

which varies in width from 4 ft. to 5 ft., and carries more or less gold and silver. Several other reefs have been discovered on the property, but no work of a permanent nature has been done on any of them. An average of four men has been employed.

Golden Cross.—This mine has been stopped, and the electric plant and other machinery is being removed, as the company does not intend to spend any more money on the property.

Prospecting operations have also been carried on in the Samoa and Incognito Claims with two men each. The prospects met with in both claims are said to be of an encouraging nature, but up to the present no crushings have taken place.

EAST COAST DISTRICT.

Mananu Mine, Whangamata.—Crushing operations were carried on up to the month of September with fair results, but, as the payable ore that was opened up on the higher levels became exhausted, all work was stopped for a time to enable the company to raise capital and decide on a scheme of development on the various reefs and at deeper levels than have been operated on hitherto. There are also several reefs outcropping on the surface of the property on which little or nothing has been done. The company intends testing these as soon as money is available for the purpose. Up to the time of closing down the battery the operations were chiefly confined to the Studholme (No. 1 reef), which trends in a northerly direction with an easterly underlie, and varies from 1 ft. to 3 ft. in width. Some of the ore contained a very high percentage of silver and gold. 3,508 tons of ore was treated for £7,595 8s. 10d., and an average of forty men was employed.

Whangamata Proprietary.—This property, on which a large amount of work was done, and payable ore obtained at the upper levels, was sold by auction in the early part of the year, and purchased on behalf of a syndicate by Messrs. Mitchell and Bonwick, who have been negotiating with a view to forming a company to raise capital to enable them to prospect the deep levels, which they consider have not been tested to any extent, and in which they are confident something of importance will yet be discovered. I am informed they have been so far successful in raising capital, and that work will be resumed in about two months' time. The property has been under protection during the year and in charge of a caretaker.

Chelmsford.—For the past year the company crushed and treated 2,169 tons of ore for a yield of 1,363 oz. 14 dwt. of bullion, valued at £2,531 2s. 8d., and employed an average of twenty-five men. Considerable development-work has been done during the year. A low level has been driven a distance of 600 ft., leaving 130 ft. yet to drive before the reef is intersected. This will give 214 ft. of "backs" to the level above. A winze is being sunk on the main reef from No. 2 level, and to which communication will be made with the low level. The reef is 2 ft. 6 in. in width, and for the 30 ft. sunk shows it to be of payable quartz. Other development-works have also been done in the way of driving main levels ahead and crosscutting at different points. In some cases good results have been met with. The company contemplates in the early part of the incoming year to close down the battery and to direct all their energies in pushing ahead the low level, the No. 2 level, and the sinking of the winze for the purpose of thoroughly testing the value of the mine preparatory to conducting operations on a larger scale.

Taniwha.—During the year this company have spent a good deal of money in the direction of erecting a heavy two-stamper battery and two berdans, which are driven by a 15-horse-power Tangye oil-engine; also in laying a tramway to connect the mine with the battery and different mine-works. The mine constitutes a small hill interlaced by a mass of quartz stringers, all carrying a little gold. Crushing was commenced in April last, when 328 tons was treated for 121 oz. 10 dwt. of gold, valued at £287 0s. 5d.; but, this not being payable, the company suspended operations, and have let the mine on tribute to a good party of men, who are sanguine of meeting with stone that will give payable results.

Broken Hills, Tairua.—This property, which is now established as one of the principal gold-producers in the district, has been vigorously worked during the year, with very satisfactory results. 4,328 tons of ore was broken out of the Blucher reef and treated for 9,921 oz. of bullion, valued at £19,097 18s. 6d., which enabled the directors to disburse in dividends the handsome sum of £8,947 11s. 11d. This must have been very gratifying to the shareholders. As the prospects of the mine generally indicate that payable returns will be maintained from the various reefs operated on for an indefinite period, there is every reason to conclude the company possesses a valuable property. The distance driven on the reef at the low level was something like 600 ft. The reef varies in width, contracting and opening out suddenly, and at the end of the year it was small in the south end and about 2 ft. wide in the northern face. The average height of the blocks from the low level is something like 500 ft. The Night reef has been driven upon at the low level for a distance of 160 ft., yielding highly payable ore, and the reef still looks well going south. A leading stope is being carried along on this reef on the back of the low level, and a rise is proceeding upwards on it, and in both places good payable ore is being produced. This reef was first cut in the No. 2 level, which is 400 ft. above the low level. Seaver's leader was driven on from the east crosscut, where the Night reef was again cut and driven on for a distance of 35 ft. upon payable ore. The management is sanguine it will prove to be quite as good as the Blucher lode. The Purrow reef was met with in the stopes being worked upon in the Blucher reef about 80 ft. above the low level. It was driven on for 32 ft., with encouraging results. The Wellington reef was first cut in No. 4 level, on the north side of the hill; it is about 4 ft. wide. Assay tests of the stone give payable results, and when this reef is opened up it will no doubt enhance the value of the property. There is also the New Year reef, on which comparatively little work has been done; and although this reef does not give as good results by assay tests, yet there is every reason to believe it will turn out all right when opened up. An average of fifty men has been employed.