

to 18th March—the water-supply in the race was never more than twelve heads, and for most as low as five heads—not anything equal to half a supply. Four elevating claims have been at work in Main Gully during the past year, three of which worked night and day whenever water was available, all I understand with good results. On four others in same locality plant is now being got ready to be placed in position before winter sets in. This gully has now been taken up for fully four miles and a half in length in claims of large area to be worked principally on the elevating principle. Before these extra claims can be supplied with water it will be necessary to widen the main race (four miles in length) from Coalpit Gully to Home Gully dam, so as to increase its carrying-capacity from ten heads as at present to sixteen heads. This, in conjunction with the dam in Mulholland's Gully (built during the year), would enable me whenever there was a full supply of water to keep all hands going during the day-shift. This widening can be done in the spring when the race is being cleaned out. The rush in July at Johnstone's Creek has not turned out as was expected, only one party (McConnochie and Kennedy) having held on to their claim. Owing to the dryness of the season they could not be supplied with water to give it a fair trial as all the water in the race was wanted for Naseby. The race has been kept in a good state of repair during the year by the maintenance men.

BLACKSTONE HILL WATER-RACE.

The total sales of water from this race amounted to £115 19s. 3d., and total cash received was £111 19s. 3d. Free water for assistance was given to the value of £6 5s. The total water supplied was £122 4s. 3d. The total cost of maintenance was £5 8s. 6d. The branch race from the right-hand branch of Hill's Creek to its junction with the main race was cleaned out in May. Like the Mount Ida, this race since December has been very short of water; it will require to get a side-trimming in the spring. W. Wade, in June, ceased to take water, and during the rest of the year there were only four parties using it. The average number of miners supplied with water from this race during the year was 8·75, and the approximate quantity of gold obtained was 183 oz., valued at £704 11s.

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The Under-Secretary, Mines Department, Wellington.

R. MURRAY, Manager.
