

I append additional returns from the Collingwood sub-district, showing—(1.) The machine-site licenses, occupation licenses, and coal leases in existence on the 31st March, 1899. (2.) The gold-mining licenses in existence on the 31st March, 1899. (3.) Abstract of licensed holdings surrendered and cancelled during the year ended 31st March, 1899. (4.) Abstract of licenses for special claims surrendered and cancelled during the year ended 31st March, 1899.

I have, &c.,

The Under-Secretary for Mines, Wellington.

WILSON HEAPS, Warden.

No. 5.

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

SIR,—

The Warden's Office; Westport, 27th April, 1899.

I have the honour to forward herewith statistical returns for the Buller sub-district for the twelve months ended the 31st ultimo, and to submit the following report upon the gold-mining industry:—

LYELL AND MURCHISON.

In these localities more attention than usual has been paid during the year to dredging properties, with the result that, although a keen interest has always been taken in well-developed quartz-mines, but little attention has been given to the prospecting of undeveloped reefing properties. The good results from the dredges in Otago, and the important improvements which are daily being made in dredging plants, have gone to show that there are large areas of auriferous beaches and flats in the bed and along the banks of the Buller River which might be profitably worked by dredging, and a number of claims have been pegged out, extending from Longford to Berlin's, a distance of about forty miles. Dredging operations in the Buller in the past have not proved altogether successful, but the unsuitability of the dredges employed accounts for this. The results from the new Buller dredge, which is the most up-to-date plant on the West Coast, have proved that even the ground which was previously considered too poor and rough to deal with can now be treated with handsome profit.

In consequence of the success which has attended the Buller Company's operations, there is sure to be a number of other dredges started on the Buller River during the next few years.

Exchange Dredge (purchased by the Consolidated Dredging Company).—The workmen who purchased this property from the Cock Sparrow Company had met with fair success, and had paid off the purchase-money the sum of £1,000 almost entirely from gold won, but, being tempted by an offer of £2,000 for their property, gave an option to Mr. T. Hubert Lee, of Reefton, to purchase for that amount. Mr. Lee had no difficulty in floating a company to take over his option, and the shares were at a premium before the company was registered. The purchase-money has since been paid and the plant handed over to the purchasers, the Consolidated Dredging Company (Limited). It is the intention of the new company to lay up the dredge and make extensive alterations. The company has applied for a special claim of one mile of river-bed at Three-channel Flat, and, as it includes the ground that the old company was operating upon with good results, the work of the dredge, when the alterations are completed, should prove payable.

Ranfurly Special Claim.—This includes one mile of the Buller River at the old diggings near Berlin's. A certain amount of prospecting has been done on this claim, with highly payable results, as much as 9 gr. of gold to the load having been obtained from some of the paddocks. It is intended as soon as possible to float a company to erect a dredge to work this property.

The Premier and the Junction Special Claims.—These are situate near the Inangahua Junction, and the Dunedin Special Claim is situate at Flax-bush Fall, about six miles below Lyell. These claims each contain one mile of the river-bed, and have been taken up for dredging purposes, but so far very little work has been done on them.

The Buller Dredge.—This dredge is in active operation near Fern Flat, and is obtaining highly payable results. For the greater part of the year the company was employed in the erection of its new dredge, which was completed about the middle of September last, operations up to that time having been carried on with the old dredge. The new dredge is strongly built, and in order that the flats along the banks of the river may be worked it is fitted with elevators. The old dredge, which has latterly been laid up will be remodelled and started to work as soon as the necessary alterations can be made.

Four-river Plain Gold-dredging Company (Limited).—Efforts are now being made to float this company. The ground includes a special claim of 100 acres, and also 130 acres of freehold land, situate about three miles higher up the river than where the Buller dredge is working.

The Matakitaiki Dredge.—This dredge is working in the river of the same name, about half a mile above the traffic-bridge. Considerable delays have been experienced in making alterations and executing repairs, but the dredge is now working steadily and obtaining payable results. The plant is not up to date, and, the capital of the company being small, it does not permit of any extensive improvements being made. The results from the ground are therefore not so satisfactory as they would be if the claim were worked by a more modern dredge.

Quartz.

Quartz-mining operations have now been reduced to work in the one mine (the Alpine).

The United Italy Company, after driving a prospecting level for about 150 ft. without any favourable development, offered its property for sale by public auction. The claim and small five-head stamper battery and other plant were purchased for a very small sum by Mr. James Lowick,