

proved, and it is with this object that the boring was undertaken by the Victoria Gold-mining Company. In the interests of the industry and the district, and also in justice to the Government, the work of proving the deep levels at the Thames-Hauraki shaft (which has been substantially subsidised) should be proceeded with, and the question of payable reefs at greater depth definitely settled.

Mining matters at Coromandel and the surrounding localities are quiet, several mines being closed. Development-work and additions to the plant have been undertaken by the Kauri Freehold Gold Estates Company (Limited), who employ about 180 men. Good results have been obtained at the Royal Oak of Hauraki Mine, the Four-in-hand Mine, and at some of the small properties. Since the amalgamation of the Mariposa and Kapai-Vermont Mines the shaft has been unwatered and development-works put in hand. Some excellent results have been obtained from small lots of ore from the reefs at Gumtown, but until the field is more extensively opened out it is premature to say very much as to its prospects. On Great Barrier Island work has not been very active, and a reconstruction of the company working the Barrier Reefs Mine will be necessary to develop the property at greater depths. A large lode of promising quartz has been cut. Fair prospects have also been met with at the New Great Barrier Mine.

In the West Coast District work has recently been done at two small mines near Wainangaroa, from which very fair results are looked for. Some promising stone has been found in the Alpine Extended Mine at Lyell, but its extent will have to be proved at deeper levels. The comprehensive system of development which has of late years been adopted at the mines in the neighbourhood of Reefton, combined with the judicious expenditure of capital, has done much to enhance the prosperity of the place, and, so far as can be reasonably predicted, proved an assured position in regard to the future for some years to come. Most of the mines are now equipped with modern machinery and battery plant, and the adoption of the cyanide process will doubtless add to the recovery of a larger percentage of gold than was formerly the case.

Very little change is to be noted in respect to quartz-mining in the Southern District. The O.P.Q. Mine at Waipori and the Achilles Mine at Bullendale have been practically standing idle for some time, but there appears some probability of the Bendigo Mine, near Cromwell, being again worked on more comprehensive lines. Several small properties are being developed in various parts of the district with varying results, but the hopes of a few years ago as to the possibilities of Preservation Inlet as a quartz-mining centre have been greatly modified, owing to indifferent returns and a consequent reduction in the scope of operations. The reef-systems of Otago do not seem to have had that attention to which, in the opinion of many people, they are entitled.

ALLUVIAL AND HYDRAULIC MINING.

This branch of the gold-mining industry may be said to be fairly steady on the whole. During the last few years the shallow diggings have become fewer and fewer, and as many of these were worked by Chinese miners it is found that their number is gradually yet steadily decreasing with the exhaustion of shallow ground.

The great bulk of the working of our alluvial auriferous deposits is now accomplished by hydraulic sluicing, with the addition of hydraulic elevating (where such is necessary) to secure ample fall for the discharge of tailings, although during the past few years dredging has had a tendency to supplant hydraulic mining in many instances.

During the year a somewhat extensive plant was completed and set to work at Humphrey's Gully, near Hokitika, and operations for the purpose of bringing in water to work hydraulic mining have been in progress in the neighbourhood of Lyell, and also near Hokitika.

In North Otago good progress has been made in the construction of siphons for the Mountain Hut race, which will bring an increased supply of water to the