

who has means of ascertaining the best methods for treatment of our ores, and when the smelting-furnace is erected the whole of the district will be benefited, as different kinds of ore may be treated. A great impetus to mining will be given, and a large tract of country will be prospected, when a market can be had for all classes of ores at the furnace at Waiorongomai. Mr. Ferguson is at present in England in treaty with capitalists to form a company to work his special claim and battery. The Champion Lode Company, who hold the mine where the first discovery was made at Tui Creek, have all but completed arrangements for an English company to take over the mine and erect a reduction plant for extracting the different metals. The Ruakaka is also under offer to a Sydney company to take over and work the mine, and the attention of other mining investors is being directed to the district.

Applications have been made for special claims and licensed holdings of an aggregate area of 635 acres.

The average number of miners employed in the district for the past year has been seventy-six, but this number will be largely augmented in consequence of the new works being commenced by Mr. Wilson, and also to prospect the new ground taken up.

The mines in the district are all worked through tunnels; the rock is generally of a hard nature, and the workings easily secured.

The deposit of gold-bearing rock on Waitoa, discovered by Mr. J. B. Smith, turned out to be very poor. Mr. Smith sold 1,000 acres of the land to a Christchurch company, who erected a pan and settler for treating the stuff. The results were almost nil, and work has been suspended. The rich prospects first found appear to have been fraudulently added to the stuff previous to assay.

The population in the Te Aroha District has slightly decreased during the year, being now about 1,100.

The hot springs, which are under the control of a Domain Board, are a source of attraction to the district. Three large and commodious hotels in Te Aroha Township are frequently crowded in the summer months by visitors from England, America, the Australian Colonies, and from all parts of New Zealand. The hot baths are deservedly popular, especially on account of their curative properties in cases of rheumatism and other complaints. About twenty-seven thousand baths were used during the year.

Accidents.

Two accidents occurred during the year. A man named Edwin Hadfield had his leg broken by a rock falling from an open face cutting in the New Find Mine; the other, which was a fatal accident, occurred in the smithy, at the Colonist Mine. George Reed, who had charge of the mine, was injured by the explosion of nitro-glycerine which had been carelessly thrown into the cooling-tub. Three men were in the smithy at the time, one escaped unhurt, another, who was tempering a pick, was wounded in the thigh, but the third man, Reed, was severely wounded by splinters of the staves of the tub, and succumbed to the shock on the third day from the accident.

OHINEMURI DISTRICT.

The returns also from Ohinemuri District have fallen off considerably. Railey's battery, at Karangahake, failed to give satisfaction, more especially with respect to the charges made for crushing and treatment of ores; and, prior to the construction of the tramway to connect with the road, most of the mines suspended work.

At Owaharoa and Waitekauri the few men employed have been fairly successful.

At Waihi, with the exception of three or four tribute parties in the Martha and a few men employed in the Silverton, no working has been done on the reefs.

The discovery of rich silver ore at Marototo, about eight miles from Hikutaia, has given a great impetus to prospecting and mining in that portion of this district, and capitalists have invested in the purchase of several of the mines.

KARANGAHAKE DISTRICT.

Woodstock Mine.—Heitman's Tribute (five men employed): To cut the reef, which is 6ft. thick, 80ft. have been driven through hard rock. The reef has been driven on for 60ft., and stoping has been carried up for 90ft. on a shot of gold 20ft. wide. There have been 312 tons of quartz crushed for a yield of 532oz. of gold.

Kenilworth Mine.—Moore's Tribute (four men employed): A drive has been put in for 90ft. on the reef, which is 3ft. thick, and a winze sunk to Woodstock low-level, 50ft. Thirty-five fathoms of reef have been stoped. Twenty-five tons of ore sold to Phillips and Son for £23 per ton, and 5 tons sold to Mr. D. R. Gellion for £16 per ton, both parcels for export to Europe. There were also 11½ tons sold to Mr. W. Littlejohn for chemical treatment at the Ivanhoe battery. The metal contained in the ore is chiefly silver. Shepherd's Tribute (two men employed) have six tons of quartz stacked, estimated to be worth 4oz. of gold per ton, value £2 14s. per ounce.

Monastery Mine.—Four men employed. On a large reef, 9ft. in thickness (3ft. 6in. of which is saved for crushing), 80ft. have been driven. A winze 82ft. has been sunk. Seventy tons have been crushed for a return of 160oz. of bullion.

Ivanhoe.—Several parties of tributers worked on blocks near the surface. About one hundred tons were crushed for a return of 152oz. of gold. The company not being in a position to work the mine, the land was forfeited.

Mammoth Special Claim.—This claim was taken up to be worked by an English company. They have expended a considerable amount in putting in drives and prospecting the ground; but, as no well-defined reef was found, operations have been suspended.

Diamond Mine.—Three men have been employed in this mine, and 60ft. of driving has been done on a reef 6in. in thickness. Forty tons of quartz were crushed, for a return of 139oz. of gold, worth £1 2s. 6d. per ounce.