

property. The deepest point worked on this property is 274 ft. below the surface. Operations have been conducted with seven levels at various depths and on different reefs, each varying in size from 6 in. to 18 ft. The average number of persons employed on this property is thirty-two. In the 14½-acre section of this property a prospecting level is being driven in virgin ground. The total distance driven here is now 314 ft. For some time past the rock driven through in this level has been a hard diorite. It is hoped to be through this rock shortly, judging from the more moderate andesite rock outcropping on the surface in advance of this level. From the South Tokatea tunnel the company is developing a reef northerly on the supposed No. 1 Success reef, and, inasmuch as this drive is towards the gold-bearing belt, there is ground for expecting to discover good runs of gold characteristic to the Success reefs at this depth. Northerly from this development a new prospecting cross-cut is also being developed, in the hopes of intersecting the same No. 1 Success reef. The rock so far as driven in (24 ft.) is a true decomposed andesite rock, and, inasmuch as loose colours of gold can be raised around the surface in this section of the ground, there is reason to expect cutting a productive reef. A new reef is being developed in the freehold property, in which occasional colours of gold are being met, and, speaking from the character of the reef so far as developed, it is hoped by the deepest level just being initiated on this reef to discover a payable reef. The company is also developing an east and west reef, varying in size from 3 ft. to 17 ft. wide, known as No. 1, No. 2, and No. 3 level cross-cuts. In the No. 1 and No. 2 levels large bodies of ore have been driven on, but so far of too low grade to pay for working. By following up the development of this reef, however, there is no reason to suppose but what payable sections of it will be discovered, as its development is practically all in virgin ground. The company is also working a hand rock-drill in the lower sections of its property, with a view to test the rock at different points. The area of this property and the various number of reefs traversing through it, and considering the prospects of gold traced in various parts of the property and surface prospecting, with further developments should discover some sections payable. The company has expended £7,727 14s. 5d. in the colony since registration to the 31st December last.

Waikoromiko District.

In the under-mentioned mines a large amount of prospecting work was done, but no yield of gold has been reported. Machinery for crushing is not yet erected in the neighbourhood, but it is expected that a mill will be shortly erected by the Hauraki Associated Reefs Company, which will give a chance for public crushing from the mines—Rialto, Fabulous, Cuirassier, Golden Butterfly, Plunger, Jocelyn, Tandem, Trilby, Tokatea, Hinemoa, and City of Chester.

Whangapoua Mine (Area, 100 acres).—This mine is situated at Waitekauri Block, Whangapoua, and joins the Waikoromiko claims. The reef is from 2 in. to 2 ft. 6 in. in width, and produces specimens. As the country is at present inaccessible for carting quartz, 4½ tons only were sent to the mill, but this, with 150 lb. of specimens, produced 720 oz. of gold; value, £2,180 7s. Two men were employed.

Forest Queen Mine.—A small crushing of 19 cwt. of quartz yielded 8 oz. 10 dwt. of gold; value, £25 10s. Five men were employed.

Four-in-Hand Mine (Area, 30 acres).—This mine is situated in the Waikoromiko district. A considerable amount of work was done during the year. The reef, which is from 4 ft. to 6 ft. in width, was driven on for 200 ft., and a rise 60 ft. put through to the surface. As this mine is far removed from a battery the bulk of the quartz was not crushed, but 400 lb. of specimens were treated, for a yield of gold value £900. Seven men were employed.

Kapanga District.

Kapanga Mine (Area, 99 acres 3 roods 27 perches).—This mine, the oldest held by an English company in the Auckland District, is still being vigorously worked. The return of gold for the year was 531 oz., obtained from 843 tons of quartz. The workings in the mine are of very great extent, and carried on from two shafts, the Kapanga shaft, 1,007 ft. in depth, and the Corby shaft, 185 ft. Gold occurs in many places, although no extent of rich specimen stone has been obtained. There is, however, always, when working on reefs in this mine, a chance of unearthing one of those patches of specimens similar to the rich finds obtained in the past. This company deserves success on account of the large amount of capital it has invested, for the untiring perseverance displayed in opening the mine at such a depth, and also for carrying on operations without having obtained adequate returns of gold for several years past. It is also intended to use the diamond drill in boring, with the view of sinking the main shaft to a greater depth should indications prove satisfactory. Mr. W. H. Argall, general manager, and Mr. H. Battens, mine-manager, give the following account of the mine:—

Tutwork measurements (exclusive of stopes): Engine-shaft has been sunk 207 ft.; drives on reefs and branches, 540 ft.; risings, 569 ft.; levels cleared and retimbered, 320 ft. Corby section: Shaft retimbered, 80 ft.; shaft sunk, 65 ft.; drives cleared and repaired, 200 ft.; drives on reefs and branches, 190 ft. Stopes: In this connection 740 tons of quartz has been treated, but a large proportion of it was of very low grade. During the year Larnach's engine-shaft has been sunk 207 ft., its size being 11 ft. by 8 ft. within timbers. For the entire distance it has been securely timbered with 10 in. by 8 in. timber, and all the necessary centre-pieces, cage- and ladder-roads, have also been constructed, with the requisite sollars and bye-launders. We have also fixed a 10 in. bucket-lift, and a 12 in. plunger-pole at the 600 ft. level, with a 13 in. rising main. We found it advisable to do this in order to counteract the weight of main rods, and it will also enable us to sink as low as the engine's capabilities will allow without incurring any further expense. The shaft having been sunk to the required depth, preparations were made at once for opening out at the 1,000 ft. level. A chamber 24 ft. by 10 ft. by 8 ft. within timber has been cut, and the ground