reserves in this mine, which will keep its eighty head of stamps, when the additional twenty are erected, fully employed for the next thirty years. The mine is extensively developed, and it would be a very long day's walk to go over the whole of its underground workings. This company have spent a large sum on machinery. The whole of the hauling in the underground workings is done with compressed air. For this and other purposes a very extensive air-compressing plant has been erected in the Waitawheta Gorge. Further pumping machinery capable of lifting 300 gallons per minute from a depth of 1,000 ft., at a maximum speed of eleven strokes per minute, is now on the way out from England The management have adopted electricity to explode the explosives, in place of the old method in the shaft-workings. This is not only a most efficacious plan, but it reduces the risk of accidents to a minimum, and I am told miners, once understanding this method of exploding their charges, prefer it to that so long in vogue. It would be well if electricity were more used for this purpose, if for no other reason than as a precaution against accidents. This mine is earning considerably more per month than pays its working-expenses. A new tram-line is being constructed, and when completed it is proposed to haul the ore from the mine to the reduction-works with a locomotive instead of horses as at present.

Woodstock Gold-mining Company.—This company's mine has so far been somewhat disappointing in the returns received, which have fallen short of expectations based on assay results. Some wonderful assays were taken, but results did not correspond in richness, the ore proving difficult to treat. Many methods were tried, and alterations made in the treatment plant, but none so far have proved satisfactory. A large amount of capital was expended, and the company had to reconstruct to procure further funds for development purposes. The company during the past year acquired the Stanley Special Claim, an adjoining property, into which some of their reefs are known to extend. Development-works in the mine are now being carried on, which it is hoped will enable the company to resume crushing operations again with better results. This battery at present is standing idle. The company proposes extending its water-race further up the river, and have already completed a dam. I trust it may be my lot in the next report to class this mine as one of the permanent gold-producers of the field.

New Zealand Talisman Company.—This company has recently acquired some adjacent properties—viz., the Victor Waihou and Crown Extended Special Claims—from the London and New Zealand Exploration Company. Considerable sums of money have been expended on these properties by previous owners, but with no results so far, although it is supposed that the Talisman and Crown reefs are dipping into these claims; but it is difficult to predict how far a reef extends, or what is 20 ft. ahead in solid rock anywhere. The extension of these reefs is therefore only a probability. It will, however, be a matter for congratulation if this company are fortunate enough to unearth them. The original Talisman ground has so far proved a consistent gold-producer, and this year's returns are an increase on those of last. From January to April of this year the total yield is £8,370. This company are about enlarging their reduction-works, and the work of excavating is about being commenced. This mine may, I think, be looked upon as one of those which will continue to add its quota to the annual gold-production of this field.

The Imperial is still struggling on, carrying on a little work, and it is rumoured good prospects have been obtained; but until some capital comes to its assistance, so as to enable more energetic development-works to be undertaken, there is very little hope of this becoming a gold-mine.

On the Shotover Special Quartz Claim a considerable amount of driving-work has been done. Coarse gold was discovered in a puggy formation, which assayed well, but so far no definite lode or reef has been met with.

At Rotokohu the Saxon No. 1 and No. 2 have been abandoned by the syndicate who took them up, because, when the low levels were driven in, the reefs—or, more probably, the outcrops found on the surface—did not exist there. The fact of the railway-tunnel, which is three-quarters of a mile in length, requiring to be driven through the hill opposite the Crown Mines battery has led to some of the old abandoned claims there being taken up in the hope that the tunnel may lead to some gold-bearing reefs being unearthed within the area of these claims.

The Komata Reefs Gold-mining Company was one of those which was led into erecting a battery before it was required, the mine not having been sufficiently developed at the time to keep it supplied with ore; consequently after crushing for a year the battery had to shut down. During the time it was crushing very good returns were made, the ore averaging something over £3 per ton. The closing of the battery was somewhat detrimental to the mine. It became necessary to put in a 3,000 ft. low-level tunnel, which has been driven some 2,400 ft., and it is anticipated that this work will have attained its object by July. A 3 ft. reef has been cut through, which assays remarkably well, and it is evident this drive is in good gold-bearing country, and there is every prospect of this company cutting other reefs in this low level before getting under the upper workings, from which such good-grade ore was taken and crushed. Water prevented the continuation of the No. 3 level, but this difficulty has now much decreased, presumably consequent upon the low level draining the same. I have very little doubt before many months this mine will be working its battery and furnishing returns equally as valuable as those it produced when it first started.

Hikutaia Gold Syndicate.—This plucky syndicate have carried out very extensive development-works in opening up ground containing very poor ores. For the past year they have been trying to ascertain the value of the great amount of work they have done on the property by making tests of the ore from various parts of it with a small test plant they erected there. The results appear to have satisfied the syndicate that the ore can be treated at a small profit, and the directors are said to be at present considering the advisability of erecting a permanent crushing plant. A long level crosscut is being put in, with a view of intersecting certain rich ore-lodes met with in the Maratoto Gold-mining Company's property.

The Waitekauri Extended Gold-mining Company have been greatly hampered, chiefly owing to