LIEUTENANT-COLONEL PATERSON TO GOVERNOR KING.
(King Papers)

Dear Governor,

As Mr. Grant gives you the detail of our voyage to this place, it will, of course, be more explanatory than anything I could say on that head. He will, of course, inform you how near our pilot had brought the Lady Nelson into a very unpleasant situation, from mistaking an open bay about 13 miles to the southward from this port. [The open bay was the entrance to Lake Macquarie. The entrance was given the name of Reid’s Mistake, which it retains to this day. William Reid (or Reed) was master of the Martha, 30 tons, ante, p. 205 (note)]. We, however, got to anchor at the island on the 14th. As we went in with an ebb tide, it was as much as we could do to tow the vessel clear of the surf, which was running very high. Next morning we got round the point, since which time every one, I assure you, has been busily employed. My first object has been to ascertain the different strata of coal, and to give you what information I can upon that head.

The northern point of land, which I have call’d “Colliers’ Point,” is composed of two stratas in sight and one which is bare at low-water mark only. This is by much the best coal, which you will see by the specimen I desired might be kept apart from the other, which is the middle strata, about 16 in. deep; that below is 22 in.; the distance between them is about 20 ft. The upper strata is too near the surface to be worth working. Upon the island, which I have named “Coal Island,” the stratas are the same as on the mainland. The bed of coal at low-water mark is rather better than at Colliers’ Point, and might be got very quick, as the anchoring place is close to the coal; but, if the coal work is to be permanent, I should sujest the mines to be on the main, which might be sunk with very little trouble, and I have no doubt but that in a very short time Government would find their advantage in it. Salt works might be erected and carried on at very little expence, as the rubbish of the coal that is not worth sending to Sydney would answer the purpose of boiling the salt, and there is such abundance of fish that a few industrious fishermen might in the course of the cold season load several vessels with excellent fish. These are my present ideas with respect to the entrence of this place. I have not as yet discovered anything like lime-stone, but the quantity of oyster shells on the beaches inland is beyond conception; they are in some places for miles. These are four feet deep, without either sand or earth. Vessels might lay within a few yards of where they are found.
The hills from this to the southward are covered with excellent grass, without any wood or shrubs, except in the valleys, and those but little. As they have much the appearance of those hills you see sheep feeding on in England (and I am certain would answer well for that purpose), I have named them the “Sheep Pasture Hills.” The low land along the water side is in general sandy, with very high trees – chiefly swamp oak and gum trees. This soil will answer very well for India corn.

Harris and myself have been out every day, but as our observations as yet are not of any particular use, I hope we shall be more perfect by the return of the schooner, which we may expect in about three weeks; but this place is so extensive that I do not think it can be surveyed by the time you have ordered Mr. Grant to return, and it would be a pity to leave it till the survey was complete. I have only to say every one is doing what they can to effect it as soon as possible. I have made several discoveries in my own way, and one that may prove useful to Government, which is a new special of cocoanut. The tree grows from 40 to 50 feet high. The fruit is not so large as those found within the tropics.

Plat, the collier, and his party have done wonders in getting the coals for the schooner so soon. I shall keep them going on, and get the coals laid in a situation where the tide cannot reach them. If they are to continue her they will want more picks and baskets.

The sawers have cut some corkwood, which is the only wood worth cutting at this place where we are laying. They are now at Ash Island, and whatever Aikin can take at this trip shall be sent. Whether it is the novelty of the business or from any other cause I know not, but every one seems to try to out-do the other in working.

We have had very strong westerly winds for some days, otherwise the Lady Nelson would have been up to the Cedar Arm and the sawers employed cutting cedar. If they remain any time here, they will want two more falling axes and some files. We have not as yet had any communication with the natives. We have seen them at a distance, but remarkably shy. Yesterday, the 22nd, Mr. Barrallier and Bowen fell in with one by accident and brought him on board, but as Bungery had left us we could make nothing of him. He was more removed from the human race than any I have yet seen. He would neither eat or drink, and kept constantly repeating what he heard others speak. After cutting his beard off, we gave him some biscuit and sent him on shore. Where they found this native, Whitaker the soldier observed a person about 50 yards off with a jacket and trousers, which he believed to be a European. There is not doubt of Grace’s being in this neighbourhood, and from what we could learn (from a native that came on board at the bay I mentioned to the southward of this), he is the only one left of the party.

A few days ago, in company with Mr. Grant on the beach, we observed a person in tattered cloaths coming towards us. We found him to be a man named Lofts, who had charge of Underwood’s boat. As he returns in the schooner, he will give you all the particulars of his sufferings.

As we have not heard anything of Mr. Palmer’s people, I begin to think the natives have caught them off their guard, which may occasion their shyness. However, it is probable they may be so far up the Cedar Arm as not to have heard anything of our arrival, and it is not improbable they may have gone into the place called Reed’s Mistake. [Lake Macquarie.] Even in that case, we should have heard of them from the native that came on board.
Mr. Palmer’s people are arrived. Mr. Grant will give you the particulars.

Should you judge it necessary to continue the colliers or sawers at this place, I think if you send some grubbing hoes and some spades, Indian corn and garden seeds, they might be able to raise vegetables for themselves.

I beg my best respects to Mrs. King, and love to Elizabeth. With compliments to Chapman and McKellar.

I remain, &c.,

W. PATERSON.