

being all on the 180-foot level. In the intermediate level, 120 feet north and 114 feet south have been driven on the Green Harp reef, with good results. Their new plunger (*see* last report) has worked admirably, requiring no expenditure. A second cage, spider, &c., has been added to the machinery.

The Palmerston and the Iond.—These claims have within a few months been amalgamated, and, with a third adjoining licensed holding, and a claim known as the "Golconda," which is situated on private lands, are now worked under a company styled the "Premier." The property has very good prospects. Under their different former owners they have been proved to possess many auriferous lodes, but, from the contour of the country and the experience gained from the workings of the Union Beach and other claims in its neighbourhood, it is undoubtedly imperative on them to use powerful pumping machinery. The whole of the work must be done by shafting, and to be successful a large outlay of money will be required.

The New Golden Pak.—This claim started with the possession of a small "two-men's" claim, lying between the Union Beach and the foreshore, on its south-west angle. Operations were commenced by the sinking of a shaft and a drive pushed seaward 62 feet under the foreshore, apparently the real object of the holding; when their work had proceeded so far, it was suspected by the Union Beach Company that the shaft was within their boundary, and, after survey, an action (before referred to) for encroachment was sued out in the Warden's Court. During the course of the action an injunction was placed on this shaft and drive, and they commenced another shaft, within 20 feet of the one the subject of the action, and indisputably on their own ground, and from this they have made a drive 80 feet long, also under the foreshore, to a portion of which they have since acquired a title from the Government. They report having a strong reef, with the frequent appearance of gold.

The Goodenough is a name given to a new holding on old ground in this neighbourhood, formerly known as "the Neptune," once a favourite. A shaft has been sunk to a depth of 100 feet, and a good looking lode cut, and is now opening; it would be premature to form any opinion as to its prospects.

The Black Reef.—This ground has been amalgamated with that formerly owned by the Coromandel Gold-mining Company, which, together with some private lands adjoining, are to be worked by a company called the "Progress."

The Conquering Hero.—This ground has again been occupied, for about the fifth time, and the present company have been earnest in their operations. The work done consists of erecting a 15 horse-power engine, winding and pumping gear, sinking a shaft 112 feet, driving 400 feet of cross-cuts on lodes 296 feet, sinking and rising on lodes 274 feet. They have crushed 140 tons yielding 65 ounces of gold. They have lately purchased a 10-stamper battery, and 20 horse-power engine, which will be erected at once. With these appliances on the spot, a half-ounce to the ton will give a payable return.

The district, as a whole, is more hopeful, and I am warranted in believing that the present year's yield will compare more favourably with former returns than the one just past.

Population.—According to census returns, the population of the district is 1,649, exclusive of 372 at Mercury Bay, which is not within the boundaries of the gold-mining district. This number would have been greatly exceeded had the census been taken at any other time than the fall of the year, when the saw-mills at Port Charles, Cabbage, Kennedy, and Mercury Bays, and at Whangapoua, would have had at least 500 more men at work, water being available to bring the timber to the mills.

In the Warden's Court the cases have principally been under the twenty-sixth section of "The Gold Mining Districts Acts, 1873, viz., forfeiture of ground by reason of non-working.

The business of the Resident Magistrate's Court for the year has been as follows:—Criminal cases, 49; fees and fines, £45 8s. 7d. Civil suits, 211; fees, £126 14s. Totals, 260 cases; fees and fines, £172 2s. 7d.

I have, &c.,

JACKSON KEDDELL,

Warden.

The Under Secretary for Gold Fields, Wellington.

No. 2.

Mr. Warden FRASER to the UNDER SECRETARY for GOLD FIELDS.

SIR,—

Warden's Office, Thames, 29th May, 1878.

I have the honor to forward herewith the report of the Mining Inspector upon the Hauraki Gold-mining District South, together with the usual statistical returns for the year ended 31st March, 1878.

On 30th August last the gold fields' offices established at Ohinemuri on 3rd March, 1875, were closed. The records were removed to the Thames, and at the same time arrangements were made for making considerable reductions in the staff. These arrangements have worked satisfactorily.

The general state of mining operations in this district is so fully reported by Captain Goldsmith, the Mining Inspector, that I need say nothing further on the subject.

Some of the agricultural leases referred to in my last report have lapsed, owing to their not being executed by the applicants, and one has been surrendered. The number of leases in force on 31st March last was ninety-six, of which eight have been assigned and five are forfeited under Regulation 10. Applications for ten new leases are in process of completion.

In cases where the locality and quality of the land have been specially favourable considerable improvements have been effected; in others, but little has been done. The agricultural settlers have many difficulties to contend with, but it would add to the prosperity of the Ohinemuri district if the