

Thames Goldfield.—Mining operations at the once-famous Thames Goldfield during 1911 have not been very satisfactory, and the annual decline in the value of gold produced has continued. The most important operations consist in the crosscut now being driven at the 1,000 ft. level to connect the Queen of Beauty and Kuranui-Caledonian shafts. At the beginning of June of the current year this crosscut had been driven 2,000 ft., being a distance of 400 ft. within the boundary of the Waitotahi Company's ground, and leaving a further 670 ft. to be driven to complete the crosscut to the terminal point, which at the present rate of progress should be arrived at during 1912. From the 1,000 ft. crosscut, levels have been driven upon small quartz-veins intersected in the Saxon and May Queen ground, but, although gold is reported to have been seen in the quartz, the results hitherto have been unimportant. The country, however, appears to be of favourable character, and some important development may at any time be announced.

On the **Coromandel Goldfield** a number of small mines produced a little gold. From the Old Hauraki Gold-mining Company's mine bullion to the value of £4,019 was obtained as the result of stoping on the new reef at the 300 ft. and 400 ft. levels.

In both the Thames and Coromandel Counties mining is slowly being superseded by agriculture. Dairy-factories have been established, and the occupation of the people formerly engaged in mining is undergoing a gradual change. The same feature is observable on many other of the older mining-fields of the Dominion which are approaching depletion—notably, on the West Coast, in Otago, and in Southland.

West Coast Inspection District.

New Big River Gold-mining Company (Limited): This company experienced a very successful year. From 6,913 tons of ore £28,062 was obtained, and £13,200 was paid in dividends. Mining operations were chiefly confined to the No. 10 (1,575 ft.) level, and at its south-easterly end a short crosscut developed a lenticular ore-body of somewhat limited extent. At the northern end of the same level the reef was intersected and driven upon. Stoping was also carried out at upper levels.

Progress Mines of New Zealand (Limited): The most important operations at the Progress Mine during the year have consisted in underground exploration for the recovery of the lost lode at the No. 11 (416 ft.) level, which operations have been planned, and are being carried out, in a systematic and scientific manner; and there appears to be a reasonable prospect of success.

Operations at the **Wealth of Nations Mine (Consolidated Goldfields of New Zealand (Limited))** were confined to development at levels Nos. 9 and 10 (1,611 ft. and 1,736 ft. respectively), and to stoping between levels No. 7 (1,365 ft.) and No. 10.

Blackwater Mines (Limited): The result of the year's operations has been very satisfactory, a slight increase in the production being recorded. As the result of treating 44,038 tons of ore, £92,062 was obtained; £37,496 being paid in dividends. The total cost of production was extremely low—namely, £1 1s. 6d. per long ton—comparing favourably with the cost at any mine in the Dominion. The main shaft has been sunk to the sixth level. Levels Nos. 4 and 5, 615 ft. and 765 ft. respectively, have been extended, proving the lode to maintain its average width and assay value.

In **Otago and Southland** auriferous quartz-mining operations have been unimportant. The principal lode-mining work has been confined to scheelite, although gold also is found in the scheelite-bearing quartz. A brief report on such operations is contained in this report under the heading of "Scheelite," and a more detailed account is presented by Mr. T. Thomson, Inspector of Mines (Annexure A).

(2.) DREDGE MINING.

From the following table, showing the result of gold-dredging during the past six years, it will be noted that, although there is a decline in the total gold-production and in the number of dredges in commission, the value of the production per dredge is higher than usual:—

Year.	Total Number of Dredges working.	Value of Production.	Average Production per Dredge.	Dividend-paying Dredges owned by Registered Companies.		Number of Persons employed.
				Number.	Dividends.	
		£	£		£	
1906 ..	167	505,199	3,025	66	103,722	..
1907 ..	128	419,634	3,278	65	89,707	1,150
1908 ..	123	373,818	3,039	47	75,800	1,013
1909 ..	111	327,676	2,952	37	56,788	893
1910 ..	104	315,237	3,031	35	51,918	838
1911 ..	93	297,900	3,203	31	45,318	775

Of the above ninety-three working dredges, fifteen are operating on the west coast of the South Island, and seventy-eight are in Otago.

The dividends paid by thirty-one dredges, the property of registered companies, amounted to £45,318 during 1911; the profits of privately owned dredges are unobtainable.