

*Bonithon Freehold Oil Company (Limited).*—Preparations are being made by this company to test by means of a series of boreholes, their property situated midway between Moturoa and New Plymouth Township. A derrick 115 ft. in height has been erected and an up-to-date rotary drilling plant installed, and everything will be in readiness to commence operations early in May.

*Inglewood.*

No further work has been done in the borehole situated about a mile from the township, which attained a depth of 630 ft., with promising indications. I am, however, informed that there is every possibility of further capital being obtained and work resumed here in the near future.

*Eketahuna.*

Boring operations were commenced on the 28th November in a valley on Mr. Frank White's farm, situated about eleven miles from the Township of Eketahuna. The plant consists of combination rotary and cable drill. A borehole 10 in. in diameter has been sunk to a depth of 1,508 ft. with indications of both gas and oil.

ACCIDENTS AND FATALITIES.

*Fatal.*

*Coronation Mine, Coromandel.*—19th July, 1912: John Fenton, killed by a fall of rock in a surface drive.

*Waihi Grand Junction Gold-mining Company (Limited).*—19th December, 1912: Timothy Higgins, killed by falling down No. 3 shaft.

*Non-fatal.*

4th October, 1912: David Johnston, leg broken; John Hayes, injury to head and leg; William White, injury to head, back, and leg. All caused by a fall of ground carrying away the timbers in the Woodstock shaft, Talisman Mine.

There have been numerous minor accidents, but those quoted are the most serious.

MR. BOYD BENNIE, INSPECTOR OF MINES, THAMES.

*May Queen Mine.*—Operations at No. 10 (1,000 ft.) level (Thames-Hauraki shaft) have been confined to driving a crosscut to prove the continuity of the reefs which in the early days were worked by the Bright Smile Company in the upper levels. Stopping and rising were carried out upon the Exchange reef. The crosscut has been extended a total distance of about 538 ft. At about 520 ft. a promising-looking lode was passed through, containing traces of gold. This was driven on for about 70 ft. on the western and about 50 ft. on the eastern side of the crosscut, when work was suspended owing to difficulties in trucking and ventilation. The Exchange reef has been driven on the western side of the main crosscut for approximately 275 ft. A further 90 ft. of driving should connect with the Bright Smile crosscut. No. 6 level (750 ft., May Queen shaft): Work here consisted principally of stopping on the hanging-wall branch of No. 4 lode, and constructing an intermediate level about 35 ft. above. Owing to the quartz becoming poorer, work was suspended here in August. I inspected the mine on several occasions during the year, and found it in good order. 342 tons of ore was treated, for a return of £709 19s. 8d. There was an average of twenty men employed.

*Thames Deep Levels.*—Operations in the Deep Levels (1,000 ft.) crosscut have been carried out more or less continuously throughout the year, but progress has not been good, owing, in a great measure, to the unfavourable nature of the rock, which indicated that the drive was entering the broken country, due to the Moanataiari main slide. In the interests of life and property, I gave directions that a borehole must be advanced ahead of the crosscut, as required by section 254 of the Mining Act, 1908. For this purpose a Government diamond drill was obtained, and a horizontal borehole drilled in advance of the crosscut. At a distance of 128 ft. the main slide was penetrated, and a strong flow of water and influx of black-damp occurred, inundating the workings, and causing the men to retreat from the mine. At the borehole a pressure-gauge indicated a pressure of 300 lb. per square inch, equivalent to an effective static head of 700 ft. There appears to be no doubt that the Moanataiari main slide has been penetrated. For a week the large Cornish pump in the Queen of Beauty shaft was kept constantly at work to reduce the flow of water. During 1912 the main crosscut has been extended 886 ft., making the total distance driven from the Hauraki shaft 2,362 ft. A further 386 ft. requires to be driven to connect with a point immediately below the Kuranui-Caledonian shaft, and thereby complete the scheme undertaken by the Deep Levels Mining Board, but the continuation of the crosscut through the Moanataiari slide is inadvisable. The last 770 ft. has been driven in the Waiotahi Company's lease. Several quartz veins have been passed through during the year, but none of them has approached payable value. In addition to the extension of the main crosscut, some subsidiary crosscuts have been driven. The Saxon crosscut has been continued 400 ft. from the main crosscut, towards a point below the Saxon shaft. A further 200 ft. of driving is required to reach a point directly below the shaft, where the connection will be made when the shaft is sunk to this level. The Moanataiari crosscut has been driven in an easterly direction from the main crosscut for a distance of 400 ft., part of which was driven on a quartz formation. The Victoria crosscut has been driven for 430 ft. westward through the Waiotahi ground toward the Victoria Company's claim, and past the point where the Waiotahi shaft will connect when sunk to this level. The Deep Levels crosscut has been specially and frequently examined by me during the year. The ventilation