

and party, who were working on the tribute system, and who, while constructing an adit-level to their section of the ground, struck a very rich lode outside the portion of the ground they held, and which belonged to other tributers—Legge and party—who had done no work on their section. Between the beginning of May last year and the 2nd of January of the present year Legge and party got 3,955oz. gold, representing a value of about £11,929, and since the company took the ground over from them to the 24th of August last 694 tons of stone yielding 15,935oz. gold were obtained, equal to about 22oz. 19dwt. 5gr. of gold to the ton. This discovery has led to the taking up of a great deal of ground, where very little work had been done for many years, and to the commencement of active operations there. A large amount of prospecting has been done in the Kapanga Mine, which also belongs to an English company, and recently the returns show a marked improvement. The property known as "Scotty's," as well as the ground on the Tokatea Range, have been purchased by English companies, and are now being worked.

Some of the mines at Kuaotunu give promising returns, as, for instance, the Kapai-Vermont, and this will tend to cause more attention to be given to this field.

During the first year 9,936 tons of quartz and 6,158 tons of tailings were crushed, which yielded 22,632oz. gold, representing a value of £62,996, while 265 men were employed in connection with the mines.

THAMES.

There has been a considerable falling-off in the yield of gold from this field during last year. This, however, was fully anticipated, the working in the principal mines being confined to within 500ft. of the surface, below which no prospecting operations can be carried on until more powerful and economical pumping-machinery is erected, and a shaft sunk below the depth of the present level. The upper levels having been worked and well prospected, there is little hope of striking any large bodies of auriferous stone until a greater depth has been reached. On the other hand, the rich discoveries of auriferous lodes in the Ohinemuri District have attracted the attention of mining men, and this being a comparatively new field offers a larger scope for carrying on prospecting operations than the Thames field at the present time. A company with a considerable capital has, I am glad to state, been floated in London to provide a powerful drainage plant to drain the water at the Thames to a depth of 2,000ft., which will admit of the field being opened out afresh. Where so large a quantity of gold has already been obtained, there is a fair probability of rich discoveries being made at deeper levels than hitherto worked; at least, this has been the experience on every other goldfield where rich stone was obtained at shallow depths.

During the past year 25,971 tons of quartz and 11,938 tons of mullock were crushed, which yielded 20,865oz. gold, and 10,555 tons of tailings were treated for a return of 1,945oz. gold, representing an estimated value of £59,340, while 598 men have been employed in the mines.

OHINEMURI.

This goldfield promises to be one of wide extent, and the yield of bullion is steadily increasing. A number of large lodes are known to exist, containing both gold and silver, and comparatively little prospecting has yet been done on any of them with the exception of that carried on in the immediate vicinity of Karangahake, Waitekauri, and Waihi. The great bodies of auriferous and argentiferous ore found at the latter place, which get richer as the depth of the workings increase, gives a value to the Waihi Company's property at the present time of about £1,000,000. The large body of payable ore in this company's mine, and the steady returns of gold obtained, have attracted capitalists' attention to this locality, and a number of special claims have recently been taken up with the view of carrying on extensive prospecting operations in other parts of the field. The demand for mining properties, where considerable sums of money are required as a working capital, is greater at the present time than ever it has been since the goldfields have been opened.