C.—2.

Commissioner Claim, Thames.—The work of reconditioning the old level, as referred to in last year's report, was completed to where the reef entered faulted country. Driving was resumed and carried on northward for about 50 ft., when east and west crosscuts were constructed, but to no purpose. It is now proposed to drive north and south

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Hawaki Mines Consolidated, Ltd., Coromandel.—Tributers continued work on this claim during the year and produced 4 tons of quartz, which gave a return of 6 oz. 9 dwt. of bullion, valued at £39 10s. 5d. making the total production since the commencement of operations 710 oz. 5 dwt. of bullion, worth £2,598 12s. 5d. The main

total production since the commencement of operations 710 oz. 5 dwt. of bullion, worth £2,598 12s. 5d. The main portion of the property was dormant.

*Coromandel Gold-mines, Ltd., Coromandel.—The drilling of No. 1 bore was continued to a depth of 484 ft., where work was suspended. The company has recently gone into liquidation.

*New Royal Oak Claim, Coromandel (H. W. Chipman and Party).—A total of 400 ft. of driving and 20 ft. of rising was carried out from the main and subsidiary levels. Some good specimen stone was obtained. The output for the year amounted to 2 tons 14 cwt., which yielded 278 oz. of bullion, valued at £1,362 4s. 8d. The total production since the commencement of operations is 611 oz. 13 dwt. of bullion, valued at £2,946 17s. 7d.

*Gem Claim, Coromandel (A. A. Lynne, Owner).—A limited amount of sinking and driving was done on this claim, and 12 tons 14 cwt. of ore was crushed for a return of 11 oz. 9 dwt. of bullion, worth £60 19s. 2d. The total production since the commencement of operations is 53 oz. 12 dwt. of bullion, valued at £293 1s. 2d.

**Speedmint Claim, Coromandel (G. T. Edwards, Owner).—One hundred fect of driving and 25 ft. of rising were carried out on a small reef, known as the Peep o' Day, and 15 ft. of rising was undertaken on the Swedish Crown leader. Five tons of quartz were treated for a return of 25 oz. 1 dwt. of bullion, valued at £139 13s. 7d., which is also the total output since the beginning of operations.

leader. Five tons of quartz were treated for a return of 25 oz. 1 dwt. of bullion, valued at £139 13s. 7d., which is also the total output since the beginning of operations.

Lone Hand Claim, Waikoromiko (W. J. Pearce, Owner).—Some 52 ft. of driving was carried out on the footwall reef, and a rise was constructed to a height of 30 ft. in the low level. The output for the year amounted to 2½ tons, which gave a return of 19 oz. 15 dwt., of bullion, value £107 9s. 9d. The total production since the commencement of operations is 150 oz. of bullion, value £785 7s. 7d.

Opitonui Consolidated Gold-mining Co., Ltd., Opitonui.—Very little work was done in the company's mine (Rexman) during the year, and operations were confined almost wholly to altering the treatment plant by adding a cyanide unit to existing facilities. The quartz crushed during the year amounted to 200 tons, which yielded 33 oz. 12 dwt. of bullion, value £204. This is also the total production since the commencement of operations.

Heather Bell Claim, Whenuakite.—Stoping operations in the low level on a reef averaging 7 ft. in width produced 305 tons of ore, which on treatment in the owner's battery yielded 112 oz. 9 dwt. of bullion, valued at £635 5s. 7d. The total output since the commencement of operations is 155 oz. 16 dwt. of bullion, value £878 1s. 1d.

Hardar's Mines Wairrangony (M. Y. Hardy, Owner).—Same sampling was done in this mine and a test

Hardy's Mines, Waiorongomai (M. Y. Hardy, Owner).—Some sampling was done in this mine and a test crushing forwarded to America for treatment, but the results of same are not yet to hand. An average of two men was employed.

BORING OPERATIONS.

Sylvia Gold, Silver, and Base Metal Mines (N.L.) commenced boring operations with the Government C.N. Sullivan diamond drill on 16th August, 1937. Location: Tararu Creek, Block I, Thames Survey District. Boring operations were completed in April, 1938, one hole being drilled to a depth of 634½ ft.

Drilling Prospectors, Ltd., using a Jumper and rotary drill with 3 in. casing, commenced boring operations on 11th June, 1938, on the New Shotover Special Quartz Claim at Thames. Up to 31st December, 1938, two holes had been bored, No. 1 to a depth of 310 ft. and No. 2 to a depth of 303 ft. Operations are still in progress.

PROSPECTING.

As in previous years, the greater part of the prospecting work done was carried out at Thames and Coromandel under the Labour Department's schemes. The number of men so employed decreased to an average of forty at Thames and seventeen at Coromandel. The subsidized men in the former district won approximately 258 oz. 6 dwt. of bullion, valued at £1,282 9s. 11d., while those in the Coromandel areas produced 377 oz. of bullion, valued at £1,899 10s. 2d.

OIL-WELLS.

Moturoa Oilfields, Ltd. (K. E. Pederson, Manager).—Operations were confined to repairs and maintenance in connection with the production of Nos. 1, 2, and 4 wells. Three men were employed. The wells named produced 5,070 gallons, 84,147 gallons, and 27,368 gallons respectively, the total value of the oil being £2,185 19s. 4d. New Zealand Petroleum Co., Ltd. (H. L. La Mar, Manager).—This company holds several areas under petroleum-prospecting licenses in the Taranaki, Poverty Bay, and Wellington districts. The drilling of Totangi No. 1 well, which is located in Section 5, Block X, Gisborne Land District, commenced on 12th October and was carried on to the end of the year. The well was started with a diameter of 24 in. and a surface string of 18\frac{1}{2}\$ in. casing was cemented at 171 ft., where the hole was reduced to 17 in. and carried down with that diameter to 2,443 ft. From there to 2,458 ft. (the total depth reached at the end of December) the hole has a diameter of 12\frac{1}{2}\$ in. A gravimetric survey and geological investigations were undertaken in the Taranaki district, and a geological survey was made in the Poverty Bay region. An average of twenty men was employed.

New Zealand Oil Exploration, Ltd.—This company holds petroleum-prospecting licenses in the Hawke's Bay, Gisborne, and Taranaki-Wellington districts, but work was confined to the geological investigation of the Hawke's Bay area only. The geology and topography of the northern portion of this district are now being studied abroad by means of aerial survey photographs.

Northern Oilfields, Ltd. (F. Cumming, Manager).—The drilling of a prospect bore was commenced with a Sullivan N type (diamond) drill on the property of [Mr. R. Montgomery, Lot 33 and part 34, Block II, Arapohue Parish, Mittai, near Dargaville. The hole is 2\frac{1}{2}\$ in. in diameter and had been sunk to a depth of 552 ft. by 22nd December. The average number of men employed was seven.

MISCELLANEOUS.

Quicksilver.—A syndicate, which operated on the New Zealand Quicksilver Mine (held by Mercury Mines (N.Z.), Ltd.), at Puhipuhi, obtained 760 lb. of mercury of an estimated value of £190, during the year. Two

men were employed.

Manganese.—Impex Ltd, Battery-manufacturers, Melbourne, have an option and are operating on property held by Mirandite Products, Ltd., near Clevedon, South Auckland. During the year 90 tons of manganese of an estimated value of £450 were produced.

A fair amount of work in the way of constructing an access tramway and bridges was done in connection with the opening up of another manganese deposit located on an area held by L. Piggott, which is situated about two miles south of the one being worked by Impex Ltd. The average number of men employed was six. No manganese was produced.