

LYELL AND MURCHISON.

In this district, though a large amount of work has been done in the dredging industry on the various claims, and though in many instances the returns obtained have not been equal to expectations, the results, on the whole, can be said to be fairly satisfactory. In some cases the unsuitability of the dredges employed fully accounts for failure to give payable returns. During the year 134 applications for ordinary mining privileges and fifty-one applications for special claims were received at the Lyell Court, which includes the whole for both Lyell and Murchison districts.

Four-river Plain Gold-dredging Company.—This company's claim is situated on the Upper Buller, near the mouth of the Matakita River. After working a few months with extremely disappointing results the company went into liquidation, and the dredge has now been sold.

Buller Dredges (Limited).—This company's claim is also on the Upper Buller, above Fern Flat. The dredge has been working for about three years, and for a time gave highly payable results, but on getting further up the river the ground became very poor, and the company ceased operations early in the year, and have now sold the dredge.

Fern Flat Gold-dredging Company.—This company has recently been formed to work a claim on the Buller River at Fern Flat. The company has bought the dredge belonging to the Buller Dredges Company, and intends carrying out extensive alterations to the machinery. The dredge should be working in a few weeks.

Mokoia Gold-dredging Company.—This company's ground is situated on the Buller River, about seven miles below Lyell. During the year the dredge has been working steadily, and has given payable returns.

Buller Junction Gold-dredging Company.—This company's claim is situated near the Inangahua Junction, and about two miles below the Mokoia Company's ground. This dredge has been a success from the start, and, working splendidly all the year, has paid handsomely.

Welcome Gold-dredging Company and Premier Gold-dredging Company.—Both of these claims are situated just below Inangahua Junction. Both dredges have just started work, and are said to be on payable ground, but no returns are yet available.

Rocklands Beach Gold-dredging Company.—This dredge is working near Rocklands, about six miles below Inangahua Junction. During the year the dredge has worked badly, and has lost much time from various causes. The returns obtained have been unsatisfactory.

El Dorado Gold-dredging Company.—This company's ground is immediately below that of the Rocklands Beach Company. The pontoons are completed, but no machinery is yet to hand.

Old Diggings Gold-dredging Company.—This ground adjoins the El Dorado Company, and is situated at the Old Diggings, near Berlin's. The company purchased a very old dredge, with the result that it has met with a series of breakdowns from the day that it started to work. The ground is reported to be good.

Feddersen Gold-dredging Company.—This company has two special claims on the Buller River, about three miles below Lyell. A start has been made with the building of the pontoons.

Kohikohi Gold-dredging Company.—This company's claim is situated on the Matakita River, near Murchison. The dredge commenced work a few weeks ago, and has obtained very profitable returns, but has lost a good deal of time through breakages.

Amikitea Gold-dredging Company.—This company's ground adjoins that of the Kohikohi Company. The company have purchased the Four-river Plain Company's dredge, and expect to commence operations in a few months. The ground has been prospected, and reported to be very good.

It may be noticed that out of the eleven dredging claims not in liquidation or abandoned only two are nearer Murchison than Lyell, and these are registered in three offices situate in Wellington, managed by a directorate there.

Quartz-mining.

Very little has been done in quartz-reefing during the year, the Alpine Extended Company's mine at Lyell being the only mine in active operation. About fifteen men are employed by the company, and lately a payable body of stone has been obtained in the No. 11 level.

Alluvial.

There has not been much interest taken in alluvial mining during the past year. In the Maruia and Upper Matakita districts a few individual miners manage to get a fair living. On the Buller but very little gold is now obtainable, and only a few Chinese are able to obtain a bare existence. At Newton Flat, twelve miles from Lyell and thirty-three miles from Murchison, the Neville and Perkins Hydraulic Sluicing Company have recently brought in fifty heads of water from the Newton River with which to work a large flat there, but the company has not yet commenced operations. At Lyell a project is on foot to bring in sixty heads of water from New Creek with which to work some flats and high terraces on the north bank of the Buller River, five miles below Lyell. The necessary water-rights have been secured, and a Wellington syndicate has the matter in hand.

ADDISON'S.

Addison's Long Tunnel Company.—This company has employed five men continuously during the past year. A great deal of prospecting has been done on the outside lead, which becomes poorer towards its northern end. The company is now working north of the rig on the main lead, with fair returns. A tunnel is also being driven 1,500 ft. southward to secure sufficient fall to work the southern portion of the claim.

Golden Sand Claim.—A considerable amount has been spent in repairs and improvements. A new tunnel 200 ft. long has been driven on the water-race and secured; other portions of the race have been cleaned and newly timbered in places. The dam has also been strengthened