

mine, the only reefs at present being worked are the Nos. 1 and 2 reefs, which are operated upon from No. 1 level. The No. 1 reef is also being opened up from No. 2 level, which is about 130 ft. below the outcrop. Those reefs vary in width from 1 ft. to 6 ft., and are encased by a decomposed andesite formation, strongly interlaced with iron-oxide seams. During that portion of the year in which the mill has been running, 1,365 tons of ore has been crushed wet and passed over the amalgamated plates, thereby saving the coarser gold, the tailings being treated by the cyanide process, the whole yielding bullion to the value of £1,431. The slimes are saved for further treatment. The company intends putting up a filter-press to treat the slimes, the loss of which is something considerable on the value of the ore. An average of twenty-three men has been employed.

Broken Hills Gold-mining Company.—The work in this mine during the year has been mostly confined to developing the property at the deeper levels. The main low-level crosscut has been extended a further distance of 164 ft. and the Blucher reef intersected, where it has been driven on east and west, and a rise put up on the reef to connect with the No. 3 eastern level, 230 ft. above the low level. This rise is a means of giving excellent ventilation and facilities for working the large block of ground out, and is used for passing the quartz down, where it is trucked direct into the battery by a ground-tramway 18 chains in length, lately constructed, on which it is intended to use a small locomotive engine to convey the ore from the mine to the mill. The water-race, on which a large amount of trenching had been done by the original company, has now been completed, and it is expected sufficient water will be available most of the year, and will be used as a motive power to run the twenty-stamp battery, which will reduce the cost of treatment, and thus enable the steam-power to be dispensed with that was previously doing this work. As the work in the mine was mostly directed on developments, only a limited amount of ore was treated. 480 tons was treated for 1,039 oz. of bullion, valued at £1,792 19s. 9d. Forty men were employed.

Taniwha Claim.—This ground was worked by three men. At the time of my visit operations were confined to working on a body of quartz and stringers on the top of a spur, and extending a crosscut to intersect the leaders about 50 ft. below the outcrop. The prospects met with on the outcrop were exceedingly encouraging, as a trial parcel of 19 cwt. from here (treated at the Thames School of Mines) gave a return of 34 oz. 3 dwt. of gold, valued at £82 5s. This being highly satisfactory to the shareholders, they decided to erect a small crushing plant, which, I am informed, is in course of erection.

There has been a little prospecting done on the Gem, Mysotis, and Golden Hill Claims, but nothing of importance has been reported to have been discovered in these claims, although several pieces of ground have been pegged out in the immediate neighbourhood.

NEAVESVILLE.

Prospecting operations have been intermittently carried on in this locality, from which small returns of gold have been obtained, but nothing of importance discovered.

PURIRI.

Miner's Right Claim.—This claim has been continuously worked during the year with four men, who directed their attention to extending a low level to get underneath former workings. They have also been stoping out small leaders that traverse the claim and carry a fair amount of payable gold. 42 tons of quartz was crushed from this mine for 38 oz. 14 dwt., valued at £97 14s. 4d. The same party have the Union Jack Claim, which adjoins the abovenamed claim, and from this 52 tons of ore was crushed for a return of 97 oz. 4 dwt. of gold, valued at £245 3s. 2d.

Puriri Gold Estates (Limited).—There was a little work done on this property in the early part of the year, and 135 tons of ore was crushed for 51 oz. 9 dwt., valued at £129 18s. 10d. The returns being very discouraging, the mine was closed down, and work has not again been resumed.

OMAHU.

Sheet Anchor Mine.—In February last an option was taken over this property by an Auckland syndicate, who have had six men continuously employed driving a low-level crosscut, which has now been driven a distance of 900 ft. This tunnel was put in with the object of intersecting the lode formation that Tillsley Bros. had previously worked with encouraging results in the upper workings. Although several small leaders have been cut in this level, yet nothing of what might be considered payable ore has been met with; but the intersection of the main ore-body is daily expected, the syndicate being sanguine that when the lode is met with the success of the undertaking will be assured.

Klondike Mine.—Operations in this mine for some time past have been directed to driving a low level, which is in a distance of 116 ft. It is expected it will have to be extended a further distance of 200 ft. to intersect the reef-formation that has been opened up on the outcrop, and from which encouraging prospects were obtained. The shareholders are at present making a road into the mine for the purpose of getting in a five-stamp battery before the winter sets in. They intend to erect the plant nearly on the claim, and when this is accomplished they are confident the mine will pay, as the quartz can be mined and crushed at a small cost. An average of two men has been employed.

HAFE CREEK.

Fortuna Mine.—This mine was protected for a time, but protection is now granted subject to the ground being let on tribute above water-level. Six men are engaged in working blocks of ground on tribute. They have crushed 113 tons of quartz for a return of 96 oz. 18 dwt. of gold, valued at £272 16s. 11d.

Ethel Reefs.—This mine has been under protection, and little or no work has been done on the property during the year.