

The following is a statement showing the value of production and dividends paid by the principal sluicing companies in the Southern District during 1916 :—

Name of Company or Party.	Value of Gold produced.	Dividends declared.	
		During 1915.	Totals to End of 1916.
	£	£	£
Deep Stream Gold-mining Company ..	918	187	2,000
Gabriel's Gully Sluicing Company ..	7,615	3,760	9,095
Golden Crescent Sluicing Company ..	1,131	175	11,375
Havelock Sluicing Company ..	3,335	1,900	9,300
Ladysmith Gold-mining Company ..	4,249	2,481	16,376
Nokomai Sluicing Company ..	10,425	3,600	48,083
Round Hill Gold-mining Company ..	4,033	706	12,286
Ourawera Gold-mining Company ..	1,975	300	14,215
117 other claims ..	47,465

No West Coast alluvial mining company declared a dividend during 1916. On the 11th April the Ross Goldfields Reconstructed (Limited) agreed to the voluntary winding-up of the company, being of the opinion that the Ross Flat had, after exhaustive testing, proved valueless as a mining proposition, the sole cause of the company's failure being the low value of wash found in the mine and the high mining-cost due to a costly hydro-electric power plant. The company went into liquidation and sold its plant, &c., repaying therefrom the £7,000 borrowed from the Government under Part X of the Mining Act. The purchaser of the plant was the Woolston Tanneries (Limited).

At Woodstock, on the Hokitika, the Brighton Terrace Gold-mining Company has acquired leases over about 146 acres of the Brighton Terrace, with an option to purchase an additional 100 acres. The company's claims adjoin the south-east boundary of those of Rimu Options (Limited), and consist of portion of the terrace bank of the ancient channel of the Hokitika, which the last-named company is now floating into gold-dredging companies (see accompanying plan). In the early days of the Westland goldfields these terraces were in places successfully worked by driving. The difficulty in obtaining water by gravitation prevented sluicing operations on a large scale.

The Woolston Tanneries (Limited) during 1916, having purchased the hydro-electric plant and water-rights from the recently liquidated Ross Goldfields Reconstructed (Limited), formed a company named the Kanieri Forks Power Company for the sale of electric power. This company has constructed a transmission-line from the Kanieri Forks power-station to a point on the south side of the Hokitika immediately opposite the claims of the Brighton Terrace Gold-mining Company, a distance of about five miles, the electric power there to be used for pumping river-water to the dam on the terrace claims above. The pumps consist of two units of two-stage centrifugal type, estimated by the makers (Thompson and Co., Castlemaine) to deliver 1,860 gallons per minute through a nozzle at a pressure of 50 lb. per square inch. The depth of gravel on the company's claims varies from 50 ft. to 70 ft. The system of working is otherwise the same as at Kumara—viz., by sluicing from paddock-faces, and removal of material and water by drainage-tunnel and tail-race into the river, the gold being saved in sluice-boxes near the tunnel-mouth. The drainage adit, formerly known as Douglas tunnel, is about 19 chains in length, and was driven in the (Brighton) bottom some years ago to test the back leads of Rimu Flat. It was subsidized to a small amount by the Government.

The company commenced sluicing early during the current year. On the occasion of my inspection during January about 8 cubic feet of water per second was being pumped up into the dam above the ground to be sluiced, 367 electric horse-power being indicated at the pumps. The plant appeared to work satisfactorily. It is proposed to sluice for twelve hours each day, utilizing about 8 sluice heads at the nozzle; the night water will be stored for flushing the tail-race. Thus 16 heads will be used during the period worked.

It is estimated that the capital expenditure on this property, exclusive of the electric-power plant, by the present owners amounts to about £6,000, in addition to £15,000 paid for the property to Rimu Options (Limited). This scheme and operations in connection therewith has been carried out under the superintendence of Mr. Frank B. Powell, mining engineer, of Hokitika.

A description of the alluvial claims by the district Inspectors of Mines is contained in Annexure A accompanying this report.