C.—3.

site was found in the Aorere River for the erection of a small jetty, from which the timber is conveyed across the river in a punt, and from thence will be taken to the ranges by means of a tram-line, which is being constructed for a distance of nearly four miles, and has now almost neared completion. The site of the sawmill has been chosen with due regard to the saving of manual labour, the greatest disadvantage being its distance from a seaport and the consequent extra expense of food-supplies for the bullocks and horses employed about the mill, of which there are twelve of the former and three of the latter. From the mill the timber is taken by means of a tram-line to the river-edge, about 20 chant, where it is deposited into a large punt (constructed on the spot) capable of carrying over 10,000 ft. per day, and from thence is conveyed to the opposite bank, where also a good landing-place has been provided by Nature. From here commences the tram-line, which is constructed in the ordinary manner with sleepers, wooden rails, and well ballasted. For the first mile or so the tram-line runs through bush country, from whence it opens out into pakihi lands, over which it continues its course right to the Quartz Ranges, attaining an altitude of over 1,200 ft. in about four miles in which the steepest grade obtained (and that for only a short distance) is 1 in 7 the four miles, in which the steepest grade obtained (and that for only a short distance) is 1 in 7, the average grade being 1 in 16. It is intended that the timber shall be taken over this tram-line to the race-line by means of horses and trucks, and the trucks will be run down again by brakes specially constructed for speed and safety. It is estimated that by the securing of the valuable timber lands, purchase of milling-plant, and construction of this tram-line, the cost of the necessary timber will be reduced to about one-sixth of the expected cost under the original scheme proposed, a circumstance which has removed one of the greatest obstacles in the way of ultimate success. Almost simultaneously with the carrying-out of the above preliminary works, Mr. Mace has also pushed forward the benching of the water-race, of which up to the present nearly one mile has been completed. The construction of the race will prove a work of some magnitude, traversing as it does some of the most broken and mountainous country in the district, and the continuity of the race is broken at frequent intervals by deep ravines and gorgy creeks, which will all require bridging, timber for which is being squared on the ground. The engineering difficulties are, however, not by any means insurmountable, and under efficient management the work is progressing rapidly. The dimensions of the race, which will be over four miles long, are: 6 ft. wide at top, 4 ft. 6 in. at bottom, and 3 ft. 8 in. deep; while the flume is 4 ft. wide and 3 ft. 3 in. deep. The race will have a fall of 3 in. to every 100 ft., and the flume 6 in. to every 100 ft. The carrying-capacity of this structure will be fifty Government heads of water—i.e., the volume of water which can be discharged therefore equals 19 500 callons per minute—which magnificent samply it is entisineted charged therefrom equals 19,500 gallons per minute—which magnificent supply, it is anticipated, will be obtainable in the Boulder River and Boulder Lake; and for the further conservation of the supply it is also proposed to construct a dam at the mouth of the lake—an already valuable and extensive sheet of water, of an average depth of 16 ft., and 105 acres in extent—by which the volume of the precious fluid will be almost doubled. When consummated, this water-supply scheme could be made to command thousands of acres of rich alluvial country for many miles around, which only require such a water scheme to develop them into payable ventures. In addition to the saving effected in the cost of timber as already enumerated, it has been discovered in the the saving effected in the cost of timber as already enumerated, it has been discovered in the benching of the race that the nature of the country traversed by the race is such that in the construction much of the fluming can be dispensed with, and open race substituted: thus a considerably less quantity of timber will be required than formerly estimated. The collective advantages thus obtained have reduced the probable cost of carrying the whole project to an actual working-point to quite one-half of the lowest estimate originally ventured upon by the most sanguine, and the management now consider the work will be carried out at much less than their own estimate. The hydraulic plant required by the company in their sluicing operations, which will be considerable, is to be obtained from Dunedin, and the contract for supply is already in hand, the plans and specifications having been prepared by Mr. Mace on the ground, so that every portion of the works will go forward together. Mr. Mace anticipates that, if no great unforeseen obstacles arise, the race will be completed and the hydraulic plant erected and in full working-order early in next year; but, of course, a great deal depends on the weather in such an inhospitable locality. Although the Quartz Ranges, practically the whole of which the company holds, has long been considered one of the most promising alluvial fields in the colony, and this opinion has always been amply verified by the large yields of heavy gold which have been obtained there for over a quarter of a century by the most primitive methods of mining, the management wisely took the precaution to systematically prospect their property for themselves, which work Mr. Mace has recently had done by practical miners, who were employed in sluicing and prospecting in various portions of the property. The results of these operations are reported to have been very satisfactory, and appear to have placed the ultimate prosperity of the venture beyond the problematical stage, especially in the face of the very much reduced cost of its development. At present the company employs about sixty workmen, distributed over its several centres of operation. Mr. Mace is in full charge, and has proved himself a really practical, energetic, and capable officer."

Motueka District.

Wangapeka, Sherry, and Baton.—Some thirty men are employed in these subdistricts, and are earning fair wages. The special claims applied for in the Mount Arthur district have not been taken up.

WEST COAST.

Westport District.

Addison's Flat (Halligan and party).—Six men are employed here opening up a new face near the Charleston Road, from which a shaft is sunk connecting with the tail-race. The plant in connection with the tramway water-balance is in effective condition.