

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

SIR,—

Warden's Office, Lawrence, 28th February, 1902.

I have the honour to forward you herewith statistical returns for the year ended the 31st December, 1901, and submit the following report on the several mining districts under my charge for the same period:—

BLUE SPUR.

The Blue Spur and Gabriel's Gully Consolidated Gold Company (Limited) has been subject to frequent stoppages during the last winter and spring, owing to the numerous heavy falls of snow, the first one taking place on the 22nd April, 1901, and the last on the 17th December of the same year. The yield of gold for the period mentioned was 1,400 oz., valued at £5,460.

Messrs. Kitto and party and Mills and Browne are still working in the vicinity of Munro's Gully, with fair returns.

WETHERSTONE'S.

Messrs. Smyth, Adams, and Doulan are still working on Wetherstone's Flat by means of hydraulic elevating and dredging. Being a private company, the returns are not made public, but are said to be very satisfactory.

Golden Crescent Sluicing Company (Limited).—This is the adjoining claim, and is doing very well, having paid 4s. 6d. in dividends for the half-year ending the 31st December, 1901.

Happy Valley Dredging Company (Limited).—This dredge has started to work since my last report on the freehold formerly belonging to Messrs. Pope and others on Wetherstone's Flat, and has been getting from 15 oz. to 20 oz. per week for some months.

TUAPEKA FLAT.

The following four dredges — viz., the Gabriel's Gully, the Tuapeka, the Reliance, and the Lawrence — have been working steadily throughout the year on the Tuapeka River, yielding fair average returns. The Reliance Dredging Company perhaps deserves special mention. The dredge started work since the last report, the company paid off a debt of many hundred pounds out of gold won, and up to date 2s. in dividends has been paid.

The Evans Flat Dredging Company worked out the whole of its claim at Evans Flat, and has shifted the dredge on to a new claim situate on the Tuapeka River, about ten miles below the Lawrence Township. The dredge is now being rebuilt, and should commence work in about six weeks' time.

DREDGES ON THE CLUTHA RIVER.

Since the last report several up-to-date dredges have been completed to work claims on the Clutha below the Beaumont, but owing to the unusual high state of the river during the last nine months the dredges have not been able to work to advantage for any length of time. Then, again, between the Beaumont and Miller's Flat several new dredges are being built, and should be at work during the coming winter.

WAITAHUNA.

There is nothing new to report in this locality. Four dredges are working, but as they are all privately owned the returns are not made public.

At Waitahuna Gully Messrs. Thomson and party and the Sailor's Gully Gold-mining Company (Limited) are still working their hydraulic-sluicing claims, with fair returns.

WAIPORI.

This locality maintains its prosperity. I do not think it possible to point to a single failure in any claim that has been taken up for dredging purposes. About a dozen dredges are now at work, giving employment to eighty or ninety men. Those owned by public companies are all yielding good returns, and those owned privately are also said to be doing very well.

The old Jutland Flat dredge has been sold during the year to a new company called "The Jutland Hydraulic Dredging Company." A new dredge of very large dimensions is being built; it is to have 4 ft. buckets, and be worked by water-power, known as "O'Brien's Patent Hydraulic System," which means a great saving in the cost of working. Under O'Brien's patent the cost of working a dredge per week is from 6 oz. to 7 oz., in place of 12 oz. to 14 oz. per week by steam, coal being a very costly item at Waipori.

O.P.Q. Gold-mines.—This reefing claim is owned by a London syndicate, and they have spent an enormous amount of money in developing the mine and procuring very costly machinery, and in doing so just about exhausted all the available capital; but, of course, they expected the returns from the mine would be sufficient to carry on, as the claim was in proper working-order and yielding good returns, with about seventy hands employed; but unfortunately very severe winter weather set in, with heavy falls of snow, said to be the severest winter in the locality for the last twenty-four years, and it continued for several months, entirely stopping all work at the mine, and all hands, except the manager and a few others to look after the machinery, were thrown out of employment. As good yields of gold were obtained while the mine was being worked, it is to be hoped that satisfactory financial arrangements will be made for carrying the work on again.

The principal hydraulic claims in this district are worked by Messrs. W. J. Farrell, Gare and party, Caudwell and Knight, Claffey and party, and the Bakery Flat Sluicing Company (Limited).

GORE.

Since the last report, in April last, several new dredges have commenced working, and only one—the Premier at Waikaka—ceased operations. The returns obtained from the dredges at Waikaka, Charlton, and Waimumu for the nine months ended the 31st December, 1901, have been very satisfactory, and the outlook in every respect appears bright; but I might mention that at