DAYS WORKED.

An increase in the number of working-days is shown for the year, 250½ days worked as against

244½, which gives an average of 4.8 days per week.

The miners' daily average for the year was 16s. 6d., being an increase of 4d, per day over the pre-

ceding year.

The number of men and boys ordinarily employed in and about the mine throughout the year was 110.

There were no accidents of any serious nature to report.

The only addition during the year has been fifty new steel tubs, and the installation of a fire-equipment service about the bins, engine-house, and workshops.

The Sirocco fan, as mentioned in the previous annual report, for ventilating the New Area, has continued to run well during the year, the ventilation results obtained being satisfactory throughout.

General repairs have been carried out to the coal-screening plant, main-haulage boiler, and one boiler at the ventilating shaft. The plant in and about the mine is now in an efficient state of repair.

UNDERGROUND WORKINGS.

The work chiefly done has been the winning of coal from the New Area. The coal won has been of good quality, as instanced by the output, which was greatly increased over the previous year.

The small area of 10 acres which was tapped through a fault in the West section has yielded very good coal: although not having been worked continually for the year, the quantity won was 9,600 tons, and it is giving promise of lasting some time vet.

The balance of the output was won from the Bridge section, south of Chasm Creek, which con-

tained only a few corners of hard coal which were left on the abandonment of it.

No standing pillars of coal were extracted, there being plenty of suitable coal in the solid to meet the requirements of the trade.

The production per miner per shift for the year is 6.35 tons, as against 6.21 tons, thus showing that the seam worked possesses its usual freedom for "getting."

FUTURE PROSPECTS AND DEVELOPMENTS.

In view of the near exhaustion of the present workings, an area of country has been attached to the present reserve extending right to the Ngakawau River, embracing an area of 3,821 acres. Charming Creek, a slow-running stream, runs practically through the centre of it, and from this the area has been designated the "Charming Creek Area."

This portion of country has never been geologically surveyed, but now that special surface examinations have been completed it is evident that it is an area of great promise, and requires to be thoroughly tested by boring. A site was selected for the first bore, which was well in the heart of the field, and after boring 90 ft. a seam of coal 20 ft. thick was pierced. From the borings obtained it was shown to be of a hard and good quality. This result being very promising, a site for No. 2 bore was picked, half a mile to the eastward of No. 1, and the drill is still boring in the apparent coal-measures. With a view of testing the field quickly and cheaply, a diamond drilling plant has arrived, and the intention is to bore, commencing from near the confluence of Charming Creek with the Ngakawau River, systematically right through the field.

GENERAL.

This mine being classed as a small producer, regarding tonnage, it is a matter for congratulation that the working-time experienced has been so good, on account of having to depend on so many small boats to take away the output. The output is sorted into screened, unscreened, screened nuts, and small, and often the mine works four days before a cargo of screened is ready.

The Railway Department do all they can to help along with the supply of railway-wagons, and it is hoped they will be as generous for the current year. The output is expected to again exceed

70,000 tons.

A new working-agreement was entered into during the year, with a currency of two years, and is

giving every satisfaction.

The officers have again performed their duties in a most satisfactory manner, and I am indebted to the Consulting Engineer for valuable assistance rendered in connection with the working of the mine, and the prospecting and testing of the new field. I have, &c.,

JAMES FLETCHER, Manager.

The Under-Secretary, Mines Department, Wellington.