

Block II. Block III., Teviot, contains about 1,400 acres, of which about 850 have been taken up, the balance being rather indifferent land. Block IV., Teviot: No land has been taken up. I presume the reason to be that it is rather hilly and broken, with a good many rocks distributed over it, making cultivation very difficult, even if the soil were good, and that is only medium. Block II., Hawea: No land has been applied for in this block, which is good land, but a little short of water. The only reason I can give for its not being applied for is its great distance from any market. Block V., Tiger Hill, contains 2,500 acres. Of this about 1,300 acres have been taken up. That the deferred payment system is in favour with the people, is evidenced by the fact that all the holders of agricultural leases under the Gold Fields Act who could do so, have applied to have their leases exchanged for leases under the Otago Waste Lands Act, whereby they get the advantage of the deferred payment. While on this subject, I would remark that much more land would be taken up if the limit were extended from 200 to 500 acres. This extension would be particularly advantageous in districts where the land is inferior, and I think it would be a good rule to regulate the classification of land, by fixing the limit of good land at 200 to 300 acres, and of inferior land so much more.

Independent of the settlement on the blocks, since the new Waste Lands Act came into force there has been a good deal of settlement in a scattered way throughout the district by miners and others, who had, with the consent of the runholders, squatted, and cultivated small patches where convenient to their works, or for other reasons. In some cases these persons have paid as high as £3 an acre to acquire the freehold. The runholders' consent was required by the Board in all these cases, and as a rule it has invariably been given. Some 200 acres have been taken up in this way.

I have, &c.,

W. LAURENCE SIMPSON,  
Warden.

The Under Secretary for Gold Fields, Wellington.

### No. 16.

Mr. Warden BEETHAM to the UNDER SECRETARY for GOLD FIELDS.

SIR,—

Warden's Office, Queenstown, 13th April, 1874.

I have the honor to forward to you my annual report upon the district in my charge.

The report, with returns attached, dates from the 1st April, 1873, to the 31st March, 1874.

I am unable to afford very full information as regards the Arrow division of the gold field, as I have only recently taken charge of it during the absence of Mr. Warden Stratford. In consequence of this I am unable to compare the yield of gold for the year ending 31st March, 1874, with that of the previous year.

The yield for the current year has been 28,455 oz. 13 dwts.

*Quartz Reefs.*—In the Queenstown division of the district there are at present discovered three distinct lines of reefs.

1st. The Phoenix, or the reef originally known as the Scandinavian. This reef is situated in the neighbourhood of Mount Auram, about ten miles above the junction of Skipper's Creek with the Shotover River. The battery consists of thirty heads of stampers, driven by a turbine wheel of 25 horse-power. The reef has been largely prospected, and a very extensive body of payable stone exposed. The operations are, I understand, remunerative. At a little distance above this claim, and situated on the slope of Mount Auram, is the reef known as Southberg's: it is worked by a battery of sixteen stamps, driven also by a turbine wheel. The quartz claim known as the Nugget is situated on the west bank of the Shotover River, a little above its junction with Skipper's Creek. It is worked by a battery of twelve stamps, driven by a turbine, the water supply for which is flumed across the Shotover River by means of iron pipes suspended by standards from wire ropes. The leases held by the Company are permeated by a complete network of payable reefs, several of which are fairly opened out, and are of great thickness.

The nature of the gold mining operations carried on in this field may be classed under three heads:—

1. Quartz mining.
2. Tunnelling and sluicing.
3. River-bed working.

Tunnelling claims are almost invariably held under lease, and are situated on terraces bordering the present river beds, the auriferous deposit being, in fact, the old bed of the creek or river, which now runs hundreds of feet below it. These terraces are worked by means of tunnels driven at a level which allows of their being used as drains or tail-races as well as tramways. The famous claim known as Grace and Egar's (now the Shotover Terrace Company) is of this character. Claims of this kind are held and worked in all portions of the district.

*River-bed Workings.*—These claims, many of them of great size, are held in the beds of creeks and rivers, and are very generally taken up in what is known as old or worked ground. The size of the claims, and the security of the tenure when held under lease, enables their owners to carry on operations of a magnitude and completeness which would be quite impossible under any other conditions, while the improved method of working results in the extraction of gold in payable quantities from ground which had been previously considered too poor to be remunerative. Some of these claims are worked by means of dredges. This method is not, however, frequently adopted, as the heavy floods to which the river Shotover is liable renders it extremely difficult to secure the punts. In smaller rivers and creeks the bed is usually worked by means of a temporary channel being cut for it. The largest works of this nature in this district are those of the New Channel Company, on the Shotover River. Here the river has been turned into a channel cut in the solid rock at a very great outlay, laying bare a considerable length of its old bed for the operations of the Company. On the whole, mining operations on this gold field during the past three years have assumed a permanency of character utterly wanting before the system of large holdings, under a secure tenure, prevailed.