

worthy of a trial; but to attempt to test them with a small capital, such as could be raised locally, would inevitably end in failure. No doubt the large amount of capital necessarily expended on the Grand Junction Mine over a lengthened period without any profitable return has deterred investment in other mines at Waihi. The latter mine adjoins the Waihi property, and until its success is assured foreign capital will not be readily obtained for claims situated at a greater distance from the parent mine. There are no mines near Waihi that could be worked by the ordinary miner or small party of miners, and until capital from beyond the Dominion can be obtained to open up some of the claims now held no fresh development of the mining industry can be looked for at Waihi.

At Karangahake, work has been successfully carried on, particularly in the Talisman Mine, which as a gold-producer stands second only to the Waihi Mine. Bullion worth £218,975 was won from the mine during the year ended last December, being an increase of £34,529. In August of last year, owing to the influx of water caused by the cessation of pumping operations in the Crown Mine, adjoining, all work had to be discontinued on No. 13 level, where at the time the main reef, from 7 ft. to 8 ft. in width, and in places carrying rich ore, was being worked. Since then operations have been carried on from No. 12 level upwards, and ample supplies of ore have been obtained to keep the mine and battery fully employed. Additional pumping plant is being erected, which, when completed, will enable operations to be resumed at No. 13 level.

The other large mine of the district, the New Zealand Crown Mines, shows a considerable decrease in the output of gold compared with the yield of the previous year, *e.g.*, this year's product being something less than half that of the year 1907. Operations in the mine have been to a large extent suspended owing to the presence of a large inflow of water, which it was not possible to reduce with the pumps then in position. Two electrically driven duplex pumps have been obtained, and will be placed in the main shaft. These pumps will be capable of coping with the water, and will enable the richer ore below the No. 5 level to be worked, and an increased yield of gold may be expected during the coming year.

There are several other mines at work in the locality, but they have not contributed to the gold-production of the district. They are all in process of development, work being steadily carried on with well-founded expectations of success, and it is probable that some of them may be found among the gold-producers before the end of the year.

At Komata the Komata Reefs Mine has been working constantly throughout the year, yielding bullion to the value of £44,305. The average return from the ore crushed was £1 14s. 1d. per ton.

Several mines are in operation at Waitekauri, and a good deal of development-work is being carried on; but the yield of gold has been comparatively small, and the returns have not been remunerative.

Mining at Waiorongomai has been carried on on a limited scale, and there are no returns of gold to record. The Hardy's Mines (Limited) have been engaged in putting in a prospecting-drive to test the ground at a much lower level, the upper portions of the claims owned by them having been worked out. This drive is now in a distance of 850 ft., and the Hero reef, profitably worked in the higher levels, has been intersected. In the Waiorongomai Mine prospecting operations are being carried on, and, though no returns have been obtained, the prospects are encouraging.

A syndicate was formed during the last year among the Te Aroha residents to prospect the hill at the back of the Domain reserve. A tunnel, now 160 ft. in length, is being driven in the hope of discovering a rich gold-bearing reef believed to exist in the locality.

When the Te Aroha Goldfield was opened in 1880 the original prospector—a Native named Hone Werahiko—discovered on a landslip a quantity of very rich auriferous quartz. The reef from which this quartz came was never discovered, and it is the hope of intersecting this reef in the tunnel they are putting in which has induced the syndicate to enter upon the venture.

Mining has been carried on during the past year at Omahu and Kirikiri, but, unfortunately, the operations have not proved successful.

Several claims are held at Maratoto, but work has been carried on somewhat intermittently. The quartz from this locality is refractory, and no great progress can be made until some satisfactory method is found of dealing with the ore.

Within the last year or two the Tairua district, situated on the eastern side of the dividing-range, has come into prominence as a locality likely to repay prospecting and exploiting. The lodes there are in general large and continuous, and trials made from samples of quartz from the reefs give indication of the payable nature of the ore. Though not rich after the manner of the specimen-producing reefs of the Thames and Coromandel, these lodes appear to be more permanent in their nature and more consistent in character. Of the older claims in the district the Tairua Broken Hills is the only one that has produced gold in payable quantity. The company has kept continuously at work, employing about sixty men. Present appearances seem to point to a prosperous future: 4,601 tons of ore was treated last year, for a return of 8,698 pounds' worth of gold.

The Golden Hills claim is the most prominent among the more recent mines opened in the district. From the beginning, operations have been energetically prosecuted, and the mine is well opened up. A large body of ore is in sight, which it is stated promises satisfactory returns, and the prospects of the company are encouraging. Several claims have been recently taken up, and preliminary work is being carried on upon them; but it is not yet possible to speak with certainty as to their prospects. The want of good roads connecting with some centre of population is at present a drawback to the district.

There are several claims in existence at Neavesville, near the summit of the main range between Puriri and Tairua. A considerable amount of work has been done, and operations are still in progress; but the returns of gold are small. The most prominent of these claims is the Champion, on which the proprietors, the Champion Company, have spent a large amount of capital and carried out extensive works, but, I regret to say, without any profitable result.