

Waihi.—The Waihi Gold-mining Company still maintains its great reputation, and last year saw more gold taken from it than in any other previous year. The mine itself has been most thoroughly and systematically opened up, and there is enough quartz in sight to last a very considerable time. The company has employed between five and six hundred men during the whole year, and the new works at Waikino have been carried out regardless of expense. The battery site required an enormous excavation, and the new battery, of one hundred head of stamps, will shortly be ready. A tramway, six miles long, for the purpose of bringing the ore to the mill, which is really a light railway, is nearly completed, and a steam crusher, for ballast for the line, is now hard at work. Two large water-races have been constructed, at a cost of £14,000, one from Waihi and the other from Waitekauri. To show the extent of the company's operations it may be mentioned that the new buildings erected by them at Waikino, consisting of dwellings, blacksmith's and fitting shops, offices, battery-house, tank-sheds, &c., completely cover 5 acres, and the money expended in these works, as may be gathered, is enormous.

Waihi-Silverton: Returns from this property were for some time not up to expectations. This was extremely disappointing, as it was anticipated that when the battery was started it would be a second Waihi. However, the property is being thoroughly prospected and opened up, and a main shaft is being sunk to a considerable depth. As a consequence the mine is improving, and returns are getting better, so that if care is exercised the property may yet come back to what was anticipated of it.

The Grand Junction: This company has sunk its shaft 500 ft., and put in cross-cuts north and south, but so far without success. It is thought by many experts that the shaft is not down low enough, and that a greater depth must yet be attained before success can be looked for. A few more weeks should decide this knotty point, as the northern cross-cut has nearly reached that position where the reef should be met with. In the west section of this mine a reef was cut which was thought to be the Martha. But it has since given out, and although the cross-cut has been continued, it has got into pumice country. It would appear as if this shaft was not down low enough, and these remarks would also appear to apply to the shafts in the Waihi South, the Consols, and several others.

The question of the condition imposed on the Waihi residence-site licenses has been gone into, and I hope satisfactorily arranged. Licenses now issued are unconditional, excepting where mine-managers and owners can satisfy the Warden the ground will be required for mining purposes.

Te Aroha.—Very little definite work has yet been done in this district, though of late there is much promise of great things. All available land has been taken up, but the highly refractory nature of the ore hinders progress. A new process, for which the highest results are confidently claimed, is about to have Te Aroha as its place of inception—the thermo-hyperphoric treatment, as developed by the Rev. J. Campbell and Mr. A. A. Lockwood. Experiments in this and neighbouring colonies, and more recently in England, have shown highly satisfactory results obtained by the ore being first treated to a carbon-roast, and then, while hermetically sealed down, to have water-gas injected. An influential company has taken the matter up, two special claims—the Montezuma and the Mount Morgan, close to the town—have been acquired, and just beyond the north-east corner of the township land has been secured for the erection of necessary plant, under the personal supervision of Mr. Campbell. Should the process prove anything like what is promised the gold-mining industry will be revolutionised, not only at Te Aroha but everywhere else.

At the Aroha Mines, at Waiorongomai, under the Exploration Company, work is at present mostly centred upon a large undertaking, a tunnel along the Big Reef, to be, when completed, two miles and a quarter in length, with a width of 8½ ft. and height of 11 ft., to take a tramway with locomotive. A high-level water-race is under construction, with a fall near the tunnel entrance of 630 ft., to drive an air-compressor for two drills.

Work is being pushed on on various other properties, amongst others the Inland Reefs, Tui, Waitara, Cadman, City of Durham, New Munster, Silver King, Great Western, Loyalty Palace, Mayflower, and Ethel Reefs. A large amount of machinery has been brought on to the Ethel Reefs Claim, but owing to discouraging reports it is at present all stored pending further developments.

COROMANDEL.

Commencing at Kauri Block, Coromandel, on which the following mines are situated—the Hauraki, Golden Pah, Welcome Find, Hauraki South, Hauraki No. 2, Zealandia, Bunker's Hill, Hauraki Main Lodes—an immense deal of work has been done.

The Hauraki returns of gold, which for so long averaged 2,000 oz. per month, have for the last few months gone down to a little over 1,000 oz. per month. The Hauraki Company during the last twelve months subdivided its special claim and formed a new company to work the other part named the Golden Pah, which latter company is now erecting substantial machinery on the beach side of Kauri Block for the systematic development of the mine, and this company is sanguine of profitable returns eventually.

The Welcome Find Company has done good work, having a good mining plant for sinking and developing its mine. It is well situated, and has returned some good specimens during the year.

The Hauraki Main Lodes Company is erecting powerful machinery and plant for developing its Foreshore Special Claim, and is sanguine of success.

The Hauraki South Company is erecting machinery for sinking and opening up its mine, but nothing of importance has so far, I believe, been found.

The Zealandia Company has taken in other licensed holdings, and is going in for systematic working.

The Bunker's Hill Company has been in constant work sinking and opening up the mine, and has had some specimens, but nothing of very great value has yet turned up, though the company has great hopes of ultimately striking the famous Hauraki patch.