

Coolgardie based contractors were engaged to build the dam at a tendered price of £42,000. But the Government engineers had miscalculated the depth of the bedrock that would need to be blasted away in order to construct the concrete wall. The actual work ended up costing £62,000. The contractor's biggest challenge was getting a vast quantity of powdered cement to Niagara from Coolgardie where it had been railed from Perth. The distance to Niagara was some 220km and they decided that the only way to efficiently transport the cement would be by camel train.

By the time the dam was completed, it had accumulated very little water due to a lack of rainfall. To make matters worse a plentiful supply of good underground water had been located at nearby Kookynie.

In 1900 a journalist writing for the North Coolgardie Herald noted that 'the fact that £60,000 of good Government money was swallowed up in constructing the white elephant need not distract from your enjoyment of the sight. You may console yourself with the reflection that there may be a time when the reservoir will be put to some use'.

Such a time was not to come, however, for over a century this oasis in the wilderness has provided a picnic, swimming and camping spot for visitors and locals alike.

The dam took its name from the nearby town of Niagara, which was booming at the time of the dam's construction.