

yielded good payable stone. Good stone made at 18 ft. to 20 ft. below No. 1 level, and was up to 2 ft. 6 in. wide. Between No. 1 and No. 1A the best gold has been won, the reef averaging 20 in. in width. Above No. 1A the stone gets thinner, and at the top of the highest rise is 4 in. wide at date. A little lower down it was thinner still. No. 1B was driven some distance without getting any quartz, and when struck the stone cut out again after running about 15 ft. It was from 12 in. to 14 in. wide, and is said to have assayed 9 oz. to the ton. The whole of the four levels are standing at present without stone at their respective faces. It is most desirable that at least one level should be pressed forward to prove the ground ahead. From the present position of the faces, No. 1A level would perhaps be the best to go on with. Unless something of this sort is done, the returns must fall off very materially, as the ground now open will be stoped out in the course of a few months. Taken as a whole, the reef appears very patchy, the stone getting thicker and poorer as it gets deeper, and *vice versa*. In working, all the stone is shot down, passes to No. 2 level, and is conveyed by a self-acting incline to the battery. An aerial tramway has recently been constructed to convey mining timber, &c., from the wharf to the workings. Ventilation and general arrangements underground appear well attended to, but I found it necessary to call attention to the carelessness of several of the employes in the handling of explosives. At the battery there are ten heads of stamps, four berdans for treating the blanketings, and ten smaller berdans for the tailings, all driven by a Robey undertype semi-portable engine with a pair of 8 in. cylinders, having a stroke of 12 in.; boiler pressure, 55 lb. No report-book (as required by section 323) is kept. Subsequently wrote the legal manager about this. Persons employed (fifty-three): One manager, one underground foreman, thirty men stoping, four men in rises, three men trucking, three men labouring, nine men at battery, one smith, one carter.

Sunrise Mine.—(18/6/98): The Sunrise Company is now driving tunnels on property adjoining that of the Morning Star Company. No. 1 tunnel (at present standing) has been driven 70 ft. in, and has cut a reef about 6 ft. wide in two divisions of 3 ft. each, with a 2 ft. band of mullock between. No. 2 tunnel is now 210 ft. in, and it is expected that the reef will be cut at 260 ft. or thereabouts. The Long Drive tunnel is nearest the Morning Star Mine. It is 270 ft. in, and is expected to cut the Morning Star reef at about 470 ft. Twelve men are employed. General direction of reefs is given as north and west.

My brief visit to Preservation Inlet was owing to the receipt of a complaint from the Morning Star Company to the effect that the way in which the *débris* from the Sunrise Company's long-drive tunnel is being deposited is likely to cause accident. I found the excavated material from the tunnel being tipped down a steep sideling near the tunnel mouth, and, as a precaution against the stuff sliding too far, branches of trees are used to bind the lower end. I also found the overflow water from a small creek (from which the Morning Star Company obtains water) falling over a cliff and filtering through the *débris* from the tunnel. This will have the effect of washing out the binding material and cause the stuff to remain open and loose. In my opinion, the probable danger has been somewhat overestimated by the Morning Star Company, whom I recommended to carry the overflow water referred to clear of the Sunrise Claim, and also requested the latter company to form a protective breastwork to their tipped material with trees and wire-rope ties.

Shaft-sinking is in progress at the Alpha and Tarawera claims. A shaft has been sunk at Golden Site, and tunnelling is in progress. At Cuttle Cove a reef is being traced by trenching.

SUMMARY RETURNS from QUARTZ MINES for Year ending 31st March, 1899. (Southern District.)

Name of Company.	Ordinary Quartz crushed.	Produce of Amalgam.	Retorted Gold.	Melted Gold.	Refined Gold.	Tailings treated.	Gold obtained.	Value of Gold from Tailings.
	Tons. ct.	Oz. dt.	Oz. dt. gr.	Oz. dt. gr.	Oz. dt. gr.	Tns. Oz. dt.	£ s. d.	
Achilles Goldfields (Limited), Bullendale	591 0	..	96 19 6	..	..	..	..	..
Glenrock Consolidated (Limited), Macetown*	4,845 0	7,921 5	2,498 15 0	2,490 5 23	..	42 193 0	643 12 0	
Westralia and New Zealand Gold Explorers (Limited), Macetown	458 0	715 0	161 13 0	225 11 8	..	..	..	
Morning Star Gold-mining Company, Preservation Inlet†	3,733 0	6,348 16	2,060 4 0	..	..	.. 93 9	..	
Golden Site Extended Gold-mining Company, Preservation Inlet	1,107 0	746 19	301 12 5	..	..	..	..	
Alpha Quartz-mine, Preservation Inlet	338 0	50 0	53 8 0	..	..	..	..	
Cromwell Goldfields (Limited), Bendigo	2,841 10	6,440 13	2,844 3 12	..	..	..	..	
Lawrence Bros., Bannockburn ..	79 0	288 0	84 1 0	..	..	..	..	
James Lawrence, Bannockburn ..	450 0	402 0	107 0 0	..	..	..	..	
Golden Gate Gold-mining Company, Bannockburn	75 0	..	55 0 0	..	..	..	..	
F. W. Gray, Bald Hill Flat ..	304 10	923 0	373 11 15	..	..	..	..	
R. T. Symes, Bald Hill Flat ..	148 0	302 0	93 0 0	..	..	..	..	
Beal and Peterson, Macrae's ..	195 0	535 0	194 0 0	..	..	..	..	
W. G. Donaldson, Macrae's†	550 0	..	18 13 0	..	..	..	..	
H. N. Mills and Sons, Nenthorn ..	120 10	..	18 7 0	..	..	..	..	
F. H. Perry, Rough Ridge ..	Nil.	..	..	..	..	..	..	
H. F. Knight, Waipori ..	..	..	..	..	..	..	..	
T. Rodgers and party, Waipori ..	7 10	..	16 18 0	..	..	..	..	
Mount Highlay Syndicate, Hyde ..	1,880 0	..	378 11 18	354 7 11	368 7 2	..	..	
A. Parker, Hindon ..	47 0	22 6	8 7 0	..	..	..	..	
Burnt Creek Quartz-mine, Round Hill	782 0	224 0	83 10 0	..	..	..	..	
Barewood Quartz-mine ..	53 0	..	10 0 0	..	..	..	..	
Taieri Quartz-mine, Deepstream ..	360 0	..	62 7 8	..	..	..	..	
Canada Reefs, <i>via</i> Milton ..	685 0	231 0	98 15 0	..	..	..	..	
Totals	19,650 0	25,149 19	9,618 16 16	3,070 4 18	368 7 2	42 286 9	643 12 0	

* Gold recovered from tailings by cyanide process. † Tailings treated by amalgamation. ‡ Forty-two and a half tons scheelite.