

year there is a further increase over last year of £170,604 8s. 1d., which is a most convincing proof that gold-mining in this district is advancing by leaps and bounds, and will yet exceed the most sanguine expectations. The increased returns are due to the large yield of bullion obtained from the Waihi Company's mine and other mines in the Ohinemuri County, but there is also a considerable improvement in the return of gold from the Thames County during the year. There is a slight falling-off in the return in the Coromandel County. This can be accounted for in the gold not being so evenly distributed through the lodes as in the Ohinemuri County, and consequently the returns are more liable to rise and fall.

With the chance of some rich discovery being made, and the additional stamps now in the course of erection at the different mines, it may reasonably be expected that the return of gold from this district for the year 1899 will be greatly in excess of the year just ended.

GREAT BARRIER ISLAND.

Barrier Reefs Mine.—This company are systematically prospecting their property, and doing good work. A low level has been driven in from the side of the hill for a distance of 1,050 ft., and has intersected what is termed the large reef; but as a considerable quantity of water was oozing out of the face of the drive when the reef was cut it was deemed advisable to discontinue driving on the reef until the water drained off. The tests taken from the reef did not give a high percentage of the precious metal, but little work has been done on it to prove its value. Driving is proceeding on a reef that was intersected at a distance of 700 ft. from the entrance of the low level. The drive west on the reef is in a distance of 250 ft. from the crosscut, and the eastern drive has been driven on the reef for a distance of 300 ft., and a connection made with a shaft that was sunk down from the side of the hill to this level, a distance of 220 ft. Since communication was effected with the shaft the ventilation throughout the level is all that can be desired. From the low level to the outcrop of the reefs there is 350 ft. of backs, and the reef that is at present being worked upon varies from 1 ft. to 6 ft. in thickness. Assay tests taken from the reef have given satisfactory results. The company contemplates erecting a twenty-stamp battery, with modern appliances, for the treatment of the ore, the site for the battery being selected at a suitable place about half a mile from the present low level. This company has worked continuously during the year, employing from fifteen to twenty-four men. No returns.

Great Barrier Gold- and Silver-mining Company.—This company have given an option over their property to the Melville Corporation Company, who have fourteen men employed in driving on the reefs that traverse the claim, with the object of proving the value of the reefs before purchasing the property. A considerable amount of work has been done in prospecting and driving on the reef at the upper levels, but the operations now in progress are confined more to opening up the reefs at the low level. The main cross-cut is being extended for the purpose of intersecting the large reef, and is in a distance of 300 ft. The country for some distance has been of a very hard nature, but is now greatly improved, and is more favourable for gold-bearing reefs. The drive west on Lee's reef has been driven up to the boundary, and the same reef has been driven on east of the cross-cut for some considerable distance. The reef varies from 1 ft. to 2 ft. in thickness, and the country is of a favourable description for making speedy progress. No returns.

There was a considerable amount of work done in the Iona, Aotea, and Great Barrier Proprietary Mines in the early part of the year, but, not meeting with sufficient inducements, the work was stopped, and some of them surrendered.

PORT CHARLES DISTRICT.

Comparatively little work has been done in this part of the goldfield during the year. The Eva Claim, which is owned and worked by McNeil Brothers, had three parcels, amounting to 105 lb. of stone, treated, for 79 oz. of gold. Two men were employed. Very little work has been done on this mine for the last four months. Prospecting operations were carried on for some time in the Donald McKinnon Claim, but, as nothing of importance was discovered, the work was stopped.

Hauraki Peninsula Mine.—A good deal of prospecting work has been done on this claim, and a large reef was discovered on the surface, from which samples of the ore were assayed that, I am informed, gave payable results. A low level has been driven for the purpose of intersecting and proving the reef at a depth. Three men were employed, but so far no returns have been sent in from here.

CABBAGE BAY DISTRICT.

Most of the claims taken up in this district during the boom have been surrendered or abandoned. The White Star Consolidated property, which comprised several holdings, and was worked by Bewick, Moreing, and Company, has been abandoned and the mining plant sold by auction; but since then several of the holdings have again been taken up by other parties, and a limited amount of prospecting work is now being carried on. In the Queen Victoria of Hauraki, Belgic, Jersey, and City of Gisborne Claims two and three men have been employed, but nothing of importance has been discovered.

KENNEDY BAY DISTRICT.

There has been a good deal of prospecting done around here in the following claims, which have employed from two to three men: The Bay View, Flossie, Morning Star, Evening Star, Vanderbilt, Omoho, and Rose, all of which have had returns of gold from small parcels of ore that have been treated at the Hauraki Associated battery. Dyer and party have also carried on sluicing operations below the junction of the Waikoromiko and Haratunga Streams.