

MIDDLE ISLAND.

So far as quartz-mining in Marlborough is concerned, there is nothing of any moment to report. Work has been carried on principally at Jubilee Mine, Top Valley, near Blenheim, but the average yield of gold per ton of stone is small. A proposal for the amalgamation of other interests and the reconstruction of the company was made towards the end of the year, work being suspended pending the completion of the new arrangements.

The mines at Taitapu, near West Wanganui Inlet, continue to be steadily worked. At the Golden Ridge Mine the principal work during the year has been in the development of the Anthill section of the property. The Golden Blocks Mine has worked a good-quality stone, the average value being £3 8s. 3d. per ton.

In the Westport district the mines at Mokihinui and Waimangaroa have not done much during the year, and their yield has in consequence been very small.

The Alpine Extended Mine at Lyell has not produced any notable quantity of gold during the last three years. In the meantime a considerable amount of development-work has been done at workings from an inside shaft sunk from the low-level adit. The reef has been found irregular and patchy, but at my last visit at the commencement of the present year the prospects looked better than has been the case for a considerable time past.

A party of men working a leader in the old United Italy Claim above Lyell have done remarkably well: 133 tons of quartz yielded gold to the value of £1,787, or an average of £13 8s. 8d. per ton. This is reported to have given a net return of over £9 per week per man for five months' work. A little exploratory work on behalf of an Auckland syndicate has been done during the year at New Creek, near Lyell.

On the Victoria Range broken quartz lying on the surface supplies a fifteen-stamp battery during that period of the year when the snow is off. The average value of last year's crushing was £1 9s. 9d. per ton. As there are no expenses for underground mining, the above value leaves a very satisfactory margin of profit.

The Welcome Mine at Boatman's (Capleston) has been taken over by the Consolidated Goldfields of New Zealand (Limited). Prior to this arrangement the working of the mine had been let on tribute, and some very good returns obtained. For the present the tributing agreement will be continued under the new proprietary.

At Reefton mining operations have been steadily carried on during the year. Very full information as to the operations of the Consolidated Goldfields of New Zealand (Limited) and the Progress Mines of New Zealand (Limited) is given in the reports of Mr. Tennent, Inspector of Mines, and the Warden, Mr. Kenrick. These two companies, which are under the same general management, are large employers of labour (an average of about five hundred persons being employed), and their operations during the past seven years have demonstrated the possibilities of deep mining in the Reefton district. Dividends amounting to £34,375 were paid by the Progress Mines of New Zealand (Limited) during the year, which bring the total dividends paid since the company took the properties in hand to £165,000.

The Keep-it-Dark Mine has also been a consistent gold-producer and a dividend-paying concern. This mine gives employment to fifty-eight persons, and during last year 12,568 tons of quartz was mined. The gross yield by amalgamation and cyanide was to the value of £20,473 2s 2d., and dividends to the amount of £8,750 were paid, making a total of £132,166 13s. 4d. so paid since commencing operations. It is intended to sink the shaft down to deeper levels, at which equally good results may be reasonably looked for. One prominent feature about the deep levels in the Reefton district is the comparatively small amount of water to be dealt with, a feature which reduces both capital-expenditure and working-cost.

At the New Inkerman Mines development-work still continues, and a fairly comprehensive battery test was put in hand during the year. The battery comprises fifteen heads of stamps and a cyanide plant, together with canvas-tables and settling-tanks for the recovery of concentrates and deposition of slimes. It is intended to thoroughly test the quartz won in development work, &c., with this battery before incurring the expenditure necessary for the erection of a large and thoroughly modern plant.

The Big River Mine continues to maintain its reputation as a patchy property: nevertheless, rich patches of stone are met with from time to time, which fully compensate for the expense of locating them. As evidence of this, the returns for the year enabled the company to pay nearly £1,200 in dividends after meeting liabilities and working-expenses. The total amount paid in dividends since the mine commenced is £47,366 5s.

Work has been carried on at a few other properties in the district during the year. Operations have been resumed at the Victoria and Inglewood Mine under private ownership. With the erection of a cyanide plant it is expected that payable returns will be made.

Comparatively little work has been done during the year on or adjacent to the Paparoa Ranges. Perhaps the most notable work has been the developments at Garden Gully. The holders of this property have been very persevering, and now claim to have proved the existence of payable reefs which can be worked from adit levels for many years to come. A company is to be formed for the purpose of developing the property on a fairly extensive scale and laying down a large battery plant.

Quartz-mining in Otago occupies a very secondary position in comparison with mining in various forms for alluvial gold, the value obtained from quartz-mines during the year amounting only to £22,110 17s. 6d. In the Lake Wakatipu district only two mines have been on the list of gold-producers—viz., the Shotover Quartz-mining Company's mine, near Skipper's Point, and the Premier-Sunrise Mine at Macetown. The former mine was closed for some time, but has lately been reopened by an adit from the battery level and a new battery erected. The results obtained from crushings should give encouragement to other parties who are conducting prospecting operations in the district. The Achilles Mine (formerly known as the Phoenix) at Bullendale was