The shareholders will be asked at the forthcoming meeting to vote on these propositions, and, in the event of carrying a resolution involving the continuation of the work, to provide the necessary ways and means.

Will you kindly sign the enclosed proxy-form, indicating by letter for which of the three alternatives you wish your proxy used. If for No. 1, please state how many shares you are willing to apply for. By order. C. D. MORPETH, Secretary.

The Mokihinui Coal Company (Limited), Westport, County of Buller, Nelson Province, New Zealand. Head office: Wellington. Capital: £50,000, in 50,000 shares at £1 each. Directors: Thomas Gale, Esq., Chairman; John Barton, Esq., Edward Seagar, Esq., Robert Sloan, Esq., T. Roskruge, Esq., Martin Chapman, Esq., James Colvin, Esq.

ANNUAL REPORT.

To the shareholders of the Mokihinui Coal Company (Limited).

THE directors beg to present to the shareholders their annual report and balance-sheet for the year ended 31st December, 1897.

The mine has not been worked during the year at all, owing to the insufficiency of capital necessary to further prospect and open up the Hut Seam. The directors, acting on the resolution passed by you at the last annual general meeting, placed the mine under offer last May on very favourable terms to a gentleman on the point of starting for London. He undertook to endeavour to form a company in London to buy the property, but no word has as yet been received from him indicating that he has been successful.

The expenses have been kept at a very low point during the year, a caretaker at the mine, who superintends the running of the pump in order to keep the mine free from water, being the only other employé besides the secretary.

The business to be brought before the annual meeting is shown in the accompanying notice.

Proxies must be lodged at the company's office seventy-two hours before the time of meeting.

C. D. MORPETH, Secretary.

RECEIPTS AND EXPENDITURE FROM 1ST JANUARY, 1897, TO 31ST DECEMBER, 1897.

1897.	*Receipts.*	£	s.	d.	1897.	*Expenditure.*	£	s.	d.
	To Coal sales (net)	322	5	5	Jan. 1.	By Bank balance, *Dr.*, 31st December, 1896	44	13	7
	Calls	304	16	5		Haulage	74	1	8
	Sundry debtors	1	14	7		Wages and salaries	211	18	2
	Receiver-General's Deposit Account	55	0	0		Income-tax (on debentures) ..	13	4	0
	Sale of iron	4	19	9		Mine and plant	168	17	7
	Transfer fees	0	2	6		Advertising, printing, and stationery	6	11	6
						Legal expenses	50	0	0
						Stores	36	18	10
						Sundry creditors	16	15	0
						Miscellaneous expenses	51	9	6
						Interest on overdraft	0	12	7
						Balance at bank	13	16	3
		£688	18	8			£688	18	8

PROFIT AND LOSS ACCOUNT.

1897.		£	s.	d.	1897.		£	s.	d.
Jan. 1.	To Balance	19,951	14	8	Dec. 31.	By Mine receipts	5	0	0
Dec. 31.	To Rates	58	12	4		Transfer fees	0	2	6
	Interest	0	12	7		Interest on overdue calls ..	35	16	4
	Advertising, printing, and stationery	3	18	6		Balance	20,865	4	3
	Miscellaneous expenses ..	31	14	2					
	Rents and royalties	407	10	0					
	Salaries	40	18	4					
	Wages	226	10	10					
	Haulage on coal	74	1	8					
	Directors' fees	100	0	0					
	Auditors' fees	10	10	0					
		£20,906	3	1			£20,906	3	1

BALANCE-SHEET, 31ST DECEMBER, 1897.

Liabilities.	£	s.	d.	£	s.	d.	*Assets.*	£	s.	d.
Capital: 50,000 shares at £1	50,000	0	0				Mine and plant*	24,560	13	3
Called up: 42,400 shares at 19s. 9d.	41,870	0	0				Machinery s.s. "Lawrence"	298	0	0
Less calls unpaid ..	288	9	7				Sundry debtors	200	1	9
				41,581	10	5	Plant on hulk "Omega"	13	16	0
Sundry creditors				4,406	18	4	Office furniture	36	17	3
							Bank of New Zealand	13	16	3
							Balance Profit and Loss Account ..	20,865	4	3
				£45,988	8	9		£45,988	8	9

* Mine and plant is set down at book-value.

C. D. MORPETH, Secretary.