

WAIPORI.

The fleet of dredges in this locality has gradually diminished, and is now reduced to four—viz.: The Jutland Hydraulic Company, the Waipori Consolidated Gold Dredges, the New Empire, and William Wilson and party. During the year Messrs. Knight Bros. have opened up a new sluicing claim, at considerable expense, on account of a long pipe-line leading to the claim, but with a reasonable supply of water they have every confidence that the venture will turn out a success.

The other sluicing claims in this subdistrict have not had a very profitable year, on account of the continuous drought, and consequent shortage of water.

TAPANUI.

Nothing new to report in this locality. Only one dredge working (a private concern) on Ardmore Estate, employing eight men.

I have, &c.,

W. G. R. KENRICK, Warden.

Mr. Warden BURGESS, Queenstown, to the UNDER-SECRETARY, Mines Department, Wellington.

SIR,—

Warden's Office, Queenstown, 13th April, 1908.

I have the honour to forward herewith my report for the portion of the Otago Mining District under my charge for the year ended 31st December, 1907.

There is little change to report with respect to the position of mining in this portion of the district.

Dredging still continues the principal form of the industry. I am sorry to say, however, that the results, though in some instances extremely satisfactory, have not on the whole maintained the standard of former years. For a part of the year the river was unfavourable for dredging, and much time was lost to the dredges in consequence. In some instances dredges have been working on the same stretch of the river for several years, redredging ground already worked, with consequently decreasing returns. The dredging claims in the river gorges have not added materially to the year's product. It is only for a short period in each year that the river is in a favourable condition for the prosecution of dredging operations. That there are rich deposits of gold in the river in some of the gorge claims is proved by the occasionally excellent returns that are secured when the dredges are in the fortunate position of being able to work. In the gorge between Cromwell and Clyde dredging has almost ceased, the Hartley and Riley dredge being at present the only survivor of the many dredges built and launched upon this portion of the river. The Monte Christo dredge, lately at work in the gorge above Clyde, is being moved up the river to the Alpine Consols Claim, and will shortly recommence operations on that claim. In the gorge between Alexandra and Roxburgh there are still five dredges properly equipped and ready to work, but their entire operations for the year only cover a few months.

The number of dredges throughout the district is year by year decreasing. This result was, of course, to be expected, for the gold deposits in the river are not inexhaustible; but the decrease has come more rapidly than, looking ahead a few years ago, I would have anticipated. There are at present only two dredges at work on the whole of the Kawarau River—viz., the two belonging to the Electric Company. One dredge, formerly the Junction Electric, now the property of a private company, is successfully working at the junction of the Kawarau and Clutha Rivers in the high bank known as Cornish Point. There are seven dredges at work on the Clutha River above Cromwell—three of these are large dredges, two belonging to the Rise and Shine Company and one to the Rising Sun Company. These dredges are being worked for good returns, and have many years' profitable work before them. The remainder have met with moderate success, but on the whole the confident hope I expressed a few years ago as to the future success of dredging in the Upper Clutha has not so far been realised. Notwithstanding this, however, I believe that with larger and more powerful dredges this part of the river could be made to yield remunerative returns for many years. On the river between Clyde and Alexandra operations have been carried on by a number of dredges with great regularity. A feature of the dredging in this locality is the large amount of work done on the banks of the river. On the western side particularly the bank has been dredged into for some distance from the river-bed, and enormous heaps of tailings lie along the side of the stream, bearing witness to the large amount of work done by these dredges. The Earnsclough No. 3 dredge has been very successfully engaged for the past few years entirely on the flat land near the river. Water for floating the dredge is supplied by water-races. The proprietors have lately acquired the Fraser River Company's dredge—a very large dredge built by that company, but never used. It is proposed by the owners to work a further extent of the Earnsclough flat in the same manner as they have done on the Earnsclough No. 3 Claim. If dredging on this flat continues to prove successful, there is every prospect of the industry enduring in this locality for a long time to come, for years after the treasure now lying in the river-bed has been exhausted employment will be found for the dredges on the immense flat that lies between the western bank of the river and the mountains. A very large portion of this land consists almost entirely of gravel, and in this instance no complaint could arise that valuable agricultural or pastoral land is being destroyed for the sake of the gold it contains.

At Roxburgh five dredges are working for remunerative returns, and at Miller's Flat dredging still maintains in a remarkable way the success which has attended it in this locality for years past.

One dredge is working in the Cardrona Valley, and is paying dividends to the owners—a private company.