia.

Argyle Hydraulic Sluicing Company.—This company hold a claim of 6 acres on the higher terrace, and a special claim of 100 acres on the Argyle Creek and flats. Ground-sluicing is carried on at the higher claim, where three men are employed; and hydraulic elevating is the process in use at the lower claim, where twelve men are employed, on three shifts. A paddock of $1\frac{1}{2}$ acres has been cleared, and a fresh area of $\frac{1}{2}$ acre is now being worked, where the depth is about 35 ft. It is found preferable to work to a depth of 15 ft. to 17 ft. until a considerable portion of the surface and wash-gravel has been stripped, and afterwards the remaining depth of gravel down to bed-rock. The water-race is carried to within a mile of the workings, and from thence pipes are used to convey the water; 15 in. mains are first employed, which are afterwards reduced to 13 in. size. The service-pipes to supply the elevators are 11 in., 9 in., and 7 in. capacity. The quantity of water used is nine to ten sluice-heads. The throat-piece of the elevator is a casting 7 in. in diameter, which is renewed as soon as it becomes too large for economical working. The sluice-boxes are each 12 ft. in length. Angle-iron riffles are used over cocoanut-matting in the side-tables, which are 3 ft. in width. The tail-box for 15 ft. has got perforated iron plates over the cocoanut-matting. There is a full length of boxes and tables of 102 ft., the fall given being 8 in. to 12 ft. Ten men are employed at this work, and one man on the maintenance of the water-race. The returns from this claim, the manager (Mr. John Stewart) informed me, are satisfactory, and very little time was lost through scarcity of water during the year. The water-race has a fall of 8 ft. to the mile, and is of such dimensions as will convey a much greater quantity than is at present used. The pipe branch which is used for hydraulic sluicing is of 13 in. and 11 in. size, and the length of the pipes 800 ft., with a head of 80 ft. Ten sluice-heads are used at this place. The head of water used for elevating is 350 ft. Thirteen men are employed.

Waikaia Gold-mining and Water-race Company.—Three shareholders occupy an area of 63 acres 1 rood 18 perches. They have a water-race eleven miles in length brought in from Steeple Creek. In this race there is a siphon of 14 chains in length, the pipes being 22 in. in diameter. Sixteen sluice-heads are used in ground-sluicing. There are two 5 in. nozzles for breaking up the face, which consists of clay from the surface down to the wash, which is 14 ft. in thickness. The head of water is 80 ft. This company, whose works are situated on Scrubby Terrace, obtained 206 oz. for the year, which must be considered a good return, seeing that the company were only able to work for about six months, owing to the scarcity of water.

Winding Creek Claim, formerly Break'em-All Claim (Owners, Waikaia Freehold Gold-mining Company).—This claim comprises the following areas: 50 acres freehold, 30 acres leasehold, 28 acres tailings area, and ordinary claims; total, 108 acres. The ground is too deep for ordinary sluicing—i.e., in respect of getting rid of tailings—and an ordinary dredge-pattern elevator was put on about the year 1880. This proved a failure, owing to the insufficient water-supply available to work it. The claim has been practically idle for fifteen or sixteen years, with the exception of intermittent hand-working on a small scale. It has recently been taken up by the Otago Syndicate (Limited), who propose working by hydraulic elevators, and are now inviting tenders for the construction of the necessary works in connection with the water-supply. It is stated that fifty heads of water are to be brought in, and that a large amount of capital is to be expended.

Kennedy's Claim, Waikaia (Area, 4 acres).—Four men are employed, and the claim is apparently doing well. The washdirt is obtained by driving. The depth of the ground from surface to bed-rock is from 60 ft. to 100 ft., and about 6 ft. or 7 ft. lying on the bottom is payable, yielding from $2\frac{1}{2}$ dwt. to 3 dwt. of gold to the cubic yard.

The Lion Gold-mining Company.—Work on this company's claims, which were formerly owned by Messrs. Erskine and Thompson, has taken the form of cutting a water-race from the Roaring Lion Creek to work the property. Thirty men are employed on this work.

Parrawa.

The Parrawa Water-supply and Gold-mining Company (Limited) occupy a claim of 77 acres 1 rood 29 perches, situated on a terrace near the Mataura River, about two miles and a half from the railway-station. A water-race is brought from Fiery Creek, a distance of two miles and a half, and carried by siphon across the Mataura to the claim on the terrace. The pipes are—9 in., 400 ft., and 13 in., 3,600 ft. Three sluice-heads of water are available. A $4\frac{1}{2}$ in. nozzle is used. The sluice-