

### PRODUCTION OF GOLD.

The following comparative statements show the quantity and value of gold entered for exportation for the last two calendar and financial years:—

| Name of District. | Year ended 31st December, 1902. |           | Year ended 31st December, 1903. |           | Increase for 1903. | Decrease for 1903. |
|-------------------|---------------------------------|-----------|---------------------------------|-----------|--------------------|--------------------|
|                   | Quantity.                       | Value.    | Quantity.                       | Value.    |                    |                    |
|                   | Oz.                             | £         | Oz.                             | £         | Oz.                | Oz.                |
| Auckland ...      | 201,583                         | 721,977   | 232,681                         | 832,334   | 31,098             | ...                |
| Marlborough ...   | 601                             | 2,404     | 972                             | 3,845     | 371                | ...                |
| Nelson ...        | 5,947                           | 23,649    | 7,962                           | 31,710    | 2,015              | ...                |
| West Coast ...    | 118,796                         | 475,272   | 125,241                         | 501,090   | 6,445              | ...                |
| Otago ...         | 181,116                         | 728,124   | 166,458                         | 668,852   | ...                | 14,658             |
| Canterbury ...    | 2                               | 7         | ...                             | ...       | ...                | 2                  |
| Totals ...        | 508,045                         | 1,951,433 | 533,314                         | 2,037,831 | 25,269*            | ...                |

  

| Name of District. | Year ended 31st March, 1903. |           | Year ended 31st March, 1904. |           | Increase for 1904. | Decrease for 1904. |
|-------------------|------------------------------|-----------|------------------------------|-----------|--------------------|--------------------|
|                   | Quantity.                    | Value.    | Quantity.                    | Value.    |                    |                    |
|                   | Oz.                          | £         | Oz.                          | £         | Oz.                | Oz.                |
| Auckland ...      | 203,158                      | 724,892   | 233,271                      | 834,070   | 30,113             | ...                |
| Marlborough ...   | 401                          | 1,604     | 1,279                        | 5,073     | 878                | ...                |
| Nelson ...        | 6,235                        | 24,704    | 8,222                        | 32,819    | 1,987              | ...                |
| West Coast ...    | 125,399                      | 501,639   | 126,184                      | 504,845   | 785                | ...                |
| Otago ...         | 155,056                      | 623,213   | 171,489                      | 690,141   | 16,433             | ...                |
| Canterbury ...    | ...                          | ...       | ...                          | ...       | ...                | ...                |
| Totals ...        | 490,249                      | 1,876,052 | 540,445                      | 2,066,948 | 50,196†            | ...                |

\* Total net increase, value £86,398.

† Total net increase, value £190,896.

### QUARTZ-MINING.

#### NORTH ISLAND.

The Waihi Gold-mining Company's properties rank not only as the largest and most important of their class in this colony, but take a place among the principal gold-mines of the world. During last year the tonnage of quartz raised and treated amounted to 214,508 tons (or 35,023 tons more than that of the previous year), having a total value of £603,167 8s. 9d., and an average value of £2 16s. 3·2d. per ton.

Extensive additions to plant, some of which were outlined in the last annual report, have been made during the year. Among these, the large pumping-engine and pumps—the latter being 24 in. in diameter by 12 ft. stroke—is a notable feature. One of the shafts has been deepened to a lower level, and a considerable amount of development-work done underground in the various sections of the property. The reef-system is well opened up and ore-bodies proved, which will afford employment to a large number of persons for many years to come.

The method of filling the stopes with mullock which is practised at Waihi might be more generally adopted at other mines in the colony—modified, of course, to some extent to suit local conditions—with advantage to employers and employed. There is a sense of security in working in and travelling through well-filled stopes, which is absent in the case of stoped ground left open except for the timber supports, or only partially filled in. The system also effects considerable economy in timbering, and the ventilation is more easily kept up to the actual faces of work. In the case of mines worked by shafts, it is desirable that some provision should be made to prevent the possibility of the pumps becoming choked with mud from the filled-in stopes in the event of any occurrence which would cause the mine to become flooded.

At the several batteries and reduction-works belonging to the Waihi Gold-mining Company improvements in and extensions to the plant have been made, among which may be mentioned a new plant for the treatment of concentrates, which hitherto have been shipped to New South Wales.

The average number of persons employed by the company during the year was 1,120, and a quarter of a million sterling was paid in dividends. Altogether the sums paid in dividends since the commencement of operations amount to £1,257,189 17s. 6d.

I have to acknowledge the courtesy of the management in furnishing, through Mr. J. Coutts, Inspector of Mines, several interesting photographs illustrative of the company's operations, for reproduction in this report.