

proved too low a grade to pay the cost of treatment. During last year a new discovery was made at Komata, and after carefully testing the ore from this new find, Mr. Russell purchased the property for £3,000, and is now engaged in constructing a tramway to connect the mine with his crushing battery. He tested 100 tons of the ore, which yielded 450oz. of gold. Several large auriferous lodes are known to exist between Waitekauri and the East Coast, but very little prospecting has ever been done on any of them, although some of them have been considered payable for working with modern appliances.

During last year 13,865 tons of quartz was crushed from the Ohinemuri District, which yielded 1,022oz. of gold, and 20,673oz. of bullion.

TE AROHA.

At Te Aroha very little mining has been carried on last year, most of the miners that formerly were on this field having left the district, owing to the principal ground being held in two large special claims for several years, without much work being done in either of them. The claims referred to are those previously held by the Te Aroha Gold- and Silver-mining Company and the Ferguson Syndicate, and although portion of this ground has now been thrown open it is difficult to get men to return to a district when once they leave it in search of employment elsewhere. When once a general exodus from a field occurs it takes some years before men can again be induced to return. There is an auriferous belt of country in this locality of considerable extent, but it requires a good deal of means to open up and develop the lodes. During last year 1,597 tons of quartz was crushed, and 1,125 tons of tailings treated, which yielded 979oz. gold.

MAHAKIPAWA.

At Mahakipawa the Ravenswood Company, of London, have erected a crushing-plant in the Waikakaho Valley, and connected the mines and plant by an aerial tramway; but, having had many unforeseen difficulties to contend with, they have only now commenced to crush the stone, so that very little more is known about this field than there was twelve months ago.

INANGAHUA.

As the Inangahua District is by far the largest field where quartz-mining operations are carried on in the Middle Island, it may be interesting to honourable members to state that a table has been compiled, and appears in the report of the Inspecting Engineer, which shows the whole of the quartz-mining companies carrying on operations on this field since it was first opened, giving the paid-up capital of each company, and dividends declared. To take the whole of these companies—that is, the amount paid in calls, and that received in dividends, the table shows a profit on the workings of £221,578; thus proving that although many persons have lost money in mining on this field the loss was principally due to purchasing shares far above their nominal value, and not by investing money judiciously. The table also shows that £272,029 was paid into the different companies in calls, and £493,607 received in dividends; that 522,250 tons of quartz have been crushed, yielding 410,902oz. of gold, representing a value of £1,542,350. There is an extensive belt of country running through this district, containing numerous auriferous lodes, many of which have not yet been tested; and even those which have been worked in very few instances have the lodes been systematically prospected, so that it may truly be said that quartz-mining in this locality is only in its infancy. During last year 35,562 tons of quartz was crushed, which yielded 23,390oz. of gold, representing a value of £93,885.

OTAGO.

Notwithstanding the large quantity of gold obtained in the Otago District very little of it has come from the quartz-workings. Although one would expect to find auriferous lodes in the high lands, where so rich deposits of gold are found in the alluvial drifts in the valleys, the only locality where quartz-mining is chiefly carried on is in the Lake District, some of the claims at Skippers', the Shotover, and Macetown having given fair returns last year. The quantity of quartz crushed in this district for the past year has been 7,220 tons, which yielded 4,011oz. representing a value of £16,308. Other quartz-workings have been carried on in the vicinity of Nenthorn, Barewood, Deepdell, and the Old-man Range, but no definite returns from any of the mines in either of these localities have been obtained.