

*Upper Blackwater Reefs.*—Apart from the mining areas held and now being actively developed by the Consolidated Goldfields of New Zealand (Limited), prospecting is in progress by five separate parties, who hold prospecting areas of 100 acres each. On each of these latter areas mentioned two men are employed, either in driving or surface prospecting, but the results so far obtained are not worthy of special interest.

*Paparoa Ranges.*—J. Hargreaves, Ahaura, with one man, has spent some time prospecting the western slope of the ranges rising from the head of the Shellback. Whilst rising the first 1,000 ft. non-auriferous conglomerates were the only strata met with, and at 1,600 ft. above sea-level traces of gold were found in a formation of crushed slate and quartz. Being hopeful of reef formation existing above the 1,600 ft. plateau, prospecting will be further continued.

*Brunner Prospecting Association.*—Under authority, Mines 1906/700, subsidy of £150 was approved in favour of the above-named association, to enable the tunnel at Paparoa to be driven 1,000 ft. at 3s. per foot. Total drivings, 364 ft. Paid, £54 12s. Driving is continued in fine slate country, which requires careful timbering. Ventilation is assisted by water-blast.

*Wilberforce Reefs.*—The mining and prospecting operations on the Wilberforce reefs have taken a serious relapse, for at the end of the year there were only three men on the field doing some surface prospecting.

*Ross.*—Osmer and Feddis having recently discovered an outcrop of promising value on the left-hand branch of Donnelly's Creek, a level now in progress is calculated to intersect the lode at a vertical depth of 40 ft.

#### GENERAL REMARKS.

In reviewing the statistics of workings in quartz-mines, as furnished by the owners for the years 1905 and 1906, the ore milled for 1905 was 116,901 tons, yielding bullion to the amount of 50,118 oz. 10 dwt. 18 gr., valued at £196,367 11s. 9d., against 757 persons employed; whilst for the year 1906 ore milled was 100,207 tons, yielding 43,952 oz. 5 dwt. 10 gr. of bullion, valued at £169,928 19s. 11d., against 736 persons employed. For the year 1905 the average stone mined per person employed was 154·426 tons, and for 1906, 136·150 tons. Comparing the tonnage milled, yield of gold, and values, the following will show the relative decrease for the year 1906: Shortage in tonnage milled, 16,694 tons; in yield of bullion, 6,166 oz. 5 dwt. 8 gr.; in values, £26,438 11s. 10d., against a decrease of twenty-one persons employed. Dividends paid during 1905 amounted to £48,185, and during 1906 to £45,707 10s., the latter being a decrease of £2,477 10s. During the year, 1906 fatal accidents in connection with quartz-mining were nil.

#### HYDRAULIC AND ALLUVIAL MINING.

##### MAHAKIPAWA.

*Mahakipawa Flat.*—All work is at a standstill both at the Last Chance and King Solomon. The latter is under option to a Wellington syndicate, who expect to raise the necessary capital to unwater and further develop the mine.

*Coombes, Morton, Campbell, and Party* (six men) have been working steadily for some time in the Mahakipawa Valley, but owing to scarcity of water all work was suspended when visited in the beginning of the year.

*Clements and Party* (two men).—This party continues to work on the right-hand branch with favourable results, otherwise there is nothing of interest to note.

*Hill and Bainey* are still working away with very unsatisfactory results.

*Wakamarina and Deep Creek.*—Creviceing and blind-stabbing have been two favourite pastimes during the exceptionally dry season.

*John Willidms* is prospecting on behalf of an Auckland syndicate, but he informed the Assistant Inspector that so far prospects are not sufficiently favourable to warrant any extensive outlay.

*Terral and Party* (two) are sluicing in a tributary of the Top Valley Creek, known as the Aniseed Valley, with satisfactory returns.

This tributary also gives profitable employment to four other parties during low water.

On the whole, during the year 1906 gold-mining has failed to be a profitable concern in the Wakamarina Valley, and still continues to show a falling-off.

##### TAKAKA.

*Kennedy*, while removing some large stones on the river-bed, succeeded in picking up a 34 dwt. nugget, together with a nice parcel of fine gold. This find has caused some little excitement, and evoked quite an influx to the locality.

*Takaka Hydraulic Sluicing Company* (Charles Campbell, manager).—Operations are still confined to the eastern section of the property, rising on the base of the hill country. Scarcity of water, however, has been much felt, consequently returns show a slight falling-off. The working-conditions and general equipment are well maintained, and kept in a workmanlike and satisfactory order, being alike creditable to workmen and employer.

##### COLLINGWOOD.

*Parapara Hydraulic Sluicing Company.*—Whilst the Hit or Miss section of this alluvial property was nearing exhaustion, development was mainly restricted to effect drainage and other operative works connected with the opening-out of the deep auriferous deposits of Appo's Flat. To effect drainage, levels were taken and a tail-race tunnel driven a distance of 600 ft. for the discharge of