

Harbour View.—The work in hand in the early part of the year was directed to extending the No. 4 level into the Hauraki Associated portion of the mine. Nothing of a payable character being discovered, the work was stopped for the time being owing to want of funds.

Kapanga Mine.—This mine is now owned by Cornes and Hollis, who have for some time past been putting in prospecting drives from the side of the creek with a view to picking up the cap of the reef which produced a large amount of gold in the early days of the goldfield. A shaft has also been sunk 35 ft. and the cap of the reef discovered and driven on for a distance of 100 ft. The quartz broken out has a promising appearance, and a little gold was seen in the stone; but as there is no height of backs over the drive, and sinking on the dip of the leader is almost impracticable owing to water, little can be done until either pumps are put on the shaft or a low-level tunnel is put in from Kikowhakarere Creek, the length of which would be about 2,000 ft., and give 200 ft. of backs below the present water-level in the engine shaft. If the necessary funds were available for the work named, it would, when completed, no doubt, pay for the outlay, as there are numerous gold-bearing leaders in this property. There has also been a party of tributers working on this ground, crushing material from the mullock-tip, 160 tons being put through the battery for 78 oz. 3 dwt. of gold, valued at £234 9s. An average of six men were employed during the year.

Tokatea Consolidated Mine (formerly Tokatea West).—This mine has been almost continuously worked during the year. In the early part of the year the work was confined to that portion of the mine on the western side of the hill, from which 28 tons of quartz was obtained from small leaders. This yielded 223 oz. of gold, valued at £641 15s. 5d. Since the company was re-formed the operations have been directed to opening up and retimbering two levels on the eastern side of the hill for the purpose of getting into leaders said to have yielded payable gold. This work is now in progress, seven men being employed.

Monte Christo Mine.—The owner (Mr. Kemner) has for some time past consistently worked this mine, portions of which he let on tribute. Unfortunately for himself, he has not discovered anything of a payable character, although he has expended a good deal of money as well as his labour in looking for gold.

Royal Oak Mine.—For the first six months of the year the company had several men working on what was termed a new reef below No. 6 level, which yielded gold sufficient to pay the working-expenses; but the ore gradually got poorer, and the result was that all the men on wages were discharged. Blocks of ground were subsequently let on tribute, the company having the right to put on an equal number of men to work in the tribute, the company paying the men's wages and an equal share of the expenses incurred in working the ground, and receiving half of the profits made in addition to a percentage on the gold won. Some of the men complained about this system, but on the whole it worked fairly well. 189 tons 1 cwt. of ore was crushed for 798 oz. 4 dwt. of gold, valued at £2,040 18s. 3d. An average of thirty men were employed.

Four-in-Hand Mine.—The principal work carried out in this company's mine during the year was the extension of the low level to a distance of 800 ft. It is estimated that a further 230 ft. of driving will reach the hanging-wall of the Four-in-Hand Reef. The country rock being extremely hard made progress very slow; but as the drive advances towards the reef the country is improving. In the early part of the year stoping upon the hanging-wall and foot-wall reefs was carried on. The foot-wall reef (which proves to be only a dropper from the main reef) gave promise of being very good when first discovered, but proved disappointing when stoped upon, and work on this reef was discontinued. The prospects of the main reef are very encouraging, as gold is reported to have been left in the bottom of two winzes that were being sunk to prove the ground at greater depth. The quantity of water met with prevented the sinking of these winzes to a greater depth; but now that the low level is nearly under them, communication will be soon effected with the upper workings and a commencement made to get out payable ore to recoup the shareholders for the outlay in the low level. 112 tons of ore was treated for a return of 159 oz. 19 dwt. of gold, valued at £456 10s. Six men were employed.

Prospecting.—A considerable amount of prospecting has been done in this district during the year. In a number of cases prospectors received Government aid, and a subsidy of pound for pound to the extent of £300 was given to prospect the Big Reef on the Tokatea Hill. All these operations have proved disappointing, and in no instance has anything been discovered that could be called payable.

CABBAGE BAY DISTRICT.

White Star Mine.—Very little work has been done in this mine since the early part of the year. 1 cwt. 22 lb. of ore was broken out and treated for 3 oz. 12 dwt. of gold, valued at £9 12s. 6d.

KUAOTUNU DISTRICT.

Waitaia Mine.—The owners continue to carry on mining, but there is little new to report as the work is nearly all confined to stoping on the leaders over the back of the low level, and little or no prospecting has been done for some time past to find anything new nor development in the direction of opening up the block of ground under the present low level, although payable ore is said to have been obtained in the bottom of the level for some considerable distance. The ore broken out has been payable, but has only left a small margin of profit. 635 tons of ore was treated during the year for 817 oz. 9 dwt. of gold, valued at £2,484 2s. 3d., and on the average twenty men have been employed.

Handsworth Mine.—This mine was under protection part of the year, and for a time only one man was employed. The work in progress is the driving of a low level. Fifty-one tons of ore was treated for 56 oz. 18 dwt. of gold, valued at £145 1s. 10d.

Great Mercury Mine.—The owners have persistently worked the mine without any stoppage, driving north and south on the reef from their low-level crosscut, but unfortunately without discovering payable