

as yet but three (3) races constructed, the most extensive of which is that cut by Clark and party across some minor tributaries from the range slope upon the northern side of the Spottisburn to the terrace ground of Schicer Gully, and two other races from the range slope at the southern side of the same creek pursuing a south-easterly course to Sugar Cane and Tinker's Gullies. The position at which the auriferous ground stands above the gully troughs varies in altitude from twenty (20) to fifty (50) feet, and as these gullies, from their great width, are all that could be desired as receptacles for tailings, I am of opinion that if the value and extent of this ground was known, Thompson's Diggings would become a most important sluicing district.

In the Mount Benger District the progress of mining operations has been most satisfactorily progressive, many water races having been or are at present being cut; and although the natural supply is not yet as perfectly exhausted as that in the Upper and Lower Dunstan Districts, yet there is no creek within a reasonable distance of payable sluicing ground which has not a race cut from it. From the Teviot Stream two (2) races have already been and two (2) others are now being cut; the former to the Clutha bank upon the Roxburgh Flat, where they are profitably employed in sluicing the river bank. It having been latterly ascertained, in the progress of these workings, that the principal stratum of auriferous wash-dirt stood either partly or wholly below the river's surface, two water-wheels in connection with Californian pumps are employed in its drainage, and most satisfactory results are the consequence.

In the river, and about one and a half miles below the township of Roxburgh, mining operations are conducted in a spirited manner. This ground is extremely wet, and in its working constant pumping is necessary; the ground, however, is sufficiently rich to pay good wages, notwithstanding this difficulty, and now forms one of the principal sources of attraction in the vicinity. At intervals along the banks on either side of the river, between its junction with the Teviot and Mount Benger Streams, sluicing operations still continue to be spiritedly carried on.

The principal among such operations however are those situated upon the Clutha bank, where it forms the south-eastern extremity of Moa Flat. To this point many races have been conducted from the Benger Stream, at a point about two and a half ($2\frac{1}{2}$) miles above its junction with the Clutha, and Extended Claim applications upon this ground have latterly been frequent.

Another of the principal mining localities in the Mount Benger District is Horseshoe Bend, upon the eastern bank of the river, about seventeen (17) miles below the Teviot junction. Here, as I stated in a former Report upon this locality, workings are confined to an old river bed, from which the Clutha has receded in a lateral direction to its present position. Operations on this ground are now, and have been for the last twelvemonths, conducted in a most systematic manner, and as the river drift composing it is auriferous almost throughout its depth, which varies from ten (10) to fifteen (15) feet, handsome dividends have long continued to be obtained.

In the vicinity of Beaumont Junction sluicing operations have latterly been considerably extended, and two (2) new races have been conducted to the ground which I formerly marked off as a mining lease area for Nicholas and party. As the existence of gold in this ground is found to commence at but a shallow depth beneath the surface, its auriferous nature can easily be tested, and from the investigations of prospectors we have ascertained that an immense extent of the banks on either side of the river in this neighbourhood is superficially similar to that at present being worked.

In the Pomahaka Basin, mining operations have been resumed, and for the past two (2) months carried on with great vigour. In the old worked ground of the Main or Copenhagen Gully, for about one and a half ($1\frac{1}{2}$) miles below its junction with Italian Gully, an excavation proceeded it was discovered that the first workings were conducted on a false bottom, and that the bed rock actually had never been properly reached; and as the main bottom, when latterly struck, proved to be of great richness, most lively preparations are being made for the proper working of it.

At Campbell's, a considerable population have, for the last three (3) months, been doing remarkably well; the principal scene of operations in this locality being either at Adelaide Point or Potter's Gully.

At Adelaide Point, a costly tail race has been cut, which has rendered workable a large extent of valuable ground; and wherever the main bottom has been reached, claims have generally proved of great richness.

As Adelaide Point and some ground in its immediate vicinity constitute the entire portion of Campbell's Gully which has been worked, and as in every instance wherever the bed rock has been reached satisfactory results have been the consequence, most of the miners who have recently taken up ground in this locality are of the opinion that a large extent of valuable ground still exists in the gully.

Upon the Waikaia and some of its branches, including Swinbourne's Gully, a few parties of miners have recently opened some good ground, which, however, as is the case in almost the entire workings of this neighbourhood, is at present of an extremely wet character, and much time is lost in the cutting of tail races, and otherwise preparing for drainage, before gold can be reached. Farther down this river, where its banks on either side are clothed with dense forest, I have been informed that a large number of miners are engaged upon the diversion of the river from its bed; and that generally wherever this river has been prospected in the denser portions of the timber, encouraging prospects are obtained. From the inaccessible nature of this country, as well as from the loss of time which my visiting it would entail, I did not consider it advisable to devote a journey to this distant locality; but, should favourable reports continue to be received, I will take the first opportunity of making a survey of operations in that neighbourhood.

In referring to the subject of the population of this district, I find, in comparing notes which I have from time to time taken in connection therewith, that since river-beach workings ceased to be attractive on account of the increased volume of water upon them, as well as since the cessation of local discoveries of new ground, the previous great fluctuations of the mining population had, until the recent attraction presented in the Province of Canterbury, almost disappeared, and mining operations had assumed an aspect of permanency and settlement which could not be regarded as otherwise than satisfactory.

The rush to the Province of Canterbury however, although depriving us of some of our population, did not cause as great a diminution in this as it did in the other districts; and I found as