

lease for the ground. After these 10 tons they had no further test of their quartz, and from this time, as indeed throughout, they were very reticent as to anything concerning the mine. One statement they always adhered to, and that was that the 10 tons crushed were taken from the heap, and were not specimens. Of specimens they had shown to many visitors a great quantity was of unusual richness, and their demeanour generally showed confidence in the mine.

The attention of the mining public was soon drawn to this portion of the field, and all the surrounding ground taken up under lease or miner's right, and great expectations were entertained as to the general crushing of the Green Harp stuff. This time was, however, delayed until a battery was erected on the Company's ground, which was undertaken by the New Zealand Company, and the Directors of the Green Harp stated that owing to the great cost of carting to the upper batteries, they would not put through any more quartz until their battery was started. This event took place in the month of June, 1872, and was celebrated with the utmost *éclat*, and the shares of the Company at this time were apparently hard to be obtained at £10. After the starting of the battery with all possible ceremony, some perhaps unavoidable delays took place before set fairly at work; but after working some days, and many excuses given, the result at last was made public, and it amounted to almost nothing. It is not necessary to refer to the proceedings which followed. Several of the Directors and the Mining Manager were arrested, and the latter brought to trial.

The facts which affect the report of this district are, that while the public were confidently expecting a grand yield of gold from this mine—expectation which rather increased with the delays so plausibly accounted for—the ground surrounding the Green Harp was all taken up by the mining companies all called into existence from the accepted fact of the genuineness of the Green Harp reef. When the result of the crushing was made known, as I have before stated, a complete reaction set in. This affected not only the beach claims, as it should in justice, but all the claims taken up on the other parts of the field; for attention being drawn to this portion of the mining district, a preference was for some time given it over the southern portion, which had up to this been most in favour; for simultaneous with the beach discoveries, the older claims on the Tokatea Range began to give increased returns. Many of these new ventures were from the first change in the public mind abandoned, others gradually fell away, and these have since been forfeited under the Act. Others taken up at this time are still in progress with different degrees of success. The period of depression has, however, terminated, and for the last two months a decided improvement is noticeable. The yield of gold for the last month was far in excess of any during the past half-year, although the yield for the year is considerably less than that shown in my last report. A great deal of steady work has been done—dead work that will tell in future yields—and several claims are now coming forward with steady returns; and I believe the district is in a far healthier state than nine months ago, when to a casual observer affairs appeared more flourishing. Though many companies have disappeared through the Official Agent's Office, and though hundreds of acres of land leased and licensed have been forfeited, the residuum shows signs of a healthy vitality. The older established claims are all in improved positions since last report, and many second-class claims pressing forward on to the first rank, and there has been on the whole sufficient to guarantee the permanence of the district as a gold field. One fact speaks well for the present prosperity—there are no unemployed miners, and especially experienced men are in request at £2 and £2 2s. per week, and provisions are more reasonable than on some other fields where wages may rule higher. Workmen of other classes find ready remunerative employment.

On the Beach, efforts are again being made to work the claims. The Green Harp ground is not at present at work, but I make no doubt it will not be long idle, for I do not wish it to be understood by anything which appears in this report that I desire to give any opinion as to the real worth of this mine. There are many who believe in the reef, and its richness; and the *dénouement* was so shrouded in mystery that it is quite possible that there is a very valuable reef capable of yielding, not perhaps 10 ounces to the ton, but a very handsome dividend to its proprietors. Among other claims taken up near the harbour was one that attracted considerable attention for some time—the Golconda. This was situate on private land, the township of Wynyardton—a township on paper only, the owners of which had quite forgotten their property until requested to dispose of their interest to this company. These preliminaries were very expensive, but for some time the company was quite successful. A reef was opened up about two feet thick, and yielding about 2 oz. to the ton. A battery was erected, and the works prosecuted under an able manager of long experience. Lately, however, they have lost or got off the reef.

With respect to new workings undertaken since last report, the first deserving mention is the Coromandel Tunnel Company, which derives title for about 450 acres under an Act of the General Assembly of last Session; one condition of tenure being the construction of a tunnel 4,500 feet in length through the main range, under the Tokatea saddle. The company have set out on the work in a most substantial manner, under the supervision of a manager of great experience from the Colony of Victoria. A great deal depends on the issue of this great undertaking; it will solve the question of the continuity of gold in the reefs cut in the Tokatea, Harbour View, and others 800 feet above the level of the tunnel, though this is not so much a matter of conjecture since the Tokatea reef has been proved so highly auriferous in the lower levels of the claims below it, and upwards of 300 feet below where it was first struck in the Tokatea. The tunnel is now driven about 700 feet in on the Coromandel or western side, and about 250 on the Kennedy Bay. The nature of the country on the last referred to is very obstinate, the stone intensely hard, and rapid progress impossible, every inch requiring powder. On the Coromandel side several lodes have been cut, and those more recently met with show more gold, and payable lodes are expected in the next 300 feet.

A battery on the Kennedy Bay side of the range has been a want long felt. This, however, has now been supplied through the enterprise of a Mr. Bennett, who, at his own cost, constructed one with a tramway about one mile in length, the upper gradients self-acting, and the lower portion mostly worked by horses. This work has been very well and substantially executed, and will prove of the highest value to claims on the eastern watershed. It leads from the Tokatea saddle to the Waikoro-miko Creek, where the battery is in course of erection. The depression I have referred to affected this undertaking, and it was at a standstill for some months—the tramway finished, the site ready for the