including the cutting of head and tail races, have been carried on with great activity, and Extended Claim applications have been frequent. From the scattered and isolated position of the several excavations made in this ground, there can be no doubt of the immense area constituting it being continuously auriferous, and although, as compared with other portions of the district, it is not extremely rich, yet its shallow depth (from six to ten feet) necessitates but a slight outlay, thus rendering the working of it more remunerative than that of richer but deeper ground. From several inquiries I have ascertained that the proceeds from claims in this locality vary from six to twelve

pounds (£6 to £12) per week, the smaller sum being less general than the greater.

In the banks on either side of the Clutha, between the township of Clyde and the northern boundary of the Mount Benger District, a good deal of activity prevails in sluicing operations, particularly at Frenchman's Point, situated upon the western bank, slightly below the township of Alexandra. This ground has been long known to be of extraordinary richness, the amounts of gold obtained from the Frenchman's, Harp of Erin, and Hit or Miss Claims being unprecedented since the working of the richer gullies in the earlier days of the district. From the claim of Ferand and party as much as two hundred and fourteen (214) ounces have been obtained from a single paddock since the commencement of their operations, and ground equally rich has been worked in the other claims referred to. As the perfect working of the ground upon this point could only be accomplished with the assistance of costly machinery, and as the means of some of the proprietors of claims on it were so limited as, for a long time, to preclude the possibility of their providing themselves with expensive appliances, it is only in the case of the claims already referred to that operations have been systematically conducted, and much of this valuable ground is as yet but slightly worked.

Upon the northern bank of the Manuherikia River, and about one mile above the township of Alexandra, some systematically conducted sluicing operations have been commenced by Drummey and party, the proprietors of one of the most extensive and perfectly cut races in the district, taking its head from the Chatto Creek, and following a tortuous course of some twenty (20) miles through the gravel terraces of the Dunstan Basin. The quantity of water conveyed in this race is about fourteen (14) sluice heads, not more than one-third of which is actually in use; but from the fact of most encouraging results having been obtained from the recently commenced workings of the proprietors, we may reasonably expect ere long to see the entire supply profitably expended on other workings in

the neighbourhood.

Upon the eastern side of the Manuherikia the next extensive but most costly race in the district has been cut by the Rose, Thistle, and Shamrock Company. This race heads from the gorge of the Manuherikia, in the vicinity of Tiger Hill, and thence by the eastern margin of the Dunstan Basin to some valuable dry gullies on the west side of the Manor Burn, and it is further contemplated to extend it along its southern margin to some rich terrace ground in the neighbourhood of the township of Alexandra, and nearly opposite the sluicing claim of Drummey and Company already referred to. The crossing of this race over the Manor Burn is by a timber flume, the most extensive in the district, and constructed at a cost of nearly a thousand pounds (£1000). This flume has been erected, with some degree of engineering skill, on the strut and brace principle, so as to combine the greatest amount of strength with the least possible amount of materials; its length is about two hundred (200) yards, and its greatest height above the river surface ninety-four (94) feet. This company's claim has been proved by their workings, up to the present, to be extremely remunerative.

Another method of working adopted in this locality (which I consider worthy of mention from the fact of its being the first introduction of its kind) is that of conveying the wash-dirt from the dry gullies already referred to by means of trucks on a tramway of considerable length, leading to the margin of the lowest terrace, whence it is lowered through a shoot to a head of water on the Manor

Burn Flat immediately beneath, and run through sluice boxes as quickly as received.

This rather novel plan has been attended with success, and as there is a great extent of ground immediately adjacent on either side, almost identical in its characteristics with the portion thus worked, I have no doubt but that the same method will be speedily adopted by others, thus rendering lucrative, ground which would otherwise remain unworked on account of its position being inaccessible to water supply.

In the Upper Dunstan District sluicing operations in the gorge drifts are becoming daily more general, extensive, and remunerative. Kitchingham and party, who are the pioneers of this method of working, have continued for the last twelve months in receipt of most encouraging dividends.

A great drawback to the working of the valuable drifts forming the terrace banks on either side of the Kawarau River, between the junction of the Kirtle Burn and Cromwell Flat, is the difficulty experienced in procuring a sufficiency of water, the only supply hitherto available being a very limited quantity collected from the southern and a portion of the eastern slope of the crown range, and flumed across the river by means of canvas hose. This want, however, it is proposed to meet by cutting a race some twenty-three (23) miles in length, commencing in the Nevis River at a short distance above the township, and thence conducted along the western slope of the Carrick Range, whence it will circumscribe that which forms the southern boundary of Kawarau Gorge, thus furnishing ample water supply not only for the banks of the Kawarau, but throughout the entire extent of the Bannockburn Basin.

Should this undertaking be satisfactorily completed, there cannot be a doubt but that the proprietors will be amply remunerated for their outlay, as the amount of ground payably auriferous

for sluicing in both of the localities mentioned is, comparatively speaking, inexhaustible.

In the vicinity of the township of Cromwell there is a mining locality known as Duffer Point, the ground of which, during the low level of the Kawarau, proved extremely rich; but when the volume of water in that river increased, it became impossible to work it, so that for some months past claims upon it have remained, in most instances, unworked. Now, however, that the river is again receding, the proprietors of the most valuable ground have erected a costly water-wheel, which, with appertaining drainage appliances, is now vigorously and profitably at work.

As the general course of auriferous drift in this locality is in the direction of Cromwell Flat, it is to be hoped that the working of these claims will lead to an extensive opening of the terraces in this

neighbourhood.