

work which has been done : No. 1 reef (Standard) : Portion of the block has been driven on at No. 1 level a distance of 108 ft. The reef averages from 6 in. to 2 ft. in thickness, and gives fair dish prospects. A winze was also sunk on this reef to a depth of 30 ft. No. 2 level on this reef has been driven a distance of 123 ft. The reef varies in size from a few inches to over 2 ft., and assays taken from here have yielded high value per ton. No. 3 level, on same reef, has been driven a distance of 68 ft.; the reef here also gives fair results. The depth between Nos. 1 and 3 levels is approximately 120 ft. The course of the above reef is north-west and south-east and underlying west. No. 2, or cross-reef, has been driven on about 70 ft., and is running east and west, and averages about 1 ft. in width. This reef gives prospects by dish-washing. Poneke No. 3 section : No. 1 reef has been driven on from No. 1 level a distance of 49 ft. The reef here is merely a few inches thick, but gives a fair prospect. No. 2 level on this reef has been driven north a distance of 100 ft., more or less. The country-rock being of a very hard nature, but favourable for gold, the reef here averages about 6 in. in size, and gives occasional good prospects of loose gold. Further driving has taken place southward on the reef at this level for a distance of 25 ft., with similar results. The depth between Nos. 1 and 2 levels at this point is about 60 ft. A winze was sunk from this level to a depth of 20 ft., the country being of a very hard nature. The reef here gives fair prospects. No. 3, or low level : This level is about 50 ft. below No. 2 level, and has been driven a distance of about 130 ft., the country-rock being of a very hard nature. The reef here gives occasional dish prospects. No. 2 reef : This reef is situated on the north-east portion of the section, and was intersected after driving a distance of 60 ft., and has also been driven on in a northerly direction 80 ft. A winze has been sunk on it to a depth of 60 ft., and a rise put up 25 ft. This reef averages about 6 in. in width, and gives prospects of gold by dish-washing, also by pounding the stone. Poneke No. 2 section—No. 1 reef, or Big reef : This is one of the latest discoveries. The reef is running about north and south, and underlying west. At No. 1 cross-cut this reef was intersected after driving a distance of 40 ft., and giving about 35 ft. of backs. The reef here averages from 4 ft. to 8 ft. in width, the ore being of an auriferous nature. A trial crushing of 5 tons from this level by ordinary wet process yielded 36 oz. 14 dwt. melted gold, valued at about £110. Assays of tailings and slimes made from same yielded as high as £6 per ton. A level was driven north on this reef from cross-cut a distance of 40 ft., and a rise put up 30 ft., the reef maintaining its size throughout. A level was also driven south from cross-cut 28 ft., and a rise put up 25 ft. No. 2, or low-level cross-cut, is about 35 ft. below No. 1 cross-cut. The reef was intersected at this point after driving a distance of 140 ft. through fair shooting rock, and, according to the underlie of the reef, about 98 ft. of backs are available, and increase as driving proceeds north. The reef here is about 3 ft. thick, and is encased in a first-class description of andesite. I may also state that this reef has been cut by surface trenches at intervals for a distance of 15 chains, with very fair results. No. 2 reef on this section is running north-west and south-east, and is nearly vertical, averaging in size from a few inches to 1 ft. I have sunk on this reef a distance of 36 ft., the ore obtained from same showing gold occasionally very freely. No. 3 reef, also in this section, is running north and south. This reef has been driven on in No. 1 level a distance of 50 ft., the amount of backs available from present face being about 30 ft. As driving proceeds north the backs increase. This reef averages here about 18 in. in width, and the prospects obtained are of an encouraging nature. No. 2 level is about 40 ft. below No. 1 level, and after cross-cutting a distance of 50 ft. the reef was intersected. From the point of intersection the reef has been driven on in a northerly direction a distance of 60 ft. The reef here averages from 6 in. to 2 ft. I have also driven south on this reef 30 ft. At this point a rise has been put up about 35 ft. The reef here maintains its size, and ore of good quality is coming to hand. The average number of men employed since starting operations was twelve. I may also state the whole of the above workings have been securely timbered where required."

Matawai District.

Progress Castle Rock Mine (Area, 60 acres).—There has not been much work done in this ground during the year. Four levels are now open on a reef about 18 in. in width. Crushing is recorded as 10 cwt. of stone for 1 oz. 17 dwt. of gold; value, £4 3s. 6d.

Manaia District.

A limited amount of prospecting has been carried on in this district, but no returns are recorded.

Tiki District.

Coromandel Freehold Mine.—In this mine a considerable amount of work has been done. Ten men were employed, and a trial crushing of 23 tons of stone gave a return of 53 oz. 6 dwt. of gold, valued at £155 18s. 3d.

Specimen Hill Mine.—The owners have directed their attention to working the specimen leaders for which this locality has been famous, and 32½ lb. of stone was crushed for a return of 48 oz. 15 dwt. of gold, valued at £144 16s. 6d. Two men were employed.

Kauri Gold Estates Company.

Kauri Freehold Gold Estates.—This company has carried on extensive works during the year. A tramway has been laid from Whangapoua to the mine at Opitonui, and a locomotive engine is employed in conveying material from the landing to the mine. A branch line is also in course of construction up the Oweria Valley. There is also a considerable amount of work being carried on at the mines on the different sections of the property. Several levels are being put in, and two shafts are sunk, on one of which a pumping and winding plant has been erected. The other shaft is being put down for the purpose of connecting the St. Hilda level with this shaft, which has been driven a distance of 520 ft. on a large body of stone which contains a fair percentage of the precious metal. From the