

The precious metal referred to was recovered from the following mines : Waihi, £875,000 ; Talisman Consolidated, £184,447 ; Waihi Grand Junction, £75,832 ; New Zealand Crown Mines, £57,236 ; Komata Reefs, £47,128 ; Maoriland (at Waitekauri), £846 ; Auckland, £512 ; New Waitekauri (at Waitekauri), £265 ; Scotia, £53 ; and Durbar, £9. The two latter claims are also at Waitekauri. The great bulk of the population of this portion of the field are dependent on these mines for their livelihood.

The Waihi Extended, the Rising Sun, at Owharoa, and the Waihi Gladstone have so far done nothing to recoup their owners for the sums they have spent upon those properties in the endeavour to turn them into gold-producers. It is anticipated that all these claims will eventually be heard of as furnishing bullion. Great results are expected some day from the Extended, and fairly good prospects have been obtained from the Rising Sun, which just now is looking very promising. The owners of this property have had a long and plucky struggle, which it is to be hoped may shortly be rewarded. Very little is being done upon the properties known as the Consols and the Waihi South. These two properties about a year ago passed into the hands of the Grand Junction Company, the intention being to work them with the Junction properties. The Grand Junction Company has spent about £300,000 upon its mine on development and machinery, and the result so far has been something over £75,000.

The Waihi Consolidated are at a standstill, waiting to learn what is to become of an option held by a syndicate in England.

The Pride of Waihi are hanging back, pending the Waihi Extended bottoming their shaft, which may give them some indication as to where they should commence their sinking.

The Waihi Beach Company has been working its ground with a small number of men during the year, but the result of its operations has not proved remunerative.

Besides the mines referred to, there are several other claims on the register which are still looking for foreign capital for development purposes, but so far none has been secured. The history of these latter may be summed up as mostly protected, or occasionally prospected with two men.

#### WAITEKAURI.

The glory of this locality departed when the Waitekauri and Golden Cross Companies ceased to obtain gold, which eventually caused them to abandon their holdings. Since then the bulk of the population has been forced to remove elsewhere to find work, and Waitekauri for a time looked very deserted ; but during the year the Maoriland, the New Waitekauri, and one or two other pieces of ground from which gold had been secured in the good old days, have been taken up, and received some attention in the way of prospecting and opening up, with the view of ascertaining if some of the precious metal could not be unearthed. The prospects of the Maoriland and New Waitekauri are said to be sufficiently good to warrant a continuation of the search. I trust, therefore, that the next report may contain a reference to a gold return from this locality.

#### KARANGAHAKE.

Considerable excitement was caused in this part of the field owing to a discovery of cinnabar. Several claims were taken up. It was established that the commodity existed to some extent, but the want of means has prevented anything being done to show whether the undertaking can be made remunerative.

The Talisman Consolidated and the Crown Mines Company have been carrying on their operations vigorously. These companies are the main support of this portion of the field, as they employ the bulk of the labour. The latter company is constructing a water-race, to cost £6,000, and their general manager is in England supervising the construction of electrical pumping machinery, which it is intended to erect to enable the management to cope with the increased water difficulty. It is expected that this plant will, in the course of the next few months, have reached New Zealand. As soon as it does, its installation will be undertaken.

The Ohinemuri River Claims have changed hands since the last report. These are claims taken up for the purpose of gathering up the tailings deposited in the river after passing through the batteries of mines. It is contended that these can be treated at a profit, and the new proprietors are about to make the attempt. Should the venture prove remunerative, it will furnish employment to several men. The industry is quite a new one on this field. The previous attempt proved unprofitable, a great deal of money being spent in a treatment plant, which did not turn out suitable for the purpose. The new owners, however, profess to be able to treat the tailings so as to make them profitable.

#### TE AROHA.

In this portion of the field there are no less than 1,043 acres held under license, but nothing of any importance has resulted. Want of capital and the complex nature of the ores is the cause of this. The Hardy's Mines (Limited), which hold 517 acres, have been very much at a standstill, though last year these properties produced some gold. There is no doubt that there is an abundance of ore in this locality, but it is more or less difficult of treatment ; no doubt in time some process will be discovered which will enable its successful treatment, and when that time arrives I have no doubt Te Aroha will prove a gold-producing locality. At the present time I cannot report anything to indicate an early improvement in this respect, but I shall be much surprised if in the years to come this part of the field is not counted amongst the gold-producing portions of it.