

COROMANDEL DISTRICT.

Mining in this district fluctuates considerably in proportion to the quantity of gold that is being got. If rich stone be found it gives an impetus to mining in that locality. During the last year the discovery of rich ore in the Coromandel Mine, now belonging to the Hauraki Company, which is composed of shareholders residing in Great Britain, has aroused a feeling of activity amongst the miners, and made them turn their attention to a portion of the field which has for many years been neglected. Men, after working on a field for some years, get disheartened if they are not successful in finding sufficient gold to pay them for working, and when this is the case there is little prospect of fresh arrivals coming to prospect the district. Although a good deal of prospecting has been done during the last year in the Coromandel Peninsula, the general idea is to go some distance away from the old workings to find entirely new ground. No matter what disappointments the miners meet with, the moment that a rich patch of gold-bearing stone is found, their spirits revive, and they set to work with fresh ardour and renewed energy.

The new discoveries last year in old ground, or, at least, in ground which has been held by different companies and parties of miners and has been abandoned time after time, has recently proved to contain extremely rich ore, and, no doubt, if other portions of the field were prospected, equally as rich stone would be found. There is a highly-auriferous belt of country from the Tokatea Hill to the ocean beach, going through the Kapanga, Blagrove's freehold, and the ground now held by the Hauraki Company. There is no part of the Coromandel district that is more worthy of being prospected than the Tokatea Hill, although burrowed in places like a rabbit-warren near the surface. The large lode passing through this hill, which has hardly been prospected, is likely, in places, to give good returns with a proper plant. It is true that the lodes about Coromandel are extremely patchy; but when a patch is discovered it is generally very rich. Quartz containing 6oz of gold to the pound has repeatedly been found, and in the Success Claim sheets of solid gold have been obtained. The mere fact of it being patchy make it a good field for the individual miner. Wherever the ground is dry and above water-level he wants but a scanty outfit, and the small quantity of quartz that he requires to get crushed needs but little outlay to convert it into money.

Kauri Block.

Hauraki Company.—This company has only recently been formed. The ground they hold formerly belonged to the Union Beach Company, who sold it some years ago to the Coromandel Company, and that company expended a large sum of money in sinking a new shaft, and prospecting the lodes at different levels from the shaft without being successful in finding anything to remunerate it for the expenditure. Portions of the ground were afterwards let on tribute, but the tributers made very little so long as they were at work on the side facing the bay. Subsequently sections were let on tribute on the side of the hill facing Blagrove's freehold, and Legge and party were fortunate enough to find a very rich patch of stone in the section they worked. Another party of tributers—Ross and party—had a section further into the hill than Legge's party, and they commenced to drive an adit to get to their ground, and it was in driving this adit that Ross and party cut the lode running through Legge and party's section; so that although Ross and party were the real discoverers Legge and party reaped the reward, which, in seven months, is said to have been about £3,000 per man.

About three years ago the Kapanga Company took over the ground from the Coromandel Company, and, as that company has been at considerable expense lately in sinking the shaft at the Kapanga Mine, additional capital was required, and a new company was formed in London, from principally amongst the shareholders of the Kapanga, to purchase the ground that formerly was held by the Coromandel Company, in order to get sufficient capital to carry on prospecting operations in the Kapanga Mine. The formation of the Hauraki Company and the purchase of the ground merely meant a rearrangement of capital and a means of giving the Kapanga Company additional capital to prosecute their works instead of reforming the company. The shareholders in both these companies are said, with one or two exceptions, to be the same.

The nominal capital of the Hauraki Company is £40,000, divided into 320,000 shares of 2s. 6d. each. Of this capital, £15,000 in cash and £8,750 in shares passed to the Kapanga Company in payment for the property, leaving a balance of £16,250 as capital to erect machinery and develop the mine. It was then that the mine was cut up in sections, and Ross was working his by an underlie shaft which was dangerous to work from. The Inspector of Mines (Mr. Wilson) therefore ordered the men to come out of it, and either get it repaired or work their section in another way. Ross and party then drove the adit as previously stated, and cut the lode running through Legge and party's section. The latter party lost no time in opening out on the lode; and on driving on the lode for about 40ft., and sinking to a depth of 25ft., they took out from the beginning of May, 1894, to the 2nd January of this year, when their tribute expired, 60 tons of ore and 1,038lb. of specimens, which yielded 3,954oz. 7dwt. gold, representing a value of £11,928 14s. The lode is about 1ft. in thickness, and runs in a northerly and southerly direction, having an underlie to the eastward of about 60°. There are several other veins running parallel with this lode which were cut in Ross and party's adit or cross-cut, all of which contain gold-bearing stone.

Previous to Legge and party's tribute expiring, the company sunk a shaft to a depth of about 100ft., and erected a winding-engine and pumping appliances, and from this shaft a cross cut was driven to intersect the lode Legge and party had been working. Since the company commenced to work the mine, up to the 31st March last 302 tons of quartz has been taken out, which yielded 9,754oz. 16dwt. gold, while twenty-six wages-men have been employed by the company, and thirty men on tribute. The total quantity of gold obtained by all the tributors for the year was 5,207oz. 15dwt.; this was obtained from 112 tons of quartz.

Since writing the above, Captain Hodge, the new manager sent out from England, and who was formerly manager for the Kapanga, has kindly forwarded me further particulars in