

the results were not all that could be desired. He has a claim at the upper part of this flat, but it has been idle for some little time through the supply of water failing. He has become the proprietor of Excell and Coulson's ground, and is working it; good results are expected. Work on Mr. Ewing's well-known Kildare Hill claim has not been continuous, but he has been enabled to work a considerable area of shallower ground adjoining, and I understand it has proved quite satisfactory.

Messrs. Fordham and Gay are understood to have had a prosperous year, their water-supply having been good.

At Black's, Matakani, and Ida Valley, whilst little or no alteration can be noted in the old workings, there has been considerable activity shown with regard to dredging ventures, but the majority of the companies have not got beyond almost the initial stages of flotation. A very considerable period must of necessity elapse before it can be definitely known whether they will be successful.

The Ophir dredge, working on the River Manuherikia and the flats in the immediate vicinity of Ophir, has, I regret to say, been compelled to cease operations, the ground not proving payable. The company has been enabled to dispose of their dredge to a Southland company at, I believe, a satisfactory figure.

The Klondike Company at Matakani have quite recently been enabled to start work; it would be premature, at this time, to say if it is likely to turn out remuneratively.

The Blue Duck Company, at Drybread, are pushing on the work in connection with their dredge, their pontoons being completed. The owners of adjoining claim, the Grey Duck, are having plans prepared for their dredge.

I believe another attempt will probably be made in the near future to work the deep lead at Black's No. 3, which is known to be very rich, but most difficult to work, in consequence of the constant inflow of drift and water.

There are still a few men working about German Hill, but I fear their earnings from mining have been very small.

A few of the very old men in various parts of the district have been compelled to take advantage of the beneficent provisions of the Old-age Pensions Act.

At Hamilton's, mining is not in a promising condition at all, and at present I see but very little chance of any improvement taking place; the number of miners left there is now quite inconsiderable.

At Patearoa and the Taieri River, upwards to the Serpentine, there has been some little stir *re* dredging, and it is quite within the probabilities that the ground may turn out fairly payable for that class of work. I have been asked by petition to alter the sittings of the Courts from Hamilton's to Patearoa, a course I have recommended to be adopted.

At Hyde, mining has not shown any improvement during the past year—the old workings are no longer offering inducements to continue them. Consequently, miners have been gradually leaving or directing their attention to other pursuits.

On that portion of the Taieri River lying between Hyde and Middlesmarch there has been a certain amount of prospecting carried out for dredging. One dredge is now approaching completion, and there are several companies formed to carry out further operations in that locality if the dredge alluded to should prove successful.

At Kyeburn there has also been some disappointment in regard to dredging. More than one of the companies have ceased operations. Fortunately, purchasers have appeared for the dredges, and they have been removed elsewhere. Other companies are coming to the front, building new dredges of large capacities. The Naumai Company have their pontoons finished and afloat, waiting their machinery. Their water-race is completed, and it is expected they will be enabled to commence work about two months hence. The old-established miners have been working with fair results, no noticeable alterations taking place.

At Macrae's and that locality, alluvial mining has been quiet. The only instance of special success has again fallen to Chinese miners working at Horse Flat, where a party of them has been reported to have returned to China with £1,000 each.

The Messrs. Donaldson are reported to have enjoyed a very successful season in their Golden Point Claim. Their scheelite workings are stated to have been highly remunerative, and show indications of a continuance.

Mills and party are also reported to have had a good year with their small plant on a reef previously worked for a return up to 7 dwt. per ton. Mills is credited with obtaining a large quantity of gold for the year and every prospect for a continuance for some years to come. Their success is well merited.

The One Ounce Reef party have not yet got fairly to work. They are stated to have about 300 tons of stone ready for treatment, and it is expected to give a return up to an ounce per ton.

A reef has been taken up by a party near Mareburn. They have machinery on the ground and expect very good returns, judging from present appearances. An area of ground has been granted near the Mareburn, where promising indications of a considerable body of scheelite have been discovered.

At Mount Highlay work has been systematically carried out, with fairly favourable return.

The Bonanza Mine has been still further developed, although crushing has been somewhat retarded by failure of the water-supply.

Nenthorn is pretty well deserted, the mining population having nearly all left.

Shag Valley has attracted a number of people for dredging, and with apparently a much better prospect of success than has been attained in many other portions of this district. Dividends have been paid by at least one of the companies, and other dredges are being constructed.

The agricultural and small pastoral settlers have enjoyed a very good year, and are on the whole, I think, in very prosperous positions. The further opening-up of the land and progress made in the railway-works are each contributing to the advancement of the district.

The revenue has kept up fairly well.