

my visit to this district were said to be making from £10 to £20 per week; but, be that as it may, Mr. Jenkins, although not giving the actual returns from his claim, stated that the claim was a very good one. His party's claim is in shallow ground, on the lower side of the road leading up from Arrowtown; but as the claims extend backward into the terrace some of the ground will be very deep and more difficult to work, requiring to be either driven from shafts or adits. The number of men that it will give remunerative employment to fully justifies the determination of this leasehold, which had only about two-and-a-half years to run, and it being held under the Mining Act of 1886, the holder has no claim to be entitled to purchase.

*Shotover.*

There are very large areas of auriferous drifts in the valley of the Shotover and on the side of the terraces. Some of these drifts show that the bed of the Shotover River has been at a much higher elevation than it is at the present time. Old river-channels can be seen fully 700ft. above the present bed of the river. In the valley itself the auriferous drifts are in some instances over 250ft. in depth, as is the case in Davis Brothers' claim, which continues to give handsome returns for working. Indeed, there is scarcely any drift-terrace in the valley of the Shotover but would pay well for working if there was a good supply of water; but it is such a rugged and broken country that the construction of water-races capable of conveying a large supply would be an extremely costly undertaking. The supply of water is also very limited except it were taken from the Shotover River, and the length of a water-race from this source would be so costly as to prohibit any private party undertaking its construction. No doubt the time will come when strong companies will undertake large works of this character; but before such will be done large areas of ground will have to be secured to them to justify the expenditure. There are very few places in the vicinity of the Shotover, Arrow, Kawarau, and Clutha Rivers, wherever there are alluvial drifts, but would pay for working with a good supply of water.

*Davis and Moody's Claim.*—Sluicing was commenced on the 12th October last, and carried on for twenty-seven days, when the principal gentlemen from Melbourne who are connected with this claim came over to see their property; and in order to give them some idea of the value of the ground, a washing-up took place, and they were well satisfied with the result. During the twenty-seven days sluicing operations were carried on, the foreman of the works informed me that he ran away a block of ground, the measurement of which was as follows: 20yds. by 60yds. by 26yds., which is equal to 31,200 cubic yards of material, or 1,155½ cubic yards a day. If the working had been carried on continuously, this would be equal on an average of about 48 cubic yards per hour. There is every facility for running away a large quantity of wash-drift in this claim, as they have opened out near the side of the river at a considerable distance above its bed. The greatest difficulty will be the saving of the gold with the short line of sluices they adopt.

The water-race is cut along the siding of the steep range on the Shotover side of Skipper's Creek; portions of it are continually slipping down and giving a great deal of trouble; a considerable length of piping has already been used, instead of allowing the water to flow in the ditch; and the gentleman in charge of the work informed me that he expects to have an additional 14 chains of pipes yet to lay down. At the time of my visit, Mr. Miller, the manager, was absent in Melbourne, so that the gentleman left in charge did not like to give me any information as to the value of the ground, or what it would be likely to yield in gold per cubic yard; but he assured me it was highly payable. The utmost carrying capacity of the water-race, owing to the ground gradually slipping and altering the level of the ditch, is said to be only ten sluice-heads, whereas if an uniform level could have been maintained as laid out, on a gradient of 1 in 660, its carrying capacity should have been about thirteen sluice-heads, that is allowing that the level of the water does not come within 3in. of the top of the lower side of the ditch, its dimensions being 2ft. 6in. wide in the bottom, 3ft. 6in. on the top, and 3ft. deep.

At the time of my previous visit Mr. Miller contemplated extending the water-race on to Londonderry Terrace; but nothing has yet been done towards this. Indeed the whole of the water the race can convey is required on one face, so that until the ground is worked on Burke's Terrace, where the present sluicing operations are being carried on, it will be of little use to extend the water-race at the present time. The Melbourne syndicate, to which this property belongs, is so well satisfied with the results of this claim that they have taken up another one at Moke Creek, and intend constructing a water-race to lift the water out of Dead-horse Creek, and to ultimately extend the race to Moonlight Creek. The gentleman in charge of the works informed me that the ground in this locality is similar to that they are at present working.

*R. Johnstone's Claim.*—The returns from this claim have been very good this season, as he has had a plentiful supply of water. The ground here must be rich to pay good wages with the hydraulic-plant Mr. Johnstone uses. A good portion of his water is allowed to flow over the face, and the balance is taken in a canvas-hose, to which is attached the breaking-down nozzle. As portion of Mr. Johnstone's claim is very deep ground, it will take a longer period than he is likely to live to work it out at the same rate that the workings have been progressing the last twelve years.

*Davis Brothers' Claim.*—This claim still continues to give handsome returns for working. They have a good hydraulic plant, and a plentiful supply of water in anything like an ordinary season. It is, however, possible that in course of time the tailings may become troublesome, as the quantity continually being sluiced into the river will in time raise its bed, and, as there is a very deep gut through this claim, it will no doubt necessitate their tail-race being carried on a very low gradient.

*Aspenal's Claim.*—There being a fair supply of water this season, sluicing operations have been pretty steadily carried on, and the result has been a good yield of gold. This claim is said to yield about 2oz. of gold an hour when six sluice-heads of water is available.