

said to be 5ft. or 6ft. wide, and auriferous from wall to wall. It is estimated that there is nearly three years' crushing in sight, the yield based on a low calculation at 1oz. per ton. The trial-crushings, however, show a much better result. I understand that steps are being taken to float it into a company, with every prospect of success.

*Macrae's*.—This place maintains a small European population, but seems to be a favourite locality for the Chinese. I do not hear of any new finds.

*Kyeburn*.—This field, though limited in extent, keeps up a steady yield of gold. I do not know any locality more likely for reefing, but, strange to say, no reef has yet been discovered. I cannot help thinking it is for want of intelligent prospecting.

*Blackstone Hill*.—A few parties of miners have done, and are doing, fairly well on the new discovery reported by me last year. A greater number might be employed but for the limited supply of water.

*St. Bathans*.—The new tailings-channel, to work the St. Bathans's Basin at a lower level, has made good progress during the year. The Government subsidy of £1,000 has been exhausted, and a great deal still remains to be done; but the most difficult part, that in which heavy beach-wash has to be dealt with, is nearly past. None of the ground already passed through has, until recently, carried gold, but those interested are now sanguine of obtaining enough to defray the cost of future operations. This channel has been five years under construction, and they say it will take about three years more to finish it. It has now cost, including the Government subsidy, nearly £5,000. During the year the main road—St. Bathans's to Clyde—has been shifted off the line of the channel and carried over by a substantial bridge, at a cost of about £300, the County Council paying half. Most of the holdings in the Basin are working to the lowest depth attainable until the new channel is completed. Of those that are working, only that of Mr. J. Ewing is said to be giving good results, and these are obtained by elevating. On the Muddy Creek water-shed the companies and individual miners, who have obtained a fall for their ground through the construction of the Muddy Creek channel, have, for the most part, been profitably employed. One company, the United M. and E., after being non-dividend paying for five years, has, during the past year, paid off nearly £2,000 indebtedness, and declared dividends amounting to £5 per share. The Scandinavian Race Company is expected to do equally well. Its prospects look so bright that, although it has paid no dividend for an equally long period with the United M. and E. Company, and is still considerably in debt, shares have, during the past year, risen from £10 to £21. The St. Bathans's Water-race Company, whose ground is situate contiguous to that of the Scandinavian Company, are said to be on better ground. This company has never paid a dividend, and has been unlucky during its existence of fourteen years. A number of private parties, purchasing water from the above-mentioned companies, are said to be doing fairly well since the completion of the channel. Those interested have not yet availed themselves of the land purchased in Block VII., Blackstone, by the Government for a main tail-race, which, I think, is due to all the available water for the time being profitably used elsewhere.

*Cambrian's and Vinegar Hill*.—There is nothing new in this part of the field. A considerable number of miners are still at work, but most obtain but poor returns, the only exception being a few of the claims on Vinegar Flat and Ewing's, at Vinegar Hill.

*Tinker's*.—At this place, the richest without doubt for hydraulic mining in New Zealand, the returns for the past year have not been so good. Two of the companies have been trying the granite wash, a great deposit of older gravel, resting at a high angle against the side of the mountain between it and the terrace and gully workings, from which gold has hitherto been obtained, as also forming what, in some of the workings, has been called "bottom." Gold was found in this deposit about four years ago by a miner named Fogarty, who obtained a lease of the ground. Special claims have been taken up on either side of Fogarty's lease by Symes and Company and the Mountain Race Company respectively. The former obtained 230oz. and the other over 400oz., the smaller yield only paying expenses, and the larger giving about £500 profit. Fogarty's lease has not been worked, but from tests applied is expected to give much better results. It has been purchased recently by Mr. John Ewing, of St. Bathans's, who is constructing a water-race from Thompson's Creek at an altitude which will give much better pressure than has yet been obtained at Tinker's. This will effect a great saving in labour. The Undaunted Company during the year obtained about 800oz. of gold, and Read and Huddleston's party 500oz., which yields gave profits of £1,600 and £1,100 respectively. The Matakanui Company are constructing a tail-race, and are just reaching the good run of gold which the Undaunted Company have been working for years past, and which has yielded as high as 3,000oz. per acre. The Matakanui Company are possessed of the best water-right in the Tinker's District, and have gone to great expense to bring it from Drybread, where they employed it for some eighteen years, to Tinker's; they hold a special claim of twenty-five acres at the latter place. Besides the companies enumerated a number of small parties and fossickers find profitable employment at Tinker's and Drybread, three miles away. Wages at Tinker's have this year been reduced to 8s. per day of nine hours. The companies employ a considerable number of men.

*Ophir or Black's*.—During the past year a company calling itself Green's Reef and Seam Workings Company has been floated to work the holding of a man named Green, who, some three years ago, found gold in an extensive seam of decomposed schist situate on a spur above and about a quarter of a mile from the township. This seam has, in places, been found to be very rich, and Green, with but poor appliances, obtained a considerable amount of gold. The company are procuring machinery and bringing water on to the ground, and they expect, within a few months, to begin getting gold. A large area on the spurs above Ophir and of the flat on which it stands has in former years been worked. Some of the ground was very rich, but on the spurs water in sufficient quantities could not be got, and on the flat there is no fall. All the ground worked in the latter was paddocked and box-sluiced. The gold was coarse, and only here and there would the ground pay under the system that had to be adopted. It has long been considered that if water at