

The Talisman Consolidated (Limited).—This company purchased the Woodstock Gold-mining Company's property, and now hold an area of 506 acres. This has given excellent facilities for opening up both sections, and the ground can be worked to better advantage than hitherto. In the Talisman section a large amount of driving and stoping has been done during the year, and with excellent results. The No. 8 level was extended to a point 1,010 ft. south of the shaft, where the ore-shoot in the Bonanza section was intersected early in the year, and considerable development-work has since been done here, with favourable results. No. 10 level: The main drive has been extended to a point 701 ft. south of shaft. This level also has intersected the Bonanza ore-shoot, the reef being larger than in the upper levels and giving payable results. The west crosscut from No. 10 level towards the Talisman Extended ground is now in 638 ft. without cutting anything of value. No. 11 level: The north drive has been driven 145 ft. from shaft and has reached the boundary of ore-shoot worked in the upper levels. The south drive measures 289 ft. from shaft. It has reached the boundary of ore-shoot and is being continued until it gets into the Bonanza section. Shaft: the shaft is now 183 ft. below river level (Woodstock No. 5), having been sunk and timbered from No. 10 level (350 ft.) during the year. Work for 1905: It is intended to continue driving No. 8 level until it reaches the Dubbo section. No. 10 level will be advanced until it reaches south boundary of Bonanza ore-shoot. In shaft a station has been cut for No. 12 level, 178 ft. below river level and driving north and south from same will shortly be in progress. As soon as drives on No. 12 level are fairly away from shaft, sinking will be again resumed. The general outlook for next year's work is much more favourable than it was a year ago. During the year 1904 the mill crushed 44,888 tons of ore yielding bullion valued at £84,826 10s. 6d. During the year 225 men have been employed.

Comstock Claim.—This ground is situated on the western side of the Talisman and is held by W. Tregoweth, who has been employed with two other men in extending the low level. A body of quartz has been intersected which is underlying very flat and carrying a good deal of mineral, although no rich assays have yet been obtained. It is a good locality, and a shoot of payable ore may be found in driving. Three men were employed.

Shotover Claim.—This ground is worked by C. Miller and party, who have been employed for some time in following up a trail of loose gold with the expectation of locating the reef from which it was shed, but so far have not been successful. A little loose gold is obtained by means of a rocker and ripples, which they have fitted up, but nothing payable so far has been obtained.

TE AROHA DISTRICT.

Hardy's Mines (Limited), Waiorongomai.—In the early part of the year this mine was worked and owned by Mr. Hardy, but subsequently a company was formed for the purpose of purchasing the property and more fully developing it. The property was taken over and operations were started on behalf of the company in the month of April. The work since completed has been the doubling of the capacity of the water-race, retimbering and lining fire-tunnels, cutting of various watercourses, erection of trestles and fluming and building new dam and sluice-gate. The battery has been extensively enlarged and improved. The work comprises a tram-line from battery store-room to county tramway, a commodious store-room, circular-saw house, four sets of grizzlies, one rock-breaker, two 50-ton hoppers, four automatic Challenge ore-feeders, twenty stamps of 800 lb. each, four electro-copper silver plates each 6 ft. by 5 ft., four Watson-Denny grinding and amalgamating continuous-discharge pans, eight Union Gwynne Head 6 ft. vanners, two Wilfley tables, six berdans, sluice-tables, electric-light dynamo, lathe, and drilling-machines. Three Pelton wheels drive stamps and pans, rock-breaker, and vanners, under a head of 240 ft. of water. The plant is capable of closely saving the values of the ores of this district, and has been specially constructed to save all minerals by concentration preparatory to smelting at Dapto, New South Wales. Operations at the mines are entirely confined to the opening-up of the reef in the lowest level, from which it is intended to connect with the various sections of the company's property. The lode at present being worked is about 15 ft. wide, but the drive is confined to about 5 ft., from which large masses of heavily mineralised ore containing gold, silver, lead, copper, and zinc are being extracted. By selecting the better portions from the battery ore-feeders, ore worth by assay over £12 per ton can be easily obtained, but it is intended, after due trials, to save handling by rough grading at the mine. The battery treatment is purely mechanical and, so far, has proved to be well able to save a high percentage of concentrates values. Formerly heavy penalties were imposed by smelters on ores carrying zinc, but at present no penalty attaches to zinc up to 10 per cent. Above that, 1s. per unit percentage is charged, against which is credited the value of the copper and lead contents, on a most reasonable scale. In order to facilitate the mine-work, a line of piping 1,500 ft. long, giving a fall of over 300 ft. with a 6 in. pipe is being laid down. Meantime a fall of 85 ft. works two small fans and a quartz-hoisting winch designed by the supervisor. The county tramway has been leased for five years. During the coming year work will be vigorously carried on, both in driving and on the reef, in preparation for the more expeditious method of extracting the ore by stoping. The preliminary work in mining is always tedious, but any curtailment of what is warranted by the excellent appearance of the mine to-day will only lead to confusion and the sacrifice of the best interests of the mine. During the year twenty-eight men have been employed.

Cadman Mine.—This property, which has been worked and owned for some time back by T. Gavin and party with fair results, has, I am informed, been recently taken over by a company. It is intended to provide sufficient capital to thoroughly open up and develop the property.

KOMATA DISTRICT.

Komata Reefs Mine.—With the exception of extending the No. 4 level northwards into the Te-ao-Marama Section practically no other work has been done here during the year. Te-ao-Marama