

Prospecting.

A total of forty men have been engaged prospecting, receiving Government aid, at Tokatea, Wai-koromiko, Cabbage Bay, Paperoa, Kennedy's Bay, Manaia, Tiki, Mercury Bay, and Kuaotunu, and, although a large number of reefs have been given a good trial, the results have been most unsatisfactory, and with one exception the quartz did not contain sufficient gold to warrant the expense of sending to the battery for treatment.

KUAOTUNU.

Mountain King.

This company commenced operations in March by sinking a winze to prove the value of the lode in the bottom of No. 1 level. This proved satisfactory, but owing to the heavy influx of water it was decided to drive a low level. At 650 ft. the reef was intersected, and the prospects are encouraging, gold being freely seen.

Handsworth.

This claim is owned by Woodcock and Wilson, the area being 8 acres. The leaders which contain the best ore vary in thickness from $\frac{1}{2}$ in. to 2 in., and rich pockets of specimen stone are frequently met with. Four tons of ore and 89 lb. of picked stone yielded 166 oz. 2 dwt. gold, valued at £402 15s. 9d.

Otama.

This claim is owned by John Vernon, who has with assistance from the Mines Department done a good deal of crosscutting and driving on different leaders on the property. Although a little gold has been seen, none of the ore has been treated.

Moewai.

This mine is situated about eight miles from Mercury Bay. In the early part of the year a 10-head stamp-battery and two berdans were erected, driven by a suction-gas engine. One hundred and seven tons was treated for a return of 72 oz. 15 dwt., valued at £155 0s. 4d.

GREAT BARRIER.

Barrier Reefs.

On this property a prospecting-drive has been driven 782 ft., 340 ft. of which was done during the past year, also 60 ft. of rising and 65 ft. of sinking a grass shaft for ventilation purposes. Several reefs varying in width from 18 in. to 11 ft. have been intersected, and all of them contain gold and silver, but not in payable quantities.

Ngatiawa Mine.

Six men have been employed at this mine driving upon the reef at the low level. No ore has been treated during the year.

Sunbeam Mine.

No work has been done on this property during the year.

I have, &c.,

MATTHEW PAUL.

Inspector of Mines.

Messrs. A. H. RICHARDS and A. WHITLEY, Inspectors of Mines, West Coast District, to the UNDER-SECRETARY, Mines Department, Wellington.

SIR,—

Inspector of Mines' Office, Reefton, 31st March, 1909.

We have the honour to report as follows on the gold-mines in the Marlborough, Nelson, and Westland districts, for the year ended 31st December, 1908 :—

QUARTZ-MINING.

BLENHEIM.

Wairau Valley Gold-mining Company (Limited).—The payable ore in the upper sections of the mine having been practically exhausted, operations are being directed to developing the reef at a lower level. For this purpose a contract has been let for driving a crosscut, which will give 250 ft. of backs on the reef. During the year 120 tons of quartz was treated for a yield of 58 oz. gold, valued at £225 3s. 9d. An average of five men have been employed.

Mount Patriarch.—A few men are engaged prospecting in this locality, but no work of an extensive nature has yet been undertaken.

COLLINGWOOD.

Taitapu Gold Estates.—Development-work at the Sandhill section having resulted unsatisfactorily, the company ceased gold-mining operations in the early part of the year. Work on the property is now being directed with the view of ascertaining the extent of the coal-area by diamond drilling.

Golden Blocks.—During the year the principal development-work undertaken was the sinking of a winze below No. 3 level. Considerable difficulty was experienced in carrying on this work, owing to the increasing flow of water as depth was attained. At 40 ft. sinking was discontinued, and drives projected north and south on the reef-track. The company's efforts in this direction have so far not proved successful. Stopping operations on No. 2 intermediate and Nos. 2 and 3 levels have been pro-