

Creek, alone remains, and it is premature yet to say what the results of its operations will be. All other dredges in vicinity of Naseby have been dismantled and removed from the district. At the present time mining is chiefly carried on by means of hydraulic elevating, there being sixteen employed near Naseby. The motive-power is chiefly supplied from the Government water-races, which supply thirteen. There is also a considerable number of small ground-sluicing claims, worked by both Europeans and Chinese. There is no appreciable difference as to the number of miners working this year as compared with last; but no new ground has been opened up. Ground of the description worked by "fossickers" is becoming very scarce.

The water season has been phenomenally good—no better, in the opinion of old miners, for the past thirty years. The Government Eweburn Reservoir was completed last June, and has proved of valuable assistance in keeping up the supply. The year has been a prosperous one for both miner and farmer, and there has been no idle labour visible.

KYEBURN DIGGINGS.

Mining has been carried on here much as in former years, with the exception of the Naumai dredge before alluded to, and a few claims worked by hydraulic elevators, which appears to be a successful way of treating the ground in this locality also. Some dredging claims have lately been taken up in this neighbourhood, and no doubt, if the Naumai dredge should pay, dredges will be put on those claims.

MATAKANUI (TINKER'S).

With the exception of three or four parties, mining in this portion of my district does not present a very prosperous appearance. The Undaunted Company has had a very prosperous year, and the Sugar-pot Company has paid its first dividend for a considerable time. The Matakaniui Company has had a fair year also. These three claims are worked by hydraulic elevators. The other smaller parties who sluice their claims may be said to have "held their own."

As to dredging in this locality, so far this method of extracting the precious metal has not been successful. Great hopes were entertained from the operations of the Klondike dredge, but unfortunately either the gold was not in the ground, or the saving appliances were not efficient, from the many reports as to the very payable prospects obtained from the claim before the dredge commenced to work. I should be more inclined to think that our present method of treating the wash obtained in dry-land dredging is not sufficiently advanced. The Blue Duck dredge has also made a start in Thompson's Creek, but so far its returns do not warrant great expectations.

IDA VALLEY.

Several claims were taken up in this place for the purpose of dredging. One company has been formed, but so far the directors have not thought it advisable to place a dredge on the claim. It is understood that the prospects were good, but the ground generally is shallow and water not plentiful. There are several miners occupied in a small way at German Hill and the gullies in and about Ida Valley, but only a living is being got by them, and year by year their numbers are decreasing.

OPHIR (BLACK'S).

At this place there is practically no mining going on, the field having been left to a few fossickers. A new party has taken up the quartz claim at one time occupied by the late Mr Robert Shepherd, a mile or so south-east of the township, and upon which a considerable amount of money was spent in prospecting a few years ago. The new party as yet have not had time to test the value of their venture.

ST. BATHAN'S.

The Shamrock Claim has had a very fair year. There are nine shareholders, who, after paying all expenses, declared a dividend of £119, and the claim shows well as a paying concern. The same company has lately opened out a claim in a granite formation above Hawkdun Homestead, and which is showing good prospects.

The Scandinavian Company are working ground both at St. Bathans and Surface Hill, and have done very well during the past year. They have taken 1,100 oz. of gold from the ground, and expect to have a better yield next season. At St. Bathans this company are hydraulic sluicing old worked ground, which is paying them very well. At Surface Hill they have two powerful hydraulic elevators at work. The company have a good water-race, and had a good supply last year. Gerty and Gallaher are also working a claim at Surface Hill by means of an elevator.

The United M. and E. Company have also taken a large quantity of gold from their claim during the past year, and the future prospects are considered good; they have a large area of ground still to work. The claim is worked to a depth of 60 ft. by hydraulic elevators. The company have a good water-supply.

The St. Bathans Sludge-channel is in good repair, and is of great value to mining there. At Vinegar Hill and Shepherd's Flat Mr. Ewing's claims have been worked successfully, and it is understood that he has been getting good returns.

Morgan and Hughes, who have been working at Shepherd's Flat for past thirty years, are still mining there with fair success, and the past year has been as good as any preceding ones.

CAMBRIANS.

Fordham and Grey are the only miners here; they have been working at Cambrians for the past twenty years. They use a hydraulic elevator with satisfactory results.