

The 40-stamp mill has run about 305 days, and the 20-stamp mill about 265 days, since March, 1898, crushing together 37,500 tons, yielding 15,563 oz. 10 dwt. 17 gr. of bullion, to the value of £63,593 3s. 7d. This amount was extracted by amalgamation only. From the new mill 391 tons of concentrates has been made, the majority of which has already passed through the chlorination-furnace. The cost of chlorination has had scarcely time enough yet to adjust itself—it has been about £2 15s. per ton. I think this will be reduced to about £2 10s. per green ton treated in the near future. The freight, duty, and original cost of some of the chemicals—situated as we are—makes the cost of treatment high. The value of the bullion from amalgamation is about £4 3s. per ounce; from chlorination, £4 4s. per ounce. Turning again to the mine, we find that cost of mining, exclusive of development, is about 9s. per ton; or, including a fair proportion of development, 12s. 6d. per ton mined. The average cost of transportation is 6d. per ton over the aerial line, which has transported 32,965 tons since starting work. The number of men employed during March, according to our pay-sheets, is 253, exclusive of timber contractors, coal contractors, &c. The value paid away in wages during March is £3,109 15s. 9d."

#### *Merrijigs District.*

*New Inkerman Mines, Limited* (Supreme, Old Inkerman, New Inkerman, Wilson, Louisa)—(Area, 406 acres 2 roods 5 perches; owners, the New Inkerman Mines, Limited; mine-managers, B. Sutherland and J. Jamieson).—The locality of this mine is Merrijigs and Rainy Creek, Reefton. The machinery consists of one Class C Rand drill and R.R. Company air-compressor, 35-horse power; one winding-engine (shaft), 10-horse power; two Rand drill No. 2 Little Giant B rock-drill; one Tangye pump, at shaft: value, £1,000. Mr. Dixon gives the following account of operations, chiefly of a development character, that have been carried on in these mines:—

"The prospecting and development work carried out at the above mines has been as follows: The low-level tunnel, from Rainy Creek to the New Inkerman shaft at Revival Gully, was connected in August last with the section of the tunnel driven from the shaft during the previous year, thus connecting the two sides of the range. The distance driven for the five months (compressed-air and Little Giant rock-drills being used) was 1,058·18 ft., making the total length of the low-level tunnel 3,752·18 ft. During the year various prospecting-drives north and south were put in from the low-level tunnel; these represent 818 ft. of driving. Two uprisings were made—one, of 50 ft., connects the tunnel with the ore-body in No. 3 level from the main shaft, and the other uprising, from No. 3 drive, south low-level tunnel, to connect with No. 3 Inkerman level from Rainy Creek, was started in January last, and at the end of February (when all work at the mines was stopped) had been risen 76 ft. Cross-cuts opened from these uprisings represent 50 ft. of driving. At No. 2 Supreme level 1,210½ ft. of ground was opened during the year, representing driving and cross-cutting 1,176½ ft. and sinking 34 ft. No. 3 Supreme level was extended 46 ft. At No. 1 level, Golden Gully, 449 ft. of ground was opened, representing 323 ft. of driving, 122½ ft. of sinking, and 3½ ft. of uprising. No. 3 Golden Gully level and cross-cut was extended 191 ft. No. 4 level Golden Gully was extended 43½ ft., and cross-cuts therefrom were driven for 50½ ft. Excepting No. 3 Golden Gully workings, all the Golden Gully workings and No. 2 Supreme level have been opening on ore. In the surface level and workings (eastward of the main shaft at the New Inkerman Mine) 65 ft. has been opened on a reef-track carrying patches of ore. The work for the year to the 31st March, 1899, may be summarised as follows: Driving, 3,164¾ ft.; sinking, 156½ ft.; uprising, 129½ ft.; and clearing and picking up old ground, 782 ft.: total, 4,232¾ ft. The average number of men employed during the year was thirty-one, exclusive of mine-timber contractors and coal-mine contractors. At the coal-mine, Rainy Creek, 263 tons of coal was mined for use at the boilers driving the air-compressor, and for the blacksmiths, &c."

*Sir Francis Drake Mine* (Area, 100 acres; owner, T. Hubert Lee).—This mine is worked from a shaft, which has been sunk another 130 ft. during the year, making a total depth of 356 ft. A chamber was opened at a depth of 330 ft., and a cross-cut 25 ft. in length put in when the line of reef was reached, on which 50 ft. further to the eastward was driven and the quartz met with. The lode was driven on for 80 ft., and an uprising made to connect with the No. 1 level, and stoping commenced. The reef, which averages about 3 ft. 6 in. in width, has been stoped to a height of 90 ft., and the top stope is 130 ft. in length. The total quantity of quartz crushed for the year was 1,329 tons—1,069 tons for the owners, which gave a yield of 384 oz. 6 dwt. 21 gr. of gold, valued at £1,538 2s. 6d.; and 260 tons for tributers, yielding 181 oz. 6 dwt. 9 gr. of gold, valued at £732 5s. 7d. Twelve men were employed.

*Cumberland Mine*.—Prospecting operations have been carried on during the year. The low level was extended to a distance of 350 ft., and a cross-cut driven from it. Some prospecting was also done at a higher level. Work in the mine at present is limited to driving and cross-cutting from the incline level about 150 ft. overhead from the low-level tunnel. Fifteen men were employed.

*St. George Mine* (Area, 30 acres; owner, St. George Gold-mining Company; mine-manager, James Sutherland).—This mine is situated on a branch of the Big River. The gold-bearing material consists of a mixture of sandstone with quartz stringers. This is worked to a width of 12 ft. The plant consists of a five-head stamp-mill driven by water-power. Up to the present only seventeen loads have been treated, by a party of tributers.

*Last Chance* (Area, 80 acres; owner, James Morris).—Work in this mine has principally consisted of driving a tunnel 150 ft. in length, and stoping out some 50 ft. in height. Stone has also been taken from an open face 80 ft. long and 20 ft. in width, with a height of 25 ft. The leaders of quartz are encased in bands of sandstone. The quantity of quartz crushed for the year was 350 tons, for a yield of 148 oz. 16 dwt. of gold, valued at £531 8s. 4d.