

claim the low-level tunnel has been picked up and retimbered for 1,000 ft., and that tunnel is now being extended. Sinking has been resumed in the new Inkerman shaft, and a tunnel is now being driven from the Rainy Creek side to connect with the bottom of this shaft. This tunnel will be about 4,000 ft. in length, to expediate the driving of which rock-drills are being used. The company is driving for the Supreme reef, and the tunnel is now in 380 ft. Seventy men are employed by the company.

#### GENERAL.

The very highest credit is due to the efficient staff of the Consolidated Goldfields of New Zealand for the expeditious and substantial manner in which all the works under their charge have been carried out. At the Inangahua low-level tunnel, the tunnel is being pushed ahead at the rate of about 40 ft. per week. When the company took this tunnel over it had been driven about 2,800 ft., which had occupied the old company some eight or nine years, working spasmodically, and with hand-drills. The new company, with rock-drills, have driven 1,089 ft.—a marked contrast, indeed, to the old style. The work done at the Progress Mines is surprising. They have driven 3,931 ft. during the year, re-opened 1,450 ft. of old workings, and, between 11th November last and 2nd May, sunk their main shaft (which is 13 ft. 2 in. by 6 ft. 2 in. in the clear) 625 ft., which establishes a record in this district at least, if not in the colony, and at the present time the shaft is being sunk at the rate of 90 ft. a month. The advent of the Consolidated Goldfields of New Zealand has brought about a very material improvement in the prospects of this district, and this improvement is aided by the New Zealand Consolidated Company.

Towards the end of last year Mr. William Kirwan was sent out prospecting by a Reefton syndicate. He commenced prospecting in hitherto untried ground, about four miles south-east (as the crow flies) from the Boatman's workings, and known as the Victoria Range. He was soon rewarded by finding rich boulders on the surface. It is estimated that there are from 200 to 300 tons of stone exposed on the surface that would yield 3 oz. to the ton. Four special claims, containing about 185 acres, have been granted to the prospectors. On one of these—the Lord Brassey—a tunnel has been driven at a depth of 70 ft. below the surface, to endeavour to find the reef from which these boulders came, but, so far, the reef has not been found. On another claim belonging to the syndicate—viz., Earl Brassey—what is supposed to be a payable reef has been found, but nothing definite can be said concerning it at present. The whole of the prospectors' property is now under offer to the Anglo-Continental Syndicate, of which Mr. H. A. Gordon, late of the Mines Department, is the New Zealand representative. The offer is for twelve months from the 1st October next, the purchaser paying a deposit of £1,000, and to spend £200 per month in prospecting. If the syndicate purchase the property at the end of twelve months, the price to be paid will be £32,000 in cash and £32,000 in paid-up shares. The new company will comprise 280,000 shares at £1 each, with a working capital of £30,000, and £30,000 in reserve shares. There was considerable excitement occasioned by the find, and a large number of claims were applied for. Six special claims, containing 243 acres, and twenty-two licensed holdings, containing 587 acres, have been granted. Much time has been lost owing to litigation in connection with a number of applications, and little or no work can be done until after the winter.

As a lot of development work still remains to be done in a number of the mines before crushing can commence, I do not anticipate that the yield of gold for the current year will show much, if any, improvement on the past year.

In conclusion, I have to thank managers of companies for much information kindly given.

I have, &c.,

H. A. STRATFORD, Warden.

The Under-Secretary, Mines Department, Wellington.

#### No. 7.

Mr. Warden STRATFORD to the UNDER-SECRETARY FOR MINES, Wellington.

SIR,—

Warden's Office, Greymouth, 5th June, 1897.

I have the honour to forward herewith the statistical returns, and to report upon the district under my charge. The report and returns for the Buller and Inangahua divisions will be sent separately.

*Greymouth.*—As in other parts of my district, a considerable number of licensed holdings and special claims have been taken up during the past year. In the locality of Rutherglen, near Greymouth, the intention apparently is to work the old beach leads, which are composed of cement-beds from 4 ft. to 10 ft. deep, consisting of black sand cemented with oxide of iron, said to be carrying good gold. In the early days this ground, wrought by most primitive methods, driven out, burned with open wood fires, and crushed with wood mauls—yielded £20 per week per man, and it is confidently hoped that with a good supply of water and improved system of working profitable results will be obtained. On the South Beach, also near Greymouth, several special claims have been granted. The ground is of comparatively recent formation, containing free fine gold in layers of black sand. Some of it has, in places, been worked to a depth of 28 ft. The Leviathan Claim is a good example. This claim has been in constant work for twenty years, and has paid about £4 per week per man.

At *Barrytown* there is a large area of auriferous sand similar in character to that of South Beach, but far more swampy and difficult to work. The swamps, which are situate just inside of the beach mound, prospect very well, and gold is obtained from the roots of the grass to a known depth of 20 ft. It is intended to work the ground by means of hydraulic elevators. The Barrytown Flat Gold-mining Company, recently floated in Ashburton with a capital of £20,000, are now engaged in bringing in a race from Baker's Creek to work their property. The capacity of the