

Should the coal prove to continue of the same tender nature as it is at present, it would then have to be considered whether it could be disposed of at a profit as unscreened and gas. It could be very cheaply worked, and the production could in a short time be increased to 400 tons per day. It is desirable that a pair of drifts should be set off due south, but the workings would probably be to the rise, and to ventilate them it would be necessary to erect a fan. I do not think that a fan would be required for the drifts going north-east to prove the coal in that direction. Your coal would be an excellent one for making producer-gas, and a good foundry-coke could be manufactured from the washed slack. It is of great calorific value. I might add that an adit-level could be driven to drain the workings in the Hut Seam.

I inspected your staiths for shipping coal on the Mokihinui River, and it occurred to me, in view of the high rates of freight you have to pay, it might be advisable to convey your coal from this place to Wellington in lighters similar to those by which Messrs. Cory and Son bring their coal from the Humber to the Thames; and if your company bought a turret-built steamer carrying about 1,000 tons it would, in my opinion, be a profitable investment.

Coal Creek, which intersects the property, will supply a cheap motive-power, and there is a large quantity of valuable timber upon your property.

It should be borne in mind that the coalfields of this country are limited in area, that the whole of the coal in them is only equal to one year's production of Britain, and that they must, in consequence, become of great value in the future. In the event of your having a good household coal, I think it would be wise to establish depots in the principal towns of the colony.

I beg to append an inventory of the plant and materials. The coal in stock was as follows: Unscrened coal in bins, 420 tons; small coal in heaps, 300 tons.

In conclusion, I have a favourable opinion of the quantity of coal in your lease, its position for economical mining, its quality, and its calorific power; but whether or not it has sufficient coherence to command a sale for domestic use requires yet to be determined.

I am, &c.,

JOSEPH PROUD.

The Directors, Mokihinui Coal Company (Limited),  
Wellington.

N.B.—I regret to report that I did not find any hard coal in my examination of the working-places. I consider it very important that all work be executed under contract and not by daily wages; also, that the coal should be undermined from 3 ft. to 4 ft., and nicked at one side accordingly, and that it either be wedged or blasted. I examined your coal while it was being shipped into the s.s. "Rosamond." I found it to be much smaller than what I saw at the mine, owing to the defective mode of shipping, which causes great breakage.

#### EXTRACTS FROM THE GOVERNMENT INSPECTOR'S REPORTS.

*Mokihinui Mine.*—This mine was worked last year by what was known as the Knights of Labour, but they handed it over again to the company. Owing to the numerous faults met with, together with the difficulty of disposing of the coal, the men were unable to make wages. (15/5/95): Eight men engaged in splitting pillars in the old mine, and the water was being allowed to rise in the dip-workings. For the purpose of opening up the outcrops known to exist ahead of the old workings, three shifts of three men each were driving a new road in the line of the extension of surface tramway, and were in about 3 chains. The size was 9 ft. by 6 ft. 6 in., and heavy sets of black-birch were being put in. Four men had started to drive back to meet this from a point on the opposite side of the spur, about 10 chains from the mine-mouth. They were in about half a chain, and had just touched brown marl, so I pointed out they would probably have coal underneath, and this was shortly afterwards cut. Four men were also making a road on the surface in the line of the extension of the new drive. The total number of men employed was thirty-six. (30/9/95): The new incline and surface tramway—the latter some 9 chains in length—have been completed, and a top drive has cut the coal about a chain and a half in. After running about a chain in coal some driving in stone had to be done, as a trough in the measures was met with. Two places are now working, employing four men per shift. The coal does not look very good, clay backs showing, and a little stone coming in. A new drive has been also put in, running south from the west side of the surface-incline, cutting the coal at a chain-length in. The coal is only of moderate quality, and about 5 ft. in thickness. Two places are working, employing eight miners in two shifts; air good, an air-shaft having been sunk to the level. At date of writing steps are being taken to open up the Hut Seam, near the old workings, as the coal near the outcrops opened up by the new incline has not, so far, turned out very well.

#### REPORT BY MR. ALEXANDER ON THE UNDERGROUND WORKINGS OF THE MOKIHINUI COAL-MINE.

At the time Mr. Alexander took charge the south-west heading was being driven, and was in about 17½ chains, being then in a faulty ground. He continued driving the same heading, and after driving about 3 chains a good class of coal began to come in from the bottom, a sample of which was sent to the directors. Just about this time a fire broke out in the Lawrence Section, and by blocking all of the return airway prevented further prospecting of this heading.

The Lawrence Section when the fire occurred was practically wrought out; the pillars had been split a short time previous to the breaking-out of the fire. The coal in this section was of a better class than that wrought in the south-west heading; it was not so much troubled with stone, but it was of a very friable nature. The Lawrence heading coming to a fault running south caused the stoppage of this heading. No more work has been done in this portion of the lease since the fire was extinguished.