

on the trigonometrical station at the top of Mount Aroha the Waitekauri workings can distinctly be seen in a line, or nearly so, with the outcrop of the Aroha reef. All experienced miners agree in thinking it certain that the intervening country will sooner or later be proved gold-bearing. A continuation of the pack-track made by the Piako Council, from the Premier claim in the direction of the Waitawheta Valley, would be a valuable aid to prospecting. This track would run through the Thames County nearly the whole way, and would open up the agricultural leaseholders' settlement in the Waitawheta Valley.

The development of these mines will necessitate a considerable outlay and capital in the erection of machinery and formation of tramways, races, &c., and, as a necessary consequence, the employment of a large number of men, but the demand for labour is not likely to be great during the coming winter.

Miners without capital would do well to wait the advent of fine weather before committing themselves to prospecting in this heavily-timbered, precipitous, hilly country, where prospecting will always be a work of hardship, and require both time and money.

The new discoveries have encouraged men to retake up one or two of the old claims on the western slope of the range, with the intention of giving them a good test.

A silver lode has also been discovered in a gully not far from the Hot Springs, on the western face of the Aroha Mountain; but, as yet, very little has been done to prove its value.

A small township has been laid off by the Governors of the High School Reserve at the mouth of the Waiorongomai Creek, adjacent to where it is proposed to erect the Piako battery. The township is in the gold field, and the sections are being rapidly taken up under the Mining Regulations. A large and comfortable hotel is already built there. This township is about three miles from Morgantown, where also there has been a considerable demand for sections. Many new buildings are being erected in Morgantown, and others are contemplated.

I think that the permanent town will be at or near to Morgantown. Its proximity to the river, steamers landing passengers and cargo almost in the town, coupled with the main Thames and Hamilton roads meeting here, will assist this, independent of the fact that the principal buildings are already erected on the site. The Hot Springs, which will always prove a source of attraction to visitors and invalids, will also aid in keeping the town in its present position.

The shortest track to the new find is by the footpath starting from this township over the main range at the back of the town.

The agreement made with the Aroha Natives concedes the right to mine for other minerals than gold. The discovery of silver on a gold-mining lease raises the question of the right of the lessees to minerals other than gold. A slight amendment to the interpretation placed upon the words "mining purposes" by the Gold Mining Districts Act of 1873, by the addition of the words after "mining for gold" of "and other minerals" would meet this difficulty; always presuming that it is thought advisable to concede the right to all minerals in the ground contained in a mining lease.

In conclusion, I can only trust that the present favourable prospects of this district will be justified by the work of the coming year. I have already expressed the belief that a new and payable reefing district has been opened, and one that from its proximity to a large agricultural district should prove of colonial importance; but, to utilize fully the present discoveries, as well as to open up the large extent of country as yet scarcely prospected, a very considerable expenditure on roads and tracks is yet required.

The following are the usual statistical returns for the district: Total number of cases, Warden's Court, Te Aroha, from the 1st April, 1881, to the 31st March, 1882, 102; Resident Magistrate's Court, 48; miners' rights issued, 122; number of claims notified pegged-out, 262; applications for licensed holdings, 76; water-races, 7; machine sites, 2; business licenses, 57; residence sites, 6; registrations, 239. A large number of residence and business sites have been taken up subsequent to the 31st March and up to date.

HARRY KENWICK,

The Under-Secretary for Gold Fields, Wellington.

Warden.

No. 4.

Mr. Mining Inspector McLAREN to the UNDER-SECRETARY for GOLD FIELDS.

SIR,—

Mining Inspector's Office, Thames, 12th May, 1882.

I have the honor to forward herewith statistics with report on mining operations carried on in the Hauraki North, Hauraki South, and Te Aroha Gold Mining Districts, for the year ending 31st March, 1882.

Hauraki South.—Mining matters generally have not been so prosperous as during the last year. In the Thames District, prospecting operations in most of the old mines not being successful in developing any find of great importance, the attention of miners and mining speculators has been principally directed to the outlying districts. At Waitekauri, rich returns from Butler's Tribute, in the Waitekauri Company's mine, caused the whole of the ground in the vicinity to be again occupied for gold-mining purposes. At Owharoa, parties of tributers in the Smile of Fortune and Radical mines met with very rich patches of gold, and during the excitement the old claims were again occupied. At Karangahake a reef was discovered higher up the hill than where the old prospecting claim was situated, and an extensive area of ground occupied in that locality. At Otunui, and also at Tapu Creek, rich parcels of specimens have been found and a considerable area of ground occupied in both these districts.

Kuranui Hill United.—A very limited amount of prospecting work at the low levels has been done during the year, and, on account of non-payable returns, are now for a time abandoned. The operations are confined to working on leaders over the tunnel level, and in driving a crosscut from the Albion to the Shotover shafts. At the 80-foot level several promising leaders have been cut through, and will be worked on as soon as ventilation is secured by having the drive completed. The