45 C.—3.

Some two years ago a new lode was discovered in the Crown Company's property, which was far richer than anything found on their old workings. They are now engaged in constructing three levels, the upper one is termed No. 4, and it is about 120ft. above the No. 6 level. The upper levels on which the company was floated did not yield anything like the quantity of bullion expected from them, and at one time it was almost thought the venture would prove a failure; but some two years ago a new lode was discovered at each side of the gorge of the Waitawheta Creek, about 10 chains lower down than their crushing-plant. This lode showed by assay to contain rich ore, but the financial position of the company when the lode was discovered would not admit of prospecting operations being largely carried on. Last year a considerable amount of work was done on this lode; three levels are being constructed, one about 20ft. above the level of the creek on both sides of the gorge, and one on the southern side of the creek, about 120ft. above the lower level, having an intermediate level between. The lode in the lower level is from 6ft. to 10ft. wide, but only from 4ft. to 5ft. of the lode next the hanging wall is taken out, the portion of the lode next the foot-wall being low-grade ore. On the upper level the lode is taken out from 2ft. to 4ft. wide, but the quality of the ore is not so good here as at the lower level; the deeper they get the ore appears to get richer. Some of these levels are now constructed for a distance of 200ft. on the south side of the creek, and 70ft. on the north side, the lode having a northerly and southerly direction, and dipping at an angle of about 55° to the westward. At the time of my visit gold could be freely seen in the stone in any face, in these levels; and the manager, Mr. McConnell, informed me that the value of the ore treated by this company during the three months prior to my visit averaged £15 per ton.

The present crushing-plant consists of two Lamberton mills which crush from twenty tons to twenty-five tons of ore per week, working two shifts of eight hours each; and the value of the bullion extracted for the three months previous to my visit was £1,550, £1,500, and £1,250 respectively, making a total value of £4,300 worth of bullion extracted from about 288 tons of ore. The lode consists of hard compact quartz having scarcely any mullock mixed with it, this makes the ore easily treated by the Cassell process. The greatest difficulty in treating ore with cyanogen solution is the question of filtration, as ore producing much slime makes filtration a slow process. The company have commenced to erect a new plant on the flat alongside the Ohinemuri River, about 15 chains below Karangahake Township, and have constructed a tramway through the gorge of the Waitewhata Creek to connect the mine with the new plant. Judging from the present appearance of this company's mine it is likely to form one of the best mining properties in the

colony.

Woodstock and Kenilworth Company.—This company's ground adjoins the Crown Company's western boundary; but the lode is entirely different, and the ore is also of a different character, there being far more silver than in the Crown lode, and it is not nearly so large, being only from 6in. to 2ft. in thickness. For two years previous to last year, the mine was let on tribute, and two hundred tons of ore was taken out, which Mr. McCombie, the manager, informed me had an assay-value of £12,000, but it only realised about 50 per cent. of this value. At the time of my visit six men were employed in the mine, and the lode they were working on had a thin clay seam or parting in the centre; on one side of this seam the ore was greatly oxidized, and the manager stated that the assay-value of this was from £15 to £20 per ton, while on the other side of this parting the ore contained a great deal more mineral, and had an assay-value of from £40 to £50 per ton. The company have a small plant of their own, where they treat some of the oxidized ore, but the refractory ore is stacked waiting the erection of the new plant belonging to the Crown Company, which is being erected as partially a custom plant. There is little doubt that when this new plant is erected, many of the former claims that were previously given up will be taken up again and made pay for working.

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Ivanhoe and Truro Mines.—These were formerly two distinct mining properties, but they are now amalgamated and held by Mr. C. Percy Cox, who has been carrying on prospecting operations only for some time. The same line of reef passes through this ground as that now being worked by the Crown Company, and yielding bullion to the average value of £15 per ton for the last three months' work. The same lodes also that are being worked in the Woodstock Mine pass through the ground. Large boulders are found on this property very rich in bullion, but the lode has not been yet discovered where these boulders have come from. The only lode worked in the Ivanhoe Mine is that termed No. 2, which has an average thickness of about 4ft. It has been worked to a depth

of 200ft., and about £18,000 worth of bullion taken from it.

Waihi Company.—This company since my last visit have sunk a new shaft alongside the battery building, to a depth of about 50ft., and have opened out at this depth on the Union lode, connecting the level with the drainage tail-race to the Ohinemuri River. After cutting the lode, they have driven on it to the eastward for 186ft., and to the westward about 70ft., but the quality of the ore is much better on the eastern end, where stoping is being carried on, and the quality of the ore seems to improve towards the surface. The lode varies from 2ft. to 5ft. in thickness, and averages from 1oz. to 2oz. of gold per ton. The bullion contains about 4oz. of silver to, say, 1oz. of gold. Very little can be said yet in reference to this lode, as it is not prospected for a great distance, but there is certain to be a considerable quantity of ore between this level and the surface, and some very rich ore was found in the surface workings in the Union and Rosamond Mines, which now form portion of this company's property. They cannot, however, test the lode to a greater depth until pumping machinery is erected, and there is likely to be a considerable quantity of water to contend with, judging from the flow in the present level.

In the Martha Mine the whole of the lode has been stoped out between the smithy and intermediate levels, as far as the shot of rich ore continued, and the workings are now above the intermediate level, and also on the surface, where they are quarrying out the lode in a face. A winze has been sunk from the smithy level, and at a depth of 40ft. a cross-cut was made through the lode, which proved to be 24ft. wide, containing good ore. A low level is in course of construction, and was in for a distance of 700ft. at the time of my visit. It will, however, require to be constructed for