

Mahakirau.

Several good prospects have been found, a few small returns being obtained.

KUAOTUNU.

The amalgamation of Try Fluke, Try Fluke Extended, and Kapai-Vermont Claims, spoken of in my last report, has now been accomplished, but is of recent date, and the new owners have not had sufficient time to carry out to any extent their lower-levels-development scheme.

The Waitaia Gold-mining Company have continued crushing with regular results.

The Handsworth Claim has given very consistent returns.

The Irene Special Quartz Claim, worked by a party of tributers, continues to give fair returns.

KAPOWAI BLOCK.

The Kapowai Gold-mining Company's battery is now completed, and we may look for regular returns from this comparatively new district.

OPITONUI.

There is nothing new to report in this district, the crushings of the Kauri Freeholds being much as they were last year. It is rumoured that this company intends reducing the number of workmen at present employed, which is to be deplored.

The public battery in Coromandel continued to work satisfactorily throughout the year, and has been, as anticipated, of great service to persons wishing to test their ore before erecting a battery.

TE AROHA DISTRICT.

Practically the only mining in this district has been at Waiorongomai. A certain amount of prospecting has been done at the Tui Mine, and some of the ore has been sent away for treatment, but nothing further has been done.

At Waiorongomai Mr. Hardy's mines, the Premier Special Quartz Claim (late Empire Special Claim, New Find Nos. 1 and 2 Special Claims), and the Big Blow Special Quartz Claim are the only ones that have been worked to any extent. At the Premier Mine a low level has been extended 300 ft., and a rise 85 ft. high made; while 945 tons of ore has been sent to the battery for a return of 580 oz. 12 dwt. of bullion, valued at £1,490 13s. 7d. In the low level have appeared bands of the white, curly, gold-bearing quartz which in the upper workings formed a compact mass 15 ft. ahead of the face of the drive. Assays of these bands show a value of £2 0s. 5d. per ton. The ore is more refractory in silver-sulphide than in the upper level, but samples in bulk passed over vanners readily yield concentrates containing gold 2 oz. 18 dwt. 20 gr., silver 56 oz. 5 dwt. 8 gr., valued at £17 7s. 9d. per ton, which can be profitably shipped to the smelter. The proprietor has treated Premier ore-concentrates by berdanning with lime. This extracts some free gold and amalgam, but leaves a residue containing gold 5 dwt., and silver in the form of sulphide 23 oz. 3 dwt. 18 gr., valued at £3 6s. 4d. per ton. Cyanide treatment fails to give good results, due to the presence of copper; but retreatment by hydraulic ejector and over vanner, I am informed by Mr. Hardy, produces a concentrate profitable for smelting as under: Wilfry concentrator—Gold, 4 oz. 8 dwt. 4 gr.; silver, 83 oz. 15 dwt. 20 gr.: value per ton, £26. Union concentrator—Gold, 3 oz. 5 dwt. 8 gr.; silver, 86 oz. 3 dwt. 3 gr.: value per ton, £21 13s. 6d.

At the Big Blow portion of the property an immense amount of surface excavation has been done, exposing a fine reef for a length of 50 ft. In the floor the reef is 3 ft. wide, making strong and compact towards a junction with the mother lode at the Big Buck reef. Similar junctions at the New Find, Colonist, and Premier Claims produced a rich deposit of gold and silver. About 30 tons of a highly mineralised quartz has been paddocked.

Mr. Hardy states that the bulk ore is worth about £3 per ton, but it can be sorted out at the mine to produce £10 per ton, and that samples had been treated by vanner, producing concentrates worth £25 per ton for gold and silver, and £1 12s. for copper, and that experiments have been made upon 5,000 tons of tailings lying near the battery. The value of these by 120 assays has been found to be 19s. 6d. per ton, and a profitable method of treatment has been devised by passing the materials by hydraulic ejector on the vanners. This produces concentrates containing gold 2 oz. 12 dwt. 6 gr., and silver 43 oz. 18 dwt. 17 gr., valued at £24 16s. 7d. per ton; suited for shipment to smelter. A third vanner 6 ft. wide, by Gates, has been installed in the battery to expedite the treatment of the said tailings.

The only other claim working in this locality is the Cadman Special Quartz Claim. Two men have been employed on this, but I understand the work they have been engaged on has been principally of a prospecting character.

TAPU.

Bullion Mine.—This mine has been worked on tribute, four men being employed. Work has been carried on upon a leader, from which good returns have been obtained. For the year 24 tons of ore was treated for a return of 198 oz. 13 dwt., valued at £566 1s. 4d. The mine is now owned by Mr. James Hawkes, who purchased it at public auction early in the year. The old company has been wound up.

Mahara Royal (Limited).—This mine has been under protection for most of the year. The company spent £35,000 in developing the property and erecting machinery, but the results have not been payable, and now, owing to its connection with the Standard Exploration Company (Limited), the working capital has been withdrawn. It is anticipated that if the affairs of the Standard Company are satisfactorily arranged work will be resumed.