

come. To carry out the object a contract to drive a tunnel 250ft. was let in January last, the estimated cost of which will be £300. The tunnel is now driven a distance of 150ft., and so far no serious difficulties have arisen. The cost of water-race and fluming for sluicing-purposes is £150, making a total present expenditure of £450.

*The Phoenix Company.*—This company has done a large amount of work in the mine during the past year, having crushed 7,000 tons of quartz, producing 5,278oz. of smelted gold, or 15dwt. per ton. During the year many difficulties were encountered with the electric machinery and the scarcity of water. By an accident in January last the electric power broke down, and it will take to the end of April current to effect repairs, when it will be worked with new wheels of laminated type, with the expectation of a large increase of power. In the meantime a portion of the battery (twenty heads) is being driven by steam. During the year this company has erected a pair of air-compressors for the purpose of driving a winding-engine (which is fixed in a chamber within the mine); a Tangye pump (which is fixed in pump-shaft); a rock-drill; also a stone-breaker above the battery, through which the whole of the quartz passes, except what is riddled out on its passage to the breakers; making the plant now fairly complete: and should the electric plant come up to the company's anticipations, with its thirty heads, they expect to have good returns in future. In the claim a pump-shaft has been sunk 80ft. below the adit level, and the middle lode has been cut with a cross-cut of 137ft., but 150ft. west of the run of gold in the adit level. In driving east the company passed through a short run, and are now entering on the main shoot coming from the levels above. The run of gold in this reef is apparently gone below this level, and will have to be followed by sinking deeper. This will probably be done in the next year's work. In the upper ground in this lode the company found its rich lode suddenly cut off by a crosscourse, which apparently has heaved the lode a distance of 350ft. This has been a matter of great difficulty and expense, and appears to have been a most extraordinary heave, the second only that the manager (Mr. Fred. Evans) has seen in the colonies. This crosscourse passes through the whole of the mine in a north-westerly direction. A large extent of ground has been opened on the company's Promised Land lode, with varying results, and will probably produce a large quantity of low-quality stone. The crushings at present are of quartz from three different lodes. The gold at the battery is saved by plain blanket-tables, and from careful test of tailings the loss is found to be exceedingly small.

*The Phoenix Extended.*—This company, after the preliminary work of repairing the tunnel had been effected, let a contract to drive 200ft. at £1 4s. per foot. This distance was driven, and a little gold showed, but not payable. Another contract was let to extend the north drive 50ft. at £1 7s. 6d. per foot; and it has been driven to a distance of 137ft., but the north lode is not yet reached, although indications show that they are getting close to it. Two men have been employed in driving to look for the south lode; and at a distance of 30ft. the reef was found, with good walls, but no gold in them. Two men are also driving to start to cut the north lode 275ft. west of where No. 1 north drive is going for the same reef. The north lode has been prospected on the top of the hill about 1,000ft. west of the mouth of the tunnel, and good payable prospects obtained. The shoot of gold worked by the original holders of this mine runs so flat that a long distance will have to be driven before it will be cut; but prospects are being obtained at the end, going west, that are sufficiently good to indicate that the company is near something payable. The tram-road has been repaired and laid with iron rails; the battery has also been repaired; and everything will soon be in readiness for crushing. The only drawback is that all the pipes are not in position for the water-supply, which is hoped soon to be completed. The water-supply has been and still is an expensive matter, the amount of pipes required being about 3,700ft. When complete, however, there will be a perpendicular pressure of 170ft. The cost of piping and labour is estimated at £800, and, with Pelton wheel, will bring it up to nearly £1,000; but the power it will give will enable the company to sink, crush, pump, and work the mine to the greatest advantage, and cheaply. The company has, up to the 31st March last, expended about £2,500 in improvements in the mine, driving, &c., and hopes shortly to reach payable stone.

*Maori Point (the Maori Point Quartz-mining Company).*—This company—a Melbourne syndicate—purchased the rights of A. Southbury and others, who drove a tunnel (at a depth of 80ft. from the cap of the reef) a distance of 60ft., when they struck the reef, which was gold-bearing. Previous to this they crushed 5 tons from the cap of the reef, which yielded slightly over 17dwt. to the ton. They then drove east along the course of the reef 80ft., and the same distance west, the reef showing payable gold the whole distance. After it was taken charge of by Mr. Nicholls for the new company, 6cwt. of quartz was sent to Melbourne for crushing (taken from different parts of the drive), which yielded at the rate of 6oz. to the ton. A winze was then sunk on the west side of the tunnel to a depth of 45ft., when it was found that the reef improved in quality from a soft mullocky reef to a hard blue-and-white stone, with splendid walls. In consequence of meeting with a strong body of water the intention of sinking the winze to a depth of 100ft. was not carried out. A lower-level tunnel (120ft. deeper than the old tunnel) 400ft. in length was decided to be driven at a cost of £600. The company purchased a ten-head battery at a cost of £550, delivered on the claim, which is now in a forward state of preparation. The company secured two water-rights; but, as they would pass over very rough country and take a long time to bring in, and as the company wished to test the ground without delay, they purchased the water-rights of Messrs. Leyden and O'Connor for £500, and have repaired the race at a cost of £100. This was a heavy piece of work, as the water had to be brought down from a height of 1,000ft. to the pipes leading to the turbine, which are 400ft. in length, and give about 150ft. of perpendicular pressure. The total cost of the various works when complete will exceed £2,000.

*Head of the Lake (the Invincible Quartz-mining Company—Limited).*—This company has also done a considerable amount of work during the past year, having crushed 2,167 tons of quartz, which yielded 1,517oz. 18dwt. of retorted gold, or equal to 14dwt. to the ton. The working-expenses for the year amount to £3,920 19s. 1d., or equal to 9dwt. 9gr. to the ton; leaving a surplus of 4dwt. 15gr. to the ton for division amongst the shareholders. The company employed twenty-four men in the