

I submit for your information a short account of the work performed by the principle companies in the district.

BOATMAN'S.

Welcome United.—The Homeward Bound and Eureka Companies having amalgamated under this title and, having purchased the old Welcome Claim, &c., started work. The water which had accumulated in the old Welcome and Eureka workings during the time these companies were idle has been bailed out, and a connection made between the Welcome and Eureka by a tunnel 60ft. in length, thus securing good ventilation. Thousands of feet of old tunnels have been repaired. The company has driven 267ft. on the track of the reef from the bottom of the Eureka shaft, which is 250ft. deeper than No. 9 level of the old Welcome, where payable stone was last found. A cross-cut has also been driven a considerable distance to the west from the low level, but without finding anything. The old Welcome block of stone, from which gold worth £330,000 was obtained, had a good strike to the north and the present company expect to cut it in about another 100ft. of driving if it lives down.

DEVIL'S CREEK.

Globe.—Stone was driven on for about 165ft. in No. 5 level, and stoping-out between this and No. 4 level has been carried on. Payable stone between these two levels is now nearly exhausted, and one shift only has been employed for some little time past taking out stone. With a view to opening a new level, the main shaft has been sunk a further depth of 200ft. perpendicular. A winze was started on the reef from No. 5 level, and was taken down to a depth of 150ft. A tunnel is now being driven from the bottom of the shaft to intersect the line of reef. This tunnel has already been driven 300ft., leaving about 100ft. still to drive. No. 1 level has been extended 200ft. on the line of reef with the view of picking up a continuation of the reef. Stone about 2ft. 6in. in width has been found, but, so far, it is not payable. The character, however, of the country now entering is of a favourable nature. During the year 7,330 tons of quartz have been sent to the battery and crushed, yielding 2,539oz. of gold, valued at £10,156. Since the opening of the mine 67,363 tons of quartz have been crushed, yielding 32,949oz. of gold, of a value of £130,618, out of which £40,009 has been distributed in dividends.

Progress.—No. 5 level is now being opened up. The main shaft has been sunk from No. 4 level a perpendicular depth of 155ft. A winze has also been sunk on the reef a depth of 200ft.; this, with the underlay, will be the same depth as the bottom of the shaft. A chamber having been constructed at the bottom of the shaft, driving from it to the reef, which at the bottom of the winze is of large dimensions, has been commenced. As the reef sunk on was of large dimensions on No. 4 level, and of good quality, it is fair to assume No. 5 level will provide profitable employment for the company's battery for a lengthened period. Fifteen heads of stampers are at present in operation crushing stone from what is known as the Foot-wall Block, over No. 4 level, and as the reef will average about 9ft. in thickness, and is of a payable quality, it is confidently believed it will return dividends to the shareholders until such time as stone is available to keep the battery going from No. 5 level. The winding-power of the company's plant will be supplemented by a Tangye steel boiler of 25-horse power, which will be in position in the course of two or three weeks. With this addition the company's plant will be complete in every respect, and of efficient description. The amount of stone treated at the company's battery during the year was 8,400 tons, yielding 5,073oz. of gold, or on an average of 11½dwt. to the ton. The value of the gold obtained was £20,594 16s. 10d., out of which £4,800 was paid in dividends. The total output of the mine is as follows: 44,445 tons of quartz crushed; yield, 20,651oz. gold, valued at £82,652; dividends, £13,200.

BIG RIVER.

Big River.—During the past year the main shaft has been sunk 120ft. from No. 3 to No. 4 level, and, the chamber having been cut out, a cross-cut was driven 100ft. to intersect the winze which was put down from No. 3 level on a block of stone. This stone has been driven on 76ft., and has an average thickness of 6ft. Stoping has been carried on from this with the following result—viz., 2,660 tons crushed for 3,945oz. 10dwt. 18gr. of gold, which realised £15,889 2s. 10d., out of which dividends have been declared to the extent of £9,900, or 8s. 3d. per share. A winze has been sunk on this stone 84ft. from No. 4 level, and the stone continues about the same size and quality. A contract has been let to sink the shaft 120ft. for another level, and it is now down 64ft.; when it is completed it will be down 775ft. from the surface. There are other blocks of stone between Nos. 2 and 3 levels being worked and prospected on, so that the mine has a promising future. The total output, &c., of the mine is as follows: 7,301 tons of quartz crushed, which yielded 11,642oz. of gold, valued at £46,535 16s. 11d., out of which the sum of £23,700 has been distributed in dividends.

MERRIJIGS.

Merrijigs.—The low-level tunnel, started in June last, has been driven 550ft. The distance from starting-point to the perpendicular of the lode is 1,230ft., but, should the underlay continue to the west, some distance further will have to be driven before reaching the lode. The nature of the ground, so far as the tunnel has been driven, is hard, solid rock, with alternate layers of slate and sandstone, having a regular and well-defined underlay. The tunnel is being driven at right-angles across the strata of the country. Should the two runs of stone worked in the upper level come together, as is anticipated, in the low level, and form into a permanent and payable lode, it will give an impetus to mining in this locality, and the company is certainly deserving of success for the enterprise displayed. Work is still being carried on in the upper level, but towards the surface the leaders are more scattered, and not profitable to work. A great drawback to prospecting is the great quantity of water which the ground contains, rendering it quite impossible to sink winzes; when, however, the low-level tunnel is in it will drain the ground and make it possible for this and other companies on the same hill to thoroughly prospect their claims.