

and will be very costly to take machinery to this locality, the claims have been but partially worked. The owners of the Vulcan mine have erected a battery of nine stampers, driven by a turbine; the returns have been payable, averaging from an ounce and a quarter to the ton. A road has lately been made to this district, which will materially assist its development. A road is also being formed from the beach near the mouth of the Puru Creek, about six miles beyond Tararu, to the machine site of the Celt Company's claim, the furthest north mine on the Thames Gold Field, with the exception of the comparatively isolated district of Tapu. Most of the original claims taken up at Tapu under miners' rights have been abandoned, but there is reason to believe that the district will yet become a valuable portion of the gold field. Messrs. Buckland & Rattray are conducting mining operations there in a systematic and permanent manner, each possessing machinery with ample crushing power, and I believe both are satisfied with their prospects in that locality.

It will be observed that the principal workings of the field are all near the beach, where the facilities for mining and crushing are much greater than further back. Notwithstanding the tramways (wire and rail) on each creek, it has been found that the batteries which have been erected towards the sources of these creeks could not be kept in constant work, partly owing to the scarcity of water, and partly to the fact that they could not crush so cheaply as to make payable anything but exceedingly rich quartz. A water supply at a high level, together with a lowering of the tramway rates for conveyance, would materially assist the claims on the upper or inland portion of the gold field. During the last six months much greater attention has been devoted to the Coromandel Gold Field than before, owing to the good returns from the Tokatea, and to the discovery of gold on the beach in the Green Harp and other claims; the effect on this field has been to diminish speculation at the Thames, and probably, to some extent, to prevent new ground being taken up.

The great demand for labor at Coromandel has also had the effect of taking men from this district, so that at the present time there is no scarcity of employment. Without entering into minute details of separate workings, I am able to report favorably of the progress made during the last year.

The large yield in the Caledonian mine had the effect of inducing a renewal of speculation. Ground was taken up which had been abandoned, and claims were worked with greater vigor. Several excellent reefs were found, and are now being profitably worked, in consequence of the renewed energy given to the field by the wonderful productiveness of the Caledonian Company's ground.

The system of mining adopted is of a permanent character, and the confidence of the public in the mineral wealth of the field is evinced by the readiness with which machinery of the best and most perfect character is erected. As a general rule, the class of mining machinery here will bear favorable comparison with that at work in any part of the world. The crushing machines are acknowledged by competent judges to be of the most perfect description that can be procured. The total crushing power of the field consists of 590 head of stampers, capable of reducing 600 or 700 tons of quartz daily when in full work. There have been two very large batteries erected recently—one of forty head of stampers for the Imperial Crown Company, and the other a similar power for the Caledonian Company. Several large crushing mills in the Tararu Creek, such as the Missouri of twenty head, Russell's thirty head, Flora Macdonald thirty head, and Tararu Battery of forty head, are partially driven by water power (in the two first instances entirely so).

In the case of the Tararu battery and the Flora Macdonald, the steam engines are supplemented by turbine water wheels of the most approved construction. I believe I am justified in stating that in no other district in the Colonies of a similar area is there such a large and splendid selection of machinery. The statistics furnished will show the produce of the field within the given period.

The rate of provisions here is very little in advance (if any) of the Auckland market. The average rate of wages is £2 2s. per week, but, as in most of the mines, work goes on without intermission for six days of the week, there are in reality three days work done every twenty-four hours.

The "Gold Mining Districts Act, 1871," came into operation on this field on the 22nd day of January last. As rights acquired under the Gold Fields Acts were preserved, and the Warden's Court empowered to adjudicate upon them, the change in the holdings is but gradually being made.

As yet it would be premature to express a decided opinion upon the merits of the Act, but so far as I can speak, I think it will work satisfactorily, giving ample security for title on the one side, and making provision that ground shall not be idle if there is any person willing to take it up.

I have, &c.,

W. FRASER, Warden.

Grahamstown, 8th May, 1872.

## No. 2.

Mr. Warden KEDDELL to UNDER-SECRETARY Gold Fields.

Warden's Office,

Coromandel, June 7, 1872.

SIR,— I have the honor to forward herewith the returns requested in your telegram and in letters from your office from time to time. I regret that owing to the circumstances of my having to undertake the duties of Resident Magistrate and Warden at Grahamstown, in addition to my ordinary duties at Coromandel, during the absence on sick leave of Captain Fraser, these returns have been delayed.

I have, &c.,

JACKSON KEDDELL, Warden.

The Under-Secretary for Gold Fields.