

plied, in terms of section 39 of the Mining Act Amendment Act of 1905, and were granted the sum of £248 7s. 6d. to assist them in the erection of crushing machinery. A considerable amount of work has been done in opening up the mine from the lower level, after driving on the reef for some distance. At this level a rise was put up on the lode to a height of 154 ft. to connect with a surface level for ventilation, and 94 ft. up the rise from the low level an intermediate level has been driven for a distance of 354 ft. on the reef, which varies in thickness from 2 in. to 18 in. The mine-manager states that a great portion of the reef already opened up will pay handsomely when the battery is erected and crushing commenced. The low level is only a short distance from the incline tram-line connected with the battery, so that at a very small cost the quartz will be conveyed into the battery from the mine. Four men were employed during the year.

Portsea (Grace Darling).—This ground was taken up by Challis and party, who had a good crushing from the sides of a winze sunk on the lode to No. 2 level. They considered the ore in sight was good enough to warrant the erection of a small crushing plant, and made arrangements with a party who agreed to erect a five-stamp battery for half of the mine, or an equal number of shares to the shareholders at that time. A five-stamp battery was accordingly erected, but the ore obtained from the mine since then has not turned out nearly as well as anticipated. The work carried out by the party has been chiefly confined to taking out trial crushings from the various blocks of ground opened up on the reefs by the former Grace Darling Company, and to all appearance the payable ore is only in small patches, the rest being low grade which will not pay to work. An average of four men have been employed in this mine.

New Zealand Jubilee Mine.—This company's operations have been chiefly confined to driving and rising at the low level, but the prospects met with have been rather disappointing to the shareholders, who have expended a large sum of money on the property during the last twelve years. An average of five men were employed during the year.

KARANGAHAKE.

Talisman Consolidated (Limited).—This company's operations have proved a great success during the year. The work has been directed to driving and developing on the reef between the No. 8 and No. 13 levels; the reef has varied from 10 ft. to 25 ft. in width, the whole of which was broken out in places and sent to the mill, and from 44,725 tons of ore treated 290,786 oz. 14 dwt. of bullion was obtained, for a total value of £129,088 8s. 10d., which enabled the directors to pay dividends amounting to £30,000 during the year. As these are the first dividends paid since operations were commenced in the mine, the management and shareholders may be congratulated on the success that has crowned their efforts in making the mine a payable concern, and as the prospects for the year entered into are of a most promising nature, it may fairly be expected the shareholders will receive numerous dividends to recoup them for their former outlay. The following is a summary of the work done in the mine during the year: The incline shaft was extended until it reached a point 445 ft. below the river-level (Woodstock No. 5). At 180 ft. below river-level a station was cut for No. 12 level, from which a drive has been driven north 534 ft. and south 318 ft., and I am informed that the ore-shoot in the Talisman section maintains at this level the size and values met with in the level above. At 200 ft. below No. 12 level, No. 13 level was started, and reached the reef just before the Christmas holidays, therefore I cannot say much about it except that it is said to carry payable values. On No. 11 level the south drive has got into the Bonanza section, showing that the high-grade ore found above No. 10 level continues down to the level of No. 11. On No. 10 level the south drive is now in 1,425 ft. from the shaft; this drive is being driven for the Dubbo ore-shoot, and should get under the Dubbo workings in another 250 ft. The development-work for the year has considerably increased the ore-reserves, and the output shows that the values have also increased over those of the previous year. I am informed that the same vigorous development policy will be continued during the ensuing year, and the south drive at No. 12 level will be extended until it gets into the Bonanza section (probably 250 ft. from present face), and the No. 13 level will open up the Talisman ore-shoot. 230 men have been employed during the year.

New Zealand Crown Mines (Limited).—This company's operations have not during the past year been productive of as good results as could be desired, although some good ore has been obtained from a block of ground opened up above what may be termed No. 5 or lower level. This has been worked at a great disadvantage: the block of ground being about 1,350 ft. from the No. 1 main underlie shaft, and the No. 5 level not being connected with the inside workings, the ore had to be pulled up a winze with buckets to No. 3 level by means of a small engine, where it was tipped into a hopper and then trucked out of that level and sent up the No. 1 main shaft, thus adding considerably to the cost of the ore mined. The reef here is from 12 ft. to 15 ft. in width. Another large block has been opened up on Lloyd's (or New) Reef, which was intersected in a crosscut driven from the Waitewheta main level; the reef is about 8 ft. in width, and I am informed produces good payable ore. Other blocks of ground on the main lode have been operated on, and the ore treated from the various parts of the mine shows it to be of fairly high grade; 17,541 tons of ore was treated for a value of £36,516 8s. 10d. In a large mine of this kind considerable expenditure is necessarily incurred in keeping everything in proper repair, and this year the trestles and fluming which carry the water-supply over the Waitewheta Stream have shown signs of decay, and necessitated the erection of new fluming, &c., estimated to cost £800. No new or important discoveries have been made in the mine during the year. An average of 129 men have been employed.

Comstock Claim.—The owner, Mr. W. Tregoweth, has not discovered anything of importance during the year. He has continued the driving of the 600 ft. on which he had a subsidy of 3s. per foot from the Ohinemuri County Council and the Government. The work has proved rather disappointing, as