

a level to be called the No. 9 level, and also No. 10 level, and when completed will be the outlet for all the ore below the No. 8 level. The No. 9 level is being pushed ahead from the Woodstock stopes with all possible speed, and, as there is a distance of 500 ft. to drive on the course of the lode to the incline shaft, this will open up a large block of ore containing probably something like 50,000 tons. This is merely an approximate estimate, as absolutely nothing is known of widths and values of the whole 200 ft. of vertical extent between Nos. 8 and 10 levels. A crosscut east from No. 8 level has been commenced in order to ascertain whether the rich vein struck in the crosscut at No. 7 level continues down. Should this vein (which has given such favourable results) prove to be something more than an isolated patch, the discovery will be a most important factor in the matter of returns from the mill. The return sent in from this mine up to the end of the year was 13,396 tons for 50,409 oz. of bullion, valued at £20,163 13s.; and an average of 120 men was employed.

New Zealand Crown Mines (Limited).—It is pleasing to note that operations in this mine have again proved remunerative, whereby, after working-expenses, &c., were all paid, a substantial surplus was left, enabling the directors to disburse in dividends to the shareholders during the year the sum of £15,000, which must be highly satisfactory, more especially as the prospects of the mine are well maintained at the deep levels, thus giving every reason to expect that payable returns will be forthcoming for an indefinite period. The main incline shaft has now reached a depth of 430 ft., and sinking is still proceeding. The No. 2 level from the main incline shaft has been extended 315 ft., making a total distance from the shaft of 2,309 ft. The average width of the reef has been 4 ft. 1 in., which yielded for a distance of 31 fathoms 10 tons 6 cwt. of quartz per fathom, worth about £1 8s. 8d. per ton; the remaining 128 ft. 6 in. has been driven on the course of a small leader which is supposed to be the reef (as there are no indications of the reef being heaved out of its course), but this will be proved by crosscutting into the walls when time will permit. No. 3 level: This level has been extended a total distance of 378 ft. from the shaft. The reef at this point was pinched up to about a foot in thickness owing to the hard nature of the country, and it is sometimes difficult to know whether it is the reef or not, as there are no indications whatever showing in which direction (if any) it has been heaved out of its course. This level was also extended a distance of 125 ft. south of the shaft, and connected with a drive that had been driven north from the winze. The drives north and south of the winze and south of the shaft now constitute the No. 3 level. This level south of the winze was extended 284 ft., and in this extension 428 tons of quartz was broken out, which gave a return of £1,115; the average width of the reef was 3 ft. 7 in. The total length of the level from the shaft is 1,741 ft. No. 4 level: This level has been driven south of the shaft a distance of 169 ft. alongside the reef, which is hard and small, but of good value for some considerable distance. 14½ tons of quartz was broken, which was worth £39. The reef has now opened out in width, and the value of the quartz improved considerably. In some of the samples a little free gold could be seen. In the No. 1 level, south of the main incline shaft, and south of the Great Fault, 94 fathoms of the reef was stoped out over the back of the level, which yielded 1,169½ tons of quartz, worth £2,699. At No. 2 level, south of the main shaft, the stopes have produced very good ore during the year; 672 fathoms of ground yielded 5,988½ tons, worth £19,287. No. 3 level, south of the main shaft: On the back of this level 774 fathoms were stoped out, which yielded 9,456 tons of quartz, worth £29,098. There has also been a large amount of driving, stoping, and rising done at and above the Waitawheta Tunnel. A total of 33,523 tons was crushed from the various places in mine for bullion worth £74,764 4s. 2d.; and 245 men were employed.

Comstock United.—Operations in this mine have been confined to driving the low-level cross-cut, which has been extended 500 ft. during the year, making a total distance of 1,700 ft. from the mouth of the level. Although the point has been reached where it was expected the reef would be intersected, nothing of importance has yet been met with, thus showing that the lode has taken a different underlie to that shown on the surface, or otherwise it does not continue down. An average of six men has been employed.

A little prospecting has been done around the mines mentioned in the Karangahake district, but no important discovery has been made.

TE AROHA DISTRICT.

Premier and Mammoth Reef Claims, Waiorongomai.—In the early part of the year the operations in the mine were confined to development-work, the results being most satisfactory, as a payable chute of ore has been opened up which will keep the battery working for some time to come. The portion of the lode that is being operated on averages 4 ft. in width, and is the continuance southwards of that worked during the past three years. The gold and silver is evenly distributed, making selections of the richer portions of the lodes (I am informed) impossible. Since Mr. Hardy took over this property he has crushed 3,545 tons of ore for a return of £8,222 10s., being an average of £2 6s. 5d. per ton; and from August to the end of the year the ore has proved to be much richer than formerly, as 388 tons has yielded £1,467 0s. 11d., an average of £3 15s. 8d. per ton. The system of battery treatment has been wet crushing and concentrating by vanners. The tailings assay 10s. per ton, representing an 88·37-per-cent. saving on present ore value. An improved automatic arrangement will shortly be installed by which it is expected the loss will be reduced to 5s. or 6s. per ton.

It is intended to develop energetically the Premier, Colonist, and Mammoth Claims, to add electric light, and enlarge the battery by a further ten head of stamps now on the ground. An average of twelve men was employed on this mine.

Cadman Mine.—Operations in this mine were principally confined to driving and stoping on the main reef from the road level, from which 114 tons of quartz was broken out and treated for a return of 70 oz. of gold, valued at £202 8s. Two men were employed.