

EAST COAST DISTRICT.

Mananu Mine.—This mine was under protection³ in the early part of the year, and when work was resumed, the reef was driven on at the No. 4 level for a distance of 155 ft., making the total distance driven on it at this level 210 ft. The reef is composed of hard blue mottled quartz containing a good deal of mineral. It is about 2 ft. in width, but not payable. At No 3 level the same reef was driven on for a distance of 252 ft., making the total distance 607 ft.; there was also a rise put up on it to No. 2 level, a distance of 63 ft.; the reef here would average 15 ft. in width, but there was not sufficient gold in it to pay. At the north end of the mine (on what is known as the Rapids section) a considerable amount of surface-work has been done on what is believed to be the continuation of No. 1 reef, and most of the ore broken out of those workings was treated at the company's mill. In following the reef down it got smaller and of less value and would not pay to work. A good deal of prospecting was done on various reefs, some of which looked very promising, but none were found to be payable. The mine and plant is closed down and is again under protection. 370 tons of quartz was treated for 166 oz. of bullion, value £333 17s. 1d. An average of six men were employed.

Whangamata Proprietary Mine.—There has been little or no work done in this mine for the last twelve months. The machinery, water-race, fluming, &c., have been sold and are being removed.

Chelmsford Mine.—The low level was extended in the early part of the year and the reef intersected. After driving on it for a short distance, the reef did not open out as well as anticipated. The mine was therefore closed down for want of funds, and has since been under protection for the last six months. An average of three men have been employed during the year.

Tairua Broken Hills Mine.—This property has been vigorously worked during the year with satisfactory results, a good margin of profit being left after all expenses were paid. The work generally has consisted in driving, rising, and stoping on the Blucher, Night, and Puon reefs, which have varied from 1 ft. to 3 ft. in width, and there is a considerable height of backs over the low level. In the intermediate level the Blucher reef has been extensively operated on and has yielded highly payable ore. The New Year and Wellington reefs have also been driven on, and the tests of the quartz made from time to time are such (I am informed) as lead the manager to believe they will pay handsomely to work. From the amount of payable quartz already won from the mine, the prospects generally throughout the workings appear as if it is reasonable to suppose that payable returns may be obtained for some considerable time to come. The mine is very convenient and cheaply worked. As the ore is broken out and passed into the shoots, it is run into the trucks, then along the low level and ground tramway direct into the battery. In the battery a Huntington mill was fitted up, which greatly assists in increasing the output. An auxiliary water-power is to be increased by lowering the Pelton wheel and tail-race. The mode of treatment adopted by this company is wet crushing, amalgamation, and cyaniding. During the year 6,355 tons of quartz was treated for a return of 12,281 oz., and value £21,146 18s. 8d., which enabled the directors to pay in dividends the sum of £10,306 5s. This must have been very gratifying to the shareholders.

Coronation Claim.—This property is situated south-east of the Tairua Broken Hill Mine, and was under protection during the early part of the year. At the expiration of that time a contract was let for extending the level a further distance of 200 ft. for the purpose of intersecting gold-bearing lodes, fully expected owing to excellent prospects which were obtained on the surface in trenching. Up to the present no payable discovery has been reported. From four to six men were employed.

Taniwha Mine.—This mine has during the year been worked on tribute by Mr. John Collins and party, the operations being chiefly confined to open-cut work on the large outcrop formation, which is composed of country rock interlaced with quartz stringers, carrying a fair percentage of gold. As this has to be carefully selected for treatment, it barely pays to work. A small crushing-plant is connected with the mine consisting of two stamps run by an oil-engine, but the quantity of crushing-dirt put through is small, only 42 tons of ore was treated for 82 oz. 1 dwt. of gold, value £190 1s. 1d. From two to three men were employed.

Prospecting operations have been carried on in the Gem, Myosota, and Golden Hill Claims, but up to the present no important discovery has been reported, and no returns of gold sent in.

Golden Belt Mine.—This mine has been continuously worked during the greater part of the year, the drive on the road-side (formerly termed the low level) was extended until the lode was intersected and driven on for some considerable distance. This varied from 2 ft. to 5 ft. in width, the quartz being very high grade. As broken out it was stacked at the entrance of the drive, pending the erection of the battery, which is being vigorously proceeded with. A main low level is now being put in some distance lower down the creek. It is intended to connect this level with the higher workings. An aerial tram-line is in course of construction for the purpose of conveying the ore from the mine to the battery. The battery will consist of thirty head of stamps when completed, twenty of which were purchased from the Alpha Company, Waitakauri, together with the cyanide plant. These are now being removed to the site selected; the other ten head have been obtained from the Hauraki Associated Mine, Coromandel. Eight men were employed.

Chester Claim.—This ground was prospected for some time by Murphy and party, who treated a small parcel of 6 lb. of stone for a return of 22 oz. 15 dwt. of gold.

HIKUTAIA.

Maratoto Mine.—The work in this mine has been confined to the development of the Maratoto reef at Nos. 4 and 5 levels, where it has been driven on north and south of the crosscut for a considerable distance. At No. 5 level the reef is a strong body of stone varying from 8 ft. to 10 ft. in width, the quartz being of a kindly description in places, and I am informed the sulphide portion contains a fair percentage of the precious metal. A rise has been put up from No. 5 level to No. 4 level, a height of 120 ft., which has proved the reef between these levels, and given good ventilation. No bulk crushings