

The assay office has been fitted up with a complete set of electrically driven sample-preparing machines, and also a benzine furnace.

*Waihi West Section.*—The shaft was put in good order and a “ whip-pole ” hoist, operated with a horse, was fixed up. A crosscut was driven from the shaft at 30 ft. below No. 1 level, and the reef was cut 10 ft. in. Driving east and west on the reef disclosed good ore, and this is being stoped and sent to the Grand Junction Company’s Battery to be treated.

The present process consists of a system of fine grinding, by which the valuable mineral products of the ore can be ground very much finer than the quartz portion. Crushing and grinding is done in cyanide-solution; the finely ground pulp is agitated in air agitation-tanks, and is then filtered by the vacuum filters, all the recoverable bullion being obtained by the one process. A six-months’ experience of this process has demonstrated its extreme simplicity and its suitability for the ore, as the extraction has been substantially increased.

Two fatal accidents occurred during the year, one at the mine, caused by a fall down a pass, and the other in the air-compressing room, the sufferer being caught in the crank-shaft of the air-compressor.

*Waihi Extended Gold-mining Company.*

The shaft was sunk a further distance of 160 ft. below No. 4 level, and a chamber cut out for the No. 5 level at a total depth of 956 ft. from the surface. Crosscutting to intersect the No. 1 or Martha lode is in progress, and the development of the No. 2 lode at this level will be proceeded with.

*No. 4 Level.*—The No. 2 lode has been driven on up to the western boundary.

An intermediate level has been opened up between Nos. 3 and 4 levels for a length of 140 ft., disclosing payable ore for the greater part of this distance.

The company are installing an air-compressor and rock-drilling plant, part of which is on the ground, to facilitate the opening-up of the lower levels. It is expected that the plant will be running in the course of a few months.

*Waihi Consolidated (Limited).*

No work has been done on this property for the past twelve months. The syndicate has so far failed to float the property in London.

*Waihi Gladstone (Limited).*

Practically no work has been done during the year. It is the intention of the company to procure a Government drill immediately one is available to prospect the property.

*Waihi-Paeroa Gold-extraction Company (Limited).*

New machinery has been installed, and considerable work done in this dredging claim during the year. The mode of treatment is regrinding the sands and treating with cyanide. The average number of men employed during the year was thirty.

*Waihi Beach (Limited).*

Owing to a sudden inrush of water comparatively little development-work has been carried out at this mine. To cope with this water a new 90-horse-power boiler was installed, and a vertical sinking-pump obtained which will be installed when it arrives in March next. Pumping operations will then be resumed, and the work of intersecting the main reef will be pushed forward without delay.

*Waitekohe Syndicate (Eliza).*

Very little work has been done during the year. A Government subsidy of £150 at the rate of pound for pound was granted in December to assist in driving 230 ft. in the present tunnel, for the purpose of intersecting the surface formation in which gold was seen.

OWHAROA.

*Rising Sun Mine.*

During the year a gas-engine was erected, and the reef was well prospected from the bottom of the winze, with encouraging results. It is now intended to drive an adit from the road level, which will give considerable backs and greatly facilitate the handling of the ore.

WAITEKAURI.

*New Waitekauri.*

The work during the year has been principally confined to stoping between the Horn and Queen levels. Two hundred and ninety-five tons was treated for a return of bullion valued at £625 Os. 2d. An average of seven men have been employed.

*Maoriland.*

The operations at this mine during the year have been principally confined to prospecting, but nothing payable has so far been discovered. The work in progress consists of driving a crosscut to intersect the Young New Zealand reef. Subsidies amounting in all to £350 have been granted by the Mines Department to assist this company. Two men have been employed.