

During the last year the tributers have been lifting the wash-drift by hand as deep as the ground is drained, and they hope to be able to continue to do this for another year. The balance-sheet for the year shows that the total receipts for tributes were £1,167 19s., and £76 6s. 6d. for sales of water, making a total of £1,244 5s. 6d., while the working expenses, management, and office expenses amounted to £1,283 6s. 9d., thus showing a loss on the year's transactions of £39 1s. 3d.

At Redman's there are still a few parties at work. Chamberlain Brothers are constructing a prospecting tunnel to drain the Kohinoor ground from the face of the terrace. This tunnel was not completed at the time of my visit.

The same formation as that found at Ross and Mount Greenland extends beyond the Mikonui River and crosses that river opposite Redman's, and follows a line or belt of country to the Waitaha Bluffs. Mr. John McLeod, who accompanied me, showed me where he had been prospecting the upper drifts on the "Old man bottom" formation, where there is likely to be equally as good ground found for hydraulic-sluing as in the Mont d'Or Company's claim at Ross, if water can be got on to the ground, and from the appearance of the topographical features of the country it would not be a costly undertaking to construct a water-race from some of the large creeks in this neighbourhood. Good sluicing-ground is likely to be yet found further to the southward.

Prospecting operations have been carried on last year near Lake Iolanthe, where it is said that some very good sluicing-ground has been opened out, and the owner is trying to make arrangements to float a company, so as to get sufficient capital to bring in a good supply of water to work it.

OTAGO DISTRICT.

Maerewhenua.

There is a large extent of auriferous ground in the Maerewhenua district, but very little of it would pay for the expense of working by sinking and driving. It is a field specially adapted for hydraulic sluicing; but the quantity of water that is on this field is very limited, and the further supply that can be obtained at anything like a moderate cost is very small. A great deal of the ground is over 1,200ft. above sea-level, and the auriferous drifts in some places reach to nearly the top of the mountain range, over 3,000ft. above sea-level, so that the difficulty in getting a large water-supply to command the ground at a high elevation is considerable. No doubt if the whole of the water in the Maerewhenua River and its tributaries was conserved it would give a fair supply; but this could not be easily done, as the river channel is of too gorgy a nature for large reservoirs to be constructed.

There are at present water-races commanding portions of the East Maerewhenua field capable of conveying about twenty-two sluice-heads of water; but from what could be learned, the average quantity of water available for nine months of the year is only from ten to eleven sluice-heads, and on the West Maerewhenua about eleven and a half heads, so that the population on the field is limited by the quantity of water available for working the ground. As far as could be ascertained, there are about thirty-three miners working on the East Maerewhenua and about forty men on the West Maerewhenua.

On the East Maerewhenua the most of the shallow ground that is known to be payable for working is exhausted, and, although there is every indication of the auriferous layers being equally as rich in the deep ground, in consequence of the large quantity of top stuff there is to remove before the auriferous layer is reached, with the small supply of water available, very little of the deep ground can be profitably worked. There is also a large extent of freehold land alongside the Awamoko Creek where a considerable quantity of the ground could be worked from; but the extent of auriferous ground there is to work in this locality would hardly justify the amount of compensation that would have to be given the owners of this land to allow tailings and muddy water to be sent down the creek.

On the West Maerewhenua there is a much larger field for sluicing operations, and the river and the tributaries being proclaimed water-courses into which tailings and *débris* from mining claims can be deposited, allows mining to be carried on without any restrictions. The ground also in this locality contains more gold than on the east side, or, at least, this appears evident from the rates at which water for sluicing is disposed of. On the east side of the river the price of water is £1 10s. per sluice-head per week of eight hours per day, while on the west side of the river the price for the same period is £2 10s. per sluice-head. Many of the miners have small dams, wherever they can be constructed on the terrace, in which they store the water; but there are not many sites where a large reservoir could be constructed for storage purposes.

In some places on this field gold is found in the more recent drifts, but in general the workings are principally in the older drifts, the overlying material being of a cemented sandy character, which requires a considerable head of water on the hydraulic nozzle to break it up. On one of the claims, belonging to Messrs. Adams and Campbell, the ground is very hard to break up, and, strange to say, although they could get about 400ft. of head on their nozzle, which would be sufficient to break up the ground, they are allowing the water to flow down the side of the range in an open channel, and only using a slight head, having men breaking up the ground with picks before allowing it to get into the tail-race. It is the same on this field as elsewhere—a difficult matter to introduce any improvement in working ground. The miners that have claims on this field are old residents, who adhere to the old system, and as long as the ground will pay them for working it by this method very little change in the system can be expected. It will only be when the ground becomes non-payable for working that new methods will be adopted to get larger quantities of ground washed away with less manual labour.

The Mountain Hut Company is bringing in a water-race from a branch of the Maerewhenua River. When constructed it will be taken on to the ground at a higher level than any of the