46 C.—3.

Blagrove's Freehold (Area, 128 acres).—The main shaft has been sunk a further distance of 55 ft., and is now 255 ft. in depth. A chamber was excavated at the 200 ft. level, and crosscutting done. Several reefs were cut. The engine is found to be insufficient for pumping and winding, and a second 65-horse-power steam-engine is being erected to do the pumping, the other engine to do winding only. Thirty men were employed.

Prospecting work has been carried on in the Great Kapanga, Conquering Hero, Coromandel,

Dolcoath, New Hero, and Hauraki Gem.

Kauri Block.

Great activity has been displayed in carrying on mining operations in this portion of the field. Upwards of sixteen engine-shafts are used. Captain Hodge has furnished the following

reports on those mines in this district over which he has full control:-

Hauraki Main Lodes Company (Limited).—This company started work in November last under very favourable auspices, being in the same auriferous zone as, and adjacent to, the Hauraki and Golden Pah Mines, and embracing several of the various reefs that traverse those properties. property consists of two claims—viz., the Albion Special Claim, of 20 acres; and the Albion Extended, 78 acres 3 roods 37 perches: total, 98 acres 3 roods 37 perches—and is situated on the foreshore eastward from the Coromandel Harbour. An engine-shaft has been sunk to a depth of 145 ft., the size being 11 ft. by 7 ft. within timber, and all timbered in a substantial manner with frame set timber 8 in. by 8 in., and cased 9 in. by 2 in. The rock penetrated in sinking this far for the most part has been favourable decomposed andesite rock, which contributes in this locality to the production of very rich gold-bearing reefs; in fact, the indications as far as strata is concerned augur well for a good property after thoroughly developing the reefs. It is proposed at the 150 ft. to open a chamber and resume sinking immediately for the 200 ft. level, and at this stage to proceed with the development of two levels—the 150 ft. and the 200 ft. The present shaft is being sunk by a temporary plant—a small portable boiler, Tangye pump, and steam-winch. A very substantial poppet-head is now in course of being built, for which concrete loadings are completed around the shaft to receive the same. In the meantime a pumping-engine, with a pair of 10 in. cylinder winding-engines, with adequate foundations and buildings, are about to be erected for the thorough development of the property. The company has crushed 4 tons of quartz and 24 lb. of concentrated black sand, which gave a result of 4 oz. 9 dwt. of retorted gold. This was raised in excavating for the engine-shaft on the bed-rock, or between the bed-rock and the machine mud. The average number of persons employed on this property is thirty. Speaking of this property, its position and facilities for working with a permanent plant erected ought to prove, if indications go for anything, that it is a very valuable one.

Hauraki Gold-mining Company (Limited).—This property contains an area of 28 acres 3 roods 11 perches. The developments are conducted with two shafts, the main shaft being 315 ft. and the Iona shaft 170 ft. From the main shaft there are five main levels—viz., the adit-level, 100 ft., the long shart 170 ft. From the main shart there are live main levels—viz., the addt-level, 100 ft., 160 ft., 220 ft., and 300 ft. The company own a battery with fifteen heads of stamps and nine berdans, driven by steam-power, the bullion being extracted by amalgamation. The quartz crushed for the year ending 31st March has been 4,437 tons, yielding 24,656 oz. 7 dwt. of bullion; while the average number of persons employed during the year has been 180. There are twelve reefs or veins traversing the property. The principal ones developed have been—No. 2, bearing north-west, with an underlay north-east; average width, 10 in.: No. 3, bearing north and south, underlay east; width, 8 in.: No. 6, bearing north and south, underlay west; width, 3 in.: Cross reef No. 1, bearing north and south, underlay west; average width, 3 in.: Cross reef No. 2, running north and south, underlay west; average width, 3 in.: Castle Rock reef, bearing east and west, dip north; average width, 12 in.: Iona reef, bearing north and south, dip east; average width, 10 in.: New Year's reef, bearing north and south, dip north-east; average width, 12 in. The principal reef and the richest has been the No. 2, generally known as "Legg's The Cross reef No. 1 and the Iona and New Year's reefs have also contributed largely to the company's returns. The mines are being worked very profitably at the present moment, are kept continually drained to the bottom, and are being thoroughly developed, and everything kept in regular order. For the further extensive development of the property in depth foundations are being excavated for new pumping-engines, their capacity being two 18 in. diameter cylinders, high pressure, and estimated to sink the mine 1,500 ft. with a 12 in. diameter lift of pumps. The Castle Rock reef is estimated at a depth of near the 600 ft. to be in the same character rock which has produced the greatest portion of gold in the various reefs, and may be looked upon as a very important reef for development, outside of the various other reefs, which, of course, will be followed up and developed as the mine is being sunk. There is every probability of the mine continuing to pay good profits. The Union Beach section of the company's property embraces a portion of the Coromandel Harbour. On this property the shaft is sunk 180 ft. This is now being drained by the Hauraki Company. Foundations are nearly completed for the erection of 10 in. cylinder winding-engines. These engines, with two 25 nominal horse-power boilers, are being landed in Auckland. The company propose to develop this property from the bottom of old workings on the line of reefs below the 180 ft., where rich gold was raised in the early history of the working of this ground by sinking shafts. Motive-power for sinking these shafts is being provided by an air-compressor engine, air-winch, and air Tangye pump, conducted by pipes and air-receivers from the site of the shaft and the surface to the proposed sites of the shafts underground. The result of these workings, if successful (and there is every reason to believe they will be), will then henceforth be conducted permanently by raising a new shaft to the surface, and henceforth adopting a permanent basis for following continued workings in depth. I attribute the success of working the Hauraki Mine and regularity of the returns to the simultaneous working of the various reefs at different levels. Since the company's initiation there was driven nearly