

Petroleum.—The mineral prospecting warrants formerly held by the Kotuku Oil and Gold Fields, Limited (In Liquidation), were transferred to Maoriland Oil Fields, Limited, towards the end of 1934. No drilling or oil production was carried out on the property during 1935, but 312 gallons of oil was collected from seepages.

Asbestos.—One hundredweight of hand “cobbled” fibre was obtained from an area situate at the headwaters of the Takaka River, Block I, Flora Survey District, Takaka County. The fibre was obtained in the form of samples only, and its value is stated at £1 10s. per hundredweight.

PROSPECTING.

In addition to the extensive boring on alluvial areas which has been carried out by mining companies, a considerable footage of shaft sinking and driving is recorded. The Government subsidy to parties of miners accelerated this branch of prospecting, and from subsequent mining a substantial amount of gold was won. Prospecting for lodes was carried on in widely distributed localities. Although no discoveries of outstanding importance were made, valuable work has been done in the shape of tracing lode channels in favourable country. The following up of these newly discovered features will inevitably lead to workable lodes being located in due time. Only a weak effort has been made to resuscitate the mines in the goldfield extending from the Lyell to Blackwater. Many of these now abandoned mines have splendid records, and in most cases faulting of the lodes and failure to locate them was the cause of the closing down of the older mines. High working costs and scarcity of labour from 1914 to 1930 rendered the working of anything but fairly high-grade ore prohibitive, and as profits were not forthcoming to carry out prospecting and development on a scale commensurate with the size of treatment plant employed, several mines, which were by no means exhausted, closed down.

ACCIDENTS.

Two accidents occurred during the year, one being fatal and one serious. N. G. Olsen was fatally injured by a fall from the old head gear at the Blackwater shaft which was being dismantled. A. Parry, while working in an alluvial claim at Bradshaws, near Westport, was caught in a fall from the face and had a leg fractured by a boulder.

GENERAL REMARKS.—MINING.

Gold won from alluvial mining shows a decrease of 4,807 oz., valued at £31,312, from that obtained from the same source last year. This is chiefly attributed to the decreased number of subsidized miners operating during the period. Dredging returns show an increase of 6,432 oz., valued at £50,529. This class of mining has steadily progressed during the period under review. Out of the eleven dredges operating in the West Coast Inspection District, six are regular dividend payers, and the others are giving returns which should shortly place them on the list of profitable producers. At the close of the period one dredge was almost completed and ready for operation, four more are being built, and several areas have been proved to be of a value that warrants their exploitation by modern dredges under the favourable conditions prevailing, and likely to continue for a lengthy period. Gold won from quartz-mines shows an increase of 7,438 oz., valued at £61,797, the chief contributor being the Blackwater Mine. Freedom from labour troubles and an increased monthly output were the chief factors which influenced the higher gold returns. An increased yield from quartz-mines can be expected during the coming year. At least two mines are nearing the completion of their extensive development operations.

The increase in gold won from all mining activities, amounting to 9,113 oz., valued at £81,014, over the 1934 production, is chiefly due to the increased dredging and lode mining activity. An even greater increase should, under normal circumstances, be shown in the figures for 1936.

PROSECUTIONS.

No charges were laid during the period for infringement of the Mining Act and regulations.

BORING.

During 1935 extensive boring operations were carried out in this district, there being no fewer than one hundred areas drilled.

A schedule showing the activities of each of the various companies and syndicates engaged in this work is set out hereunder:—

Burma-Malay Tin, Ltd.

(1) *Howard Junction Area*.—Eighteen holes were bored on O.P.L's. held by the Howard Junction Prospecting Syndicate and by L. W. Hodgson and A. Macdonald over Crown lands and river-flats. Parts of leasehold land of Messrs. Springer, Griffiths, Burt, and McCusker were included in the area which is situated in Blocks X and XI, Howard Survey District. The machine used 6 in. casing and a 7½ in. cutting-shoe, R. Pengelly and N. S. Bartlett being the company's drill superintendents.

(2) *Addisons Flat*.—A “McDougall” drill using 6 in. casing and a 7¾ in. shoe was used to bore twenty holes on an area held under O.P.L's. Nos. 9882, 9996, 9997, and 9998. A further eleven holes were put down with a 7½ in. shoe. Area, Crown lands. John A. Milne, drill superintendent.

(3) *Birchfield Area*.—A “McDougall” drill with 6 in. casing and a 7½ in. shoe was used to bore thirty holes on the freehold of Joseph Cowan, Block V, Ngakawau Survey District. R. Pengelly, drill superintendent.

(4) *Oparara Area*.—Six holes were put down with a “McDougall No. 2” drill using 6 in. casing and a 7½ in. shoe on O.P.L. No. 9827 held by E. Skilton over leasehold of G. G. Hawes. D. Chant, drill superintendent.

(5) *Blackwater Area*.—On O.P.L's. Nos. 8229 and 8230, held in the name of A. Perry, Blocks X and XII, Mawhera-iti Survey District, twenty-three holes were drilled with a “McDougall's No. 2” drill, and a further eighteen holes with a “Westland Alluvial Developments' No. 2” machine, both types using 6 in. casing and a 7½ in. shoe. The drill superintendents were R. Pengelly, G. A. Jupp, and E. Watts.

(6) *Granville Area*.—This area was drilled by A. Perry and Co. Ltd., and later the operations were taken over by the Burma-Malay Tin, Ltd. The field is situated round Granville, Half Ounce, and Duffers Creeks, in Block XIV, Mawhera-iti Survey District, and Blocks II and III, Ahaura Survey District. Prospecting licenses were held over the whole area, Nos. 8171–73 held by J. L. Gage being tested by A. Perry and Co. Ltd. by putting down thirty-four holes. R. Whaley, drill superintendent.

When Burma-Malay Tin, Limited, took over the operations, Messrs. John A. Milne and R. Pengelly were employed as drill superintendents, and the following machines were used: a “Westland Developments, Ltd. No. 1,” using 4 in. casing and a 5½ in. shoe; a “Brown's No. 4,” with 4½ in. casing and 5½ in. shoe; one each of “Brown's No. 3” and “Brown's No. 4,” both using 6 in. casing and a 7½ in. shoe; forty-six holes were drilled by this company on O.P.L's. Nos. 8389–91, held by McVicar and Gage.

(7) *Sunday Creek Area*.—An area held under O.P.L. No. 2369 by A. Perry, and situated in Block X, Waimea Survey District, and O.P.L's. Nos. 2360–61 by G. Honey in Block XI, Waimea Survey District, was tested by this company on behalf of Stannifer Tin, Ltd., a subsidiary company. Messrs. R. Pengelly and N. S. Bartlett, drill Superintendents, operating a “McDougall's No. 2” and a “McDougall's No. 3,” both using 6 in. casing and a 7½ in. shoe bored approximately eighty holes on this field.