

last these were gradually converted from dry to wet crushing, with a gratifying increase in the quantities milled and in bullion produced. The following are the quantities of ore milled and value of bullion recovered:—

			Tons.	Value.	Remarks.
1897.				£	
April	...	...	1,180	3,106	Forty heads crushing, dry.
May	...	...	1,301	3,567	Gradual conversion from dry to wet crushing.
June	...	...	1,202	3,296	
July	...	...	1,473	4,081	
August	...	...	1,567	4,163	
September	...	...	1,788	4,069	All wet.
October	...	...	1,964	4,232	
November	...	...	2,034	4,443	
December	...	...	1,490	3,220	Three weeks.
1898.					
January	...	...	1,480	3,041	Three weeks.
February	...	...	1,511	3,985	
March	...	...	1,764	3,976	
			18,755	45,179	

The wet-crushing adopted is a system of crushing with a full-strength solution of cyanide of potassium supplied to the mortar-boxes. The details of the process have not yet been made public. The fall in quantity of ore crushed since January is due to the closing of the mills on Sundays. New Mill: Foundations and mortar-blocks have been laid down for another forty heads of stamps, twenty of which are in course of erection, and are expected to be at work in July, the necessary cyanide plant in conjunction with same having been completed. The stamps are 1,000lb. each, single discharge boxes, and were supplied by Messrs. Fraser and Chalmers, Limited, London. The average number of men employed up to December was 240, and for this year 188."

Talisman Extended Mine (Area, 72 acres 2 roods 15 perches).—The chief work carried on during the year was driving on the low level to intersect the Talisman reef. This drive is in a distance of 780 ft. Surface prospecting has also been done, but as yet nothing payable has been discovered. Four men were employed.

Imperial Mine (Area, 60 acres).—At Nos. 1 and 2 levels a large amount of work has been done, and the low level has recently been started to cut the reef. Five men are employed.

Woodstock Main Reefs.—No. 6 level has been driven a distance of 628 ft. The reef varies from 3 ft. to 14 ft. in width, the quartz there being of a low grade. The No. 3 *Ivanhoe* has been driven 600 ft., but nothing payable has been discovered, and the company have ceased operations.

In the Stanley, Stirling, Waverley, Golden Fleece, St. Patrick, and Crown Imperial Mines extensive prospecting has been carried out, but, in consequence of the failure to discover payable stone, most of them have been recently under protection.

Owharoa District.

Ohinemuri Syndicate (Area, 700 acres).—The pumping and winding machinery has been erected in this company's shaft between the road and the river. A shaft 12 ft. by 6 ft. has been sunk a depth of 143 ft. At 120 ft. a chamber has been opened out, from which cross-cut drives are being put in, that to the north being in 100 ft., and that to the north-west 115 ft. It is expected that the Radical reef may be cut at any time. Twenty-one men are employed.

Waihi District.

Waihi Mine (Area, 346 acres; owners, Waihi Gold- and Silver-mining Company).—Extensive operations have been carried on during the year, principally driving and stoping in the Martha, Welcome, and Victoria lodes, the supply of quartz being ample to keep the mill constantly at work. The stone from the Martha lode over No. 2 level is of good quality. From the Victoria lode, on No. 2 level, the ore is of medium quality, the width of the lode being 6 ft. From the Welcome lode, which is 14 ft. in thickness on No. 2 level, the stone is of good quality. On No. 1 level of the Welcome lode, at the western end, the quality of the quartz is improved, the lode being 5 ft. in thickness. The cross-cut has been started from the south-eastern side of the level to connect with No. 3 shaft. The Surprise lode, on No. 1 level, has been driven on a distance of 132 ft. No. 3 shaft has attained a depth of 100 ft. below the surface. A number of small lodes have been cut through while sinking this shaft, varying from 15 in. to 2 ft. in width, all containing a fair percentage of gold. The Victoria battery, at Waikino, recently commenced crushing, fifty stamps being employed. 37,164 tons of quartz has been treated, for a yield of 126,801 oz. of bullion; value, £143,533. There are five hundred men employed by the company, 310 being engaged in the mine and the others employed at the batteries and on surface-works.

Union Mine (Area, 250 acres).—Operations in this mine have chiefly been confined to development works. The main shaft, 14 ft. by 6 ft., has been sunk to a depth of 300 ft., and three levels have been opened out, entailing a large amount of work in driving on the Union reef, which varies from 3 ft. to 6 ft. in width. A large amount of work has also been done on the Amaranth reef, which varies in thickness from 12 ft. to 30 ft. In the Winner section of the mine a cross-cut has been made from the whim-shaft to intersect the Winner reef.