

The prospect for that distance only panned a few colours to the dish, but the field is so favourably thought of that arrangements are being made, with the aid of a Government subsidy, to put in a drainage-tunnel, and this, when completed, will make a considerable area available for mining. There have been upwards of seventy men engaged during the year at Seddon's and Back Creek Terraces, and the results averaged from fair to good. The Minerals (Limited) at Blue Spur still continues to give good returns, and a number of miners in that locality make decent livings, but the field is very much hampered by insufficiency of water. At Humphrey's Gully the Consolidated Claim was worked by tributers, but the returns did not improve much, and the prospects for the future do not seem to be very bright.

Dredging.—Only two dredges were working. The one at Woodstock appears to have paid wages, but the other at Blue Spur would seem to have done little more than return expenses.

Quartz-reefing.—Further prospecting took place at the Wilberforce, and in consequence Pfahlert and party are now negotiating for a battery in order to commence operations in earnest. The failure to float a company to work the Wilson's Reward Mine seems to have acted as a damper generally upon claimholders.

Ross.

Alluvial.—The Mont d'Or Sluicing Company paid dividends to the amount of £18,000. A determined effort is being made to form a company to work the deep levels of the Ross Flat, and in my next I hope to be able to report that work is proceeding vigorously.

Dredging.—The Prince of Wales dredge, now owned and worked by six men, returned handsome wages to those interested in it.

OKARITO.

Alluvial.—Mining is practically at a standstill in this district. Only twenty-eight applications were dealt with during the year by the Warden. The Westland Mining and Sluicing Company employed an average of four men on tribute, and with the exception of beachcombing this was the only mining which took place. About four hundred and fifty pounds' worth of gold was bought, and the whole of this was produced by the beach claims. Most of it came from a small patch at the Five-mile early in the year. Grazing, sawmilling, and flax-milling are gradually superseding the search for gold.

I have, &c.,

R. ACHESON, Warden.

Mr. Warden CRUICKSHANK, Dunedin, to the UNDER-SECRETARY, Mines Department, Wellington.

SIR,—

Warden's Office, Dunedin, 13th February, 1907.

I have the honour herewith to enclose my annual statement for the Hindon portion of the Otago Mining District. There is little to report, affairs remaining much the same as at the close of the year 1905.

During the year the Deep Stream Amalgamated Hydraulic Sluicing Company (Limited) went into liquidation, and its ground has been purchased by parties at Lawrence, who have formed a company to work it under the name of "The Deep Stream Gold-mining Company (Limited)."

I have, &c.,

G. CRUICKSHANK, Warden.

Mr. Warden CRUICKSHANK, Lawrence, to the UNDER-SECRETARY, Mines Department, Wellington.

SIR,—

Warden's Office, Lawrence, 17th April, 1907.

I have the honour to submit the following report on the several mining subdistricts under my charge for the year ending 31st December, 1906:—

WEATHERSTONE'S AND BLUESPUR.

In the Weatherstone's district three claims have been working during the year—viz., the Golden Rise Mining Party, the Golden Crescent Sluicing Company (Limited), and the Happy Valley Sluicing Party; but on account of the exceptionally dry season during the last six months of the year, these claims were unable to work anything like full time.

The manager (Mr. J. Howard Jackson) of the Bluespur and Gabriel's Gully Consolidated Gold Company (Limited) very kindly supplies me with the following details of the year's work at the Consolidated Mine at the Bluespur: Average number of men employed, 28; quantity of cement treated, 208,422 cubic yards; quantity of gold won, 1,425 oz.; cost of winning gold, £3 12s. 9d. per ounce, equal to £5,183 11s. 4d.; amount paid in wages, £3,301 19s. 2d.; amount paid for explosives, £333 11s. 6d.; amount paid for upkeep of water-races, £672 11s. 4d. The extraordinary drought that continued from August to the end of the year greatly interfered with the working of the mine, on account of want of water for sluicing purposes.

In Munro's Gully the special claims held by Messrs. J. Kitto and party, Browne and party, and Thomas and party are still being worked; but during the latter part of the year very little work was done on account of being short of water.

TUAPEKA FLAT.

The special claim held by Messrs. Smith and Wallis has been worked by tributers during the year when water was available.