

machine house, the machinery in part delivered on the field; and it so remained until recently, when the Bismark and French Republic Gold Mining Company (holding ground immediately below the Tokatea, and on the same reef) purchased an interest in the concern, and work has been resumed, and will progress to completion. The race, conveying the water to the battery, which is to be worked by a 15-inch turbine wheel (50 horse-power), is about $3\frac{1}{2}$ miles long. At present the Tokatea Company convey their quartz from their lower levels up the eastern side of the range along a branch tramway of their own construction to the Government tramway, which conveys all quartz at a small rate to the batteries on the Coromandel side.

The old Kapanga ground, to which I referred in my last report, has within the last few months been occupied by a London Company, called "The New Zealand Kapanga Gold Mining Company," with a capital of £100,000, with 20,000 shares, all held in England. Machinery and stores of the value of £15,000 have recently arrived from England and placed on the ground, and work commenced. The plant consists of very valuable and powerful engines for pumping, winding and crushing (50 stamps), 600 feet of both 15 and 16 inch pumps, sufficient to drain the mine 1,000 feet if required. A perpendicular engine shaft is begun, intended to intersect the reef (formerly worked with success by the old company) at about 600 feet from the surface. This is now down about 80 feet, and is of great dimensions (14 feet by 8 feet within timbers). It is intended to open a cross-cut for the reef at 400 feet. From the nature of the works contemplated, the Company cannot expect any return within the next two years, and will probably have to expend £30,000 in erecting their machinery and sinking the shaft. The greatness of the undertaking shows the confidence entertained of ultimate success. The pumping of this large shaft will drain a radius of something like a mile of the surrounding country, which will assist the development of the reefs long known to exist in the neighbourhood. The company has also made a tramway about two miles in length, leading into the Paul's Creek District, for the conveyance of the necessary timber. This work will now be of great assistance to the public in prospecting this portion of the district. A license was applied for in November for a claim about eight miles north of the Tokatea, near Kennedy—entirely new country. The prospectors have to contend with the usual drawbacks to progress in such a country as this—dense, almost impenetrable forest; and it must be remembered that the richest reef must be brought to machinery.

In the Court House Creek, ground untried until lately, one claim is showing up very well—the Buffalo. They have driven on a very rich though small leader, and it has great promise of success; has lately sent some very rich parcels to the mill.

In the accompanying returns I have given the statistical information required. With regard to one item—population—I am only able to give numbers approximately. I estimate the population of the district generally at about 3,500, and I have returned the mining population for the year at 900. "The Gold Mining Districts Act, 1871," has now been in force for about fifteen months, and may be considered to be fairly tested. I would desire here to remark on one feature of it, which I think might be altered with advantage, and that is the delay that must take place after a licensed holding is absolutely forfeited (*i.e.*, forfeiture decreed by the Inspector, and the time for appeal to the Warden allowed to pass without notice by the former holders) and the time when it can be again taken up. By the 53rd section of the Act, the Warden must advertise a day on which application may be made, and such day not to be less than one month; and if more than one applicant, a further delay must take place for the sale by auction.

One decided effect of the Act is to lessen the amount of litigation, the chief incentive to actions for breach of regulations under the Gold Fields Acts being the forfeiture of the defendants' interests in favour of the plaintiff. It is possible that the revenue may suffer in some degree, as it is almost impossible for any staff of officials to exercise such an amount of supervision as the old system encouraged. Under the Gold Mining Districts Act all proceedings for forfeiture must be taken in the name of the Inspector, and a breach of the regulations entails a penalty only; and in fact even the want of a miner's right, which would have been fatal under the Gold Fields Acts, is met by a fine only.

In conclusion, I beg to report my conviction that this district is well worthy the attention of the mining public; and that when facilities for prospecting, through the formation of roads and tracks now in progress, are improved, I expect a marked change in the progress of the district.

I have, &c.,

Warden's Office, Coromandel, 31st March, 1873.

JACKSON KEDDELL, Warden.

Enclosure 2 in No. 1.

REPORT of Mr. Warden FRASER upon the SOUTH HAURAKI GOLD FIELD.

General Report on the state of the Hauraki Gold Mining District for the Year ending 31st March, 1873.

BEFORE entering into statements of detail to show the position of the field during the past year, I may make a few remarks upon the working of "The Gold Mining Districts Act, 1871," which was brought into force on the 22nd of January, 1872. In my last report I stated that I hesitated to give a decided opinion, but that I thought it would work satisfactorily. Twelve months further experience of the working of the measure enables me to state that it is well adapted for the requirements of this field. Under the Gold Fields Act, every dispute or proceeding could only be dealt with by a suit in the Warden's Court, causing enormous expense for litigation. Under the Gold Mining Districts Act, it is made the business of the Warden, the Inspector, and the other officials, to afford such assistance to all engaged in mining enterprises as shall enable them to avoid litigation. In the Warden's office much business is now disposed of which formerly would have come before the Court in a contested suit; and by certain operations as regards the marking out of claims being now more precisely defined than they were by the Gold Fields Act, dispute cannot arise on many of the points which formerly caused litigation. I may say that I believe the working of the Act would have been improved by the changes proposed to be made in the Gold Fields Act introduced into the House of Representatives last Session, but which was withdrawn.