

HYDRAULIC SLUICING.

Generally speaking, a good deal of developing-work has been done and some encouraging practical results obtained since last report, which will be noticed under the head of localities where it has taken place, the principal of which is—

COLLINGWOOD.

Twelve special claims and five extended claims were registered, comprising 628 acres 3 roods 37 perches. The surrenders during the year aggregated 216 acres and 10 perches. The returns from the Golden Blocks Mine at Taitapu have continued satisfactory month after month, the yield averaging over 200 oz., so that over 8,000 oz. must have been produced since crushing commenced in November, 1898, being considerably over 1 oz. to the ton of ore crushed. The gold is valued at £4 an ounce. Over 7,000 ft. of driving has been done up to date.

Taitapu Gold Estates (Limited).—At their Ant-hill Mine up to the beginning of May last 616½ tons of ore was crushed, with results which would have been extremely satisfactory had not the cost of conveyance of the ore to the battery been so heavy as it was with the means at command. On account of this operations since May have been confined to opening up the reef, with the result that a large amount of payable stone has been proved, and it is now intended to resume crushing as soon as improved means of ore-transport are devised and adopted. During the first half of the year a party under an expert foreman were boring in the alluvial deposit at the mouth and some way up the various rivers on the estate, with the result that encouraging prospects were obtained in the bed of the Anatori River and on the flat at the edge of the Otuhi Lake, but these have not been sufficiently good to warrant the company in starting dredging operations. Just before the Christmas holidays a pack-horse load of prospects from a lode situated on a branch of the Anatori River was brought into the battery, and on treatment yielded 2½ oz. to the ton. There is now a party of men driving a short tunnel, but they have not yet cut the lode. An average of twenty-two men has been employed during the year, whose wages have been: For first-class miners, 9s. per day; others and surface-men, 8s. 6d. About 1,100 ft. has been driven during the year in prospecting tunnels, winzes, and uprisings in the Ant-hill Mine.

Collingwood Goldfields (Limited).—This company is still employing considerable labour, but I am not in possession of any particulars from the works.

Parapara Hydraulic Sluicing and Mining Company (Limited).—I understand that the returns from the operations of this company have not come up to expectations, and that for a time work was suspended pending consulting shareholders. The rate of wages paid by the company came under the review of the Conciliation Board, and their award was confirmed by the Arbitration Court. This doubtless has had some influence on the plans of the directors, who have expended great energy and capital in the development of their various properties, for which they are now applying for extended protection pending reconstruction and decision as to future plans. The company has always found the ground extremely difficult to work, consequent on the wash being found in patches only, and having to contend with dangerous slips. It has until recently employed continuously twenty men, and often more, and has provided constant work. Meanwhile work has been resumed, but on a smaller scale for the present, and ground which was being worked has had to be abandoned, as well as all the plans for opening there, and a new face on entirely other ground has had to be opened with a view to prospecting thoroughly.

Slate River Hydraulic Sluicing Company (Limited).—This company has been forming a dam on a large scale. An action brought against the company by the original contractor went against the company, and operations were suspended for a short time. Operations have now been resumed, and sufficient work has, I understand, been done to enable sluicing to commence, and I hear results have been encouraging. The material and machinery for two dredges have arrived, and the work of erection commenced. In a short time dredging operations will be commenced, both on the Aorere and Kaituna Rivers.

Coal.

Three coal-mining leases of a total area of about 700 acres have been registered. Of the older coal-mining leases, three are paying royalties, and when the wharf and tramway are completed at Puponga the output will be more satisfactory, as there is plenty of coal of good quality in view there. Prospecting by steam-boring has also been done at Puponga with some success; but I should like to be able to report more definitely as to the output and the immediate prospects of getting a steady supply of coal to market from this part of the district. At Pakawau I hear that an outcrop of superior coal has been discovered, and application is in for a lease of 500 acres contiguous to what is known as Caldwell's. An influential syndicate has been formed to develop it if granted.

TAKAKA.

During the year nineteen applications for mining privileges were made—sixteen granted, two withdrawn, and one refused.

The only part of the district where there is much activity in mining is at the Bubu. The Takaka Sluicing Company (Limited) have bought up Mr. Whelham's freehold property, and have brought in a race, capable of carrying twenty heads of water, from the right-hand branch of the Bubu River at a cost of £2,500, and have started sluicing on two faces. They have only had one cleaning-up, but, from what I can learn, the shareholders are satisfied with their prospects. If the company continue to get payable results from their properties at the Bubu, I am informed that they intend bringing in fifty heads additional from the Anatoki River at a cost of £20,000. This race has been surveyed and granted, and when complete will command all the terraces between the Bubu and the Anatoki, and so open up a quantity of new ground known to be auriferous. The only other claim at the Bubu is under protection.

At the Anatoki what has been known as Jackson's Claim has been idle on account of the death of the owner, and is, I understand, for sale. At Sheepy Flat, Baird and Co. are still bringing