

was nearly full a large quantity of material was turned over both by the ground-slucing on the cap of the terrace and at two paddocks on the flats that had been opened in October and November, 1909, where from 8 to 10 acres were elevated, and the yield from which varied from 3 gr. to 4 gr. to the yard from a depth of about 13 ft. On the high terrace about $3\frac{1}{2}$ acres was sluiced away by ground ditches, yielding about 2 gr. to the yard. During the month of August a heavy and continuous frost hindered the company's operations, and sensibly reduced the water-supply. A total amount of about 2,500 oz. have been won since the commencement of operations, about 1,800 oz. of which was won during the twelve months from the 31st October, 1909, to the 31st October, 1910. During the summer months a new race was cut, which should increase the water-supply by six or eight heads during the winter, and when frost holds up the water-supply from the higher watershed of the Dome Valley. The main race has been thoroughly overhauled, and the whole district has passed through a period of the greatest drought ever experienced in Southland, which still continues in April of this year (1911).

Round Hill Gold-mining Company (Limited): From the claims of this company there has been produced since registration bullion to the value of £136,125, of which £6,496 has been declared in dividends. For 1910 the return was £11,010, the dividends being £1,130. Hydraulic sluicing and elevating is the method of mining employed. By the use of two elevators an area of about 10 acres was removed during the year. The average depth of the ground sluiced from No. 2 paddock was 45 ft., and the elevators lifted to a height of from 65 ft. to 70 ft., the auriferous wash occurring in seams generally within 10 ft. of the diorite bottom. New claims, the property of this company, and situated upon the same stream, have been tested by boring, and are estimated to furnish from three to four years' work for the plant now operating upon paddocks Nos. 1 and 2, which will be removed therefrom after their exhaustion during the current year.

Ourawera Gold-mining Company (Limited) (Round Hill): This company, with a capital of only £3,000, have produced gold to the value of £43,455, of which £13,615 has been declared as dividends; the return for 1910 being £2,581, dividends £900. The year's operations were handicapped by inadequate water-supply. The area of the excavated paddock is now about 40 acres, with a face of from 60 ft. to 70 ft. Buried timber and large boulders occur frequently; these are removed by water-driven aerial stone-conveyor.

In addition to the foregoing the following are some of the other alluvial mining companies operating in the Southern Inspection District, which also were successful:—

Name of Company.	During 1910.	
	Value of Gold produced.	Dividends declared.
	£	£
Nokomai Hydraulic Sluicing	10,529	4,200
Roxburgh Amalgamated Mining and Sluicing	3,235	729
Ladysmith Gold	3,214	496
Deep Stream Gold-mining	1,413	562
Undaunted Gold-mining	2,127	375
Arrow River Gold-mining	1,078	401

V. MINERALS OTHER THAN GOLD.

With the exception of the kauri-gum industry and small but profitable operations on the tungsten fields of Otago and Southland, mining activity during 1910 for minerals other than gold and silver was unimportant.

TUNGSTEN.

In the tungsten or scheelite mining industry a more prosperous year has been experienced than during 1909, owing to better prices for tungstic trioxide concentrates. The production of 60 per cent. WO_3 concentrates amounted to 176 tons, but of this only 143 tons were exported during 1910. The value of such export was £15,070, being an increase of £10,807 on the value of that for 1909.

The chief producers were the Glenorchy Scheelite Syndicate (Lake Wakatipu), 90 tons 12 cwt.; and Messrs. W. and G. Donaldson (Macrae's, Otago), 77 tons, who are operating by opencast workings upon a lode formation 20 ft. in width.

The price obtained in the Hamburg market for 60 per cent. WO_3 averaged £1 11s. per unit, or £93 per ton (of 2,000 lb.), the price hardening as the year advanced.

CINNABAR.

The Ascot Cinnabar-mine at Mackaytown treated at their Novak furnace 70 tons of ore, for a yield of 1,200 lb. of mercury, worth £128. The results obtained during the year were somewhat disappointing.

In the Puhipuhi district two men did a little unsuccessful prospecting for cinnabar.