The Waihi Grand Junction Mine has not yet entered the lists as a producer of gold. Nevertheless, a considerable amount of important work was undertaken during the year, the results of which are held to justify the owners in sinking to a deeper level and erecting a modern battery of forty stamps with accessory concentrating and cyanide plants. It may therefore be confidently expected that the yield of bullion at Waihi may be augmented from this mine in the near future.

Boring operations, with the object of proving reefs, have been undertaken by some of the companies holding claims in this locality, but, with the exception of those of the Waihi Grand Junction Gold-mining Company, no practical results had been attained up to the end of the year. The success of this latter company's boring has, however, stimulated the holders of neighbouring properties to persevere in their efforts to discover quartz reefs on their claims.

At Karangahake the New Zealand Crown Mines and the Talisman Consolidated Mines have worked steadily throughout the year, and the Woodstock Mine during the early part of the year only. The value of bullion obtained and average number of persons employed is summarised as follows :—

	Bullion-value. £ s. d.	Average Number of Persons employed.
New Zealand Crown Mines	78,279 12 1	242
Talisman Consolidated Mines	94,134 7 11	170
Woodstock Mine	9,680 12 1	40
Totals	£182,094 12 1	452

Extensions, having for their object the further opening-out of the reefs at the lower levels. have been undertaken in connection with the incline shaft at the New Zealand Crown Mines. A large area of ground is opened up in this property, but a considerable proportion of the ore mined and treated during the year was somewhat below the average value. Development-work has been pushed ahead at the Talisman Consolidated Mines, and successful returns obtained. Generally, the outlook for these properties may be said to be of an encouraging character. The Woodstock Mine does not stand in so favourable a light, the ore-values being considerably lower than those obtained at either of the adjoining mines. It is possible, however, that, worked in conjunction with and as a part of one of the adjoining properties, payable results may be obtained, when such might be out of the question by running this mine as an independent concern owing to the expenses necessarily incurred in working as a separate property.

At Waitekauri work has been chiefly of a prospecting character. Although the experience of the Waitekauri Gold-mining Company has for the past two or three years been of a disappointing character, it is to be remembered that the shareholders have received upwards of £83,000 in dividends, and that results of this nature are such as should encourage the company to persevere in their search for productive lodes.

The Komata Reefs Mine continues to be a steady producer of bullion, the battery-returns for the year showing a value of £37,110 2s. 9d. from 14,780 tons. This gives an average value of £2 10s. 2·6d. per ton. The future prospects of this mine are considered to be of an encouraging nature.

Mining in the neighbourhood of Te Aroha is practically confined to Mr. Hardy's operations at Waiorongomai. The battery plant is for its size very complete, and every care is taken to obtain the best results from the treatment of the ores. During the year bullion to the value of £4,972 18s. 2d. was obtained from 1,561 tons of ore, the average value being £3 3s. 8½d. per ton. When I visited this district in November last negotiations were being entered into for the formation of a company to take over Mr. Hardy's property. It is intended to raise sufficient capital to develop the property on a much more extensive scale than Mr. Hardy has been able to do single-handed. If values such as those referred to above can be depended on it would appear that the mine is well worth working on such lines as proposed, especially as a much lower level can be gained than the present workings without the necessity for shaft-sinking and pumping.

At Tairua Broken Hills mining has been very energetically carried out at the property under the direction of Mr. H. H. Adams. The mine has earned a reputation for being one of the consistent producers of bullion, is a dividend-paying concern, and evidently has a very fair future before it. During the year 6,355 tons of quartz yielded a return valued at £21,146 18s. 8d., the average value being £3 6s. 6¾d. per ton.

In addition to the work at the mine just referred to, there is a little desultory mining carried on in the locality.

The prospecting-work at Neavesville, referred to in last year's report, has evidently satisfied the claim-holders. When I visited the district at the latter end of the year a new low-level tunnel had been commenced, and work was in hand for the equipment of an aerial tramway and the erection of a battery of thirty stamps, with concentrating and cyanide plants.

At Te Puke some fairly extensive prospecting-work was being carried out in the early part of the year under the direction of Messrs. Bewick, Moreing, and Co., who hold an option over the property.

In actual mining-work there is little or no change of note to report as regards Thames, but during the year considerable attention has been given to the question of boring to prove the existence or otherwise of auriferous lodes at greater depth than has hitherto been worked. It may be mentioned that the working of the several mines at Thames has demonstrated that there are defined lines of demarcation between profitable and unprofitable ground. From a section by Mr. James Park, published in 1897, an upper zone of poor country is shown to have been passed through in the Waiotahi shaft just above No. 1 level, slightly below No. 3 level in the New Prince Imperial shaft, between Nos. 2 and 3 levels in the Saxon shaft, and a little above No. 7 level in the Queen of Beauty shaft. Below this the section shows what is described as a "very rich zone," which averages about 330 ft. in vertical depth and rests on the top of a lower poor zone.