

Reserves.—I would recommend a village reserve of 100 acres at the south side of the harbor, the frontage commencing at Observation Spot, running in a westerly direction to the west end of the third beach, as per sketch. This is a beautiful site for a village, perfectly sheltered, having a northern aspect, with gently sloping lands to bright sandy beaches, at which boats can land in any state of the tide. I would also recommend a reserve, for a pilot station, of 30 acres at the north-east end of Surf Head.

The Land along the coast from Lord's Harbor to Seal Point is flat, and for some distance inland may be described as undulating rather than hilly, and covered with low scrub.

The Toetoes boat harbor being the only safe one between the two points, a small landing reserve of 40 acres ought to be made.

PORT PEGASUS.—Seventeen miles to the southward of Lord's River is aptly termed by Captain Stokes, a "noble port." Lying parallel with the coast, it is of sufficient capacity to hold a fleet. The three ship channels render it easy of entrance, particularly "Broad Passage," while there is a good boat passage between Anchorage and Noble Islands. It abounds in nooks and coves, both in the north and south arms, where the depth of water will permit small craft to anchor close in-shore.

The Land is good, though its general character is steep, and is densely timbered with thick undergrowth. There is an abundance of flax here, which is not noticeable in most of the other harbors. At the back of Seal Creek—a deep inlet running in a northerly and easterly direction from the main harbor—of Evening and Shipbuilder's Coves, and to the north-east of Sylvan Cove, the hills are bare and stony. If there is any gold to be found on the Island, I would imagine the gullies at the foot of these hills to be the most likely places to reward the search for it.

Timber here has a luxuriance of growth superior to any other part of the Island, and is admirably adapted for ship building purposes. Spars for vessels, could be obtained in quantity, and with little difficulty; cut on the sides of the steep hill, they could with ease be rolled to the water's edge. It consists of red, black, and white pines, and the usual iron wood. There are numerous coves well adapted for ship-building yards; and the appliances, so far as timber is concerned, can be procured with facility of the best quality, and unlimited as regards supply.

Wild Fowl are tolerably plentiful, and wood hens abound. Here, for the first time, I saw a pretty little bird called the Jack, with red wattles and burnished red feathers on the back and wings. This bird is, I understand, peculiar to the southern part of the Island. Its note is melodious, nearly equal to that of the tui, or parson bird. Fish of every description are abundant, as also shell-fish.

The Scenery is exceedingly picturesque, and in some parts, particularly the South Arm, assumes features of grandeur from the remarkable bare granite cones, which, though in reality on the shores of the West Coast, are seen for the first time from the east side on entering the harbor.

Reserves—I would recommend a township reserve of 150 acres Observation Cove, Acheron Anchorage. This is opposite the safest anchoring ground in the Port. One of 100 acres at Sylvan Cove; one of 50 acres at Fright Cove; and one (for a lighthouse) of 40 acres at Smooth Point, Pearl Island.

SMALL CRAFT RETREAT, or "Charley's Cove," as it is locally termed, is a convenient place of refuge for small vessels, and is, I believe, not unfrequently used as such.

Reserve.—A small reserve of 50 acres should be made at the south-east end, where a creek of fresh water runs into it.

WILSON BAY, four miles southward of Port Pegasus, is, in reality, a deep indentation, very exposed to easterly, southerly, and north-westerly winds, which create a considerable sea inside, rendering it unsafe anchorage for vessels, of size; though Burial, or Archie's Cove, affords good shelter for small craft.

The Land, though in some places tolerable, begins to show evidence of inferiority, there being no depth of soil, and the hills steep.

Timber of size there is none; the hills being covered with scrub, principally moritikon. Wild fowl seem scarce as also fish. This bay was at one time a great rendezvous for whalers and sealers, when a small village existed, of which no vestige remains.

Reserve—A village reserve of 80 acres, as per sketch.

FLOUR CASK, as it is locally termed, is a small bay running north and south, being the nearest indentation to the South-west Cape—Stewart's Point forms its south head. There is a safe and snug retreat for small craft on the west side, as I had occasion to experience.

The Land is steep and poor, covered with low scrub.

Timber—none. This bay is frequented by sealers in the season, there being a seal rookery at the South-west Cape, to which there is a track overland from this bight. Fish are plentiful at certain seasons.

Reserve.—I would recommend a reserve of 50 acres round the boat harbor, as per sketch.

YANKEE RIVER.—Rounding the South-west Cape, the nearest indentation of any importance as a harbor of refuge, is that locality known as Yankee River—a small but snug harbor for small craft up