

Dredging Claims.

A1 Gold-dredging Company (Limited).—This dredge worked with varied success during the year, and is now working towards the lower end of the claim, which has proved to be the richest part. The dredge has treated a large quantity of wash, but whilst working to the upper part the bottom rose so rapidly that it had to be turned and worked downwards again. The depth of the ground in the lower part is 25 ft., and in the upper 12 ft. There is good reason to believe that good returns will be obtained from the whole of the ground the dredge is now on, which should take three years to work out.

Reeves's Proprietary Gold-dredging Company (Limited).—Since starting in 1901 the dredge has worked about 10 acres of the claim (which is a freehold, and not an ordinary lease) of 600 acres. The past year showed an increase of over £1,000 in returns, and if the directors are successful in putting on another dredge shortly the returns will be increased materially.

Boatman's Creek Gold-dredging Company (Limited).—This claim is situate on Boatman's Creek, and between the A1 and the Reeves's Proprietary dredging claims. No actual mining operations were conducted during the past year, but a dredge is being built on the ground. The pontoons are not yet floated, but the planking is nearly completed and the machinery in course of delivery. The dredge is expected to be at work some time in May, 1903.

LYELL AND MURCHISON.

For the year ended 31st December a fair amount of interest has been displayed in dredging, and on the whole the results obtained may be said to be satisfactory.

During the year five dredges have been working on the Buller River between Lyell and Westport, and with perhaps one exception, they have all obtained highly payable returns, one of them (the Buller Junction) having obtained as much as 234 oz. for a week's work. A very considerable amount of time has been lost during the year from various causes, the too frequent breakages and consequent stoppage for repairs occasioning a serious loss of time.

The Feddersen Company's dredge, near Lyell, commenced operations at Christmas, and is already on gold.

On the Upper Buller the Fern Flat Proprietary, (Limited) have been working for some months with the old Buller dredge, which has been thoroughly overhauled and repaired, but the returns obtained have been rather disappointing.

On the Matakitaiki there are two dredges working—viz., the Kohikohi and the Amikitea—but the returns obtained by both of these dredges have been very disappointing, being far below what was anticipated from the prospects obtained when the ground was taken up. In view of the poor returns from these two dredges a number of special claims and prospecting licenses have been surrendered. Nearer Murchison, however, Mr. George Walker, on behalf of a syndicate, has taken up a special claim of 68 acres, and has purchased a dredge to work the ground, which is said to be very good.

Alluvial.

Not much attention has been paid to sluicing during the past year. In the Murchison and Upper Matakitaiki districts a few miners manage to make a living, but the number of men depending solely on mining for a livelihood is becoming gradually less.

On the Buller the individual miner has almost entirely disappeared, only a few Chinese being left.

At Newton Flat the Neville and Perkins Hydraulic Sluicing Company (Limited) have spent a large amount of money in bringing the Newton River on to their property, but the results obtained did not warrant the very large outlay, and the company is now in course of reconstruction.

Quartz.

Quartz-mining has been rather dull during the year.

The Alpine Extended Company have about thirty men working in their mine at Lyell, and are at present engaged sinking the main shaft, and when this work is completed a fresh lease of life for this mine is confidently looked forward to, as the company have proved the existence of a body of rich stone in the lowest level—a winze having been sunk on the stone for over 70 ft.

The only other mine that is being worked is the Tyrconnell, where a party of four men are working a leader close to the Alpine Company's ground, and have been doing very well during the year.

*WESTPORT DISTRICT.**Addison's.*

This is still the chief gold-producing field in the Westport district. The yield is gradually diminishing, however, as the richer leads are worked out. Want of water and of fall for tailings hamper operations considerably, and prevent small parties of men with limited capital from taking up claims.

Venture Cement Claim.—This company has been crushing steadily since the holders secured an increased supply of water, and they are now able to work the full strength of their ten-head battery.

Willikin and Party.—Sluicing operations have been vigorously carried on by this party, but latterly the wash has become so hard that they have been compelled to put it through their crushing-battery.

Mouat and Party.—The surface-stripping of this claim became so heavy that the party had to change their mode of work and resort to driving. They are bringing out and crushing cement of fair average quality.