Weatherstone.

The Golden Crescent and the Golden Rise sluicing claims are the principal claims in the locality. In common with other claims in this district, the three claims in this locality suffered through the long-continued drought. About fifteen men are employed on this field.

Tuapeka.

The Bluespur and Gabriel's Gully Consolidated Gold Company (Limited), Bluespur (J. Howard Jackson, general manager; J. Uren, mine-manager).—Operations have been conducted on the usual lines during the year, but progress has been considerably hampered owing to shortage of water-supply. The cement quarried by means of large blasts of roburite is broken up by hammer and gad, and sluiced away by water under pressure. So important is a certain large amount of water in breaking down and elevating the material, that any shortage causes a diminution in the amount of material treated. As the cement may be termed low-grade material, the question of maintaining the mine as a paying proposition depends entirely upon a certain amount of material being treated. The mine and its requirements are well understood by the management. Operations in the upper workings (No. 2 paddock) have now arrived at a point at which the difficulty of working the cement on the boundary has arisen. This has been a serious question, involving much litigation, ever since the inception of workings in this cement-deposit. It is hoped that a satisfactory solution of the difficulty will be arrived at between the two parties interested. The successful working of the deeper levels of the mine is now engaging attention, and this portion of the mine is expected to be profitable with an ample supply of water. The following statement forwarded by the general manager is of interest: "Average number of men employed, 26; quantity of cement treated, 131,656.75 cubic yards; gold won, 921 oz. 2 dwt. 6 gr.; cost, £3 16s. 5½d. per ounce, equal to 97.756 per cent. of value; amount paid in wages, £2,631 5s. 5d.; amount paid for explosives, £117 2s. 10d.; amount paid for upkeep of race, £638 6s. 2d. To illustrate the calamitous effect of the past two years' drought I append figures showing the quantity of water used at the mine for the last three years: 1905-06—Cubic feet of water, 613,370,000; hours sluicing, 7,653.5; hours pumping, 525: 1906-07—Cubic feet of water, 558,677,000; hours sluicing, 6,921.0; hours pumping, 524: 1907-08—Cubic feet of water, 441,313,500; hours sluicing, 5,155.5; hours pumping, 392. A diminished water-supply, owing entirely to the drought, between 1905-06 and 1907-08 of 172,556,500 cubic feet, or 2,498 sluicing-hours."

Kitto and Party's Claim, Munro's Gully.—This party continues to work the Bluespur cement from the Munro's Gully fall. The style of operations is the same as in the Bluespur Claim. Eight men

were employed in the claim, which is privately owned.

E. Browne and Party's Claim, Munro's Gully.—The bed of Munro's Gully is being worked by

hydraulic sluicing and elevating.

P. P. Thomas and Party's Sluicing Claim, Munro's Gully.—This party continues to sluice away terrace ground adjoining Munro's Gully. The heavy clay overburden is a great obstacle.

Lower Tuapeka River.

Tamaiti Gold-mining Company, Tuapeka River (E. J. Highlay, manager).—This plant continues to operate satisfactorily, but operations were hindered through scarcity of water for the turbine. Some good gold returns were obtained where work was first begun, but during the year operations have been carried on some distance from the power-site. Five men employed.

McKay and Party's Claim, Tuapeka Mouth.—This party secured McLeod's claim, and took up an area embracing the auriferous portion of the mining reserve, through which a deep lead runs. The intention is to install a plant in the Tuapeka River similar to that in successful operation on the Tamaiti

Claim.

Gore Syndicate Claim, Tuapeka River (John Claffey, manager).—This claim was let on tribute during the year. The heavy overburden of clay has proved an obstacle.

Waipori.

Bakery Flat Hydraulic Sluicing and Elevating Company, Upper Waipori (John T. Johnson, manager).—The past year's operations, which have been considerably hampered through shortage of water, have been conducted at the head of the lead. The object of the work undertaken here was to shift the bed of the river and provide a flood-wall, in order to enable future operations to be carried on without interruption from floods.

O'Brien and Party.—The proposed scheme to bring in a large body of water from the upper reaches of the Waipori River to work the Waipori Deep Lead is held in abeyance pending the ground being exhaustively tested by means of the Keystone boring-machine. The above party continued to operate

with their ordinary water-supply.

Knight Bros. Claim, Waipori Flat (H. Blackmore, manager).—The water rights were improved and diverted from Lammerlaw Flat to a claim on Main Waipori Flat. There is a large area of ground in the locality which should pay well for treatment by hydraulic sluicing and elevating, but which was too low grade for the dredge to work. Six men employed.

Dredging.—There were five dredges on the flat, but only four were in operation throughout the year. Towards the end of the year McNeil and party's dredge reached the boundary of the claim, and was closed down. This dredge was privately owned, and was a highly successful gold-producer.