

ground on the side of the range is loose, and even the schistose rock contains many fissures, so that it would be found in many cases cheaper to convey the water in wooden fluming and iron pipes than to construct open conduits. All the tributaries of the Molyneux River from Alexandra to the Beaumont are taken up in water-rights, and possibly the day may come when water will be lifted from Manuherikia River near Ophir. This seems to be the only large supply in the district not utilised that could be brought on to the side of the ranges at a high elevation, but such a scheme would involve a large amount of capital, and a company constructing works to bring a supply from this source would require to secure a large area of ground to ever recoup them for the outlay.

Island Block Company.—This is an English company which made arrangements with Mr. Joseph Clarke, of Victoria, the proprietor of the ground the company now holds, to allow them to work five miles of the valley, which, no doubt, had at one time been the bed of the Molyneux River. This ground had for years previous to its purchase been considered highly auriferous, but the amount of capital required, and the question of the method of working was a problem not easily solved. It was only after Mr. Perry commenced working the tailings in Gabriel's Gully that it dawned on people that the low flats containing auriferous drifts could be worked to advantage, and the ground drained, if a sufficient supply of water could be got at a high elevation. When the scheme of working this ground was first mooted in the colony, it was not expected that sufficient capital could be raised to bring the works to a successful issue, but now this is an accomplished fact. Sometimes this company is said to get from 700oz. to 800oz. of gold a month.

There is one of the best hydraulic plants erected on this claim existing in the colony. Indeed, as far as the steel pipes are concerned, there are no others in use equal to them. They are manufactured of steel from $\frac{1}{4}$ in. to $\frac{3}{8}$ in. in thickness, and have all lap-welded joints. There is a good supply of water in moderately fine weather, but in a dry season, such as the last one, the supply is not sufficient to carry on operations to the best advantage. There are four hydraulic elevators on the ground, and all the appliances are of the most improved description. Annexed are sectional plans showing the improvements made at the bottom of the elevating-pipe, with liner, &c., designed by Mr. Rene Proust, the company's engineer.

The Island Block Extended Company.—The name of this company is misleading, as it has nothing to do with the Island Block Company on the opposite side of the river. Their claim is situated on the Miller's Flat side of the river, a little above the bend at the head of the Island Block. The company have commenced working at the side of the river, but have not yet got down to the bed-rock. The operations were suspended for a long time owing to the company being heavily involved in money matters, and differences of opinion existing amongst the directors and shareholders as to the course to proceed. These have now been arranged, and operations have been recently resumed. Before suspending operations a paddock was worked, having a surface of about 60ft. square, sloping on all sides to a very narrow space on the bottom, but it never got down on the bed-rock; nevertheless, 50oz. of gold was obtained, which shows that the claim is likely to become a valuable one. A fair supply of water has been brought in from the Menzionburn by an open conduit for a distance of six miles, at an elevation of 801ft. above the level of the claim, the water is conveyed from the conduit to the claim by 78 chains of either iron or steel pipes. The company has gone to a large expenditure in bringing in the water-supply, and placing a hydraulic plant on the claim with this head of water. The material can be lifted, if required, to a height of at least 80ft.

Hercules No. 2 Company.—This company purchased part of the ground belonging to the United Hercules Company, having only recently got their plant completed and in working-order. The first few weeks' washing gave a yield of 36oz. of gold. This was obtained from the upper drift-wash. None of the bottom has yet been cleaned up.

United Hercules Company.—This company had several drawbacks to contend with last year. They are working near the side of the Molyneux River, which was in flood for a certain time, causing a heavy drainage in their paddock, which is considerably below the level of water in the river, and during last summer the dry season affected their supply of water. They commenced sluicing operations in November, 1889, and up to May last have obtained gold to the value of about £12,000, out of which £4,800 has been paid in dividends. The expenditure on plant and claim has been about £6,000, so that the shareholders have had 16s. returned within two years for every £1 expended, or 40 per cent. per annum on the outlay. This shows that mining properties in this locality are worth investing in. Since the beginning of the present year operations had to be suspended for a considerable time, owing to the river being flooded and other causes, so that comparatively little work has been done. Gold to the value of only £1,634 has been obtained, but the company are now in a fair way to commence paying dividends again. They lift the water from the Teviot River, and have at their claim 450ft. of head. So far as the workings extend out into the flat, there seems to be little if any diminution in the yield of gold, hopes being held out that the auriferous drift will extend back to the foot of the steep range.

The next flat down on the same side of the river as the United Hercules Company's ground is a very extensive one, and has never yet been prospected beyond sluicing on the banks of the river. From the appearance of this flat it is evident that the river has at one time flowed through different portions of it, and therefore there is every reason to believe that rich runs of gold will be found here. However, most, if not all, of it is private property, and some of the ground is cultivated, but if once proved to contain good gold there is no doubt that the whole of it will be worked. The only difficulty there is in the way of this being done is getting a supply of water, as all the available streams on that side of the river are taken up and utilised.

Roxburgh Amalgamated Company.—About two years ago this company purchased the claims known as Waight and party and Anderson and party, who had been working for many years on the bank of the Molyneux River, opposite the township of Roxburgh. They also took up a special claim at the back, further into the flat than where these and other parties held claims, and now they hold