

the only mine in the colony that dresses scheelite for the market. The scheelite is found mixed with the quartz, sometimes pure enough to be shipped after hand-picking; but the bulk is got from the concentrating-tables after the gold has been taken from the quartz with the ordinary battery treatment. The owners lately purchased the Incholme dredge at Shag Valley, which they dismantled, and brought the engine and boiler to the battery, to take the place of the 15-horse-power oil-engine they used when short of water. Considerably over £1,000 has lately been spent on improvements at the battery and mine, and it is to be hoped that the enterprising owners will be amply rewarded by future good results from the mine.

Gold to the value of £60,286 5s. 10d. has been purchased by the banks in the district during year, being an increase of £12,264 10s. 4d. over the amount purchased for the year ended 31st December, 1901.

Statements showing total revenue under the various heads are also forwarded.

Courts at the appointed places have been regularly held during the year.

I have, &c.,

The Under-Secretary, Mines Department, Wellington.

J. McENNIS, Warden.

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

SIR,—

Warden's Office, Lawrence, 28th March, 1903.

I have the honour to forward to you herewith the statistical returns for the year ended the 31st December, 1902, and to submit the following report on the several mining districts under my charge for the same period:—

#### WETHERSTONE'S, BLUE SPUR, AND TUAPEKA FLAT.

At Wetherstone's the Golden Crescent Sluicing Company, the Local Industry Gold-mining Company, and Messrs. Smyth, Adams, and Donlan have been working throughout the year, with fairly good results.

At the Blue Spur things are not so bright, a slip having occurred in the Consolidated Company's claim, causing part of the mine to be flooded, and considerable loss of time must take place and expense be incurred before the mine can be put into proper working-order again.

Messrs. Kitto and party are now working the cement portion of their claim in Munro's Gully, but with what result I have not ascertained.

At the Tuapeka Flat three dredges have been working, and the returns have been fairly satisfactory.

#### CLUTHA RIVER AT THE BEAUMONT.

Three dredges are working in this vicinity, but the returns are small in each case.

The only other dredge working on the Clutha River below the Tallaburn Creek is the Otago No. 2, formerly the Golden Glen dredge, which, together with the claim, was bought by the Otago Dredging Company last spring, and has been yielding fairly satisfactory returns ever since.

#### WAIPORI.

No new ventures or claims have been started in this locality since my last report, but I am credibly informed that nearly all the dredging and sluicing claims have yielded good average returns throughout the most part of the year.

I regret to have to report that operations have not as yet been recommenced in the O.P.Q. Quartz-mine.

#### WAITAHUNA.

There is nothing new to report on in this locality. Five dredges are still at work, but as they are owned by private syndicates the returns are not made public.

#### TAPANUI.

Mining in this locality during the twelve months has been pretty well at a standstill. One dredge working on freehold property, and scarcely any other kind of mining has been carried on.

#### GORE (INCLUDING WAIMUMU, CHARLTON CREEK, AND WAIKAKA.)

I have to report that the mining industry in these localities appears to be in a prosperous condition, and there are no indications at present that it will go back in the near future, as was indicated some time ago.

It is certainly very difficult to ascertain how many of the dredges round about here are doing, on account of their being owned by private companies, which do not publish their returns, and decline to give any information respecting them; but the general belief is that they are paying well. As I have stated in my previous reports, dredging is the only method of mining pursued here, and it gives employment to about 230 men.

There are sixteen dredges at Waikaka, one on the Mataura River, five at Charlton Creek, and seven at Waimumu, making a total of twenty-nine, all of which are actually at work.

The revenue for the year amounted to £665 17s. 4d., but a good deal of the mining is being carried on on freehold property, and consequently produces no revenue.

#### WAIKAIKA.

Mining in this locality has maintained a fairly even tenor throughout the year. The dredges at work—viz., the Mystery Flat and the Muddy Creek—have yielded very consistent payable returns for some time past, and in consequence of these returns a lot of prospecting has been done, and