

of crushing plant and concentrators, upkeep of head-race and tail-race, and (deducting £78 17s. 10d., being the cost of 7 chains of new fluming on head-race which has just been completed) makes the cost just a little under 2s. 4d. per ton. The Wilfley concentrators are still doing good work. Two shipments of concentrates have been sent away during the year, from which a large profit has been derived. All the crushing plant is in excellent order, and no stoppage for repairs will be necessary for a lengthened time. Cyanide department: The amount of gold obtained in this department for the twelve months is slightly less than it was last year, but is equal to and exceeding what it was in former years. Bullion obtained for the year, 1,629 oz. 18 dwt. 9 gr., value £5,697 19s. 11d. This gives an extraction of very nearly 8s. 11½d. per ton on the gross tonnage crushed. The expenses for the year, which include royalty, salary, labour, cyanide, zinc, and all goods used, amount to £2,087 16s. 5d., being just a little over 3s. 3½d. per ton on the total tonnage. This is a substantial reduction on the cost of treatment from previous years. Mr. R. M. Aitken, who is in charge of this department, has overcome the antimony difficulty by the use of caustic soda, and has effected a saving of quite 30 per cent. of cyanide. Mr. Aitken has patented the process, and hopes to be able to still further reduce the consumption of cyanide. The whole of the plant is in good order. The settling-tanks have been roofed in, and the work is going on satisfactorily."

*Kirwan's Reward Gold-mining Company (Limited).*—Mr. B. P. McMahon, Manager, reports: "During the past year, 7,584 tons of quartz rubble was milled, and yielded 1,683 oz. 18 dwt. 6 gr. of gold, of the value of £6,699 13s. 11d. The whole of this company's workings are on the surface, and consist of open cuttings. The material treated consists of loose quartz and rubble."

*New Scotia Gold-mining Company (Limited).*—Mr. T. H. Lee, Manager, reports: "This company's mine did not resume operations again under the above proprietary in consequence of the whole of the company's capital having been called up towards the end of last year. It then became necessary to reconstruct the company or raise additional capital in some other way. All efforts in that direction having failed, the company decided to go into voluntary liquidation and dispose of its property and assets. This course was carried into effect, and the whole of the mine, battery, cyanide plant, and all other assets were disposed of in May, 1905, to a syndicate of local speculators who formed themselves into a small private company under the title of the 'New Scotia Syndicate.'"

Mr. T. H. Lee, manager of New Scotia, Ulster, United Mines, and Big River companies, supplies the following information:—

*New Scotia Syndicate.*—This private company acquired the whole of the New Scotia mine, battery, cyanide plant, &c., early in May, 1905, and immediately afterwards active operations were commenced in the mine. The first work undertaken was the unwatering of Martin's winze, after which the sinking of the latter was again resumed on the lode. This was followed for a further depth of 81 ft. on a reef varying in width from 2 ft. to 4 ft. At that point the winze went through the lode and sinking was stopped. A level was then opened out from the winze and driven on the reef for about 70 ft. in length, the width of stone being about the same as that cut in sinking the winze. A trial crushing of 250 tons from this reef was put through for a return of 35 oz. 5 dwt. of gold, valued at £137 9s. 6d., and 150 tons of the coarse sands was cyanided for a yield of bullion valued at £39 13s. 6d. These results not being payable all operations were stopped, and the syndicate resolved in November, 1905, to wind up, and dispose of the plant, &c. Negotiations are now proceeding between the Government and the owners with a view of the former acquiring the battery plant for public use. It is felt that should the plant be removed a great hardship will be inflicted on that portion of the Reefton field, as the battery is now the only one left there for use by adjoining mines.

*United Gold-mines (Limited).*—Early in the year this company ceased all prospecting-works at the mine in consequence of the reef that was cut to the south of the first workings not carrying payable prospects. A meeting of the shareholders was convened early in April to consider the company's position and prospects, and it was then determined not to persevere any longer and the company was placed in voluntary liquidation. The plant has been dismantled, and a large quantity has already been disposed of.

*Ulster Gold-mining Company (Limited).*—The winze on the south reef outcrop which was in progress of sinking at end of last year (35 ft. being then sunk) was continued until a point 150 ft. deep had been reached. A large reef-formation 5 ft. to 6 ft. wide was followed the whole distance, but no solid body of stone was discovered. A large amount of crosscutting was also carried out at different points of the winze, but results were disappointing. Work was thereupon stopped in that direction, and an uprise was carried through on the small north reef for a distance of 40 ft. In the uprise the lode was between 1 ft. and 2 ft. wide, and of payable quality. It was then decided to drive a tunnel under an outcrop of the reef north of the present workings. This drive is now in about 30 ft., and it is estimated that the reef should be intersected at a point between 125 ft. and 150 ft. in.

*Big River Gold-mining Company (Limited).*—At the beginning of the year the new level (No. 8) had just been commenced, and this work was prosecuted with all possible speed until the end of May, when the line of reef was intersected at 395 ft. from the main shaft. At the point of intersection the lode was small and irregular, so the drive was turned off to follow it west and at the same time to reach the perpendicular of No. 7 winze. 39 ft. was driven on the track and an uprise put through to the bottom of the winze sunk from No. 7 level. The rise connected at 65 ft. above No. 8 level. An intermediate level was then commenced for the winze, 90 ft. below No. 7, and stoping operations started. The continuation of No. 8 on the reef-track was then resumed and a large block of stone was encountered. The average width of this reef was from 4 ft. to 8 ft., all of good quality, and the length of block