C.—3.

Rimu, Back Creek, and Seddon's Terrace.

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The claims continue to yield good returns, and the miners generally appear to be satisfied with their earnings. Craig's claim also is giving satisfactory returns, and the different claims on the University reserve and those extending further south are also doing well. The old beach deposit is also being worked by McBeth and party at the Shanghai lead. Phillips and party are working

near Lake Mahinapua, where they purpose commencing dredging operations.

Grimmond and party, who hold an extensive area in this locality, have in view a project of bringing in a large water-race from Lake Kanieri for working their claim and others in the vicinity. A water-supply is being brought in by means of the old Kanieri Water-race, the owners of which are working their own claims and supplying water to other parties at the Kanieri Forks. Should this restricted the Kanieri Terrosching a large area of ground in the vicinity of the Kanieri Township.

Mont d'Or Gold-mining and Water-race Company (Area, 63 acres).—This mine is still steadily and profitably worked, and is one of the most consistent dividend-payers on the Coast. Operations are carried on by ground-sluicing a high terrace, sixteen sluice-heads of water, with a pressure of 240 ft., being used. The company's balance-sheet for the year ending the 30th November, 1896, shows that during that period 1,368 oz. of gold, valued at £5,335 3s. 6d., was obtained, of which amount £3,000 was paid in dividends.

Rose United Gold mining Company. The company held on once of 142 agreed that I are the constant.

Ross United Gold-mining Company.—The company hold an area of 143 acres, situate at Jones's Flat. The plant and machinery used consist of reversible Peltons for winding purposes, a reaction turbine for elevating, and a 10-horse-power turbine for electric-lighting purposes. The gravel is first elevated and then drawn up an incline to the sluice-box, the water from the workings finding its way through the low-level adit formerly driven to drain the shaft. The claim is worked on the tribute system, twenty-five men being employed. No work has been carried on during the year in

the shaft and deep levels.

The Prince of Wales Claim, 60 acres, situate at Donaghue's Creek, is also owned by the Ross The gravel is here elevated by a dredge to the sluice-boxes, five heads of water, with a pressure of 39 lb. to the inch, being employed to drive a reaction turbine. Sixteen men are

employed in this claim, which is also worked on the tribute system.

Several other claims are worked with a fair degree of success by small parties throughout the district.

Parties of men are employed all along the Coast to the southward, and during March a small rush set in between Lake Mapourika and Okarito Forks, where the terrace extends south-east from the Forks to McDonnell's Creek, some four miles distant. Only two claims have as yet proved

payable, though a number have been taken up, and some small amount of prospecting done.

On the north bank of the Waiho two special claims have been taken up by the Waiho Hydraulic Sluicing Company. They have secured a right to forty heads of water for working the

terraces by hydraulic sluicing.

The Taipo Sluicing Company hold a claim of 80 acres at Seven-mile Creek, Taipo River. Water rights have been secured, and a contract let to construct a race to bring in sixty heads from the Seven-mile Creek to sluice the terraces near the Taipo River.

The Bell Hill Gold-mining and Sluicing Company hold a claim of 50 acres at Bell Hill, and have completed 50 chains of fluming, a dam, and tunnel tail-race. From fifteen to twenty Government heads of water will be worked, with a pressure of 90 ft. Ten men are employed.

West Coast Dredging.

The Matakitaki Gold-dredging Company are at work near Murchison, and report having won 362 oz. of gold, valued at £1,396 11s. 3d. Ten men are employed.

The Cocksparrow Gold-dredging Company have sold their dredge and plant to a party of men

who are working with fair success near Three-channel Flat.

The Buller Gold-dredging Company are engaged on their claim of $37\frac{1}{2}$ acres at Fern Flat, Murchison, but the returns of gold are not published. Thirteen men are employed.

Concluding Remarks.

The prospects of alluvial mining throughout the Karamea and Westland Mining Districts are of a hopeful nature, and the continued yields of a substantial character from the various fields are likely to be maintained in the future.

The necessity for increased water-supply in order to profitably work the gravel drifts in which the leads do not contain gold in quantities that would prove payable under present conditions is, however, apparent alike in respect to terrace workings and deep ground. It is to be hoped, therefore, that the encouragement offered by the Mines Department by way of subsidy on water-races will tend to induce private enterprise to undertake the more urgently required works of this On the completion of the water-race now in course of construction by the Consolidated Goldfields of New Zealand the vast deposits of Humphrey's Gully will be enabled to be profitably worked; and, should adequate provision be made for utilising the water stored in Kanieri Lake, the drifts at Back Creek, Seddon's Terrace, and the terraces to the southward of the Hokitika River will furnish profitable employment to a much greater number of miners than are at present at work in that locality. The deep levels at Ross Flat before long will doubtless attract sufficient capital to provide machinery for pumping out the water which now precludes the possibility of working the rich leads known to exist below water-level. The new hydraulic-sluicing operations at Black Ball,