

BIG RIVER.

Big River.—The operations for the past year have consisted of the following works: The block of stone sunk on in No. 5 level to a depth of 60 ft. was stoped out, and a large amount of prospecting was done in No. 6 level without any success. Prospecting operations were then started between these two levels, and an intermediate level was driven on a good reef track for 150 ft., lumps of gold-bearing stone being occasionally met with. This drive was then stopped and a crosscut put in at a point showing good indications, and after 8 ft. had been driven the reef was found and driven on for 148 ft., averaging from 8 ft. to 10 ft. in width. This proved to be the end of the stone, and since that time stoping in the block has been carried on. The width of the reef in the stopes will average 6 ft., and is of a highly payable quality. A winze has been sunk on the reef to a depth of 28 ft., and driving has been commenced from a second intermediate (known as No. 2) to connect with this winze. From this last point to No. 6 level there is 60 ft. vertical, and it is intended to prove the reef to this level. So far there is every indication that the block will also live above No. 5 level, and operations will shortly be started to prove if this is so. In the upper levels prospecting is in progress in No. 1 intermediate, with good indications, and there is a strong probability that the rich reef formerly worked in No. 1 level will be picked up again here. The company shut down the cyanide plant in July last, and disposed of the remaining tailings to Mr. C. Ansley, who finished the heap in December last. Since then all tailings produced have been stacked for future treatment. During the year the company have crushed 730 tons of quartz, which yielded 1,355 oz. 5 dwt. of gold, and obtained 823 oz. of gold by cyanide process and 1,355 oz. by amalgamation, the total value of the gold being £7,703 7s. 5d., out of which a dividend of £900 was declared. The total output of the mine is 15,189 tons of stone, which yielded to the company 21,847 oz. of gold, valued at £87,976 6s. 11d., out of which dividends to the extent of £41,400 have been declared.

Lord Edward.—No work has been done in this mine for a considerable time, but active operations are again contemplated. Recent developments in the adjoining mine—the Big River—have recently resulted in a highly payable reef being found there, and, judging from similar indications in this mine, it is thought prospecting operations will prove equally remunerative.

Snowy Creek.—Early in the year active operations were commenced on this property. On a reef showing in the bed of the creek a winze was sunk on the northern bank on the hanging-wall side of the reef. After sinking 19 ft. the reef was intersected underlaying to the west. This winze was continued on the reef for 118 ft., at which point the stone was lost, it having dipped north, but a favourable track was left in the bottom. The reef will average in width for the whole distance sunk about 2 ft., and it is of a payable quality. To provide capital for erection of machinery, &c., the company was re-formed, the new company being in 48,000 shares of 5s. each, 24,000 shares paid up to 3s. being given to the old shareholders. Contracts are now in progress for sinking main shaft 110 ft. in depth (9 ft. 6 in. by 4 ft.) and constructing a water-race 70 chains in length. The latter will carry twelve Government heads of water, delivered at a vertical height of 63 ft. above proposed machine-site. The main shaft will be sunk 155 ft. west of the reef in the winze.

PAINKILLER.

Dillon Extended.—The only work done in this mine since last report has been that of extending the low-level tunnel a further distance of about 300 ft. south, and following the usual track and reef formation. No regular or defined body of quartz has been met with since that struck in January, 1898, but latterly loose gold-bearing stone has been met with. The winze is at present protected.

DEVIL'S CREEK.

Progress Mines of New Zealand.—I am indebted to Mr. Spencer, general manager and engineer of the Consolidated Goldfields of New Zealand, for information concerning the mines under his charge, and also for the following report on the Progress Mines, and the interesting description of the working of the chlorination and canvas plants in connection therewith:—

Progress Mines of New Zealand (Limited).

"This property is situated four miles south-east of Reefton. In extent it is 527 acres. The mine itself at the present time is managed by James Martin. Work is carried on through two vertical shafts, shaft A being 820 ft. from surface to No. 6 level. Shaft B is 927 ft. from surface to No. 7 level, which at the present time is our bottom level. The B shaft is, however, now being sunk down to the eighth level (100 ft. vertically below No. 7). We are now down far enough, and the eighth chamber will be commenced as soon as the shaft is down about 10 ft. below the chamber. The bulk of the mining timber is lowered from No. 1 level in the old shaft, also from Progress No. 1 level in the new shaft, both of which are adit-levels. This is a small consideration, as it avoids carting all the timber up to the brace of the respective shafts. Work is carried on in No. 4, No. 5, No. 6 and No. 7 levels. Also, coal is brought through the Progress Battery level, and eventually hoisted up B shaft to the boilers.

"In the mine several blocks of auriferous quartz are worked, which in all probability are parts or offshoots of one and the same quartz lode, though in some cases no connection can be traced. The casing consists in shale more or less decomposed, carrying in many cases a pug seam on either one or both walls of the lode. The country-rock consists almost entirely of slates and altered shale; portions of the latter when hard are locally termed sandstone. During the period under review several winzes and raises have been connected, and a considerable amount of drifting and crosscutting done, principally with the object of developing old and exploiting new bodies of stone. The actual development work is as follows:—

"No. 4 Level: On the eastern end 188 ft. of drifting has been completed to explore a low-grade body of ore, also a winze put down on it 82 ft., besides which a crosscut towards the new shaft has been put out 440 ft. This crosscut, when through, will be of great service to us in