

This claim (100 acres) was first taken up by a party of miners residing on the Waiho, but being unable to bring in the water themselves they placed it under option to Philip Perry, Esq., who floated the company in London—capital, £24,000, in 24,000 shares. On his return, he at once had a survey made, plans and specifications were prepared, and an estimate made of the cost of bringing in thirty Government heads of water from the Totara River, and tenders called for the work. The tender of Robert Wylde was accepted, and the work was put in hand forthwith. The length of the race is a mile and three quarters. At the inlet end 20 chains was through very hard country rock, the cost per foot being from £1 1s. to £3. The tunnel is constructed to carry 100 head of water. The water is conveyed from the tunnel in 30 in. iron pipes, 110 chains long, the guaranteed carrying capacity of the pipes being thirty Government heads. This is, I understand, being considerably exceeded in actual delivery at the nozzles. They are now working under a 220 ft. head. The pipes were made on the claim, the average cost per foot being 10s. There are only 15 chains of ditching; cost per chain, £8. At present there is only one giant-nozzle in use, but a second will be put on whenever they have opened out sufficiently and the water can be used to advantage. They are only running one shift, and the tailings are being discharged into the Waiho River. The first clean-up will not fairly test the claim, as a good deal of dead-work has to be done before the water can be used to the best advantage. All parties are very hopeful of the results, as gold has been found at various levels, right up to the pipe-line. The work was completed and the water turned on on the 29th April, the total cost being close on £7,500. The contractor (Wylde) and the subcontractors, (McBeath and Reynolds) deserve the greatest credit for the manner in which the contract was carried out, when the difficulties of transit of material were so great. Owing to the unfortunate wreck of the s.s. "Waipara" at Okarito, and the condition of the roads, the extreme hardness of the rock in the tunnel, and the difficulty experienced in getting men who knew how to deal with it, the time-limit was considerably overrun, but I understand Mr. Perry was so well pleased with the manner in which the work was carried out that he will not enforce the penalty. Plans and specifications were furnished by J. C. Macfarlane, C.E., engineer for the company, under whose superintendence the work was successfully carried out.

On the river flat, immediately below the Waiho Company's claim, a 50-acre claim has been taken up by an English company, and is now being carefully prospected preparatory to a suitable method of working the claim being decided on. A prospecting license has also been taken out to prove the gravels in the lower reaches of the Waiho for dredging purposes, and, if the results are favourable, a dredge will be put on as soon as it can be obtained. The usual number of men are at work on the banks and bed, where, when the river is low, they make fair wages. A store and an accommodation-house is now on the ground to meet the wants of the increased number of men connected with the large claims, in addition to the ordinary residents. The Government have also erected a comfortable iron house near the terminal face of the Franz Joseph Glacier for the use of parties visiting this celebrated glacier, and who choose to provide themselves with the necessary equipment for camping in close proximity thereto. There is a good footbridge over the Waiho, and an hour's walk will take you to the terminal face of the most beautiful glacier in New Zealand. The road to the Waiho is fairly good for horse and foot-traffic, but will require considerable expenditure before it is fit for wheeled vehicles. The journey from Hokitika can be done in three days, or less, on horseback or bicycle.

A few men are still at work on Lake Mapourika, but here, as elsewhere, a larger supply of water is wanted before much good can be done; this can be obtained from McDonald Creek, but capital is required to profitably develop this field. One party is on payable gold in the terrace, about half way between the lake and the Forks, but, so far, they are the only ones who have obtained payable prospects. Nothing is doing on the Three- and Four-mile beaches, but, about twelve miles south of Okarito, at the Waikupakupa River and Sandfly Beach, a dredging option was given by the owners of a special claim to a Melbourne syndicate, to work the river and beach. Steps were at once taken by the syndicate to prove the value of the ground. This has been done in a thorough and satisfactory manner, and they are now making arrangements for working this beach by dredging. This is a well-known beach, and for the last few years has yielded large returns in gold to what are known as "beach-combers" on the sea-face of the beach. The large quantities of material that can be dealt with by an up-to-date bucket-dredge will no doubt yield a handsome profit to the company undertaking the work. The name of the syndicate is the "Waikupakupa," and is composed of some of the best mining men in Melbourne, and, should this venture prove a success, they are quite prepared to go largely into similar undertakings on the coast. Gillespie's Beach is held by an English company, but they have not yet decided on the kind of plant to work this claim. It seems the directors at Home favour the ball dredge (suction), and, but for the adverse opinion of Mr. Perry, the managing director, and others here, which was cabled Home, a dredge of that type would now be on the way out. This, of course, has hindered matters very much, but our experiences of suction-dredges in this colony have been so unsatisfactory that it would be madness to go in the face of such absolute proofs of failure in every instance when they were tried in mining claims, including seventeen different localities, five of them being on the West Coast. The difficulty of dealing with our beaches is less in connection with the lifting of the material and the pumping of the water than with the disposal of the sand after leaving the screens. In Otago, in river-dredging the whole of the appliances are carried on the hull of the dredge, and the Otago engineers seem to think that any departure from their present methods of dealing with the material dredged would be against their success. In dealing with our beaches, largely composed as they are of grey and black sand, a stable foundation for the tables is an absolute necessity, with a spread of table, say, 120 ft. in cross-section to deal with 50 tons per hour. This can never be obtained on a moving dredge. Methods other than those obtaining in Otago must be applied to our beaches, and it must be left to the skill of our engineers to get over the difficulties, if difficulties exist, which, to my mind, are more apparent than real.