

places. No. 2 level has been opened up for a distance of 315 ft. at a depth of 72 ft. below No. 1, and is connected with it by rises and winze. The average width of the reef is about 5 ft. Some dabs of gold have been seen, but the greater part of the ore is of low grade, easily procured, and of a free-milling character. In the Progress, Priores, Vendor, and Pyramid sections operations have been confined mostly to surface prospecting and trenching. A number of reefs and leaders varying from 6 in. to 3 ft. in thickness have been discovered, but there has not been sufficient work done on them to prove whether they are of a payable nature. Nine men were employed. The mine is well opened up, and the present owners, having exhausted their funds, have placed the property under offer to an English company for the purpose of furnishing sufficient capital for the erection of suitable machinery, as the present ten-stamp mill is inadequate to deal with low-grade ore.

A considerable amount of prospecting has been done in the Waitekauri King, Golden Spur, Omega, Dorothy, Waitekauri No. 2, Waitekauri South, New-Zealander, Exchange, Southern Cross, Belmont, Golden Waitekauri, Jewel, British Empire, Oceania, Huanui, Waitekauri Reefs, and Waitekauri Queen Claims, but no valuable discovery has been reported.

*Alpha Mine* (Area, 30 acres).—This mine is situated near the old whim on the tramway to Komata. Three levels are opened, and four reefs, varying from 3 ft. to 14 ft. in width, have been worked on, but the quartz is generally of low grade, and until suitable machinery is available no returns of gold can be obtained. Four men were employed.

The Rainbow Claim, of 60 acres, has also been prospected, and several reefs, varying from 2 ft. to 6 ft. in width, have been tested, and found to be of low grade, which to be payable must be dealt with in large quantities. Four men were employed.

*Waitekauri United Mine* (Area, 109 acres).—This mine is now held by the Waitekauri United Gold-mining Company, Limited (English). A staff of forty-five men has been employed in driving tunnels to cut the reefs which are known to exist in this property. A 14-horse-power steam-engine is used for driving the air-compressor to work the rock-drills. Although several gold-bearing reefs are to hand, the crushing machinery is not to be erected until further development has been done. Mr. F. Stone, mine-manager, gives the following account of the work done:—

During the past ten months this company commenced operations to open up the mine by tunnelling. No. 1 tunnel is now in a distance of 500 ft. into the main range. Several small leaders were cut, assays from which vary in value from 14s. to £6 per ton. We expect to cut the main reef in this tunnel in another 160 ft. of driving. This tunnel is being driven through the main range 2,800 ft. to meet No. 2 tunnel, which is started from the opposite side of the range, and will give from 220 ft. to 345 ft. of backs on the reef. No. 2 tunnel is now in a distance of 440 ft., but nothing of any importance has yet been met with; but it is a well-mineralised country, favourable for gold, and I would not be surprised to strike a good reef at any time. No. 3 tunnel is started at a point near the north-western boundary, and is now driven 293 ft., its course being south-west. We have passed through several small leaders, but not of any great value, although the class of country is favourable. No. 4 tunnel has been driven 40 ft. in a southerly direction from the northern boundary. No. 5 tunnel is now in a distance of 170 ft. from the south-west side of the range, to intersect what is known as the "United Blow," and to prove this part of the mine at a deeper level, as there was a good deal of gold got on the surface in the early days. The upper level, on the point reef, has now been driven a distance of 320 ft. on the line of reef, which varies from 6 ft. to 18 ft. in width, and the assay-value is about £2 per ton. There will be about 150 ft. of backs above this level. We have started a low-level to cut the point reef; it will give about 90 ft. of backs to the level above. This cross-cut or low level is now in a distance of 92 ft., and we expect to strike the reef in another 30 ft. of driving. We have also opened up several drives on the old workings. The Energetic reef has been driven on for a distance of 100 ft.; the size of the reef varies from 2 ft. to 4 ft. in width, and assays about £3 10s. per ton.

*Waitekauri Cross Mine* (Area, 100 acres).—This is owned by an English company, the Waitekauri Cross Gold-mining Company (Limited). It is situated on the line of reef worked in the Waitekauri Mine, and the following development work has been carried out during the year: An adit is being put in from near the south-western boundary in an easterly direction, with a view to intersecting the well-known Golden Cross reef. This is now in progress, and is already in about 600 ft. During the construction of this adit the Taranaki reef (formerly cut on surface) was intersected, and driven on for 100 ft. in a northerly direction. It proved to be a large lode, varying in width from 18 ft. to 30 ft., with a strong dip to the east. There is little doubt but that this lode is the same as that being worked in the Waitekauri Extended ground. In addition to the above, a cross-cut was put in for 300 ft. from the south-eastern boundary in a north-westerly direction. At the present time a shaft is being sunk near the eastern boundary adjacent to the surveyed line of the Golden Cross lode, from which it is proposed to open out in order to intersect this reef. Twenty-five men were employed.

*Waitekauri Extended*.—Work was carried on at different parts by tunnelling with small surface tunnels to find out the exact course of the lode; about 1,000 ft. of driving was done. It was then decided to drive a cross-cut tunnel 160 ft. below the surface at the top of the range, and in the centre of the Hippo section, to be known as the "blow tunnel." This was driven a distance of 400 ft., passing through a favourable channel of country, and cutting ten different defined reefs. The last reef, No. 10, which looked the most promising, and gave the best results, was at once opened up and driven on about 250 ft., cross-cutting at every 50 ft. It proved the reef to be 35 ft. wide at this level. A tunnel 55 ft. lower down was also driven into and through the No. 10 reef. At this level the reef was opened and driven on north and south over 400 ft., cross-cutting as above east and west. The reef in this level proved to be about the same thickness, and better in value. The country passed through in all these upper levels is of the favourable rock found in the Waitekauri district, and the lode itself is evidently on the run of and somewhat similar to the Waitekauri reef.