

Dredging.—The career of the Wakatipu Gold-dredging Company's dredge has been one of misfortune. The dredge has again sunk, and has not been raised. The Shotover River gorge is narrow and rocky, and the river is subject to sudden rises, which cause the dredge to be silted up.

Moonlight.

Moonlight No. 2 Claim, Moonlight Creek, Queenstown.—This claim, which is worked by hydraulic sluicing and elevating, has been let on tribute to four men.

Shotover.

The valley of the Shotover River, with its tributary creeks, continues to afford employment to a small mining population in the various sluicing claims. These are all worked on the ground-sluicing principle, the sluiced material being discharged into the river. During the winter months, when the snow is frozen on the mountains, the level of the Shotover is low, and then the bed of the river is worked by wing-damming and by Smith's jet-pump system.

This has been one of the permanent goldfields since the year 1862, and it will continue as such for many years to come.

The usual number of claims were worked during the year.

SOUTHLAND.

Nevis.

Hogg and Party's Hydraulic Sluicing and Elevating Claim, Nevis (John McLean, manager).—The construction of the water-race was completed towards the end of the year, and a start was made to lay down the plant so that operations should be in full swing early in 1907. The company has a good water-supply, which commands a large area of auriferous ground. Five men employed.

Our Mutual Friend Hydraulic Sluicing and Elevating Claim (Masters and Adie Bros.).—Operations are conducted on the usual lines with satisfactory results. Height of lift, 36 ft. Number of heads of water in use, 25.

Robertson and Party's Hydraulic Sluicing and Elevating Claim.—This privately owned claim adjoins Our Mutual Friend Claim, and is conducted on similar lines with good results.

Dredging.—There are five dredges in this district, all privately owned. Although able to work only about eight months in the year, operations are fairly successful. Employment is afforded to about thirty-five men.

Upper Nevis.

Joe Park's Hydraulic Sluicing Claim, Upper Nevis.—Sluicing operations are carried on as usual, with fair results.

Edward McMillan's Sluicing Claim, Cameron's Gully, Upper Nevis.—At the end of the year a large and up-to-date plant was being erected on the flat portion of the claim. In the meantime sluicing is being continued on the terrace portion of the claim with good results. Four men employed.

Ellis Bros.' Hydraulic Sluicing and Elevating Claim, Upper Nevis (B. McDonald, manager).—The water-rights have been improved, and a race cut in at a higher elevation than the one formerly in use. At the time of my visit the line of pressure-pipes was being extended to the new race. This claim has been in operation on the Upper Nevis Flat for several years, and the improvements referred to indicate the payable nature of the undertaking.

O'Connell and Graham's Hydraulic Sluicing Claim, Upper Nevis.—After several years' highly successful work at the head of the Upper Nevis Gorge, subsequent operations were not attended with success. Several attempts were made to locate the extension of the gold-bearing wash, but apparently without success, and the plant and claim were offered for sale. It is understood that the property was purchased on behalf of one of the partners, who intends to resume operations in the locality of Whitton's Creek.

O'Connell Bros.' Sluicing Claim, Upper Nevis.—Four heads of water are to be brought in to command a deposit similar in nature to that worked successfully at McMillan's claim. The plant formerly in operation on the Undaunted property will be transferred to the new claim.

Undaunted Sluicing Claim, Upper Nevis.—The attempt to work the bed of the Upper Nevis Gorge by hydraulic sluicing and elevating was a failure. It is understood that the plant has been purchased by O'Connell Bros. for their claim in the same locality.

Dredging.—So far, dredging in this district is in its infancy, and its rapid progress is hindered by the inefficiency of the machine now in operation there and to the want of a suitable cheap coal-supply.

Athol.

George Holloway and Party's Claim, Paddy's Alley (A. Vey, manager).—Very rich finds have been made in this locality, but the great drawback is the want of a suitable water-supply. This party are sluicing with a poor supply drawn from Fiery Creek, Mid-dome, and conveyed in a siphon across the Mataura River Valley. Three men employed.

Nokomai.

Nokomai Hydraulic Sluicing Company (Kum Poy, secretary, Dunedin).—This company practically commands the whole of the Nokomai Valley. Two claims are held at present, the combined area of which amounts to 211 acres. Shortage of water has hitherto affected continuous working of this property during the summer season, and to remedy this defect the Lion Water-race was purchased. A large