C.—3.

treat the ore successfully. Rich assays have been from time to time made of ore from this field. Some samples sent to the Colonial Laboratory showed it to contain at the rate of over 1,000oz. silver to the ton, but samples forwarded for assay are in general misleading, as it is almost impossible for those interested in a mine to pick out an average sample of the ore in a lode. Pieces of stone are sent away which has the appearance of carrying mineral, and if it had not that appearance it would be thrown on one side. On my visit to this field, when prospecting was being carried on, there appeared to be a fair percentage of the ore in the lode carrying silver, but on getting down the percentage seemed to get gradually less. In all lodes the metal or mineral they contain never continues uniform for a long distance along their line, but occurs more generally in shoots and ledges—that is, the lode might be almost barren in places, and in other places contain rich ore. Some of the lodes on the field are well defined, while others are more of a broken rubbly character, with the ore merging into the walls of the country rock.

When such rich specimens have been found, one would naturally suppose that rich ore will yet be obtained on this field, but it must not be supposed that this assumption will be borne out. No one can be certain of the value of ores buried in the bowels of the earth. The character of the lodes leads one to form conclusions as to the possibility of metals or minerals being found in them. All that can be said of the lodes at Puhipuhi, there is a fair possibility of payable ore being found; but the prospector, or those carrying on prospecting operations, will have to bear with many disappointments; but my impression is that it will yet be a field which will support a fair mining population. At the present time there is no mining being carried on. The ardour of those who embarked their capital is completely damped by the unfortunate results met with by the prospectors, and it can be truly said that the obsolete machinery and crude appliances used by the Prospectors' Company has done a great deal of harm to the field, and given it a bad name, which will take years to efface before people will again be induced to carry on prospecting operations energetically.

Whangarei.

In December last considerable excitement was caused by a reported find of a large auriferous and argentiferous deposit at Parihaki, about three-quarters of a mile across the river from the township. The deposit consists of decomposed rhyolite, some of which is very compact, at the same time absorbent. It runs along the face of the hill for a considerable distance, and, if proved to contain precious metals, would have been very valuable property. A number of samples were taken to Mr. G. Clark Walker for assay, and one of these is said to have given, on analysis, at the rate of 590z. of silver to the ton. The samples came from Mr. D. Horn's property. The adjoining property where this deposit passes through belongs to Mr. R. Reyburn, who had his ground prospected, and samples were sent by Mr. W. A. Carruth to Mr. Rodes, of the Bank of New Zealand, at Paeroa, who got gold at the rate of from £2 to £6 2s. per ton. Mr. Neil McLean, about the same time, is said to have sent samples to the Thames School of Mines, which gave similar results. Mr. Carruth sent away further samples, and again got results which showed the assay-value of the samples to be as high as £7 per ton; and in the meantime Mr. Clark Walker was assaying the ore and getting gold.

An association was formed consisting of fifteen members, and Messrs. Carruth, Cooke, and Alderton were appointed a committee of management; and arrangements were made with Mr. Reyburn to work this deposit. Such was the position in January last, when the Hon. the Minister of Mines requested me to visit and examine the material. Several samples were taken by me from this deposit from the same place, Mr. Reyburn informed me, that the other samples came from, and these were sent to Mr. Park at the Thames School of Mines to carefully analyse; and the result of his analysis was that he could not get a trace of gold in any one of the samples forwarded. Although the material formed a very compact mass, if dried, the stone would absorb a considerable quantity of moisture, and, if it had then been steeped in a solution of chloride of gold or cyanide of

gold, it would give high results on analysis.

Cinnabar.

A syndicate of gentlemen from Auckland has taken up a claim on Puhipuhi, with the purpose of prospecting for cinnabar on the slopes from the tableland forming the watershed of the Wairiki Stream. The prospecting operations, so far, have been confined to an area of about 50 acres. Cinnabar is found amongst the drift-wash in the beds of the streams, and also amongst the surface material within that area. A considerable amount of work has been done by the syndicate in sinking holes and trenching on the surface, and cinnabar has been found in small quantities. It is more readily found in the beds of streams where considerable stripping has been done; and the prospectors have got somewhere about 100lb. of the ore, which was all greatly rounded, the grains being from fine particles up to about the size of a walnut.

It is expected to find a lode of the ore in the solid rock, but, as there is a heavy surface-deposit, it makes it difficult to trace the source from which the ore has come. Three drives have been put in to the solid country, and it is intended to put in cross-drives from these with the view of cutting a lode, but, so far, they have not been successful in finding one. Some of the samples of the ore sent to the Colonial Laboratory, which were analysed, gave 84.21 per cent. of mercury. This part of the Puhipuhi field was examined by Mr. A. McKay, the Mining Geologist, in 1892, and, from his observations made at that time, he found one sample with cherty quartz adhering to it, indicating that it is likely to be found in formation where quartz is got, and not in the volcanic

rock which overlies a great portion of the tableland.

COROMANDEL.

This is the district where gold was first obtained in the colony. As early as 1852 Mr. C. King found gold in a small creek, and numerous auriferous quartz specimens were found in the bed of this creek before any of the reefs were discovered. Since then very rich auriferous lodes have been found, and for a large number of years a large mining population found profitable employment in working the lodes, leaders, and string-like veins of auriferous quartz on the Tokatea Range, and up to the present time rich finds are occasionally met with. During last year about $37\frac{3}{4}$ tons of quartz