

During the year development at the deepest level has not proved any feature of much interest, but the assay value of the ore exposed in the George, Royal, and Empire lodes has been satisfactory. No indication of leaching of the ore-body as seen in the Martha lode at the Waihi Mine has been here exposed.

The milling-capacity of the mine has been supplemented by the addition of twenty heavy stamps, and the power plant by a new A.E.G. (German) turbo-generator of 2,680 horse-power. No other mining operations of importance have been carried out during the year.

The Waihi Reefs Consolidated and Waihi Gigantic properties have been amalgamated, a new company having been formed with the object of deepening the present shaft from 735 ft. (the present depth) to 1,200 ft., and from thence crosscutting northward in exploration of the Waihi lode system.

Karangahake Goldfield.—The Talisman Consolidated (Limited) has experienced a decrease in tonnage treated and bullion obtained, but the amount of dividends distributed—viz., £133,687—constituted a record for this mine. The decline in output may to a certain extent be attributed to the colliery strike, which rendered this mine idle during November and December.

Development during 1913 has been somewhat disappointing; a crosscut eastward from No. 12 level south failed to intersect the Welcome lode, and the south drive and crosscuts at No. 13 level proved nothing of value in the Dubbo shoot; in No. 14 level, however, development was more satisfactory, a drive southward proved fair-grade ore in that shoot. The deepest development in the mine is by winze No. 12 in the Bonanza shoot, on the Maria lode, which is now down 135 ft. below the No. 14 level, and within 15 ft. of the random of No. 15 level. The lode, which carried high-grade ore from 110 ft. to 112 ft. down the winze and then showed a decline in value, still remains low grade, but a strong and well-defined ore-body, wider than the winze. It is proposed to carry three winzes to No. 15 level, and from thence drive north and south on the Bonanza shoot. To overcome the water difficulty, which was becoming acute, a horizontal pump of about 1,000 gallons per minute capacity has been installed in the Talisman inclined shaft, about 50 ft. below level No. 14; and the new Cornish pump, with an approximate capacity of 2,000 gallons per minute, raises water in the Woodstock shaft from below the random of level No. 14.

The connection of the Woodstock main shaft with the Talisman Mine workings at level No. 14 is being rapidly advanced from both ends; less than 18 chains remain to be driven. In the connecting crosscut 81 ft. from the Woodstock shaft a lode 7 ft. wide of low value was intersected. When the connection is completed pumping and winding will be concentrated in the Woodstock shaft installations.

The New Zealand Crown Mines have obtained small returns during the year. More capital is now being obtained, and it is proposed to confine future operations to the exploration of the property at greater depth. The Waihi-Paeroa Gold-extraction Company have during 1913 re-treated 140,100 imperial tons of tailing for a return of £42,300, being an average extraction of 6s. per ton, a greater output but lower average return than formerly. As the operations advance downstream the average value of the tailing has declined.

Thames Goldfield.—On this goldfield interest has been centred upon the crosscut to connect the Queen of Beauty and Kuranui-Caledonian Company's shaft at the 1,000 ft. level. The direct crosscut having during 1912 entered broken country in the vicinity of the Moanataiari downthrow fault when only 386 ft. from its termination, an influx of water and gas rendered further advance on that course inadvisable, and it was decided to make the connection with the Kuranui-Caledonian shaft in a direct line from the Waiotahi shaft to a point 50 ft. west of the first-named shaft; thereby it was hoped to avoid the broken country. After 493 ft. of the 650 ft. required to connect had been driven—on 30th September, 1913—water and gas at great pressure burst through the floor of the deviation crosscut; the workmen were compelled to make a hurried exit, and all attempts to resume work have since failed. Unless the ventilation of this crosscut is much improved, owing to the danger from gas, it has been decided to suspend crosscutting until the Waiotahi shaft, now being sunk, connects with the 1,000 ft. level crosscut, a farther depth of 50 ft. of sinking.

Coromandel Goldfield.—Profitable mining on this goldfield has, with one exception, ceased, the only dividend-paying mine being that of the New Waitaia Gold-mining Company at Kuao-tunu, which, from stopping operations in a lode varying in thickness from 6 in. to 2 ft., were enabled to distribute £1,875 as dividends.

West Coast Inspection District.

From a commercial standpoint, based upon the amount of profit to capital invested, operations on the West Coast quartz-mining fields during 1913 have been unprofitable, only two mining companies having distributed dividends, and in these cases the sum disbursed was not large.

Inangahua Goldfield.—The New Big River Company has replaced its winding-engine by one of modern type, and, having installed compressed-air rock-drills, will now be able to extend its operations in depth. There has at this mine been a decline in tonnage milled and bullion produced below that of the previous year, but the average value per ton has increased from £4 8s. 7d. to £5 12s. 9d., a very satisfactory feature. The deepest development in the mine—viz., the winze from the No. 10 or 1,575 ft. level—has exposed a strong and profitable quartz lode. This company, whose paid-up capital only amounts to £600, has produced gold to the value of £174,244, and has distributed in dividends £81,600.