

Dredging.

There are only two companies dredging at present—viz., the Sew Hoy Company and the Sandhills. Both are paying a little more than working-expenses. Several other dredging claims have been taken up, but nothing more than preliminary work has been done.

Quartz.

During the past year no new ground has been opened up. Three claims are in full work—viz., the Achilles, the Glenrock Consolidated, and the Tipperary. The first named is at present on a very good lode, the stone averaging about $1\frac{1}{2}$ oz. to the ton, with no sign of pinching out. The Glenrock is also bringing out stone averaging $1\frac{1}{2}$ oz. to the ton, but the extent of the lode has yet to be ascertained, whilst the Tipperary is a little more than paying expenses.

About a dozen special claims have been granted during the year, but, as the titles have only lately come to hand, no work of any magnitude has been done in connection with them. The general prospects of the district are decidedly good, and I am of opinion that if the holders of claims here would rely more on their own efforts, instead of courting the assistance of the foreign capitalists, more prosperity would be the result.

CROMWELL.

During the year ending the 31st March, 1897, very little change has taken place in alluvial mining in this locality. The summer having been exceptionally dry necessarily meant a correspondingly short supply of water. Hence no startling returns could be expected, nor were any obtained.

At Bannockburn many of the claims and other mining privileges are under offer to a syndicate who have secured a water-right of fifty heads from Deep Creek and fifty heads from Doolan's Creek for the purpose of working any properties that may fall in to them. They have also had granted to them a special claim of 50 acres on the Deep Lead, Bannockburn, which will be commanded by the same water.

A few claims at Quartz-reef Point still continue to pay fair wages, and, although things seem quiet there as well as at Roaring Meg, Five-mile Creek, Lindis River, Mid Run, and Criffel, yet those owning claims in these several localities still keep plodding steadily on.

At Fatboys the El Dorado Company have thrown up their old claims, and have applied for a special claim of 50 acres.

Of the many dredging claims applied for, the greater number have been taken up as fast as the surveys could be completed, but a considerable number have yet to be surveyed.

At the Nevis River the Nevis Gold-dredging Company have put up a 10-horse power dredge, which, for the short time it worked before the frost set in, got fairly good returns. Two other dredges are being built on the Nevis, and are expected to be ready to start work in the early spring.

On the Kawareau River the Electric Company's No. 1 dredge, of 12-horse power, has been giving phenomenal returns from their upper claim, and their No. 2 dredge only awaits her engine being fixed, when she will at once proceed to work their middle claim.

On the Clutha McLay's dredge, of 12-horse power, has had good yields, whilst Crookston's dredge, of 10-horse power, and Kloozi's current-wheel dredge, of 5-horse power, have both made at least wages; and Hotop and party, at Bowman's Flat, have their dredge ready to receive her engine, and are expected to commence work in a few weeks.

In quartz-mining nothing exceptional has been done, although at the Carrick Range the Lawrences are obtaining fair returns from their claim, while Talboys and party have had excellent prospects from their 100-acre special claim; and at Bendigo the Cromwell Company have had only moderate success, and the claim is now being worked on tribute.

As one result of the activity displayed in dredging, many persons have taken out coal licenses at Lindis, Kawareau River, Bannockburn Creek, and Nevis River, and from several of the areas thus granted coal of a fair quality is being got out and delivered at prices satisfactory to both parties.

Notwithstanding the fact of several deaths having occurred the population has slightly increased.

During the year thirty-three special claims and licensed holdings were applied for, ten coal leases and licenses and 373 general applications were dealt with, nineteen cases were set down for hearing, 544 miners' rights were issued, while the total revenue (including deposits) amounted to £2,037.

CLYDE AND ALEXANDRA.

During the past year there has been a decided improvement in mining matters, and more particularly does this apply to Alexandra and its surroundings. The dryness of the season has to a great extent hampered sluicing, but dredging has been carried on with uninterrupted success.

Since my last report Messrs. Nicholson and party, who were working on the Dunstan Commonage in rather a large way with the Golden Gate water, ceased operations in an insolvent condition. No doubt the continued drought to some extent brought this state of affairs about, but I think the ground was poor and the management expensive.

There are about twenty-five profitably employed in this locality, quite as many, probably, as the limited supply of water will permit.

About the same number are engaged along the banks of the Molyneux between the two townships as heretofore, who are, it is said, making fair wages. In consequence of the want of fall, only the top seams can be worked, and were it not for the excellent supplies of water from the Fraser I question whether the ground could be made to pay by ordinary sluicing. Several parties are working at Springvale, and, although they shift about from place to place several times during the year, most of them seem satisfied with the results of their labour.