

the new crushing-mill. Two miles and a half of the race has been finished, and a contract has been let to complete the remainder. The site for the new forty-stamp mill has been cleared and graded, and the foundation-walls erected. The line for the new aerial tramway has been cleared. Some of the new machinery has arrived, and the balance will be here shortly, and the erection is now being proceeded with. It will take some six or eight months yet to complete the construction of the race and the erection of the works; in the meantime, however, development works will still be carried on, so that when the company is ready to crush this mine will be by far the best opened up and appointed mine in this district. On the 31st March last 177 men were employed in the mine.

PAINKILLER.

Dillon Extended.—This is a new company, formed for the purpose of taking over and developing the mines previously held by the Sir Charles Russell and Dillon Companies. The liability taken over at starting was rather a heavy one, and consequently little has been done beyond making calls to liquidate it. With the object of securing better ventilation and allowing of the better development of the mine, No. 2 level was driven ahead south and connection made with the old Dillon winze, sunk from the surface at a point which was formerly on the boundary-line dividing the two claims. In the low level, which is in 1,300 ft., an extension of 176 ft. from the main pass is being made south to connect with Lawrie's winze, sunk on stone from the intermediate level. There is a well-defined track in good looking country showing in the face, and it is in this direction that future operations will be carried on to develop the property. A small crushing of 90 tons from the old Dillon winze and surface level gave a return of 52 oz. 3 dwt. of retorted gold.

LARRY'S CREEK.

Caledonia and Rosebery.—Owing to the want of a dray-road to this locality the company is unable to take up the necessary winding and other machinery, and consequently no work has been done on this property during the year, and perforce the claim must remain idle until the road is completed. The Inangahua County Council have this road now under consideration.

BOATMAN'S.

Welcome.—Under this name will be worked the Welcome, Fiery Cross, Seddon, and Cadman Claims. The chief work in this mine for the year has been the repairing and reopening of 1,218 ft. of old levels and winzes, with the addition of 496 ft. of fresh driving and cross-cutting. Some very fair stone was recently struck in No. 5 level, but much cannot be said at present concerning it.

MERRIJIGS.

Cumberland.—The operations carried on during the past twelve months in connection with this company's property have chiefly been of a prospecting character. Work, however, has not been altogether continuous, as the mine was idle for a time. Operations up to the interval consisted of the extension of main drive, sinking winze, and cross-cutting; but, although a good show of stone was met with in different places, it proved to be only of a low-grade quality. Future development, however, may lead to the discovery of a continuation of the same high-class stone worked in previous years. Only one crushing took place during the year, a parcel of 125 tons from over the winding level, yielding 127 oz. 16 dwt. of retorted gold. Some repairs and retimbering throughout the mine being necessary, nothing more will be done pending their completion; but after that operations will be extended to prospecting for and, if possible, tracing a continuation of the stone above the winding-level.

Sir Francis Drake.—This mine is now owned and worked by a party of miners, who during the past year raised 1,150 tons of stone, which yielded 447 oz. 4 dwt. 13 gr. melted gold, of the value of £1,806 14s. 3d. The mining operations have been confined to work stone between level at bottom of main shaft and the brace, and lately between what is known as the "smithy" level of the surface. Stopping on the reef from main shaft low level was carried up for 130 ft., and a connection has just been made with the "smithy" or "brace" level by means of a winze 70 ft. deep. The battery is now reducing quartz which is now being stoped above the "smithy" level. The reef is from 4 ft. to 6 ft. wide, and is of good quality. The result of the year's operations has been very profitable, and has enabled the party to complete some extensive repairs to the engine boiler at the battery; in addition to which one of the mortar-boxes for crushing, which had been damaged, has been replaced with a new one. All the appliances at the mine and battery are in a thorough state of efficiency. It is proposed to shortly commence development work to open up deeper levels. A winze has been sunk from the main shaft low level to a depth of 30 ft. on the reef, which is from 3 ft. to 4 ft. wide, and of payable quality.

Golden Lead.—The driving of the low-level tunnel has been steadily proceeded with. The tunnel is being driven through very hard country, and a large quantity of water is continually flowing from the face. These drawbacks render the work slow and expensive. It is anticipated that when the tunnel has been extended another 200 ft. it will drain the whole of the hill above the tunnel-level, which will facilitate and cheapen prospecting.

Inkerman Combined Mines.—This is a new company, floated some little time ago in England by the New Zealand Consolidated (Limited) (as distinguished from the Consolidated Goldfields of New Zealand). The Inkerman Company has a working capital of £25,000. The property consists of the mines formerly held by the Inkerman, Rainy Creek, Supreme, and other ground, all of which had been abandoned, but were taken up again by local people soon after Mr. David Ziman commenced operations here. Under the management of Mr. George T. Dickson work has been vigorously pushed on. Necessarily a very large amount of dead work has been done in effecting repairs to machinery and in reopening old workings. In what was known as the old Inkerman