

Captain St. George to Tapuaharuru had come into his camp riderless, and that fearing something was wrong he had sent a detachment of the Mounted Division to make inquiry; the absence of these men prevented Lieut.-Colonel Herrick from moving to Henare's assistance immediately on hearing how he was pressed, which he would otherwise have done; as it was, he had to delay until the return of the mounted men. Henare naturally expressed surprise to Lieut.-Colonel Herrick at not having received support more quickly, but on his explaining the cause the Natives were satisfied.

The manner in which Henare and the men under him have behaved deserves some notice from the Government. I enclose copy of a rough sketch made by Henare of his position and that of the enemy, from which it will be seen that he was hard pressed. Te Kooti cut off all Henare's horses, about 120 in number, of which only 40 odd have been recovered by the last accounts. Henare believes he killed eight of the enemy in the two engagements, having five of his own men wounded; only one body of the enemy was however left in possession of our forces, and that is said to be that of an Urewera chief.

On the night of the 17th inst. I received a despatch from Lieut.-Colonel McDonnell, dated Rotoaira, September, stating that he had reached that place on the 12th inst., with a part of the Patea force; that he had scouted in the direction of Tokano, and been fired upon by the enemy who were in possession of that place, by which the only road to South Taupo and Tauranga passed. Lieut.-Colonel McDonnell, who had only some seventy Natives with him, did not feel strong enough to attempt an attack, and consequently confined himself to watching the enemy's movements, and building a pa for the better security of his small force. Lieut.-Colonel McDonnell did not hear the firing at Tauranga during the engagements with Henare; this is accounted for by a southerly wind having been blowing at the time.

A reference to Mr. Heale's map of Taupo will show that a post at Tokano completely holds the road from West to East Taupo; Te Kooti was consequently, as long as he held Tokano, between Lieut.-Colonel McDonnell at Rotoaira, and Lieut.-Colonel Herrick and Henare at Tauranga, and so prevented their joining. This example shows the value of Tokano as a position, and how effectually its possession cuts off all communication between West and East Taupo, whilst Rotoaira commands the road leading towards Upper Wanganui; the possession of these two posts commands, therefore, the communication between Waikato and Upper Wanganui, as well as the East Coast road by South Taupo.

On the 14th Lieut.-Colonel McDonnell was joined by Wirihihana and the remainder of the Patea force, and on that day his scouts also ascertained that the enemy was abandoning Tokano and moving off in the direction of Moerangi, taking with him all the cattle belonging to the South Taupo Natives, and also the horses he had taken from Henare.

On the 18th I received a telegram from Lieut.-Colonel McDonnell, by way of Runanga and Haroto, saying that our forces had joined on the 16th, and were at Tokano, but were intending to move after Te Kooti and endeavour to recover the cattle and horses he had taken off with him. Lieut.-Colonel McDonnell does not state his force but it must have been 500 strong.

I have already sent by telegram to the Hon. the Premier a copy of the instructions I sent to Lieut.-Colonel McDonnell on the evening of the 18th, which the force at his command would, I trust, enable him to carry out. Lieut.-Colonel McDonnell's telegram states that the Natives with him were of opinion that Te Kooti would not attempt to return to Waikato.

The foregoing is, I think, a summary of what has taken place since my last report. I think on the whole the position of things at Taupo is more encouraging than it was at that time, especially as regards the attitude of Waikato. Te Kooti up to the present time has evidently not been supported by either Waikato or Ngatimaniapoto, or he would not have given up Tokano and Rotoaira without a struggle. His force is probably 300 to 400 men, made up of his own followers, the Taupo Hauhaus, and the Urewera. We know they are very short of ammunition; and were it not for the fear of complicating matters with the King party and Waikato, we could speedily give an account of him. As it is he is hemmed in between our forces and Waikato, and from the information received to-day through Dr. Pollen from Waikato (copy of which I sent this day by telegraph to the Hon. Defence Minister), he is doing his best to alienate all sympathy on their part from him. My own opinion is that he has retired to Tuhua, and will in all probability build a pa there and make a stand. Lieut.-Colonel McDonnell will reconnoitre his position with the mounted portion of his force, and endeavour to recover the cattle and horses taken from our allies.

If it could be made plain to the Waikato that our sole object was to secure Te Kooti, they might acquiesce in our advancing into the West Taupo country for that purpose.

If I were advised by you that a forward movement could be undertaken, I should propose to reinforce the present force at Taupo by 100 of the Constabulary now at Runanga before doing so; this could be done at three days' notice at any time. Meanwhile Lieut.-Colonel McDonnell is instructed to erect defensible positions at Rotoaira and Tokano, and to get the Natives to go on planting food at those places.

I have, &c.,

J. D. ORMOND.

The Hon. the Colonial Secretary, Wellington.