

fully expected that gold would be found in the reef in payable quantities, but this proved disappointing. Then a rise was put up on the reef to No. 1 level to a height of 35 ft., which gave excellent ventilation, but very little gold was seen in breaking out the quartz. There were also some stoping and driving done at No. 2 level, but as nothing of an encouraging nature was met with the mine was closed down at the end of the year. Two men were employed.

Magnet (Thames Talisman).—This company's operations have been directed to the extension of the low level, which is now in a total distance of 1,300 ft. This level is being put in for the purpose of intersecting the Grand Trunk and other reefs in which rich gold is said to have been obtained in some of the upper levels in the early days of the goldfield. Six men were employed.

Halcyon.—This company was formed for the purpose of working this ground, which has been lying idle for a number of years. The first work undertaken was that of repairing the low level driven from the level of the Karaka Creek, a distance of 350 ft., which has since been driven a distance of 50 ft., where the Halcyon reef was met with and driven on for 180 ft. The ventilation not being good, a winze was put down on the reef to a depth of 42 ft. to connect with the drive; unfortunately, it was found that the winze had been sunk to a point 140 ft. from the face of the drive, and before a connection could be made it was found necessary to put in pipes to drive the air in to enable this work to be completed. Gold has been frequently seen in breaking out the quartz in sinking and driving on the reef, and the manager is sanguine that a block of ground has been opened up which will pay to stope out. Four men were employed.

Mahara Royal.—In the early part of the year work was directed to stoping out a portion of the Royal reef over the back of the low level and driving on the course of the reef, and crosscuts were also put in with a view to discover shoots of payable ore hitherto unworked, but not meeting with encouraging prospects the mine was stopped for the present. 225 tons of ore was treated for 117 oz. 19 dwt., for a value of £288 2s. 1d.

COROMANDEL DISTRICT.

Old Hauraki Mine.—During the year the work in this mine has been principally done by tributers; but, unfortunately, the returns have been low and discouraging. From 19 tons of ore treated, £334 10s. 9d. was obtained. In the early part of the year ten men were employed, but towards the close of the year only three men were at work. At the close of the previous year (1905) it appeared that the negotiations for the amalgamation of this claim and the Bunker's Hill Claim would be effected, and that the unwatering of the mines would be undertaken, and this would allow the deep levels to be opened and further prospecting done at a greater depth. But, unfortunately, the hoped-for amalgamation has not yet been arranged—most unfortunate for the district, for, whatever may be said to the contrary, the draining of the Old Hauraki Mine materially affects the whole group of mines, and unless some arrangement is come to amongst the claimholders for the drainage of the field, little can be done in any of the mines. For the year an average of eight men were employed.

New Bunker's Hill Mine.—For the past twelve months work consisted of driving and stoping in the adit level on the seaward side of the property, whilst the low level has been extended 284 ft., and a connection with the shaft workings effected, which has greatly improved the ventilation and assisted in the prospecting of the many small leaders intersected by the main level; but, although a great amount of work has been done on these quartz veins in rising and stoping, the results have been very unsatisfactory. The area of this claim is a little over 3 acres, so that surface prospecting is confined to this small area, and unless the mine is unwatered so as to allow prospecting at the low levels, I am afraid the future prospects are not any brighter than the year just closed. Four men were employed for the year.

Hauraki Freeholds Mine.—During the year application was made for protection, which was granted, and the mine absolutely closed down. Near the end of the year the surface section of the mine was thrown open to tributers, and a small parcel of ore treated for a return of £29 9s. 6d. This company, like the Old Hauraki and Bunker's Hill Mines, are not able to do any work in their low levels owing to the influx of water, and until these mines are unwatered and the low levels developed, nothing of any value to the companies can be discovered; so, therefore, it will be seen that unless a combined effort is made by these mines, the further development of the industry in this district will be seriously hindered.

Success Mine.—The work done in this mine has been principally in the old workings—viz., timbering, &c. Some stoping has been done on James's east and west leaders, with the result that some good specimen-stone and loose gold were obtained. Stoping was also carried on on a leader known as Daldy's cross-leader, from which some fine specimen-stone and loose gold were secured. Owing to the mine being open to the surface, and with the exceptional heavy rains, a quantity of water came into the mine, and work had to be suspended in the mine for a time, and outside prospecting has been carried on. This mine has been worked for a number of years, and a great amount of general mining done. It is situated on the Tokatea Range, and adjacent to the Royal Oak and other mines which have been gold-producers, and it is hoped that ere long something will be discovered in the Success Mine to recompense the present owner for the time and money spent in prospecting and other work done. Two, and sometimes three, men are employed.

Golden Pah Mine.—At this mine the company has done absolutely nothing to further its development, and the future prospects of the mine are not encouraging. During the year the winding and pumping plant has been removed from the property, which may indicate that the company has no intention to do any development-work at the low levels for some time to come. On the surface some work has been done by tributers on small quartz leaders, and the returns may be considered fairly satisfactory. From small parcels of ore treated a return of £308 11s. was obtained by the three men employed.