5. At the time when it was decided to detain the Highlanders the regiment was already on board the "Bancoora." This was on Saturday night, and their disembarkation on Sunday must have had a very puzzling effect upon the officials of the Canal Company and others who were interested in our movements. It must also have had the happy effect of qualifying any reports that may have reached the rebels that our troops were about to enter the Canal.

6. On Sunday morning, at daylight, 400 Highlanders, under Colonel Stockwell, were disembarked from the transport, and marched eight miles in the direction of Chalouf, to make a feint attack in our front. Brigadier-General Tanner, C.B., accompanied this force, and at the same time I sent my Flag Captain, Captain A. P. Hastings, in the "Seagull," with the "Mosquito" in company, and 200 of the Seaforth Highlanders to Chalouf by the Maritime Canal.

7. The party under Colonel Stockwell returned to Suez at about four P.M. without having touched the enemy; but later in the day Captain Hastings returned in a steam pinnace to report very successful operations from the gun vessels. It appears that the first that was seen of the enemy along the canal was a small cavalry patrol about three miles this side of Chalouf, and on arrival at Chalouf his presence in force was only discovered by a few heads appearing over the railway embankment on the other side of the Sweet Water Canal, this embankment forming a natural entrenchment behind which it was afterwards discovered there were some 600 infantry ready to resist our advance. These men were extremely well armed and accoutred, and had a plentiful supply of ammunition with them.

8. The manner in which the position was taken reflects the highest credit on Captain Hastings, and I recommed him to your favourable notice.

and I recommed him to your favourable notice. 9. The coolness and dash of the Highlanders, and the excellent fire from the ships' tops seem to have been the chief causes of success, and the conduct of all concerned appears to have been in every way creditable.

10. I consider that credit must be given to Lieutenant-Colonel Helsham Jones, R.E., for the fact of there now being fresh water at Suez. Opening the lock gates above the point occupied kept the canal below full notwithstanding the waste that took place through a breach made by the enemy in the banks of the canal, which has since however, been repaired by a company of the Madras Sappers.

11. I am in hopes that the action taken at Chalouf will do much to secure the safety of the canal, and as the Indian forces are now fast arriving, the Highlanders will go to Serapeum to-morrow.

12. I beg to recommend to your favourable notice the officers mentioned by Captain Hastings in the accompanying letter.

> I have, &c., W. HEWETT, Rear-Admiral, and Commander-in-Chief on the East Indies Station.

Admiral Sir F. Beauchamp Seymour, G.C.B., Commander-in-Chief in the Mediterranean.

H.M.S. "Seagull," at Chalouf, SIR, August 20, 1882. I HAVE the honour to submit the following report of my proceedings in command of the force

Β2

(as per margin\*) despatched this day from Suez to secure the Freshwater Lock at Chalouf.

2. On my arrival off the place, which is distant 15 miles from Suez, on the west bank of the Maritime Canal, there were at first but few signs of the enemy's presence; there was no camp visible, and the first indication we saw of him was a few men's heads showing over the embankment of the railway on the other side of the Sweet Water canal which lay between us and the position the enemy occupied. This embankment, forming as it did a natural entrenchment, concealed a force of about 600 Infantry, and in the distance we saw from 40 to 50 Cavalry patrolling in the direction of Suez.

3. I first landed the Highlanders and the landing parties of the "Seagull" and "Mosquito" without field guns, and then opened fire from the tops of the ships, which were armed as follows :---

"Mosquito," in fore-top-a Gatling gun.

For some time there was no reply to our fire, but presently we got a volley from the left which left no doubt as to the enemy's position.

Previous to this Captain Lendrum had occupied the lock with G. Company of the Seaforth Highlanders, and Lieutenant-Colonel H. Helsham Jones, R.E., to whom I am much indebted for his valuable advice and assistance throughout the day, finding the gates open, closed them, and so kept the Suez end of the canal full of water. Had this not been done it is needless to say that the canal would have soon emptied itself.

Major Garnett's company and the men of the "Mosquito" now searched the village between the Freshwater and Maritime Canals, where the firing was coming from, the advance of this party being protected by the small arm companies of the "Seagull," and the remaining companies of the Highlanders, under Brevet-Major Fergusson and Captain Hughes-Hallett.

Previous to this the skiff of the "Mosquito" had been transported to the Freshwater Canal, and I sent Lieutenant E. Rac, of H.M.S. "Seagull," to the opposite bank in her to examine the enemy's movements.

By this time Major Garnett had passed the village, which was found to be deserted, and had pushed his men across the canal by means of **a** boat obtained by Lieutenant H. G. Lang, of the Highlanders, who in a very plucky manner swam the canal, and in the face of a hot fire procured it from under the opposite embankment.

Sub-Lieutenant W. O. Story and the men of the "Mosquito" accompanied the Highlanders, and the fire from this party and from the machine guns of the ships was now so hot that the enemy was soon dislodged from his position.

Another boat having been procured by Assistant Paymaster Thos. R. B. Rogers, of H.M.S. "Seagull," from the lock end of the canal, the remainder of the ships' landing parties and Highlanders were likewise crossed over the water, and the enemy was soon in full retreat. Lieutenant-Colonel Jones, R.E., accompanied me with this party.

Some of the fugitives took the line of the railway, others went straight into the desert, while a few fled to a hill to the rear of their line where they were eventually surrounded by Captain Hughes Hallett, and made prisoners of.

At this point was captured a 7-pr. brass field

\* H.M.S. "Scagull," Commander Mather Byles; H.M.S. "Mosquito," Lieutenant and Commander the Honourable F. R. Sandilands; and 200 Seaforth Highlanders, commanded by Major Kelsey.