In the lower Old Dip Area, two pairs were engaged on pillar-extraction with good results, and another pair is splitting through old pillars in an endeavour to reach a small area of unworked ground. This work was interrupted by a large stone "roll" in the floor

Mine Creek: In the early part of the year a start was made with the extraction of the Mangatini rope-road pillars. Three pairs are engaged here. Mining conditions are difficult as the area carries a large volume of water in wet weather. In Pollocks Level, one pair has maintained good extraction in high coal, but trouble was experienced in the latter part of the year with heatings.

A large amount of material has been recovered and taken to the "Cross Cut Flat," which gives access to the second, third, fourth and sixth west fire areas, in readiness for

another line of stoppings for fire protection.

In the North-east section, four places are being driven along the top edge of a hill through which there is every possibility of the continuity of the seam. It is proposed to have this hill bored and, should results be favourable, the seam worked from the lower end.

Bathhouse.—A scheme for the improvement of the bathhouse was put into operation during the year and will be completed when the remainder of the heating-apparatus comes to hand.

Cottages.—A considerable amount of interior renovating has been done to the cottages both in Millerton and Granity.

First Brake Engine.—During the Christmas holidays the main lowering hydraulic engine situated at Millerton was given an extensive overhaul.

Denniston Colliery

Coal-winning.—The Department commenced to operate this mine on the 1st April, The gross output for the year was 75,904 tons 9 cwt. After allowing for waste (627 tons 10 cwt.) and the quantity used on works (8,957 tons 5 cwt. 2 qr.) there remained for disposal a net output of 66,319 tons 13 cwt. 2 gr. Taking into account the stocks at the beginning and end of the year, the following statement shows details of the coal disposed of during the year:--1at April 1948.

Dana and an

1st April, 1948—			Tons c	wt.	qr.	Tons of	wt.	qr.
Stock in bin and yard .			2,200	0	0			
Stock on wharf			525	5	0			
						2,725	5	0
Add net output for year	r					66,319	13	2
Add surplus taken on c	$_{ m harge}$					502	О	3
31st March, 1949—						69,546	19	1
Less stock in bin and yard	1		150	0	0	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,		
Less stock on wharf				5				
12050 moore of with	•		***************************************			905	5	1
						68,641	14	0
	Dispe	sals						*
	-		Tons c	wt.	qr.			
Shipped			57,616	19	2			
Railed			4,018	8	$\cdot 2$			
Railway sales			413					
Local and mine sales .			4,476	18	0			
Sales to workmen and free i	ssues		2,115	17	0			
						68,641	14	0