

Mines. A scheme is in consideration to join with the New North Devon in extending one of the Alburnia levels through the New North Devon ground, so as to enable both mines to be prospected at a deep level. When this work is carried out, Punga Flat will be brought into immediate connection with the tramway leading to the batteries on the flat, enabling a number of reefs in this district to be tried that have hitherto been neglected on account of the cost of working and conveyance.

Victoria.—This is another claim recently pegged out adjoining the Columbia. The owners have decided on a scheme for opening a low level by driving from near the Waiotahi Creek, and are now making preparations to begin work.

Waiotahi Creek District.—The claims in this district are nearly all held under miners' rights. Attention has been chiefly given to working small veins, which in some cases yield handsome returns, and give profitable employment to a number of men. In one instance (the Spero Meliora Claim), 190 oz. of gold were obtained from four loads of quartz. The large lodes in this district have not proved remunerative near the surface, but no efforts have been made to prove what they may be at the lower levels.

Karaka Creek District.—Like the Waiotahi, most of the gold produced from this district is from small veins, which gives employment to a number of miners. The nature of the rock or casing is hard, and progress is consequently slow. From all appearances it will take years before even the surface-workings can be exhausted.

Collarbone Creek District.—Very little mining work has been carried on in this district during the year, and what has been done has only been to test the reefs near the surface. These have proved gold-bearing, though not payable so on account of cost of carriage to the batteries, having to sleigh down the quartz in bags. A vein of hematite is being worked for the manufacture of paint, which promises to become one of the local industries of the Thames. The Una Hill District is situated between the Karaka and Hape Creeks. The ground in this locality is held partly by license and partly under miners' rights, and very encouraging returns have been obtained. A new road has lately been made round the base of the hill into and up the Te Papa Gully, which has induced a number to take up ground, as quartz can now be conveyed to the batteries at more reasonable rates than formerly.

Hape Creek District.—A few small claims have been worked in the upper part of this creek, but have hardly proved remunerative: the claims on the lower part of the creek have, however, yielded very good returns. The Hape Creek Company's ground has been worked on tribute with good results. The company are now preparing to enter into works that will prospect the low levels.

Tararu District.—The California Claim, on Fiery Creek, has given good returns from the reef known as the Black Reef, which was profitably worked some years ago. The owners are now engaged tracing the gold to greater depths. The working of the silver-lead ore found in the Ohio Creek portion of the district has not been proceeded with: the owners are waiting till the value is known of the parcel sent to England for trial. A large body of hematite has been found on this creek: preparations are being made to manufacture from it a marketable paint. On the Waterfall Creek the Sunbeam Reef, which was worked several years ago under disadvantageous circumstances, has been again pegged out, and named the Sunbeam United, and a company is now being formed. Work has been commenced that shows it is intended to work the ground in a very systematic manner. The old tunnel is being cleared out and repaired, and tramways and shoots being constructed in order to convey the quartz cheaply to the batteries on the flat. Should the returns prove satisfactory, it is intended to work the lower levels from the tunnel which was driven some years ago from the Tararu Creek towards the Waterfall Creek. This level will give about 400 feet of backs on the reef, and, as the cost for the conveyance of quartz will be nearly nominal, a low-grade quality will be remunerative. If this undertaking turns out well, attention will be directed to other reefs in the locality which have hitherto been neglected on account of expensive carriage to the batteries.

Tairua Gold Field.—During the year a considerable amount of gold has been got in the Reward Claim. There is no regular reef in this claim, the gold being found in quartz pockets in the rock. A party of tributers are working this claim, who are now making on the average £1 per day per man. In the Ajax License several payable crushings were obtained in the early part of the year; but latterly the owners have been driving a low level through very hard rock. This tunnel is now driven for a distance of 200 feet; but it will have to be further extended from 180 to 200 feet before they get underneath where the shot of gold was worked above. If this low level is up to expectations, it will doubtless be the means of attracting more attention to this district. The above are on the eastern side of the main dividing range. On the western side a party of men have been working with payable results. They crush their quartz with a light four-stamper battery, driven by a small steam-engine.

Tapu.—No regular mining has been carried on in this part of the field; but one or two parties have been engaged in prospecting in various parts of the district.

Ohinemuri.—*Owharoa District.*—During the year no new ground has been opened out, the Smile of Fortune and the Radical being the only two mines at work.

Smile of Fortune.—The works carried on in this mine during the year have proved remunerative, both to the tributers and the owners. As the upper levels are now becoming exhausted, a lower level is being driven from the side of the river. From the prospects above good returns may also be expected from this level. Alterations have been made to the company's battery by moving the turbine from the other side of the river to the side on which the battery stands, and conveying the water across in pipes. This is a great improvement, as great annoyance and long stoppages were formerly experienced through the driving wire-rope across the river continually breaking.

Radical.—This mine has been worked by tributers with indifferent success; but recently a great change for the better has taken place by their finding a run that yielded at the rate of 6 oz. to the ton, giving a very hopeful future for this mine.

Waitakauri District.—*Waitakauri Mine.*—The operations for prospecting the mine during the past year have been very limited. Work has been confined to the surface and upper levels, which have been let to tributers, who have earned good wages. It is to be regretted that the work of extending the low-level tunnel has not been carried out, it being considered highly probable that, had this been done, fresh runs of gold would have been found.