was carried out to a depth of 100 ft., and then a borehole put down in the bottom to a further depth of 30 ft. failed to find the bottom. The depth from the free-outflow level is usually 40 ft.

Gow's Creek.—Paddocking in the creek-bed. No startling developments.

Nokomai.

Nokomai Hydraulic-sluicing Company (Limited).—Work was conducted in the usual manner in the three claims. Forty-eight men were employed. The ground maintains a very uniform depth of 60 ft.

Chusland's.

Wallace Beach Gold-mining Company.—This company has acquired mining rights over an area on Wallace Beach. A race 350 chains in length is in course of construction to bring water on; 23 chains is fluming and 11 chains tunnelling. The country is heavily wooded. Thirty-six men employed.

Long Beach Gold-mining Company.—Operations on Long Beach are being conducted. The depth of the ground is 15 ft. The gold is difficult to save, owing to its fineness and the heavy sands associated

with it. Eight men employed.

DREDGING.

Seventy-two dredges were worked in Otago and Southland during the whole or a part of the year. Three dredges ceased operations, leaving sixty-nine dredges in active commission at the end of the

A dredge was placed on the Mataura River three miles above Gore, but only operated a very short

period, and closed down.

Lane and party's machine on the Kyeburn has been dismantled, and is being rebuilt on the

Hogburn, below Naseby.

A syndicate (Nees and Scott) are building a dredge on the Kyeburn. The ground where the dredge is to be worked was to some extent privately bored, and prospects were considered good enough to warrant the erection of a dredge.

All the machinery of the Rise and Shine No. 1 has been receted on the new pontoons recently built, and dredging recommenced. The old pontoons are to be docked, renewed, and new machinery placed on them, thus replacing the Rise and Shine No. 2, which foundered two years ago.

Adam's Flat, in the Glenore district, has been tested, and arrangements are in progress to place a dredge on the ground. Water for treatment purposes is one of the difficulties to be met.

The Government Keystone drilling plant has been largely employed by the dredging companies

to test their auriferous placers.

Under the permit held by the Golden Bed Dredging Company, Ettrick, forty-two holes were bored to an average depth of 63 ft., and aggregating 2,642 ft. of boring. The shallowest hole was 40 ft. deep, and the deepest was 125 ft.

Under the permit held by the Koputai Gold-mining Company, Waikaia, seventy-six holes were bored, aggregating 1,851 ft. The maximum depth was 88 ft., the minimum was 10 ft., and the average

was 24.4 ft.

The New Golden Run dredge was fitted with a steam plant, having previously been a water-power dredge. Operations are now being conducted in the deep ground at the upper end of Island Block Flat, where the boring prospects were so encouraging. The ground is up to 90 ft. deep, and the method to be employed to work it is by taking it in lifts. The first lift will be taken to the reach of the machine, and then the paddock will be hydraulically pumped out, allowing the dredge to sink within reach of the remaining lift. An elevator capable of stacking the tailings 110 ft. high has been fitted.

The industry has been free from any serious accidents, and the regulations are, on the whole,

complied with.

MINERALS OTHER THAN GOLD.

Scheelite.

The production of scheelite for the year amounts to 105 tons, valued at £9,822 15s. 8d. In the Glenorchy and Macrae's districts the industry is fairly active.

Copper.

Some mining was done on the lode occurring in the Wet Jacket Arm, Dusky Sound. A drive 180 ft. was driven at an elevation of 1,000 ft. above sea-level, and cut the large pyritic lode to be seen outcropping on the surface. Where the lode was cut by the drive it was discovered that the whole of the copper-contents had leached out, leaving the lode material quite barren. The question now is, to what depth has the leaching taken place? A low level is to be put in to test this.

Limestone.

From the Milburn Lime and Cement Company's works at Milburn and Dunback'43,630 tons was produced.

Marl.

The quantity produced during the year was 7,687 tons.

Phosphate.

The Ewing Phosphate Company treated 10,000 tons during the year.

ACCIDENTS.

There were no serious accidents reported during the year in quartz, alluvial, or dredge mining in this district.