

stone being recently struck quite unexpectedly. The surface equipment has been further increased by converting the single cylinder 14 in. by 22 in. Rand air-compressor into a duplex movement. This alteration has greatly aided development, as no difficulty is now experienced in keeping the air-pressure at 80 lb. while six drilling-machines are running in full work. At the old shaft the winding-engine has been replaced on a concrete bed in a reversed position, so that the driver is now in full view of the ropes while the cages are running in the shaft. At the battery the only additions of importance have been the construction of two new tanks—10 ft. in diameter, 7 ft. in depth—in connection with the cyanide installation, thus making the number of treatment-tanks in use up to twelve. One other tank is also in course of construction. An additional sump 20 ft. by 8 ft. has been erected. This is used for storing strong solutions. The cyanide house has been enlarged to cover the tanks erected, and a small shed placed over the new sump. The whole of the company's plant has been maintained in good order, and the output of the mine exceeds that of any previous year. This year's work resulted in the mining, transportation, and reduction of 57,114 tons of quartz, which yielded by amalgamation 21,298 oz. 15 dwt. 22 gr. of gold, valued at £88,738 12s. 11d. 1,060 tons of concentrates treated by chlorination yielded 2,866 oz. 1 dwt. 13 gr. of gold valued at £11,851 15s. 4d., while 26,547 tons of coarse battery sands treated by cyanide yielded 3,181 oz. 6 dwt. 19 gr. of very base bullion valued at £7,769 11s. 1d. The working-costs amount to 2s. 4·704d., and the profit to 3s. 5·537d. per ton treated, making the yield equal to 5s. 10·241d. A small experimental shipment of 13 tons of roasted slimes forwarded to the smelter realised £142 14s. 8d. A general summary of the aggregate working-cost, yield, and resulting profit in milling 57,114 tons, and cyaniding 26,647 tons during the year is as follows: Total working-cost (exclusive of capital and development expenditure) incurred in mining, milling and chlorinating (including bullion charges and office expenses) £45,971 2s. 9d., or 16s. 1·176d. per ton milled; cyaniding, £3,175 1s. 4d., or 1s. 1·342d. per ton milled; totals, £49,146 4s. 1d., or 17s. 2·518d. per ton milled: Profit on mining, transportation, milling, concentrating and chlorination works (including office expenses and bullion charges), £54,619 5s. 6d., or 19s. 1·517d. per ton milled; cyaniding, £4,594 9s. 9d., or 1s. 7·307d. per ton milled: totals, £59,213 15s. 3d., or £1 0s. 8·824d. per ton milled. Summary: Total working-cost, £49,146 4s. 1d., or 17s. 2·518d. per ton milled; profit, £59,213 15s. 3d., or £1 0s. 8·824d. per ton milled: yield, £108,359 19s. 4d., or £1 17s. 11·342d. per ton milled. On capital expenditure, £8,115 2s. has been spent during the year; of this amount £6,508 16s. 7d. was incurred directly in mine-development. The milling-time during the year 1903 was very good, but a serious break in the water-race caused a stoppage of four days eight hours during July. This was the only break of any importance. The total number of days the mill ran was equal to the theoretical time with the exception of 12·62 days. This loss of time represents the total delays caused by the monthly clean-ups, daily scrapes, water-race breakages, and incidental stoppages. A successful and prosperous year for 1904 is confidently looked forward to. The same policy will be pursued as heretofore, with the exception that mine-development will be pushed even more energetically than during the period under review.

*Keep-it-Dark* (owners, Keep-it-Dark Gold-mining Company (Limited); Edwin Bray, manager).—The operative works in connection with the mining, milling, and cyanide extraction have been continuous, while the progressive developments comprised sinking of the main shaft, extension of No. 5 crosscut to intersect the main lode, and completion of the necessary connections for passing and ventilation between Nos. 4 and 5 levels. The auriferous blocks on Nos. 2 and 3 levels having become totally exhausted, stone for milling purposes was chiefly stoped from No. 4; the reef on this level having maintained a uniform width and quality, except where partially intercepted and displaced by mullock-intrusions. While cross-cutting to intersect the main lode in No. 5 level, the cap of a supposed new block was struck at 252 ft. from the main shaft, and was driven on for 30 ft., but its geography and values await development from No. 6 level on completion of sinking operations. The working-plant of this property is kept in good repair, while timbering and ventilation are made special features throughout. The working-cost for mining and raising 12,568 tons of quartz for milling purposes was £7,567 or an average of 12s. 5d. per ton, while the cost of crushing and other incidental expenses amounted to £1,464 14s. 1d., or a fraction under 2s. 4d. per ton. The gross yield, 3,639 oz. 1 dwt. 6 gr. gave an average of 5 dwt. 19 gr. The results from the cyanide extraction have been favourable; partly due to a reduced percentage of anti-mony in the ore. The output of bullion from this process, 1,643 oz. 5 dwt. 18 gr., valued at £5,697 9s. 5d. gave a value return of 9s. 0½d. per gross ton milled, while the cost of treatment, including labour and all material used, amounted to £2,316 3s. 5d., or 3s. 8½d. per ton, leaving a profit of 5s. 4½d. per ton on the total tonnage.

*New Inkerman Mine* (Norman Dudgeon, attorney).—Mining has been practically confined to stoping east and west from the new incline hoisting-shaft with the exception of completing the varied details in connection with the shaft. Regarding width and regularity of formation, the reef so far as developed maintains a wandering position occasioned by regular jumps-up which necessitate the stopes being generally driven in the solid. The works are in good order, while timbering and ventilation are strictly attended to. The fifteen-head stamp mill, recently constructed and fitted with automatic feeders and other modern appliances, commenced crushing about May, giving a regular monthly return. Cyanide extraction-works, in proportion to milling-requirements, have also been suitably installed.

*Industry Mine*.—Operations on the No. 1 drive opened east of the Big River Road, Merrijigs, having proved unsuccessful, all work has been suspended, and the movable plant withdrawn. However the company have opened an old tunnel on the Cumberland property, and continue to push development-work which, so far as prospects have yet determined, does not offer much encouragement for future prospects, as the country rock is badly crushed and undefined. There are two miners employed. The ground is securely timbered.

*New Scotia*.—This company, after a lengthened period of driving, sinking, and rising to connect the Scotia Eastward with the Gallant low level, have meanwhile abandoned all operations connected therewith. The hoisting-engine and boiler have been removed and rebuilt to sink on an outcrop from the Gallant rise level.

*Victoria and Inglewood*.—The upper levels of this old property having been thoroughly overhauled and retimbered where required to insure free ventilation, operations were resumed on the battery level