

posted. Explosives are stored in a suitable magazine, and carefully handled. Nine men are employed in and about the mine and battery. The tailings from the battery have been saved for some time with a view to chemical treatment. The right to treat these tailings by cyanide for extraction of their gold-contents was secured by Mr. W. A. Riddle, and at the end of the year he was proceeding to erect the necessary plant.

*Golden Point Quartz-mine, Golden Point, Macrae's (W. Donaldson, Mine-manager).—*16/6/04: A new low-level cross-cut has been driven 250 ft. to a point 30 ft. below the reef. A rise has been put up from this point to the reef, and stoping operations resumed. A steam engine and boiler have been installed to provide motive power for the battery when water is scarce during the dry season. The mining operations are well conducted. Timber is well used throughout the mine; explosives are well stored and carefully handled. Rules posted. At the end of the year the mine had been well developed, and twenty-three men were employed in and about the mine and battery. Scheelite is also a product of this mine, being saved either as picked stone in the mine or in the form of concentrates from the Woodbury shaking-table.

*Ounce Reef, Murphy's Creek, Macrae's (Spiers and Ross, Owners).—*When this locality was visited the mine was idle. The lease subsequently lapsed, and the area was secured by Messrs. W. Lidstone, James Bryce, and James McInnes. Work was at once commenced in the stopes where the previous tributers had left off. There is a small percentage of scheelite associated with the gold-bearing quartz, and the owners intend to take steps to save this valuable mineral.

*Maritana Reef, Golden Point, Macrae's (M. C. McGill, owner).—*As this battery depends for motive power upon water, operations were suspended during the dry season. Work has now been resumed, and quartz is being mined and crushed. Two men are employed. As constant work is hampered by shortage of water a nine brake horse-power oil-engine has been installed to supply motive power during dry weather. A Frue vanner has been obtained to effect a saving of concentrates.

Quartz-mining has progressed steadily in and around the Macrae's district during the year. This progressive movement has been assisted to a certain degree by the present value of scheelite, which is associated in payable quantity with the quartz at various points along this extensive line of reef. Prospectors are turning their attention towards opening up the reef at the various points with a view to ascertaining the permanency in value of the quartz.

Nenthorn.

Nothing of a progressive nature has resulted in this district during the past year. The sections held by Alexander Ewart and Samuel Stevens were surrendered absolutely during the year. Hugh Adam was granted a special quartz claim in Section 3, Block VII., Nenthorn District. Alexander Sligo was also granted a special quartz claim in Section 2, Block I., and Section 3, Block V., Nenthorn District.

Barewood.

*Barewood Gold-mining Company, Barewood (W. E. Hitchcock, Mine-manager).—*16/3/04: The mine-workings are now confined to the 188 ft. level. Nine men are engaged taking out leading stopes and timbering the level and stopes. The gold-bearing chute of stone clings to the hanging-wall, and varies from 10 in. in width to 4 ft. All the stoped-out ground to the rise is filled up, and there is no ground standing open except the ventilating levels and passes. Ventilation good throughout the mine, explosives well stored and carefully handled, rules posted. The new battery-framing is being erected, and the machinery is on the ground. The tailings are being saved with a view to future treatment by cyanide. All the surface plant is in good condition.

12/7/03.—(H. S. Molineaux, Mine-manager): Opening out stoping-ground in level west from crosscut No. 2 flat. Reef at level-face 5 ft. in thickness, but the line of reef somewhat interfered with by a fault or slide. Country standing well. In the levels good manuka timber is in use and well set. Air excellent; second outlet and return airway by passes to No. 1 level. The erection of a new ten-head stamper-battery has been completed. Motive power is supplied by an 8-horse-power oil-engine, and the plant is working smoothly. Concentrates are saved and shipped for treatment to the Cockle Creek Smelting-works, New South Wales. About 3,000 tons of tailings is stacked awaiting treatment by a cyanide plant, which is under course of erection.

SOUTHLAND.

Stewart Island.

*Cornwall Prospecting Claim, Pegasus District (J. R. Thomson, Owner).—*This mine is still being prospected, with a view to working for tin and wolfram. A crosscut is being driven to reach the lode. Four men are employed.

Hannings' Mineral License, Pegasus District.—This mineral license has been granted to search for all minerals and metals other than gold.

J. W. Thomson and J. W. Murdock, Special Mineral Claim, Pegasus District.—This area has been taken up to search for tin and wolfram.

Baden-Powell Quartz-mine, Stewart Island.—A registered company which had been formed to exploit the country has become defunct owing to want of funds.

PRESERVATION INLET AND SOUTH-WEST COAST OF OTAGO.

There is nothing of importance to record during the year. The New Star Quartz-mine has been sold, and it is understood that operations are to be continued. This lease of 77 acres (equipped with a ten-head battery and fourteen berdan pans) was offered for sale by auction in March, 1904. The property was bought for £85 by Mr. McCreath. There are valuable water-rights and an aerial tramway attached to the property.