

The adaptation of cyanide on improved principles will, in a marked degree, reduce the cost of extraction, and permit of an increase in the quantities of ore treated and an ultimate addition to the yield of gold. The returns from our quartz mines will probably, after the new plants are completed and kept steadily at work, reach if they do not exceed the yields maintained in former years. During last year 139,644 tons of quartz and tailings were treated in the Auckland District, yielding 321,664 oz. bullion, representing an estimated value of £405,745, as against bullion to the value of £354,256 for the former year, being an increase of £51,489. In the Nelson and West Coast Districts 19,742 tons of quartz were crushed for a return of 7,412 oz. of gold, valued approximately at £27,031.

#### COROMANDEL COUNTY.

The operations in the Hauraki Mine are still productive, although there is a considerable falling-off in the yield of gold. The Royal Oak Mine is again yielding very profitable returns, and steady yields continue from several other mines, notably the Tokatea Associated Reefs; and, with increased means of development, other older mines may again be expected to produce yields similar to past records. Many of the newer mines in the vicinity of the Kauri Block have yet to do a large amount of dead-work before they can become steady producers.

The Kapanga Mine, in which exploring operations at the deep levels are still being carried on, is being partly worked on tribute, and at least two of the parties so working have obtained handsome returns. In the other portions of the county operations in the mines are chiefly confined to preliminary work, and the returns show a falling-off, especially in the Kuaotunu district, where future success is dependent on the result of working at deeper levels. The Kauri Freehold Gold Estates Company is vigorously prosecuting prospecting works, and nine gold-bearing reefs are being developed. The total area held by this company is 36,000 acres, comprising twenty blocks of land, most of which are within the Coromandel County. The chief works are in the Opitonui Block, where two main shafts are in progress, equipped with steam winding- and pumping-plants. A new 40-stamp mill, provided with the latest appliances, and suitable for both amalgamation and cyanide processes, has been contracted for. A series of 2 ft. gauge tram-lines, nine miles in length, connect the mines with the battery and with the Whangapoua Wharf. As an indication of the extensive character of the various works which are being carried out, it may be stated that the expenditure of the company from April, 1897, to June, 1898, in wages alone, not including supplies and machinery, was £28,630 18s. 10d.

In this County 13,665 tons of quartz and tailings was treated during the year, yielding 27,427 oz., representing a value of £73,337. The number of miners who were employed in connection with the gold-producing mines was 741.

#### THAMES COUNTY.

The progressive works which have been carried on in this portion of the district have not yet reached the stage of development to admit of the chief mines again becoming producers to the extent of materially adding to the gold returns.

The low-level workings in the New Alburnia, Moanataiari, and Kuranui-Caledonian Mines have not been productive to the extent anticipated by the owners; and the valuable blocks of ground in the May Queen Mine must await drainage by the pumps at the Queen of Beauty shaft, as they cannot be operated on until the water has been lowered.

A further period must yet elapse before very large returns from any of the mines in this quarter can be expected.

During the past year, 20,850 tons of quartz were crushed and tailings treated, yielding 13,482 oz. of gold; representing an estimated value of £32,177. The number of miners in this district employed in gold-producing mines was 528.

#### OHINEMURI COUNTY.

The mines in this district have again given continuous returns of a most satisfactory character.