

The supplying race from Enterprise Terrace dam kept scouring so much that to prevent this I had it stepped with 4 ft. lengths of corrugated iron, which has answered the purpose very well, and cheaply. I also had to scrub the water face of one of the dam-banks where the high winds were eating it away.

A thunderstorm lasting for half an hour broke through one of the dam-banks on Wet Gully Terrace. I had it repaired in two days, and the water on again.

The season has been so extraordinarily dry that on an average the water-supply did not give more than half time to the miners (week about) in January, and to the 12th February not more than six heads in the whole length of race could be landed at Naseby.

On the 18th February I started to clean and widen the race from 4 ft. to 6 ft. from the Idaburn to Hill's Creek, a length of 13½ miles.

The race has been very free from breaks, only two during the season being reported.

Sixteen elevating claims have been at work in the district during the year, twelve of them being supplied from the Government race.

Three parties have been during the year sluicing in the Maori bottom.

The number of days on which no water was supplied was: Winter and widening, 51; Christmas, 1; New Year, 1; Naseby races, 2: a total of fifty-five days.

The winter was a short and open one.

No new ground has been opened during the year.

#### BLACKSTONE HILL RACE.

The total sales of water from this race during the year amounted to £25. The total cash received was £25. The total cost of maintenance and repairs was 16s. The number of miners supplied with water was three, R. Johnstone and Sons being the only ones.

This race having had a good cleaning-out last year, only two days' work by one man was required this year.

R. Johnstone and Sons were granted four months' free water to test deep ground below but alongside of where they have been working, having had to deepen their tail-race to get into it.

I have, &c.,

R. MURRAY, Manager.