

Goldfields tracks have been formed to enable the miners at the Tui Creek to send parcels of quartz to the Thames for treatment; and a track has also been made from the Fern Spur to the Werahiko claim at Waiorongomai, to enable prospectors to explore that part of the line of the main reef which has hitherto been inaccessible. Fair prospects of silver-ore have also been discovered at Waiorongomai; and, as the tramway connecting with Ferguson's battery is now in working order, a trial will soon be made of the capabilities of that method of treating the quartz which they have adopted.

New Find Mine.—There have been 2,950 tons of quartz crushed from the blocks over the low level, yielding 2,637oz. of gold; and, as there is a good show left in the floor, it is expected that the next level to be driven will also pay and leave a profit. This mine is carefully worked by Mr. Hugh McLiver, the company's mine-manager.

Colonist Mine.—This mine has been worked by the Battery Company on terms, and 2,002 tons of quartz crushed for a yield of 1,048oz. of gold.

Premier Mine.—There have been 180 tons of quartz crushed for a yield of 100oz. of gold.

Galena Mine.—This mine was formerly known as the Lucky Hit, and the reefs contain a large quantity of lead with a small percentage of silver. Three hundred and four tons of quartz were crushed for a yield of 180oz. of gold.

Waiorongomai Mine.—Eighty-five tons of quartz have been crushed for 77oz. of gold.

Silver King Claim.—Thirty-two tons of quartz yielded 63oz. of gold.

Several other mines have been worked, but the returns have not been payable. The population of the Te Aroha Gold-mining District is 1,154. The opening of the railway to Te Aroha has caused increased prosperity to the district. The Hot Springs Domain has become a popular resort, and the baths are used by large numbers of people from Auckland, as well as from all parts of New Zealand and the Australian Colonies; and there is no doubt that Te Aroha will continue to be a favourite among the sanitoriums of New Zealand. The hot springs are the property of the Government, and are managed by a local Domain Board. The charge made for using the baths is only nominal, and, as board and lodging may be obtained from £1 up to £2 2s. per week, these reasonable rates cause many people to spend their annual holiday at Te Aroha. Owing to increased prosperity, settlement on the lands adjacent is on the increase.

I have, &c.,

H. Kenrick, Esq., Warden, Te Aroha.

GEO. WILSON, Mining Inspector.

BATTERY RETURNS for Te Aroha for the Year ending 31st March, 1886: (retorted gold). 1885: April, 436 tons, 376oz. 15dwt.; May, 858 tons, 372oz. 8dwt.; June, 488 tons, 509oz. 15dwt.; July, 701 tons, 373oz. 3dwt.; August, 513 tons, 402oz. 12dwt.; September, 512 tons, 573oz. 12dwt.; October, 1,282 tons, 530oz. 17dwt.; November, nil; December, 669 tons, 533oz. 1886: January, 321 tons, 113oz. 5dwt.; February, nil; March, 772 tons, 704oz. 5dwt. Total, 6,552 tons, 4,489oz. 12dwt.

No. 3.

MR. WARDEN KENRICK to the UNDER-SECRETARY OF MINES.

SIR,—

Warden's Office, Coromandel, 21st April, 1886.

I regret to report that the depression existing throughout this portion of the district at the close of last year has not yet passed away. All mining matters are exceedingly dull, and several promising ventures have proved more or less failures. The worst of these in its effect upon the community was the failure of the Tokatea Gold-mining Company to find the big reef in their low-level tunnel after driving a distance of some 3,000ft. in the hope of cutting it. During the year this company has been engaged in pushing on the level known as No. 3, some 400ft. from the surface. They are now in good country, and have a fair prospect of cutting either the main reef or some of the well-known leaders which turned out so well in former days.

In this neighbourhood, the Royal Oak, Bismarck, Bachelors', and Mayn's claims are still working, but, with the exception of Mayn's, scarcely paying wages.

The Triumph, further along the range to the north, have a large well-defined reef in hand, from which they have already taken several small but good crushings.

On the eastern side of the Tokatea Range, and south of the Tokatea Mine, is a district known as the Waikoromiko. This district was rushed some ten or more years ago; but, after putting in a low-level and erecting a battery, the gold ran out and the place was abandoned. Last month a prospector named Sutherland came upon a well-defined leader, from which he has taken a quantity of exceedingly rich specimens. A small rush has again set in, and about a dozen claims have been marked off. It is as yet too soon to anticipate the result. A very fine nugget of nearly pure gold, weighing some eight ounces, was found in this (the Waikoromiko) creek some few months ago, and purchased by me on behalf of Dr. Von Haast for the sum of £24. This nugget is now in the Indian and Colonial Exhibition.

Information has been received that the attempt to float the Anglo-New Zealand and Telephone (formerly the Union Beach) Company in the London market is meeting with success. It is to be hoped that the promoters will be successful, as the testing of the deeper levels in this locality, experts agree in saying, has every chance of a successful result, gold having been