

During the year 441 notices of marking out claims have been received, 28 registrations of various holdings have been effected, and 35 applications for licensed holdings made.

It will be remembered that the large number of claims at the Tiki being on private land do not appear in our returns, neither are miners' rights required by the men working thereon.

In the Warden's Court 65 cases have been adjudicated upon; in the Resident Magistrate's Court 133 civil and 58 criminal cases have been disposed of.

I have, &c.,

HARRY KENRICK,

Warden.

The Under-Secretary for Gold Fields, Wellington.

No. 2.

Mr. Warden KENRICK to the UNDER-SECRETARY FOR GOLD-FIELDS.

SIR,—

Warden's Office, Thames, 13th May, 1882.

In forwarding my annual report upon this portion of the gold field, I commence as usual at the northern portion of the district adjacent to the Coromandel Field—viz., at Tapu Creek, Hastings.

During the past year a considerable amount of work has been done in this portion of the district, principally dead work, the result of which is as yet in the future. At a considerable outlay the old battery has been placed in working order and a water-race brought in. Several claims have been taken up and a good deal of prospecting done. Some good stone has been obtained from the Christmas and other claims and one or two small crushings have taken place with fair results.

The Tapu District is one that requires capital to develop. At present there seems but a small prospect of this being forthcoming. Without it I anticipate little change for the better during the coming year.

From Tapu to the Thames some prospecting has been done during the year, chiefly at Waioma, but as yet with little or no tangible results, nothing payable having been found.

At Tararu, after years of solitude, there appears every prospect of active operations being again started in the old Sunbeam ground. This ground, having been abandoned by its original owners, has been taken up by the owners of the Tararu Battery, twenty stampers, who are preparing to start operations. I hear that some English capital has been put into the scheme. The intention is, I believe, to work the Sunbeam Reef, an immense lode of low-grade quartz tapped in a tunnel put in at some 1,500 feet from the mouth of the drive, and at about 400 feet below the surface outcrop of the reef. The enterprise is a large one; should it prove successful it should do much to encourage the further testing of the many large lodes on this field, commonly called barren. The introduction of modern economical appliances to cheapen the crushing and assist in the saving of gold may yet prove that many of these lodes can be made to pay a handsome return on the capital ventured. It is therefore to be hoped that this new venture may prove all its promoters anticipate.

In the Thames proper, no new discovery of note has been made in the old mines during the past year; the most noteworthy incident being the successful pumping of the Queen of Beauty shaft and mine, enabling fresh operations to be commenced in ground so long idle, and which when flooded out was yielding such excellent returns. This mine should come to the front during the ensuing year as a gold producer.

Another enterprise that may lead to the most important results is the formation of what is known as the Deep Level Tribute Company, for the purpose of purchasing the big pump, and by its aid draining the 600-foot level, with the intention of working on tribute all the ground in the various claims within the drainage area below the 400-foot level. The scheme has been successfully floated, the necessary capital subscribed, and active preparations are now being made for a start. I need scarcely say that the discovery of payable gold at the depth referred to would have a most beneficial effect upon the whole of the district.

It is in contemplation, I believe, to call in the aid of the diamond rock-drill to assist in this new venture, and it is probable that an application will be made to the Government by this or other companies in the district to extend to them the benefit of the offer made to the local bodies—viz., to subsidize to the extent of one-half the cost of purchase of one or more of these diamond drills.

Some rich stone has recently been obtained at Otanui, causing attention to be directed to that hitherto neglected portion of the district. Exceptionally rich stone has at different times in past years been found in this locality; but the absence of roads, and the consequent difficulty of conveying quartz to the batteries, have hitherto prevented any systematic exploration. A subsidy has recently been granted towards a road to open up this part of the district. I therefore anticipate that more active operations will be carried on in the claims already taken up, and a large field opened for prospecting during the coming year.

In the Tairua portion of the district, proceeding south, but little fresh work has been done. The old claims are still working with, I believe, payable results, but there is no fresh discovery to record.

Further south, again, at Otohawa, some excellent yields have been obtained from the old claims during the past year, but, though much fresh ground has been taken up, no fresh discovery of any importance has been made, principally owing, I believe, to the small amount of work done in the claims taken up. The vicious system of marking out ground for the sole purpose of trading in scrip has been in full force in this and the Waitekauri districts during the past year, with the usual result—little or no work is done, public faith in the district cools, money ceases to come in, and the district is deserted by all but the very few who go in for *bonâ fide* working.

The regulations respecting the working of ground will have to be more stringently enforced in the future or the larger portion of the field will remain undeveloped. It is precisely at the time when speculation is active, and ground being taken up rapidly, that work should be enforced. The value of a discovery is thus at once tested, to the benefit of the whole district instead of to the benefit of a few pegging speculators in scrip only.