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appointed manager, and commenced work in July. A crosscut has now been driven 210 ft., and a chamber cut out 30 ft. by 10 ft., from which a main shaft is to be raised and sunk. A winding-engine, boiler, and air-compressor are now on the ground, and are being prepared for working.

Willis and party are still driving their crosscut from the Black's Point Road, in the hope of striking Anderson's reef, the work being subsidized by the Government and the Inangahua County Council. The total distance to be driven is estimated at about 1,000 ft., of which 500 ft. have now been completed.

New Ulster Quartz-mining Company.—During the year this company has been employing two men in extending the crosscut to the east from the No. 2 level. Nothing of value has been disclosed.

Golden Point (G. Perotti, owner).—The main shaft has been sunk 100 ft. during the year, and is to be continued to 200 ft. before a crosscut is driven to the reef.

Blackwater Mine (J. T. Hooker, manager).—During the year the main shaft was deepened to the No. 6 level, and Nos. 4 and 5 levels were driven, with satisfactory results, the reef maintaining its average width and value. An average of 281 men were employed; and 44,038 tons was treated, for a return of £92,062 0s. 7d.

Rise and Shine Claim, Blackwater Creek.—Donald McDonald and party have carried on prospecting operations during the year. The main crosscut has been extended, and now measures 253 ft. A promising reef-track, carrying up to 3 ft. of stone, was passed through at about 173 ft., and has been driven on for 140 ft. The main crosscut is to be further extended to intersect a reef which outcrops on the surface, and there are good reasons for believing that this property will develop into a mine.

Saraty Syndicate.—This party has been prospecting a reef in the Blackwater Creek to the west of the Rise and Shine; operations being hindered by the depth of alluvium which covers the rock. The outcrop of the reef at one point is 2 ft. wide, and it appears worthy of a little further development.

Eldorado Syndicate.—In this claim there is a reef 8 ft. wide, and a smaller one of from 6 in. to 2 ft. Both have been driven on during the year, but without disclosing payable values.

McVicar and party have driven two levels on a highly mineralized ore-body lying half a mile to the east of the Blackwater mines. Some fair assays have been obtained, but further development is required.

Blackwater South (Christchurch syndicate; D. Absalom, manager).—This claim adjoins the south boundary of the Blackwater mines, and efforts are being made to pick up the southerly extension of that highly payable reef. Some 400 ft. have been driven, and two reef-tracks have been passed through. One of these has been driven on for some 70 ft., and looks promising in the face. The main crosscut is to be driven another 50 ft., and at that point it is expected to meet the Blackwater line.

McColl and Absalom's Lease.—This claim lies to the east of the Blackwater South. An outcrop carrying good assay values was discovered by the prospectors, and an option over the claim was taken by the Blackwater Company, who installed drilling plant, and are now crosscutting to intersect the reef lower down.

Danks and Morgan (Millerton syndicate; W. Cartner, manager).—In this claim, situated about a mile to the west of the Blackwater mines, a promising reef has been discovered, and traced by surface-trenching for half a mile. It is of an average width of 2 ft. 6 in., and carries payable values in gold. A tunnel is now being driven from the level of the Snowy Creek along the strike of the reef, and is now in nearly 100 ft.

PAPAROA RANGES.

The Minerva, Cræsus, Taffy, and Garden Gully Mines have been practically at a standstill during the year, and nothing but surface prospecting has been undertaken in this locality except a little crosscutting at No. 4 level in the Cræsus. Reefs abound in these ranges, and every creek has yielded alluvial gold and rich quartz specimens, but as yet no payable reef has been discovered.

GENERAL REMARKS.

Early in 1911 the prospects of quartz-mining in the Reefton and Blackwater districts appeared to be brighter than usual. Extensive additions to plant were being made at the largest mines, and increased returns were confidently expected. At the same time, there was a keen interest taken in prospecting in the Blackwater district, and several new discoveries were reported. Unfortunately, about half-way through the year an attempt was made by some of the mining companies to introduce the system of working stopes by contract, and the refusal of the workmen to entertain the proposal led to very strained relations between employers and men; large numbers of men were discharged, and almost as many more left the mines of their own free-will. Without discussing the merits of the dispute, one cannot but deplore the effect it has had upon the industry and the prosperity of the district generally.

During the year there have been the usual number of slight accidents, but, happily, no very serious ones, and none fatal. The number of young men who became affected by miners' disease, however, calls for an improvement in the working-conditions of the mines, and with this object steps have been taken to enforce the provision of more adequate ventilation. In the writer's opinion, the Act might be amended so as to give Inspectors power to order water-jets to be provided for the purpose of laying dust in all dry mines, and not, as at present, only where machine-drills are in use.

ALLUVIAL GOLD WORKINGS-SLUICING AND HYDRAULIC ELEVATING.

MARLBOROUGH.

Larkin and Party, Enchanted Creek.—At this claim the water-race was completed, and the hydraulic elevator was started to work during the middle of the year. The race is a mile and a quarter long, and carries six heads of water 260 ft. above the surface of the wash. On the 6th August the lift was