

stamps were stopped, and restarted on the wet-crushing system five days later. On the 31st July the remaining fifty dry-crushing stamps were stopped, and started again on the 5th August, on which date the whole of the 200 stamps were wet crushing. By the dry-crushing process a total of 20,323 tons was treated, and by the wet-crushing process a total of 107,833 tons was crushed. The smaller of the two turbines was removed early in the year, and replaced by a 200-horse-power Gilkes turbine which was in stock. The hydraulic elevator formerly in use for raising the quartz after it passes the stone-breakers to the mill ore-bins was replaced by a new bucket-chain elevator. For raising the pulp from the 100 head of stamps which were converted four sand-pumps were erected, with separate rising mains to the trestle launder. A slimes-elevator wheel was constructed at Waikino and has been erected, and the number of steel agitator-vats was increased to ten, collecting-vats to six, and solution-vats to three. Two more Martin presses were added, making a total of five Martin and two Johnson presses besides a small Define press. A Green economizer was erected and brought into use in connection with the mill-boilers towards the end of the year. A coal-bin of a capacity of 300 tons has been constructed, into which the wagons conveying the coal from Paeroa can readily discharge.

The company has had 1,141 men employed on an average during the year. The amount paid in dividends for the year was £208,644 18s. 11d.; since commencing work, £1,005,934 6s. 2d.

*Waihi Grand Junction Gold-mining Company.*—At the beginning of the year operations were chiefly confined to developing the Martha lode at the 500 ft. level. The drive westward on the lode was extended a distance of 161 ft. from the crosscut, and a rise put up on it to a height of 41 ft. As it was risen on the lode got gradually thinner, and, as the assays taken from the stone from time to time were not encouraging, this work was discontinued. The eastern drive on the lode was driven for a distance of 184 ft. At a distance of 113 ft. east of the crosscut a winze was sunk to a depth of 25 ft. Where the winze was commenced on the level the reef was only 3 ft. 6 in. in thickness, but as it was sunk upon it opened out to a width of 13 ft., and the stone assayed from here gave highly encouraging results. The water was too heavy to contend with, and in consequence this was stopped; but the manager is of opinion that there is every indication of the lode improving as it is sunk upon, and a valuable block of ground will be opened up when the next level is put in. Six months' protection was granted by the Warden for this section of the property, but in the month of November last work was again resumed, the eastern drive being extended with a view to getting a connection with No. 2 shaft to ventilate this eastern section of the mine. In the west section a crosscut drive was driven at the 500 ft. level of the C shaft for a distance of 890 ft., where a rise was put up and a connection made with No. 2 level of the B shaft, which has given excellent ventilation to this part of the mine. A little work has been done in what is termed the Martha lode in this section near the B shaft, but so far as it has been proven it is low-grade ore. The company has gone to considerable expense in erecting engineers', carpenters', and blacksmiths' shops all under one roof, and also put up new poppet-legs preparatory to sinking and opening out from the main shaft, which shows that they have every confidence in the lode improving in depth, and that at no distant date the mine will become productive.

*Waihi Extended Gold-mining Company.*—At the end of the previous year the sinking of the shaft was in progress, and was continued until a depth of 520 ft. was attained, when a chamber was opened out, and driving was commenced in southerly and northerly directions. The south drive was put in a distance of 206 ft.; but, although the country-rock to all appearance was all that could be desired, yet nothing of importance was discovered, and this drive was stopped for the time being. The north drive is in a distance of 470 ft. from the shaft, and is still passing through a good channel of country, in which quartz stringers of a promising appearance have been cut through, and it is fully expected one of the Waihi Company's lodes may be met with in this drive at any time. The theory that gold is more likely to be found at a depth to the east of the Waihi Mine will be tested by this north drive, as it is going in under the rising ground, and will soon be a considerable depth below the surface; but if something is not discovered in this drive the company intend to sink the shaft to a further depth, and develop the mine at a deeper level.

*Waihi Gladstone.*—This mine, which is owned by a syndicate, has been steadily worked, the operations being principally confined to opening up the reef from the main shaft (where it has been driven on for a considerable distance), and varies from 2 ft. to 6 ft. in width. All the ore broken out is being saved for treatment at a small battery of five stamps which is in course of erection near the shaft, and is for the purpose of testing the value of the lode and ascertaining the best method of saving the bullion. A small engine for winding has been placed in position, which will enable the ore and material to be raised and lowered in the shaft more expeditiously than has been previously done by means of a horse-whim. An average of eight men has been employed, but no crushings have taken place during the year.

*Waihi South.*—This mine was under protection in the early part of the year, one of the reasons for this being that the pump and plant in use were not of sufficient power to contend with the water met with in the crosscuts driven from the shaft. At the expiration of the protection arrangements were made with the Grand Junction Company whereby the Waihi South Company were allowed to put in a drive to prospect their ground adjacent to the Waihi Company's property from the 500 ft. level of the C shaft of the Grand Junction west. There being a considerable distance to drive before the Waihi South boundary was reached, and the work being beneficial to both companies, the work was done conjointly. After driving a distance of about 90 ft. a large lode formation was intersected, and the course defined. Then it was considered advisable to start a crosscut from the main level at a point 100 ft. further south. This has been driven a distance of 60 ft., and it is expected the lode will be intersected in about another 50 ft. of driving. When the lode is met with it is intended to drive on it to the Waihi South boundary, a distance of 400 ft.