

pumping and winding machinery to work the lower levels. The Woodstock has been vigorously worked. A new ten-stamp mill and cyanide plant has been erected, and the mine well opened up. The Talisman, adjoining the Woodstock and Crown Mines, has also yielded rich quartz: 4,084 tons gave 3,772oz. of gold and 5,954oz. of silver, valued at £17,500. The Talisman Company are erecting a ten-stamp mill and cyanide plant. The Earl of Glasgow has also done well, the five-stamp mill being kept fully employed. Several other mines are being well prospected, and this district bids fair to be a large gold-producer in the future. The Ohinemuri and Waitawheta Rivers furnish here a cheap motive-power.

OWHAROA.

The Smile of Fortune, Cadman, and Burton Mines are now owned by a syndicate. A commencement was made to sink a shaft on the south side of the river, but this had to be abandoned, and it is intended to sink a main shaft on the northern side, near the Smile of Fortune workings.

WAITEKAURI.

The chief work done in this district has been in connection with the Jubilee Mine. A cyanide plant has been added to the battery, and crushing will shortly be commenced. Several other mines have been taken up, and much prospecting has been carried on.

WAITEKAURI NORTH.

The Golden Cross Mine has once more yielded rich ore. The battery has been enlarged, and provision is being made to drive a low-level tunnel, about 7,000ft. in length, to drain the mine. Several other parcels of land have been taken up, and prospecting is being actively carried on. The Grace Darling returns of last year were disappointing, and a low level is now being driven to test the reef, as the surface blocks did not pay. A considerable amount of prospecting is going on all over this district, and several valuable discoveries, it is stated, have been made.

KOMATA.

The Komata Company's mine in this district has again yielded handsome returns. The A1 Mine has been sold to Mr. Argall (who also owns adjacent ground), on behalf of the Komata Mines Company, who intend to expend a large amount of capital in opening up the reefs, and in the erection of suitable machinery for the treatment of the quartz.

The Komata Company's mines at Komata, the mill and mine at Waitekauri, and also the Golden Cross Mine at Waitekauri North, are under offer to an English company with large capital. Indeed, it is understood that the bargain has actually been closed, and that the outcome will be an elaborate scheme for working several groups of holdings together, by the aid of a system of tramways and water-races, by which the large battery at Waitekauri will be connected with and made available for the whole of those holdings.

A new reef discovered in the Alpha licensed holding gives excellent prospects.

WAIHI.

The Waihi Company's mine keeps up its character. It has yielded the large return of £84,925 during the year. Thirty stamps have been added to the sixty-stamp mill, and shortly no less than ninety stamps will be fully and constantly employed in reducing quartz. The main shaft has been sunk to a further depth, and a commencement has been made to sink a second shaft, which is necessary for the better working of the mine.

The Silverton Mine has been sold to an English Company, and preparations are being made to sink an engine-shaft to work the reef at greater depths.

The Grand Junction, which lies to the eastward of the Waihi Mine, is likewise being actively explored, Mr. J. W. Walker, the experienced and energetic manager of this holding, being engaged in boring with the diamond-drill, to test the country previous to making a commencement by sinking a shaft.

REMARKS.

At the Lower Thames it must be admitted that every kind of mining is languishing, and that the future of this portion of the district must necessarily depend on what may be discovered at the lower levels. This is now fully recognised, and attempts are being made by the mine-owners so to combine their interests as to arrive at some scheme for working the reefs at levels much deeper than the present workings.

On the other hand, the outlook for the coming year, taking the Hauraki district as a whole, is more than hopeful. The foreign capital which is now flowing into the Coromandel and Ohinemuri Counties in a steady stream, attracted thither by the magnificent returns from some of the mines in those localities, must prove permanently advantageous by developing the resources of a large auriferous area. The reefs which required expensive works for their exploration, and which in the past have been barely scratched upon the surface, will shortly be tested more thoroughly and at greater depths, and improved machinery and the most modern process for the treatment of all kinds of ore will be introduced.

I am pleased to be able to add that, notwithstanding a considerable falling-off in the yield from the Lower Thames, during the year* the value of the gold produced by the whole district exceeds

*Decrease, £33,310.