

The Keep-it-Dark, which is one of the principal dividend-paying claims, has added, at a cost of about £2,000, rock-boring machinery to its plant. The company has sunk the shaft 150 feet deeper, and is now opening out for a lower level, thus thoroughly prospecting the ground, and placing the mine in such a position as to have the supply of stone well ahead of the battery.

The Energetic Company, after having exhausted the upper levels, has perseveringly expended a large amount of money in prospecting. Some time since the enterprise was rewarded by the striking of a large body of stone, which will be available for crushing as soon as the main road up Murray Creek, now under construction, shall be finished as far as the local mine.

The Wealth of Nations Claim, which at a former time employed a very large body of men, and contributed so largely to the gold production of the district, has not been very successful of late, but strong hopes are entertained of a revival.

The Golden Fleece Extended Company has purchased two air-compressors, two rock-drills, diamond drill, and air-winch. The rock-drills were introduced into this mine by the general manager, Mr. Trennery, and were the first of the kind brought into the field. They have more than answered expectations: at the first trial, before a number of men interested in mining, 3 feet 4 inches of a bore hole was put in in less than six minutes; under the ordinary method it would take two men about three hours to do the same amount of work. The diamond drill will shortly be at work in this mine. Other companies, recognizing the great advantages to be derived from the use of these machines, ordered them for their mines—viz., the Keep-it-Dark, Eureka, Welcome, and Boatman's Low-level Companies. No doubt before long the rock-drill will be in common use throughout the district.

The Lankey's Creek Cement Company has nearly completed the erection of a ten-head crushing plant, at a cost of £4,000. The machinery will shortly be out of hand, and crushing commenced. This belt of conglomerate runs for a considerable distance, and it is thought likely to be of some importance, as the labour of procuring the auriferous stuff is far less than obtaining it from a quartz lode. A few weeks will prove if the undertaking is remunerative.

The Inkermann Company has proved the lode in the mine to a depth of 200 feet. A main tunnel has been taken in, and men are now at work in connecting the tunnel with the shaft. Negotiations are pending for the erection of a battery of thirty head of stamps.

I will now proceed to discuss the northern portion of the district, extending from Reefton to Larry's Creek, a distance of about eighteen miles, and including Painkiller, Italian, Boatman's, and Larry's.

Very little progress has been made in the former of these subdivisions. The Gladstone Company has been prospecting, and obtained favourable indications.

In the Boatman's District a very large amount of work has been done in and upon the several mines, foremost amongst which is the Welcome Mine. The most important fact in connection with this mine is the opening up of a lower level by means of a shaft from No. 6 level. A chamber to contain the necessary machinery has been cut, and has cost £1,600. The chamber is without doubt a grand piece of work, and may be described as a masterpiece of mining engineering. The machinery to be placed in this chamber—viz., engine, winding gear and rock-drill—has been conveyed as far as Caplestone, and men will shortly be employed in erecting the plant, which will possibly be completed before Christmas. This company has also erected nine berdans, which will be used in the final treatment of the company's tailings. This mine is the largest gold contributor in the district, and has paid handsome dividends; shares consequently command a ready sale at high figures, £5 10s being freely offered now.

The Just-in-Time Company has, since my last report, sunk a shaft of 150 feet, and erected substantial winding machinery. Prospecting for what is known as the Western reef, from which such splendid results were obtained some years ago (about 6 oz. to the ton), is being carried on.

The Fiery Cross has now finished the drive from the 450-foot level. The reef, which carries a good show of gold, is being connected with the main shaft, with the view of establishing systematic working.

The Hopeful Claim, which some years ago declared such handsome dividends, has been reopened. The mine is situated to the south of the Welcome, and promises once more to come to the front, as good stone is being raised from the mine, and crushing will be commenced in a few days.

The Eureka Company, whose proposed operations I fully set out in my last report, has completed the erection of winding machinery and rock-borers, to be used in driving the incline tunnel. It is expected, even with the use of the rock-borer, that eighteen months will elapse before the reef is struck. The plucky shareholders will be well entitled to the reward which they are fully confident they will reap.

The Southern Cross has commanded a certain amount of attention, but so far the lode is very small.

The South Hopeful, and other ventures of smaller note, have temporarily suspended operations.

In Larry's Creek the Caledonian Extended has been carrying on systematic prospecting, with present indications of success.

I have, so far, touched upon a few of the leading mines and works. To give a full description, &c., of each would, I think, be unnecessary. A carefully-compiled table which I append will be found to contain much useful information. The yield of gold is a trifle less than last year: of alluvial gold the yield is 7,171 oz., of the value of £27,362 6s.; gold from mines, 19,194 oz.; value, £74,656 16s. 9d.; total value, £102,019 2s. 9d.