C.—3. 32

Kauri Block.—This block includes the Coromandel Special Claim, which has been previously referred to; but there are two other claims—namely, the Iona and Premier, in which two men have been employed during the past year. They obtained 20½ tons of stone, which yielded 50oz.

4dwt. gold.

Waikoromiko.—Some very rich patches of auriferous stone have been got in this locality in former years, and during the past year two men in Power's claim obtained 1 ton of stone, which yielded 138oz. of gold. This was the best return last year in this portion of the district. There were four claims being worked during last year, in which six men were employed. They obtained about 8 tons of quartz, which yielded 255oz. 6dwt. gold.

Opitonui.

There are three claims in this portion of the field, in which four men are employed, who obtained during the last year $67\frac{1}{2}$ tons of quartz, which yielded 99oz. 8dwt. gold. There was also 128 tons of tailings treated, which produced 16oz. 19dwt. gold.

Matarangi.

Great hopes are entertained about this field; several parcels of stone were shipped to the crushing batteries at the Thames, and gave fair returns. A syndicate has purchased the property, and have erected a crushing battery of fifteen heads of stamps, two Watson-Denny pans, and two berdans which will be driven by steam-power; but the water for the battery has not yet been brought in, so that no crushing has yet taken place at their own plant. During the last year 120 tons of quartz was crushed, which yielded 92oz. 15dwt. gold, and eight men were employed.

KUAOTUNU.

This is a field where considerable mining operations have been carried on during the past year. Ninety-seven wages-men and ten tributers have been employed. The wages-men obtained 9,332 tons of quartz, which yielded 4,143oz. 15dwt. gold; and 328 tons were raised by tributers, which produced 488oz. 15dwt. gold. In addition to this, 2,189 tons of tailings have been treated by the cyanide process, with the result that 3,420oz. 4dwt. of gold was obtained; and 51 tons of tailings treated by amalgamation yielded 21oz. 7dwt. gold. The result of last year's operations has given 4,602oz. 10dwt. gold from 9,660 tons of stone; and 3,441oz. 17dwt. gold was recovered from 2,240 4,602oz. 10dwt. gold from 9,660 tons of stone; and 3,441oz. 17dwt. gold was recovered from 2,240 tons of tailings: making the total yield from the field last year 8,043oz. gold, and 107 men were employed. During the previous year the total yield of gold from the field amounted to 9,506oz. 17dwt. gold, and 142 men were employed. Although the yield of gold is less for the past year, the average yield per man employed is 75oz. 3dwt., whereas for the previous year it amounted to an average of 64oz. 13dwt. per man. The gold on this field is extremely fine, and specially suited for treatment by the cyanide process, and the yield last year is greatly due to the adoption of the treatment. There are only two Cassel plants yet on the field—namely, one erected at the Try Fluke Company crushing-battery, and the other at the Great Mercury Company's battery. Before these plants were erected a large percentage of the gold was carried down the creek with the muddy water from the tables. The three principal mines being worked last year were the the muddy water from the tables. The three principal mines being worked last year were the Try Fluke, Red Mercury, and Great Mercury.

Try Fluke Mine.—This mine was worked entirely by wages-men, who obtained 6,304 tons of

Try Fluke Mine.—This mine was worked entirely by wages-men, who obtained 0,304 tons of quartz, which yielded 2,059oz. 10dwt. gold; and 1,204 tons of tailings were treated by the Cassel process, which gave 3,074oz. 6dwt. gold. It almost seems incredible that this quantity of gold was left in the tailings, being at the rate of 2oz. 11dwt. gold to the ton. Nevertheless, this is the return furnished by the company, as required by the Mining Act. When it is taken into consideration the stone, from the time the company began to crush at their own battery to the 31st March, 1891, did not average more than 1oz. 15dwt. gold per ton, and this was the richest portion of the lode crushed at the company's battery, and since then the stone has not averaged 1oz. to the ton this would show that the loss of gold was appalling, irrespective of the loss by the the ton, this would show that the loss of gold was appalling, irrespective of the loss by the muddy water before referred to. It is taken on the basis that the ore in the first instance, by the ordinary battery process, yielded 10z. 15dwt. gold, and from these tailings 20z. 11dwt. gold was obtained. It shows that only about 41 per cent. of the gold was got in the first instance, and that 59 per cent. was got out of the tailings; but, as there was a considerable loss irrespective of this, it is questionable if more than 33 per cent. of the assay-value of the ore was obtained in the first instance. This proves conclusively that different methods of treatment will have to be adopted other than the ordinary battery process; and, on fields where the gold is fairly disseminated through the stone, the Cassel process is the best that has yet been introduced.

Red Mercury Mine.—The returns from this mine show a considerable falling-off from that of the previous year. During last year 743 tons were crushed, which yielded 703oz. 12dwt. gold, and This shows a large falling-off in the quantity of quartz crushed and the yield of gold. A new level was driven to cut the lode at a lower level, but it was found that the stone was not of a payable character for working. A good deal of prospecting operations and dead work has been carried on during the past year. The manager is under the impression that he will yet strike another block during the past year. of auriferous stone further to the southward than where he has yet driven.

Great Mercury Mine.—The yield from this mine last year has not come up to expectations. A great deal of dead work had to be done during the year, which has increased the expenditure without receiving adequate remuneration. During the past year 1,894 tons of quartz were crushed, which yielded 1,084oz. 14dwt. gold, and 985 tons of tailings were treated by the cyanide process, which yielded 345oz. 18dwt. gold. Thirty men were employed in the mine and about the works.

There are twelve other claims being worked—namely, the Just in Time, Irene, Otama, Black

Weitein—which are all worked on tribute, in which fourteen men were employed. There Jack, and Waitaia—which are all worked on tribute, in which fourteen men were employed. were 328 tons of stone crushed in aggregate from these claims, which yielded 458oz. 15dwt. gold. The claims known as the Lucky Hit, Aoieri, Kapai and Vermont, Loyalty, Invicta, Perseverance, and Victoria were either worked by the owners or wages-men, and from these claims 234 tons of quartz were crushed, which yielded 222oz. 9dwt. gold, and thirteen men were employed.