Willowbank Mine.—An area of good-quality coal has been developed from the south crosscut dip. This development work is on one side, approaching a volcanic intrusion and on the other side, the old mine workings, consequently further development in this section is very limited.

East Taieri Mine.—Development was pushed ahead through the old workings, which now appear to be definitely passed, and there appears to be every chance of opening up a new area in good coal. Special care will need to be taken of the new haulage road, as the splitting of the pillars has weakened the roof-support. If the ground is not well timbered it will, in all probability, commence to creep. If this happens it will be very difficult to open up the new area.

Burnwell Mine.—No work has been done during the year.

Eskvale Mine.—There has been no development work done at this mine, all the coal being won by pillar-extraction.

Elliotvale Mine.—Pillar-extraction in the upper portion of the workings has been stopped and the dip has been driven another 200 ft. Developing levels are being driven on both sides of the dip. The coal-seam in this area contains a stone-band, varying in thickness to a maximum of 1 ft.

Kai Point Mine.—The work of extracting pillars in the old mine has been completed and the mine was closed down on 5th December. A new mine has been started about 20 chains to the west of the old mine. A short level drive picked up the seam near the outcrop, the thickness of which is not yet known. The quality of the coal appeared to be quite good.

Benhar Mine.—There has been very little development during the year, the greater part of the output having been won from the pillars and head coal on the north side of the main dip. A little development has been done on the south side, where the coal-seam has maintained its thickness and quality.

Taratu Mine.—No mining, apart from the production of sufficient coal to generate power for pumping, has been done. Sufficient staff is employed to keep the mine and plant in fair working-order. This position has existed since September, 1936.

Lakeside Mine.—There has been no development work done at this mine, the whole of the output being won by pillar and head-coal extraction.

Wangaloa Mine.—Development has been carried on to the west of the main dip. The bottom west level has been driven 6 chains, and is in good quality coal 25 ft. thick.

Kaituna Mine.—No mining operations were carried out during the year.

Kaitangata Mine.—During the year the work of extracting pillars in the old No. 2 seam was completed and the area scaled off. The operations carried out are as follows:—

No. 2 East Side: The upper seam has been developed and an area of good coal made available for pillar-extraction. This seam is of an average thickness of 8 ft., and practically all the seam is being won. The main heading to the east in this area was driven a distance of 810 ft., but the coal-seam gradually thinned and finally pinched out altogether.

No. 3 East Section: A considerable amount of driving was done, but the greater part of the seam was found to be inferior in quality.

West Section: Pillar-extraction has been carried out and, in one part of this section, the seam was proved to be over 30 ft. in thickness.

Main South West Dip: This dip has been driven a distance of 750 ft. in good-quality coal, and the levels to the north have been driven 700 ft. The prospects in this seam are very favourable, although the gradient, which is 1 in 2, may present some difficulties.

Samson's Seam: Development has been carried on in this area, which is between the north-west dip and the old workings. The seam is 25 ft. thick. Some pillaring is being done also.

Prospecting: About a mile to the south of the present mine a stone-drive is being put down to the east on a grade of 1 in 2½, in an attempt to pick up the coal-seam which was proved by the main dip in the west section. The drive is now down 850 ft. and, if successful, it is proposed to use it as an aircourse for development work, which will be done west of the main fault.

SOUTHLAND MINES.

Hakatere Mine.—Development work is being continued in a small way in a northerly direction. The main level face is now 8 chains from the mine entrance and cut-throughs are being driven every 40 ft.

Waimumu Pit.—Opencast operations are still being carried out along lines similar to previous years. The seam is very thick and is worked in two lifts.

Otikerama Mine.—All the coal has been won by pillar-extraction, no development having been done. The life of this mine is very limited.

Croydon Pit.—This openeast mine has been worked only intermittently. The coal at the face is fully 30 ft. thick.

Beattie Coster Mine.—Opencast mining has been continued through the year. The work in the present area is very limited, and arrangements are in hand for opening up a fresh area 33 chains from the present pit.

Green's Mine.—A small amount of development work was done in the first part of the year in the cross-cut dip section, but later the pillars were split and robbed up to the top of the crosscut dip. The pump was taken out and the water allowed to rise to a point approximately 6 chains from the mine-entrance. Arrangements are in hand to carry on further development in a southerly direction. The levels on this side have been driven 10 chains from the main dip.

Boghead Mine.—The main dip was continued to a distance of 11 chains in a westerly direction from the mine-entrance, and development is being carried out from two levels, one north and one south. The north level has been driven 10 chains, and the south level 6 chains.

Glenlee Mine.—All the work done at this mine has been on development. A main level and companion level are being developed in a northerly direction. The main level is now in 50 yards.

Springfield Pit (Gore).—No work was carried out at this mine.

Ota Creek Pit.—This is a small opencast pit and has been worked intermittently.

Waimumu Terrace Pit.—Coal was mined from this opencast pit during the first half of the year only.

Raby Pit.—Opencast work has been carried on at this pit; the coal being worked here is 20 ft. thick.

Coster's Pit.—Opencast workings are being carried on here in a small way.

Kea Pit.—These workings are opencast. The coal is 14 ft. thick and the stripping 8 ft. thick. The stripping is from 2 chains to 3 chains back from the working-face.

Titapua Pit.—The coal in this opencast pit is 12 ft. thick, with 6 ft. of stripping.

Landslip Pit.-No work has been carried out at this pit during the year.

Argyle Pit.—At these opencast workings the tail-race has been made deeper with a view to mining coal at a little lower level.