

what it really is. Although the mines in the heart of the township have not produced much gold last year, those in other portions of the district show an increased yield, so that this counterbalances the evil to some extent; but no doubt, unless something fresh be discovered, the yield of gold must necessarily get less in course of time. The whole of the area held in claims, licensed holdings, &c., in the Grahamstown portion of the field is only about 52 acres, and this has been almost continually worked for the last twenty years, giving employment to a large population, and it may be said that the workings have been principally confined to above the 500ft. level. Some workings have been carried on from the Big Pump shaft on the 640ft. level, and down to a depth of 720ft. in the Queen of Beauty Mine. From this latter mine, at the depth mentioned, some very rich specimens of stone were shown me, proving that the gold is still continuing to go down. The strike of the auriferous lodes all trend from the Kuranui Hill in a southerly direction. Hence gold will be found at a greater depth in the Queen of Beauty ground than that further northwards, unless some new lodes be discovered at a greater depth in a different formation. Operations have been resumed in the Queen of Beauty on the upper levels. The owner of this mine, Mr. T. A. Dunlop, has erected a winding-engine of considerable power, sufficient to wind to a depth of 1,500ft. or more. This is really where a deep shaft should be put down, if the deep leads are to be tested. The present shaft is in fair condition and sunk to a depth of about 750ft., but it would have to be widened if it were used for a pumping- and winding-shaft to test the deep levels. The advantage of using this shaft for drainage is that it would allow ground to be worked in a much shorter period of time than what could be done if a new shaft had to be sunk, and it would open up a good deal of country which is known to be payable for working, in the Saxon, Trenton, and Queen of Beauty ground.

Saxon Company.—This company, prior to last year, had been for three years previous the largest gold-producing mine on the Thames. During those three years 45,800 tons of stone was crushed, yielding 24,345oz. gold, representing a value of £66,346 10s., of which amount £12,500 was paid in dividends. During the last year the mining operations were not carried on with a profit, and now the work is principally done by tributers on the Nos. 1, 2, 3, and 5 levels. According to the company's balance-sheet for the year ending December last, they obtained 1,110oz. 15dwt. gold, representing a value of £3,123 13s. 4d.; and they received for crushing for other people or tributers £148 10s. 6d., making the total receipts, exclusive of those received from calls and sale of forfeited shares, £3282 19s. 10d.; and their expenditure was: on wages and other expenses in connection with the mine, £4,6021 3s. 2d.; on wages and other expenses in crushing-battery, £953 10s. 5d.; office expenses, £2610s. 3d.: making a total of £5,817 3s. 10d.

This shows a direct loss on the working of the mine last year of £2,534 14s. This was met with calls, and sales of forfeited shares, which amounted to £1,257 9s. 3d., and cash balance of the previous year's transactions (£1,070 4s. 5d.), making £2,327 13s. 8d; the balance between this and the loss on working being a standing liability. The nominal capital of this company is £50,000, of which £7,916 13s. 4d. is called-up. Taking the year ending the 31st March last, there was 408 tons of stone crushed, which yielded 337oz. 12dwt. of gold.

Waiotahi.

There was a slight increase in the yield of gold from the mines in this portion of the district last year, the principal gold-producing companies being the Waiotahi, Cambria, and Fame and Fortune. The total number of tons of quartz crushed from mines in this part of the field was 6,318, and 500 tons of mullock, which yielded 7,162oz. 1dwt. of gold; and 125 men were employed in connection with the mines.

Waiotahi Company.—This is one of the best-conducted mining companies on the Thames field. It is held by only a few people, and shares are not traded in. It may be said to be a mining company conducted on a purely commercial basis, and it always gives the shareholders sufficient dividends to be good interest on the money they have invested. The manager always seems to have sufficient ground open, so that he can regulate the monthly returns to be always about the same. By this means he is able to always have a certain number of men employed in dead-work in opening up new ground. The ruin of a great many mining companies is the principle they adopt in having all hands engaged in working on faces where gold is to be got, which gives large returns for a certain time, and finally comes to a standstill until new levels are opened up and the dead-work done. This has a tendency to raise the price of shares at the time when the dividends are the largest; new shareholders take the place of those who have had the principal dividends; and when the mine discontinues to be a dividend-paying one, and money is required to do dead-work, the calls can not be got in, and companies are, in some instances, put into liquidation, which, if the workings had been carried on in a systematic manner, would have continued to be paying ventures. This has been the success of the Waiotahi Company. The manager is not interfered with by his directors in any way, and he works the mine in the most economical manner, and makes it a steady-paying concern. During last year 2,298 tons of quartz was crushed, which yielded 2,578oz. gold, and thirty-four men were employed.

Cambria Company.—This company are working their mine on Nos. 2 and 3 levels, and also on the intermediate level between the two. There are numerous leaders and veins all running through the tufaceous sandstone, similar to those worked in the Waitahi Mine, and a considerable percentage of the gold obtained comes from those leaders. The balance-sheet of this company for the year ending the 16th December last shows that 1,600 loads of quartz was crushed, which yielded 2,220oz. 6dwt. of gold, representing a value of £6,087 17s. 11d., and moneys received for crushing for the public £1,777 15s., making the total receipts in connection with the mine and battery £7,865 12s. 11d. The expenditure for same period was for wages and general charges in connection with the working of the mine, £4,183 18s. 11d., less £117 12s., being rebate from Drainage Board, making a net expenditure of £4,066 6s. 11d.; wages and expenses in connection with the crushing-battery