

LYELL AND MURCHISON.

The commencement of the year saw seven dredges working on the Buller River between Lyell and Westport, and one on the Upper Buller; but with the exception of about two, or perhaps three, the results were extremely disappointing. The Old Diggings dredge (formerly Cocksparrow) was purchased by a party of four workmen, and during the year has been working in the Buller at Berlins. No returns have been published but the results obtained are believed to be satisfactory. The returns from the Rocklands dredge—which is working a couple of miles above the old diggings—have been very poor, and the same remark applies to the Premier dredge, which is working about a mile below the Inangahua Junction. The Welcome dredge which has been working near the mouth of the Inangahua has also been on poor ground during the year. The Buller Junction dredge has done very well indeed, 1,434 oz. 6 dwt. of gold having been obtained, and a sum of £1,875 paid in dividends during the year. The Mokoia, which is working two miles further up, has also proved highly payable. The Feddersen dredge, which commenced operations in January, 1903, only worked for a few months when the company decided to close down as the dredge was not paying working-expenses. Since then the dredge has been left high and dry by a flood, and has remained stranded for nearly six months. On the upper Buller the only dredge at work at the beginning of the year was the Fern Flat Proprietary's, but the returns were so poor that the company closed down, and afterwards let the dredge on tribute to a party of workmen. These men also were compelled to cease operations owing to the pooriness of the ground. On the Matakita River two dredges have been working during the year—the Kohikohi and the Amikitia, but the returns from both of them have been a long way from payable, and the Amikitia Company have now closed down. The Bellevue Company are engaged building a dredge on their claim on the Matakita four miles from Murchison, and expect to get a start in about two months.

Alluvial.

Very little attention has been paid to sluicing. In the Murchison and Matakita districts a few individual miners just manage to make a living. On the Buller, alluvial mining is mostly confined to a few Chinamen. At Newton Flat the Newton River Hydraulic Sluicing Company (formerly the Neville and Perkins Company) are working on a large scale and during the last few months have been obtaining splendid returns. Four miles below Lyell the Lyell Hydraulic Sluicing Company of Wellington have applied for two 100-acre claims, and during the year have brought in ten heads of water from Pensinie's Creek, and have done a little sluicing; but so far the results obtained have been very poor.

Quartz.

During the early part of the year the Alpine Extended Company finished the sinking of the main shaft and commenced driving a new level (No. 12) in the hope of picking up the good stone which went underfoot in No. 11. So far nothing permanent has been obtained, although some small blocks of splendid stone have been passed through. At the Eight Mile—four miles beyond the Alpine—Kelly and party have been engaged working a rich leader on the old United Italy lease. The clean-up at Christmas gave the splendid return of a little over £9 per week per man for five months' work, clear of all expenses. At New Creek, near Lyell, an Auckland syndicate have had several men engaged in driving. The syndicate have an outcrop of very rich stone, but so far have been unable to pick it up in the drive, although small bodies of good stone have been met with.

About the usual amount of business was transacted in the Warden's Court at Lyell, the most noticeable feature being the number of suits entered—forty-eight. No doubt the greater part of these were friendly suits to keep titles good where the labour clauses were not being complied with.

WESTPORT DISTRICT.

Addison's.

Willikin and Party.—During the past year this party constructed a long tramway to the northern end of their claim, and repaired the battery, and have since been crushing cement of a payable nature.

McCann and Party have had some encouraging returns during the year with every prospect of continuance for a considerable time.

Hallagan and Party have not had a very successful year, the returns not being up to expectation.

Gould and Party have been sluicing steadily with fair results, and having now secured ample fall for their tailings, they should have a long term of remunerative work before them.

Neill and Party have put through a large quantity of fairly payable wash. They were put to heavy expense in constructing a new road to be used in place of a road crossing their claim which they intend to sluice away.

Carmody and Party's claim is one of the oldest and most prosperous at Addison's. Their new water balance and other improvements are finished, and they are putting through large quantities of payable dirt. The ground is heavy, stony, and deep, but having a splendid water-supply, they are able to deal with it in a satisfactory manner.

The Venture Cement-crushing Party have had a good year, the returns generally being fully up to a payable standard.

The Addison's Long Tunnel Gold-mining Company (Limited).—This company was sluicing on the Outside or Stony lead with unsatisfactory results. The shovel prospects were first-class, but the gold proving exceptionally light caused sluicing operations to be disappointing. The company's tail-race