85 C.—3.

The development of Taukane Hill to the north of the ance work only has been carried on. Waitawheta Gorge is now being steadily prosecuted. This section in years past yie considerable quantity of good ore from the small superficial workings then undertaken. This section in years past yielded a then very little development work has been done in opening this auriferous section. Nos. 1, 3, and Tramway levels, 435 ft., 270 ft., and 73 ft. respectively, above the Waitawheta Stream, are being pushed ahead into the hill in a northerly direction to intercept the main oreshoot, from which the above-mentioned high-grade ore was taken; and the necessary connections between these levels are being made for ventilation, manways, ore-passes, &c. Good ore is now being obtained here. At the same time, Nos. 4 and 5 levels, Maria lode, in the southern section of the property, are also being pushed ahead southerly to open up new blocks, and the operations on the reef in this direction proved even better than was anticipated. A crosscut is also being driven from No. 4 level to intersect Shepherd's and other lodes lying to the west of the Maria lode. The actual amount of work done in the mine during the year ending the 31st March, 1900, is as follows: 1,073 ft. of driving, 85 ft. of sinking (winzes), 76 ft. of rising, and 888 fathoms of stoping. The ore treated during the year has been taken from the Maria reef. The question of sinking below river-level to develop the lower levels of the Maria, Shepherd's, Woodstock, &c., reefs, and also the lower portions of the Crown reef, which dips into the Woodstock property, is now under consideration. The treatment now, as mentioned in a previous publication, consists of reduction of ore by two Blake crushers and forty stamps; concentration by means of sixteen Union vanners, and hydraulic sizers; separation of slimes from general tailings, which latter are then cyanided in percolation-vats. The slimes are concentrated by peripheral overflow discharge-settlers, and treated with cyanide by agitation and decantation. The concentrates are being treated at the mill very successfully by means of agitation with cyanide. 11,454 tons was treated

for 14,931 oz. of gold, valued at £13,500 2s. 10d. An average of 114 men were employed.

New Zealand Talisman.—This company's mine is opened up by seven adit-levels driven from the side of the hill, the lowest being 900 ft. below the outcrop of the reef on the surface near the top of the hill, and the levels have been driven on the reef from 800 ft. to 1,200 ft., the reef varying in size from 1 ft. to 12 ft. in thickness. The whole of the stuff is sent direct to the battery for treatment as it is won from the mine. The operations in the mine have been chiefly coufined to driving and stoping on the reef, 9,558 tons being produced for 45,795 oz. 10 dwt. of bullion, valued at £33,028 14s. 4d., an average of 105 men being employed. The crushing plant consists of twenty head of stamps and one Krupp mill, together with all necessary appliances for the treatment of the ore by the amalgamating and cyanide process. In view of an amalgamation that will shortly take place with the Talisman Extended, an additional fifty head of stamps are about to be Also another important work is to be started in the opening-up of the low level from the

level of the horse-tramway that leads into the battery.

Talisman Extended.— This property now includes the Royal Mail, the Crown Extended, the Victor, and Waihau, and comprises 199 acres. It is bounded on the south-west side by the New Zealand Talisman, and on the south by the Crown Company's mine. The above claims were worked separately until the 1st February last, when they were amalgamated and formed into what is termed an English company, and named the Talisman Consolidated Gold-mine (Limited). this mine lies southward of the principal mines in the Karangahake district, the prospects of meeting with payable ore may be considered encouraging. The London and N.Z. Exploration Company (the former owners) have expended a large sum of money in developing-works with a view of thoroughly testing the property. Two low levels are being driven, one from the west side and the other from the east of the hill, a distance of 4,000 ft. apart, and are being driven to meet. This will prove a large belt of country, and 600 ft. below the surface; also the Crown Mines Main Will prove a large pet of country, and coots. Below the surface, also the Grown Mines Main Lodes No. 1 tunnel is in a distance of 1,350 ft., and a reef formation has been penetrated through near the face of the drive for a distance of 40 ft., and some of the quartz tested has given encouraging results. The No. 3 tunnel west has been driven a distance of 1,000 ft.; it is penetrating a favourable class of country for the existence of gold-bearing lodes, and one of the well-known reefs is daily expected to be intersected. No. 4 level has been started 1,200 ft. west of No. 3 tunnel for the purpose of cutting a lode formation discovered on the surface. This drive is now in a distance of 400 ft., and another 50 ft. of driving will cut the lode 200 ft. below the outcrop. North of No. 1 tunnel a crosscut has been driven, and the Dubbo reef intersected, and driven on for a distance of 170 ft. It is about 5 ft. in thickness, and assays from time to time have proved the quartz to be of a payable character. South-west of No. 1 tunnel, a strong lode, which varies from 3 ft. to 7 ft. wide, has been driven on on its northerly course for a distance of 300 ft., and two winzes have been sunk to a depth of 70 ft. These operations have proved the lode to be gold-bearing both in driving and sinking, and also that it improves in appearance with depth. In addition to the workings mentioned above, there have been a number of men employed on surfaceaddition to the workings mentioned above, there have been a number of men employed on the surface, and in a number of cases good prospects have been obtained. The average number of men employed during the year was forty-two.

New Zealand Crown Mine.—Operations in this mine have been vigorously carried on during the year: they consist in driving, stoping, &c., on the reef from the No. 6 (or Waitawheta) level

the year: they consist in driving, stoping, &c., on the reef from the No. 6 (or Waitawheta) level upwards, and from here a large tonnage of high-grade ore has been obtained. Good progress has been made with the sinking of the main underlie shaft, which has now attained a depth of 240 ft. below the No. 6 adit-level. From this shaft three levels have been opened out at a depth of 70 ft., 140 ft., and 210 ft., and driven on in a northerly and southerly direction on the course of the reef for a considerable distance. The reef maintains its size, varying from 4 ft. to 14 ft. in thickness, and is said to be even better in quality than at the upper levels. Two Tangye pumps worked by compressed air have up to the present been sufficient to cope with the water under the No. 6 adit-level, but a new pumping plant is expected shortly to arrive from England, and will be put in