

At Thames, besides the work that has been done at the Deep Level main crosscut and the subsidiary drives therefrom into the adjoining claims, extensive operations have been carried on in the May Queen Claim, but so far the anticipations of shareholders have not been realized as they certainly deserved to be. Work has been carried on in driving at the 1,000 ft. level a crosscut, with the view of intersecting the continuation of the reefs worked in the old Bright Smile Claim. Work has also been in progress in stoping and rising on the Exchange reef.

The Saxon Company have enlarged and repaired their shaft down to the 446 ft. level, and have since been deepening their shaft to connect with the Deep Level crosscut. They have also driven from the shaft to intersect reefs worked in the higher levels.

The Waitohi Company have kept steadily at work in their claim. An attempt was made to sink the shaft to 1,000 ft. level, but they were compelled to discontinue the work owing to the influx of water. Prospecting-work has been carried out chiefly at No. 7 level (572 ft.).

The Victoria, Moanataiari, and Kuranui-Caledonian Mines are under protection, awaiting the further progress of the low-level main crosscut.

Work has been continuously carried on in the Deep Level tunnel, but the progress made has been disappointing, owing to the unfavourable nature of the rock. Operations have been interrupted by a large flow of water. A borehole was put in with the diamond drill, and the water was reduced. The drive has apparently penetrated the Moanataiari Main Slide. A distance of 2,362 ft. has been driven, leaving 386 ft. yet to drive. Several small quartz lodes were cut, but of poor value.

At the southern portion of the Thames district the Occidental Mine has had a successful year. The reefs are not large, but are in places exceptionally rich. The last crushing for the year gave a return of gold to the value of £950 from 40 tons of ore. During the year 400 tons of ore was crushed, and yielded slightly over £10 per ton. The run of gold appears to be going deeper.

The Tararu end of the Thames district gives promise of success in the near future. The Waitangi, Watchman, and Sylvia Claims have been continuously and vigorously worked.

The Waitangi proprietors have been engaged during the past year in putting in a low-level tunnel from near sea-level at Tararu to intercept at a depth the gold-bearing lodes found in the upper workings. The tunnel has been driven a distance of 3,765 ft., partly through the Bonanza Claim; but the company, not having met with the success anticipated, have resumed operations in the upper levels, where gold-bearing ore is known to exist. The Watchman Company have been steadily prosecuting the development of their mine, and have proved the existence of large payable reefs, and there seems little doubt that this claim will prove a profitable undertaking. A trial crushing of 855 tons of ore gave a return at the rate of £2 1s. 5d. per ton. The Sylvia Company have kept their battery steadily employed with ore from the mine, and recent developments point to increased returns during the coming year. The total yield of gold last year amounted in value to £15,043 12s. 11d., more than double that of the year previous.

The only mine at work in the Waioimo district is the Monowai Company's claim. A large number of men have been continuously employed, and much work has been done in and about the claim. The company possesses a milling plant which is well equipped. The ore is unfortunately of a refractory nature. Of the total value of gold obtained—£5,737 11s.—from the ore treated, £3,922 5s. 9d. was realized on the concentrates sent to England for treatment.

There is very little activity in mining at Tairua. The Golden Hills Claim, from which great things were expected, has proved a great disappointment, and has ceased operations. Of the Neavesville portion of the district, the Champion and the Golden Belt Mines are still at work. In the Champion work of a prospecting nature has been carried on, and ore has been tested from several reefs in the claim, but no substantial result has been obtained.

The Golden Belt Company have maintained operations all through the year. The work has been mostly prospecting. The ore obtained is of low grade, and none has been sent to the mill.

At Coromandel there is very little to record with regard to the success of the industry. The old Hauraki Company has been carrying on systematic development, but so far the returns have been small. Work of a developmental character is also being carried on in the Hauraki Reefs Company's claim; and operations are still in progress in several other mines in the district, but development has been much retarded owing to the general depression in mining affairs and the consequent difficulty in raising funds to defray the working-expenses. Mining at Kuaotunu has been fairly successful in the few claims at work. The developments in the new Waitaia Mine have been most encouraging, and the Mountain King and Handsworth Claims have been in receipt of payable returns.

Besides the claims I have mentioned, there are a number of smaller claims in existence in various parts of the Hauraki Mining District in which more or less work is being carried on, mostly of a prospecting nature; but they have contributed only in a small degree to the gold-product of the district.

Taking a general review of mining in the whole of the Hauraki District, I feel reluctantly compelled to say that present appearances do not promise any great activity in the industry during the coming year, particularly with regard to claims held by small mining companies. These companies are working with a limited capital, and their claims have not been yielding any—or, if any, very small—returns to the shareholders. They are necessarily being prospected and developed by calls being made on the capital of the companies. There are some ventures of greater magnitude, such as some of the claims already mentioned, whose shareholders have kept up their contributions in spite of the general depression, and there is every reason to believe that in some, at any rate, of these the perseverance and enterprise of their owners will be substantially rewarded. Though, as I have said, the condition of mining in this district is at present somewhat discouraging, I do not think that this indicates any approach to the permanent decadence of the goldfield. A combination of untoward circumstances has had a disheartening and depressing effect on investors and speculators, and very little outside assistance is being obtained toward the prospecting of the new ground or the developing of existing properties.