

No. 4.

Mr. Warden HEAPS to the UNDER-SECRETARY for MINES, Wellington.

SIR,—

Nelson, 31st May, 1899.

I have the honour to forward herewith the returns for the year ended the 31st March, 1899, for each of the sub-districts of that portion of the Karamea Mining District within my jurisdiction, and to report generally thereon.

NELSON.

I have not yet been able to visit the Wangapeka, but, from inquiries I have made, I learn that very little progress has been made during the past year. A few men, mostly old hands, are engaged in alluvial mining, and good gold is still being got in the well-known Blue and Nuggety Creeks, but on the Whangapeka proper very little mining is being done. Hopes were entertained that when the track was made to the Crow district employment would be found for a large number of miners, but so far they have not been realised, and very little prospecting for new openings has been done.

At the Sherry a few men are at work, and it is said good wages are being made. The land is mostly owned privately.

At McRae's run, Lower Sherry, a considerable amount of work has been done in the way of prospecting, with a view to floating a company to bring in water on a large scale from the Whangapeka River for hydraulic sluicing. Meanwhile good results have been obtained from one small terrace on the property worked with two or three heads of water.

On the Baton River some six men or so have been working during the past year, and much heavy work has been accomplished in bringing in water, cutting tail-races, &c., but it is said that the results have been most discouraging.

At the junction of the Baton with the Motueka River one or two men have been making a living working on the river-bed. It was at this place that application was made some time ago for a dredging area, but owing to strong opposition by the settlers the scheme was abandoned.

In the Big Bush, at the head-waters of the Motupiko, a few miners are making a living, but a difficulty is experienced at that altitude in getting water in sufficient quantity for sluicing purposes. The gold obtained is of superior quality.

On the Lake Station, Upper Buller, a party of prospectors were at work for some months on behalf of a Christchurch syndicate, but the results were not disclosed locally. The foreman said he could get gold almost anywhere on the place.

Only nine applications for mining privileges were received at the Nelson Court during the past year, three for water-races and six for prospecting licenses.

MOTUEKA.

The two mineral licenses of 200 and 300 acres respectively which were granted last year having been surrendered, a license covering both areas has been issued to the Asbestos Company, Christchurch, but beyond getting out samples little practical work has been done. During the year two prospecting licenses have been issued for areas of 300 and 500 acres respectively, with a view to searching for deposits of asbestos in the Upper Takaka Valley, in the vicinity of Mount Arthur.

TAKAKA.

The mining industry in this part of my district has been retrogressive. All the mining leases taken up last year have been abandoned, and there have been no new discoveries.

At Anatoki Jackson and party are constructing a head-race to divert water from the Anatoki River to work a terrace which is reported to contain good gold.

There are three other parties working in the bed of the river, but only making poor wages. The general opinion appears to be that, if the river could be worked on a large scale, good gold would be got, but heretofore the place has only been worked on the bars. All the gold from the Anatoki is coarse and nuggety.

Payable gold is said to be got at "Kill Devil" by ground sluicing during the summer months. Thirty-five mining privileges were applied for during the year.

COLLINGWOOD.

Notwithstanding the large number of special claims and licensed holdings surrendered or cancelled during the past year, the mining outlook in this district is satisfactory, as the properties abandoned were mostly taken up in the first place for speculative purposes, and were in some cases a bar to legitimate mining.

The Parapara Hydraulic Sluicing and Mining Company have continued steadily at work during the year, and are said to have obtained fairly satisfactory results. The works are on a large scale, and employ a good number of hands.

The water-race which the Collingwood Goldfields (Limited) has had under construction for a considerable time past is now nearing completion, and the company are likely to commence sluicing on an extensive scale in three or four months' time. Meanwhile good prospects are said to have been obtained on the company's ground, and a large number of men are being employed.

On the Taitapu Company's property the Australasian Gold Trust have had several highly satisfactory crushings, and the prospects ahead are most encouraging. I understand that a number of men are prospecting on the Taitapu Company's own ground, and that further work is to be undertaken.

Quite a considerable number of applications have been made for mining privileges since the new Act came into force, and everything points to the coming year proving a brisk one for the mining industry in this sub-district.