Kanieri.

At Kanieri there is a line of morainic hills similar to those worked for gold at Kumara. down-valley slopes of these and the succeeding flat are covered with well-washed river or beach

gravels, that have been to a large extent worked for gold.

The line of morainic hills, extending east along the foot of the range towards the Kanieri Forks, is gold-bearing; the lower gravels passing under the more angular detritus have been the principal gold-bearing bands; claim-working having been pushed forward on the south-east faces of these hills till the less auriferous overlying angular material formed too deep a face for profitable working with the power and appliances at hand.

Commissioner's Flat, lying on this side of the line of morainic hills, formerly yielded a large amount of gold, and is still considered to be very rich in the deeper parts.

The development of mining in this part of the district has been retarded by the lack of a sufficient water-supply, and the low level at which the richer deposits of gold are found on this side of the Hokitika River.

A band of solidly compacted wash crosses the Hokitika a little below the Kanieri Bridge. This contains boulders of considerable size, and these proved an obstacle to the dredging of this deposit in the bed of the river, which was attempted during the past three years, with, however,

not very satisfactory results.

Dredging at the Kanieri was originally started in the channel of the river, with the view of reaching tailings thought to contain gold, and to dredge a line of wash-drift which had been worked to the bank of the river at the place where dredging was commenced. Whether the last of these was the material last operated upon it might be difficult to determine, but, in any case, different means had to be resorted to break or blow up the bottom before the dredge could operate upon it.

It would appear that this band of auriferous wash, crossing the river at and a little below the

bridge, underlies at least the higher part of the morainic hills at back of the township. Immediately on reaching the southern bank of the river the direction of this deposit changes to the southeast, and follows the foot of the high terrace to and beyond the road leading up the terrace-face to

Rimu. Woodstock diggings are therefore on this part of the line.

There are very few miners now working at Kaneri; it almost has the appearance of a deserted diggings, were it not for the number of houses in the township. The miners are scattered about the place in different gullies and flats. Still there appears to be some of the ground at the back of the township that has never been properly worked; also on the lower end of Commissioner's Flat there is still a good area of solid ground. Kane and party have sunk a shaft directly at the back of the township, near the foot of the terrace, where they were pumping the water with a jet-pump to a depth of 6ft. 6in. They have about 200ft. of 7in. wrought-iron pipes, with a hydrulic head of 54ft.; but the quantity of water there is to lift is too much for the size of the pipes that are used, there being too much of the hydraulic head absorbed in friction.

Marks and party have a claim on the lower end of Commissioner's Flat, which they drain with a jet-pump; but they have a hydraulic head of 80ft., and use 1,400ft. of 9in. pipes. This lifts the water 13ft. and works extremely well. There is a considerable area of solid ground where this party is working, and the claim is paying them very well. A little above where they are working very good gold was got in the early days; but as it came down the flat the water became too heavy to contend with. This party has, however, overcome this difficulty, and likely to get well

paid for their labour.

Cadman's Terrace.

A new discovery has recently been made about nine miles up the river from Kanieri, at a place where prospecting operations were carried on for a considerable time by Antonio Zala on behalf of some Hokitika gentlemen for coal at the back of the Gentle Annie Range, facing the Valley of the Kokatabi. The Rimu Miners' Association, who have been doing really good work, sent some men to prospect in this direction. The prospectors' claim is known as Retheivitch or Bancke and party, who have got payable gold. The following are the claims taken up at the time of my visit on the 30th of May last:—

	Name of Party.			Number of in Clai	Depth of Shaft sunk.	Remarks.
Mahary Joyce an McGovar Jones an White an Singer an Cuming a Zala and Sulliyan McQuilla Milligan Kane and	and party d party d party	Y X		4 6 5 6 5 4 5 6 6 5 5 6 5 6 5 6 6 5 6 6 6 6	Ft. 62 65 40 10 34 45 30 54 	Getting gold. Not bottomed. Beat out with water. Sinking. Not commenced to sink. Shaft in tunnel and getting gold. Just started to work. Just started to work.
TI VIIII COLL	Total number	of men	•••	74		