

Chelmsford.—The low level was extended, but the reef did not turn out as well as was expected, so the mine closed down and is now under protection. Efforts are being made to obtain more capital to put in a lower level.

Golden Belt Mine: The old low level has been extended and the lode driven on for some distance. Valuable ore was met with, and a large quantity taken out and stacked. A main low level is now being put in lower down the creek, which, when completed, will be connected with the upper levels. An aerial tramway is in course of erection which will convey the ore to the battery now in course of erection. This battery, together with a cyanide plant, was purchased from the Alpha Company, and brought from Waitekauri. Ten heads of stamps were also purchased from the Hauraki-Associated Company at Coromandel, and when added to the others will give a total of thirty stamps. Eight men have been employed.

The Chester Claim was worked by Murphy and party, who crushed 76 lb. of picked stone for a yield of 22 oz. 15 dwt.

Several claims have been applied for in this district, but very little work has been done outside the Golden Belt.

Klondyke Mine: In the early part of the year this mine was fairly well worked, and 125 tons of ore taken out and crushed for a return of 17 oz. 6 dwt., value £41 16s. 6d. As this was not payable, operations were stopped, and protection applied for pending the results of experiments which were commenced for the purpose of ascertaining the best method of treating the ore.

The Sheet Anchor and We Three Claims have been prospected, and although several small reefs were cut through which carry a little gold, no payable lode was discovered. The country at the surface is very much broken, but it is hoped will improve in the low level now being commenced.

KARANGAHAKE.

New Zealand Crown Mines: This company has been prosecuting its mining operations with its usual vigour, employing a large staff of men in the mine and reduction-works. Some three hundred men find employment on its works besides those employed in providing timber for its use. The amount of timber required for this mine costs over £100 a month, which at 8s. per hundred represents a very large quantity of that material. This mine, however, for the past few months has been somewhat unfortunate in having to deal with rather a poor quality of ore which has caused a falling-off in the value of its monthly returns, but still the returns to hand are of sufficient value to give a small margin of profit. This company has a large sum invested in machinery of every kind necessary to carry on its operations, and all that it requires is to discover a richer block of ore to enable it to make the good returns of last year, which I have no doubt it will again be doing ere long, as a vein assaying £2 per ton has been unearthed in No. 4 level, which however is described as irregular; but further development may lead to something better. A good body of ore has already been struck.

The Talisman Consolidated have had a much improved year, having secured gold to the value of £88,079, which shows an average yield per month of £7,340. This is an increase of £20,763 upon the previous twelve months' returns. The present position of this mine seems eminently satisfactory; let us hope the future will prove it to be one of our consistent gold-producers. During the year an average of 155 men have been employed upon its works. The incline shaft from No. 8 to No. 11 level has been completed, and is working well. A rise from No. 11 level connects with this shaft. A drive from the Woodstock No. 5 level along the face of the reef has been carried to a point where the shaft will come down. Altogether the present prospects of this mine are cheering.

The Woodstock Gold-mining Company have done little or nothing during the past year for want of funds. The company, it is stated, are liquidating, and it is rumoured that the property has been acquired by the Talisman Consolidated Company. The northern section of this property is almost entirely undeveloped, and is said to carry a larger reef-area than the southern portion, to which the whole attention of the old company was practically devoted.

These three properties are practically the only ones that can be termed mines, as no others have developed and proved to be auriferous. The Crown and Talisman especially have proved to be good payable mines. There are a few other special claims still in existence, notably, two called the Saxon Nos. 1 and 2, which a Sydney firm are endeavouring to float. They have some faith in the ground, as they are paying the rent, and prospecting the ground with two men.

Then there is the Comstock United, held by a very hopeful man, who for the last two or three years has just been on the point of cutting the reef; a reef which is to astonish the world, and to excel anything ever met with in the Waihi Mine. This reef has not yet been discovered although the owner positively asserts it is there, and professes to be working hard to reach it.

The Rising Sun at Owharoa is another claim upon which the owners have spent a considerable sum of money in trying to turn it into a mine. They have pluckily stuck to it, and it is not their fault that it is not a gold-mine. They have no present intention of giving it up, but intend to prosecute their researches in the hope of ultimate success. Perseverance such as they have displayed deserves to be rewarded; time and energy may discover something in the ground later on, as it is in the vicinity of a claim from which a large quantity of gold was obtained in years past.

That section of the Ohinemuri River claims, extending from Karangahake to the junction of the river, has been protected pending the tests being made with regard to other of the claims, at the works erected at Waihi, with a view to ascertaining what was actually required to treat the slimes before incurring the expense of a second plant.

Komata.—The Komata Reefs Mine has during the past year proved itself a consistent gold-producer, and there is every prospect of its continuing to be so. This company's crushings for the twelve months ending the 31st March last, totalled £37,132, the monthly return being fairly uniform.

There are three or four other claims in this locality in existence, but none of them so far have realised expectations.