Thames Goldfield.—Owing to a great influx of black-damp and water from the vicinity of the Moanatairi fault at the 1,000 ft. level crosscuts, it was found dangerous to make a connection with the Kuranui-Caledonian Company's shaft, although there remained only 130 ft. to be driven to make such connection. It was decided therefore by the Deep Levels Board to cease operations. In consequence of the shrinkage in contributions the Thames Drainage Board subsequently ceased pumping (on the 19th October), thereby permitting water to rise in the Waiotahi and Queen of Beauty shafts (connected with the 1,000 ft. crosscut) to a height of 441 ft. Unfortunately the black-damp has now inundated all the mines situated within the drainage area to within 400 ft. of the surface; until this is removed by ventilation mining at Thames will be practically at a standstill.

Coromandel Goldfield.—Profitable mining here, which has been gradually approaching stagnation during the past decade, has now ceased.

A small Auckland company has been formed to treat a tailing-deposit now lying at the Old Kapanga claim, Coromandel. Between 1864 and 1906 that claim produced bullion to the value of £204,903. It has since been idle. The tailing in the company's ground is lying in a swamp, and amounts to about 2,300 tons, which has been carefully sampled by the Inspector of Mines, the assay value varying between £1 6s. 8d. and 6s. 3d. per statute ton, the average being about 15s. The company has erected a plant consisting of one tube mill, two B. and M. agitating-vats, two filter-vats, one vacuum filter, with air-compressors and suction-gas engine, at a total cost of about £5,600. As the profit on the 2,290 tons of tailing available is unlikely to exceed £1,000, it appears probable that the tailing was not accurately measured and sampled before the scheme was undertaken. There has been one clean-up since the plant was started.

West Coast Inspection District.

Inangahua Goldfield.—The Blackwater Mine, the most productive quartz-mine in the South Island, has increased its annual output and maintained its dividends, but development on the 5th and 6th levels proved the lode to be smaller than in the upper levels. There are indications at the 7th level of an improvement.

At the Progress Mine nothing of importance has been disclosed and the ore-reserves are nearing depletion.

In the Wealth of Nations Mine at No. 6 level a block of ore has been proved, which is now being satisfactorily developed at three levels.

The prospects at the Keep-it-Dark Mine are not at present promising: the country below the 7th level is faulted and the lode undefined.

The annual production at the New Big River Mine has increased, but the value per ton of ore treated has declined from £5 12s. 9d. during 1913 to £4 16s. 5d. during 1914, and the amount of dividends declared has decreased from £14,400 to £9,600 during the same years. At this mine very good ore has quite recently been developed at 120 ft. below the No. 10 (or 1,575 ft.) level. The main shaft is now being sunk to No. 11 (or 1,760 ft.) level.

Marlborough Goldfield.—The Dominion Consolidated Gold-scheelite Mine at Wakamarina has been worked continuously throughout the year, and development has proved the lode to maintain its size and value as depth is attained. A lengthy crosscut is now being driven which it is believed will add considerably to the ore-reserve when the lode is intersected.

Southern Inspection District.

Otago and Southland.—Gold-quartz mining in these provincial districts has been of declining importance for several years, and no dividend-paying mines are now in operation.

(2.) Dredge Mining.

The number of working gold-dredges has declined by four on the West Coast and by six in Otago and Southland, and the year's operations have been unimportant.

On the West Coast six dredges were in commission, being situated at Hokitika, Grey Valley, Nelson Creek, Blackwater, Antonio's Flat, and near Reefton respectively. One or two new dredges are now being constructed for use on the West Coast.

In Otago and Southland the fleet of fifty-eight dredges was distributed as follows: Waikaia Valley, fifteen; at or near Alexandra, nine; Waikaia and Miller's Flat, five each; Nevis and above Cromwell, three each; Lowburn Ferry, Manuherikia, Cardrona, Glenore, and Charlton Creek, two each; and one at Kawarau, Clutha Gorge, Coal Creek Flat, Roxburgh, Ida Valley, Kyeburn, Adams Flat (Glenore), and Mataura River respectively.

Notwithstanding the decrease in the number of dredges the production has almost equalled that of the previous year, the average yield per dredge having increased by £340; and the amount of dividends has also increased.

The Worksop dredge, operating at Antonio's Flat, near Reefton, continues to be the most profitable dredge. During 1914 this dredge produced gold to the value of £14,600, and provided £6,150 for dividends. In Southland and Otago the two Rise-and-Shine dredges were the most profitable.