C.—3. 142

ment has yet been made. One can hardly see how this part of the river-bed, which could never be worked before, and very rich deposits of gold both above and below, can fail to have a sufficient quantity of auriferous wash-drifts to recoup the owners for the expenditure they have gone to.

Since Miller Brothers have purchased this property they have gone to considerable expense in constructing shafts with gates at the intake end of the tunnel to regulate the flow of the river in time of floods. In ordinary times, and even when there is a considerable quantity of flood-water in the river, it all passes through this tunnel, which is paved with stone-pitching to act as a gold-saving box. The energy and perseverance that these gentlemen have displayed in combating with the numerous obstacles they met with until they got the first paddock opened are deserving of every success, and it is to be hoped that they will be well rewarded for their enterprise.

Shotover.

There are a considerable number of men working claims on the terraces and banks of the Shotover River; but it is very questionable if many of them are making good wages. Davis Brothers are still working their claim on Stony Creek Terrace, where there is a face of gravel-drift nearly 200ft. high. This claim was said to give good returns a few years ago, but, judging from the character of the drift in the face, there must be a considerable depth of it which contains very little gold, and my impression is that it requires to be very economically worked with a good supply of water to make it yield a fair livelihood. No doubt the Shotover River has flowed through this ground at one time, and rich patches of gold-bearing gravels will be occasionally got, but the great depth of gravel which now overlies the original bed of the river was not deposited by a rapidflowing stream, and very little concentration of the upper gravels has taken place.

It appears from the formation of the country that a large slip has taken place at one time and It appears from the formation of the country that a large slip has taken place at one time and filled up the river-bed in the gorge below Maori Point, and that a great quantity of the gravel on Stony Creek, Pleasant Creek, and Londonderry Terraces was deposited in comparatively still water, the whole of this valley at that time being a lake, until it cut a new channel again through the slip at the gorge, and with the large accumulation of gravel in its original bed the river shifted its course and cut down the present channel. Holding this opinion, it leads me to believe that wherever there is a great depth of alluvial drifts overlying any of the former river-beds the bottom layer of wash-drift

will require to be extremely rich to pay for the expense of removing the top material, which can have but a small quantity of light scaly gold intermixed with it.

Higher up than Stony Creek Terrace Mr. R. Johnston holds a claim on Pleasant Creek Terrace. During the last year he commenced sluicing operations in a new place facing Pleasant Creek, where there is a great depth of gravel overlying the bottom. He has been for many years working on this terrace, and well satisfied with the gold returns he has been getting in the past, but last year, having to open out in a fresh place, with a great depth of gravel in which there is very little gold, the returns have not been so satisfactory as formerly. Some rich deposits of auriferous wash-drift have been worked in this terrace from adit-levels and driving out the ground, and it is considered that the whole of this will yet give remunerative employment by hydraulic sluicing.

Mr. Johnston has a good water-supply, as well as a dam for the storage of water, and, should he

put an efficient hydraulic plant on his claim so as to fully utilise the water to the best advantage, he is likely to have a property that will yield sufficient gold to amply remunerate him for any outlay in

this direction, and a claim which will not be worked out in his life-time.

On the Londonderry Terrace, which adjoins the Pleasant Creek Terrace, Mr. D. Miller has opened out a large cutting, and operated on an immense quantity of material during the last year. The wash-drift in the face of his workings has all the appearance of containing a fair quantity of gold; but from what could be learned with respect to this venture it has so far been very disappointing. There is not nearly the amount of gold in the drift that any one would expect to find by running it away in the wholesale manner Mr. Miller is doing. He has also been carrying on sluicing operations at Burke's Terrace, but the best of his ground here is under the roadway.

This is the property that formers Fellower to the Moody-Davis Syndicate, and was sold by the

This is the property that formerly belonged to the Moody-Davis Syndicate, and was sold by the mortgagee, together with the Arrow Falls property, to Miller Brothers for £3,000, which was at the time considered remarkably cheap. The water-race, pipes, and plant belonging to the claim cost over £10,000. There is a good supply of water at all seasons of the year, and, although belts of ground may be met with containing very little gold, there is good reason to believe that Mr. Miller has a valuable mining property, and the quantity of ground he holds will never be worked, even with a good supply of water, in his life-time.

At Skipper's Point, Aspinal Brothers are still working in the same claim which was worked by

their father for nearly thirty years, and still get a fair quantity of gold when water is available. They have a small water-race from Sawyers' Creek, but this stream is dry in fine weather. The only supply of water which commands the ground is that of Mr. Miller's, and he offered at one time to work out this claim on getting a certain percentage of the gold; but no satisfactory arrangement could be come to in reference to this. With the small supply of water Aspinal Brothers have it

may take them some years yet to work out their claim.

There are still a good number of men working on the terraces and the banks of the river above the sandhills on the Upper Shotover and its branches, some of whom are doing very well. There is a very nice sample of gold got here, it being all of a coarse shotty character, containing but little of the scaly gold that is found lower down the river. On every terrace where there is alluvial wash-drift it will pay to work with a sufficient supply of water to carry on hydraulic-sluicing operations. These terraces are nothing but the old beds of the river where it had flowed at some very remote period; but many thousands of years have passed since then, as can be seen from the great depth of solid rock that has been cut away to admit of it flowing at its present level. The cutting and scouring action of rivers is scarcely noticeable in a life-time, and when one sees the river now flowing in a depression fully 700ft. below its original bed, and a hard