

and party had an eight horse-power engine, with a pulsometer, to keep the water down; but when the rain set in after the long drought the water rose so quickly that they had to procure heavier pumping-machinery, and have now got the claim in good working order. The prospect obtained was estimated to yield about 30oz. to the sets of 4ft. to 6ft. Cameron and party hold an extended claim of six acres adjoining Paddon's lease. They are constructing a deep tail-race to carry off the water and tailings, and intend working the ground by shaft and driving out below. On the lower flat Hunter Brothers have sunk a shaft 64ft., and driven several yards into the ground, when they met with foul air, and had to sink another shaft higher up, and drove through to No. 1 shaft. They have an eight horse-power engine and patent pump, capable of lifting 12,000 gallons per hour, erected on the claim. They have 5ft. wash-dirt, estimated to go 1oz. to the load. McKay and party have also an eight horse-power engine and pumping-gear on their lease, and have started to put down their shaft. The other parties are making similar preparations to open up their ground. There are about thirty or forty Chinese working up the gullies at Nokomai, making fair wages.

At Waikaka there are about thirty Chinese working on the mining reserve and low ground near the river; but the ground is so poor that they are barely able to earn a living. Some of the farmers complain of the damage done to their land by the running of tailings and sludge over it.

#### *Tapanui.*

The Heriot, Glenkenich, Tapanui, and Pomahaka have recently been added to the Otago Goldfields.

I have to report that about four months ago Spiller and party constructed a dredge on the Pomahaka River, and carried on work for three months, when they gave up, as the dredge was unsuitable and the ground did not pay. Gunner and party started in February with a new dredge; but it will take some time to prove whether their method of working will be sufficiently remunerative, but at present they appear satisfied with the results.

Several persons in Tapanui formed themselves into a prospecting association, and have two men employed prospecting the district near the foot of the ranges.

There are a few Europeans and Chinese mining along the banks of the Pomahaka, earning small wages as far as can be ascertained.

Tapanui being about the centre of the area recently added to the Otago Goldfields Mining District, it would be advisable that a Warden's Court and Receiver of Goldfields Revenue be appointed for the collection of revenue and the issuing of miners' rights, &c.

Gold has recently been found on the freehold land on the Waimumu River, about five miles from Mataura. The owners of the land are charging the miners 2s. 6d. to 5s. per week for the right to mine. Other parties are working along the banks of the Mataura River, and on private lands near the Waikaka Creek, between two and three miles from Gore. Some of these men are earning very good wages, and others small wages.

During the year thirty of the deferred-payment leases and licenses, with an area of 6,616 acres, have been capitalized; and the periods of seven pastoral licenses, with an area of 14,988 acres, have been extended. Occupiers have purchased fourteen deferred-payment leases, containing 2,838 acres; four exchange leases, of 340 acres; three capitalized deferred-payment leases, of 564 acres; and four suburban leases, of 15 acres, making a total of 3,757 acres.

Sittings of the Courts have been held fortnightly at Lawrence and Gore; and monthly at Milton, Balclutha, Tapanui, Waikaia, and Mataura; and every alternate month at Clinton and Kaitangata.

The yield of gold for the Tuapeka District is estimated at 15,000oz., and for the Waikaia District at 2,600oz.; which shows a decrease of 2,000oz. as compared with last year.

I attach herewith returns showing the number of miners' rights, license registrations, &c., issued during the year, the number of cases disposed of, and the revenue collected at the several Resident Magistrates' and Wardens' Courts, and the estimated population of the district.

I have, &c.,

The Under-Secretary of Mines, Wellington.

W. H. REVELL, Warden.

RETURN of Miners' Rights, Licenses, Registrations, &c., issued during the Year ending the 31st March, 1886.

	Tuapeka.	Waikaia.	Total.
Miners' rights ... ..	580	224	804
Business licenses, at £5 ... ..	3	4	7
" " £3 ... ..	...	1	1
Water-race licenses, at 5s. ... ..	12	4	16
" " 2s. 6d. ....	109	58	167
Registrations, at 10s. ... ..	5	...	5
" " 1s. ... ..	174	89	263
Applications for gold-mining leases ... ..	7	7	14
Gold-mining leases granted ... ..	7	5	12
Applications for agricultural leases ... ..	2	...	2
Agricultural leases granted ... ..	1	...	1
Mining applications ... ..	116	142	258