

this work was suspended, and a start made to put down a borehole from the bottom of the shaft, which is 602 ft. from the surface, to the 1,000 ft. level. The object of this was to drain the water and permit of the shaft-sinking being proceeded with, but unfortunately, after boring 320 ft., the boring-rods broke off at the core-barrel. All attempts to recover the core-barrel and the diamond-crown failed, but the attempt to drain the shaft was successful. Sinking was resumed, and a further 134 ft. has been sunk. From the 1,000 ft. level an uprise has been constructed for a height of 93 ft. During the year 536 ft. has been driven at the 1,000 ft. level in the Waitotahi ground. I inspected the mine during the year, and found it in good order. 62 tons of ore was crushed, for a yield of 41 oz. 7 dwt. of gold, valued at £114 4s. 6d.

*Moanataiari Mine.*—Work at this mine was at a standstill during the year up till May, since when an average of six men have been employed. A drive has been constructed through the main slide at the No. 3 (300 ft.) level, with a view to picking up the lost portions of the Caledonian reefs Nos. 1 and 2, and also the Moanataiari No. 4 reef, hillward (south-east) of the slide. In the early days of mining on the field these reefs were very productive, and the recovery of them may extend the life of this mine. In driving through the slide a small quantity of what appeared to be carburetted hydrogen-gas was found, but it soon was cleared away. I examined the mine during the year, and found ventilation dull. No ore was crushed.

*Kuranui-Caledonian Mine.*—Owing to the delay in completing the Deep Levels crosscut this company has done very little development during the year, and as their capital was practically exhausted it was found necessary to reconstruct the company. This mine was under protection up till June last, since when two men have been employed. Upon inspection, I found the mine in good order.

*Kuranui Mine.*—Operations have been principally of a prospecting nature. At the Battery level, Section 2, short drives failed to intersect profitable quartz leaders. The Magazine level was extended a further distance of 460 ft., making its length a total of 890 ft., and during its later extension several quartz leaders varying from 2 in. to 30 in. in width were cut through, and a few pounds of picked stone secured from one of them. This low level is through previously unexplored country. This claim was one of the first gold-producers of the early days. I examined the mine on several occasions during the year, and found the conditions fair. Five men have been employed.

*Waitangi Mine.*—During the year the following amount of development has been carried out: Driving, 300 ft.; crosscutting, 56 ft.; rising, 86 ft.; sinking, 41 ft.; stoping, 120 ft. The intermediate drive, east of the winze sunk from No. 3 level, has been extended a further distance of 29 ft., making a total distance of 49 ft. from the winze. About 5 ft. of the hanging-wall portion of the reef was broken out and 60 tons of this ore saved for treatment. A crosscut was advanced a distance of 30 ft. through the foot-wall of the main reef to intersect No. 1 and No. 2 leaders, the latter being driven on for a distance of 45 ft., where the leaders junctioned with the Siam reef. The leader was stoped out for a height of 25 ft. above the drive, and 60 tons of ore and 80 lb. of picked stone saved for treatment. No. 1 leader was driven on for a distance of 51 ft., and a drive put up for a height of 24 ft. to intersect the No. 1 winze which was sunk in No. 3 level. 6 tons of ore and 20 lb. of picked stone were selected from this leader for treatment. A drive was put in from No. 4 Beach level to drive south on a 2 ft. 6 in. reef, which was cut through in the main level, but after driving a distance of 77 ft. there was very little encouragement, and the work was stopped. A No. 2 intermediate level was put in east of the rise and 50 ft. below No. 1 intermediate level. A total distance of 39 ft. was driven on the reef, but no gold was seen. A crosscut has extended 15 ft. through the foot-wall of the reef to pick up Nos. 1 and 2 leaders. Rising in the low level east of the fault has been in progress and a height of 62 ft. reached. A drive was also started in the No. 4 level on the main reef west from the north crosscut, and is now in a total distance of 59 ft. About 2 ft. of the foot-wall portion of the reef was broken out, and assayed £2 1s. per ton. I examined the mine during the year, and found conditions very satisfactory. An average of seven men has been employed.

*Watchman Mine.*—For a short period at the beginning of the year attention was directed to the development and opening-up of the several ore-bodies, from which assay samples gave satisfactory results. As a practical test of the ore, a bulk sample of 750 tons was treated at a local milling plant for a return of £2,241 16s. 9d. The company subsequently decided to purchase the milling plant of the New Day Dawn and Norfolk Company, and also that company's property. Pending the reconstruction of the milling plant, and also the erecting of an aerial tram-line which connects the mine with the mill, all underground development has been suspended. At No. 1 level (Middle Parallel reef) a connection has been made with No. 4 rise—distance driven 220 ft. on an ore-body 3 ft. to 9 ft. wide. A crosscut 26 ft. in length has connected the Parallel and Middle Parallel reefs. No. 5 rise on the Middle Parallel reef was risen to a height of 100 ft. on an ore-body 4 ft. wide. No. 6 rise, 365 ft. south of No. 1 rise, was put up to a height of 62 ft., and crosscutted at various points, proving the reef to be about 10 ft. wide. No. 4 rise was risen to a height of 100 ft., the values being encouraging. With a view to improving the Sunbeam Creek tunnel for horse-haulage and to providing a more direct connection with the mine-working on the reefs, a deviation crosscut 300 ft. in length was constructed, and the tram-line relaid. The mine was examined during the year, and found to be in a satisfactory condition. Ventilation good. An average of fifteen men has been employed.

*Dixon's Consolidated Mine.*—In the early part of the year a little prospecting was done on the reef outcrop, but owing to the discouraging value of the ore, work was suspended, and later the company went into liquidation.

*New Sylvia Mine.*—This mine has again proved the most productive mine in the Thames district. 10,103 tons of ore was crushed, for a return of £16,351 4s. The principal development