

amalgamation, as a large percentage of the actual value of the ore is recovered. The mine for the greater portion of the year was under the management of Mr. George Kerr, and the number of men employed varied from two to forty; average number employed for the year, fifteen. Notwithstanding their disappointments, which are of a like nature to those frequently experienced in new mining ventures, the Prospectors' Company have still a large amount of faith in the ultimate value of their mine, and are by no means discouraged, efforts being made to obtain further capital to enable them to develop the reefs in the ground. Although no rich veins have so far been found there is every probability that more extensive deposits may be discovered if the reefs are systematically opened up.

In all the other mines which were occupied in the Puhipuhi Forest very little work was carried on during the year, and no fresh discovery made, with the exception of a reef discovered and driven on for 80ft. in the Waipu Mine. A parcel of the quartz, about one ton, was taken to the Thames and treated at the School of Mines for a return of 46oz. of bullion, valued at 3s. 9d. per ounce. This reef, which is from 3ft. to 6ft. in thickness, contains quartz of a likely appearance, and further operations are being carried on, two men being employed. The average number of miners employed on the field was twenty-five.

Cinnabar.—A discovery of cinnabar was made on two small branches of the Wairiki Stream. The cinnabar was obtained in the wash and under boulders, and about 2oz. of cinnabar from the size of mustard-seed to that of maize could be washed from a dish of gravel. Further prospecting may lead to a heavier deposit being found, but so far the discovery has not been of such value as to pay for working.

Antimony.—A reef containing considerable quantities of antimony was discovered at Waikare, about nine miles from Russell, in the Bay of Islands District. The discovery was made in land adjoining McAllister's private land. The reef is from 1ft. to 1ft. 6in. in thickness, but the quantity of antimony is not enough to pay for working.

Manganese.—Manganese is found and worked at Parua Bay, Mangapai, and several other parts of the district around Whangarei, and a considerable tonnage is annually exported.

I have, &c.,

GEORGE WILSON, Inspector of Mines.

The Under-Secretary, Mines Department, Wellington.

No. 3.

Mr. Warden NORTHCROFT to the UNDER-SECRETARY of MINES, Wellington.

SIR,—

Warden's Office, Thames, 19th May, 1892.

I have the honour to forward herewith statistical returns for the Hauraki Mining District for the year ending 31st March last, and also the following report on the mining industry in this locality:—

The mining operations throughout the district for the year have, with the exception of those carried on in the Ohinemuri portion, been very discouraging, and, though the quantity of gold produced shows an increase of 16,821oz. 7dwt. 6grs., there are very few mines giving good returns for working; this, no doubt, is partly attributable to the fact that nearly the whole of the mining operations are confined to the parts of the field that have been worked for over twenty years. All the richest and most easily got at patches have been worked out to the depths mining is carried on, and I do not see any brighter future for such parts till strong companies with large capital and the best and most modern appliances at their disposal are formed to work at greater depths. Endeavours have been made to form such companies, but so far without success, in many instances no doubt partly from the unreasonable terms demanded by the promoters.

There are fortunately, however, some English companies, such as the Waihi and Crown, in the upper portion of the district, that appear to have a bright future before them, and there are numbers of legitimate mining ventures throughout the district only awaiting the advent of capital to turn them into equally profitable investments. One of the greatest difficulties perhaps we have to deal with in this district is the reluctance the young and able-bodied men have to go into the unprospected parts to seek for fresh finds. They, unlike the pioneers of the field, congregate near the townships, and prefer taking work when they can get it to going into the ranges where they would have to rough it for a while, though if successful the reward would be great. For instance, the new discovery at the Komata: the owners, after months of prospecting, discovered a reef from which the results obtained from a hundred tons of ore were of so satisfactory a nature that overtures were made to them by Mr. T. H. Russell for the purchase of the property; eventually the sale was concluded, and the property transferred to him for the sum of £3,000. The ore is somewhat refractory, and access to the place at present difficult, but as Mr. Russell possesses both means and energy there is little doubt those obstacles will be overcome. The mines that are being worked with the most vigour belong to English companies, the only exception perhaps being the Sylvia, in the Tararua Valley, which possesses a very complete plant. None, however, of the mines throughout the district have so far given promise of the prosperous future that the Waihi Company appears to have.

The Mining Inspector has in his report so fully entered into the details and progress made by the various mines of the district that it will be unnecessary for me to more than allude generally to the operations carried on by them for the year.

TE PUIA, MAHAKIRAU, AND MOEWAI.

Very little mining is being carried on at each of these places. The inaccessible nature of the country, distance from roads, and want of capital has prevented much being done, but there is little doubt that eventually a thriving mining industry will spring up in these localities.