

plete this line, at least as far as the grading has been done, during the present season. A land grant of 6,400 acres per mile appertains to 185 miles of this branch.

The Barnsley branch of the Manitoba Southwestern Railway (leased to your Company in perpetuity) was completed to Carman, six miles.

No securities have as yet been issued in respect of either of these new branch lines. Their cost has been covered by temporary advances from the general funds of the Company.

The Qu'Appelle Long Lake and Saskatchewan Railroad and Steamboat Company extended its line during the year to a point 150 miles northwesterly from Regina, and will continue it to Prince Albert on the North Saskatchewan River during the present year, a total distance of 250 miles. This line passes through a fertile country, connects with the navigable waters of both the South and North Saskatchewan rivers, and reaches the important settlements near the confluence of those rivers. It is expected to develope a valuable traffic, and must soon become an important feeder of your railway. Your Directors have agreed to a lease of this line for a term of six years, without rental, and they have at the same time secured an option to purchase it at the end of that period; all of which you will be asked to confirm.

You will also be asked to authorize the lease of the Calgary and Edmonton Railway for a similar period and on similar terms. It is expected that about 100 miles of this line will be completed during the present year, and that it will not only reach Edmonton next year, but