

is situated on a branch of the Mareburn Creek and within 500 yards of the mine. The plant consists of a receiving-bin and screen, a coarse rock-breaker then a fine-crusher (Blake-Marsden), ore-feeder (Challenge), a 5 ft. Huntington-roller mill, copper plates, and a Wilfley concentrator (latest pattern). An oil-engine will be used to start the plant until a large steam-boiler and engine is put in. This is ready to be erected, and has ample power to drive an enlarged plant. The reefs contain very fair gold, and one has a good percentage of scheelite in it. Messrs. Donaldson believe in the Huntington mill for crushing scheelite stone, as their experience has shown them that there is nothing like the loss in slimes (and scheelite is very apt to slime) with the mill as with modern stamps. The plant is expected to start in February, and will employ ten or twelve men.

#### MATAKANUI.

*The Undaunted Gold-mining Company (Limited)* has paid in dividends £1,125 for the year 1905, and won 618-odd oz. of gold. The number of men employed is nine. The mine is lit by electric light at night-time. The mode of operations is by hydraulic elevating—from a depth of 56 ft. The water was very slack from the beginning of March up to the end of August. The autumn was about the driest ever experienced in this locality, and the winter about the mildest, scarcely any snow or heavy frost. A fair quantity of rain fell from the 1st September to the end of the year. This company hold 114 acres.

*The Tinker's Gold-mining Company (Limited)* has paid in dividends £1,687 10s. and won 739 oz. of gold. Nine men employed; elevating from a depth of 60 ft.; claim, 87 acres.

*The Matakani Gold-mining Company (Limited)* has paid in dividends during the year £1,049 11s. and won 589 oz. of gold—they are on a rich vein of gold. The face being operated on is about 65 ft. deep, composed of gravel wash and small bands of clay; they strip about 20 ft. and elevate the remainder. Eight men employed; company holds about 45 acres.

*The Mount Morgan Gold-mining Company (Limited)* are working below the township and obtaining fair returns. Four to five men employed; elevating about 20 ft.; company holds 100 acres.

At Drybread and Devonshire Gully old diggings, four men are employed ground-slucing, and they are believed to be doing fairly well.

#### ST. BATHAN'S.

Mining in this locality has made steady progress during the last twelve months, notwithstanding the dry weather that prevailed, the supply of water being scarce and intermittent.

A large amount of work has been done in the St. Bathans Basin by the *United M. and E. Company*. They lowered their elevator last March to a depth of 60 ft., and the paddock was cleaned down in November last for a return of 400 oz. The manager estimates that in consequence of dry weather and consequent want of water only about four months' work could be done. At the lower end of the claim a large amount of overburden has been stripped off, and the gold-bearing layers exposed for a considerable distance, so that when the ground now being operated upon is elevated the company can shift to the lower portion of the claim and start elevating immediately. I understand that a rich vein of gold has been met with lately in present elevating-paddock. The gold-return for the year was about 850 oz.

*The Scandinavian Company* have done a little work to their claim in the St. Bathans Basin; the outlet is at present seriously impeded by the volume of water in Ewing's Kildare Hill Claim, which has done damage to the company's tail-race, and probably to a portion of their claim on Ewing's boundary. The management has decided to await the result of litigation, now going on, before commencing operations on a scale hitherto unthought-of in New Zealand, so far as hydraulic mining is concerned. This company has done a large amount of work in their claims at Surface Hill and the Lagoon, where two powerful and up-to-date elevators have been continuously employed in removing large quantities of gravel and clay. The elevator at Surface Hill is lifting material to a height of 120 ft., and the average amount of stuff removed has been about 70 tons per hour. Last spring some good gold was discovered and a small elevator put down to a depth of 20 ft. below the present large one. The returns have been steady and consistent, and are expected to remain so for a considerable time. The company are now washing down, and anticipate a further return of 500 oz. of gold.

*Vinegar Hill Company*.—This company has been carrying on operations in a vigorous way, and the gold-returns are very satisfactory. The hydraulic elevator is lifting the quartz drift a height of 100 ft.; and, as the plant is one of the best in the district and the available head is over 500 ft., it can easily be understood that a greater depth can still be attained. About 600 oz. of gold was won during the year.

The only other mining operations of any consequence in elevating is by Messrs. O'Hara and McCarthy, who are elevating poor ground, but making it pay fair returns.

At Cambrian's there are four mines sluicing, with satisfactory results.

At Kyeburn and Middlemarch (including Hyde) there is nothing worthy of note to record—mining matters jog along quietly, and the miners appear satisfied with their earnings, as has been the case for years past.

#### PATEAROA AND SERPENTINE.

The year 1905 has been one of the most successful as far as mining interests are concerned for quite a number of years. The old claims have yielded better returns, owing principally to more up-to-date and active methods.

*The Patearoa Hydraulic Sluicing Company* has done exceptionally well, prospects ranging from 2 dwt. to 2 oz. 15 dwt. to a dish being obtained, and yielding returns up to 200 oz. per month. Being