

Cambrian's Goldfield.—Fordham and Gay and McGuckin continue to conduct hydraulic-slucing operations on a limited scale, while the Vinegar Flat Hydraulic Sluicing Company operate on a larger scale. There is little to call for comment with regard to the nature of the workings.

O'Hara and party are also working shallow ground by hydraulic sluicing and elevating.

Scandinavian Water-race Company, St. Bathun's.—Hydraulic sluicing and elevating operations continue to be conducted on this property, although increasing depth of barren overburden militates against great success in the Kildare Hill Claim.

Wakatipu Prospecting Syndicate.—This syndicate are operating at the head of Hays's Gully. Some high-level river-terraces are being prospected by driving.

DREDGES.

Excelsior Dredge, Lowburn.—This dredge is being dismantled, the machinery sold, and the timber taken for reefing operations on the Carrick Range.

Cameron's Freehold Dredge, Clarkesville, Milton.—This dredge has recently been erected, and I found on my visit that the regulations were not fully complied with. I drew the dredgemaster's attention to the requirements, and subsequently wrote to him to the same effect. I was later informed that the regulations were being complied with.

QUARTZ-MINES.

Iles and Party's Mine, Carrick Range.—A company has been formed in the North Island to work this mine. For the past two years exploration-work has been carried on in connection with the complex stone formerly not amenable to known methods of treatment.

Advance Mine, Bald Hill Flat.—Mr. Symes, the owner, continues to work out blocks of quartz by driving. A three-head stamper battery is used, and the pyrites are saved by a Wilfley concentrating-table, and shipped to Victoria, where they are treated at a profit. Three men are employed.

ANNEXURE B.

REPORTS OF WARDENS.

Mr. Warden BURGESS, Thames, to the UNDER-SECRETARY, Mines Department, Wellington.

SIR,—

Warden's Office, Thames, April, 1911.

I have the honour to present my report on the Hauraki Mining District for the year ended the 31st December, 1910.

The result of the past twelve months' operations in the Hauraki district shows an increase in the yield of gold in the Ohinemuri, Piako, and Coromandel Counties; but a decrease for the Thames Borough and County, and for the Waihi Borough. There has been an increase in the district as a whole amounting in value to £23,789 5s. 6d.

During the year there was an increase in the quantity of quartz crushed in the whole district amounting to 39,070 tons, the figures being as follow: 1910, 612,540 tons 3 cwt. 3 qr. 19 lb.; 1909, 573,469 tons 13 cwt. 2 qr. 17 lb.: increase, 39,070 tons 10 cwt. 1 qr. 2 lb.

Measured by the amount of gold produced, the result of the year's operations must be regarded as very satisfactory; but it can hardly be hoped that the returns for the current year will equal those just quoted. The anticipated decrease in the yield from the Waihi Mine must necessarily affect the total output, and it does not appear probable that the difference will be made up by the increased returns of the other gold-producing mines of the district. At Waihi and Karangahake, the Grand Junction, Talisman, and Crown Mines certainly give promise, each of a prosperous year, and they will yield increased returns; but it can hardly be hoped that their increase will compensate for the reduced returns from the Waihi Company's mine.

During the past twelve months 25,207 more tons of ore were treated by the latter company than during the year previous, but the return of bullion on this year's operations, as compared with last, has decreased by £29,830 15s. 10d. This is due to the poorer value of the lodes worked in the No. 9 level. From a comprehensive report by Mr. Williams, the assistant superintendent of the mine, made to the directors of the company, it appears that the country at this level consists of a soft decomposed rock—a condition unfavourable to the existence of rich gold-deposits—and it has, unfortunately, proved a fact that the ore-values at this level have seriously declined. The famous Martha lode, from which the company have obtained nearly half the quartz won from the mine, instead of yielding blocks of ore fit for stoping up to 80 ft. wide, cannot be relied on to produce more than from 15 ft. to 20 ft. of payable stone. In view of the decreased value of the ore, it has been decided by the board of directors to reduce the output after June to about 1,000 tons a day, involving a reduction in the value of the bullion to about £600,000 per annum, instead of, as recently, about £900,000. It is estimated that there are at present 1,065,000 tons of ore in sight in the mine, besides about 60,000 tons in the arches, giving assurance of about five years' profitable working on present developments. It is intended to vigorously prosecute further developments, and it is hoped that as greater depth is attained the unfavourable belt of country will be passed through, and the lodes recover their former value.

The unexpected decline in the value of the ore in the deeper levels of the mine came as something of a shock to the community, and public opinion magnified what was certainly a serious reverse into an absolute disaster. The price of shares in the market fell with startling rapidity, and this had a very