

depressing effect on all mining investments throughout the district, more especially upon certain mining properties at Waihi which are dependent on foreign capital for their development. Notwithstanding the disappointing results of recent development in the Waihi Mine, it still remains beyond approach the greatest mine in the Dominion. The company own a large area of land which has as yet been scarcely touched. A drive, known as the Reptile crosscut, is now being driven through this unexplored country towards the Amaranth and Rosemount reef-systems at the 1,000 ft. level, and it is quite probable that these lodes, which have not yet been tested at any great depth, may be found to have improved in value at the depth traversed by this crosscut.

As some compensation for the decreased yield from the Waihi Mine, it is pleasant to be able to record the continued improvement of the Grand Junction Mine. Operations have during the past year been vigorously prosecuted. The returns for the year show an increase of £32,457 over those of the previous year. Developments on the Martha lode have proved somewhat disappointing; but the Royal reef, at the No. 5 level, has yielded very satisfactory returns for over 700 ft. on the east drive. The Mary lode, a comparatively recent discovery, has been driven for 196 ft. on payable ore. The treatment of 84,326 tons of quartz gave a return valued at £132,295 10s. It is in contemplation to increase the number of stamps from 40 to 100, and to add to the already extensive reduction plant, and it is intended shortly to proceed with the sinking of a new shaft.

In the Waihi Extended and Waihi Reefs Consolidated Claims work is still being perseveringly carried on. Both companies are sinking, and when the required depth is attained crosscuts will be driven to intersect the lodes which are believed to extend into these properties.

On the Romulus Claim, lately taken over by an English syndicate, boring operations are being conducted to test the existence of reefs in the ground.

At Owharoa and Waitekauri there are several small companies at work. The operations are mostly of a prospecting nature. Work has been continuously carried on in the Jubilee, Maoriland, Scotia, and Golden Cross Mines. With the exception of the Maoriland Claim, from which gold to the value of £1,377 was obtained, no returns of any importance have been received; but the prospects are encouraging. This is particularly so with regard to the Golden Cross Mine. The company are about to erect a battery of their own, and have already excavated the site for it. They have laid down a tramway, and constructed a water-race to bring water into the battery.

At Karangahake the Talisman Mine still maintains its position as the second mine of the Dominion. During the past year 45,020 tons of ore were treated, for a yield of £210,624 3s. 6d. worth of gold. In September last the air-compressors situated in the Woodstock section were, unfortunately, destroyed by fire, and all work below No. 13 level was suspended. In spite of this, however, the company have had a successful year. The value of the lodes worked during the past year has been maintained, and the prospects of the mine are excellent. In the south drive operations have disclosed another payable ore-shoot, 300 ft. in length and from 3 ft. to 9 ft. in thickness. During the year the company has added considerably to its reduction plant, and in the Woodstock shaft chamber a new mining-engine, capstan-engine, and large pumping-engine are nearing completion.

Under new management the New Zealand Crown Mine is being vigorously worked. A saving in the cost of milling has been effected during the year by substituting electricity for steam as the motive power. The mill is now being driven by power delivered from the generator at the power-house.

Several other claims are being worked at Karangahake, but they have not reached the stage of gold-production.

At Komata the Komata Company is still continuing operations, but the returns are steadily declining.

Mining at Maratoto is at present confined to the Silver Stream and the Tellurides Companies' claims. Both companies are engaged in driving prospecting-tunnels, but there have been no returns of gold so far. Several other claims are held in this locality, but work is at a standstill, owing to want of capital, the expenses of working having proved beyond the means of the owners.

Matters at Thames do not show any improvement. The yield of gold is year by year diminishing. Much depends on the success of the low-level crosscut which is being driven northwards from the Queen of Beauty shaft at the 1,000 ft. level. Satisfactory progress is being made with the work, and the tunnel has now reached the Saxon boundary. Very little work is being done, or can be done, on the surrounding claims until the crosscut is driven sufficiently far to drain them. Two of the claims affected—the Moanataiari and the Kurunui-Caledonian—have obtained twelve months' protection, and one—the Saxon—six months' protection; but the claims are open to tributers. On the hills surrounding the Thames Borough a considerable number of claims are at work with several parties of men, mostly engaged in prospecting old ground at low levels.

At Tararu the Sylvia Company are opening up their mine, so as to be ready to supply ore to their battery as soon as it is completed. The battery and plant are now well advanced, and in a few months this claim should be contributing its share to the gold-returns from the district. The Norfolk Company, and the Bonanza, Waitangi, and Watchman are all carrying on development of their respective claims by means of low-level tunnels, with every prospect of ultimate success.

At Puru, the Crown and Golden Crown Company have been energetically prospecting their claim, and it is their intention to erect a battery on this claim to be driven by water-power.

At Waiomo the Mount Zeehan and Monowai Companies have been steadily at work. The former are now driving a low-level tunnel to cut the lode which produced rich stone near the surface. They propose erecting a battery, and have obtained water-rights and a site for the battery near the claim. The Monowai Company have completed the renovation of their battery, and have erected a suction-gas plant, laid down a ground-tramway, and reconstructed their water-race. Everything is in readiness for working the mine. At the present time about fifty men are employed.

Mining at Tairua has proved disappointing. A number of companies are still at work, but the returns of gold have been small. The Golden Hills Mine, which was expected to add materially to the