

Kuranui-Caledonian Mine, which necessitated some 700 ft. of driving. This has been the means of securing good ventilation and drainage. Whilst driving this crosscut the Cure Reef was met with, carrying good gold, and is now being driven on eastwards; this reef should eventually junction with the Cambria. The total amount of driving done during the past year has been 1,453 ft.; 150 ft. has been sunk in winzes; and 111 fathoms stoped out. The old Waiotahi battery of twenty stamps has been completely renovated, and the company has also acquired a new forty-stamp mill, twenty stamps of which are now running. Also a new tailings plant has been added to the company's reduction-works. An electric-lighting plant has been installed, and the batteries, tailings plant, tramways, and braces are now lit up by electricity. During the year 4,986 tons of quartz and 54 cwt. 40 lb. of picked stone were treated, which yielded 27,148 oz. 6 dwt. of melted gold, valued at £73,884 9s. 7d., £51,300 of which has been paid in dividends. An average of fifty-two men were employed during the year.

*Moanataiari Mine.*—The company's operations for the year have not turned out as well as could be desired; but the prospects are said to be very encouraging, and a patch of gold may be discovered at any time as the work now carried on is in the immediate neighbourhood of where rich gold was obtained: 253 tons of ore was treated for a return of 242 oz. 10 dwt. of gold, valued at £676 0s. 3d. This ore was won from the Cambria Reef, below the No. 3 (or 400 ft.) level. A distance of 200 ft. was driven westward on the course of this lode and a crosscut put into the foot-wall country for a length of 400 ft. without meeting with any ore of a payable nature. There is still a large section of undeveloped country here which it is expected will be further prospected at no distant date. At the end of the year the work in progress was principally confined to opening up the Cambria Reef eastward, where the rich patch of gold was obtained, and here a new lode has been discovered entirely intact. As there is fully 300 ft. to drive on the course of this lode before the Moanataiari main slide is met with, there is every probability of payable gold being found as this work proceeds. An average of fourteen men employed.

*Kuranui-Caledonian.*—Early in the year a contract was let for driving a distance of 661 ft. Just after this work was started the Waiotahi Gold-mining Company, who own the adjoining mine, found that it would be to their advantage to have a connection for drainage and ventilation purposes with this mine. An agreement was consequently entered into and the connection made which provides ample ventilation. As soon as the Cambria Reef was cut and its thickness ascertained, driving east and west was commenced—one drive on the foot-wall and the other on the hanging-wall of the reef, which is 17 ft. thick. Some very nice mineralised stone was met with on the foot-wall, which, although showing no visible gold, gave good assay values. Up to date a distance of 70 ft. on the foot-wall and 224 ft. on the hanging-wall has been opened up, the best results met with being in the eastern drive on the hanging-wall. The quartz here is heavily mineralised and strong blotches of gold have been seen; but, strange to say, the best seems to be in the bottom of this drive. In order to prove whether there is rich ore going down underneath the floor of this drive a winze will be sunk, the necessary excavations being now completed. It is confidently expected that at least payable ore will be found. A winze has also been commenced to catch the dip of the Waiotahi No. 5 reef, which is only 35 ft. from the Caledonian Company's boundary at this level; at a depth of 25 ft. a leader about 2 in. wide was intersected, showing gold freely, and some very nice pieces of picked stone have been selected. It is therefore possible that when the reef is intersected good results will be obtained. The prospects for the year just entered upon are of an exceedingly encouraging character, and give promise that this old mine will again come to the front as a gold-producer.

*Old Alburnia.*—The company's principal operations have been directed to extending what is known as the Moanataiari main tunnel, which has been driven a distance of 717 ft. during the year, the intention being to drive up to intersect the reef under the rich shoots of ore which were obtained in the upper levels. The country rock has been very hard in places; and, the progress not being as speedy as could be desired, the company decided to put in water and air pipes and carry on the work with the rock-drills instead of by hand-labour. A promising-looking leader met with in the tunnel was driven on for 73 ft., but as it neither contained payable values nor improved as it was driven on the work was discontinued. An average of twenty-eight tributers were employed in the upper levels and twelve men employed on wages. The total quantity of quartz treated from all sources was 375½ tons for 686 oz. 14 dwt. of gold, valued at £1,828 15s. 8d.

*Kuranui.*—The operations in this mine have been directed to prospecting the No. 2 reef at No. 1 level, opening up No. 2 level 50 ft. below No. 1, cleaning and repairing the Teutonic level with the intention of extending it, and connecting with the present workings on the eastern side of the slide to enable the quartz being conveyed direct to the battery. The No. 2 reef at No. 1 level is from 6 in. to 5 ft. in width, and has been driven on for a distance of 100 ft. So far it has been barely payable, but as gold is frequently seen in breaking out the quartz a patch of rich ore may be met with at any time. A rise has also been put up on this reef, from this level to an intermediate level, a distance of 32 ft., where a few pounds of picked stone was obtained. In the No. 2 level a highly mineralised reef 15 in. in width was intersected, which has been driven on for a distance of 110 ft., and a rise is being put up on it to No. 1 level to give better facilities for getting the ore, &c., passed through. The Teutonic level is in 630 ft., the face being 150 ft. east of the slide, and another 140 ft. will bring this drive under the present workings. The battery has been overhauled preparatory to crushing being commenced at an early date. Six men were employed during the year; no returns.

*Victoria Mine.*—A considerable amount of development-work has been carried on in this mine at the various levels from the intermediate above the No. 1 down to the No. 4 level, and also a considerable amount of repairs to the machinery, winding-shaft, and the various levels mentioned above, which are now in good working-order. The principal work during the year has been the extension of the No. 4 level crosscut to intersect the Waiotahi Reef. This has now been accomplished by driving a distance of 576 ft., since which a distance of 17 ft. has been driven into the reef without any sign of the hanging-wall. Whilst driving the above-mentioned crosscut four other large ore-bodies were intersected, varying