

NELSON.

Colossus Gold-mining and Development Company, of Napier, took over Messrs. Van Bell, Balting, and Grace's prospecting-areas at Connor's Creek, Wangapeka, but after starting a long crosscut and driving it about 300 ft. they abandoned the work, and are now preparing to further test Culliford's old reef at Blue Creek. Gold can be seen in one portion of the reef where it is exposed in the old drive, and it is possible there may be something found here on further development. There is now no other quartz-mining in the Nelson District.

LYELL.

New Alpine Consols Company.—During the year the Alpine reef-line has been struck in the crosscut and it is now being driven on to the south. The channel is well defined with good walls, and little solid and uncrushed veins of quartz occur in the formation. Some of these show free gold. Nothing payable to work has been struck so far, but driving is being continued.

CAPLESTON.

Boatman's Consolidated Gold-mining Company (Limited).—The work at the Fiery Cross shaft has been carried on throughout the year, and the cleaning-out and repairing has been completed to the bottom—450 ft. A contract has been let for sinking, and the work commenced. The company's balance-sheet up till the 30th September, 1916, shows an expenditure of nearly £12,000.

Work at the Golden Arch Mine was stopped early in the year, nothing of value having been found.

REEFTON.

Murray Creek Mines.—Mining and crushing were continued until August, £12,252 worth of gold being obtained from 3,183 tons treated; but, as it was then thought there was a considerable loss of gold in the milling process, the mine was closed while the mill and treatment plant were enlarged and rearranged. This work is still in progress. At the time of closing down the mine was looking very well.

Energetic Extended.—Prospecting has been carried on with four men during the year. More than one reef-track has been explored by driving, and some crosscutting has also been done, but nothing of value has been found.

Wealth of Nations and Energetic Mines.—Work has been carried on continuously throughout the year, the returns being somewhat smaller both as to tonnage and value than for 1915. No important ore-bodies have been developed, but the blocks at the lowest level, No. 12 (2,019 ft.), are just as good as any in the mine. To maintain the ore reserve further sinking of the main shaft is now a necessity.

Keep-it-Dark Mine.—This old mine has failed to pay working-expenses for some years past, and early in the year the company gave an option over the property to a Christchurch syndicate organized by the Rev. R. Wilson. This syndicate, instead of vigorously prospecting with the object of locating a payable ore-body, continued mining the unprofitable stone worked by the company. Very little prospecting has been done, and the mine fell into such a state of disrepair that early in December it was necessary to withdraw the men and prohibit any work being done excepting that necessary to restore the airways and re-establish the ventilation. This work is still in progress, and it will be months before regular mining operations can be resumed. There are two reefs in this mine, the East and the West. The former in the upper levels gave very good results, but it has never been seen below No. 5 level, nor has there been very much work done to find it. The West reef, which has been worked alone from No. 6 level down to No. 9, the present bottom level, has never been payable. The future prospects therefore appear to depend upon the finding of the East reef in the lower levels.

Progress Mines.—This mine has had a steady run for the year, but there has been a marked fall in the returns as compared with 1915, due chiefly to a shortage of men. The development of ore has been, on the whole, satisfactory, and the reserve must have been considerably increased.

Cumberland Mines.—No work has been done during the year.

New Big River Mine.—This mine has nearly doubled the previous year's returns, but chiefly owing to shortage of labour it has again failed to show upon the dividend-list. No. 11 level has so far proved disappointing, and the reef is there seriously interrupted by faults. Probably further sinking will be required to get beyond the disturbance.

North Blackwater Development Syndicate.—The sinking of the Prohibition shaft has been vigorously pushed on, and a depth of over 800 ft. has now been reached. The reef should be struck some time this year.

Blackwater Mines.—The returns from this mine are £30,000 less than for the previous year, partly due, no doubt, to shortage of labour, but also to some extent to a diminution in size of the reef having caused a smaller tonnage to be produced. Nos. 5, 6, and 7 levels all proved disappointing, the reef being much smaller and more broken than was the case above. No. 8 level so far has been better, and it may prove to be below the region of the displacement; and at the present time (3rd March, 1917) the north faces of Nos. 6 and 7 levels are also looking much better than they have done for some time, as they are showing a good reef in nice solid country. This is favourable for the prospects of Blackwater North, as these latest developments are only about 500 ft. from the boundary.

Blackwater South Mine.—Some further prospecting has been done here by continuing Absalom's tunnel, but nothing of value has been found.