ANNEXURE A.

Mr. Boyd Bennie, Inspector of Mines, Thames, to the Under-Secretary, Mines Department, Wellington.

Inspector of Mines' Office, Thames, 31st March, 1909. Sir,-

I have the honour to present my report on the gold-mining industry in the Thames District for the year ended the 31st December, 1908.

Waiotahi Mine (George Warne, mine-manager) .- During the past year work in this mine has chiefly been confined to stoping out the blocks of ground opened up during the previous year. A considerable amount of prospecting was done on the Mariner's reef in the eastern portion of the mine at No. 6 level. A winze was sunk for a depth of 80 ft. on the foot-wall dropper at this level, and blocks were stoped out on the foot-wall dropper and the Cure reef at Nos. 5 and 6 levels. At No. 4 level a crosscut was put in from the Mary Ann shaft to connect with the workings on the main reef, with the object of intersecting any leaders in the hanging-wall of the main reef; also as a direct route to the Mary Ann shaft. This crosscut is being continued in a south-easterly direction beyond the foot-wall of the main reef to further prospect the mine. Three rises were put up on the main reef from this level, one of which reached a height of 120 ft. The company treated 3,497 tons of quartz and 140 lb. of specimen stone for a yield of 5,421 oz. of melted gold, valued at £14,716 14s. 3d. Forty-four men were

Kuranui-Caledonian Mine (G. W. Horn, mine-manager).—The company have directed much attention to prospecting the various leaders met with while extending the No. 1 level crosscut. No. 4 level the crosscut was extended 296 ft., making a total length of 1,016 ft. The two reefs—Kelly's and Duke's-were cut in the crosscut and driven on for some distance, but nothing of an encouraging nature was revealed. Whitley's and other leaders were driven on, from which good stone was secured, but generally speaking the work has been unprofitable. During the thirty years that this mine has been almost continuously worked, to a limited depth reefs have from time to time been discovered and explored, but they now appear to be exhausted. It is therefore apparent that the restoration of former enterprise and prosperity on the one hand, or gradual decadence, is entirely dependent on the results that will accrue from healthy deep-level development. Twenty-two tons and a half of ore yielded gold to the value of £308 17s. 3d. The mine was inspected from time to time and found to be in good order, but the ventilation was dull. Ten men were employed.

Old Alburnia Mine (H. Kendall, mine-manager).—The company holding this property, having practically exhausted the ore-bodies in the surface levels, have turned their attention to deep-level development, and have done creditable work. A large area of virgin ground was explored by driving from the Moanataiari tunnel. A crosscut was driven to within a few feet of the boundary, when the Sons of Freedom property was cut and driven on until a point was reached immediately under the old workings. A rise was then started and put up 410 ft., when a break in the country rock emitted a quantity of water, proving very troublesome for a time. There yet remains 140 ft. to be risen before a connection is made with the old workings. The completion of this work will improve the ventilation, besides giving 550 ft. of backs on the lode. Work has been necessarily slow and somewhat expensive. It should, however, be satisfactory to the company that they are prospecting in a practical manner. The country can now be tested to a depth of 1,007 ft. below the collar of the shaft. During the year a party of tributers working in the surface levels mined a parcel of ore, 36 tons and 124 lb. of picked stone, for a return of £830 5s. 2d. Ten wages-men and nineteen tributers were employed.

Kuranui Mine (E. Turnbull, mine-manager).—Operations have consisted of driving, rising, sinking, and stoping. The work was entirely of a prospecting character, but nothing of importance was discovered. The future of this mine is completely bound up with deep-level development. Six men were employed during the year, and the mine was in good order when inspected. During the year

the company treated 51 tons of ore for a yield of 31 oz. 19 dwt., valued at £63 4s. 6d.

New Moanataiari Mine (William Baker, superintendent).—Early in the year four men were employed prospecting on the Cambria lode from the main rise between the Nos. 3 and 4 levels. This work was small in extent and nothing payable was discovered. The company, lacking sufficient capital to continue operations, applied for protection, which was granted. In the interim the May Queen Company purchased the property. Eighteen tons of ore was treated for a return of £31 8s. 9d.

Victoria Mine (Charles Williams, mine-manager).—Operations have been carried on in Nos. 1 and 2 levels, where a block of ore was worked out on the No. 2 reef. Below No. 2 level and on the No. 2 reef considerable prospecting and development-work was done. Two winzes were sunk to a depth of 60 ft. to prove the ore-values. At Nos. 3 and 4 levels similar work was undertaken, resulting in encouraging prospects. Eight men were employed. The mine was inspected several times during the year, and found to be in good order. A hundred and fifty tons of ore and 123 lb. of specimen stone were treated for a yield of 476 oz. 8 dwt., valued at £1,327 18s. 3d.

Saxon Mine (Thomas Moyle, mine-manager).—At the beginning of the year a little work was done in the Nos. 1 and 2 levels on the Cardigan lode, from which 22½ tons of ore was obtained and treated for a return of £105 ls. 6d. The company are anxious to test the value of the ore-bodies at a greater