107 C.—2.

The No. 2 Section, which is situated near the same terminus, has also opened up very unsatisfactorily. The seam in this section is very steeply inclined, the average dip being 47 degrees. Stone bands also occur in the seam, in consequence of which the main winning-places and several others are stopped. The number of miners in this section is limited to six pairs, there not being at any time sufficient area for further development to enable more to be employed, and for these reasons it will be impossible to extract the pillars and fill the coal in a marketable condition. The time is therefore not far distant when operations in this section will be abandoned.

The No. 3 Section, situated near the bins, has developed fairly well, proving a moderate area. This section is worked on two shifts employing fourteen pairs of miners on each shift. Although it is not profitable to work two shifts unless special circumstances warrant it, in this case, however, two shifts are employed, owing to a fault cutting off all winning-places in a northerly direction, thereby restricting the output. This displacement has been driven through in the main heading and the companion headings, and a commencement has been made to develop the outlying area. When opening up this seam provision was made only for a temporary haulage-road; the output has therefore been restricted. In order to cope with the present output with a minimum of labour, and at the same time enable the output to be increased until the new haulage-road which is now in the course of being driven is completed, an endless-rope haulage was installed during the period this section was temporarily stopped, per ding the arrival of permitted explosives for use in the mine.

Exploratory Work.

The development-work at this colliery not being satisfactory, a vigorous prospecting campaign has been carried out in a systematic manner by means of boring in close proximity to the haulage-road, also prospecting other parts of the reserve by practical miners. The result of such work has been satisfactory. Boring operations were carried out on the eastern side of the main haulage at the upper end. In all seven bores were put down, the approximate positions of which are shown on the accompanying plan. With the exception of one bore near Tararu Creek all were successful.

A moderate area of this seam having been proved, arrangements will be made at an early date to

develop the seam.

A sample of the coal from the bores has been analysed by the Dominion Analyst, the result of which is as follows:—

Fixed car	bon		 	 	 	59.36	
Volatile hydrocarbons			 	 	 	$34 \cdot 29$	
Water			 	 	 	0.88	
$\mathbf{A}\mathbf{s}\mathbf{h}$			 	 	 	5.47	
					100.00		
	Total sulphur		 	 	 0·28 per cent		

From the above analysis it will be seen that for gas-production, blacksmith, steam, and household purposes this coal should command a ready sale.

On the western side of the haulage-road the seam has been located (the outcrop of which is 20 ft. thick) and traced for a considerable distance. Further work is necessary before anything definite can be stated.

Workmen's Dwellings.

During the year the Department has erected four four-roomed, three three-roomed, and two two-roomed cottages for families, also twenty huts for single men. A boardinghouse was also purchased, which is centrally situated for workmen employed at the upper sections of this colliery.

At the present time the accommodation for workmen appears to be adequate. With reference to the cottage hospital, bath-houses, and electric tramway mentioned in the last annual report, this work is suspended in the meantime.

Surface Works.

The whole of the surface works and machinery which have been laid out on a permanent scale at this colliery have been maintained in efficient working order.

The following new buildings have been erected during the year: (a) Colliery office; (b) store for mine requisites; (c) surgery; (d) workshops; (e) lamp-room; (f) magazine for storage of explosives.

Accidents.

There have been a number of minor accidents during the year, and one which may be classed as serious, but no fatality.

Future Developments.

The principal works projected under this head are as follows: (a) Development of the area through the fault in the No. 3 Section near the storage-bins; (b) development of the seam recently proved by boring near the upper terminus of the main haulage-road.

In order to determine whether a profitable block of coal exists or not, that could be economically worked and dealt with by the present haulage, it will be necessary to thoroughly test the field by bores prior to the more expensive operation of driving tunnels.

In concluding my report, permit me to state that the officers in all departments have discharged their duties in a most satisfactory manner, and the Consulting Engineer has rendered valuable assistance in connection with the rapidly extending works.

I have, &c.,
I. A. James, Manager.