

nedy, who surrendered it in December, 1886, and obtained in lieu thereof a new lease for sixty-three years from 1st January, 1887, at an increased rental and output. This lease is still in force, but was acquired by the Grey Valley Coal Company in August, 1888. The conditions are the payment of a dead-rent and the outturn of a specific quantity of coal, as follows:—

First eight years	....	Rent, £480 ; output, 45,000 tons.
Next twenty-eight years	"	£750 ; " 75,000 "
Last twenty-seven years	"	£1,000 ; " 100,000 "

And during the first eight years a royalty of 6d. per ton, to be thereafter increased for the remainder of the lease to 1s. The dead-rent, however, is merely a minimum of royalty, and is not chargeable when the royalty exceeds it in amount.

100. The output from this mine from 1874 to 1889, both inclusive, has been 609,710 tons, and the royalty derived therefrom, at 6d. per ton, has amounted to .... £15,242 14 4

A surface lease granted to the Grey Valley Coal Company for a term concurrent with the coal lease has yielded to the end of 1889 .... 150 0 0

In all .... 15,392 14 4

Since this mine passed into the hands of the Grey Valley Coal Company the output has materially diminished, and fell last year below what is required by the lease, although the dead-rent was nearly equalled by the royalty.

The following table shows the figures during the currency of the above leases, inclusive of 1889:—

	Tons cwt.	Tons cwt.	£ s. d.	£ s. d.
1874, Royalty at 6d. on	13,730 0		343 5 0	
1875, " "	17,266 10		431 13 3	
1876, " "	18,837 10		470 18 9	
		49,834 0		1,245 17 0
1877, " "	22,167 0		554 3 6	
1878, " "	19,404 13		485 2 0	
1879, " "	26,724 4		668 2 0	
1880, " "	27,981 10		699 10 9	
1881, " "	25,565 10		639 2 9	
1882, " "	37,385 17		934 13 0	
1883, " "	53,567 3		1,339 3 6	
1884, " "	63,316 4		1,582 18 1	
1885, " "	80,461 0		2,011 10 6	
1886, " "	68,313 0		1,707 16 6	
1887, " "	61,104 11		1,527 12 3	
1888, " "	54,741 0		1,368 10 6	
1889, " "	19,143 16		478 12 0	
		559,875 8		13,996 17 4
		609,709 8		15,242 14 4

#### COAL-PIT HEATH MINE.

101. That the area of the Coal-pit Heath Mine is 777 acres, comprised in Section 231, Square 119, Grey Coal Reserve, a lease of which was originally granted to the Coal-pit Heath Company from the 1st January, 1875, and was transferred to the Westport Coal Company in September, 1887. The rights of this area were, in August, 1888, acquired by the Grey Valley Coal Company, although not then, and probably not yet, actually transferred to it. A surrender, however, has taken place, and a new lease, also in name of the Westport Coal Company, for sixty-three years from the 1st January, 1889, has been issued, the conditions of which are—

102. The payment of a dead-rent and the output of a specified quantity of coal, as follows:—

First eight years	....	Rent, £250 ; output, 8 years, 25,000 tons.
Next twenty-eight years	....	" £500 ; next 21 years, 30,000 "
Last twenty-seven years	....	" £750 ; remainder, 50,000 "