C.—2.

Waikino-Waiomoko Claim.—During the year a considerable amount of surface prospecting was done, and a large lode formation was discovered. Two tons treated as a trial crushing proved to be worth £1 5s. per ton.

Waite kauri.

Maoriland Gold-mining Company.—North of No. 2 rise the low level has been extended a total distance of 314 ft. At 220 ft. a large body of quartz was met with, and driven upon for 94 ft.; assay value, 4s. per ton. At the intermediate level stoping is in progress on the east and west wall of the lode. The average width of milling-ore is 5 ft. From ore milled, bullion to the value of £3,585 12s. 11d. was obtained

Golden Cross Gold-mining Company.—This mine has worked continuously during the year, work being confined to testing several lodes above the creek-level; 875 tons produced gold valued at

£1,636 6s. 5d.

Jubilee Gold-mining Company.—The works carried out in this mine have been of a prospecting character. At the different levels 300 ft. of driving has been done, also a considerable amount of surface

prospecting, without discovering anything payable.

North-western Syndicate.—The low level has been driven a total distance of 400 ft., and several small leaders intersected, giving good dish prospects; but the large reef exposed on the surface, and from which high assay value was obtained, has not been found in the mine.

Karangahake.

Talisman Gold-mining Company.—Talisman shaft: This has made slow progress on account of the heavy flow of water. The total depth at the end of the year was 553 ft. below river-level. When this shaft is a few feet deeper it is proposed to excavate a chamber, to install a horizontal pump of 50,000 gallons per hour capacity to raise the water to the adit above river-level, and thus avoid intermediate pumping. Woodstock shaft: This shaft is now sunk 454 ft. below the engine chamber, and it is intended to sink 40 ft. to 50 ft. deeper before opening out for No. 14 level. The first section of the Cornish pumping plant has been placed in the shaft, and the second set will be installed when No. 14 level is opened up, when the plant will be started, thus making the Woodstock the main drainage-shaft of the mine. At No. 13 level the south drive has been extended to the boundary of ore in the Dubbo section, but as the country is still favourable it is intended during the ensuing year to resume driving south, also to crosscut east and west. At No. 14 level the north drive has been advanced beyond the boundary of the Bonanza ore-shoot, with a view of picking up the Talisman shoot, which has not yet been found. The south drive at No. 14 level has passed the southern boundary of ore in the Bonanza section, and is now being advanced toward the Dubbo section, where the reef proved is of fair size, but of low value. No. 12 winze was sunk a few feet during the year, and drives from the same were put out north and south to relieve the Talisman shaft of a portion of the water. A new fitting-shop and a new change-house are the principal items in the way of construction-work for the year.

Dominion Gold-mining Company.—In this mine the eastern low level which was put in to intersect lodes found outcropping on the surface, varying from 3 ft. to 30 ft. in width, has been extended a total distance of 819 ft. Unfortunately, at this point a large body of water was met with. Considerable time was spent in attempts to secure the face of this drive, but owing to the broken country and heavy pressure of water this work proved to be very slow and expensive. It was therefore decided to remove the men and further test the outcrops of these reefs, in order to allow the water sufficient time

to drain off.

New Zealand Crown Mines (Limited).—The following development has been carried out on the Welcome, Crown, and Maria reefs at this mine during 1912:—Welcome lode, from four levels above and four levels below (400 ft.) the Waitawheta or river-level: 2,054 ft. of driving, 1,671 ft. of rising, 255 ft. of sinking, 817 ft. of crosscutting, and 17,758 ft. of stoping: produced 21,319 tons of ore. Crown reef, from three levels above Waitawheta: Driving, 453 ft.; rising, 344 ft.; sinking, 7 ft.; stoping, 362 ft.: produced 747 tons of ore. Maria reef, Hauraki section: Driving, 290 ft.; rising 123 ft.; crosscutting, 423 ft.; and stoping, 172 ft.; ore obtained, 724 tons. This section, which is being worked from a drive on what is known as the Hill track, has been connected with the main tramline leading to the mill by an aerial tram-line 1,100 ft. long, with requisite hopper accommodation erected at both ends. Number of tons treated. 22,839; bullion recovered, 17,023 oz., valued at £40,798 7s. 5d. Mill: A vacuum filter plant has been installed for the treatment of slimes, and is working very satisfactorily. The slime-vats are being fitted with mechanical agitators, and it is anticipated a higher percentage of bullion will be recovered during the incoming year.

Paeroa.

Waihi - Paeroa Gold - extraction Company. — The new plant commenced operations on the 22nd January, but some time elapsed before the whole of the machinery was thoroughly adjusted and put in working-condition, so that up till the 8th March only 1,500 tons had been treated. Up to date the sands treated have been obtained from the lower river claim, which four years ago contained very little tailings, so that it is evident the material treated is a recent product from the mines above, and estimated to be the lowest grade in the river. This section, however, had to be dredged to get floating-room for the barges. Although the material treated has only yielded an actual extraction of 8s. per ton (of 2,240 lb.) the profit over working - expenses has been satisfactory, owing to the very low working-costs. A dividend of 1s. per share was paid in November, and it is anticipated by the management that during the current year higher-grade sands will be obtained. The dredging and elevating plant have done excellent work in what is considered a poor section of the river, and for