

From Puriri to Owharoa, a distance of about twenty miles, no mining is at present being carried on. At Owharoa and the adjacent District of Waitekauri, some very important finds have been made during the past year. Much new ground has been taken up and old ground reworked. The returns have, as at the Thames, been considerably reduced by the stoppage of the battery at Owharoa for want of water; but, judging from present indications and recent discoveries, I should say that this part of the district will show well to the front during the coming year. The number of mines at work here has considerably increased of late, and they have a large area of untouched ground to prospect and work upon.

A subsidized prospecting party have been at work at Waitekauri during the past two months, as yet with no discovery of importance. A good track is much needed at Waitekauri now that the population is on the increase. In the past the communication between the mines and the battery was a wooden tramway; latterly this has been so neglected that considerable difficulty has been experienced in getting stone down at all. I understand that the County Council purpose to form and repair the tracks with the aid of the subsidy from the gold-fields vote granted to them. Last year Owharoa and Waitekauri formed the southern boundary of the existing gold workings. During the year a discovery, that appears to be of some importance, was made on the Waihi plains, at what is now known as Waitete. This is some fifteen miles from Owharoa, on the road to Katikati, but within the existing gold field, and within the Thames County boundaries. A good road exists for a portion of the way for dray traffic from Ohinemuri, Paeroa, past Owharoa; a small expenditure contemplated by the County Council will make a road on to the ground at Waitete. At present a good horse-road exists; in fact during the summer a buggy was driven right up to the ground. The reef consists of a large body of stone, some 30 to 40 feet thick, first found on a bare fern hill, rising directly from the plains. A crushing has shown that this stone, or a portion of it, will go about one ounce to the ton. The reef has been traced through several claims, and a very large area of ground has been taken up. A battery is arranged for, and will probably be on the ground about the end of July next; good water-power is found within a mile of the reef, and a site for the battery has been selected within about 20 chains of the workings, it being proposed to construct a race to bring the water in. Mr. Percy Smith, the Chief Surveyor, has kindly consented to spare a surveyor to lay off some business sites; some of these have already been applied for. One accommodation-house and three stores are either built or about to be built. The sudden stride that the gold workings have now taken towards the south is both important and significant, the Aroha and Waitete workings offering incontestible proof that the whole of the range of hills running towards Katikati and Tauranga are gold-bearing. Time will most probably show what they will pay to work. Mining applications are taken at Paeroa at the Resident Magistrate's Office for the Owharoa, Waitekauri, and Waitete workings; up to the present this has been found sufficient to satisfy the public convenience and requirements.

The present prospects throughout the Hauraki District, from Coromandel to the Waihi Plains (Waitete), encourage and justify the most hopeful anticipations in the immediate future; there seems every probability of a much larger number of miners being employed during the coming year, with a consequently increased yield of gold. I trust that the future will show that I have not been over sanguine in predicting this much for this district.

From the Waikawau up to the Kaueranga small settlements have been commenced under the Homestead system, which, by placing small blocks of land within the reach of men with little or no capital, has been the means of retaining and settling many industrious miners within the district.

It will be seen from the attached return that, whilst the population of the district has slightly increased, offences against the laws have decreased considerably, speaking well for the orderly nature of the population, both European and Native.

The survey of a road through the Komata Block removes the last semblance of Native obstructions from the district, and the completion of this much-needed road will be a great boon, opening up as it will for occupation a considerable extent of good land.

The following cases were heard and business transacted in the Resident Magistrate's Court during the year: Civil, 454; criminal, 332. Paeroa: Civil, 80; criminal, 37. Warden's Court, Thames: 32; applications for registration, 324; claims taken up, 272; claims abandoned, 117; licensed holdings granted 39, forfeited 9, refused 6; miner's rights issued, 895. Agricultural leases granted, 350 acres; forfeited, 150 acres; in occupation, 3,750 acres 2 roods 39 perches.

Te Aroha District.

A subsidized prospecting party, founded by Mr. Adam Porter, was started in the month of August last to prospect the Aroha District under the working management of Hone Werahiko, an experienced Maori miner, well acquainted with the district. About the 20th September Mr. Porter reported the discovery of gold on a spur of the main Aroha Range, adjacent to the Hot Springs. Mr. Porter produced several loose pieces of stone of undoubted richness. Subsequently over 1 cwt. of loose stone was picked up in the same locality as the first discovery, all showing gold freely. A small leader was discovered and found to be gold-bearing. I had 1 ton of the stone broken out and taken to Grahamstown; this, on being crushed, yielded 1 oz. of retorted gold. A prospecting claim of nine men's ground (3 acres) was granted to Hone Werahiko, A. Porter, and party. The discovery being on land in the Aroha Block, included in a reserve promised to the Natives, it was necessary to arrange with them for permission to mine. Mr. Wilkinson, the Native Agent, succeeded in concluding an agreement with the Native owners, granting the required permission conditional on the revenue received from miners' rights and business licenses being paid to them. The field was declared open for gold-mining on the 25th November last. A considerable rush at once took place to the ground, and some ninety claims were at once pegged off, many of them several times over. A large number of town sections were also taken up; in fact, so great was the demand for them that considerable difficulty was experienced in meeting it. As with the claims, many of these sections were pegged off by several claimants, giving rise to some troublesome disputes. After the opening, the prospectors took out some two tons of stone from a small leader in their claim, this, crushed at Grahamstown, together with some of the loose stones picked up on the surface, yielded 40 oz. of melted gold. In consequence of the loss of time incurred before all the disputes were settled but little work was done prior to the Christmas holidays, in the