

a motive power to run the stamps when short of water in the summer months. At the battery level a crosscut is being driven easterly, at a point 2,700 ft. in from the mouth of the tunnel, for the purpose of intersecting the Day Dawn and other parallel reefs that may exist in this locality. About 800 ft. in from Dunedin main reef the level is being driven on to the south to prospect the unexplored portion between the main pass at battery level and the Sunbeam rise. The Sunbeam surface-workings are being reopened and the old rise repaired, with a view to more thoroughly testing the reef in this section of the mine. Thirty men have been employed since the month of October.

Eclipse Mine.—A large amount of work has been done in this mine during the period under review, which has chiefly consisted in driving and stoping on No. 1 and cross reefs from the No. 1 or 150 ft. level upwards. The reef has varied from 3 ft. to 8 ft. in thickness, the whole of which is sent to the mill for treatment. The ore is not what may be considered rich, but, as it is conveyed over an aerial tramway a distance of 7,400 ft. from the mine to the battery, and there treated at a small cost (as the motive power to drive the mill is water lifted out of the creek and carried along the company's own race), a good margin of profit is left. The workings in the mine are satisfactorily timbered throughout, and the ventilation is good. 3,994 tons of ore was treated for 2,191 oz. 13 dwt. of gold, valued at £6,165 5s. An average of twenty-four men was employed.

Respecting the other mines in this locality, only a limited amount of work has been done in the Iron Cap, Chicago, Argosy, and Argosy Extended.

PURU.

Puru Consolidated.—This mine has been worked on tribute during the year by Messrs. Tettley and party, who have a twelve-months take of the mine, with the right to use the company's battery for crushing at a small cost per ton. The work in the mine has consisted in driving, stoping, and rising on the main reef at and from the No. 3 level upwards. This level has been driven a distance of 142 ft., and is now in a total distance of 684 ft. A rise was put up on the reef to a height of 70 ft. to connect with No. 2 level. This has opened up a good block of ground, and as an upcast has given good ventilation. 171 tons of ore was treated for 97 oz. 13 dwt. of gold, valued at £254 12s. 2d. An average of six men was employed.

A little prospecting has been done in the neighbourhood of this mine, but no important discoveries have been reported.

WAIOMO.

Monowai Mine.—Operations in this company's mine have been steadily carried on during the year, and with most encouraging results. The main reef has been driven on at No. 3 B level for a distance of 150 ft. on a rich chute of ore. Stoping is being carried along the back of the level, and a rise has been put up from this level to the surface, and has given good ventilation. It is also used for passing the stuff through to fill in the stopes. 2,845 tons of ore was broken out of the reef at this level for a total value of £4,055 11s. 7d. The ore, being of a complex nature, requires special treatment, and only a small percentage of bullion is obtained at the company's mill. The ore is passed through the stamps in the ordinary wet process, and the tailings from the boxes are then put over Frue vanners. The concentrates obtained from here are shipped to New South Wales for treatment. The results being highly satisfactory, the directors have given instructions to the manager to carry out a scheme of development which consists in driving a low level to open up a large block of ground on the reef, and when connected with the upper workings will give better facilities for getting the ore from the mine to the mill, as an aerial tramway is to be erected to convey the quartz from this level to the sea-beach, where a battery is to be constructed. The concentrates had for some time to be carted to the Thames, adding considerably to the cost; but this has now been done away with, as the company has constructed a wharf on the beach at Waiomo Flat, where it is shipped to Auckland, and there transhipped for Sydney. The manager is sanguine that when the works mentioned are completed the mine will be made to pay handsomely. Forty men have been employed.

Broken Hills Mine.—Operations in this mine have been confined to extending the low level for the purpose of intersecting the Monowai reef, which has been opened up at the surface-workings. So far no discovery of any importance has been reported from this mine. Two men were employed.

Victory Claim.—This mine is situated about 400 yards above the Monowai battery, and is being worked by Millar and party, who have discovered a reef which has given encouraging results. The ore is of a complex nature, similar to that at the Monowai Mine, and requires different treatment from that adopted on the Thames. I am informed a test parcel of 1 ton of the ore selected and sent to New South Wales for treatment gave a value to the amount of £70. Two men have been employed.

There has been a little work done in the Hector McDonald and other mines in this locality lately taken up, but no fresh discoveries made.

TAPU.

Bullion Mine.—This mine was sold in the early part of the year, and purchased by James Hawkes. A portion was let on tribute to Plimmer and party, who are operating on a leader in one of the surface levels, and have met with a fair amount of success. 24½ tons of ore was treated for 198 oz. 13 dwt., valued at £566 1s. 4d. Four men were employed.

Mahara Royal.—There has only been a caretaker on this property; his work consisted in grinding tailings and looking after the battery, &c. No work has been done in the mine during the year.