

Lady Agnes Claim.—Prospecting work was being done on the surface, and a tunnel driven 250 ft. on the line of reef.

Red Queen and Swanson Claims.—Very little work has been done.

Lyell District.

United Italy Mine.—Operations to a limited extent were carried on, but there is no record of any gold returns from this mine, although gold to the value of £11,018 was obtained from the ground since it was first occupied by the present owners in 1882 up to the 31st March, 1897.

Tyrconnel Mine.—This ground has been worked on tribute. Rodgers and party had a return of 34 oz. 14 dwt. of gold from 24 tons of quartz, and Smith and party 63 oz. from 37 tons.

Cræsus Mine (Area, 16 acres 2 roods).—This mine is owned by a party of three—Kelly, Edge, and Smith. The tunnel where the work is carried on is 800 ft. in length. A small reef from 1 ft. to 2 ft. in width had been worked from this level to the surface some years ago. The present party have only started to prospect this mine since January last, and there are four men now at work driving this tunnel to the northward on a well-defined track of reef with occasional boulders of quartz carrying gold. In connection with the mine there is a ten-head battery (wet process) and two berdans, driven by a turbine wheel which cost about £1,000. The length of water-race is 13 chains, it carries ten heads of water, and cost £300. There have been no returns from this mine for the last twelve months. The battery crushed 37 tons of quartz for the Tyrconnel party, which yielded 63 oz. of retorted gold, and that was the only parcel crushed during the year.

Alpine Extended Mine (Area, 154 acres 3 roods 26 perches; owners, the Alpine Extended Gold-mining Company, Limited).—This company was formed by the amalgamation of the United Alpine Quartz-mining Company (Limited) with the Lyell Creek Extended Quartz-mining Company (Limited), which companies had for a number of years been working the same reef on adjoining claims. Immediately prior to the amalgamation neither of the companies were prosecuting with any degree of vigour the works in connection with their mine. Since the amalgamation was agreed upon, in the early part of August, a considerable amount of work has been undertaken by the new company. The Lyell Creek Company's main level, now known as No. 10, became the principal seat of operations. This level took fourteen years to drive, and required to be put in a distance of over 3,500 ft. before the lode or reef was struck. The first work undertaken was to connect this level by a tramway with the United Alpine Company's battery. The No. 10 level was then driven south on the reef, and stone has been carried along for a distance of 366 ft., while only two small breaks have been met with. The reef has varied from 3 ft. to 23 ft. in width, and the quality all through has been payable. Stopping has been carried on above this level, and the weekly output is about 220 tons. A prospecting drive has also been put in to the north on No. 10 level for a distance of 189 ft. Several small bodies of gold-bearing quartz were met, but no solid reef was struck. The prospects in this portion of the mine are encouraging, and the company intend to resume the extension of the prospecting drive as soon as circumstances will permit. Below No. 10 level the main shaft, 10 ft. by 4 ft. 6 in., is sunk for a depth of 100 ft., and the company have an apparently payable block of stone proved for a distance of 112 ft. by an average width of 6 ft. In the upper levels a small amount of prospecting has been carried on, and the No. 4 has been driven north for a distance of 100 ft. without striking any stone of importance. Since the amalgamation in August the company have crushed 3,382 tons of stone, for a return of 1,521 oz. 4 dwt. of retorted gold. Of this, 186 tons, yielding 148 oz. and 12 gr., was crushed for tributers. The total depth from No. 1 to adit is 1,168 ft., and from adit to No. 11 level in the shaft 100 ft. The mine machinery consists of one air-winch, two 10-horse-power air-compressors, one Tangye pump, and the mill machinery (twenty stamps, 8 cwt. each, and four berdans). Two Pelton wheels drive the whole. These are driven by water derived from Lyell Creek, the race being 35 chains in length, carrying fifteen sluice-heads of water; from Irishman's Creek, 15 chains, five-eighths of a head; from Brown's Creek, 27 chains, one head—the whole giving 60-horse power. The total value of gold won since August last was—for owners, £5,379 1s. 2d.; for tributers, £592 19s. 1d.; value per ounce, £3 18s. Total number of men employed, fifty.

Prospecting operations were carried on in the Golden Crown Claim and other claims in the district, but so far without success.

REEFTON DISTRICT.

Crushington.

Keep-it-Dark Mine (Area, 56 acres 1 rood 13 perches; owners, Keep-it-Dark Gold-mining Company).—This mine still continues to yield profitable returns, and the exploration work carried on during the year has resulted in the discovery of a fresh block of quartz at No. 1 level, which promises to be remunerative, as a crushing of 100 tons yielded 1,340 oz. of amalgam. Development in the lower workings at No. 7 level has not been so successful. The reef was driven on for 100 ft., and, although of large width, it only yields 4 dwt. of gold per ton. The continuation of stopping on the blocks of reef over No. 5 level produced the bulk of the quartz crushed during the year. The total output from this mine since the first discovery of gold is 125,512 tons of quartz, which yielded 66,719 oz. of gold, valued at £259,793 5s. 8d., out of which dividends to the amount of £113,416 13s. 4d. have been paid. The returns for the past year were 3,281 tons crushed, which yielded 1,024 oz. 2 dwt. 16 gr.; value, £4,096 4s. 3d. Thirty-three men were employed.

Hercules Mine.—Work was carried on in a cross-cut at the 470 ft. level, and in extending the north level on the track of the reef. Four men were employed.

Keep-it-Dark No. 2 Mine.—The cross-cut at No. 3 level was extended 290 ft. Four men employed.

Progress Mines of New Zealand (Limited).—The work of opening up the different sections of the ground, the construction of water-race, and the erection of the new battery has been energeti-