

a total distance of 1,200 ft., and stopes are in progress for 300 ft. in length. At No. 3 level a block 300 ft. in length is being stoped and 180 ft. of driving done; also 150 ft. at No. 2 level. Union Beach section: This is being worked by tributers.

Hauraki Reefs Gold-mining Company.—A good deal of work was done on No. 4 reef from the Old Hauraki shaft at the 400 ft. level, and a rise 123 ft. in height connected with No. 3 level, which secured good ventilation. Gold was frequently seen in the quartz, but nothing of a payable character was found. From No. 2 level (200 ft.), Hauraki Reefs shaft, a considerable amount of prospecting was also done, and several lodes intersected. At present operations are confined to driving and stoping on the Goleonda lode at No. 1 level, and some fair hauls of picked stone have been obtained, and there is every indication that a highly payable block will be opened up on this lode.

Armstrong Dredging Company.—This claim is situated on the Coromandel foreshore, adjoining the Old Hauraki Mine. At present a body of washdirt varying in thickness from 5 ft. to 15 ft., and 130 ft. in width, is being operated upon. Parcels treated at the Hauraki mill have yielded as high as £1 1s. per ton, which the management considers highly satisfactory. Under this washdirt is a layer of quartz, and rich specimen-stone is frequently obtained; samples sent to the school of mines assayed as high as £10 10s. per ton. The treatment of the washdirt, owing to its clayey nature, has given a great deal of trouble; the usual treatment as employed on dredges was found quite useless. A Huntington mill has been placed on board the dredge for grinding and amalgamation, which has considerably improved the extraction. A disintegrator has been ordered from America for the reduction plant.

Bremner's Freehold Gold-mining Company.—The most important development-work has been the location of Bremner's reef, south of the main break. This lode averages 3 ft. in width. Several small parcels of picked stone have been found, and the prospects are encouraging.

Matamataharukeke.

Mills Reward Gold-mining Company.—Work has been confined to testing Smith's reef from No. 2 and No. 3 levels. The results, however, did not come up to anticipations; consequently, early in November it was decided to suspend operations.

Kuaotunu.

Handsworth United Gold-mining Company.—During the year operations have been confined to the Otama section. A rise was put up from the low level and connected with the surface, which greatly improved the ventilation. The gold occurs in small bunches of rich specimen-ore, generally in the wall or adjacent to flinty lode formations.

New Waitaia Gold-mining Company.—At the low level the main reef located during the latter part of 1911 has been opened up for a distance of 300 ft., carrying ore for the whole distance, 163 tons yielding bullion valued at £2,077 16s. 4d. This level has been connected, by means of rising and sinking a total distance of 150 ft., with the upper workings, thereby providing adequate ventilation. Stoping is in progress, and the mine gives promise of being one of the chief gold-producers in the Coromandel County.

Mountain King Gold-mining Company.—Work has been principally confined to stoping from Nos. 4 and 5 levels. The lode is small, but contains pockets of rich ore. A crosscut has recently been started in the eastern wall to intersect the Blue reef, from which good results were obtained in the surface levels.

Great Barrier.

Barrier Reefs Gold-mining Company.—In this mine work has been confined to driving a low level, with the object of testing the various lodes at a greater depth. An average of five men has been employed during the year.

PETROLEUM.

New Zealand Oil-wells Company (Limited), Taranaki.—A vigorous scheme of operations has recently been commenced, with a view to thoroughly testing the oil-bearing area over which they have acquired boring-rights. No. 3 and No. 5 wells are still discharging, and preparations were being made to clear No. 2 hole, which became blocked a short time ago. In addition to these, three new bores are being put down, one near the present scene of operations and two at Bell Block, about ten miles from New Plymouth. The first-mentioned is being sunk by means of a rotary drill, and had reached a depth of 1,500 ft. at the time of my visit; unfortunately, a portion of one of the boring-tools was lost, and work was confined to fishing. At Bell Block No. 1 hole is down 1,500 ft., and No. 2 800 ft. At both points, I am informed, favourable indications are being met with. At Moturoa a refinery is now under construction for treating 10,000 gallons of crude oil per twenty-four hours, consisting of one bench of three boiler-stills and fire-coking or pot stills for the distillation, paraffin-shed for extracting the paraffin, and sweating-stoves for purification of same, white-wax refinery, spirit or petrol still, a battery of steam-boilers, tinning plant, workshop and machinery, together with all the special engines, pumps, pipes, tanks, and fittings necessary for refining crude oil, and pumping the various products obtained therefrom to their respective storage-tanks.

Taranaki Oil Lands Acquisition and Development Company (Limited).—This company, I am informed, have acquired boring-rights over 1,000 acres of land in close proximity to the above-mentioned company's wells, and have almost completed the erection of a derrick within 150 yards of No. 5 well, and it is anticipated by the promoters that oil will be struck when the required depth is attained. It is also proposed to drill on Mr. Thompson's property at Westown, and, although no boring has yet been done in this neighbourhood, gas and oil seepages exist in a degree which it is considered warrant the necessary expenditure.